

CITY OF HAGERSTOWN



CITY ADMINISTRATOR'S ADOPTED BUDGET

Fiscal Year 2016 - 2017

July 1, 2016 - June 30, 2017

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GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Hagerstown
Maryland**

For the Fiscal Year Beginning

July 1, 2015

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.

FY2017 Operating and Capital Budget Process

Throughout the current fiscal year, the City Administrator and Department Managers have presented and discussed various budget agenda topics with Mayor and Council. The budget discussion topics took place between July 2015 through February 2016 and provided opportunities and guidance for the creation of the FY17 budget document. A listing of discussion topics and dates are located in the budget message in Section 1.

During the months of November and December 2015, departmental management and staff conducted departmental reviews of the Capital Improvement Program (CIP) projects. Discussions and/or meetings were held with Department Managers to review the compiled CIP projects for prioritization of timing and funding within department and City goals. The Department Managers obtained requests from departments, neighborhoods, and homeowners for CIP projects. To assist the City Administrator in determining and recommending projects for funding, priorities were placed on capital projects that impact the City's facilities and infrastructure, safety and environment, legal provisions, and budget. During the same timeframe, Department Managers met with Budget staff to review individual departmental CIP requests.

In addition, the first public hearing on CDBG funding needs was held on December 17, 2015.

Budget review meetings began in January 2016 between Department Managers and the Budget Committee to consider departmental operating budget requests. From January 2016 through March 2016, priorities for the upcoming year were discussed and outlined. A number of requests for funding changes were discussed; and, requests that were approved by the City Administrator were incorporated into department budgets. Approved changes and proposed adjustments were then discussed with the departments. As a result of these meetings and deliberations, the Budget staff compiled the FY17 City Administrator's Proposed Operating Budget and the Capital Improvements Program for FY17 - FY21 for presentation to Mayor and Council.

On March 31, 2016, the City Administrator and Budget staff, in conjunction with City Management, will present the Mayor and Council with the FY17 City Administrator's Proposed Budget for review. The Mayor and Council and the City's senior management will work together from April 1, 2016 to May 24, 2016 to review and discuss the proposed budget and CIP projects. A public hearing will be scheduled for May 10, 2016 to discuss the Operating Budget, Capital Improvement Program (CIP), and property tax rates. A second public hearing will be scheduled for May 12, 2016 to discuss the Community Development Block Grant funding needs.

THE BUDGET DEVELOPMENT PROCESS
FISCAL YEAR 2016/2017

Mayor and Council are scheduled to introduce the ordinance for the approval of the budget and CIP projects on May 17, 2016. It is estimated that approval to adopt the ordinances to approve the budget as revised by Mayor and Council, which will include water, wastewater, electric, other service charges and any changes to the property tax rate, will take place on May 24, 2016. To conclude the Budget Development Process, Budget staff will implement the FY17 Mayor and Council's Adopted Budget and the FY17 - FY21 approved CIP budget during June and July 2016. The FY17 adopted budget will become effective on July 1, 2016. The adopted operating and CIP budget is available on the City's website at www.hagerstownmd.org

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

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

The City helps expand, retain and attract businesses, oversees planning and permitting functions, and provides community events programming. The community enjoys 19 parks and additional recreation facilities throughout Hagerstown, to include a municipal golf course, a public swimming pool, and an indoor ice and sports complex. The City provides a clean, safe and well-maintained environment in our neighborhoods and community gathering places. The community receives public safety protection through the operation of the City's career fire and police departments.

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

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

Hagerstown was named the "Hub City" back when railroading was a primary source of transportation; the name has stuck throughout the years due to the city's unique positioning at the hub of Interstate 81 and Interstate 70. Today creative service and technology-related companies are recognizing Hagerstown's close proximity to Baltimore and the D.C.-metropolitan area as an asset, and Hagerstown is seeing a trend in those companies locating in the city. Retail opportunities are expanding in the community among both big-box and small businesses throughout area shopping centers. In downtown Hagerstown, over 20 distinctive, locally-owned and operated dining options can be found within a two-block radius in each direction from the Public Square.

Residents and visitors alike find Hagerstown to be an ideal combination of city living and small-town charm. Downtown Hagerstown's Arts & Entertainment District is home to the historic

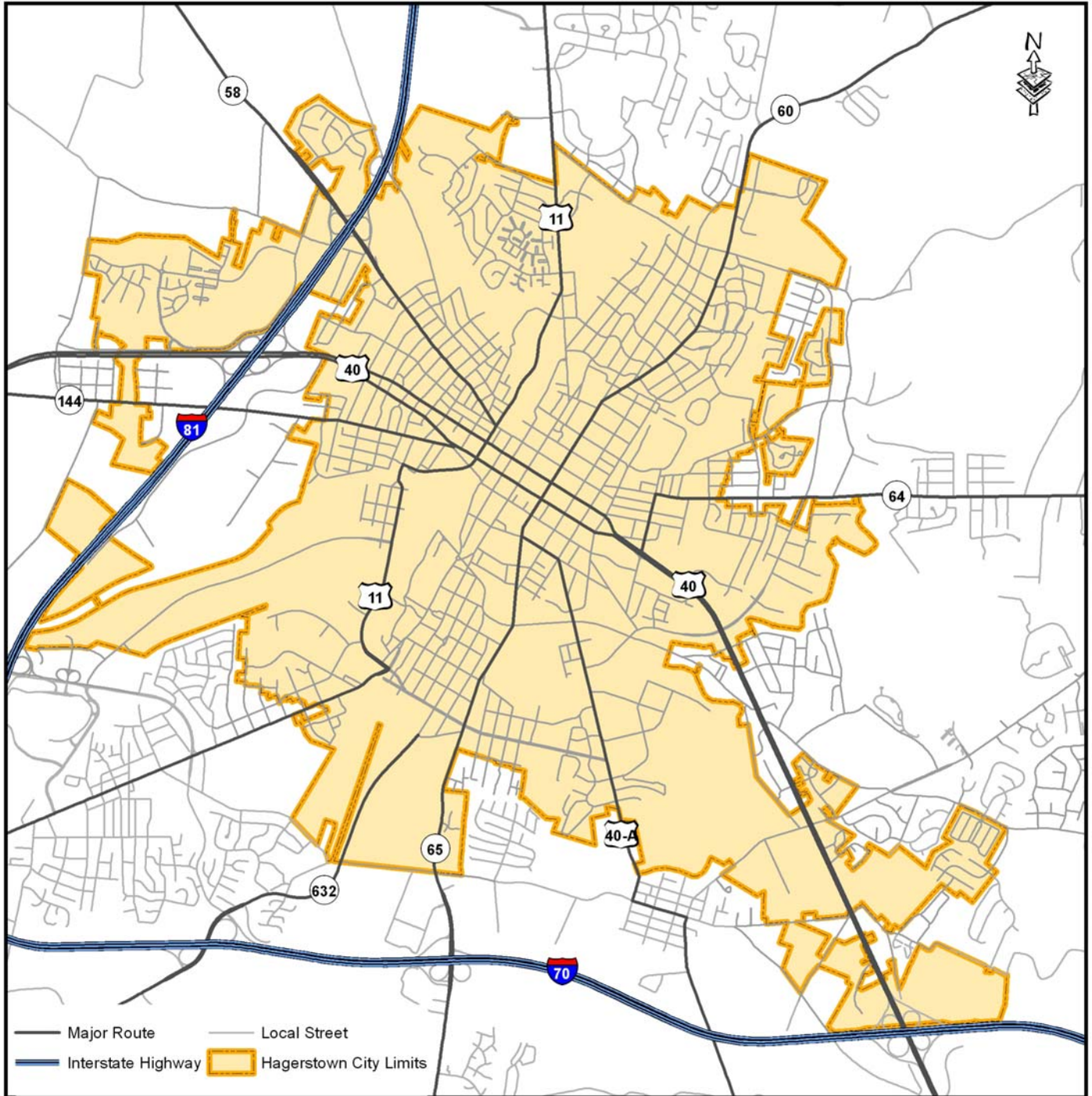
Maryland Theatre, which hosts the Maryland Symphony Orchestra and other popular performing groups and acts. Area artists proudly display their work at the Washington County Arts Council and other local art galleries. The Washington County Museum of Fine Arts is one of four designated fine arts museums in the state of Maryland, and welcomes visitors to its galleries from the picturesque setting of City Park, profiled as the most beautiful city park by a national travel website. City Park is one of 19 parks throughout the park system, which also includes the community's first Dog Park. All parks and recreation facilities owned and managed by the City are smoke-free, with the exception of Municipal Stadium and The Greens at Hamilton Run, a nine-hole golf course overlooking a mountain view. The Hagerstown Ice & Sports Complex hosts hockey games, figure skating competitions, and public skate for amateurs on the ice. The University System of Maryland Education Center opened in the heart of downtown in January 2005; and, currently there are 6 universities offering 13 undergraduate programs and 7 graduate programs, including a doctorate-level degree.

The population of the City of Hagerstown and its surrounding suburbs grew by approximately 5.6% between 2006 and 2015. More recently the trend has remained flat. The 2013 population estimate for the City of Hagerstown is 39,662 with the suburban fringe containing approximately another 61,866. In the City of Hagerstown, there are currently 1,338 housing units in various stages of development and construction. Many residents have organized into groups under the City's Neighborhoods 1st program to take responsibility for the well-being of their neighborhood and build community pride.

The City of Hagerstown and its community partners are proud to organize and host special events that bring people together from Hagerstown and the surrounding region. The annual Western Maryland Blues Fest has grown in popularity for nearly 20 years, attracting blues music fans to the three-day festival from all around the Mid-Atlantic coast area. The annual Augustoberfest is a weekend festival that celebrates the city's German heritage with Bavarian food, entertainment, and merriment. A newer event, the Krump's New Year's Eve Donut Drop, is hosted by local entertainment guide, What's NXT, and creates a mock midnight celebration for families who count down as a giant paper-mache donut descends from the clock tower in Public Square.

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

MAP – CITY OF HAGERSTOWN
FISCAL YEAR 2016/2017



MISCELLANEOUS STATISTICS – JUNE 30, 2015
FISCAL YEAR 2016/2017

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)	12.1

Fire Department

Number of Stations (4 volunteer, 2 City owned)	6
Number of Fire Hydrants (within City limits)	825
Responses to Fire alarms	3,588
Average response time (in minutes)	4:13
Malicious False alarms (included in above number)	32
Public fire education programs	906
Persons in attendance at public education programs	7,677

Parks and Recreation

Parks and Playgrounds (299.167 acres)	19
Minor League Baseball Stadium (9.94 Acres)	1
Outdoor Swimming Pool (Claude M Potterfield Pool 1.5 acres)	1
Total attendance at swimming pool	16,195
Average daily attendance at pool	176
Municipal Golf Course (The Greens at Hamilton Run 61.9 acres)	1
Total attendance at golf course	12,360
Average daily attendance at golf course	50

Electric Department

Number of active accounts	16,866
Number of meters (in use)	17,556
Kilowatt hours purchased	310,397,995
Kilowatt hours sold	306,698,130
System peak demand-kilowatts	67,655
Number of substations – 34.5KV to 13.8KV	7

Water Department

Number of active accounts-City	13,112
Number of active accounts-County	15,631
Total number of active accounts	28,743
Daily average productions in million gallons	
R.C. Willson Plant (365 days)	11.317
Wm. M. Breichner Plant (365 days)	0
Greatest consumption for a single day	14.12
Plant pumping capacity per day	20
Average daily metered consumption	8.244
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
2010	39,996
2015 (Estimate)	40,364

Police Department

Parking ticket violations issued	8,684
Net parking fines	\$ 118,225
Safe Speed Program citations issued	37,526
Calls for service	61,250
Alarm calls (included in above number)	564

Public Works

Miles of paved streets and alleys	153.36
Number of traffic signals maintained	133

Parking Facilities Department

Number of lots	8
Number of Parking Spaces (metered or rented)	
Lots	715
Streets	372
Parking Decks:	2
Number of Parking Spaces	625
Number of Permit Parkers	667

Wastewater Department

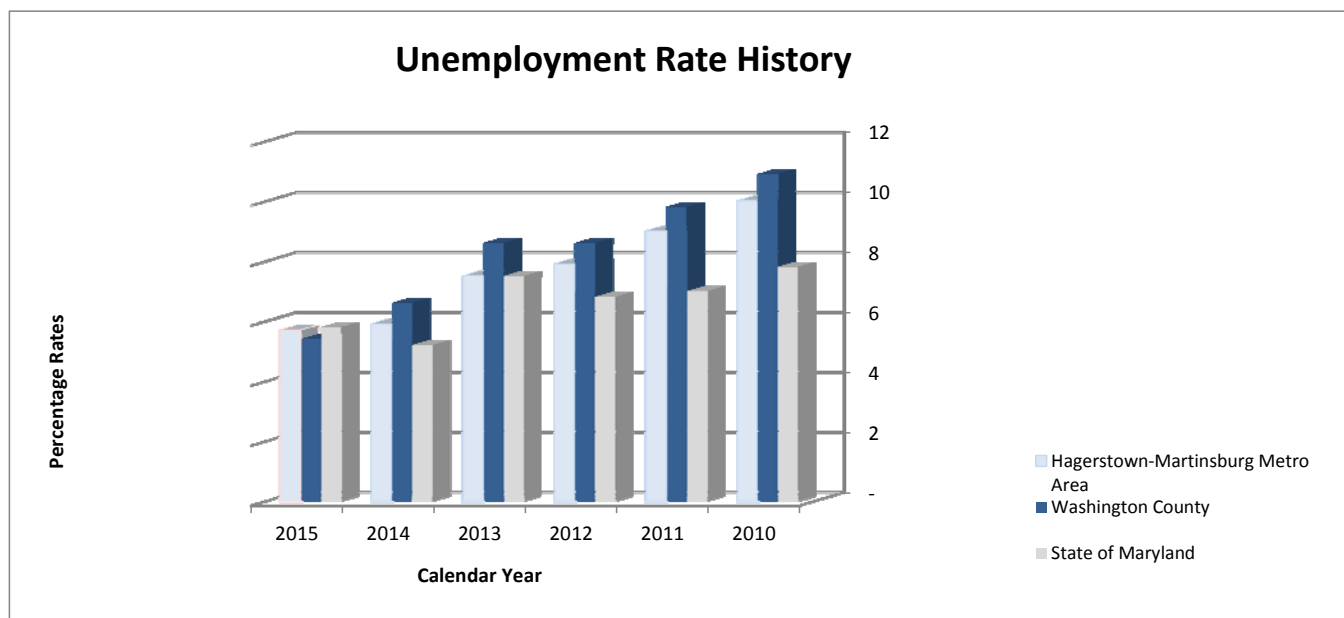
Number of active accounts-City	12,853
Number of active accounts-County	2,912
Number of active accounts-District (JSA)	3,577
Number of active accounts-Total	19,342
Daily average of sewage treated (in million gallons)	6.94
Daily average plant capacity (in million gallons)	8
Number of City owned pumping stations	25
Miles of collection system – City owned	156

MISCELLANEOUS STATISTICS – JUNE 30, 2015
FISCAL YEAR 2016/2017

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

Employer	2015			2006		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Washington County Public Schools	2,970	1	4.46%	2,749	2	4.11%
Meritus Health, Inc. (Washington County Health System, Inc.)	2,740	2	4.11%	2,908	1	4.35%
State of Maryland	2,568	3	3.85%	2,506	4	3.75%
First Data Merchant Services	2,322	4	3.48%	2,163	5	3.24%
Citicorp Credit Services, Inc	2,100	5	3.15%	2,600	3	3.89%
Volvo Powertrain NA (Mack Trucks, Inc.)	1,517	6	2.28%	1,772	6	2.65%
Washington County Government	1,352	7	2.03%	954	7	1.43%
Hagerstown Community College	890	8	1.34%			0.00%
The Bowman Group, LLC	746	9	1.12%			0.00%
Federal Government	705	10	1.06%	671	9	1.00%
Staples Distribution Center			0.00%	700	8	1.05%
Good Humor-Breyer's Ice Cream Inc.			0.00%	477	10	0.71%
Total	18,153		26.88%	17,500		26.18%

Source: Principal Employers for Washington County MD provided by Hagerstown/Washington County EDC
Total County employment for 2015 was 66,660 and 2006 was 66,827, supplied by Bureau of Labor Statistics.



MISCELLANEOUS STATISTICS – JUNE 30, 2015
FISCAL YEAR 2016/2017

**Principal Property Taxpayers
Current Year and Nine Years Ago**

Taxpayer	2015			2006		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Washington Real Estate	\$ 58,779,866	1	2.35%	\$ 44,290,398	1	2.40%
Lowes Home Centers, Inc.	22,604,303	2	0.90%	20,935,036	3	1.14%
Walmart Real Estate Business Trust	20,128,400	3	0.80%	18,291,663	4	0.99%
I-81 Hollyhock LLC	19,181,100	4	0.77%			0.00%
Homes for Hagerstown LLC (Hagerstown Apartments)	19,127,400	5	0.76%	12,276,073	6	0.67%
Oekos Stone House LLC	18,543,900	6	0.74%			0.00%
Verizon-Maryland	16,587,400	7	0.66%	30,214,280	2	1.64%
Cortpark LLC	15,082,233	8	0.60%			0.00%
Cortpark II LLC	15,082,233	9	0.60%			0.00%
Hagerstown Plaza LLC	14,599,267	10	0.58%			0.00%
Columbia Gas of Maryland, Inc.			0.00%	12,378,500	5	0.67%
Washco Centre at Antietam Creek			0.00%	10,511,399	7	0.57%
Inland Southeast Valley Park LLC			0.00%	10,364,000	8	0.56%
Sams Real Estate Business Trust			0.00%	10,284,400	9	0.56%
Lynnehaven Properties LLC			0.00%	9,599,633	10	0.52%
Totals	\$ 219,716,102		8.77%	\$ 179,145,382		9.72%

Source: City of Hagerstown FY15 CAFR (Comprehensive Annual Financial Report)

ORDINANCE No.

ESTABLISHING THE TAX RATES
FISCAL YEAR JULY 1, 2016 TO JUNE 30, 2017
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.

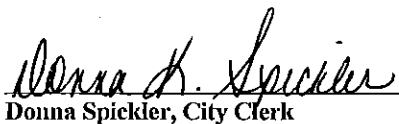
NOW, THEREFORE, BE IT RESOLVED, ENACTED and ORDAINED by the Mayor and Council of the City of Hagerstown, that the tax rates for the City for the taxable levy year from July 1, 2016 through June 30, 2017, is hereby established as follows:

- A. All real property is hereby levied and chargeable on the basis of \$0.913 per \$100 based on the assessed value of said properties as required by the Charter of the City of Hagerstown, the Maryland Constitution, and the Annotated Code of Maryland.
- B. All business personal property, except as otherwise provided for by Ordinance 98-04 entitled *ORDINANCE ESTABLISHING THE ASSESSMENT LEVY FOR THE PERSONAL PROPERTY CATEGORIES OF MANUFACTURING MACHINERY & EQUIPMENT, COMMERCIAL INVENTORY AND MANUFACTURING INVENTORY for the CITY OF HAGERSTOWN, MARYLAND for the FISCAL YEAR JULY 1, 1998 and Thereafter*, is hereby levied and chargeable on the basis of \$2.283 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, 2016 up to and including July 31, 2016, 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, 2016 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, 2016 and shall govern for the period set forth.

MAYOR AND COUNCIL OF THE
CITY OF HAGERSTOWN, MARYLAND


David S. Gysberts, Mayor


Donna Spickler, City Clerk

Date of Introduction: May 10, 2016
Date of Passage: May 17, 2016
Effective Date: July 1, 2016

ORDINANCE No.

**ESTABLISHING THE BUDGET FOR
FISCAL YEAR JULY 1, 2016 TO JUNE 30, 2017
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 10, 2016 after eighteen days' notice in a newspaper of general circulation.

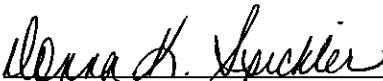
NOW, THEREFORE BE IT RESOLVED, ENACTED and ORDAINED by the Mayor and Council of the City of Hagerstown, that the budget for the City for the fiscal year beginning July 1, 2016 and ending June 30, 2017, is hereby established as follows:

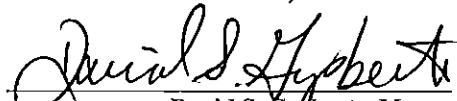
Category	Mayor and Council	
	Proposed FY17 Budget	Approved FY17 Budget
General Fund	\$ 42,297,593	\$ 42,297,593
Community Development Block Grant Fund	1,272,058	1,272,058
Other Special Revenue Funds	1,298,731	1,298,731
General/Capital Improvement Projects	13,582,815	13,582,815
Total Government Funds	58,451,197	58,451,197
Electric Fund	25,403,039	25,403,039
Water Fund	15,676,181	15,676,181
Wastewater Fund	16,686,313	16,686,313
Parking Fund	923,430	923,430
Golf Fund	457,356	457,356
Property Management Fund	1,042,014	1,042,014
Total Enterprise Funds	60,188,333	60,188,333
Service & Trust Funds	10,040,939	10,040,939
Total Combined Uses of Funds	\$ 128,680,469	\$ 128,680,469

BE IT FURTHER ORDAINED that the effective date of the budget established herein is July 1, 2016 and shall govern for the period set forth.

**MAYOR AND COUNCIL OF THE
CITY OF HAGERSTOWN, MARYLAND**

(SEAL)


Donna Spickler, City Clerk


David S. Gysberts, Mayor

Date of Introduction: May 10, 2016
Date of Passage: May 17, 2016
Effective Date: July 1, 2016

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

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City of Hagerstown, Maryland

City Administrator's Department

March 31, 2016

Mayor and City Council,

This is the first budget message and proposed budget that I am presenting to the Mayor and City Council. This proposed budget document for FY17 represents the work of the senior leadership team and staff to provide a comprehensive and balanced budget for your review. Recognizing that the City has earned numerous consecutive past distinguished budget presentation awards from the Government Finance Officers Association, I decided early on not to deviate from the general presentations in this budget book. Therefore, you will find familiar information such as financial and program information for all funds that will continue to provide you with the necessary tools to make sound fiscal decisions. As we have discussed during the last several months it should be no surprise that this Proposed FY17 Budget and the outlook for multiple future years contained within comes with financial challenges, and that difficult decisions were needed to present a balanced budget at this time. Unfortunately, the concerns expressed previously, such as; reduced availability of financial resources, the rising cost of providing services and the growing needs of the residential and business community still remain.

I want to point out that the majority of the comments in the next few paragraphs of this opening message relate to the General Fund as this is your primary operating fund. As I reviewed FY16 proposed and current FY16 finalized budget, I found a consistent theme in that FY17 was projected to be a critical year. Not only is it the fourth and final budget in this Mayor and Council's term in office, four of our union collective bargaining contracts have end dates right before the start of FY17, and it is the third year of the current Triennial. It was clear then as well as with current discussions recently that there is not a desire to implement further tax rate increases in FY17 as was done in FY15 and FY16. This can certainly be understood as this is the constant struggle of any government; how to continue to provide the level of services desired while faced with financial shortcomings and recognizing that increasing tax burdens on our residents and businesses is difficult.

With that being said and respecting the directive of no increased taxes for FY17, this proposed balanced FY17 budget does not contain any new tax increases. I describe FY17 budget as a transitional bridge; a change between phases. In the one phase, even while struggling with the economic recession, we can see all that the City has accomplished in the past years. Such accomplishments as economic development incentives, wonderful community events and programs, competitive wage and benefit packages for our employees, positive movement in many of the catalyst projects of our Community City Center Plan, gaining distinguished titles such as a Main Street and a Sustainable Community and purchasing some much needed capital equipment. The City must be proud of these milestones. The City has been able to accomplish these things due to some revenue enhancements and utilization of general fund reserves in FY15 and FY16 and because the City was able to be creative in their spending approach to sustain service levels. However, unfortunately some of these approaches are not sustainable.

The core factor is that the City government is a service provider and those services require use of resources. The question is, as we transition through FY17 and look to FY18 and beyond as the next phase, at what level does the City continue to provide services. This FY17 budget provides exactly what I described, it keeps the City on even ground and it will allow for the transition to the next phase. Some key factors of this proposed General Fund budget are: no tax rate increases, no uses of general fund reserves except for those already committed, no changes to the levels of basic services, no additional employee salary enhancements, no additional dollars for abatement demolition projects related to blighted properties, there is a place holder in Q4FY17 for the roll out of a red light camera citation program; there are deferred capital projects and equipment purchases, there are deferred dollars for possible employee contract negotiations, there are decreases in operational expenses, and lastly there

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are reductions in employee health insurance benefits. I commend and thank our Department Heads for their diligence in the multiple reviews, suggestions and submittals of their individual budgets. Without this we could not have presented Mayor and City Council a balanced budget. It is balanced yes, but it is not sustainable beyond FY17 at current service levels. This will be clear as review continues and in the outlook for FY18 and beyond.

My recommendation is that City leaders, elected and staff must use FY17 as a time of reflection but also as the time to make visionary decisions on what level of services the City will continue to provide. If the decision is that we want to continue to provide the same or increased level of services in FY18 and beyond, including economic incentives, community events and programs, the catalyst projects, capital improvement programs, employee salary and benefit enhancements for examples; then the revenue increase side of the equation at some level is going to be a necessity. If revenue increases are out of the calculation then the City leaders must begin the process of making significant reductions in service levels, programs, and facilities as well as the expenditures associated with them. It is after all a simple formula; unfortunately it is not so simple to implement either scenario or even a mixed one. This is understood. But even though these are difficult scenarios, there is no reason we cannot be successful in our vision as long as we use the time afforded early in FY17 to reach these decisions and strategies for future implementation. FY17 is truly a crossroad year and we are in control of where it will take us.

Throughout this budget staff has attempted to continue to reflect projects and initiatives to support the Mayor and Council Goals and Priorities adopted in December, 2014. See Section 1 Pages 35-42 for Mayor and Council Goals and Priorities and Section 1 pages 43-64 for 2016 Departmental Goals. Although we believe this to be a strong roadmap and want to continue to be proud of our accomplishments as we work towards them, limited resources will hinder our abilities to do just that. We also believe that the Community's City Center Plan continues to be a viable vision, perhaps more viable since it extends to 2024 giving more time for long term strategic and financial planning that will allow it to come to fruition.

NO APPROPRIATION OF GENERAL FUND RESERVES

I mentioned above that in this proposed FY17 budget there are no uses of general fund reserves except for those already committed. To further explain, those funds already committed amount to the \$420,031 as presented to you at the January 26, 2016 work session and are the final commitments of the Invest Hagerstown Program. Although for the past few years as a means of budget balancing as well as originally funding Invest Hagerstown, general fund reserves were used; I do not believe it is fiscally prudent to continue to utilize reserves without a plan to replace or offset the use of these funds. Some could reason that it would have been very easy to use these funds, that they should be used; this, in my opinion, is a risk. As was discussed in prior years, the use of reserves to balance the General Fund or to continue to fund Capital items or programs is not a sustainable approach. Revenue projections, although moving in a more positive direction, do not provide enough clear confidence there will be sufficient future fiscal year growth in revenue from existing sources to replace the use of reserves. Therefore, this budget as presented does not include the appropriation of reserve funds to help create a balanced General Fund budget or to fund any one time purchases and/or programs. Detail of ending Fund Balance including the unassigned reserve can be found in Section 3 page 2.

HAGERSTOWN'S ASSESSABLE BASE

The State 2016 Constant Yield Tax Rate Certification Notice we received in February indicates a slight increase in property values. FY17 represents the final year of the current triennial assessment and indications are that our property values are slowly improving. We are projecting a 2.2% increase in our assessable base for FY17 followed by a 4.9% increase in FY18, the first year of the next Triennial. A twenty five year history of the change in the City's assessable tax base and property tax revenues is included in Section 7 page 6. As stated in the General Fund Reserves section of this message these assumptions, while optimistic, do not provide clear confidence that the City can replace the use of reserves for FY17, FY18 or beyond thus supporting the position not to utilize reserves in this proposed budget.

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LARGER ECONOMIC DEVELOPMENT/ REDEVELOPMENT INCENTIVES

The First Third Grant Program has been a popular City incentive for Economic and Redevelopment projects. Mayor and City Council approved \$1,500,000 from General Fund reserves to fully fund the entire Invest Hagerstown Initiative. Of that amount, \$1,200,000 was allocated for the First Third Grant Program and is fully committed. This FY17 Proposed Budget recommends the use of \$420,031 in General Fund reserves only to finalize the already committed portions of the incentive.

The below chart summarizes the program since its inception.

**City of Hagerstown, MD
General Fund Balance Reserve: Economic Redevelopment Incentives
as of January 26, 2016**

	Fund Balance Reserve	FY14 Act Spend	FY15 Act Spend	FY16 Proj Est Spend	FY17 Prelim Budget	Total Spend
Economic Redevelopment Fund (#1150007):						
City Center Residency:Invest Hag	70,000	12,550	40,000	17,450	-	70,000
Citywide Residency:Invest Hag	180,000	17,000	139,997	20,572	2,431	180,000
Comm 1st Third Grant:Invest Hag	1,200,000	50,000	250,000	500,000	400,000	1,200,000
City Center Rental:Invest Hag	50,000		16,950	15,450	17,600	50,000
Total GF Fund Balance Spent	\$ 1,500,000	\$ 79,550	\$ 446,947	\$ 553,472	\$ 420,031	\$ 1,500,000

This budget message section highlights my earlier comments about using FY17 as a time of reflection but also as the time to make some visionary decisions on what level of services the City will continue to provide. This is one example. We know this program was successful but we have not identified sustainable City resources that can continue to fund these incentives. Future economic development & redevelopment incentives will be a significant element of the visionary decisions we must make for the years to come.

One possible method to fund incentives such as these would be to use the proceeds from the sale of properties that the City owns as part of the Economic Redevelopment Fund. The City can also look to Grant opportunities as they may arise for use in the continuation of this type of incentive program.

I will note that in this FY17 proposed budget we have included a transfer in from General Fund of \$100,000 for use with Partners in Economic Progress incentives as these have also been successful components of the City's support of downtown revitalization projects, our next topic of discussion.

DOWNTOWN REVITALIZATION

The City of Hagerstown, in partnership with the greater community and our partners, is currently implementing the Community's City Center Plan, a 10-year roadmap for downtown development that includes eight catalyst projects. The plan includes detailed annual steps for making these concepts a reality. It creates at least 875 new permanent jobs, bringing \$125 million in new investment to our downtown. The City contracted with Urban Partners of Philadelphia, Pennsylvania, who facilitated interviews, focus groups and community workshops to gather input for developing the plan. In the last year, the first student housing project has come to fruition, downtown events have expanded, and construction is beginning on a trail to connect the Arts & Entertainment District with City Park. The City has also laid the ground work for expanding operations at the Farmers Market, amended ordinances to protect neighborhoods from blight and nuisances, and is working with a local developer to explore the creation of new Class-A office space.

Staff did not lose focus of the importance of keeping momentum of the City Center plan; even though resources are limited you will find recommended projects that continue to support this strategy in a fiscally responsible manner. In support of this plan the FY17 proposed budget reflects the \$1,650,000 for Phase I of the Hagerstown Cultural Trail as well as FY18 funding for Phase II of \$420,000. As recommended above there may be other opportunities to fund a new type of Invest Hagerstown Grant Program such as using the proceeds from the sale of City owned properties or obtaining Economic Development Grants. Also mentioned above is the \$100,000 for use with Partners in Economic Progress incentives. The City has been closely following State Legislation that if passed will allow for a new Economic Development tool in a Community Revitalization and Improvement Zone (CRIZ).

This FY17 proposed budget also reflects a \$1,500,000 placeholder for a yet to be identified Downtown Redevelopment initiative. The proposed budget contains funding for the possibility of Market House improvements of \$135,000, recognizing that we have potential there as an identified Catalyst project even though it may turn out slightly different than originally envisioned.

The City is currently in collaborative discussions with Washington County Government, the State of Maryland, the CVB and the Maryland Theater to create the vision and path forward for the possibility of an impactful Downtown Revitalization project. These are exciting opportunities that will allow for the continuation of the implementation of the Community's City Center Plan. You will find additional detail throughout this budget book to be discussed during the FY17 proposed budget review

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MAYOR AND COUNCIL FISCAL WORK SESSIONS AND DISCUSSIONS

During FY16 we have devoted time to financial related topics during Mayor and Council work sessions. The following schedule is a reminder of these. Hopefully, these discussions have served to assist you throughout the year and will help you make informative FY17 budget decisions.

July 21, 2015	FY16 General Fund Agency Contributions Transportation Priorities
August 18, 2015	60 W. Washington- Business Resource Center & Furniture Bid Massey Property update
September 1, 2015	Acquisition of Massey Property Main Street Update
September 15, 2015	Body Worn Camera Discussion Speed Camera Collection Contract
September 22, 2015	Maryland Theater Funding request First-Third Grant Program update
October 6, 2015	Patterson Student Housing Project update
October 13, 2015	Fuel Sales to Community Rescue Service Salt Utilization Agreement with MD SHA Hagerstown Ice & Sports Complex Annual Report
October 20, 2015	64 East Franklin St. Renovations FY17 Budget General Fund Agency Contributions
November 3, 2015	City Center Residency Initiative & City Wide Down Payment Program update Farmer's Market RFP Action Report Community City Center Plan
November 10, 2015	2015 COPS Hiring Grant Discussion
November 17, 2015	Customized Energy Solutions Energy Storage System Project Gigabit City Discussions with Antietam Cable
November 24, 2015	Approval 2015 COPS Hiring Grant and 4 HPD hires
December 1, 2015	FY15 CAFR Presentation FY17 Pavement Preservation Program Bridge Program FY17 Health Care Program
December 8, 2015	Recreations Programs Update Program Open Space Annual Program Phase 1 of Cultural Trail update: Antietam St. to Park Circle Neighborhood Protection- Code Enhancement Recommendations and 1 in-house abatement hiring by Public Works
January 5, 2016	DCED Restructure and Hiring
January 12, 2016	Potential City Revitalization Improvement Zone (CRIZ)
January 19, 2016	Community Coalition Request Police & Fire Pension Review Hagerstown Suns Lease Extension
January 26, 2016	FY17 Working Budget Status Review Approval of Public Works Internal Abatement Hiring
February 16, 2016	FY17 Employee and Retiree Healthcare Edgemont Reservoir & W.M. Breichner Water Treatment Plant Traveling Screen Replacement R.C. Willson Discussion Synagro Wastewater Treatment Plant Sludge Thickening Project Catalyst #5 –Hagerstown Cultural Trail
March 8, 2016	FY17 Fire Department Capital Budget Discussion

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EMPLOYEE WAGE ADJUSTMENT HISTORY AND FY17 PROPOSED

The following chart reflects the wage adjustments authorized by Mayor and Council through previous Fiscal Years back to FY10. It provides a good history of the City's employee pay adjustments.

CITY OF HAGERSTOWN WAGES SINCE JULY 2009

FY10	No COLA, Steps granted June 2010 – Three positions eliminated
FY11	No COLA, No Steps, Frozen career paths Furloughs (3.8 salary reduction/ 10 days off without pay) Service Reduction Days – City Hall closed 3 days, 16 positions eliminated \$20,000 incentive to 19 employees to voluntary retire by 1/1/11
FY12	No COLA, No steps, and Frozen career paths \$1,000 gross one-time pay on 12/2/11 to all regular FT employees
FY13	No COLA, No steps, and Frozen career paths \$1,000 gross one-time pay on 6/7/13 to all regular full-time employees (all groups) \$200 gross one-time pay on 6/7/13 to part-time employees
FY14	Non-union: 2% COLA effective 7/1/13; No steps AFSCME 1540: 2% COLA effective 8/1/13; Steps for employees at years 1 & 2 of the pay scale. Remainder continues to be frozen. Career-paths unfrozen. IBEW: 4% COLA effective November 4, 2013 AFSCME 3373: 1% COLA effective January 2014, Year 1 salary increased to \$38,549.47 effective 1/1/14. One-time payout \$1,000 gross, paid to 3373 only on April 11, 2014. IAFF: 2% COLA effective 1/1/14. Scale revised from 24 to 23 steps.
FY15	Non-union: 2%COLA and 1 step effective 7/1/14. AFSCME 1540: 1% COLA and 1 pay step effective 7/1/14. Additional 1% COLA awarded from arbitration case. IBEW: Zero increase per contract AFSCME 3373: 1 pay step 7/1/14; 1 pay step effective 7/1/15, Year 1 salary increased to \$39,320.46 effective 7/1/14 and \$40,106.87 effective 1/1/15 IAFF: 2% COLA effective 7/1/14 and 1 longevity step
FY16	Non-union: 1% COLA and 1 step effective 7/1/15. AFSCME 1540: 1% COLA effective 7/1/15 and 1 step effective on Monday following anniversary date. * Retroactive step restoration to 7/1/15 granted by arbitration case. As well as additional 1% COLA awarded from arbitration case. IBEW: 2% COLA, restorative step based on anniversary date. AFSCME 3373: 1 longevity step effective 7/1/15. IAFF: 2% COLA effective 7/1/15 and 1 longevity step effective 7/1/15
FY17	Non-Union, AFSCME 3373, IAFF, AFSCME 1540, IBEW – No Wage Enhancements are included in proposed FY17 budget beyond current FY16 levels as contracts currently expire on June 30. However, discussions to roll the contracts have occurred to date.

HIGHLIGHTS OF FY17 PROPOSED BUDGET

The following information included in this section of this budget message provides a summary of the key assumptions and highlights of this FY17 proposed budget. These highlights explain the most significant topics and assumptions needed in preparing a balanced FY17 proposed budget for Mayor and City Council's consideration. You will find the individual department and fund budget narratives which appear later in this budget book provide a more detailed explanation.

1. **General Assumptions to Balance General Fund for FY17 Proposed Budget:** On January 26, 2016 staff held a FY17 budget status review with Mayor and City Council and at that time reported a deficiency of nearly \$1.6M. We are now presenting a balanced FY17 proposed budget. Some of the key components that allow for a balanced budget without a tax rate increase are: reductions in General Fund transfers to CIP by \$707K leaving \$902K for pay-go funding of capital projects; decrease in Police & Fire Pension contribution from 16% of salaries to 14%, a \$204K reduction; overall reductions in health insurance costs by reducing the anticipated 7% increase to 5% and recognizing the savings of reduced health insurance benefits by \$288K; and elimination of the 1.5% employee salary enhancement and related payroll taxes, a \$390K reduction. These are only highlights of the key assumptions and in the following sections and throughout this proposed budget book additional details and assumptions and highlights will be discussed.
2. **General Fund Projections:** Using a multi-year focus on our Financial condition and projections has always been a part of the budget preparation and is continued in this FY17 proposed budget. It remains important to have a forward look to examine how the decisions made in one year impact future operational and capital needs. I refer back to my earlier comment that I present this FY17 proposed budget with a transition in mind and it is clear that City leaders will need to seriously consider possible change to its program and service levels in light of available revenues for FY18 and beyond. Section 7 of this document includes the financial projections for our various Funds. The General Fund Projections begin on Page 2. These budget deliberations will focus on FY17 as they should but attention should also be paid to the future outlook. I recommend that as these budget discussions are occurring focus be paid to FY17 and at a minimum FY18. Assuming continuation of service levels and capital equipment and program purchases, on page 3 you will see the needed revenue line showing that the General Fund lacks sufficient resources to cover the projected cost of our wages, benefits, and other operational and capital expenditures in FY18 and beyond. Our current projections show a shortfall of \$1.365M for FY18 with growing deficits in subsequent years. I will point out that this line can be looked at from the other side of the equation, as needed expenditure reductions; ultimately it does serve to quantify the need for serious discussions and decision making that need to occur throughout FY17.
3. **Red Light Camera Enforcement Program:** I want to bring attention to and provide you with some information on a new General Fund resource that has been built into the Q4FY17 proposed budget. It is also included with increasing proportions in FY18 and beyond to FY21. This item is included now in hopes for discussion during the budget deliberations and to determine its viability as a new resource. This resource is not only a means of non tax revenue but, more importantly a means to enhance public safety by reducing accidents at high traffic intersections.

The Hagerstown City Police Department began to explore a Red Light Enforcement Program at certain intersections with a high degree of accidents. As part of this exploration, HPD conducted a study of local data including accidents and observational data. And through this study identified the following six intersections as potential candidates for red-light violation monitoring: Dual Highway & Eastern Blvd; Dual Highway & Edgewood Dr.; Dual Highway & Cleveland Ave; East Washington St & Locust St; East Franklin St & North Mulberry St and Franklin St & North Potomac St.

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At the recommendation of State Highway Administration, HPD narrowed the identified intersections by eliminating two intersections and reducing the number of lanes to be monitored by more than half, from 60 lanes to 23. These intersections are as follows:

- Dual Highway & Eastern Blvd (72 accidents) (634 red light violations)
- Dual Highway & Edgewood Dr. (39 accidents) (234 red light violations)
- East Washington St & Locust St (26 accidents) (17 red light violations)
- East Franklin St & North Mulberry St (15 accidents) (14 red light violations)

The data for the accidents was compiled from four different data sets: overall accidents at intersections 2011-2013, overall personal injury accidents at intersections 2011-2013, accidents at intersections caused by red light violations 2011-2013. The red light violations were compiled through direct observations by the City Engineering department in sampling the actual number of red light violations occurring in the City. Each intersection was observed in two hour increments, from 7am-9am and from 4pm-6pm, for a total of four hours at each intersection. The intersections were observed on a Tuesday, Wednesdays and Thursdays. Frederick City Police Department has a red light program that includes 12 cameras at 7 intersections. They have been in operation since 2005 and have experienced a 59% reduction in accidents at these intersections. In addition to the benefit to the public safety, the reduced accidents also amount to less calls for service for police/fire/EMS. Staff looks forward to this discussion during the coming budget work sessions.

4. **FY17 General Fund Revenues and Expenditures:** The Proposed General Fund revenue of \$42.301M for FY17 represents a 1.0% increase over the FY16 budget. The key factor for this increase is \$836,068 growth in Property Tax Revenue as a result of better than anticipated real property assessable base values and growth in corporate personal property revenues. There are offsetting decreases anticipated in both Transfers from Other Funds and Appropriated Use of Fund Balance Reserves. General Fund Revenues are summarized in subsequent locations in this budget message on pages 16 and 22.

The Proposed FY17 Budget reflects a 1.1% increase in General Fund Expenditures for a total of \$42.298M. While a relatively flat increase, some key factors related to this increase include the following: total Wages & Benefits reflect a .8% increase based on prior decisions related to contracts and the addition of new positions, overtime increases and expected increases in City's Pension contribution and Health & Dental insurance. These increases are offset by an OPEB reimbursement from the Health Insurance Fund of \$300K. Debt Service expenditures are anticipated to increase .6% for FY17 over FY16 revised budget. Transfer (pay go) funding for proposed FY17 CIP related projects and equipment increases 35.7% over FY16 reflecting the elimination of the continued use of reserves for CIP. General Fund Expenditures are summarized in subsequent locations in this budget message on pages 17, 18, 23, and 24.

5. **Debt Service Expenditures and Bond Issues:** Information on our Bonded Debt Outstanding and our Debt Levels and Affordability is presented starting on Page 20 of Section 1. The City remains well within our benchmarks as established in our Debt Policy, which was updated and approved by Mayor and Council in 2014. Our General Fund supported debt service projections appear in Section 7 Pages 12 and 13. Debt Service expenditures are anticipated to increase .6% for FY17 over FY16 revised budget but 6.65% over estimated actual FY16 due to the fact that there will be no Public G/O bonds issued in 2016 and that the proposed 2017 bond issue will include FY16 approved and FY17 proposed capital bond projects. In our FY17 projections we have assumed a \$6,399,000 General Fund supported bond issue in 2017 to provide funding for such items as Downtown Redevelopment, \$1,500,000; Fire Truck for \$1,250,000; City Park Lake improvements \$1,100,000; and Alley reconstruction of \$769,000. Debt service projections for other Funds appear in the individual Fund projections statements in Section 7.

Our General Fund Projections for Debt Service as shown on Page 12 of Section 7 anticipate General Fund supported bond issues in each of the next five years. At this time we are assuming a 20 year term and an interest rate of 4% for the FY17 issue and 20-25 year terms with a 4.25% rate for subsequent years. The summary of General Fund Debt Service appearing on page 12 shows our annual projected expenditures increasing from \$2,166,000 in FY17 to \$3,511,000 in FY21. Actual expenditures will vary and are based on future decisions the City will make related

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to project funding and debt affordability. Projects such as Fire Department Equipment, Fire Station Relocation, Fairgrounds Grandstand, Professional Court Extension, and the Northwest Connector that appear in the 5 year CIP will be the subject of future City discussions and decisions related to bond financing. Staff's assumptions on the size and timing of the General Fund Supported Bond Issues and the projected projects to be included in these bond funds appear in the Five Year Capital Improvement Program beginning on Page 14 in Section 8.

6. **Staffing Levels:** The FY17 proposed budget includes 477 full-time positions, including 25 unfunded positions, for a total of 452 funded positions city-wide. The 452 funded positions reflect an increase of six positions from the FY16 finalized budget because they occurred during FY16. As reviewed at work sessions throughout FY16 this increase reflects the addition of the 4 new HPD positions created from the 2015 approved COPS Hiring Grant; funding 1 DCED position; and funding 1 Public Works position for internal abatement. The position in DCED was funded through offsetting expenditure reductions by using the savings created by resignations and restructuring of the Department. The additional public works employee is funded by dollars previously used for outside contractor work and the HPD positions are a result of the grant as stated above. There are no additional positions included in this FY17 proposed budget. A schedule of City staffing for all of our operations along with a five year history appears on Page 70 of Section 1.
7. **Employee Compensation Package:** Historically our employees are given a competitive compensation package, but the cost of wages, associated payroll taxes and benefits continues to weigh heavily on the overall budget. For example, the General Fund's FY17 proposed budget has reached a level where the total costs of wages and benefits at \$28.4M is HIGHER than our largest revenue source total of Property Taxes at \$28.3M. All four union collective bargaining agreements expire on June 30, 2016. I have held several meetings with the Union leads and have communicated that it is the City's desire to let the contracts roll to be able to better assess our Fiscal position during FY17. For Non-Union, AFSCME 3373, IAFF, AFSCME 1540, IBEW there are no wage enhancements included in proposed FY17 budget beyond current FY16 levels as contracts currently expire on June 30. These along with a history of wages since 2009 are included in the summary appearing above in this Section on Page 6.

General Fund employee and retiree benefits detail information is included on Page 9 of Section 7. The Health Insurance Committee and the groups they represent greatly assisted the City budget this year by amending the plan for FY17 and providing significant plan changes that helped to reduce the 7% projected increase for FY17. This projected FY17 budget assumes the City will still absorb a 5% increase in our Health Insurance Program and will increase the contribution to City Police and Fire Pension from 13.71% to 14% of salary. As shown on the top of Page 10 the General Fund portion of employee and retiree health insurance pension costs amounts to \$7.033M a 6% increase over the FY16 Budget. Pension and Health Insurance costs for non-General Fund employees and retirees appear in the presentation of other Funds throughout the Budget. At the bottom of Page 10 you can see that the City's share of the cost for employees participating in the State of Maryland Retirement System is projected to be 8.53% next year the same as FY16. The five year history of the share of the City and Employee cost appears in the table at the bottom of Page 10.

8. **General Fund Agency Contributions:** A summary of the proposed General Fund appropriations for agency funding appears on Page 57 of Section 3. In accordance with the General Fund Agency Funding Policy recently revised and adopted by Mayor and City Council in October 2015, the Proposed FY17 Budget includes \$205K in funding for our support of community agencies from the General Fund. This includes \$195K that the Mayor and Council set aside for the 8 core agencies plus \$10K for Unspecified Agency Contributions.
9. **Events:** On page 63 of Section 3 you will find the schedule of public functions proposed for FY17. It is separated to show those events now managed by Recreation. This is a significant part of the budget representing nearly \$500K of General Fund resources utilized for this function. The goal of Catalyst #6 of the Community City Center Plan is to leverage resources to produce more frequent events and build upon atmosphere created by popular downtown events. As limited

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resources hinder our ability to continue to provide this level of General Fund investment, I believe part of our discussions about future strategy should be how to continue to engage and increase private sector investment now that the City has proven the success of such efforts.

10. **Overview of Capital Improvement Projects (CIP):** Section 8 of this FY17 proposed budget presents comprehensive descriptions of major project needs for FY17 through FY21. You will find various CIP summary schedules that outline funding sources and project expenditures and are organized by Fund and department. This CIP section of your budget document includes project details and justifications as well as information relating to the potential budget impact that each recurring and non-recurring capital investment may have on current and future operating budgets and services provided by the City. The proposed CIP budget for FY17 at \$21.5M is 6.4% higher than the \$20.2M in the FY16 revised budget. The proposed CIP budget for FY18 at \$27.9M is 30.1% higher than the proposed FY17 budget, clearly showing the amount of deferred Capital need pushed to FY18 and beyond.
11. **Public Works Capital and Equipment Projects:** Included in this proposed FY17 is \$741,030 in funding for Public Works projects and equipment and is summarized beginning on Page 24 of Section 8. These expenditures are described on their individual CIP project sheets in Section 8 and include key items such as CIP 45-C0065 for Public Works Vehicles including 2 dump trucks and a bucket truck for \$330,000; CIP 45-C0099 Market House improvements for \$135,000; CIP 45-C0250 Operations Center Improvements (roof) for \$126,030; and CIP 45-C0858 Vehicle lift for \$75,000. A combination of CIP funds, General Fund transfers (pay-go), and Bond Financing will fund all projects.
12. **Police Department Capital and Equipment Projects:** Included in this proposed FY17 is \$488,495 in funding for Police Department projects and equipment and is summarized on Page 24 of Section 8. These expenditures are described on their individual CIP project sheets in Section 8 and include key items such as: CIP 45-C0128 radios for \$34,495; CIP 45-C0129 Vehicles for \$253,000 that includes one additional patrol vehicle (the only addition to the City's existing fleet); CIP 45-C0182 Crime Lab Equipment for \$110,000; and CIP 45-C0196 software for advanced evidence record keeping and tracking for \$56,000. A combination of CIP fund, General Fund transfers (pay-go), and a Federal Grant will fund all projects.
13. **Police Body Worn Cameras:** Included in the Police Department operational budget is the expansion of the 6 body worn cameras being used in the pilot currently. For FY17 \$54,000 is proposed for 54 additional cameras and includes initial licensing, storage and charging docks. Another \$19,800 is included for FY18 proposed HPD operations for annual licensing fees to continue the program for the 60 cameras. The current body camera pilot program has been working for over a month with 6 cameras. Each of the 4 patrol shifts have one assigned to them, 1 has been assigned to the downtown squad, and 1 to our Directed Patrol Unit. HPD has established a policy to govern the body cameras and their usage. The policy was developed by staff which took into account recommendations from the Maryland Police Corrections Training Center and the International Associations of Chiefs of Police organization along with other agency policies across the Country. The policy has been vetted by the City Attorney and the Police Union who were also brought to the table on the concept prior to the development of the policy. Input was also sought from the State's Attorney's Office prior to implementation on the usage for courtroom evidence and to have a better understanding of the product for use in courtroom proceedings. HPD assigned a Sergeant to oversee the equipment side of the program and a Lieutenant to oversee the administrative side. Part of the administration of the program involves randomly auditing camera footage. The audit is designed to identify that the cameras are being used according to our policies. The Lieutenant administrator will be performing public information requests as part of their duties which will require redaction of certain parts of the videos, including blurring of faces of people not involved in the incident. HPD will work with the City's Communication Manager to produce an education video describing the program for distribution to the general public. The City partnered with the Washington County Sheriff's Office and the City of Hancock to be involved in the education video to show a consistency with the rest of the county on this type of program.

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14. **Fire Department Capital and Equipment Projects:** Included in this proposed FY17 is \$2,155,000 in funding for Fire Department projects and equipment and is summarized beginning on Page 23 of Section 8. At the March 8, 2016 meeting of Mayor and Council staff gave you a preview of items that would be presented in the FY17 proposed budget. Because these are significant requests we felt it appropriate to give you this information beforehand for your review. These expenditures are described on their individual CIP project sheets in Section 8 and include key items such as: CIP 45-C0010 Fire vehicles including replacement of the second aerial ladder truck, and two light duty vehicles for \$1,550,000; CIP 45-C0663 Breathing Apparatus for \$95,000 State grant funded; CIP 45-C0241 Training Center (burn building replacement and lot paving) for \$200,000 and CIP 45-C0870 Fire Facilities improvements for \$105,000. A combination of General Fund transfers (pay-go), Bond Financing, contributions from others and a State Grant will fund all projects.
15. **Municipal Stadium:** CIP 45-C0040, Municipal Stadium Improvements for \$35,000 is included for FY17 and FY18 and represents commitments in the newly signed two year lease extension and fourth amendment with The Hagerstown Suns minor league baseball team. This CIP is included for Capital improvements to the stadium as further described in the amended Lease document approved by Mayor and Council at the February 23, 2016 Regular Meeting.
16. **Former MELP:** Mayor and Council have had multiple discussions during FY16 concerning the legal issues surrounding the default by Partner's Marketing LLP in regard to the settlement and have now directed focus on demolition alone. At the time this proposed FY17 budget was compiled there no longer exist the immediate possible redevelopment of this property for a park due to the fact that City ownership of the property is no longer a part of any new settlement discussions currently. Therefore, CIP 45-C0856 Antietam Park at Former MELP Site has been removed. CIP 45-C0839 for Land Acquisition and Demolition for has also been removed for FY17 because it is a high priority of Mayor and Council that the demolition occurs as soon as possible but by the end of FY16. The prior bond proceeds funding this FY16 CIP project are still viable for this use.
17. **Parks Highlights:** Included in this proposed FY17 is \$2,444,500 in funding for various Park Department projects and equipment and is summarized on Page 24 of Section 8. These expenditures are described on their individual CIP project sheets in Section 8 and include key items such as: CIP 45-C0047 City Park Lake improvements, design contract was signed in FY16 for lower lake dredging project, and there is \$1,100,000 included for construction for FY17; CIP 45-C0522 City Park improvements paving for \$35,000; CIP 45-C0822 Potterfield Pool improvements additional spray amenities and climbing wall for \$25,000; and CIP 45-C0866 Longmeadow Park improvements Stream restoration project for \$507,500. A combination of General Fund transfers (pay-go), Bond Financing, contributions from others, State and Federal Grants, CIP funds, Excise tax funds, and State Highway User Revenue will fund all projects.
18. **Trail Projects Highlights:** The City has undertaken a number of trail development projects to provide pathways for walkers, joggers, and bike riders as part of our Active Lifestyles Initiatives. Much momentum, by the way of numerous Mayor and City Council actions took place in FY16 for CIP 45-C0140, now officially named the Hagerstown Cultural Trail. Efforts will continue in FY17 for Phase I construction and therefore \$1,650,000 is included. In addition CIP 45-C0717 Multi Use Trails focuses on the development of the Marsh Run Trail connecting Municipal Stadium to City Park. FY17 proposed budget includes \$250,000 of Federal and State grants that will be used for completion of the design of the next phase with \$2,500,000 included in FY18 for construction. The City obtained CSX permission to install a tunnel under their spur and will be included in the trail design.
19. **Storm Water Management Implementation:** CIP 45-C0637 reflects Hagerstown's efforts to address the Environmental Protection Agency and Maryland Department of the Environment mandates to reduce pollutants discharged into State waterways and the Chesapeake Bay. \$660,000 is included in this proposed CIP for FY17 to construct stormwater retrofit facilities at Hagerstown Greens and other locations as well as performing a watershed assessment of

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Hamilton Run to identify future projects. Proposed funding would be \$500,000 from a Federal Grant, \$60,000 from State MDE Grant and \$100,000 in Prior Bond Proceeds.

20. **Pavement Preservation/Highway User Revenue:** CIP 45-C0025 Hagerstown's Pavement Preservation Program has \$1,200,000 in proposed funding for FY17. This CIP includes the resurfacing of streets as well as overlays, crack filling, slurry seal projects, milling, and pavement markings. This work is funded with estimated State of Maryland Highway User Revenue of \$1,100,000 and \$100,000 from the CIP Fund. Actual Highway User Revenue will determine the actual spend for this project.
21. **Alley Reconstruction:** This project continues the City's efforts to replace deteriorated alleys as described in CIP 45-C0324. Staff is proposing the use of \$769,000 in bond proceeds to complete the much needed work on 16 identified alleys.
22. **New Sidewalks:** CIP 45-C0595 New sidewalks is a proposed project that would utilize Safe Routes to School State Grant for \$350,000 to install 1800 LF of sidewalk on Haven Road.
23. **Professional Court Extension:** As stated in previous years Mayor and City Council have not reached any definite decision regarding contributions in regard to this project. This County project involves the development of a new street network beyond the current corporate boundaries of Hagerstown along with the construction of a bridge over the Antietam Creek to connect Eastern Boulevard to Robinwood Drive. Based on future discussions with the County this project may prove to benefit Hagerstown, but the anticipated office development to be generated by the new street network is located outside of the City. There is much to consider including annexation to allow for extension of City services. CIP 45-C0685 reflects a placeholder of \$2,000,000 in possible City bond financing for FY18. The \$2M figure is based on a 30% complete design and an actual engineering cost estimate based on the preliminary design.
24. **Utility Rates:** The FY17 Proposed Budget represents the third year of the five year rate adjustments approved by Mayor and Council on February 25, 2014. These adjustments take place annually on July 1 and include 2% annual increases for our Water customers. For our Wastewater Customers, this five year schedule included a 12% rate increase effective FY15 followed by 4% increases in FY16 and FY17, and then 2% increases in FY18 and FY19. These approved rate adjustments are included in the FY17 Proposed Budget and our five year financial projections. A new contract for wholesale energy will have to be negotiated for future Fiscal Years. For all three of our utilities, our customers enjoy some of the lowest service charges in our region.
25. **Wastewater Fund Capital Projects and Equipment:** There are numerous Wastewater Fund capital projects and purchases included in Section 8, the Capital Improvements Section of the Proposed Budget. These projects total \$3,274,000 in FY17 and are summarized on Page 35 of Section 8. Key purchases and projects include the following: CIP 54-C0004 vehicles for \$255,000; CIP 54-C0299 Pump Station Improvements for \$121,000; CIP 54-C0327 Collection System rehab for \$430,000; CIP- 54-C0585 Plant heating & cooling for \$100,000; CIP 54-C0712 Sludge Storage Phase I Improvements for \$1,000,000; and CIP 54-C0800 City Wide Collection System rehab for \$600,000. A combination of MDE Loans, Wastewater Fund Revenue, and Bond Financing will fund these projects.
26. **Water Fund Capital Projects and Equipment:** \$3,754,000 is included in FY17 for Water Fund capital projects and equipment. These expenditures are summarized on Page 33 of Section 8. Key purchases and projects include the following: CIP 52-C0117 vehicles for \$387,000; CIP 52-C0166 Equipment replacements and upgrades at the RC Willson Treatment Plant for \$225,000; CIP 52-C0167 Willson Transmission Main Work for \$100,000; CIP 52-C0168 Edgemont Reservoir Improvements for \$507,000; CIP 52-C0651 Pump Station improvements for \$325,000; CIP 52-C0653 Water Distribution System Meter Program for \$330,000; CIP 52-C0709 Distribution System Main Replacements for \$550,000; and CIP 52-C0863 Replacement of Traveling Screens at RC Willson for \$1,045,000. A combination of MDE Loans, Water Fund Revenue, and Bond Financing will fund these projects.

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27. **Edgemont Reservoir:** To address regulatory requirements as mentioned above in CIP 52-C016, \$507,000 has been included in the FY17 proposed budget to complete the planning and design of needed improvements to the Edgemont Reservoir (Warner Gap Hollow Dam). Originally constructed in 1902 and used to supplement the Potomac River supply during emergencies, Edgemont Reservoir must be repaired to remain a viable resource. Work will include extensive grouting at the ogee and emergency spillway and the construction of a curtain toe drain. All work is to address identified seepage under the spillway and at the base of the left abutment (toe). A funding application has been submitted to Maryland Water Quality Financing Administration totaling \$4.19 million making this is a multi-year project.
28. **Electric Fund Projects and Equipment:** The capital projects and equipment purchases are summarized in Section 8 Page 31 and total \$570,000 for the Electric Fund in FY17. Key purchases and projects include the following: CIP 50-C0090 vehicles for \$250,000; CIP 50-C0441 SCADA system upgrade for \$25,000; and CIP 50-C0540 Underground Primary Cable replacement for \$50,000. Electric Fund Revenues will provide the funding for these projects.
29. **Parking Fund:** There are no proposed rate adjustments for the City's Parking System in FY17. The Proposed Budget does include a total of \$135,000 in Capital Projects and Equipment Purchases as outlined on Page 37 of Section 8. These include the following: CIP 56-C0749 General repairs/upgrades to parking decks for \$30,000; CIP 56-C0829 vehicles Sweeper for \$35,000; CIP 56-C0857 Parking Lot improvements Market lot for \$45,000 and CIP 56-C0867 pay option improvements to the parking system for \$25,000. Parking Fund revenues will provide the funding for these purchases.
30. **Third Parking Deck and Parking Fund Outlook:** The projections included in this proposed budget do include a placeholder for an additional parking deck that would be completed and operational for half of FY21. CIP 56-C0173 includes FY20 planning Design and Land Acquisition of \$1,575,000 and FY21 construction of \$8,425,000. Parking Fund revenue for a portion of FY21 calculation is based on 50% utilization of 250 available spaces with usage being primarily composed of daily rates. New deck expense projections are based on average expenditure tends as reflected in our existing two decks. Looking forward to FY21 with this third deck inclusion you will find a deficit which will begin to deplete the Parking Fund cash balances.
31. **Community Development Block Grant Fund:** The proposed CDBG Budget is included Section 5. The City utilizes these Federal Grant funds to support downtown and neighborhood revitalization projects along with community agencies and other projects and priorities. For FY17 we anticipate our CDBG grant entitlement will be \$654,941 a slight increase from FY16. A history of the City's Entitlement Funding is shown on Page 6 of Section 5 and reflects a fairly steady allocation since FY13. Total CDBG expenditures are projected to be \$1,272,058 in FY17, funded by a combination of new and carry over entitlement funds of \$1,104,189 plus \$238,096 in program income. These projected expenditures include: \$455,000 for Public Facilities and Improvements; \$100,000 to support Public Services; \$562,505 in Housing Projects; and \$154,533 for program administration. A summary of CDBG revenues and expenditures appears on Page 5 with more detailed information on Pages 6-9.
32. **Economic Redevelopment Fund:** The proposed Economic Redevelopment Fund Budget is included in Section 5. The fund was established to promote the revitalization of the City's downtown and older neighborhood areas. It is used to promote businesses and home ownership in the City Center and has been used for the PEP Program, Invest Hagerstown, and holding real property for resale. For FY17 we anticipate expenditures of \$563,118 of which 75% or \$420,031 is for the final commitments of our Invest Hagerstown program. Also included is \$21,500 for rent guarantees for USMH student housing project (Catalyst #3 of Community City Center Plan). Key properties for resale opportunities include 170 West Washington, 43-53 West Washington and 28 East Baltimore (Massey). More detailed information of this Fund is found on pages 11-13.

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33. **Property Management Fund:** This Fund provides stewardship over downtown property owned by the City and leased to area business. In Section 4 on page 39 you will find the Expenditure and Revenue Summary showing projected FY17 Expenditures of \$880,014 and Revenues of \$330,524. Expenditures are projected to decrease by 9.7% or \$94K largely due to the proposed reduction of the CIP transfer for the Hagerstown Cultural Trail in the amount of \$280K versus the \$365K in the FY16 budget. Revenues are expected to decrease by 10.1% or \$37K due to the City Ballet relocation and the National Institute of Standards and Technology (NIST) lease expiring 6/30/16. Based on the assumptions outlined for revenues and expenditures our net increase (decrease) in retained earnings is projected to be a loss of <\$549,490> for FY17. More detailed assumptions can be found in Section 7. Staff looks forward to discussing with Mayor and City Council their thoughts for the future of this Fund.

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**COMBINED USES OF FUNDS
FY17 BUDGET BY FUND**

The Proposed FY17 Budget includes \$128,680,469 in expenditures for all of the City's funds. The City's largest operating fund, the General Fund, is projected at \$42,297,593 for the coming year, a 1.1% increase over FY16. Our utility operations for next year include \$15,676,181 for the Water Fund, \$16,686,313 for Wastewater and \$25,403,039 for Electric. The City's General Capital Improvement Fund for next year is proposed at \$13,582,815. Our Parking Fund's Budget is \$923,430 and the Community Development Block Grant Fund totals \$1,272,058. These represent Hagerstown's major operating and capital funds. Other Special Revenue funds totaling \$1,298,731 along with Service and Trust Funds totaling \$10,040,939 are also included for next year. Details on the expenditure and revenue assumptions for each Fund, along with program information, is set forth in their individual budgets, which appear throughout the Proposed Budget.

2016/2017 BUDGET BY FUND

	Revised Budget 2015/2016	Proposed Budget 2016/2017	Increase / (Decrease)	Percent Change
General Fund	\$ 41,835,660	\$ 42,297,593	\$ 461,933	1.1%
Communiy Dev. Block Grant Fund	1,347,738	1,272,058	(75,680)	-5.6%
Other Special Revenue Funds	2,062,489	1,298,731	(763,758)	-37.0%
General/Capital Improvement Projects	13,335,160	13,582,815	247,655	1.9%
Total Government-type Funds	58,581,047	58,451,197	(129,850)	-0.2%
Electric Fund	25,654,746	25,403,039	(251,707)	-1.0%
Water Fund	15,296,156	15,676,181	380,025	2.5%
Wastewater Fund	15,296,685	16,686,313	1,389,628	9.1%
Parking Fund	967,374	923,430	(43,944)	-4.5%
Golf Fund	462,011	457,356	(4,655)	-1.0%
Property Management Fund	1,109,013	1,042,014	(66,999)	-6.0%
Total Enterprise-type Funds	58,785,985	60,188,333	1,402,348	2.4%
Service & Trust Funds	9,277,965	10,040,939	762,974	8.2%
Total Combined Uses of Funds	\$ 126,644,997	\$ 128,680,469	\$ 2,035,472	1.6%

CITY ADMINISTRATOR'S BUDGET MESSAGE
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SOURCES OF FY17 GENERAL FUND REVENUE

The Proposed General Fund revenue of \$42,300,642 for FY17 represents a 1.0% increase over the FY16 budget. The primary reason for this increase in General Fund revenue is \$836,068 growth in Property Tax Revenue as a result of better than anticipated real property assessable base values and growth in corporate personal property revenues. There are offsetting decreases anticipated in both Transfers from Other Funds and Appropriated Use of Fund Balance Reserves. The revised FY16 budget includes a one-time transfer from Economic Redevelopment Fund to cover an economic incentive given.

The following table illustrates the change in the sources of General Fund Revenues from Revised Budget FY16 to Proposed Budget FY17.

Sources of General Fund Revenue Growth

FY 16/17 General Fund Budgeted Revenues	\$	42,300,642	
FY 15/16 General Fund Budgeted Revenues	\$	41,884,054	
Revenue Growth (Decrease)		416,588	1.0% Increase

Sources

Property Tax Revenue	836,068
Income & Other Taxes	47,101
Licenses & Permits	(23,050)
Intergovernmental Revenues	43,516
Charges for Current Services	(42,739)
Fine & Forfeitures	246
Unallocated Revenues	(34,090)
Transfers From Other Funds	(81,924)
Appropriated Use of Fund Balance	(328,540)
Total	\$ 416,588

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EXPENDITURES OF FY17 GENERAL FUND RESOURCES

The change in the Proposed General Fund Budget for expenditures in FY17 totals \$461,933 representing a 1.1% increase in expenditures from the revised FY16 Budget of \$41,835,660. The following table illustrates the changes in the use of General Fund budget resources by category of expenditure from FY16 to FY17. The total General Fund expenditure increase is primarily a result of the following: the addition of four new positions for the Police Department, unfunding one position in Public Works to implement new internal abatement services, unfunding one position in Community & Economic Development, rising employer paid benefits costs for health insurance and police & fire pension contributions, increased transfers to fund capital projects, and rising debt service costs use of general fund annual operating revenue versus fund balance reserves to support capital expenditures.

Uses of General Fund Revenue Growth

FY 16/17 General Fund Budgeted Expenditures	\$ 42,297,593	
FY 15/16 General Fund Budgeted Expenditures	41,835,660	
Expenditure Growth (Decrease)	461,933	1.1% Increase

Uses	
Wage & Benefits	222,815
Wage & Overhead Allocations	(85,542)
Contracted Services	43,003
Materials & Supplies	(7,167)
Insurance	24,092
Capital Expenditures	268,045
Debt Service	12,242
Transfers To Other Funds	5,000
Other Expenditures	307,985
Fund Balance Transfer	(328,540)
Total	\$ 461,933

CITY ADMINISTRATOR'S BUDGET MESSAGE
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ALLOCATION OF FY17 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:

	<u>Allocation</u>	<u>Percent</u>
Public Safety		
Police	\$ 13,649,501	32.3%
Fire	7,330,528	17.3%
Engineering, Parks & Recreation	3,596,108	8.5%
Street, Alleys & Signal	3,123,032	7.4%
Community & Economic Development	1,292,153	3.1%
Communications	308,027	0.7%
Planning & Code Administration	1,860,501	4.4%
Debt Service	2,166,067	5.1%
Waste Collection & Disposal	2,050,687	4.8%
Retiree Benefits	1,267,010	3.0%
Technology & Support Services	1,316,903	3.1%
CIP Appropriations	902,445	2.1%
Unallocated Expenses/Transfers *	305,000	0.7%
Finance	738,839	1.7%
Human Resources	659,460	1.6%
City Hall	304,028	0.7%
Legal Counsel	236,000	0.6%
Contributions to Other Agencies	205,000	0.5%
City Administrator	220,980	0.5%
Mayor & Council	182,216	0.4%
City Clerk	163,077	0.4%
Fund Balance Transfers	420,031	1.0%
Total	\$ 42,297,593	100.0%

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

CITY ADMINISTRATOR'S BUDGET MESSAGE
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GENERAL FUND CAPITAL INVESTMENT

The following table summarizes our history of General Fund capital investment since FY00.

Fiscal Year	Capital Outlay	Appropriation To CIP Fund	GF Fund Balance Transfer to CIP	Total
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
2011/2012	658,297	336,952	-	995,249
2012/2013	88,123	1,102,759	-	1,190,882
2013/2014	177,981	832,268	-	1,010,249
2014/2015	178,836	353,507	546,903	1,079,246
Estimated Actual:				
2015/2016	252,080	664,800	105,195	1,022,075
Proposed Budget:				
2016/2017	278,300	902,445	-	1,180,745
2017/2018	280,000	1,665,978	-	1,945,978
2018/2019	280,000	1,494,871	-	1,774,871
2019/2020	285,000	981,413	-	1,266,413
2020/2021	285,000	1,179,413	-	1,464,413

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

*The proposed budget for FY17 budget above does not anticipate the use of General Fund Balance reserves as has been done in the past.

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BONDED DEBT OUTSTANDING

In current FY16, the budget originally included a preliminary \$5,529,000 bond issue. However at this time, it is projected that this bond issue and some of the projects associated with this issue will be deferred and combined in calendar year 2017. This deferral is reflected in the chart below in the declining outstanding bond balances from FY15 to estimated FY16.

In the FY17 proposed budget, we have included a general fund supported bond issue that totals \$9,398,000 to General Fund (\$6,399,000), Water Fund (\$1,252,000), and Wastewater Fund (\$1,747,000). Also included in FY17 proposals is a new MDE issued debt for the Water Fund in the amount of \$1,375,000 for a variety of projects. These proposed capital expenditures are described in detail in the Capital Improvement Program (Section 8) and in the Enterprise Funds (Section 4).

The following table illustrates the balance of bonded debt outstanding at the end of each fiscal year over a 12-year period since FY06. It is separated into tax supported general bonded debt and self-supporting enterprise fund debt for the City's Electric, Water, Wastewater, Parking, and Property Management funds. As reflected in the table below, the largest growth in total outstanding debt over this 12-year period is in the self-supporting enterprise funds.

Fiscal Year	Total Bonded Debt	General Tax Supported	Self- Supporting Enterprise
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	39,336,794	13,342,801	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	66,363,883	17,459,565	48,904,318
2012/2013	62,885,398	16,013,064	46,872,334
2013/2014	66,322,847	15,168,166	51,154,681
2014/2015	75,417,227	18,093,422	57,323,805
2015/2016 Estimated Actual	70,340,627	16,633,116	53,707,511
2016/2017 Proposed Budget	75,937,965	21,524,836	54,413,129
12 Year Increase in Outstanding Debt	\$ 44,095,318	\$ 11,688,302	\$ 32,407,016

Finally, we may experience both direct and indirect impacts from federal spending cuts and continued uncertainty in the Municipal Bond Market. There continue to be a variety of discussions regarding municipal bonds and how changes may impact our bond market interest rates and our cost of issuance with those bonds. As part of a prior national stimulus package, the City issued taxable Build America Bonds as part of its 2009 issuance. With this issue, the federal government was originally reimbursing 35% of our total interest paid. Starting with our reimbursement in December 2012, this reimbursement amount has been reduced. Additional reductions or total elimination of this interest reimbursement is still possible. For this reason, the FY17 proposed budget includes partial interest reimbursement. The chart below is a summary financial impact annually across all City funds if the federal government reimbursed at the original 35% rate.

Funds	Total Interest Paid by City	Government Reimbursed Interest	Net Interest Expense/Cost
General Fund	\$ 278,716	\$ (97,551)	\$ 181,166
Water Fund	175,935	(61,577)	114,358
Wastewater Fund	131,759	(46,116)	85,643
Parking Fund	4,968	(1,739)	3,229
Total City-wide impact	\$ 591,378	\$ (206,982)	\$ 384,395

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DEBT LEVELS AND AFFORDABILITY

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

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

TAX SUPPORTED GENERAL FUND OBLIGATION DEBT RATIOS

Fiscal Year	Total Taxable Assessed Value	Percent of Assessed Value	Debt Per Capita	General Fund Debt Service as % of General Fund Operating Revenue
2005/2006	1,843,026	0.53%	257	4.77%
2006/2007	2,103,113	0.77%	413	4.73%
2007/2008	2,297,063	0.65%	371	5.42%
2008/2009	2,552,030	0.52%	333	5.16%
2009/2010	2,830,482	0.72%	511	5.25%
2010/2011	2,880,838	0.65%	471	6.41%
2011/2012	2,559,162	0.68%	440	6.80%
2012/2013	2,633,731	0.61%	404	5.31%
2013/2014	2,665,127	0.57%	382	4.80%
2014/2015	2,541,960	0.71%	448	4.44%
2015/2016 Estimated Actual	2,568,565	0.65%	412	4.89%
2016/2017 Proposed Budget	2,624,973	0.82%	533	5.17%
City Debt Policy		10.00%	\$ 1,000	10.00%

CITY ADMINISTRATOR'S BUDGET MESSAGE
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GENERAL FUND

REVENUES

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

	Revised Budget 2015/16	Estimated Actual 2015/16	Proposed Budget 2016/17	Percent Change
Property Tax Revenue	\$ 27,470,455	\$ 27,790,775	\$ 28,306,523	3.0%
Income & Other Taxes	3,691,479	3,749,741	3,738,580	1.3%
Licenses & Permits	2,106,150	2,057,350	2,083,100	-1.1%
Intergovernmental Revenues	459,487	560,958	503,003	9.5%
Charges for Current Services	2,882,818	2,835,453	2,840,079	-1.5%
Fines & Forfeitures	1,858,750	1,847,264	1,858,996	0.0%
Administrative Allocation Revenues	2,031,000	2,031,000	2,031,000	0.0%
Contributions & Donations	132,352	137,787	161,742	22.2%
Interest on Investments	5,500	5,000	5,000	-9.1%
Other General Revenues	342,004	355,850	279,024	-18.4%
Transfers from Other Funds	155,488	134,056	73,564	-52.7%
Appropriated Use of Fund Balance	748,571	-	420,031	-43.9%
Total Current Revenue	\$ 41,884,054	\$ 41,505,234	\$ 42,300,642	1.0%

1. Overall Property Tax revenue is estimated to increase from FY16 budget to FY17 budget by \$836K as a result of a better than anticipated growth in assessed values combined with increases in corporate personal property taxes.
2. The Income & Other Taxes increase by \$47K over the FY16 budget is a result of growth in the expected local income tax distribution.
3. Overall Licenses & Permits revenue are planned to decrease by 1.1% or \$23K as a result of expected decreases in street digging fees and building and electrical permits
4. Intergovernmental Revenue is projected to increase by \$44K or 9.5%. The Police Department secured a new federal hiring grant in FY16 which provides reimbursement for four officer positions. The grants cover a portion of the officers' salaries on a declining scale over a three year period.
5. The 22.2% (\$29K) increase in Contributions & Donations reflects funding from the Washington County Library to help cover the cost of a police officer to staff and monitor activity at the Library. This position is currently vacant but is anticipated to be filled again for FY17.
6. The \$63K or 18.4% decrease in Other General Revenues reflected above includes movement of rent for Municipal Stadium (\$35K) from the General Fund to Capital Improvement Program Fund effective in FY17 as a result of the City's new lease arrangement. Additionally, FY17 budget does not include some one-time sale of assets and insurance reimbursement that were included in the FY16 budget amounts.
7. Transfers from Other Funds reflect a reduction of \$82K or 52.7%. The FY16 budget included a one-time \$70K transfer from Economic Redevelopment Fund for demolition assistance on Antietam Street.
8. Appropriated Use of Fund Balance reflects a total request of \$420K to be utilized from prior years' General Fund balance. This request is to fund the Economic Redevelopment Fund for the Invest Hagerstown program initiative and First Third Grants.

CITY ADMINISTRATOR'S BUDGET MESSAGE
FISCAL YEAR 2017

COST BY FUNCTION

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

	Revised Budget 2015/16	Estimated Actual 2015/16	Proposed Budget 2016/17	Percent Change
Police	\$ 13,177,632	\$ 12,935,729	\$ 13,649,501	3.6%
Fire	7,183,485	7,080,223	7,330,528	2.0%
Subtotal Public Safety	20,361,117	20,015,952	20,980,029	3.0%
Engineering, Parks & Recreation	3,543,579	3,553,421	3,596,108	1.5%
Street, Alleys & Signal	3,036,646	3,057,450	3,123,032	2.8%
Community & Economic Development	1,324,328	1,461,555	1,292,153	-2.4%
Communications	354,138	324,532	308,027	-13.0%
Planning & Code Administration	1,820,599	1,774,188	1,860,501	2.2%
Debt Service	2,153,825	2,031,697	2,166,067	0.6%
Waste Collection & Disposal	2,033,436	2,015,597	2,050,687	0.8%
Retiree Benefits	1,477,592	1,493,746	1,267,010	-14.3%
Technology & Support Services	1,250,620	1,297,693	1,316,903	5.3%
CIP Appropriations	664,800	664,800	902,445	35.7%
Unallocated Expenses/Transfers*	353,075	305,000	305,000	-13.6%
Finance	700,800	710,887	738,839	5.4%
Human Resources	698,747	704,706	659,460	-5.6%
City Hall	302,369	308,142	304,028	0.5%
Legal Counsel	240,000	236,000	236,000	-1.7%
Contributions to Other Agencies	190,000	190,000	205,000	7.9%
City Administrator	241,388	212,849	220,980	-8.5%
Mayor & Council	177,318	176,565	182,216	2.8%
City Clerk	162,713	158,482	163,077	0.2%
Fund Balance Transfers	748,571	658,667	420,031	-43.9%
Total General Fund	\$ 41,835,660	\$ 41,351,929	\$ 42,297,593	1.1%

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

1. The Police Department proposed FY17 budget reflects an increase of 3.6% or \$472K. This increase includes adding four (4) new officer positions as approved for the new grant awarded in current FY16. In proposed FY17, the employer cost of benefits for health insurance (5.0%) and Police & Fire pension (2.1%) are rising. Additionally, the police department is anticipating an increase in all other operating expenses of approximately \$52K due primarily to rising Police Academy costs, and purchasing body worn cameras.
2. The Fire Department proposed FY17 budget reflects an increase of 2.0% or \$147K. Primarily, this increase reflects rising employer costs (health insurance and pension); additional \$25K for overtime based on prior trends; biennial medical tests (\$12K); maintenance costs for buildings, structures, & training tower; vehicle maintenance and repair costs; miscellaneous tools, clothing, uniforms & safety apparel; and professional development training needs for staff.
3. Overall Retiree Benefits is projected to decrease by 14.3% or \$211K in the proposed FY17 budget compared to current FY16 budget. In total, retiree health insurance costs are estimated to increase by 5.0%, retiree dental insurance increase by 2.0%, and are offset with a one-time \$300K reimbursement or decrease in OPEB Trust funding. The City pays 100% of all retiree claims plus makes annual contributions to the OPEB Trust and will continue to do this in FY17 but will contribute \$300K less than in prior years.
4. CIP Appropriations are projected to increase \$238K (35.7%) and reflects the City's use of General Fund money to support capital purchases rather than use General Fund Balance Reserves.
5. Fund Balance Transfers reflects a decrease of 43.9% or \$329K funding to the Economic Redevelopment Fund for projects already committed that will not be completed until next fiscal year. No additional monies are being spent from this category beyond the original \$1.5M previously approved by Mayor & Council.

CITY ADMINISTRATOR'S BUDGET MESSAGE
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EXPENDITURES BY TYPE

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

	Revised Budget 2015/16	Estimated Actual 2015/16	Proposed Budget 2016/17	Percent Change
Salaries and Wages	\$ 18,886,812	\$ 18,580,657	\$ 19,081,654	1.0%
Employee Benefits	9,317,910	9,288,520	9,345,883	0.3%
Total Wages and Benefits	28,204,722	27,869,177	28,427,537	0.8%
Wage & Overhead Allocations	(1,065,641)	(1,269,631)	(1,151,183)	8.0%
Contracted Services	4,326,764	4,321,288	4,369,767	1.0%
Materials, Supplies & Utilities	2,140,058	2,180,637	2,132,891	-0.3%
Insurance	274,452	273,989	298,544	8.8%
Capital Outlay - Non CIP	247,900	252,080	278,300	12.3%
Capital Transfers to CIP fund	664,800	664,800	902,445	35.7%
Debt Service	2,153,825	2,031,697	2,166,067	0.6%
Operating Transfers to Other Funds	295,000	295,000	300,000	1.7%
Advertising & Printing	261,370	252,635	263,910	1.0%
Rentals	96,890	113,984	114,824	18.5%
Maintenance & Repairs	807,024	838,337	825,756	2.3%
Vehicle Expenses	988,548	923,182	1,003,153	1.5%
Professional Development	136,707	155,323	194,586	42.3%
Communication Expenses	222,717	330,816	331,077	48.7%
Other Expenses	800,193	902,948	834,399	4.3%
Unallocated General Expenses	531,760	557,000	585,489	10.1%
Fund Balance Transfer to CIP Fund	135,195	105,195	-	-100.0%
Fund Balance Transfer for Invest Hag	613,376	553,472	420,031	-31.5%
Total All Expenditures	\$ 41,835,660	\$ 41,351,929	\$ 42,297,593	1.1%

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

1. The \$223K (0.8%) increase in Total Wages & Benefits reflects addition of staff already approved by Mayor & Council during FY16. Compared to FY16 budget, there are four new officers in Police Department, one new staff in Public Works for internal abatement work, and a new position in Community & Economic Development. There are no salary enhancements in the FY17 budget beyond current fiscal year.
2. Capital Outlay – Non CIP is projected to increase \$30K or 12.3% as a result of the body worn cameras that are included within the Police Department. The total estimated cost to implement this initiative in FY17 is \$54K to purchase the hardware.
3. Transfers to CIP Fund are projected to increase \$238K (35.7%) and reflects the City's use of General Fund money to support capital purchases rather than use General Fund Balance Reserves. A detail listing of all the projects that this will fund is located in Section 8 on pages 18-19.
4. The 18.5% increase in Rentals reflects reallocating copier rental costs from Overhead Allocations and is not an increase in overall budget costs.
5. Professional Development is projected to increase \$58K (42.3%). This increase reflects multiple changes: higher number of recruits is expected in the Police Academy, decentralizing training back to individual departments to manage, retaining some city-wide training sessions, and new department leaders and managers expectation of staff training needs and requirements.
6. The \$54K increase in Unallocated General Expenses reflects projected increases for NTF reimbursements to the County for staff, maintenance cost of crime scene equipment, and ballistic vests.
7. The decrease of \$135K in Fund Balance Transfer to CIP Fund results from not utilizing fund balance reserves to fund proposed FY17 capital projects.
8. The \$193K decrease in Fund Balance Transfer for Invest Hagerstown reflects funding to the Economic Redevelopment Fund for projects already committed that will not be completed until next fiscal year. No additional monies are being spent from this category beyond the original \$1.5M previously approved by Mayor & Council.

CITY ADMINISTRATOR'S BUDGET MESSAGE
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ENTERPRISE FUNDS

ELECTRIC FUND

	Revised Budget 2015/16	Estimated Actual 2015/16	Proposed Budget 2016/17	Percent Change
Operating Revenues	\$ 23,908,431	\$ 24,273,407	\$ 24,290,647	1.6%
Operating Expenses	23,955,658	24,200,486	24,349,755	1.6%
Operating Income (Loss)	(47,227)	72,921	(59,108)	25.2%
Non-Operating Revenues (Expenses)	108,796	94,850	92,798	-14.7%
Capital Contributions & Grants	100,000	40,000	50,000	-50.0%
Transfers In (Out)	-	-	(3,500)	-
Operating Income (Loss)	161,569	207,771	80,190	-50.4%
Add Back Depreciation	920,000	850,000	965,000	4.9%
Capital Outlay	(1,639,000)	(1,039,267)	(987,500)	-39.7%
Repayment of Debt Principal	(57,621)	(46,409)	(46,486)	-19.3%
Deduct Non-Cash Capital Contributions	(100,000)	(40,000)	(50,000)	-50.0%
Net Surplus (Deficit)	\$ (715,052)	\$ (67,905)	\$ (38,796)	-94.6%

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

1. No electric rate increases have been projected for FY17. The proposed budget reflects the power supply contract extensions through May 31, 2017 with Allegheny Energy.
2. Electric revenue shows an overall 1.6% increase which reflects the continuation of current FY16 customer trends and usage.

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

1. Purchased power costs are projected to be slightly higher by 0.7% or \$123K compared to FY16 budget and reflects the current charge per megawatt hour (MWh) of \$51.50 through May 31, 2017.
2. Total personnel costs (salaries, overtime, and benefits) reflect a combined increase of 1.9% or \$58K which reflects rising employer costs for health insurance. The proposed FY17 budget does not include any salary enhancements beyond current FY16 levels. The current IBEW union contract is effective through June 2016.
3. Total contractual services are projected to increase by \$100K for legal and consulting fees associated with securing and completing a new purchased power contract. The City's current contract with Allegheny Energy expires on May 31, 2017.
4. Depreciation expense reflects an increase of 4.9% or \$45K due to anticipated investments in new capital projects and assets.
5. Capital outlay totals for fixed assets are expected to decrease by 39.7% or \$652K. The Capital Improvement Program, Section 8, provides details on all the Electric Fund projects anticipated for FY17 beginning on page 120.
6. Annual debt service expenditures are expected to decrease by 19.3% or \$11K which is reflected in the Repayment of Debt Principal line above. This is a result of better than anticipated interest rates obtained with the 2015A tax-exempt bond issuance for a roof project (\$650K).

CITY ADMINISTRATOR'S BUDGET MESSAGE
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WATER FUND

	Revised Budget 2015/2016	Estimated Actual 2015/16	Proposed Budget 2016/17	Percent Change
Operating Revenues	\$ 11,422,520	\$ 11,322,932	\$ 11,529,432	0.9%
Operating Expenses	11,600,756	11,600,977	11,337,204	-2.3%
Operating Income (Loss)	(178,236)	(278,045)	192,228	-207.9%
Non-Operating Revenues (Expenses)	(568,799)	(578,641)	(570,376)	0.3%
Capital Contributions & Grants	850,000	850,000	850,000	0.0%
Gain (Loss) on Fixed Asset Disposal	1,500	5,000	10,000	566.7%
Transfers In (Out)	-	-	(3,500)	
Operating Income (Loss)	104,465	(1,686)	478,352	357.9%
Add Back Depreciation	3,300,000	3,300,000	3,100,000	-6.1%
Capital Outlay/Fixed Assets	(3,114,500)	(2,528,500)	(3,754,000)	20.5%
Repayment of Debt Principal	(1,778,718)	(1,702,373)	(1,724,170)	-3.1%
Deduct Non-Cash Capital Contributions	(350,000)	(350,000)	(350,000)	0.0%
Bond Proceeds	1,886,000	950,000	2,627,000	39.3%
Net Surplus (Deficit)	\$ 47,247	\$ (332,559)	\$ 377,182	698.3%

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

1. Annual rate increases have been approved through FY19. The increase effective July 1, 2016 is an average of 2% for inside customers and 2% for outside customers and is reflected in the total operating revenue increase of 0.9%. The service rate increase is part of a multi-year plan to offset increasing debt service costs, rising depreciation expense, and decreasing capital contributions.

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

1. The FY17 proposed budget includes a decrease of 2.3% or \$264K for total operating expenses. The FY17 budget does not include any salary enhancements beyond current FY16 levels. The current AFSCME 1540 union contract is effective through June 2016. The primary reasons for this total decrease are: a decrease in salaries and overtime of \$83K as a result of more tenured employees leaving, an offsetting increase of \$39K in rising employer costs for health insurance, total of \$104K for combined declines in utility costs and reduction in chemical usage, and \$200K decrease in depreciation.
2. Capital outlay totals for fixed assets are projected to increase by \$640K or 20.5% as new projects and improvements for Edgemont Reservoir and Willson Plant traveling screens are included in proposed FY17 budget figures. The Capital Improvement Program, Section 8, provides details on all the Water Fund projects anticipated for FY17 budget beginning on page 139.
3. Annual debt service expenditures are expected to decrease by 3.1% or \$55K as reflected in the Repayment of Debt Principal line above. At the time of FY16 budget completion, the City originally anticipated issuing new debt for FY16 projects but new debt has been deferred until FY17.

CITY ADMINISTRATOR'S BUDGET MESSAGE
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WASTEWATER FUND

	Revised Budget 2015/16	Estimated Actual 2015/16	Proposed Budget 2016/17	Percent Change
Operating Revenues	\$ 12,463,137	\$ 12,416,394	\$ 12,862,911	3.2%
Operating Expenses	12,675,343	12,710,512	12,988,384	2.5%
Operating Income (Loss)	(212,206)	(294,118)	(125,473)	-40.9%
Non-Operating Revenues (Expenses)	(411,389)	(415,385)	(410,476)	-0.2%
Capital Contributions & Grants	540,000	740,000	740,000	37.0%
Transfers In (Out)	-	-	(3,500)	
Operating Income (Loss)	(83,595)	30,497	200,551	-339.9%
Add Back Depreciation	3,120,000	3,120,000	3,120,000	0.0%
Capital Outlay/Fixed Assets	(2,198,000)	(1,844,172)	(3,274,000)	49.0%
Repayment of Debt Principal	(1,707,220)	(1,681,243)	(1,704,499)	-0.2%
Bond Proceeds	1,383,000	-	1,747,000	26.3%
Net Surplus (Deficit)	\$ 514,185	\$ (374,918)	\$ 89,052	-82.7%

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

1. Annual rate increases have been approved through FY19. The increase effective July 1, 2016 is 4% for FY17 and 2% for FY18 and FY19. The 4% rate increase for FY17 is reflected in the total operating revenues increase of 3.2% or \$400K above. The rate increases are part of a multi-year plan to ensure the fund continues to be self-supporting and to meet the Wastewater revenue requirements.

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

1. The proposed FY17 budget includes an overall increase of 2.5% or \$313K for total operating expenses. The primary reasons for this total increase are: \$136K in salaries and overtime related to arbitration awards to AFSCME 1540 union employees; \$74K for salary related benefits and rising employer costs for health insurance; \$32K in contractual services for legal fees; and another \$73K for equipment repair and maintenance expenses. The FY17 budget does not include any salary enhancements beyond current FY16 levels. The current AFSCME 1540 union contract is effective through June 2016.
2. Capital outlay totals for fixed assets are projected to increase by \$1.1M or 49.0% in an effort to invest in needed infrastructure and capital items that have been deferred like vehicles, pump station eliminations, and equipment in the Wastewater treatment plant. The Capital Improvement Program, Section 8, provides details on all the Wastewater Fund projects anticipated for FY17 budget beginning on page 151.
3. The City is anticipating borrowing \$1.7M for Wastewater Fund projects in proposed FY17 budget. Annual debt service expenditures are expected to decrease slightly by 0.2% or \$3K as reflected in the Repayment of Debt Principal line above. At the time of FY16 budget completion, the City originally anticipated issuing new debt for FY16 projects but new debt has been deferred until FY17.

CITY ADMINISTRATOR'S BUDGET MESSAGE
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PARKING FUND

	Revised Budget 2015/16	Estimated Actual 2015/16	Proposed Budget 2016/17	Percent Change
Operating Revenues	\$ 879,110	\$ 856,274	\$ 857,402	-2.5%
Operating Expenses	777,830	775,061	745,489	-4.2%
Operating Income (Loss)	101,280	81,213	111,913	10.5%
Non-Operating Revenues (Expenses)	(47,787)	(47,195)	(38,684)	-19.0%
Transfers In (Out)	-	-	(2,000)	
Operating Income (Loss)	53,493	34,018	71,229	33.2%
Add Back Depreciation	274,643	274,643	256,163	-6.7%
Capital Outlay/Fixed Assets	(140,000)	(115,710)	(135,000)	-3.6%
Repayment of Debt Principal	(162,527)	(162,527)	(169,612)	4.4%
Net Surplus (Deficit)	\$ 25,609	\$ 30,424	\$ 22,780	-11.0%

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

1. No parking rate increases have been projected for proposed FY17 budget.
2. Operating revenues are anticipated to decrease by 2.5% or \$22K from FY16 to FY17 budget. This is primarily due to lower permit revenue in the University parking decks and a decrease in total parking lot meter revenue.

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

1. Total operating expenses in the proposed FY17 budget reflects an overall decrease of 4.2% or \$32K. The primary reasons for this decrease are: salary decrease of 8.7% as result of unfunding new position originally included in FY16 budget; total benefit increase of 1.6% or \$2K for rising employer portion of health insurance costs; and increase for maintenance and repairs for deck infrastructure. The FY17 budget does not include any salary enhancements beyond current FY16 levels. The current AFSCME 1540 union contract is effective through June 2016.
2. Non-operating revenues (expenses) reflect a decrease of 19.0% in FY17 as debt is being paid down and less interest is due annually.
3. Depreciation expense from FY16 to proposed FY17 budget includes a small decrease of 6.7%, or \$18K. This decrease is a reflection of less infrastructure improvements being completed in the parking decks than originally anticipated at the time of FY16 budget completion.
4. Capital outlay totals for fixed assets are projected to decrease by 3.6% or \$5K for planned deck upgrades and parking system improvements. The Capital Improvement Program, Section 8, provides details on all the Parking Fund projects anticipated for FY17 beginning on page 167.

CITY ADMINISTRATOR'S BUDGET MESSAGE
FISCAL YEAR 2017

GOLF COURSE FUND

	Revised Budget 2015/16	Estimated Actual 2015/16	Proposed Budget 2016/17	Percent Change
Operating Revenues	\$ 215,850	\$ 221,950	\$ 222,450	3.1%
Operating Expenses	406,820	436,837	422,356	3.8%
Operating Income (Loss)	(190,970)	(214,887)	(199,906)	4.7%
Non-Operating Revenues (Expenses)	10	-	-	-100.0%
Capital Contributions & Grants	20,000	20,000	-	-100.0%
Transfers In (Out)	195,000	195,000	200,000	2.6%
Operating Income (Loss)	24,040	113	94	0.0%
Add Back Depreciation	43,000	43,000	45,000	4.7%
Capital Outlay/Fixed Assets	(55,191)	(51,771)	(35,000)	-36.6%
Net Surplus (Deficit)	\$ 11,849	\$ (8,658)	\$ 10,094	-14.8%

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

1. Overall operating revenues are anticipated to increase by 3.1% or \$7K from FY16 budget to proposed FY17 budget. This increase is primarily due to additional tournaments and specials that are planned for the next year.
2. The operating expenses in the FY17 budget are 3.8% or \$16K higher than FY16. The FY17 budget does not include any salary enhancements beyond current FY16 levels. The current AFSCME 1540 union contract is effective through June 2016. The increase in total operating expenses result from \$4K rise in employer provided health insurance costs, \$4K more in overtime costs based on current trends, and \$13K more in fees related to utilization of ActiveNet software and credit card transaction fees.
3. Depreciation expense is expected to increase 4.7% or \$2K from FY16 to FY17 proposed budget. This is as a result of investment in infrastructure and vehicles.
4. Capital outlay totals for fixed assets are expected to decrease by 36.6% or \$21K as one vehicle is projected to be replaced in FY17 budget. The Capital Improvement Program, Section 8, provides details on the Golf Fund project anticipated for FY17 on page 172.

CITY ADMINISTRATOR'S BUDGET MESSAGE
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PROPERTY MANAGEMENT FUND

	Revised Budget 2015/16	Estimated Actual 2015/16	Proposed Budget 2016/17	Percent Change
Operating Revenues	\$ 357,738	\$ 359,646	\$ 320,524	-10.4%
Operating Expenses	606,736	607,628	597,403	-1.5%
Operating Income (Loss)	(248,998)	(247,982)	(276,879)	11.2%
Non-Operating Revenues (Expenses)	7,723	7,386	7,389	100.0%
Capital Contributions & Grants	-	51,524	-	0.0%
Transfers In (Out)	(365,000)	(25,000)	(280,000)	-23.3%
Operating Income (Loss)	(606,275)	(214,072)	(549,490)	-9.4%
Add Back Depreciation	132,000	132,000	132,000	0.0%
Capital Outlay/Fixed Assets	(135,000)	(52,772)	(162,000)	20.0%
Repayment of Debt Principal	(5,500)	(3,429)	(3,304)	100.0%
Net Surplus (Deficit)	\$ (614,775)	\$ (138,273)	\$ (582,794)	-5.2%

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

1. Overall operating revenues are anticipated to decrease by 10.4% or \$37K from rental income. This decrease is a result of the loss of a tenant (City Ballet at 14 N Potomac Street) and the expiration of a current lease with NIST at 14 N Potomac Street.
2. Total operating expenses in the proposed FY17 budget reflect an overall decrease of 1.5% or \$9K over the FY16 budget. This decrease is a result of a wage allocation reduction from eliminating a supervisory position that was included in the original FY16 budget amounts.
3. Total funding to other funds are estimated to be 23.3% or \$85K less in proposed FY17 budget. This decrease is reflected in the Transfers in (out) line above and shows the amount of funding from Property Management toward the Hagerstown Cultural Trail project which is detailed in the Capital Improvement Program Section 8 on page 57.
4. Depreciation expense is projected to remain flat from FY16 to proposed FY17 budget as a result of the amount of capital projects being completed.
5. Capital outlay totals for fixed assets are projected to increase by 20.0% or \$27K as a result improvements and upgrades planned for the Elizabeth Hager Center. The Capital Improvement Program, Section 8, provides details on the various Property Management Fund projects anticipated for FY17 budget beginning on page 174.

CITY ADMINISTRATOR'S BUDGET MESSAGE
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SPECIAL REVENUE FUNDS

**COMMUNITY DEVELOPMENT BLOCK
GRANT FUND**

	Revised Budget 2015/16	Estimated Actual 2015/16	Proposed Budget 2016/17	Percent Change
CDBG Grant Revenues	\$ 1,117,183	\$ 963,292	\$ 1,104,189	-1.2%
Program Income	231,964	119,482	238,096	2.6%
Other Revenues	1,500	-	-	0.0%
Total Revenues	1,350,647	1,082,774	1,342,285	-0.6%
Commercial/Industrial Improvements	160,000	205,000	-	-100.0%
Public Facilities & Improvements	360,000	85,000	455,000	26.4%
Public Services	105,000	99,300	100,000	-4.8%
Housing	559,000	564,568	562,505	0.6%
Administration	163,738	128,906	154,553	-5.6%
Total Expenses	1,347,738	1,082,774	1,272,058	-5.6%
Net Change in Fund Balance	\$ 2,909	\$ -	\$ 70,227	2314.1%

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

1. Total Revenues reflect an overall decrease of 0.6% or \$8K from FY16 budget. This decrease results from spending \$449K of the current year federal entitlement revenue plus all of the anticipated FY17 federal entitlement revenue of \$655K. In the FY16 budget, the City planned to spend more prior year funding amounts. The FY17 Entitlement award is anticipated to be 2.1% more than the FY16 Entitlement. There is chart that reflects the City's entitlement funding history in Section 5 on page 6.

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

1. Commercial/Industrial Improvements reflects a decrease of \$160K for potential commercial rehab projects and a shift to Public Facilities and Improvements.
2. Public Facilities and Improvements are \$95K or 26.4% higher in FY17 budget and reflect projects that were cross fiscal years to complete like the creation of a new City Neighborhood Park located at 806-808 West Washington Street. Additionally, the FY17 budget includes funding \$125K for public facility loans.
3. Public services expenditures are anticipated to decrease slightly by \$5K or 4.8% as a result of the Entitlement revenue and program income cap limitation.
4. Total Housing expenses are estimated to increase of 0.6% or \$4K as a part of an on-going effort to concentrate on the homeownership program and residential rental rehab program.
5. Overall Administration costs are projected to be \$9K or 5.6% lower to stay within the maximum 20% federal cap guidelines.

CITY ADMINISTRATOR'S BUDGET MESSAGE
FISCAL YEAR 2017

THE BUDGET SCHEDULE

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

The budget schedule for this year is as follows:

November 1 – December 31, 2015	Review of Department CIP status and 1 st Quarter FY16 status review with Department Managers.
December 17, 2015	First Public Hearing on Community Development funding needs held at the Washington County Free Library.
January 5 – January 31, 2016	Department budget requests and start of review meetings between Department Managers and Budget Committee.
January 26, 2016	FY17 working budget status review with Mayor and City Council
February 3, 2016	Began prioritizing department requests and developing City Administrator adjustments.
February 8, 2016	Began balancing and adjustment process by discussing proposed adjustments, obtaining further input and agreement on adjustments with departments.
March 31, 2016	City Administrator's Proposed Budget submitted to Mayor and City Council.
April 1 – May 24, 2016	Mayor and City Council review of Proposed Budget and Capital Improvement Program.
May 10, 2016	Public Hearing on Budget and Capital Improvement Program property tax rates
May 12, 2016	Second public hearing on Community Development Block Grant funding needs held at the Washington County Free Library
May 17, 2016	Introduction of Ordinances
May 24, 2016	Adoption of budgets and CIP for all funds; set tax rate.

CITY ADMINISTRATOR'S BUDGET MESSAGE
FISCAL YEAR 2017

DISTINGUISHED BUDGET PRESENTATION AWARD

This was the twelfth 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, 2015. 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. Mayor and Council publicly recognized City Finance staff for this achievement at the December 1, 2015 work session meeting.

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

ACKNOWLEDGEMENTS

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

Preparation of the budget is a unified effort, but I must recognize the Finance Team as the lead in guiding the budget preparation. With the unexpected resignation of our budget officer at an early stage in the process, I wish to especially acknowledge Finance team members: Michelle Hepburn, Director of Finance as well as Rana Rose, Accounting Manager and Jeff Lear, Senior Accountant, who took on additional responsibilities in the process this year. The entire Finance staff deserves special acknowledgment and credit for the extra hours they worked in assisting with and coordinating the production of this year's budget. Nelia Tidler, Utilities Finance Manager assisted in the preparation of utility revenue projections as well as reviewing and analyzing all of the utility fund budgets. Human Resources staff including Director Karen Paulson provided oversight on personnel and fringe benefit budget issues. These contributions have resulted in this comprehensive presentation of the FY17 budget. I also thank Dani Frye for her administrative assistance with the budget message and coordination of the many meetings scheduled.

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

Respectfully submitted,



Valerie A. Means
City Administrator

Organizational Structure

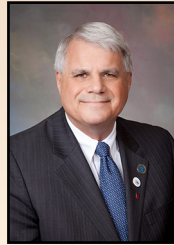
City of Hagerstown Elected Officials



Mayor
David S.
Gysberts



Councilmember
Kristin B.
Aleshire



Councilmember
Martin E.
Brubaker



Councilmember
Lewis C.
Metzner



Councilmember
Donald F.
Munson

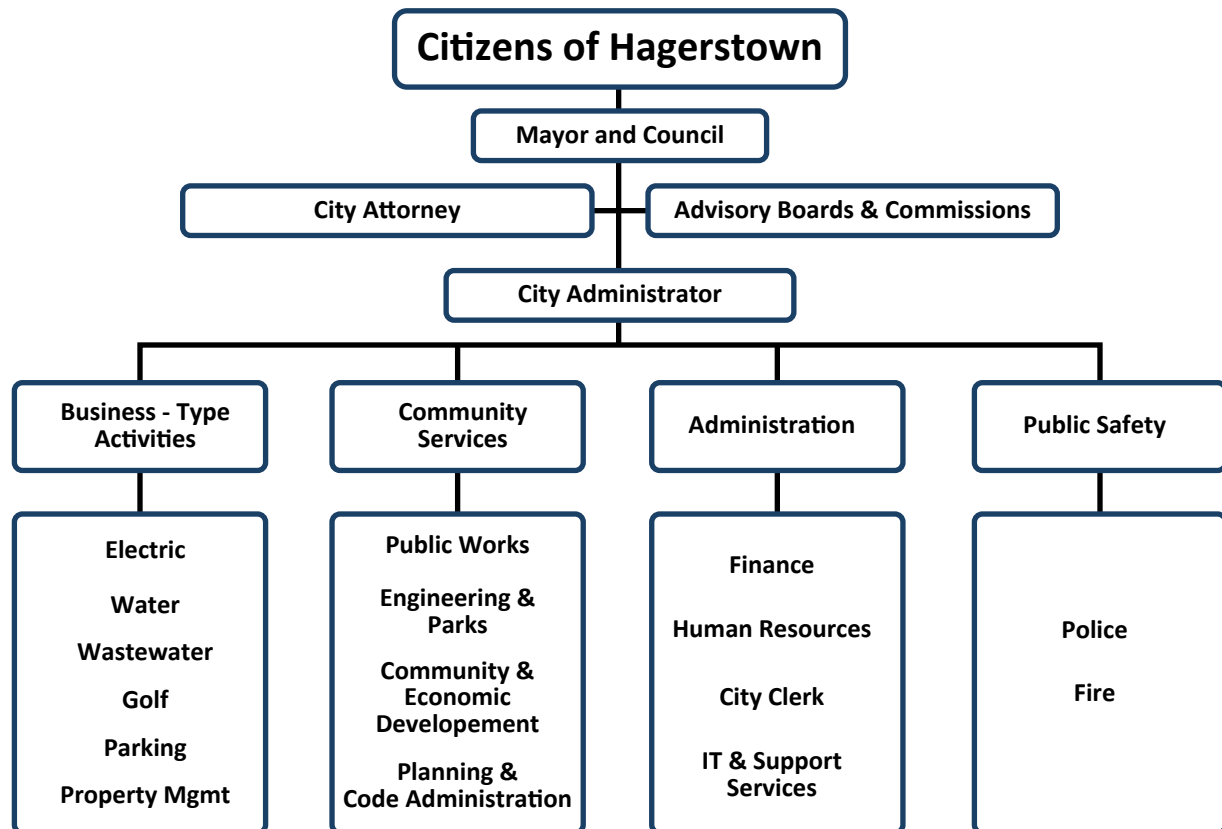


Councilmember
Penny M.
Nigh

City of Hagerstown Structure



Valerie A. Means, City Administrator



SECTION 1 - MAYOR & COUNCIL GOALS & PRIORITIES 2015- 2016

Through a combination of financial management policies, land use and forecasting, the City will ensure stability by maximizing its use of resources. To assist the Mayor and City Council, a five year forecast of the City's General and Enterprise Funds is included in the City's budget document to illustrate the financial impact of their decisions. On December 16, 2014, Mayor and Council adopted their new Goals & Priorities 2015 through 2016. As outlined below, these priorities are categorized under seven "pillar" goals which were derived from Mayor and Council's Mission and Vision Statement that was approved by the elected body in 2012.

Vision Statement: A diverse, business-friendly, and sustainable community with clean, safe and strong neighborhoods.

Mission Statement: Providing the most efficient and highest quality services as the municipal location of choice for all customers.

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

- Health, safety and welfare
- Positive character and transparency
- Turning liabilities into assets
- Creative, progressive action
- Neighborhoods, children and families
- Excellence and continuous improvement
- Diversity and inclusivity
- Partnerships and stakeholder feedback
- Sustainable growth

ECONOMIC DEVELOPMENT

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

- Build a public-private partnership to provide **high-speed broadband** in excess of 1Gb to attract high-tech business to the City.
- Implement the **Main Street Maryland Program** to enhance collaboration among diverse partners who support the downtown.
- Implement the **Community's City Center Plan** to promote economic development and strong neighborhoods in our core.
 - o **Catalyst Project #1** - Select a developer to construct new Class-A offices on the Central Parking Lot.
 - o **Catalyst Project #2** - Work with public and private partners to support the expansion of Maryland Theatre programming and facilities.
 - o **Catalyst Project #3** - Work in support of USMH to expand academic program offerings and facilities, including student housing.
 - o **Catalyst Project #5** - Construct a multi-use trail linking the Arts & Entertainment District with City Park and the WCMFA.
 - o **Catalyst Project #7** - Expand operations of the City Farmers' Market to include additional hours and a greater variety of vendors.
- Implement the **business resource and creative work space area** to support small business start-ups and collaboration among entrepreneurs.
- Identify assets of the **Meritus properties** to cooperatively market for re-use and development in partnership with Meritus.
- Participate with the County and the private sector on the extension of **Professional Court across Antietam Creek** and the annexation/development of Mt. Aetna farms.
- Collaborate with Washington County Government and the private sector to re-develop the former **Massey property** in support of the library and the neighborhood.
- Partner with Washington County and the Board of Education on the proposed **Education Hub** to expand academic opportunities in City Center.



SECTION 1 - MAYOR & COUNCIL GOALS & PRIORITIES 2015- 2016

PUBLIC FACILITIES AND INFRASTRUCTURE

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

- Create a plan for the revitalization and re-use of the **MELP property** to support the city's East end.
- Explore use options for **Municipal Stadium** to enhance the social and economic vitality of Hagerstown's East end.
- Further strengthen Fairgrounds Park with diverse recreation opportunities through use of the **Grandstand area**.
- Improve and **increase access to waterways** for recreational opportunities and economic development, to include Antietam Creek, Hamilton Run, Marsh Run, and Town Run.
- Enhance the benefit of the **Greens at Hamilton Run** golf course to the community and improve its long-term financial feasibility.
- Ensure future use of the **Winter Street Elementary School** supports Hagerstown's West end neighborhood.
- Develop a plan for the future need and use of the City's **Edgemont water facilities**, including the reservoir, watershed property, and the Breichner water treatment facility.
- Incorporate new technologies that provide and promote a more **customer-oriented parking experience**.
- Expand "**pocket park**" development in several areas, including Kiwanis Park, to provide neighborhood and recreational facilities.



SECTION 1 - MAYOR & COUNCIL GOALS & PRIORITIES 2015- 2016

CITIZEN-BASED GOVERNMENT

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

- **Integrate technology** throughout City operations to enhance the customer experience and increase citizen access to City services and information.
- Evaluate the **future structure and delivery of City services** within the availability of our community's financial resources and in response to the needs of Hagerstown's residents.
- Promote awareness and **understanding of the City's finances** through accessible and easy-to-use data presentations.
- Grow the **Hagerstown Strong Program** - a volunteer outreach group pairing volunteers with government staff.
- Grow a foundation of **active and engaged residents** to serve on various City boards and commissions.
- Promote community engagement initiatives under the **"engageHagerstown"** brand to increase participation and actionable outcomes.
- Grow resident awareness of **x311** and explore a resident notification system to more effectively share information.
- Improve access to **City website** information for mobile device users.



SECTION 1 - MAYOR & COUNCIL GOALS & PRIORITIES 2015- 2016

NEIGHBORHOODS

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

- Secure State funding and hire a consultant to develop a **housing and neighborhood plan** based on Mayor & Council's goals to strengthen Hagerstown as a residential community by addressing key issues such as concentration of poverty, non-profit/subsidized housing, concentration of social services providers and quality of housing stock in the older neighborhoods.
- Adopt a **"Complete Streets" policy** to incorporate multi-modal transportation in Hagerstown's future street re-construction.
- Incorporate pillars of the **Character Counts!** program through visible branding in the downtown and parks.
- Foster **adopt-a-block programs** throughout the City modeled after the adoption of E. Franklin St. and streetscape improvements.
- Promote neighborhood-based services and citizen engagement by **defining neighborhood boundaries and identities** and also by expanding Neighborhoods 1st programming.
- Improve conditions in neighborhoods by working with owners, tenants and investors utilizing the **Rental Facilities and Vacant Structures programs**.
- Expand efforts in **Problem-Solving Policing** through neighborhood patrol walks and direct engagement of citizens.
- Enact a **progressive Land Management Code** and related ordinance amendments to strengthen City neighborhoods.



SECTION 1 - MAYOR & COUNCIL GOALS & PRIORITIES 2015- 2016

ACTIVE / HEALTHY LIVING

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

- Establish **multi-use walking trails** in the Marsh Run area of the City (Antietam Creek to City Park).
- Develop a program to **add public art** throughout City neighborhoods, parks and public gathering places on an annual basis.
- Support **increased programming for multi-cultural events**, festivals and performances.
- Foster an **age-friendly community** to make city living attractive to people of all ages.
- Enhance **visitor attractions at Potterfield Pool**, including a "sprayground" area.
- Develop and **expand programs through the Parks & Recreation Division** to increase active, healthy living of citizens.
- Establish goals and initiatives supportive of the **HEAL Cities & Towns campaign** to promote healthy eating and active lifestyles.
- Establish a **community garden** for citizens to grow and cultivate foods and produce.
- Enhance the City's standing as a **"Bicycle Friendly Community"** through additions of bike lanes, bike racks and rider-friendly routes.
- Establish a **"Wireless Parks" initiative** to provide free Internet services in the major City parks.
- Provide **interactive opportunities for visitors** to trails / parks to increase their knowledge of City History.
- Pursue certification through the **Sustainable Maryland Certified Program** to incorporate eco-friendly practices at a cost savings while enhancing quality of life amenities.



SECTION 1 - MAYOR & COUNCIL GOALS & PRIORITIES 2015- 2016

PUBLIC SAFETY

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

- Improve the model of data/community driven public safety enforcement through incorporation of National Safety Standards.
- Work with State delegation and community stakeholders to develop legislation and programs to address gangs, violence, drug activity and juvenile crimes.
- Purchase a replacement ladder truck for Pioneer Hook & Ladder.
- Partner with Washington County Volunteer Fire & Rescue's Recruitment & Training Coordinator to strengthen the volunteer program within HFD.
- Implement the HFD Strategic Plan to guide the future operations of the department.
- Strengthen an Emergency Preparedness Program to further coordinate emergency response between City departments.
- Integrate GPS and calls for police service, including enhanced field reporting and crime camera monitoring.
- Address violent crime and gang activity utilizing the latest in Predictive Policing technology.
- Enhance the management of juvenile offenders through the use of a Juvenile Officer Coordinator.



INNOVATIVE / PROGRESSIVE GOVERNMENT

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

- Use **data to guide decision-making** and program development throughout City operations.
- Adopt **continuous improvement strategies** throughout all City operations.
- Complete implementation of an **Electronic Time and Attendance Reporting** to enhance the tracking of employee time and leave.
- Incorporate a **Self-Funded Worker's Compensation Program** to reduce costs and enhance occupational health.
- Explore **alternate employee and retiree health plan options** to ensure the future sustainability of benefit offerings.



SECTION 1 – DEPARTMENTAL GOALS 2016

The Mayor and Council's planning efforts along with the goals and priorities established to carry us through 2016 provided the baseline strategies enabling the Senior Leadership Team to build their goals upon. The City Center Plan is also instrumental in building a work plan as we move beyond 2016. You will find that some of the goals are multi-year and phases have been carried forward from 2015 and may be carried into 2017. We recognize that this is a working plan and that at times priorities may shift. We also understand that the plan is subject to fiscal constraints. In general, these goals as presented to you here solidify the team's commitment to the City's mission: *Providing the most efficient and highest quality services as the municipal location of choice for all customers.*

CITY CLERK

UPDATE OF THE CITY'S RECORD RETENTION SCHEDULE. Staff continues to review provisions for electronic and paper documents and communications for an updated Record Retention Schedule. Staff has participated in training seminars from the Maryland State Archives and hopes to attend additional training in 2016. The document retention schedule is being reviewed for implementation in 2016.

CITY ETHICS COMMISSION. The City Clerk is the staff liaison for the City Ethics Commission. Training and educational sessions are being developed by the Commission for presentation to Mayor and Council members and staff. The Commission provides an annual report to the Mayor and City Council. This goal is ongoing.

DOCUMENTS. Continue updating the index of the documents retained in the City Clerk's office. This goal is ongoing.

REVIEW THE CITY CODE. Identify outdated and irrelevant language within the Code pertinent to the City Clerk's office. This goal is ongoing.

BOARDS AND COMMISSIONS. Assist in the City's efforts to grow a foundation of active and engaged residents to serve on various City boards and commissions. The Mayor will continue to meet with potential Board members throughout the year as they are identified.

DEPARTMENT OF COMMUNITY & ECONOMIC DEVELOPMENT

COMMUNITY'S CITY CENTER PLAN. Continue implementation of the eight Catalyst Projects identified in the Community's City Center Plan. The Department of Community and Economic Development work cross-department with several other City departments on the implementation of the Community's City Center Plan. Selected specific goals for 2016 under the Community's City Center Plan include the following:

- **Catalyst Project #1:** Office Development and Recruitment - Ongoing
- **Catalyst Project #2:** Maryland Theatre Expansion of Programming and Facilities
- **Catalyst Project #3:** USMH Expansion Support
 - o **USMH Expansion Support - Catalyst Project #3.** Staff will work with USMH representatives to assist in the development of student housing for USMH students. Staff will monitor and support the public – private partnership for the first pilot program, Patterson Hall. Staff will explore with USMH the timing of a second project likely to happen beyond 2016.
- **Catalyst Project #4:** Hotel/Conference Center and Heritage Center/Commemorative Park

SECTION 1 – DEPARTMENTAL GOALS 2016

- Catalyst Project #5: Linking City Park/WCMFA and the A&E District with Trail & New Housing
 - o A&E Trail Project & Housing Development – Catalyst Project #5. Identify and build partnerships in furtherance of the housing goals in the area along the trail linking City Park and the Washington County Museum of Fine Arts with the Arts & Entertainment District.
- Catalyst Project #6: Expanded Downtown Arts/Events Programming
 - o Expanded Events - Catalyst Project #6. Grow variety and programs for events in City Center by collaborating with partners through the Main Street structure.
- Catalyst Project #7: Expanded Operations of the City Farmer's Market
 - o Expansion of City Farmer's Market – Catalyst Project #7. Complete the transition of the Farmer's Market to a private operator through the Request for Proposal (RFP) process started in 2015.
- Catalyst Project #8: Expanded and Targeted Home Ownership Support
 - o Home Ownership - Catalyst Project #8. In order to support homeownership, properties will be acquired for renovation and resale. Staff will focus on strategically selecting properties for acquisition and implementation of new renovation standards to make CDBG homeownership properties more attractive to new homebuyers.

MAIN STREET HAGERSTOWN PROGRAM. In partnership with the business community and residents, continue the implementation and support of the work group structure of Main Street Hagerstown. The Department of Community and Economic Development will work cross-department with several other City departments to support these efforts. The Work Groups include:

- Promotions
- Organization
- Design
- Business Relations
- Clean, Safe and Green

HOUSING AND NEIGHBORHOOD PLANNING. Conduct a Housing Summit to provide the opportunity for stakeholder education, partnerships, and development of a unified vision for area housing and neighborhoods. Explore funding options to hire a consultant to develop a housing and neighborhood plan based on Mayor & Council's goals to strengthen Hagerstown as a residential community by addressing key issues such as concentration of poverty, non-profit/subsidized housing, concentration of social services providers and quality of housing stock in the older neighborhoods.

QUALITY OF LIFE IN OUR NEIGHBORHOODS. Initiatives in 2016 will include:

- Main Street Enhancements: Implement East Franklin Street Gateway enhancements and continue "adopt-a-block" efforts in coordination with the Main Street Hagerstown Clean, Safe and Green Work Group.
- Neighborhood-Based Projects and Events: Work with community partners to complete various neighborhood projects to create visible change and community pride in City neighborhoods. These projects include accessibility ramps city-wide, Downtown cellar door replacement, and property improvements through existing housing programs. Begin development of the new west end park in cooperation with the Parks & Engineering Department. Continue partnership with Neighborhoods 1st groups on events such as Medal of Honor Day of Hope, Historic Heights Porchfest, and City Park Arts in the Park.

SECTION 1 – DEPARTMENTAL GOALS 2016

- **We Love City Life! Campaign:** Staff will promote the positive experiences of residents to foster community identity and pride. Testimonials will be gathered to develop video, audio and visual promotions that will be distributed in digital advertisements as well as the City's channels of communication. The Department of Community and Economic Development will work cross-department with the Department of Technology and Support Services on these efforts.
- **Character Counts!:** Incorporate pillars of the Character Counts! Program through visible branding in the City Center, neighborhoods, and parks. The Department of Community and Economic Development will work cross-department with the Department of Technology and Support Services on these efforts.
- **Faith Community and Social Service Community Engagement:** Continue to expand engagement efforts and dialogue with the Faith Community and Social Service Community by exploring action items that enhance our efforts to become a more sustainable and viable City with a vibrant core.
- **Growing Volunteerism and City College:** Work cross department to continue to grow volunteer engagement to foster understanding of local government operations among the community. This includes support and continuation of the City College curriculum to empower citizens and heighten transparency.

ENTREPRENEURSHIP AND BUSINESS RESOURCE CENTER AT 60 WEST WASHINGTON STREET.

Continue to seek partnerships and begin operations of the BuroBox, Entrepreneurship and Business Resource Center at 60 West Washington Street to grow and assist small businesses in the City Center following the completion of all renovations and space fit out.

COMMERCIAL DEVELOPMENT AND COMPETITIVE NEGOTIATED SALE (CNS). Be a catalyst for commercial development by enhancing City-owned properties and marketing these properties to private investors through the Competitive Negotiated Sale process (CNS).

EDUCATION HUB. Support the Mayor and City Council as the City considers partnership with Washington County and the Board of Education to expand academic opportunities in City Center.

ANNEXATION OPPORTUNITIES. Explore opportunities to facilitate annexation to include Mt. Aetna Technology Park in conjunction with exploration of Professional Court extension as well as other areas of the City as a means of enhancing the tax base of the City and facilitating provision of services. The Department of Community and Economic Development will work cross-department with the Planning and Code Administration Department on these efforts.

HAGERSTOWN REVOLVING LOAN PROGRAM. In order to enhance the Program's effectiveness and sustainability, suggested updates to the existing Revolving Loan Program Guidelines are currently being developed and will be presented to the Mayor & City Council for adoption in 2016.

COMMUNITY REVITALIZATION IMPROVEMENT ZONE (CRIZ). Explore potential City Revitalization Improvement Zone (CRIZ) legislation that would create a new economic development financing tool. Continue efforts to make Hagerstown a pilot City in the State of Maryland for such legislation.

PUBLIC ART. In cooperation with the Parks & Engineering and the Planning & Code Administration Departments, identify additional locations for public art in neighborhoods throughout the City. A concentrated effort is being made in conjunction with the community for public art along the Trail project.

NOPO LOFTS & ENGINE ROOM ART SPACE AT 36-40 NORTH POTOMAC STREET. Continue management and leasing of the NOPO (North Potomac) Lofts, four live-work studio units for artists. Continue operation of the Engine Room Art Space where resident and non-resident artists will work in partnership with the greater arts community to program exhibits and use of the gallery.

SECTION 1 – DEPARTMENTAL GOALS 2016

MULTI-CULTURAL EVENTS. Develop event guidelines in cooperation with the Parks and Engineering Department, and continue to work with local community groups and other City departments to support increased programming for multi-cultural events festivals, and performances.

LEGISLATIVE AMENDMENTS FOR ARTS AND ENTERTAINMENT EVENTS. Support and continue to expand attendance and interaction of event attendees with the utilization of the modified State Liquor Laws. Legislative amendments were made in 2015 to permit alcoholic beverages to be taken out of an establishment provided the customer remained within the event area.

FINANCE DEPARTMENT

To help achieve Mayor and Council's goal of **Citizen-Based Government**, The Finance Department will address the following goals in 2016:

FINANCIAL SOFTWARE ENHANCEMENTS: Finance will begin to implement process improvements for fixed assets throughout the City in phases over the next two fiscal years. Currently, fixed assets are depreciated annually and monthly estimates are being calculated and entered manually. The first phase is education for departmental users. Now that the module is available in MUNIS and all departments have inquiry and reporting access, we will provide training and documentation to the departments. The second phase is providing reports to departments on a monthly basis to ensure asset additions and disposals can be recorded timely. In the future and final phase, Finance would like to streamline the process by depreciating assets monthly. This will improve accuracy and create efficiencies during our fiscal year end crunch for the audit.

CITY'S FINANCIAL REPORTING NEEDS: Finance will continue quarterly review meetings with Department Managers to ensure that the City's financial condition is adequately monitored. Additionally, Finance will meet the October 31 deadline for completion of the Annual Audit and Comprehensive Annual Financial Report. Last, Finance will strive to produce a Popular Annual Financial Report to present financial data in an easy-to-use format.

REVIEW FISCAL POLICIES: Staff will continue to review and recommend updates for fiscal policies in 2016 to present to Mayor and Council for approval.

ISSUE BOND & OTHER DEBT: In 2016, Finance will continue to monitor the capital projects included in the CIP fund. Projects that do not qualify for bond financing, are non-capitalizable, or are considered to be an operating expense will be transferred to their respective operating budgets within each fund. This process has been on-going and will continue on an annual basis. Finance will continue to work with the City's financial advisor and bond counsel to issue general obligation bonds as needed and approved for the City's approved FY16 and FY17 public improvements projects. Finally, Finance will continue to monitor unspent bond projects and funding to ensure timely compliance with bond covenants.

AUDIT SERVICES: Finance will seek extension of a two-year contract with SB&Company.

CUSTOMER SERVICE: Another focus, in the Finance Department, is to continue to provide enhanced customer service internally and externally. Throughout 2016, Finance will review the procurement process and policies to identify ways to make it more efficient. The Finance Department will also promote awareness and understanding of the City's finances through accessible and easy to use data presentations.

SECTION 1 – DEPARTMENTAL GOALS 2016

To help achieve Mayor and Council's goal of **Innovative/Progressive Government**, the Finance Department will focus on the following:

SOFTWARE IMPLEMENTATION: Finance and IT staff will continue to coordinate with our time and attendance software system vendor (Intellitime) and City Departments to get all groups live in this system. The remaining Departments to implement Intellitime are Wastewater, Police, and Fire.

FIRE DEPARTMENT

ADMINISTRATIVE

- The below goals will require working with Human Resources and/or Finance to establish feasibility for further recommendation to the City Administration.
 - o Develop a staffing plan and recommended sustainable revenue source to establish a three person minimum, four person desired, staffing for all City companies engine and ladder.
 - o Continue to support the recruitment and retention of trained and certified volunteers. Centralize responsibility and authority for operationally certified volunteer personnel.
 - o Review the existing ordinances and policies governing the City Worker's Compensation Plan as it relates to HFD.
 - o Review the potential for a re-grade of the existing MG10 position in the HFD.
 - o Conduct a classification and compensation audit for all management level positions.
 - o Add a third Fire Marshal to enable a shift work configuration and Kelley relief for on-duty FM's.
 - o Contract a part-time plans reviewer.
 - o Train one-third of Command Staff in the National Blue Card Incident Management System.
 - o Initiate a Company Officer Leadership Academy (COLA) using Captain's list candidates.
 - o Initiate a plan to grow management level training for Captain's and above.
- Train Command Staff in Washington County Department of Emergency Services (WCDES) Emergency Operations Center (EOC) Operations.
- Conduct a net annual work hours analysis and leave usage matrix.
- Explore opportunities to fully utilize top tier candidates of the WCPS Fire-Rescue Academy for minimum staffing positions.
- Expand the role of certified EMS providers in the HFD.

FACILITIES

- Complete the facilities assessment and develop a realistic maintenance schedule for all City owned and volunteer fire department facilities.
- Request approved funding and begin legacy repairs on all City owned facilities.

SECTION 1 – DEPARTMENTAL GOALS 2016

- Upgrade the existing HFD/IT infrastructure to include Mobile Data Terminals (MDT) for operational assets and fiber connectivity to all facilities.
- Develop a plan to fund and repair the existing T-1 (East Franklin Street) facility and/or move existing T-1 to FS-3 (Eastern Boulevard).
- Fund and upgrade existing fire station alerting infrastructure and personnel alerting system.
- Develop a CIP project to relocate two of five engine companies and FD Headquarters.
- Collaborate with all Washington County public safety agencies to make improvements to the existing burn building, Self-Contained Breathing Apparatus (SCBA) maze, pump testing pit and training tower.
- Collaborate with all Washington County public safety agencies to obtain a new training campus within the City limits.

VEHICLES, TOOLS & EQUIPMENT

- Submit a grant funding request for replacement SCBA face pieces, fit-testing equipment and DOT/ANSI approved traffic safety vests.
- Finalize a fleet vehicle, and portable fire-fighting, rescue and EMS equipment replacement plan.
- Accept delivery of and place in service new T-1 from Pierce Manufacturing.
- Procure \$169,000 of Personal Protective Equipment (PPE) that was funded by the Assistance to Firefighter's Grant Program. Close out by May 1 of 2016.
- Conduct a mini-rehabilitation of one reserve aerial ladder.
- Dedicate funding to replace three light duty vehicles utilizing a standard, interchangeable vehicle platform for command, and investigators/code compliance staff.
- Repair SCBA/components as needed and collaborate on a regional grant to replace SCBA.

PROGRAMS

- Study the impact of funding the HFD to a current maintenance of services level.
- Work with Legal for legislation to rename HFD to reflect the all-hazards mission.
- Continue to revise or create outdated policies and procedures at the rate of three/month.
- Continue to participate in and work collaboratively with the Washington County Emergency Services Advisory Commission (WCESAC), the WCDES staff, Washington County Volunteer Fire Chief's Committee and the Washington County Volunteer Fire Rescue Association (VFRA) to formulate strategic goals and objectives, policies and procedures that improve the efficiency and effectiveness of all public safety agencies.
- Initiate quarterly briefings with the command staffs of all Hagerstown and Washington County public safety assets that will include fire-rescue, EMS and law enforcement to improve operations and seek economy of scale and efficiency opportunities.

SECTION 1 – DEPARTMENTAL GOALS 2016

- Conduct a station alerting, personnel alerting radio replacement and paging assessment analysis and plan that fully meets the department's needs. Explore opportunities to consolidate IT and radio needs with law enforcement.
- Develop an in-service inspection plan for commercial buildings using Insurance Service Office (ISO) criteria.
- Develop an in-service plan to inspect, flow-test, and maintain fire hydrants to ISO standards.
- Evaluate opportunities for consolidation of corporate, municipal, and county assets to maximize efficiency of public safety assets.

HUMAN RESOURCES

NEGOTIATION OF COLLECTIVE BARGAINING AGREEMENTS. As budget allows, Human Resources will engage in the negotiation process with all four of the City's Collective Bargaining Units. Currently, all four agreements have a contract term ending on June 30, 2016.

WELLNESS PROGRAM. The Wellness Program will continue to offer comprehensive wellness initiatives with focused programs on nutrition, exercise, financial planning and stress reduction. Health risk assessments will be offered in the Summer to all full and part time employees. The Wellness Program will continue to work in partnership with the Recreation Department's HEAL of Maryland initiative by offering wellness programs to employees and expand programming to include family wellness.

HEALTHCARE INITIATIVES. We will work to meet the various Affordable Care Act requirements for reporting healthcare coverage for employees, retirees and dependents for tax purposes. The Healthcare Committee will provide Mayor and Council with recommended changes to the healthcare plans in an effort to reduce the increasing administration and claims costs. Human Resources will work with the Health Care Committee to explore integrating wellness participation/practicing healthier lifestyles (smoking cessation, participating in quarterly programs) with a reduction of premiums for medical coverage. Additionally, prior to Open Enrollment in May, Human Resources will host a Benefits Fair for employees/dependents to learn more about the various benefit plans available.

TRAINING. Human Resources will continue to make training and development a priority in 2016. The focus will be on providing tools to management to develop their supervisory and mentoring skills, specifically on areas related to performance management and succession planning. Examples of material we are currently developing include training on managing employee leave (sick, FMLA, etc.), creating a successful on-boarding program for new hires, and succession planning for future leaders. Not only will internal training be scheduled with managers, but we will also continue to offer courses with Hagerstown Community College, SkillPath Training Seminars and other available resources. Supervisory training will be completed at the beginning in the year for the Family and Medical Leave Act (FMLA) and the HIPAA privacy rules. We continue to review and update employment policies as needed throughout the year.

EMPLOYEE RECOGNITION. Staff will be working to develop updated employee recognition programs this calendar year.

DEFERRED COMPENSATION. Empower will continue to offer employees investment training classes and will incorporate financial planning training for employees/spouses.

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RISK MANAGEMENT. The Department has replaced its outdated employee ID system. We are working to bring the new ID system on-line for each employee group. Due to several unfortunate recent incidents at City Hall, we are evaluating the feasibility of updating security cameras in the building to increase clarity of the video equipment. The Police Department is conducting a safety assessment of the building and we are working towards offering employees training in the event of an emergency situation in the building. We intend to expand the classes registered with the MDE so water and sewer operators receive credit hours for their certifications, which reduces the need for outside training and reducing training costs. We are also developing tracking mechanisms to monitor workers' compensation injury costs within each division. We intend to increase safety-focused communications as well as offer targeted training to divisions who develop specific injury or risk trends.

INFORMATION TECHNOLOGY & SUPPORT SERVICES

INFORMATION TECHNOLOGY

MUNICIPAL BROADBAND PROJECT. The City will begin working with Antietam Cable Television in implementing a >1Gb High Speed Internet service in the general City Center area in the Spring of 2016. This project will be a major economic development opportunity for the City in positioning the City as the only affordable gigabit city in the four-state area. If successful, the initiative will be expanded to include more areas (residential and commercial) in the City.

DATA ANALYTICS IMPLEMENTATION. In the spirit of transparency, many municipalities in the State are moving towards a system where residents and staff are more easily able to research the current state of City finances and activities through online resources such as the State's STATESTAT system. We look to provide the same type of system for our stakeholders in 2016 with the implementation of systems that provide snapshot views of budgetary information through interaction with the City website. This type of system will also provide a more streamline reporting of information to the State when necessary.

MUNIS MAPLINK IMPLEMENTATION. The successful implementation of Version 10.4 of MUNIS in Fall, 2015 allows for the integration of GIS technology into our financial system. Place points are associated with financial records (Tax, Utility Billing, Permits, etc.) and allow for visualization of parcels within the financial system.

DYNAMIC SCHEDULER IMPLEMENTATION IN PUBLIC SAFETY. Staff will continue to work towards the completion of this project with the implementation of dynamic scheduling for the Public Safety staff of the City. Anticipated completion of this project will be Summer of 2016.

VMWARE-MUNIS SERVER CONSOLIDATION. Following the successful consolidation of the MUNIS financial servers into a VMWARE environment, staff will be continuing with our server consolidations throughout 2016. Consolidation will be occurring in both City Hall and HPD server rooms.

USE OF TABLET COMPUTING IN THE FIELD. Staff will continue the proliferation of tablet computing following the MUNIS upgrade in the effort to get more information into the hands of our field staff without having to return to the office. This capability will also be a benefit following the time and attendance system implementation where staff will be able to report information from the field.

SECTION 1 – DEPARTMENTAL GOALS 2016

EXPANSION OF VIDEO SURVEILLANCE SYSTEM. Staff will be working with contractors for the expansion of the video system to include the pedestrian trail and the new downtown fiber loop (Jonathan Street/Prospect Street).

IMPLEMENTATION OF APN SYSTEM. Staff will be implementing the new Virtual Private Networking (VPN) component for HPD patrol car communications in 2016. The connection will be a VPN Tunnel with increased speeds and security.

INFORMATION TECHNOLOGY STRATEGIC PLAN. The rapid advances of technology over the past two years, as well as local governments use of this technology, provides great timing for the updating of our IT Strategic Plan last presented in 2007. This plan will look at all facets of technology and its potential use in the City, including wireless networking, tablet computing, cloud computing, etc.

STUDIO CONSTRUCTION. Work will begin in Spring, 2016 on the video production studio for the Communications staff in the Elizabeth Hager Center. The studio will allow for increased opportunities for community outreach and information by providing a production facility for more discussion based, information providing programming. Staff will also be working with various departments to increase our offering of public service programming as well as promotional pieces to provide more fresh content on our PEG channel.

CITY WEB PAGE RE-DESIGN. Staff will continue to modify and refine the City web page in a full transformation of style and context. The site will strive to be more user friendly, information fresh, and feature rich to allow citizens and customers full interactive opportunities. The site will be modeled after award winning municipal sites of our size/budget to meet our citizenry needs.

CITY MARKETING BACKDROP/PRESENTATION DEVELOPMENT. Staff will work with City departments to develop a standard backdrop and table covering for trade show/municipal events to highlight our City and provide information on the full range of opportunities available here. This would be used at events such as MML Conferences, local home shows, recruitment fairs, etc.

COMMUNITY ENGAGEMENT. Continue to promote the engage Hagerstown website (<http://engagehagerstown.mysidewalk.com/>) and brand. Provide additional meaningful engagement opportunities for citizens in order to obtain feedback on City needs, opportunities, and projects. The Department of Technology and Support Services will work cross-department with the Department of Community and Economic Development on these efforts.

SUPPORT SERVICES

CREDIT BUREAU REPORTING. Staff will look to add more teeth to our collection efforts by partnering with a credit bureau agency to report delinquent customer balances.

UPGRADED PHONE MANAGEMENT FEATURES. Staff will be researching adding options to our phone voice mail system to allow for the recording of phone calls for both training and for evidential purposes. Staff will also look to a system that would provide queue hold information and opportunities for “key-in” payments.

TAX PROCESS REVIEW. The upgrade of the MUNIS financial system allows for the Tax Department to execute a full review of how staff utilize the system for real/personal property tax management functions and to correct some long-standing issues inherent in the system since implementation in 2010. The success of other process reviews in HR/Payroll and Utility Billing prompts this review.

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CUSTOMER SERVICE TRAINING. The completion of the Utility Billing system process review with MUNIS subject matter experts allows for a revision of Customer Service training materials. This will allow staff to better understand and perform their job responsibilities. There has been no formal training for staff in several years, and the changing demands of our customer base require that our representatives have the tools they need to provide quality customer service.

SUPPORT SERVICES STRATEGIC PLAN. The changes in our capabilities to provide effective customer service and cash processing require a revisiting of how the Department does business both with internal City Departments as well as our external customers. Reviews of our utility collection process, cash management operation, tax collection and reporting processes will all be documented and reviewed by staff, with recommendations on implementation.

PARKS & ENGINEERING DEPARTMENT

PARKS & RECREATION DIVISION

NEW PARK DEVELOPMENT

- **Kiwanis Park:** We completed the construction of the parking lot, stream restoration/watercraft launch and the monarch butterfly way-station. In 2016 we will complete parking lot paving and lighting, install park amenities and have a grand opening on April 30th.
- **Memorial Park:** We plan to have a new group of inductees into the “Circle of Achievement” on May 21, 2016.
- **Community Garden:** Staff will further develop programs and food preparation classes for the Community Garden located at 513 South Potomac Street. Staff will consider if other gardens are warranted.
- **National Road Park:** Convert the remnants of an old commercial building to a new park/green space at 806/808 West Washington Street using Community Development Block Grant funds.

MUNICIPAL STADIUM. Negotiate a short term lease extension with the Hagerstown Suns resulting in the Council approving Amendment #4 to the lease.

POTTERFIELD POOL. As budget allows, renew contract with *Community Pools Services, Inc* to manage the pool and provide lifeguards. We will look at extending evening public swims on Monday-Friday from 6 p.m. (current closing) to 8 p.m. and have evening private rentals only on Saturday and Sunday. Develop an “aqua camp” of lap swimming, junior lifeguarding, and fitness swimming for two week sessions and attempt to develop a water aerobics program. Provide more chairs, a basketball hoop, volleyball, and shuffle board. Install “Aqua Climb” climbing wall when the grant is approved. Sell sponsorships on the fencing to generate revenue. Extend the concessionaire contract.

202 TRAIN MUSEUM. As budget allows, construct pavilion with bell and train silhouette on the roof that will be used at City events and birthday party rentals. Develop long term plan to set up cabooses for sleep-over rentals and seek a proposal for acquiring a dining car for parties and events. We should consider selling three of our cabooses to help fund. Staff will develop text for interpretive signs and install. Parks staff will install a handicapped accessible ramp to a caboose.

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HAGER HOUSE. As budget allows, continue to enhance and rotate museum exhibits to grow visitation and compliment seasonal programming.

HAGERSTOWN GREENS AT HAMILTON RUN GOLF COURSE. Increase the number of tournaments, leagues and golf specials to increase overall rounds and golf play. A part time recreation programmer will be hired with a commission based incentive to develop sponsorships and increase revenue. With the opening of the new the Senior Center, encourage play by their patrons and use of the access trail between the course and the Senior Center. Develop plan for storm water management, quality improvements and possible water feature on Hole #2.

GRANDSTAND BUILDING. Develop indoor recreation space in the former grandstand building at Fairgrounds Park to further diversify recreation opportunities for the community.

RECREATION INITIATIVES

- **Branding and Logo:** Develop a brand for our active lifestyle initiatives and complete a marketing plan.
- **Expand Active Lifestyle Rec Program:** Issue a Spring and Fall *Recreation Program Guide* and add new recreation programs such as fitness, dance classes, and cycling. Add outdoor recreation such as adult whiffle ball, kickball, and dodgeball. One source of funds is a \$10,000 grant we received to partner with the Washington County Health Department to offer activities for better fitness.
- **Walking Plan:** Work with the Washington County Health Department to develop strategies to increase adult walking for fitness and wellness.
- **Indoor Recreation Opportunity:** Utilize and promote the new indoor rec room at Fairgrounds Park by programming new fitness classes and renting it out for private functions.

MISCELLANEOUS PARKS PROJECTS

- **New Pavilions:** Construct new pavilions at Staley Park and at Fairgrounds Park near the Ice Rink.
- **City Park Lake Walls:** Concentrate efforts to repairing the lower lake's stone wall. This will be done in-house by our staff mason.
- **Accessibility to Recreation Office:** Replace the trail in front of the Parks and Recreation office to make it handicap accessible from the parking lot.
- **New Play Equipment in City Park:** Complete the installation of new equipment in the south end of the Park.
- **BMX:** Assist the BMX administration to provide lighting on the track and develop a facility capable of hosting larger events.
- **Ice Rink:** Assist the HIAAA at the Ice Rink to replace the cooling tower and improve energy efficiency (lights and cooling upgrades).
- **City Park Lake and Stormdrains:** So that the lake is healthy, design a dredging project of the lower lake for construction in early 2017. We will address the needs of the antiquated "scum drain" system and make needed repairs at the outfall at Marsh Run.
- **Emerald Ash Borer:** Continue to remove trees affected by the emerald ash borer in City Park.

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ENGINEERING DIVISION

BRIDGES

- Rehabilitation on Burhans Boulevard: Complete the \$1,800,000 rehabilitation to the three bridges over Norfolk-Southern Railroad. This is funded 80% by State Aid and 20% by the City of Hagerstown.
- Bridge Maintenance Contract: Issue a \$125,000 maintenance contract of rehabilitation work to other bridges in the City. This work includes expansion material replacement and concrete repair.

PEDESTRIAN AND BIKE PROJECTS

- A&E Trail: Construct Phase I of a trail that links the downtown district to City Park. Scope includes a small park area near the Herald Mail, art throughout the length of the trail, landscaping, benches, and lighting.
- Safe Routes to School (SRTS) Signal Project: Using a \$375,000 grant we acquired from the SRTS program, design the replacement of antiquated signals with ADA-compliant signals at Frederick Street/Mill Street (walk route to Bester Elementary) and Salem Avenue/Indiana Avenue (walk route to Western Heights and Salem Elementary). Construction will be in 2016.
- Marsh Run Trail: Working with KCI Technologies, use the \$75,000 grant from MDOT for the design of the 2,000-foot missing link of trail adjacent the Marsh Run aqueduct. Acquire the approval of CSX to install a tunnel under the rail spur across from the Public Works building.
- Pedestrian Signals: Upgrade the safety of pedestrians by installing fully ADA-compliant pedestrian signals at Antietam Street and Walnut Street.

TRANSPORTATION PROJECTS

- Alley Reconstruction: Continue to reconstruct alleys based on the priorities from the 2014 condition survey.
- Professional Boulevard: Working in conjunction with the County, staff will participate in the design of a new bridge that would span Antietam Creek and extend Professional Court to Meritus Medical Center and Hagerstown Community College.
- Pavement Preservation: Using the data from an updated street Pavement Condition Survey, make future pavement maintenance decisions and seek restored funding of Highway User Revenue.

STORMWATER STUDY AND REGULATIONS. Continue to develop strategies to comply with the Chesapeake Bay Total Maximum Daily Load (TMDL) limits and the Watershed Implementation Plan (WIP) goals. The City anticipates that a new National Pollutant Discharge Elimination System (NDPES) General Permit for stormwater will be issued in 2016. This permit will likely include requirements to remove existing impervious surfaces, or to treat run-off from areas that are currently unmanaged. Staff will continue to seek grant funding to complete stormwater management projects that were identified in our 2013 “*Stormwater Management Retrofit Study*”. These projects will help the City to comply with the Watershed Implementation Plan (WIP) requirements and anticipated NPDES regulations. Staff has submitted a “Letter of Intent” to apply for additional grant funding in FY16 to complete additional stormwater management retrofit projects.

SURVEYING/GIS

- Complete survey and/or construction stakeout for projects and continue to update GIS system layers including geo-referencing City drawings and plats. Also create a point layer for archived Engineering drawings.

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- Updated ROW Map: Continue to update this throughout the year and into the future. Consolidate GPS surveys that include curb locations and have calculated centerlines from these and then offset for ROW. Combined with field locations and research, this should help with future projects.
- Preservation of Archived Data: Continue digitizing and integrating archival data into usable data/GIS layers including SHA plats and RR plats.
- Street Acceptance Spreadsheet: Develop a spreadsheet of streets that were accepted by the City for maintenance and include basic data for each.

MISCELLANEOUS ENGINEERING PROJECTS

- Energy Efficiency: Funded by a Maryland Energy Administration Grant, we completed energy audits of three City-owned buildings. In 2016, we will be issuing a contract to address the recommendations of the audits.
- Sustainable City Designation: Work with the Main Street subcommittee and our Green Team to develop additional sustainable measures in the City
- Marsh Run Aqueduct Repairs: Continue to make improvements to the deteriorating masonry wall by issuing a contract to address the worst areas of the channel.
- Signal Coordination: Continue to work with Washington County to improve traffic flow on Wesel Boulevard and Massey Boulevard by coordinating signals.
- Wilson Boulevard onto Summit Avenue: Install left turn lane for safer operations at this intersection.
- Pedestrian Safety: Seek a Green Street Grant to install bumpouts at Potomac/Baltimore and Mulberry/Pangborn.
- Sidewalks: Seek a Safe Routes to Schools Grant to add sidewalks on Haven Road
- Tourist Attraction Signs: Work with the Hagerstown-Washington County Convention and Visitors Bureau to take advantage of a new State Highway program to more effectively direct traffic to selected destinations in the downtown and the City Park.

RECYCLING & TRASH COLLECTION DIVISION

REFUSE AND RECYCLING INITIATES

- “Out of Sight” Campaign: Working with Code Administration staff, continue efforts to have trash and totes removed from the public right of way, prevent the storage of trash and containers in the right of way, and develop stronger punitive measures regarding early set outs of trash and totes.
- Recyclebank: Staff will continue to promote the Recyclebank Rewards Program with the goal of giving people the incentive of getting cash back rewards simply by putting their tote curbside each week.

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POLICE DEPARTMENT PLANNING & CODE ADMINISTRATION

UPDATES AND AMENDMENTS OF CODES, PLANS AND GUIDELINES. Staff will continue to review codes and planning documents to bring them up to latest standards, review and update priorities of the City, as well as the needs of our neighborhoods. Goals for 2016 include:

- 2016 Land Management Code Amendments (Chapter 140)
- visionHagerstown 2035 – in-house update to the 2008 Comprehensive Plan
- Update Design Review Guidelines for Historic District Commission
- Update Chapter 204, Signs – the off-premise signs or billboards ordinance
- Update Property Maintenance Code in Chapter 64
- Update Trash provisions in the City Code – Chapters 64 and 117
- Amend Chapter 65, Property Maintenance Habitual Offender: Bring in more codes and include payment of fine as admission of guilt.
- Add Chapter 187, Nuisance and Abandoned Property Abatement: Improve process for gaining authority to demolish nuisance properties.
- Receivership Ordinance: Continue research of benefits of such a nuisance abatement process for the City and whether enabling legislation is necessary to adopt a program similar to the City of Baltimore.

PROTECTION OF OUR NEIGHBORHOODS FROM NUISANCES. Work with community partners and neighborhood representatives on initiatives to address blighting influences and to improve the quality of life in our neighborhoods. Goals for 2016 include:

- Non-Bidded Properties at Tax Sales: Work with County Treasurer on process to acquire non-bidded, nuisance properties at tax sales.
- Nuisance Paper Rights-of-Way: Work with Engineering Division on possibility of abandonment of nuisance paper rights-of-way and transfer to adjoining property owners.
- Abatement of High Weeds and Rubbish: Implement plan for in-house abatement of high weeds and rubbish violations in our neighborhoods by Department of Public Works.
- Neighborhood Improvement Plans: Work with neighborhood representatives on plans to address priority issues in each neighborhood.
- Abatement of Nuisance Building Issues: Work with neighborhood representatives on priorities for City abatement of nuisance properties needing repairs or demolitions. Cases expected to come out of ongoing enforcement cases and recommendations from Neighborhood Improvement Plans.

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- Rental Licensing and Vacant Structures Program: On-going administration and enforcement of these programs intended to protect the quality of life of residents, the property values of surrounding property owners, and the safety of first responders.

ENHANCEMENT OF PLAN REVIEW AND PERMITTING PROCESSES. On-going review of processes and educational materials to ensure the City provides premier service to the community and that property and business owners understand the City's codes and programs. Goals for 2016 include:

- Education Materials: Develop brochures, web features or other programs on code solutions, pools, smoke alarms, the Maryland Rehab Code, etc.
- Enforcement of 2015 Land Management Code Amendments: Develop a public notice system to property and business owners that would be affected by changes to the City's zoning provisions to raise awareness of deadlines for compliance.
- Plan Review Committee Process for Building Permits: Develop a process modeled on the site plan and subdivision Plan Review Committee for complex building projects on a case-by-case basis.
- Change of Use Permit Process: Develop new permit process that ensures required building elements are in place for the change in use so no surprises arise during the U&O process for occupancy.

PENDING REZONINGS AND ANNEXATIONS. From time to time, property owners propose rezonings or annexations to facilitate their development or business plans. In 2016, we anticipate processing a rezoning for the Old Corderman's Hardware property on West Washington Street for a Local Conversion Overlay and two annexations: the north side of Salem Avenue east of Terps Boulevard and the east side of Eastern Boulevard south of Ewing Oil.

COORDINATION OF PLANNING EFFORTS WITH THE DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT. Continue strong working relationships with our former department partners on implementation of the Community's City Center Plan and other community and economic development initiatives. In addition to implementation of the Community's City Center Plan, goals for 2016 include:

- Pre-Sales Inspections of Downtown Commercial Buildings: Develop fee system and prioritization plan to allow for this service to facilitate sales of vacant and under-utilized buildings and other large buildings downtown.
- Stormwater Management Grandfathering: To facilitate protection of investment by the City's developers, continue work with the Maryland Department of Planning to determine the necessary steps to provide final administrative approval for in-progress projects.
- Main Street Program: Provide staff liaison support to the Design Work Group and other assistance as needed to support Hagerstown's Main Street Program.
- Data Management: Assist with update and maintenance of data necessary to support the City's community and economic development initiatives.

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COORDINATION OF PLANS, POLICIES AND GOALS WITH WASHINGTON COUNTY. Continue working relationships with our counterparts at Washington County to discuss incorporation of City planning recommendations, policies and goals into County plans and codes. Goals for 2016 include discussions of the Medium Range Growth Area and the Washington County Water and Sewer Plan, the updates of the City and County Comprehensive Plans, and pedestrian improvements as part of infrastructure upgrades and site plan development.

HERITAGE INTERPRETATION AND PROMOTION. Working with our stakeholder partners, continue efforts to make Hagerstown a destination for heritage tourists in the region. Goals for 2016 include:

- **Civil War Heritage Park:** Explore funding options to implement this component of Catalyst Project #4 in the Community's City Center Plan.
- **Downtown Civil War Walking Tour Map/Brochure:** Once grant funding is secured, update and reprint this popular map/brochure.
- **Adopt-A-Marker Program:** Develop a program to ensure sufficient funds exist to maintain or replace markers as the need arises.
- **George Washington Statue:** Wrap up fund-raising efforts to make it possible to bring this project to fruition downtown.
- **Video Productions:** Secure funding to enable filming of the planned "Ransom of Hagerstown" video and continue development of the "Hagerstories" video series.

POLICE DEPARTMENT

PREDICTIVE-POLICING. The Department will continue the integration of Predictive Policing software in our daily operations by integrating the use of the software within the police cruisers. Predictive Policing software is used to identify areas in the city where crime is most likely to occur. Initial evaluation of the program took place during 2015 which is showing the viability of the system as a crime prevention tool. Continued evaluation of the system will take place in 2016.

NEIGHBORHOOD POLICING. Engaging our community through citizen contacts in each neighborhood is the key element of our Neighborhood Policing Program. This year we will merge the Neighborhood Policing Program with a the Neighborhood Guardianship Program which will be developed utilizing four new police officers being hired under a COPS grant obtained in late 2015. Selected officers will be assigned to specific neighborhoods based on need and data. They will expand the community awareness of the program through direct engagement with the community and the Neighborhood officer assigned there. The principle of Problem-Solving-Policing and community involvement will be the paramount and the design of the program is to build trust and reduce crime and the perception of crime in these neighborhoods.

DIRECTED PATROL UNIT. The Department will continue to place an emphasis on the investigation of gangs and gun violence utilizing the Directed Patrol Unit (DPU), a specialized uniformed patrol unit. This unit was developed in late 2015 and manned with one Sergeant and four Officers. The unit has a primary function of crime suppression in the areas of violent crimes. The DPU will work to reduce gun violence in the city through the use of proactive patrols, predictive policing software and the use of criminal intelligence. The DPU shall also serve as a lead role in the Safe Streets initiative relating to Repeat Criminal Offenders.

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JUVENILE OFFICER. In an effort to reduce repeat juvenile offenders and juvenile related crime, the Department employed the use of a Juvenile Coordinator Police Officer in 2015. In 2016, this Officer will work closely with the Safe Streets Program, the Department of Juvenile Justice, the Court, the State's Attorney and the Board of Education to achieve this goal.

CRIME CAMERA REPLACEMENT. Significant investments were made in 2015 to replace the aging crime cameras throughout the City. Infrastructure and camera replacements began in the Jonathan Street area. In 2016 this area will be upgraded to fiber optic connectivity cameras which will support economic development and continue to provide additional security measures to assist in the reduction of crime in this area. Additional cameras will be added to the new city walk between the downtown and City Park as this project moves forward.

CONTINUITY OF OPERATIONS PLAN (COOP). As a part of emergency planning, the Department will complete a written Continuity of Operations Plan (COOP) to ensure uninterrupted police services to our community during natural or manmade disasters.

CITY ORDINANCE AND LEGISLATIVE IMPROVEMENTS. The Department will work throughout the year to improve upon local city ordinances using innovative and evidence-based programs to enhance public safety. Support will also be given to our state legislative delegation toward this same goal.

CRISIS INTERVENTION TRAINING (CIT). In response to the rising number of crisis calls involving developmentally disabled persons or those with mental health issues, the Department will continue to expand its CIT program. All patrol officers have received Mental-Health First Aid in 2015 and all newly hired officers will receive this training in 2016. This program is designed to improve the safety to the officers and the individual in crisis through the use of specially trained CIT officers. In partnership with the Washington County Mental Health Authority, a Mobile Crisis Team was implemented in 2015. We will continue to develop this program with our community partners and conduct research into the effectiveness of the approach. The 2016 goal is to reduce the number of repeat calls for service of persons mental health crisis.

ENGAGING THE COMMUNITY. Community engagement for the Police Department relies on information and the receiving of feedback through a variety of sources. The Department will continue to follow recommendations identified in the President's 21st Century Policing Report dated in 2015. Street officer participation in community events and meetings to listen and share information will continue. Information will also be shared through the increased use of social media and our website to provide timely and relevant information. Feedback through our website, community meetings, and involvement with the faith-based, minority and ethnic community groups will be used to shape our responses, service needs and recruiting concepts.

BODY WORN CAMERAS As budget allows, the Department will implement and asses this pilot program which will support a more transparent police department to our community members.

QUALITY OF WORK LIFE. Employee safety and career development will continue to take shape this year. The employee driven safety committee will meet to discuss issues and specialized training programs focusing on officer safety will be sought after. Career development will take shape by utilizing individual surveys and interviews of staff to develop training and education to further the employee's career. Specific training areas in such fields as Advanced Emergency Medical Training, Accident Reconstruction, and Drug and Gang Interdiction and leadership/supervision training will promote career development.

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SAFE STREETS INITIATIVE. This is a grant funded program through the State of Maryland Governor's Office of Crime Control and Prevention (GOCCP) intended to reduce violent crime and repeated criminal behavior in Hagerstown. Continuing upon last years' emphasis on repeat juvenile offenders, the Department will further our partnerships throughout the community by enhancing our engagements with as many juveniles as possible through programs and initiatives. This will include engaging new partners to the program from allied agencies and the expansion of 'community call-ins', specific for juveniles.

PUBLIC WORKS

BUILDING MAINTENANCE

CITY HALL BOILER REPLACEMENT. Replacement of one of two boilers is currently underway. The work should be completed by the end of January 2016. The second boiler will be scheduled to be replaced in the next two to four years.

CITY HALL RESTROOM EXHAUST SYSTEM. There is no existing exhaust system to vent the restrooms on the second through fourth floors. Funds are being allocated to installed exhaust fans and vents to provide much needed ventilation.

CENTRAL EQUIPMENT BUILDING ROOF REPLACEMENT. This property houses the offices of Public Works and the Water Department. The existing flat roof has lasted years beyond the initial warranty of the roof. The rubber roof and insulation will be removed and replaced with a long term (20 year plus) roofing system.

OFFICE PAINTING. Several offices in the Department of Community & Economic Development and in the Fire Department are in need of painting. Minor patch work will be required but no major remodel is currently planned.

CITY BALLET. Spring 2014 flooding caused a number of issues within the basement of the Elizabeth Hager Center (EHC). A new floor was constructed in Studio B of City Ballet which occupies the basement area of the EHC. However, there is evidence that other damage occurred within the space. It appears that some additional floor work will be required in 2016 in the main reception area of the ballet and possibly Studio A on the west side of the facility. Work will not proceed until the ballet company vacates the property in the spring of 2016.

ROSLYN BUILDING WINDOW REPLACEMENT. The Roslyn Building has 66 windows many of which are in need of replacement. The original replacement windows have deteriorated as have many of the original window sills. If the project remains as bond financed, the timing is tied to the issuance of the bonds.

ELIZABETH HAGER CENTER FLOORING. The Department of Labor, Licensing and Regulation (DLLR) is a tenant of the City located in the Elizabeth Hager Center. The lobby flooring is constructed of vinyl composition tile that has come loose and brittle after years of use. The vinyl composition tile and subfloor will both need to be replaced to provide a long lasting flooring solution.

MARKET HOUSE IMPROVEMENTS. City staff is working towards a new and different means of operating the Market House as part of the catalyst projects recommended by Urban Partners. Physical improvements and changes are most likely to occur but it is currently unknown to what extent those changes will be. Staff is prepared to assist with these changes as necessary.

STREETS

SIDEWALK REPAIRS DUE TO STREET TREE DAMAGE. This is an on-going project in conjunction with the Engineering Division. Tree roots damage sidewalks creating trip hazards. Portions of the sidewalk generally have to be removed and replaced. All attempts are made to save the trees but sometimes the tree has to be removed and replaced when possible.

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STORM DRAIN REPIAR AND MAINTENANCE. The City has over 4,000 storm drains that need continual servicing. The work can include simply cleaning the drain to a complete rebuilt. This work is emphasized in the Spring in preparation of the street overlay project in coordination with the Engineering Division.

STREET SWEEPING ENHANCEMENTS. Expansion of the permanently posted streets downtown has helped keep the City Center looking good. Use of permanently posted times and dates throughout the City's 117 miles of streets is not possible. A plan to enhance the sweeping schedule to ensure all streets has begun and will continue to evolve. However, a logical method of addressing all the streets can be implemented to ensure every street gets swept on a regular basis.

FESTIVAL AND EVENT SUPPORT. Public Works will continue support such as setup, cleanup and traffic control for events held in the streets and downtown. Scheduled events for 2016 include Blues Fest, Augustoberfest, Mummers Parade, Thunder in the Square, Bike Night, Tour of Washington County and the Donut Drop New Year's Eve Program. Emphasis continues to be placed on holding more events in the downtown. Improvements will be made to the electrical systems in the Central Lot to ensure there are reliable power sources for future events. The intent is to have the electrical work completed by 2016 Blues Fest event.

PROPERTY ABATEMENT. Public Works will be teaming up with Code Administration to abate properties where property owners have failed to do so. Public Works will be hiring additional staff, including some part-time help and a full-time staff member, to focus on the abatements. An additional truck has been purchased solely for this purpose. The intent is to have staff in place by April of 2016.

COLLEGIATE ACRES STREET MAINTENANCE. The majority of streets within the Collegiate Acres subdivision will be accepted by the Mayor and Council in early 2016. Street sweeping and snow plowing will then become the responsibility of Public Works.

TRAFFIC CONTROL

SIGNAL IMPROVEMENT. It has been 10 years since the first LED lights were installed in the traffic signals. The lights continue to work well so the signal lights will only be replaced as needed.

TRAFFIC SIGNAL OPTIMIZATION. Many traffic signals control traffic through a pre-set program or by using loop wires under the surface of the street. Several intersections utilize a camera system called AutoScope. The AutoScope System provides a better traffic control system and takes the system physically out of the street. Staff has identified the intersection of Maryland Avenue Wilson Boulevard as a prime candidate to install AutoScope in 2016.

STREET SIGN INSTALLATIONS. In 2016, the Sign Department will continue to work closely with the Engineering Division in the installation of street signs as necessary. On average, 150 work orders per year are received by Engineering for the placement of signs. These can include individual handicap signs, parking signs, warning signs and bike trail signs.

CENTRAL MAINTENANCE GARAGE

EMERGENCY STANDBY GENERATOR. The fueling system is connected to an emergency standby generator. The generator is over 25 years old and the enclosure around the generator is in poor shape. Both will be replaced this year. Staff will be completing the entire installation.

VEHICLE LIFTS INSTALLATION. The Central Maintenance Garage is a great space for the City's fleet maintenance services. Staff is requesting the installation of two new vehicle lifts to provide better service and safer working conditions. A heavy duty lift is needed for the larger vehicles and equipment that the current lifts cannot support.

SECTION 1 – DEPARTMENTAL GOALS 2016

PARKING SYSTEM

UNIVERSITY DISTRICT PARKING DECK REPAIRS. No major repairs are planned for this facility. The facility is in relatively good repair after major work was completed in 2013 and 2014. The next project is to replace the doors, frames and hardware on the Potomac Street stairwell. These doors and frames are worn out and can no longer be adjusted. The next stage of work will include replacing the five doors to the stairwell along the rear alley side of the deck.

ARTS & ENTERTAINMENT DISTRICT PARKING DECK ART. Staff will look into incorporating art work in and around this deck as part of the A&E District. The intent is to collaborate with local artists, Barbara Ingram School for the Arts, and the Washington County Arts Council on placing art on and within the deck. Artwork can be used to identify different floor levels making it easier for patrons to remember which floor on which they parked their cars.

PARKING LOT IMPROVEMENTS. The long range plan for improvements to the parking lots continues with improvements to the Market House lot (25 West Church Street). Asphalt repairs, crack sealing and lighting improvements are scheduled for this lot in 2016. The private parking area behind 38–40 North Potomac (Engine Room Art Gallery, Thai Zap) is also scheduled to be repaved this year. This lot is beyond patching and needs a total replacement.

CUSTOMER ORIENTED PARKING. To work towards this goal in 2016, we need to explore approaches to incorporate new technologies.

UTILITIES DEPARTMENT

ELECTRIC

ENERGY STORAGE SYSTEM PROJECTS. The City recently consummated lease agreements with Alevo and Mitsubishi Heavy Industries regarding Energy Storage Systems (ESS) that will connect through the HLD system and perform PJM system grid reliability services, specifically voltage and frequency support. Staff will continue to work with the two entities as we finalize the Service/Interconnection Agreements and complete the MD Public Service Commission notifications. The proposed total of the 12MW ESS, which are composed of projects at three substations, is expected to be in service mid-2016.

RATE STRUCTURE & REVENUE. Manage the financial operations of the Electric Division to ensure that our existing rate structure remains in place. The recent weather trends further reduces our ability to increase revenues through sales. The combination of the revenue losses, the currently reduced wholesale power supply cost, and projected increases in wages and benefits will force the Division to continue to extend the life of our existing assets as required.

WHOLESALE POWER. The City is currently operating within a two year contract extension of the Wholesale Power Supply Agreement with First Energy Supply. The contract extension expires May 31, 2017 and staff was notified by our current supplier that a future extension of the original contract cannot occur due to changes in wholesale power market. Staff has developed an RFP for Engineering Services and the successful bidder will assist the HLD as we gather the required data and work with legal counsel as we develop the RFP for a new Wholesale Power Supply Agreement. Timing within PJM markets related to purchases of electric commodities such as load, capacity, renewable energy credits, etc. will require an agreement to be in place before the end of calendar year 2016.

MELP. The City of Hagerstown is working through legal issues regarding the default of the Release and Settlement Agreement with the owners of the property. Staff has performed the cost analysis, worked with local contractors and secured the final pricing required to complete the project in anticipation of when the City is allowed to move forward with the final demolition/remediation of the MELP property.

SECTION 1 – DEPARTMENTAL GOALS 2016

WATER

WATER TREATMENT PLANT UPGRADES. Staff continues to work with Hazen & Sawyer and MDE regarding improvements at the facility. The existing Traveling Screens were installed in 1976, have exceeded their useful life, and have required extensive repairs over the past three to five years. Future repairs would require extensive reconstruction of the existing screen chamber and installation of a new traveling screen. The useful life of this type of repair is approximately 20 years. CIP 863 has been funded through a \$1M MDE loan and the replacement of the screens will occur in FY17.

EDGEMONT WATER FACILITIES. Staff is in the process of developing information pertaining to the long range plans for the Watershed Properties, the Edgemont Dam, and the Breichner Water Treatment Plant. In FY17 the study and design to either repair the toe drain and spillway seepage or breach the reservoir, per MDE Dam Safety Division requirements, will be completed. CIP 168 contains \$1.332M as a budgeted amount over the next two fiscal years. Upgrades will be necessary to convert the currently non-operable Breichner Plant to chloramination since the Willson Phase IV work is complete. Additional upgrades will include upgrading the electrical and SCADA equipment, internal piping and enhanced filtration sufficient to treat the raw water supply. Engineering and construction upgrades are expected to cost approximately \$4,200,000 which is funded through CIP 405 over the next three fiscal years.

DISTRIBUTION SYSTEM UPGRADES. The Water Division will continue with our CIP 709 budgeted \$550,000 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. This CIP assists greatly in reducing system operational issues related to water main and equipment failures. The planning and development of the transmission main replacement project will receive further focus in FY17.

WATER FIVE YEAR RATE MODEL. Staff will continue to manage the financial operations of the Water Division to insure that our existing five year rate model is followed. FY16 rates are in place with a 2% increase slated for each of the five years of the rate model. The City will continue to update the financial information on a yearly basis and forward the information to the Municipal & Financial Services Group for inclusion into the model.

WASTEWATER

SYNAGRO OPERATIONS. Scheduled for completion in calendar year 2017 under CIP 712, the Synagro Wastewater Treatment Plant Sludge Storage Tank and Sludge Thickening Project was funded in the amount of \$944,750 for the design, permitting, procurement, installation, and commissioning work to complete modifications to the existing facilities. The project will provide a redundant location for the storage of thickened sludge including modifications to the existing Fermenter.

WASTEWATER FIVE YEAR RATE MODEL. Staff will continue to manage the financial operations of the Wastewater Division to insure that our existing five year rate model is followed. FY16 rates are in place with an increase of 4%, and following years increase for FY17 at 4%, FY18 at 2% and FY19 at 2%. The City will continue to update the financial information on a yearly basis and forward the information to the Municipal & Financial Services Group for inclusion into the model.

WASTEWATER COLLECTION SYSTEM. Administrative and Collections staff utilize the Capacity Management Operation & Maintenance (CMOM) evaluation and procedure documentation. This document allowed the Wastewater Division to meet MDE Consent Judgment mandates and plan for the future maintenance and operational needs of our wastewater collection system. Staff requested grant funding in the last quarter of 2015 from the MDE for continuation of the multi-year project in FY16. MDE has allocated \$300,000 in a grant that requires a 50% match by the Division. CIP 312 has \$400,000 budgeted in FY16 and \$430,000 proposed for FY17. The projects will be completed utilizing existing staff and equipment.

SECTION 1 – DEPARTMENTAL GOALS 2016

WASTEWATER TREATMENT PLANT. Wastewater Treatment Plant (WwTP) staff will continue to refine our processes as they relate to the Enhanced Nutrient Removal (ENR) initiatives at our facility. Funding is secured for the launder cover installation on final two clarifiers. Staff will also be working with Synagro on the sludge storage and thickening process upgrades required for the pelletizing facility. MDE and City continue to debate the reduction of our rating capacity from the permitted 10.5 MGD to the previous 8 MGD permit parameters. Staff will be working with our consultants and legal counsel to determine our course of action as we move forward.

ADMINISTRATIVE

REGULATORY REQUIREMENTS. The Utilities Department Administrative, Regulatory, and Engineering staff will work to meet all regulatory reporting parameters including but not limited to the MD Public Service Commission, Federal Energy Regulatory Commission, the Maryland Department of the Environment, the US Environmental Protection Agency, and all local agencies reporting for FY17.

CITY ENHANCEMENTS. The Utilities Department Administrative, Regulatory, and Engineering staff continues to assist the Department of Community and Economic Development in projects related to economic development, the MELP project, and all the committees that assist in the operation and revitalization of the City.

ORGANIZATIONAL NARRATIVE FISCAL YEAR 2016/2017

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 12.1 square miles; its population is 39,662 according to the most recent 2012 census.

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

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

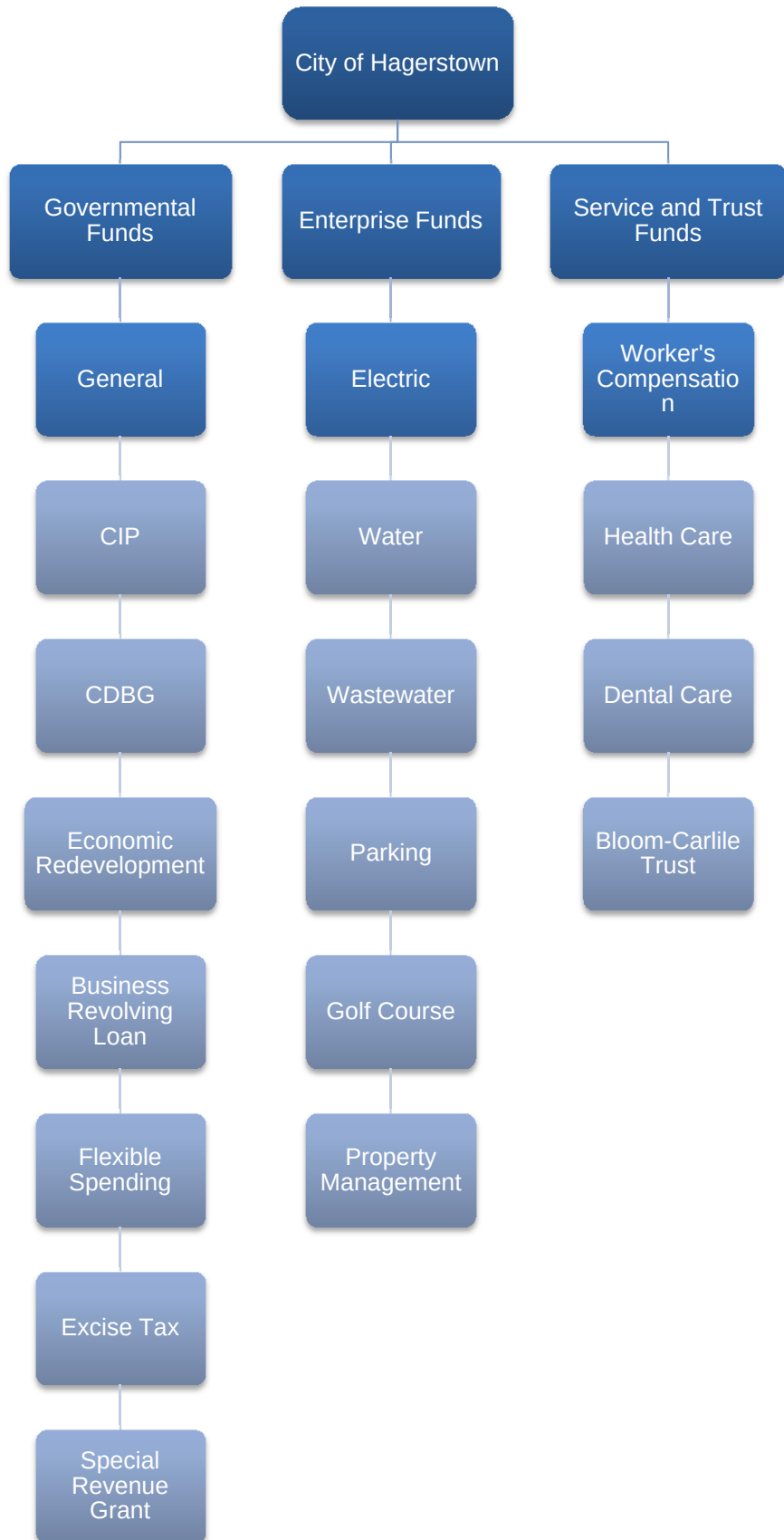
INTERNAL SERVICE FUNDS:

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

CITY FUND STRUCTURE (ALL)
FISCAL YEAR 2016/2017



CITY FUND STRUCTURE (ALL)
FISCAL YEAR 2016/2017

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.

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.

Explanation of Funds (continued):

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.

COMBINED STATEMENT OF REVENUES AND EXPENDITURES
FISCAL YEAR 2016/17

	GOVERNMENTAL FUND TYPES	ENTERPRISE FUND TYPES	SERVICE AND TRUST FUNDS	COMBINED TOTALS
REVENUES				
Property Taxes	\$ 28,306,523	\$ -	\$ -	\$ 28,306,523
Income and Other Taxes	4,938,580	-	-	4,938,580
Licenses and Permits	2,083,100	-	-	2,083,100
Intergovernmental Revenues and Grants	4,166,341	-	-	4,166,341
Charges for Current Services	2,840,079	50,083,366	9,913,856	62,837,301
Fines and Forfeitures	1,858,996	-	-	1,858,996
Administrative Allocation Revenues	2,031,000	-	-	2,031,000
Program Income	253,096	-	-	253,096
Reforestation Fees	12,500	-	-	12,500
Miscellaneous/Other General Revenues	508,166	20,000	50,000	578,166
Interest on Investments	5,095	118,083	1,375	124,553
TOTAL REVENUES	\$ 47,003,476	\$ 50,221,449	\$ 9,965,231	\$ 107,190,156
EXPENDITURES				
General Government	6,344,505	-	-	6,344,505
Public Safety	22,896,364	-	-	22,896,364
Highways and Streets	2,631,778	-	-	2,631,778
Waste Collection and Disposal	2,050,687	-	-	2,050,687
Parks and Recreation	2,537,091	-	-	2,537,091
Economic and Community Development	571,615	-	-	571,615
Unallocated General Expense	1,477,010	-	-	1,477,010
Debt Service - Principal and Interest	2,166,067	4,695,503	-	6,861,570
Operating Expenses	15,893,604	50,440,591	9,985,939	76,320,134
TOTAL EXPENDITURES	56,568,721	55,136,094	9,985,939	121,690,754
EXCESS(DEFICIENCY) OF REVENUES OVER EXPENDITURES				
	(9,565,245)	(4,914,645)	(20,708)	(14,500,598)
OTHER FINANCING SOURCES(USES)				
Add Back Depreciation	-	7,618,163	-	7,618,163
Bond Financing Proceeds	6,399,000	4,374,000	-	10,773,000
Bond Prior Proceeds	1,325,000	-	-	1,325,000
Capital Contributions	-	1,000,000	-	1,000,000
Operating Transfers (In)	173,564	200,000	-	373,564
Capital Transfers (In)	1,764,945	-	-	1,764,945
General Fund Balance Transfers (In) Invest Hagerstown	420,031	-	-	420,031
Contributions by Others	286,000	640,000	-	926,000
Appropriated Use of Fund Balance	1,258,975	-	-	1,258,975
Deduct Non-Cash Contributions	-	(400,000)	-	(400,000)
General Fund Balance Transfers (Out) Invest Hagerstown	(420,031)	-	-	(420,031)
Capital Transfers (Out)	(902,445)	(292,500)	-	(1,194,945)
Operating Transfers (Out)	(560,000)	-	(55,000)	(615,000)
Capital Outlay	-	(8,347,500)	-	(8,347,500)
TOTAL OTHER FINANCING SOURCES (USES)	9,745,039	4,792,163	(55,000)	14,482,202
EXCESS(DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER USES				
	\$ 179,794	\$ (122,482)	\$ (75,708)	\$ (18,396)
Beginning Fund Balance	\$ 17,134,606	\$ 165,722,792	\$ 3,992,650	\$ 186,850,048
Less Appropriated Use of Fund Balance	(2,583,975)	-	-	(2,583,975)
Ending Fund Balance	\$ 14,730,425	\$ 166,003,718	\$ 3,916,942	\$ 184,651,085

(Cash Basis)

STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE (ALL FUNDS)
FISCAL YEAR 2016/2017

ACCOUNT DESCRIPTION	2014/15	2015/16		2016/17	2016/17
	ACTUAL	BUDGET	EST. ACTUAL	ADOPTED	% CHANGE
REVENUES BY TYPE					
Taxes	\$ 32,144,862	\$ 32,379,422	\$ 32,758,004	\$ 33,245,103	2.7%
Charges for Services	61,410,754	59,447,710	59,997,473	61,084,878	2.8%
Licenses and Permits	2,262,097	2,107,650	2,057,350	2,083,100	-1.2%
Fines and Forfeitures	1,633,831	1,746,750	1,729,924	1,749,896	0.2%
Other Governmental	2,232,336	5,029,167	4,628,519	4,166,341	-17.2%
Other / Transfers In	19,929,358	18,153,661	14,351,344	18,388,663	1.3%
Total Current Revenues	\$ 119,613,238	\$ 118,864,360	\$ 115,522,614	\$ 120,717,981	1.6%
EXPENDITURES BY DEPARTMENT					
Mayor and City Council	\$ 333,867	\$ 340,031	\$ 335,047	\$ 345,293	1.5%
City Administrator and Legal	589,605	481,388	448,849	456,980	-5.1%
Finance	645,010	700,800	710,887	738,839	5.4%
Information and Technology	1,205,757	1,604,758	1,622,225	1,624,930	1.3%
Human Resources	641,449	698,747	704,706	659,460	-5.6%
Community Planning and Development Services	2,017,533	1,711,624	1,803,839	1,647,983	-3.7%
Public Works	2,881,377	2,824,821	2,866,285	2,935,806	3.9%
Community Development Block Grant	1,138,813	1,347,738	1,082,774	1,272,058	-5.6%
Public Safety	21,859,983	22,234,224	21,872,773	22,896,364	3.0%
Culture and Recreation	2,415,204	2,504,455	2,528,451	2,537,091	1.3%
Engineering and Construction	3,054,306	3,146,950	3,114,957	3,189,294	1.3%
Enterprise Funds	56,304,496	58,785,985	57,118,623	60,188,333	2.4%
Other Special Revenue Funds	1,246,376	2,062,489	1,790,329	1,298,731	-37.0%
Capital Improvement Projects Fund	6,803,291	13,335,160	8,226,778	13,582,815	1.9%
Service and Trust Funds	8,714,075	9,277,965	9,182,821	10,040,939	8.2%
Non-Departmental General Fund	5,450,608	5,587,863	5,343,910	5,265,553	-5.8%
Total Expenditures	\$ 115,301,750	\$ 126,644,998	\$ 118,753,254	\$ 128,680,469	1.6%

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

FIVE YEAR COMPARISON - STAFFING SCHEDULE

DEPARTMENT	FISCAL YEARS									
	2012/13		2013/14		2014/15		2015/16		2016/17	
	FULL-TIME	PART-TIME	FULL-TIME	PART-TIME	FULL-TIME	PART-TIME	FULL-TIME	PART-TIME	FULL-TIME	PART-TIME
Office of The Mayor	0.34	-	0.34	-	0.33	-	0.33	-	0.33	-
City Administrator	1.33	-	1.33	-	1.33	-	1.33	-	1.33	-
City Clerk	1.33	-	1.33	0.50	1.34	0.50	1.34	0.50	1.34	0.50
Community & Economic Development	23.50	7.00	23.85	7.50	23.80	5.50	28.84	5.50	6.75	2.00
Unfunded Positions	-	-	-	-	-	-	(1.00)	-	-	-
Total Funded Positions	23.50	7.00	23.85	7.50	23.80	5.50	27.84	5.50	6.75	2.00
Planning & Code Administration	-	-	-	-	-	-	-	-	20.00	2.00
Unfunded Positions	-	-	-	-	-	-	-	-	-	-
Total Funded Positions	-	-	-	-	-	-	-	-	20.00	2.00
Finance	8.75	-	8.50	-	8.50	-	8.50	-	8.50	-
Unfunded Positions	-	-	-	-	-	-	-	-	-	-
Total Funded Positions	8.75	-	8.50	-	8.50	-	8.50	-	8.50	-
IT, Communications, & Support Services	12.00	-	12.00	2.00	12.00	3.00	12.00	3.00	14.10	5.50
Unfunded Positions	-	-	-	-	-	-	-	-	-	-
Total Funded Positions	12.00	-	12.00	2.00	12.00	3.00	12.00	3.00	14.10	5.50
Human Resources	4.00	3.00	4.00	5.00	4.00	5.00	5.00	3.00	5.00	4.00
Engineering & Parks	29.66	-	29.72	3.00	29.63	5.00	30.64	6.00	30.65	6.00
Unfunded Positions	(3.00)	-	(3.00)	-	(3.00)	-	(3.00)	-	(3.00)	-
Total Funded Positions	26.66	-	26.72	3.00	26.63	5.00	27.64	6.00	27.65	6.00
Police Sworn	105.00	-	107.00	-	107.00	-	108.00	-	112.00	-
Police Administrative/Civilian	13.00	6.00	14.00	18.00	15.00	19.00	15.00	19.00	15.00	18.00
Unfunded Positions	(8.00)	-	(3.00)	-	(1.00)	-	(1.00)	-	(1.00)	-
Total Funded Positions	110.00	6.00	118.00	18.00	121.00	19.00	122.00	19.00	126.00	18.00
Fire	83.00	-	83.00	-	83.00	-	83.00	-	83.00	-
Unfunded Positions	(8.00)	-	(5.00)	-	(5.00)	-	(6.00)	-	(6.00)	-
Total Funded Positions	75.00	-	78.00	-	78.00	-	77.00	-	77.00	-
Public Works	33.40	8.00	32.90	-	32.90	-	32.50	-	32.90	-
Unfunded Positions	(5.00)	-	(5.00)	-	(5.00)	-	(5.00)	-	(4.00)	-
Total Funded Positions	28.40	8.00	27.90	-	27.90	-	27.50	-	28.90	-
Total General Fund	315.31	24.00	317.97	36.00	318.83	38.00	326.48	37.00	330.90	36.00
Unfunded Total - General Fund	(24.00)	-	(16.00)	-	(14.00)	-	(16.00)	-	(14.00)	-
Total Funded Positions-General Fund	291.31	24.00	301.97	36.00	304.83	38.00	310.48	37.00	316.90	36.00
Electric	39.18	-	35.58	-	35.55	-	35.55	-	35.55	-
Unfunded Positions	(9.00)	-	(5.00)	-	(5.00)	-	(5.00)	-	(5.00)	-
Total Funded Positions	30.18	-	30.58	-	30.55	-	30.55	-	30.55	-
Water	56.49	-	55.02	-	55.02	-	54.52	-	54.52	-
Unfunded Positions	(4.00)	-	(4.00)	-	(4.00)	-	(4.00)	-	(4.00)	-
Total Funded Positions	52.49	-	51.02	-	51.02	-	50.52	-	50.52	-
Wastewater	47.40	-	47.76	-	47.76	-	48.26	-	48.26	-
Unfunded Positions	(2.00)	-	(2.00)	-	(2.00)	-	(2.00)	-	(2.00)	-
Total Funded Positions	45.40	-	45.76	-	45.76	-	46.26	-	46.26	-
Golf Course	2.52	4.00	2.37	2.00	2.53	1.00	2.52	2.00	2.52	1.00
Parking	2.20	9.00	2.20	9.00	2.20	7.00	2.40	9.00	2.20	7.00
Property Management	0.40	-	0.90	-	0.90	1.00	1.10	1.00	0.90	1.00
Community Dev Block Grant	2.50	3.43	2.20	-	2.21	-	2.01	-	2.00	-
Business Revolving Loan Fund	-	-	-	-	-	-	0.16	-	0.15	-
City-wide Staffing Levels	466.00	40.43	464.00	47.00	465.00	47.00	473.00	49.00	477.00	45.00
Unfunded Total - City-wide	(39.00)	-	(27.00)	-	(25.00)	-	(27.00)	-	(25.00)	-
Total Funded Positions - City-wide	427.00	40.43	437.00	47.00	440.00	47.00	446.00	49.00	452.00	45.00
General Operations	116.81	21.43	116.17	18.00	116.04	19.00	122.65	18.00	123.05	18.00
Public Safety	201.00	6.00	204.00	18.00	205.00	19.00	206.00	19.00	210.00	18.00
Enterprise Funds	148.19	13.00	143.83	11.00	143.96	9.00	144.35	12.00	143.95	9.00

FY16 FT Changes: 5 new positions created in Comm & Econ Develop for Code Admin Rental Licensing & Vacant Structure program; 1 new position in HR due transition self-funded work comp; converting 1 part-time Parks & Recreation position to full-time; 1 new Sworn Officer in Police to staff Wash County Library; and funding 1 position in Public Works that was Unfunded.

FY16 FT M&CC Changes: 3 positions unfunded Director DCED; Public Works; and Fire Training Captain.

FY17 FT Changes: 4 new positions created for 2015 approved COPS Hiring Grant; funding 1 DCED position; and funding 1 PW position for internal abatement

STAFFING SCHEDULE (continued)
 DETAIL OF POSITIONS UNFUNDED FOR FY17
 FISCAL YEAR 2016/2017

Department / Description	Proposed Unfunded
Engineering & Parks	
Parks Maintenance Worker I-III	3.00
Department Total	3.00
Fire Department	
Firefighter	3.00
Fire Deputy Chief	1.00
Fire Training Captain	1.00
Fire Public Safety Educator	1.00
Department Total	6.00
Police Department	
Bookkeeping Clerk Typist	1.00
Department Total	1.00
Public Works	
Sign/Lines Maintenance Worker I-III	1.00
PW Maintenance Worker I-IV	2.00
Truck Driver	1.00
Department Total	4.00
TOTAL GENERAL FUND	14.00
Water Department	
Maintenance Technician I	1.00
Field Operations (Construction & Maintenance) Technician III	2.00
Engineering Technician	1.00
Department Total	4.00
Wastewater Department	
Collection System Operator IV	2.00
Department Total	2.00
Electric Department	
Electrical Engineer	1.00
Distribution General Foreman	1.00
Senior Meter Repairer	1.00
Utility Serviceperson/Building Maintenance	1.00
Lineworker	1.00
Department Total	5.00
TOTAL OTHER FUNDS	11.00
TOTAL ALL FUNDS	25.00

GOVERNMENTAL FUNDS
SECTION 2

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<u>Organizational Chart</u>	<u>1</u>
<u>Combined Statement of Revenues and Expenditures</u>	<u>2</u>

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GOVERNMENTAL FUNDS – ORGANIZATIONAL CHART
FISCAL YEAR 2016/17



GOVERNMENTAL FUNDS - COMBINED STATEMENT OF REVENUES AND EXPENDITURES
FISCAL YEAR 2016/2017

	GENERAL	SPECIAL REVENUE	CAPITAL IMPROVEMENT FUNDS	TOTAL
REVENUES				
Property Taxes	\$ 28,306,523	\$ -	\$ -	\$ 28,306,523
Income and Other Taxes	3,738,580	-	1,200,000	4,938,580
Licenses and Permits	2,083,100	-	-	2,083,100
Intergovernmental Revenues and Grants	503,003	1,578,888	2,084,450	4,166,341
Charges for Current Services	2,840,079	-	-	2,840,079
Fines and Forfeitures	1,858,996	-	-	1,858,996
Administrative Allocation Revenues	2,031,000	-	-	2,031,000
Program Income	-	253,096	-	253,096
Reforestation Fees	-	12,500	-	12,500
Miscellaneous/Other General Revenues	440,766	27,400	40,000	508,166
Interest on Investments	5,000	95	-	5,095
TOTAL REVENUES	41,807,047	1,871,979	3,324,450	47,003,476
EXPENDITURES				
General Government	6,344,505	-	-	6,344,505
Public Safety	22,896,364	-	-	22,896,364
Highways and Streets	2,631,778	-	-	2,631,778
Waste Collection and Disposal	2,050,687	-	-	2,050,687
Parks and Recreation	2,537,091	-	-	2,537,091
Economic and Community Development	571,615	-	-	571,615
Unallocated General Expense	1,477,010	-	-	1,477,010
Debt Service - Principal and Interest	2,166,067	-	-	2,166,067
Operating Expenses	-	2,310,789	13,582,815	15,893,604
TOTAL EXPENDITURES	40,675,117	2,310,789	13,582,815	56,568,721
EXCESS(DEFICIENCY) OF REVENUES OVER EXPENDITURES				
	1,131,930	(438,810)	(10,258,365)	(9,565,245)
OTHER FINANCING SOURCES(USES)				
Operating Transfers (In)	73,564	100,000	-	173,564
Capital Transfers (In)	-	-	1,764,945	1,764,945
General Fund Balance Transfers (In) Invest Hagerstown	-	420,031	-	420,031
Prior Bond Proceeds	-	-	1,325,000	1,325,000
Bond Financing Proceeds	-	-	6,399,000	6,399,000
Contributions by Others	-	-	286,000	286,000
Appropriated Use of Fund Balance	420,031	-	838,944	1,258,975
General Fund Balance Transfers (Out) Invest Hagerstown	(420,031)	-	-	(420,031)
Capital Transfers (Out)	(902,445)	-	-	(902,445)
Operating Transfers (Out)	(300,000)	(260,000)	-	(560,000)
TOTAL OTHER FINANCING SOURCES (USES)	(1,128,881)	260,031	10,613,889	9,745,039
EXCESS(DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER USES				
	\$ 3,049	\$ (178,779)	\$ 355,524	\$ 179,794
Beginning Fund Balance				
	\$ 10,116,942	\$ 5,404,173	\$ 1,613,491	\$ 17,134,606
Less Appropriated Use of Fund Balance	(420,031)	-	(2,163,944)	(2,583,975)
Ending Fund Balance	\$ 9,699,960	\$ 5,225,394	\$ (194,929)	\$ 14,730,425
DETAIL OF ENDING FUND BALANCES:				
Nonspendable	\$ 500,000	\$ 1,890,722	\$ 60,000	2,450,722
Restricted	-	2,836,688	-	2,836,688
Assigned	581,814	552,493	-	1,134,307
Unassigned	8,618,146	(54,509)	(254,929)	8,308,708
Ending Fund Balance	\$ 9,699,960	\$ 5,225,394	\$ (194,929)	\$ 14,730,425

**GENERAL FUND
SECTION 3**

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STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
FISCAL YEAR 2016/2017

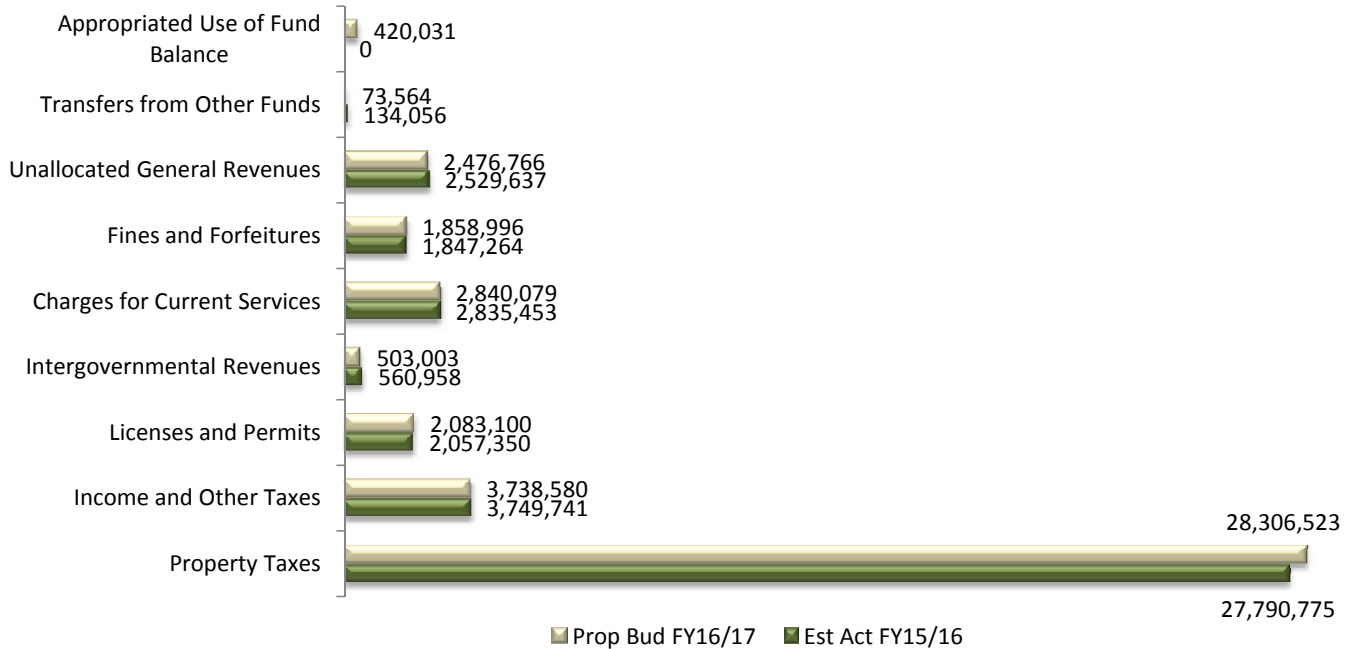
ACCOUNT DESCRIPTION	2014/15	2015/16		2016/17	2016/17
	ACTUAL	BUDGET	EST. ACTUAL	PROPOSED	% CHANGE
REVENUES BY TYPE					
Property Taxes	\$27,209,882	\$ 27,470,455	\$27,790,775	\$ 28,306,523	3.0%
Income and Other Taxes	3,853,001	3,691,479	3,749,741	3,738,580	1.3%
Licenses and Permits	2,259,693	2,106,150	2,057,350	2,083,100	-1.1%
Intergovernmental Revenues	588,290	459,487	560,958	503,003	9.5%
Charges for Current Services	2,695,849	2,882,818	2,835,453	2,840,079	-1.5%
Fines and Forfeitures	1,560,831	1,858,750	1,847,264	1,858,996	0.0%
Unallocated General Revenues	2,606,502	2,510,856	2,529,637	2,476,766	-1.4%
Transfers from Other Funds	418,138	155,488	134,056	73,564	-52.7%
Appropriated Use of Fund Balance	-	748,571	-	420,031	-43.9%
Total Current Revenues	\$41,192,186	\$ 41,884,054	\$41,505,234	\$ 42,300,642	1.0%
EXPENDITURES BY DEPARTMENT					
0101001-Council	\$ 107,819	\$ 107,219	\$ 107,280	\$ 111,780	4.3%
0101002-Mayor	69,654	70,099	69,285	70,436	0.5%
0103001-City Administrator	307,278	241,388	212,849	220,980	-8.5%
0103002-City Clerk	156,394	162,713	158,482	163,077	0.2%
0103003-Community Affairs	407,937	204,631	160,005	177,362	-13.3%
0103004-Legal Counsel	282,327	240,000	236,000	236,000	-1.7%
0103005-Public Functions	550,403	502,414	456,734	463,586	-7.7%
0103006-Communications	10,199	354,138	324,532	308,027	-13.0%
0107001-Finance & Accounting	645,010	700,800	710,887	738,839	5.4%
0107200-Information Technology	787,756	871,174	862,478	871,176	0.0%
0107206-Support Services	407,802	379,446	435,215	445,727	17.5%
0109001-Planning	434,433	452,886	413,974	426,620	-5.8%
0109002-Annexation	-	8,800	2,700	8,800	0.0%
0109003-City Hall	316,687	302,369	308,142	304,028	0.5%
0109004-Engineering & Construction	1,082,294	1,113,514	1,099,360	1,138,607	2.3%
0109005-Human Resources	641,449	698,747	704,706	659,460	-5.6%
Total General Government	6,207,442	6,410,338	6,262,629	6,344,505	-1.0%
0110XXX-Police Department	13,026,445	13,177,632	12,935,729	13,649,501	3.6%
0112001-Fire Department	7,068,848	7,183,485	7,080,223	7,330,528	2.0%
0114001-Code Administration	1,242,578	1,358,913	1,357,514	1,425,081	4.9%
0116XXX-Signal Department	522,112	514,194	499,307	491,254	-4.5%
Total Public Safety	21,859,983	22,234,224	21,872,773	22,896,364	3.0%
0120001-Street Lighting	614,529	650,000	650,000	625,000	-3.8%
0121001-Snow Removal	481,497	401,868	401,868	398,253	-0.9%
0122001-Street Cleaning	277,570	297,055	292,648	281,970	-5.1%
0123XXX-Gas Station & Maint Garage	257,477	314,487	260,082	325,239	3.4%
0124001-7-PW & Street Operations	811,579	746,283	840,661	888,102	19.0%
0124008-Central Equipment Building	122,038	112,759	112,884	113,214	0.4%
Total Highways & Streets	2,564,690	2,522,452	2,558,143	2,631,778	4.3%
0130001-Waste Collection & Disposal	1,972,012	2,033,436	2,015,597	2,050,687	0.8%
0140001-Department of Recreation	313,406	399,523	363,956	374,493	-6.3%
0140202-Swimming Pools	156,580	163,629	163,114	151,516	-7.4%
0140204-Farmers Market	83,342	74,390	74,390	79,590	7.0%
0140401-Municipal Stadium	46,660	14,270	14,296	18,161	27.3%
0140402-Hager House	51,406	53,557	42,465	42,835	-20.0%
0140403-Train Museum	22,614	18,080	47,485	15,647	-13.5%
0145XXX-City Parks	1,741,196	1,781,006	1,822,745	1,854,849	4.1%
Total Culture & Recreation	2,415,204	2,504,455	2,528,451	2,537,091	1.3%

STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
FISCAL YEAR 2016/2017

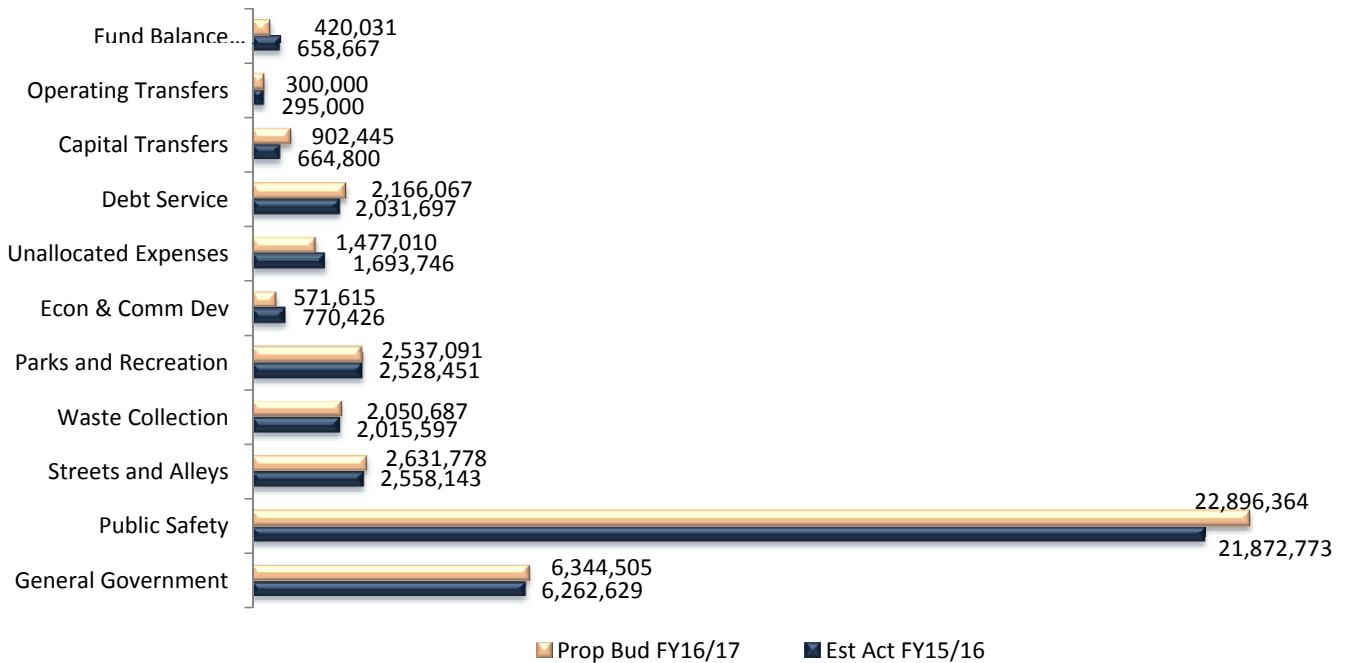
ACCOUNT DESCRIPTION	2014/15 ACTUAL	2015/16		2016/17 PROPOSED	2016/17 % CHANGE
		BUDGET	EST. ACTUAL		
0150001-Economic Development	\$ 463,176	\$ 364,620	\$ 587,679	\$ 343,096	-5.9%
0150002-Neighborhoods First	58,404	68,237	60,853	80,688	18.2%
0150004-Housing & Community Development	103,180	110,036	121,894	147,831	34.3%
Total Economic & Community Development	624,760	542,893	770,426	571,615	5.3%
0160001-Retiree Benefits	1,404,365	1,477,592	1,493,746	1,267,010	-14.3%
0166001-Contributions-Other Agencies	625,045	190,000	190,000	205,000	7.9%
0162001-Inventory Adjustments	4,323	10,000	10,000	10,000	0.0%
0168001-Contingency	2,202	48,075	-	(5,000)	-110.4%
Total Unallocated General Expenses	2,035,935	1,725,667	1,693,746	1,477,010	-14.4%
0190001-Debt Service-Prin	1,267,682	1,510,679	1,446,784	1,493,758	-1.1%
0191001-Debt Service- Interest & Issuance Costs	561,502	643,146	584,913	672,309	4.5%
Total Debt Service	1,829,184	2,153,825	2,031,697	2,166,067	0.6%
0195001-Operating Transfers to Other Funds	235,129	295,000	295,000	300,000	1.7%
0195002-Capital Transfers to CIP & Other Funds	353,507	664,800	664,800	902,445	35.7%
0195001-Fund Balance Transfer for CIP Projects	546,903	135,195	105,195	-	-100.0%
0195001-Fund Balance Transfer for Invest Hag	449,950	613,376	553,472	420,031	-31.5%
Total Transfers to All Other Funds	1,585,489	1,708,371	1,618,467	1,622,476	-5.0%
Total Expenditures & Transfers	\$41,094,699	\$ 41,835,660	\$41,351,929	\$ 42,297,593	1.1%
Excess (Deficiency) of Revenues over Expenditures	\$ 97,487	\$ 48,394	\$ 153,305	\$ 3,049	
Beginning Fund Balance	\$ 9,866,150	\$ 9,963,637	\$ 9,963,637	\$ 10,116,942	
Less Budgeted Use of Fund Balance	-	(748,571)	-	(420,031)	
Ending Fund Balance	\$ 9,963,637	\$ 9,263,460	\$10,116,942	\$ 9,699,960	
Detail of Ending Fund Balance					
Nonspendable	\$ 226,974	\$ 500,000	\$ 500,000	\$ 500,000	
Assigned	1,555,317	963,013	1,001,845	581,814	
Unassigned	8,181,345	7,800,447	8,615,097	8,618,146	
Ending Fund Balance	\$ 9,963,637	\$ 9,263,460	\$10,116,942	\$ 9,699,960	
Unassigned Fund Balances as:					
% of Operating Budget Less Transfers to All Other Funds	20.7%	19.4%	21.7%	21.2%	
Number of Months Expenditures	2.5	2.3	2.6	2.5	

COMPARISON OF REVENUES AND EXPENDITURES - PROPOSED BUDGET FY17 VS EST ACTUAL FY16
FISCAL YEAR 2016/2017

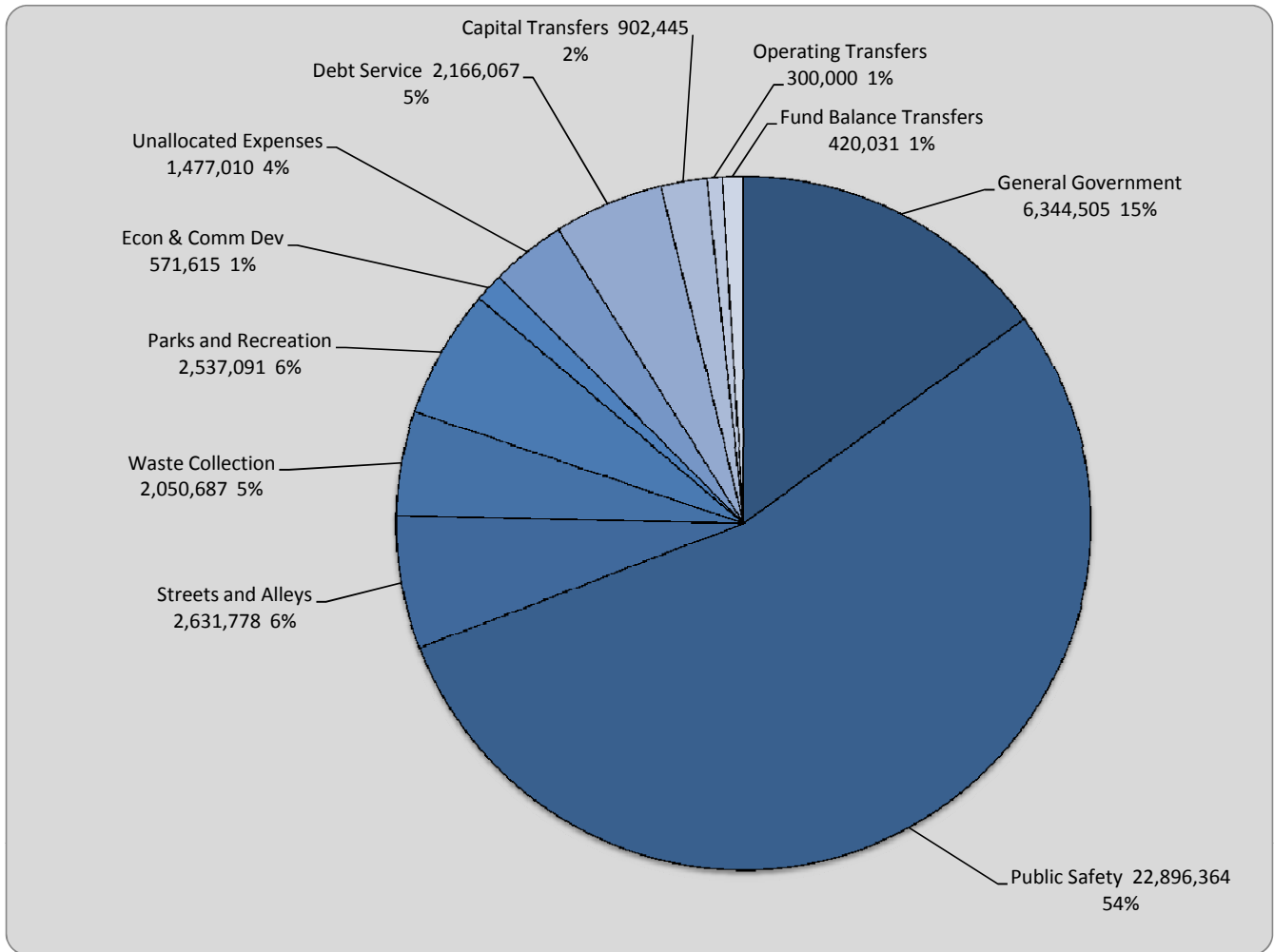
GENERAL FUND REVENUES



GENERAL FUND EXPENDITURES



CATEGORY OF EXPENDITURES
FISCAL YEAR 2016/2017



TOTAL PROPOSED FY17 BUDGET EXPENDITURES \$42,297,593

REVENUES AND OTHER FINANCING SOURCES
FISCAL YEAR 2016/2017

REVENUE SUMMARY

	2014/15 ACTUAL	2015/16 BUDGET	2015/16 EST. ACTUAL	2016/17 PROPOSED	2016/17 % CHANGE
CURRENT REVENUES					
Property Taxes	\$ 27,209,882	\$ 27,470,455	\$ 27,790,775	\$ 28,306,523	3.0%
Income and Other Taxes	3,853,001	3,691,479	3,749,741	3,738,580	1.3%
Licenses and Permits	2,259,693	2,106,150	2,057,350	2,083,100	-1.1%
Intergovernmental Revenues	588,290	459,487	560,958	503,003	9.5%
Charges for Current Services	2,695,849	2,882,818	2,835,453	2,840,079	-1.5%
Fines and Forfeitures	1,560,831	1,858,750	1,847,264	1,858,996	0.0%
Unallocated General Revenues	2,606,502	2,510,856	2,529,637	2,476,766	-1.4%
Total Current Revenues	\$ 40,774,048	\$ 40,979,995	\$ 41,371,178	\$ 41,807,047	2.0%
OTHER FINANCING SOURCES					
Transfers from Other Funds	\$ 418,138	\$ 155,488	\$ 134,056	\$ 73,564	-52.7%
Appropriated Fund Balance to Econ Redevelopment: Invest Hagerstown	-	613,376	-	420,031	-31.5%
Appropriated Fund Balance to CIP Fund: Capital Expenditures	-	135,195	-	-	100.0%
Total Other Financing Sources	\$ 418,138	\$ 904,059	\$ 134,056	\$ 493,595	-45.4%
Total Ending Revenues and Other Financing Sources	\$ 41,192,186	\$ 41,884,054	\$ 41,505,234	\$ 42,300,642	1.0%

PROPERTY TAX - ASSESSABLE BASE TABLE
FISCAL YEAR 2016/2017

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

	Total Assessable Base* (in millions)	Assessable Base - % Chg from Prior Yr	City Portion Only Real Estate Tax Rate	Real Estate & Prop Tax Revenues (in thousands)	Property Taxes - % Chg from Prior Yr	Direct and Overlapping Tax Rates			
						City	County	State	Combined
Actual 1989/1990	782	9.2%	0.684	6,478	9.5%	0.684	0.852	0.084	1.620
Actual 1990/1991	862	10.3%	0.684	6,982	7.8%	0.684	0.852	0.084	1.620
Actual 1991/1992	959	11.2%	0.684	7,672	9.9%	0.684	0.884	0.084	1.652
Actual 1992/1993	1,028	7.3%	0.684	8,194	6.8%	0.684	0.884	0.084	1.652
Actual 1993/1994	1,063	3.3%	0.684	8,397	2.5%	0.684	0.884	0.084	1.652
Actual 1994/1995	1,122	5.6%	0.684	8,810	4.9%	0.684	0.884	0.084	1.652
Actual 1995/1996	1,195	6.5%	0.680	9,156	3.9%	0.680	0.884	0.084	1.648
Actual 1996/1997	1,237	3.6%	0.680	9,742	6.4%	0.680	0.884	0.084	1.648
Actual 1997/1998	1,264	2.2%	0.680	9,821	0.8%	0.680	0.924	0.084	1.688
Actual 1998/1999	1,278	1.1%	0.696	10,210	4.0%	0.696	0.924	0.084	1.704
Actual 1999/2000	1,326	3.8%	0.692	10,388	1.7%	0.692	0.924	0.084	1.700
Actual 2000/2001	1,380	4.0%	0.692	10,756	3.5%	0.692	0.948	0.084	1.724
Actual 2001/2002	1,471	6.6%	0.732	11,708	8.9%	0.732	0.948	0.084	1.764
Actual 2002/2003	1,491	1.4%	0.768	12,873	10.0%	0.768	0.948	0.084	1.800
Actual 2003/2004	1,550	3.9%	0.783	13,555	5.3%	0.783	0.948	0.132	1.863
Actual 2004/2005	1,640	5.8%	0.798	14,597	7.7%	0.798	0.948	0.132	1.878
Actual 2005/2006	1,843	12.4%	0.798	16,123	10.5%	0.798	0.948	0.112	1.858
Actual 2006/2007	2,103	14.1%	0.798	18,200	12.9%	0.798	0.948	0.112	1.858
Actual 2007/2008	2,297	9.2%	0.798	19,742	8.5%	0.798	0.948	0.112	1.858
Actual 2008/2009	2,552	11.1%	0.788	21,676	9.8%	0.788	0.948	0.112	1.848
Actual 2009/2010	2,830	10.9%	0.788	23,959	10.5%	0.788	0.948	0.112	1.848
Actual 2010/2011	2,881	1.8%	0.788	24,132	0.7%	0.788	0.823	0.112	1.723
Actual 2011/2012	2,559	-11.2%	0.788	21,386	-11.4%	0.788	0.823	0.112	1.723
Actual 2012/2013	2,634	2.9%	0.788	22,216	3.9%	0.788	0.823	0.112	1.723
Actual 2013/2014	2,665	1.2%	0.788	22,398	0.8%	0.788	0.823	0.112	1.723
Actual 2014/2015	2,542	-4.6%	0.898	24,325	8.6%	0.898	0.823	0.112	1.833
<i>Estimated 2015/2016</i>	<i>2,569</i>	<i>1.0%</i>	<i>0.913</i>	<i>25,083</i>	<i>3.1%</i>	<i>0.913</i>	<i>0.823</i>	<i>0.112</i>	<i>1.848</i>
<i>Proposed 2016/2017</i>	<i>2,625</i>	<i>2.2% **</i>	<i>0.913</i>	<i>25,616</i>	<i>2.1%</i>	<i>0.913</i>	<i>0.823</i>	<i>0.112</i>	<i>1.848</i>

* The City chart above includes a calculated assessable base value for both real property and personal property and these values are reflected separately in Section 7 , Page 7, Assessable Base Table. The State Department of Assessment and Taxation provides annual Constant Yield notice information that includes real property assessed value expected on July 1 only.

**The assessable base value per the February 2016 Constant Yield Notice memo reflects an expected real property assessed value of 2,515. The City chart above assumes a slightly higher assessable base value which includes personal property values for all of FY16 and not just the value estimated to be on July 1.

Each penny on the real estate tax rate generates additional revenue of	\$ 252,000
Each penny on the personal property tax rate generates additional revenue of	\$ 12,000

PROPERTY TAXES - PROPOSED REVENUES
FISCAL YEAR 2016/2017

DESCRIPTION	2014/15	2015/16		2016/17	2016/17
	ACTUAL	BUDGET	EST. ACTUAL	PROPOSED	% CHANGE
Current Year Levy	\$24,323,393	\$24,791,982	\$25,083,966	\$ 25,616,250	3.3%
Interest on Delinquent Taxes	230,120	107,500	107,500	107,500	0.0%
Prior Years' Levy-Net	(45,788)	(125,000)	(125,000)	(125,000)	0.0%
Payment in Lieu of Taxes	2,732,969	2,726,500	2,754,836	2,738,300	0.4%
Tax Discounts & Credits Allowed	(30,812)	(30,527)	(30,527)	(30,527)	0.0%
Total Property Taxes	\$27,209,882	\$27,470,455	\$27,790,775	\$ 28,306,523	3.0%

Revenues from property taxes are based on assessments established by the State Department of Assessment and Taxation. The real property tax rate for FY15 was \$0.898 per \$100 of assessed value and FY16 was \$0.913 per \$100 dollars of assessed value. The business personal property rate was \$2.245 per \$100 of assessed value in FY15 and \$2.283 per \$100 of assessed value in FY16.

The proposed budget for FY17 does not include a change to the tax rate for real property and is the third year of the City's triennial reassessment period. The February 2016 Constant Yield Tax Rate Certification memo reflects a slight increase in assessed values of 0.34% for FY17. The real property constant yield rate certified by the State for FY17 which would generate the same dollar amount of gross real tax revenues, (before local property tax credits) is \$0.9099 per \$100 of assessed value which is \$0.0031 less than the City's current FY16 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 6. Several years ago, the Mayor and City Council took action with Washington County to limit the maximum annual growth in assessments on owner occupied residential real estate to 5%. The cap had been 10%, which is still the maximum cap for State tax purposes.

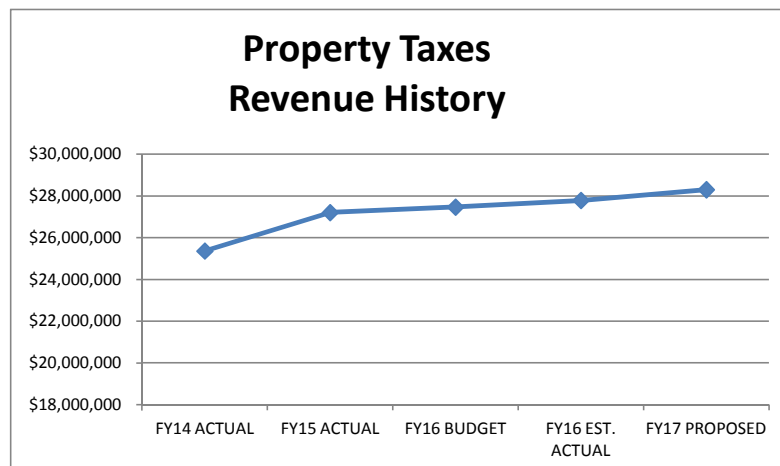
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY16 to Estimated Actual FY16

The estimated actual for FY16 when compared with the FY16 budget is expected be about 1.2% more than originally budgeted or \$320,320. Personal property tax related to business personal property is expected to be slightly higher than originally budgeted for FY16. The original budget for business personal property tax revenue was \$2.69 million and it is estimated that revenue for FY16 will be \$2.72 million. Additionally, real estate tax revenue is estimated to increase over FY16 budget by \$262K as a result of higher than anticipated assessed values in the February 2015 Constant Yield Tax Rate memo.

Adopted FY16 to Proposed FY17

Overall, the proposed property tax revenue for FY17 is expected to increase by \$836K when compared to the FY16 budget. As mentioned previously, the FY17 proposed budget does not include a change to the real property tax rate of \$0.913 per \$100 dollars of assessed value. Total property tax revenue continues to be the primary source of revenue in the General Fund or approximately 67.7% in FY17 proposed budget. This primary revenue sources helps to fund various expenditures including: existing services provided to the community, annual debt service requirements, and employees' salaries and benefits. This funding source is vital to the City's future sustainability and growth. FY18 will be impacted by the City's next triennial reassessment cycle.



INCOME AND OTHER TAXES - PROPOSED REVENUES
FISCAL YEAR 2016/2017

DESCRIPTION	2014/15 ACTUAL	2015/16		2016/17 PROPOSED	2016/17 % CHANGE
		BUDGET	EST. ACTUAL		
Income Tax	\$ 2,559,272	\$ 2,475,000	\$ 2,550,000	\$ 2,550,000	3.0%
Admissions & Amusement Tax	214,162	200,000	205,000	205,000	2.5%
Financial Corporations	34,214	34,214	34,214	34,214	0.0%
Enterprise Zone Tax Credits	69,699	70,000	48,334	30,101	-57.0%
Room Tax - Tourism Promotions	191,456	177,000	184,000	184,000	4.0%
Police Protection	720,362	682,000	674,928	682,000	0.0%
State Aid For Fire Service	63,836	53,265	53,265	53,265	0.0%
Total Income and Other Taxes	\$ 3,853,001	\$ 3,691,479	\$ 3,749,741	\$ 3,738,580	1.3%

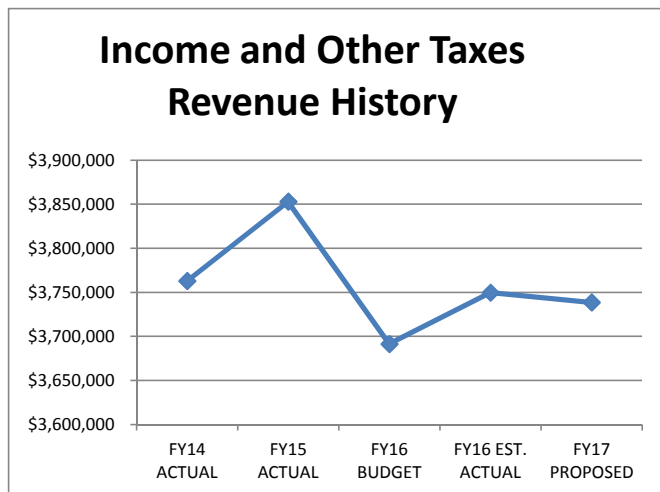
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY16 to Estimated Actual FY16

When compared to the FY16 adopted budget, FY16 estimated actual is anticipated to be 1.6% or \$58K higher. Of the \$58K positive variance, \$75K is attributable to better than anticipated growth in the local share of State Income Tax Revenue and \$5K is due to higher year to date receipts for Hotel/Motel revenue or room taxes. These increases were offset by lower than expected revenues from enterprise zone tax credits of \$22K and reductions in the State Aid for Police Protection by \$7K.

Adopted FY16 to Proposed FY17

Overall, the proposed budget for FY17 Income & Other Taxes Revenue is expected to increase slightly by 1.3% over the FY16 budget. The same trends occurring in FY16 are expected to continue into FY17. The increase is driven primarily by an estimated 3.0% growth in State Income Tax Revenue or \$75K and a 4.0% or \$7K increase in Hotel/Motel tax. Decreases are anticipated to continue in Enterprise Zone tax credits as current eligible properties phase out and become fully taxable. The FY17 proposed budget reflects funding for Police Aid for Protection to remain flat with current FY16 budget funding as the State of Maryland budget is still unknown at this time.



In FY10, the City experienced significant reductions in this total revenue source due to the elimination of the County Tax Differential revenue sharing, and a decrease of approximately \$1.8 million in Highway User Revenue from the State. Even with more recent growth in other areas like State Income Tax, the total funding available to the City from this revenue source is lower than historical levels.

As the current graph indicates, revenues are expected to decline from the spike experienced in FY15 as a result of unknown State funding for Police Aid for Protection. Overall revenues are expected to remain relatively flat when comparing FY16 estimated actuals to FY17 proposed budget.

LICENSES & PERMITS - PROPOSED REVENUES
FISCAL YEAR 2016/2017

DESCRIPTION	2014/15 ACTUAL	2015/16		2016/17 PROPOSED	2016/17 % CHANGE
		BUDGET	EST. ACTUAL		
Traders Licenses	\$ 129,337	\$ 80,000	\$ 80,000	\$ 80,000	0.0%
Distilled Spirits	6,122	6,000	6,000	6,000	0.0%
Utility License Fee	14,500	14,000	14,000	14,000	0.0%
Vendor Permits from City Clerk	9,526	3,500	3,500	3,500	0.0%
Cable TV Franchise Fee	425,238	400,000	425,000	425,000	6.3%
General Construction Permits	5,424	1,000	-	1,000	0.0%
Street Digging Permits	131,089	140,000	120,000	110,000	-21.4%
Curbs, Sidewalks, & Driveways	1,977	2,500	4,000	2,000	-20.0%
Storm Water Management Permits	9,453	5,000	1,000	4,500	-10.0%
Grading Permits	13,283	10,000	5,000	10,000	0.0%
Right of Way Permits	3,508	3,000	3,500	3,500	16.7%
Building Permits (Fire)	84,541	35,000	50,000	50,000	42.9%
Fireworks Permits	1,750	250	250	250	0.0%
Blasting Permits	140	100	150	150	50.0%
Plumbing Dept-Licenses	10,625	5,000	6,250	8,000	60.0%
Contractor's Licenses	3,230	15,000	15,000	3,500	-76.7%
Electrical Licenses	26,175	6,000	6,000	26,000	333.3%
Residential Rental Licenses	659,980	650,000	650,000	650,000	0.0%
Uncollected- Residential Licenses	55,750	-	(10,000)	(10,000)	100.0%
Building Permits	147,835	175,000	125,000	140,000	-20.0%
Plumbing Permits	78,045	75,000	75,000	75,000	0.0%
Electrical Permits	115,447	110,000	110,000	110,000	0.0%
Mechanical Permits	49,015	45,000	40,000	40,000	-11.1%
Sewer Connection Inspection Fees	-	1,500	1,500	1,500	0.0%
Pre-Sale Code Inspection	200	300	200	200	-33.3%
Re-Inspection Fee	700	1,000	1,500	1,500	50.0%
Property Abatement Billings -Engineering	6,965	5,000	5,000	5,000	0.0%
Property Abatement Billings -Code	92,717	120,000	120,000	125,000	4.2%
Vacant Residential Structure Fee	122,900	110,000	110,000	110,000	0.0%
Vacant Commercial Structure Fee	10,250	45,000	45,000	45,000	0.0%
Admin Fee for Excise Tax	3,381	3,000	2,500	2,500	-16.7%
Secure Vacant Structure Fee	2,820	4,000	6,000	4,000	0.0%
Technology Fee	37,770	35,000	35,000	35,000	0.0%
Unattended Donation Bin Fee	-	-	1,000	1,000	100.0%
Total Licenses and Permits	\$ 2,259,693	\$ 2,106,150	\$ 2,057,350	\$ 2,083,100	-1.1%

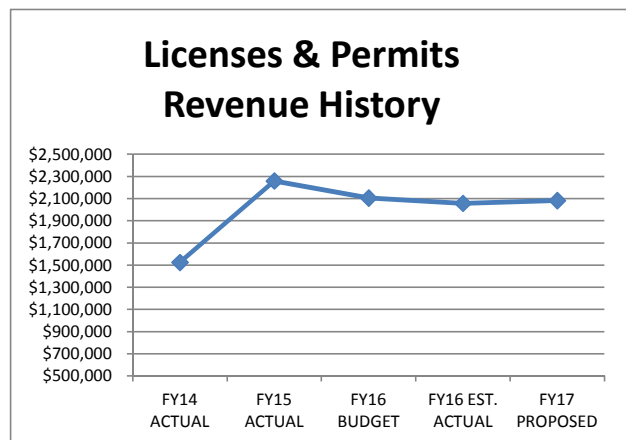
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY16 to Estimated Actual FY16

FY16 licenses and permit revenues are projected to be slightly under budget by 2.3% \$49K. It is anticipated that street digging fees and Building permits will be below original budget expectations by \$20K, and \$50K respectively based on year-to-date activity.

Adopted FY16 to Proposed FY17

Overall, the proposed FY17 budget is expected to be 1.1% or approximately \$26K lower than FY16 budget. This decrease is a result of continuing trends for street digging fees and Building permits activity experiencing in FY16. Additionally, Contractor and Electrical licenses are both renewed every other year. As a result, revenue associated with Contractor and Electrical licenses reflected above are higher every other year.



INTERGOVERNMENTAL REVENUES - PROPOSED REVENUES
FISCAL YEAR 2016/2017

DESCRIPTION	2014/15 ACTUAL	2015/16		2016/17 PROPOSED	2016/17 % CHANGE
		BUDGET	EST. ACTUAL		
School Resource Officer/Youth Prevention	187,500	187,500	187,500	187,500	0.0%
Public Function Revenues	30,238	30,238	30,008	14,008	-53.7%
Federal Grant - Operating	370,552	241,749	343,450	301,495	24.7%
Total Intergovernmental	\$ 588,290	\$ 459,487	\$ 560,958	\$ 503,003	9.5%

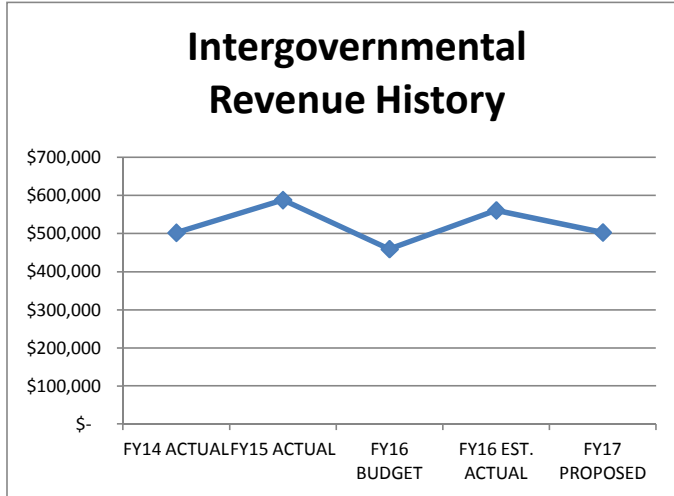
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY16 to Estimated Actual FY16

The estimated actual for FY16 is expected to be 22.1% or \$101K higher than originally budgeted in FY16 as a result of a new grant awarded to the Police Department. This new grant provides funding for four (4) additional sworn police officers over a three (3) year period with (1) year of employment retention for a total of four (4) year. This represents the third grant secured by the Police Department for sworn police officer staffing. This grant was not anticipated at the time of FY16 budget completion. The overage reflects Federal grant reimbursement money that will be received.

Adopted FY16 to Proposed FY17

Overall, the proposed budget for FY17 is expected to be 9.5% or \$44K more than FY16 budget. The Police Department currently has approval for three separate COPS Hiring grants. The federal reimbursement for these grants will be over a three year period and will be a declining reimbursement percentage each year. The overall increase in this funding is a result of receiving a third grant during FY16. The offsetting decrease in revenue is due to expiring agreement with the County to help support the Miss Maryland Pageant event.



The graph to the left depicts the Intergovernmental revenue history. The graph reflects the cyclical nature of federal grant reimbursement for the Police Department COPS Hiring grants which are based on a declining reimbursement percentage each year. As mentioned above, the Police Department now has three grants of this nature. Reimbursement is over a three year period as each position is staffed and is not necessarily a calendar three year period.

CHARGES FOR CURRENT SERVICES - PROPOSED REVENUES
FISCAL YEAR 2016/2017

DESCRIPTION	2014/15 ACTUAL	2015/16		2016/17 PROPOSED	2016/17 % CHANGE
		BUDGET	EST. ACTUAL		
Refuse Collection Fees	\$ 2,238,358	\$ 2,239,500	\$ 2,255,525	\$ 2,256,450	0.8%
Other Service Charges	299,688	469,418	411,428	412,629	-12.1%
Public Function Revenues	116,960	108,500	108,500	108,500	0.0%
Swimming Pool	40,843	65,400	60,000	62,500	-4.4%
Total Charges for Current Services	\$ 2,695,849	\$ 2,882,818	\$ 2,835,453	\$ 2,840,079	-1.5%

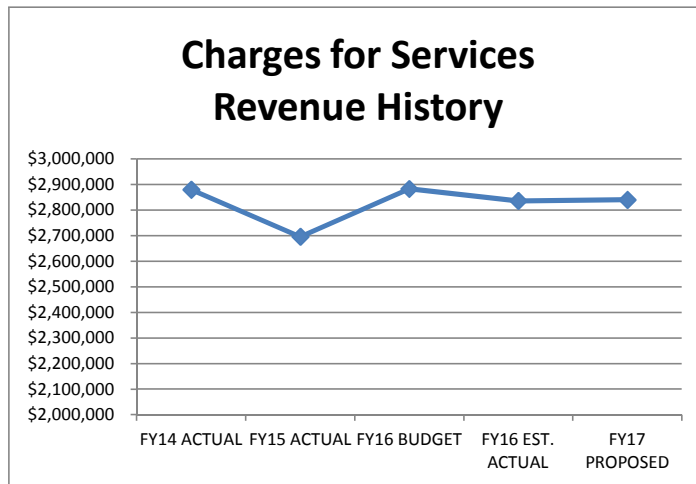
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY16 to Estimated Actual FY16

Overall, estimated actual revenue for FY16 is anticipated to be slightly under budget by 1.6% or \$47K when compared with the FY16 budget. Other Service Charges account for the majority of this decrease and are expected to be 12.4% or \$58K lower than FY16 budget. This is a result of a change in process related to the amount of external Security Services provided by the Police Department. Additionally, the FY16 budget included \$10K in revenue for credit card convenience fees which are not yet implemented and are being researched further. Service Charges related to Potterfield Pool admissions, passes, and concessions are expected to be 4.4% or \$5K under budget. However, the rental income related to Potterfield Pool are anticipated to be slightly higher than the FY16 budget and are reflected in Rental Income section.

Adopted FY16 to Proposed FY17

In total, charges for current services in the FY17 budget are expected to be slightly under budget 1.5% or \$47K. This decrease in FY17 budget is a continuation of the trends experienced in actual FY16 to date. Other service charges are projected to decrease by \$57K or 12.1%. This decrease is a continuation of the trends indicated above related to the amount of external Security Services provided by the Police Department and credit card convenience fees not yet implemented.



FINES & FORFEITURES - PROPOSED REVENUES
FISCAL YEAR 2016/2017

DESCRIPTION	2014/15 ACTUAL	2015/16		2016/17 PROPOSED	2016/17 % CHANGE
		BUDGET	EST. ACTUAL		
Abatement Administrative Fees - Code Admin	\$ 36,350	\$ 50,000	\$ 36,500	\$ 36,500	-27.0%
Confiscated Revenue	13,315	25,000	26,924	1,146	-95.4%
Excessive Use Fees	3,090	1,750	7,500	3,250	85.7%
Fire Code Violations	8,484	8,000	8,000	8,000	0.0%
Municipal Infractions - Code Admin	93,000	55,000	90,000	90,000	63.6%
Municipal Infractions - City Engineering	-	200	-	-	-100.0%
Municipal Infractions - Police Dept	550	1,000	500	500	-50.0%
Municipal Infractions - Planning	-	600	300	300	-50.0%
Parking Tickets and Late Fees	19,436	17,000	14,300	14,100	-17.1%
Parking Tickets - Estimate for Uncollectible	(7,005)	-	8,040	-	0.0%
Red Light Violation Fine	-	-	-	50,000	100.0%
Safe Speed for Students Program and Late Fees	1,666,231	1,800,000	1,755,000	1,755,000	-2.5%
Safe Speed for Students Program - Est Uncollect	(272,690)	(100,000)	(100,000)	(100,000)	0.0%
Tech Appeals Board Filing Fees	70	200	200	200	0.0%
Total Fines and Forfeitures	\$ 1,560,831	\$ 1,858,750	\$ 1,847,264	\$ 1,858,996	0.0%

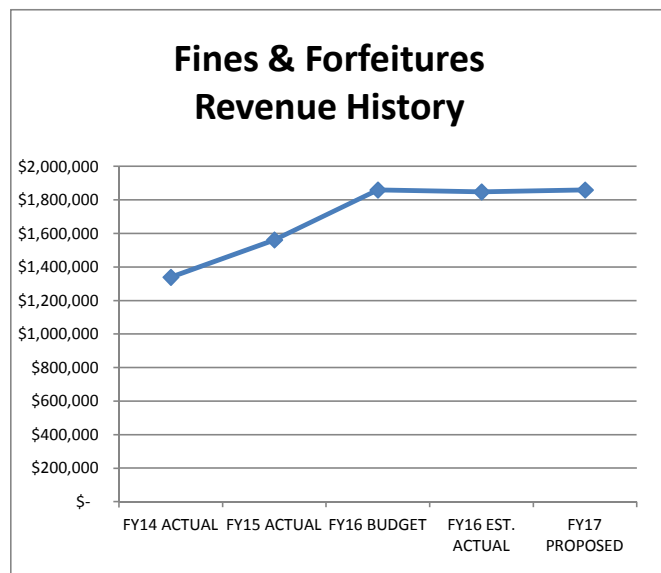
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY16 to Estimated Actual FY16

Estimated actual revenue for FY16 is expected to be just under budget by 0.6% or \$11K. The primary reason for the decrease is the decrease in revenue associated with the Safe Speed for Student Program of approximately \$45K. This reduction in revenue is offset by anticipated increases for Code Administration municipal infractions of \$35K and revenue associated with overall parking ticket revenue of \$5K.

Adopted FY16 to Proposed FY17

The FY17 budget for total Fines and Forfeitures revenue sources are relatively flat compared with FY16 budget. The decline of \$14K in Code Administration Abatement fees and \$24K in Police Confiscated Revenue is offset by an increase of \$35K related to Code Administration municipal infractions. Likewise, the anticipated decline in the Safe Speed for Students Program can potentially be offset with the implementation of a new Red Light Program. As the Safe Speed for Students Program progresses, it is anticipated that revenue will flatten and decline in future years as driving behaviors change. Currently, the program has eleven (11) cameras in operation which is reflected in the FY17 budget.



UNALLOCATED GENERAL REVENUES - PROPOSED REVENUES
FISCAL YEAR 2016/2017

DESCRIPTION	2014/15 ACTUAL	2015/16		2016/17 PROPOSED	2016/17 % CHANGE
		BUDGET	EST. ACTUAL		
Administrative Allocation Revenues	\$ 2,031,000	\$ 2,031,000	\$ 2,031,000	\$ 2,031,000	0.0%
Interest on Investments	9,197	5,500	5,000	5,000	-9.1%
Rental Income	251,432	216,924	187,125	196,023	-9.6%
Sale of Land & Other Assets	22,119	10,500	22,891	4,500	-57.1%
Contributions & Donations	142,406	132,352	137,787	161,742	22.2%
Other General Revenue	150,348	114,580	145,834	78,501	-31.5%
Total Unallocated General Revenues	\$ 2,606,502	\$ 2,510,856	\$ 2,529,637	\$ 2,476,766	-1.4%

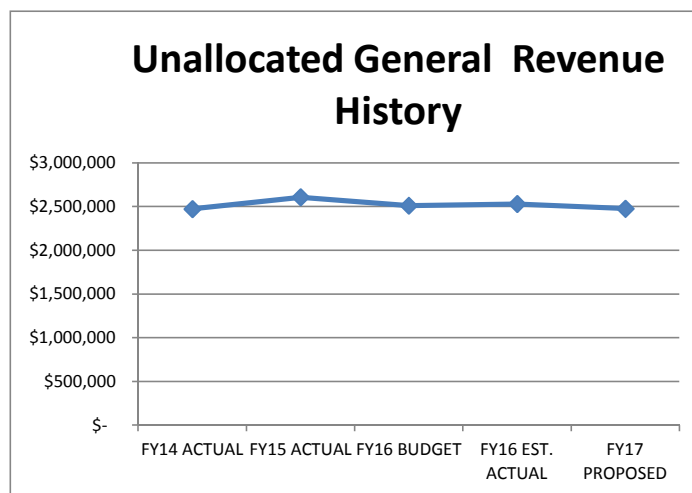
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY16 to Estimated Actual FY16

The FY16 actual is projected to be \$19K or 0.7% higher than FY16 budget. This variance is a result of a timing difference for the receipt of rental income for Municipal Stadium (\$35K) in FY15 for the 2016 Season. This variance is offset by overages in Sale of Land & Other Assets and total Other General Revenue. The increase in Other General Revenue is a result of insurance reimbursements for equipment in Public Works and the Police Department.

Adopted FY16 to Proposed FY17

The proposed FY17 budget is anticipated to decrease over the FY16 budget by 1.4%. This decrease is predominantly due to the reductions in the FY17 budget for Sale of Land & Other Assets and total Other General Revenue. Selling of assets and insurance reimbursements for equipment are mostly one-time events that do not recur. For this reason, it is difficult to predict or expect to receive funding from these sources and the result is a decrease in Sale of Land & Other Assets by \$6K and Other General Revenue by \$36K. Another decrease when comparing proposed FY17 budget to current FY16 budget is within Rental Income. The City's lease for Municipal Stadium was included in the General Fund for FY16 budget purposes. However, the new agreement stipulates that the rent for Municipal Stadium for FY17 and future will be reinvested in the facility. For this reason, the rent for Municipal Stadium is included within the CIP (Capital Improvement Program) for FY17. The offsetting increase in Contributions & Donations is anticipated as a result of staffing arrangement for a police officer at the Library. This position had been vacant but it is anticipated that staffing will be reassigned by June 2016 and is included in FY17 proposed budget figures.



TRANSFERS FROM OTHER FUNDS & OTHER FINANCING SOURCES - PROPOSED REVENUES
FISCAL YEAR 2016/2017

DESCRIPTION	2014/15 ACTUAL	2015/16		2016/17	2016/17 % CHANGE
		BUDGET	EST. ACTUAL	PROPOSED	
Transfer from Economic Redevelopment Fund	\$ 21,000	\$ 70,488	\$ 70,488	\$ -	-100.0%
Transfer from Health Insurance Fund	35,950	55,000	55,000	55,000	0.0%
Transfer from Property Management Fund	240,105	-	-	-	0.0%
Transfer from CIP Fund	100,000	-	-	-	0.0%
Transfer from CDBG Fund	21,083	30,000	8,568	18,564	-38.1%
Total Transfers from Other Funds & Other Financing Sources	\$ 418,138	\$ 155,488	\$ 134,056	\$ 73,564	-52.7%

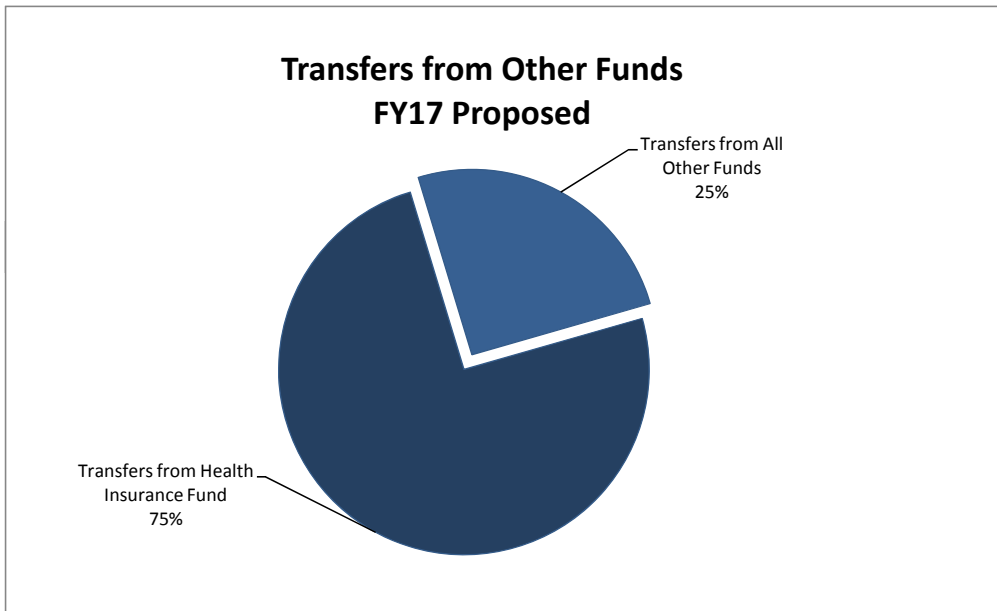
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY16 to Estimated Actual FY16

Overall, estimated actual revenue for FY16 is expected to be 13.8% or \$21K lower than the FY16 budget. The FY16 estimated actuals includes updated trends of annual spending for a part-time CDBG funded inspector.

Adopted FY16 to Proposed FY17

FY17 proposed budget is estimated to decrease \$61K from FY16 budget because there was a one-time transfers included in FY16 for the demolition assistance provided as an incentive for property located on Antietam Street.



MAYOR - PROGRAM DESCRIPTION
FISCAL YEAR 2016/17

DEPARTMENT / PROGRAM OVERVIEW

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

DEPARTMENT / PROGRAM OBJECTIVES

Objectives and initiatives include:

- Establish City priorities, goals, objectives and work plans for the next fiscal year with the City Council and City Administrator.
- Provide leadership and participate with the Maryland Municipal League, Tri-County Council, and other County, State, and Federal officials to develop and implement goals.
- Serve as spokesperson for City programs, services, and new initiatives.
- Represent the City at public events and functions.
- The Mayor and City Council typically hold 38 Work Session meetings along with 12 Regular Session meetings a year.
- A State of the City Address is delivered annually in March by the Mayor.
- The Mayor and City Council attend a number of meetings with civic associations. Some examples include the Hagerstown-Washington County Economic Development Commission, Chamber of Commerce, Greater Hagerstown Committee, and Hagerstown/Eastern Panhandle Metropolitan Planning Organization (HEPMPO).
- The Mayor and City Council hold public hearings throughout the year to provide the public with appropriate information as well as to receive the community's feedback and input.

PERFORMANCE INDICATORS

	2014/15	2015/16	2016/17
Number of Mayor and Council meetings	50	50	50
Average number of meetings representing City (e.g. board/commission)	35	35	35
Average number of community functions	25	25	25

MAYOR - PROGRAM FINANCIAL SUMMARY
FISCAL YEAR 2016/17

EXPENDITURE AND REVENUE SUMMARY

	2014/15	2015/16		2016/17	2016/17
	ACTUAL	BUDGET	EST. ACTUAL	PROPOSED	% CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	\$ 47,848	\$ 48,068	\$ 48,000	\$ 47,871	-0.4%
Benefits	15,236	15,163	14,946	15,401	1.6%
Personnel Subtotal	63,084	63,231	62,946	63,272	0.1%
Operating Expenditures	6,570	6,868	6,339	7,164	4.3%
Operating Subtotal	6,570	6,868	6,339	7,164	4.3%
Total Expenditures	\$ 69,654	\$ 70,099	\$ 69,285	\$ 70,436	0.5%
REVENUES BY TYPE					
Departmental Revenue	\$ -	\$ -	\$ -	\$ -	0.0%
Total Revenues	\$ -	\$ -	\$ -	\$ -	0.0%
Expenditures, net of Revenues	\$ 69,654	\$ 70,099	\$ 69,285	\$ 70,436	0.5%

BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

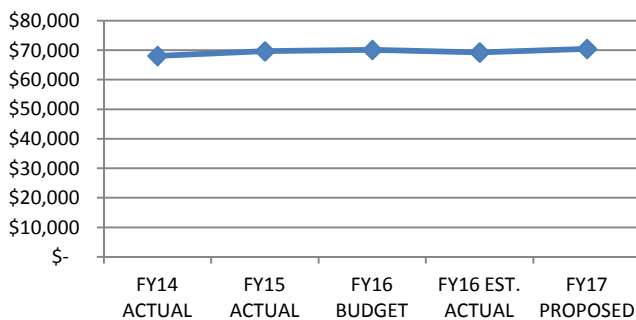
Adopted FY16 to Estimated Actual FY16

FY16 estimated actual is anticipated to be less than FY16 budget by 1.2% or approximately \$1K.

Adopted FY16 to Proposed FY17

There are no significant changes from FY16 budget to proposed FY17 budget. The FY17 budget does not include any salary enhancements. There is a slight increase in Operating Expenditures for the inclusion of \$300 for computer and computer related equipment needs.

**Total Expenditures
History**



STAFFING SUMMARY

	FY16			
	FY15	Budg	Est Act	FY17
Full time	0.33	0.33	0.33	0.33
Less: Unfunded	0.00	0.00	0.00	0.00
Staffing Total	0.33	0.33	0.33	0.33

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

CITY COUNCIL - PROGRAM DESCRIPTION
FISCAL YEAR 2016/2017

DEPARTMENT / PROGRAM OVERVIEW

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

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

DEPARTMENT / PROGRAM OBJECTIVES

- To develop and approve policies which focus on the last approved Strategic Plan which identified 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 a 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

	2014/15	2015/16	2016/17
Number of Mayor and Council meetings	50	50	50
Average number of meetings representing City (e.g. board/commission)	30	30	30
Average number of community functions attended representing the City	25	25	25

CITY COUNCIL - PROGRAM FINANCIAL SUMMARY
FISCAL YEAR 2016/2017

EXPENDITURE AND REVENUE SUMMARY

	2014/15 ACTUAL	2015/16 BUDGET	2015/16 EST. ACTUAL	2016/17 PROPOSED	2016/17 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	\$ 40,155	\$ 40,000	\$ 40,000	\$ 40,000	0.0%
Benefits	26,370	26,945	26,469	27,645	2.6%
Personnel Subtotal	66,525	66,945	66,469	67,645	1.0%
Operating Expenditures	41,294	40,274	40,811	44,135	9.6%
Operating Subtotal	41,294	40,274	40,811	44,135	9.6%
Total Expenditures	\$ 107,819	\$ 107,219	\$ 107,280	\$ 111,780	4.3%
REVENUES BY TYPE					
Departmental Revenue	\$ -	\$ -	\$ -	\$ -	0.0%
Total Revenues	\$ -	\$ -	\$ -	\$ -	0.0%
Expenditures, net of Revenues	\$ 107,819	\$ 107,219	\$ 107,280	\$ 111,780	4.3%

BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

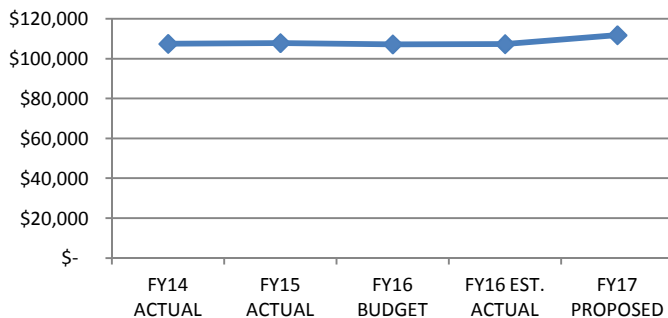
Adopted FY16 to Estimated Actual FY16

FY16 estimated actuals are anticipated to be approximately the same level as FY16 budget. There are no significant differences or variations.

Adopted FY16 to Proposed FY17

The FY17 budget is anticipated to be 4.3% or \$5K higher than the current FY16 budget. This increase is a result of a 5% rise in employer costs related to health insurance. Elections will occur in the middle of FY17 and as a result there is slightly more expenses estimated for supplies, equipment, and dues reflected in the Operating Expenditures.

**Total Expenditures
History**



STAFFING SUMMARY

	FY15	FY16 Budg	FY16 Est Act	FY17
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. There are a total of five (5) Councilmembers.

REGISTRATION AND ELECTIONS - PROGRAM DESCRIPTION
FISCAL YEAR 2016/17

DEPARTMENT / PROGRAM OVERVIEW

The City Charter requires a primary and general election every four years for the Mayor and five City Councilmembers. The election schedule coincides with the Presidential Election. The Washington County Board of Elections conduct the election, in accordance with provisions of the State of Maryland. The Primary Election was held on April 3, 2012 and the General Election was held on November 6, 2012. Newly elected Mayor and Councilmembers took office November 26, 2012. Voter turnout in the General Election was 67%. Voter turnout in the previous General Election (2009) was 15%.

PERFORMANCE INDICATORS

	2005	2009	2012
Number of Candidates Filing	19	25	15
Number of Registered Voters at General Election	18,906	20,969	20,898
Number of Registered Voters at Primary Election	15,543	16,814	15,504
Number Voting in General Election	4,440	3,173	14,095
Number Voting in Primary Election	2,365	1,988	4,062

DEPARTMENT / PROGRAM OVERVIEW

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

DEPARTMENT / PROGRAM OBJECTIVES

Objectives and initiatives include:

- To guide and encourage Department Heads in support of the completion of the vision, goals and priorities adopted by the Mayor and City Council.
- To develop recommendations that enable the Mayor and Council to make informed legislative decisions related to the community and City government.
- To create financial strategies and plans along with adjustments to operations in response to economic fluctuations as they relate to City finances.
- To develop programs and recommendations that address community needs related to public safety, neighborhood vitality, public infrastructure, downtown revitalization, and economic development.
- To provide staff support in accordance with the Mayor & City Council's goals that incorporate new technologies and service delivery approaches into City operations.
- To promote professional and ethical operations combined with a strong organizational commitment to providing excellent community based services.
- To build strong community partnerships with unified strategies for the betterment of the City/Community based on citizen involvement, interaction with local institutions, business leaders, and other levels of government.

PERFORMANCE INDICATORS

The City Administrator prepares and presents:

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

The City Administrator also supports:

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

CITY ADMINISTRATOR - PROGRAM FINANCIAL SUMMARY
FISCAL YEAR 2016/2017

EXPENDITURE AND REVENUE SUMMARY

	2014/15 ACTUAL	2015/16 BUDGET	2015/16 EST. ACTUAL	2016/17 PROPOSED	2016/17 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	\$ 198,541	\$ 171,394	\$ 153,000	\$ 159,671	-6.8%
Benefits	95,232	50,789	46,460	45,431	-10.5%
Overtime	226	-	-	-	0.0%
Personnel Subtotal	293,999	222,183	199,460	205,102	-7.7%
Operating Expenditures	12,436	15,555	12,892	15,378	-1.1%
Capital Outlay	843	3,650	497	500	-86.3%
Operating Subtotal	13,279	19,205	13,389	15,878	-17.3%
Total Expenditures	\$ 307,278	\$ 241,388	\$ 212,849	\$ 220,980	-8.5%
REVENUES BY TYPE					
Departmental Revenue	\$ -	\$ -	\$ -	\$ -	0.0%
Total Revenues	\$ -	\$ -	\$ -	\$ -	0.0%
Expenditures, net of Revenues	\$ 307,278	\$ 241,388	\$ 212,849	\$ 220,980	-8.5%

BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

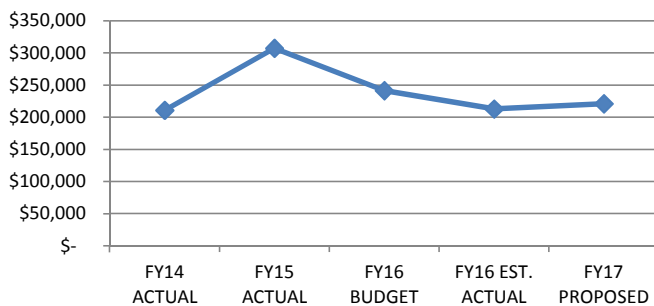
Adopted FY16 to Estimated Actual FY16

FY16 estimated actuals are expected to be under budget by 11.8% or \$29K. At the time of FY16 budget preparation, a new City Administrator search and contract had not yet began. The results of the finalized contract is slightly lower salaries and benefits. Likewise, there is a combined savings of approximately \$6K in operating expenditures and minor capital outlay purchases.

Adopted FY16 to Proposed FY17

In total, FY17 budget is estimated to be 8.5% or \$29K lower than FY16 budget numbers. The FY17 is a continuation of the current FY16 actual to date trends. The majority of the salaries and benefits included above are a direct result of contract finalization for new City Administrator. Offsetting the savings from the contract, the employer share of health insurance costs are projected to increase 5%. The combined result is a 7.7% decrease in total personnel costs from FY17 budget compared to FY16. Likewise, it is anticipated that minor capital outlay purchases will remain level with actual FY16 and will result in \$3K reduction over FY16 budget numbers.

**Total Expenditures
History**



STAFFING SUMMARY

	FY15	FY16		FY17
		Budg	Est Act	
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

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

CITY CLERK - PROGRAM DESCRIPTION
FISCAL YEAR 2016/2017

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 for those meetings. Weekly agendas and meeting packets are prepared by the City Clerk's office.

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

DEPARTMENT / PROGRAM OBJECTIVES

- The weekly meeting packet is available to all Mayor and Council members, staff members, and media by using a meeting management system. Citizens and all interested persons can access the weekly meeting packet by visiting the City's website. There they can view, download and/or print the agenda and all supporting documents.
- The City Clerk is the staff liaison for the City Ethics Commission. The Commission met three times in 2015. The Commission filed the required annual Certification with the State Ethics Commission in October of 2015.
- Begin the process of reviewing the City Code to identify outdated and irrelevant language within the Code pertinent to the City Clerk's office.

PERFORMANCE INDICATORS

	2014/15	2015/16	2016/17
Number of Ordinances Processed	31	30	30
Number of Resolutions Processed	30	25	25
Number of Licenses and Permits Issued	120	110	100
Number of Mayor and Council meetings processed	50	50	50

CITY CLERK - PROGRAM FINANCIAL SUMMARY
FISCAL YEAR 2016/2017

EXPENDITURE AND REVENUE SUMMARY

	2014/15 ACTUAL	2015/16 BUDGET	2015/16 EST. ACTUAL	2016/17 PROPOSED	2016/17 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	\$ 104,137	\$ 109,505	\$ 107,800	\$ 109,007	-0.5%
Benefits	30,879	31,326	31,505	32,325	3.2%
Personnel Subtotal	135,016	140,831	139,305	141,332	0.4%
Contractual Services	3,425	7,000	7,000	7,000	0.0%
Operating Expenditures	17,953	13,032	11,622	14,745	13.1%
Capital Outlay	-	1,850	555	-	-100.0%
Operating Subtotal	21,378	21,882	19,177	21,745	-0.6%
Total Expenditures	\$ 156,394	\$ 162,713	\$ 158,482	\$ 163,077	0.2%
REVENUES BY TYPE					
Departmental Revenue	\$ 159,486	\$ 103,500	\$ 103,500	\$ 103,500	0.0%
Total Revenues	\$ 159,486	\$ 103,500	\$ 103,500	\$ 103,500	0.0%
Expenditures, net of Revenues	\$ (3,092)	\$ 59,213	\$ 54,982	\$ 59,577	0.6%

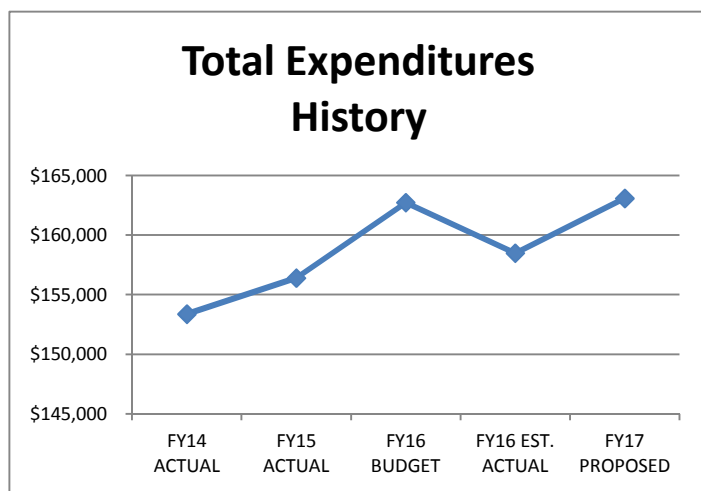
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY16 to Estimated Actual FY16

Overall FY16 estimated actual for total expenditures are slightly under FY16 budget by 2.6% or \$4K. The majority of the savings are related to minor computer needs within capital outlay which is expected to be under budget by \$1K. There are no variations in anticipated departmental revenue.

Adopted FY16 to Proposed FY17

Total expenditures for FY17 budget are within 0.2% or \$364 of FY16 budget numbers. There is an overall increase in total personnel costs from FY16 budget, which includes a 5% increase in the employer covered health insurance costs. The FY17 budget does not include salary enhancements beyond FY16 levels. There is a shift of approximately \$1K between minor capital outlay items and operating expenditures. This shift reflects reallocating funding from minor computer equipment needs to advertising and printing. There are no variations in anticipated departmental revenue.



STAFFING SUMMARY

	FY15	FY16 Budg	FY16 Est Act	FY17
Full time	1.34	1.34	1.34	1.34
Less: Unfunded	0.00	0.00	0.00	0.00
Staffing Total	1.34	1.34	1.34	1.34
Part time	0.50	0.50	0.50	0.50
Total Part time	0.50	0.50	0.50	0.50

The City Clerk shares one part-time Communications Staff Assistant position with Department of Community & Economic Development

DEPARTMENT / PROGRAM OVERVIEW

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

DEPARTMENT / PROGRAM OBJECTIVES

- Prepare legislation in the form of ordinances and resolutions for Mayor and Council's consideration and adoption.
- Provide advice on law enforcement issues to the Police Department, and provide representation at internal hearings and other litigation.
- Provide legal advice and guidance to staff related to City operations, emerging legal issues, regulatory requirements and development issues.
- Support the City's Ethics Commission in ensuring compliance with the City's Ethics Code.
- Assist in the development, review, and implementation of contracts, leases and other legal documents related to City Operations.

PERFORMANCE INDICATORS

	2014/15	2015/16	2016/17
Number of Ordinances Processed	23	30	40
Number of Resolutions Processed	45	25	30
Number of Approved Contracts and Agreements	75	70	70

LEGAL - PROGRAM FINANCIAL SUMMARY
FISCAL YEAR 2016/17

EXPENDITURE AND REVENUE SUMMARY

	2014/15	2015/16		2016/17	2016/17
	ACTUAL	BUDGET	EST. ACTUAL	PROPOSED	% CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	\$ -	\$ -	\$ -	\$ -	0.0%
Personnel Subtotal	-	-	-	-	0.0%
Contractual Services	225,814	235,000	230,000	230,000	-2.1%
Operating Expenditures	56,513	5,000	6,000	6,000	20.0%
Operating Subtotal	282,327	240,000	236,000	236,000	-1.7%
Total Expenditures	\$ 282,327	\$ 240,000	\$ 236,000	\$ 236,000	-1.7%
REVENUES BY TYPE					
Departmental Revenue	\$ -	\$ -	\$ -	\$ -	0.0%
Total Revenues	\$ -	\$ -	\$ -	\$ -	0.0%
Expenditures, net of Revenues	\$ 282,327	\$ 240,000	\$ 236,000	\$ 236,000	-1.7%

BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

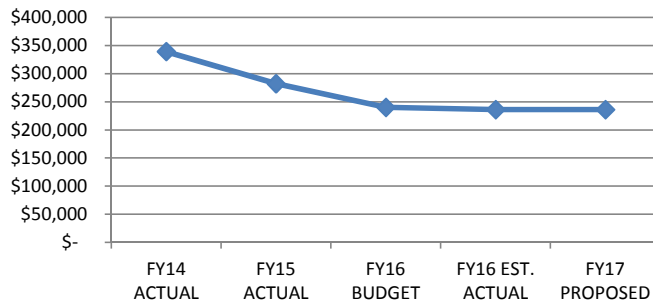
Adopted FY16 to Estimated Actual FY16

There are no significant changes.

Adopted FY16 to Proposed FY17

There are no significant changes.

Total Expenditures History



STAFFING SUMMARY

	FY15	FY16 Budg Est Act		FY17
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.

FINANCE - PROGRAM DESCRIPTION
FISCAL YEAR 2016/17

DEPARTMENT / PROGRAM OVERVIEW

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

Accounting Function

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

Budget Function

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

DEPARTMENT / PROGRAM OBJECTIVES

- **Financial Software Enhancements** - Finance will begin to implement process improvements for fixed assets throughout the City in phases over the next two fiscal years. The first phase will be educating departmental users on using the fixed asset module in Munis. The second phase will be providing monthly reports to the departments to ensure that asset additions and disposals are recorded in a timely manner. In the final phase, the Finance department will process depreciation monthly to improve accuracy and create efficiencies in preparing for the year end audit.
- **Financial Reporting** - Finance will continue quarterly review meetings with department managers to ensure adequate monitoring of the City's finances. Finance will also meet the October 31 deadline for completion of the audit and Comprehensive Annual Financial Report (CAFR) and will also strive to produce a Popular Annual Financial Report (PAFR) to present financial data in an easy-to-use format.
- **Customer Service** - The Finance department will continue to provide enhanced customer service to both our internal and external customers through the promotion of awareness and understanding of the City's finances through accessible and easy to use data presentations.
- **Policy Updates** - Staff will continue to review and recommend updates for fiscal policies to present to Mayor and Council for approval.
- **Bond Issuance & Other Debt** - Finance will continue to monitor the capital projects in the CIP fund. Also, Finance will continue to work with our financial advisor and bond counsel to issue general obligation bonds as needed and as approved for public improvement projects. Last, Finance will continue to monitor unspent bond projects and funding to ensure timely compliance with bond covenants.
- **Audit Services** - Finance will seek an extension of a two-year contract with SB & Company.

PERFORMANCE INDICATORS

	2014/15	2015/16	2016/17
<u>Performance Measures</u>			
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/ 10 yrs	Yes/ 11 yrs	Yes/ 12 yrs
Receive GFOA Comprehensive Annual Financial Reporting award	Yes/ 20 yrs	Yes/ 21 yrs	Yes/ 22 yrs
<u>Workload Measures</u>			
Bond sales executed	1	-	1
Number of individual employee payrolls processed	26,383	22,848	23,000
Number of vendor invoices processed	11,317	9,783	10,000
Number of Pcard transactions processed	8,452	6,778	7,000
Number of Purchase Orders issued	1,147	946	1,000

FINANCE - PROGRAM FINANCIAL SUMMARY
FISCAL YEAR 2016/17

EXPENDITURE AND REVENUE SUMMARY

	2014/15 ACTUAL	2015/16 BUDGET	2015/16 EST. ACTUAL	2016/17 PROPOSED	2016/17 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	\$ 453,351	\$ 482,223	\$ 493,359	\$ 503,721	4.5%
Benefits	124,678	133,265	150,338	158,936	19.3%
Overtime	299	100	100	100	0.0%
Personnel Subtotal	578,328	615,588	643,797	662,757	7.7%
Contractual Services	29,427	52,349	31,152	37,432	-28.5%
Operating Expenditures	37,255	30,063	33,138	35,850	19.2%
Capital Outlay	-	2,800	2,800	2,800	0.0%
Operating Subtotal	66,682	85,212	67,090	76,082	-10.7%
Total Expenditures	\$ 645,010	\$ 700,800	\$ 710,887	\$ 738,839	5.4%
REVENUES BY TYPE					
Departmental Revenue	\$ 32,356,442	\$ 33,366,540	\$ 33,032,889	\$ 33,968,668	1.8%
Total Revenues	\$ 32,356,442	\$ 33,366,540	\$ 33,032,889	\$ 33,968,668	1.8%
Expenditures, net of Revenues	\$ (31,711,432)	\$ (32,665,740)	\$ (32,322,002)	\$ (33,229,829)	1.7%

BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

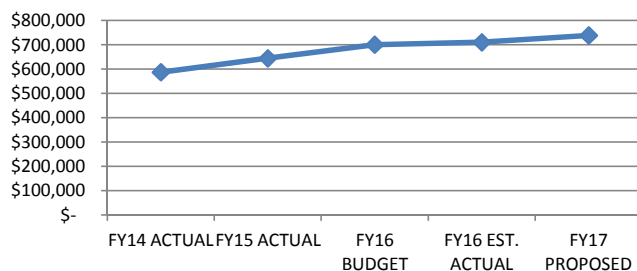
Adopted FY16 to Estimated Actual FY16

It is projected that total expenditures for the department will be 1.4% or \$10K higher than FY16 budget. Total personnel costs are expected to be 7.7% over budget. FY16 budget did not include vacation pay-outs. Although rising employer costs of benefits was anticipated at the time of budget, some existing departmental staff opted to receive City insurance benefits that were not included at the time of FY16 budget development. Offsetting a portion of this increase is a savings of 21.3% or \$18K in overall operating totals. The majority of this savings is a result of extending the audit contract with our existing vendor SB&Company. Additionally, departmental revenue is anticipated to be \$334K or 1.0% lower than budget. The FY16 budget amounts include using Appropriated Fund Balance in the amount of \$749K while estimated actuals do not include this as funding source.

Adopted FY17 to Proposed FY17

From the FY16 budget to the FY17 proposed budget, overall total personnel expenditures are anticipated to increase by 7.7% or \$47K and operating expenditures to decrease by 10.7% or \$9K. The \$21K increase in salary expenditures is due to fully staffing the department. There is a 19.3% or \$26K increase in all benefits which reflects the continuation of current FY16 trends discussed above plus a 5% increase for employer costs of health insurance. Also, contractual services is estimated to be 28.5% or \$21K lower in proposed FY17 budget compared to FY16 budget levels. This savings is primarily in Auditing Fees and Services. The operating expenditures category is higher than FY16 budget levels as a result of moving training and seminars back to individual departments versus all centralized within Human Resources Department. Last, departmental revenue is anticipated to be 1.8% or \$600K better than FY16 budget as a result of growth in total

**Total Expenditures
History**



STAFFING SUMMARY

	FY15	FY16		FY17
		Budg	Est Act	
Full time	8.50	8.50	8.50	8.50
Less: Unfunded	0.00	0.00	0.00	0.00
Staffing Total	8.50	8.50	8.50	8.50

There was no change in full time staffing from FY15 to FY17 but Finance continues to share in the allocation of a Storekeeper/Clerk III with the Water Funds.

DEPARTMENT / PROGRAM OVERVIEW

Technology has become the backbone of operations for all municipalities throughout the county, and the City Information Technology department provides our City with information services to achieve our shared goals and objectives. We support 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

- **MUNICIPAL BROADBAND PROJECT.** The City will begin working with Antietam Cable Television in implementing a >1Gb High Speed Internet service in the general City Center area in the Spring of 2016. This project will be a major economic development opportunity for the City in positioning the City as the only affordable gigabit city in the four-state area. If successful, the initiative will be expanded to include more areas (residential and commercial) in the City.
- **DATA ANALYTICS IMPLEMENTATION.** In the spirit of transparency, many municipalities in the State are moving towards a system where residents and staff are more easily able to research the current state of City finances and activities through online resources such as the State's STATESTAT system. We look to provide the same type of system for our stakeholders in 2016 with the implementation of systems that provide snapshot views of budgetary information through interaction with the City website. This type of system will also provide a more streamline reporting of information to the State when necessary.
- **DYNAMIC SCHEDULER IMPLEMENTATION IN PUBLIC SAFETY.** Staff will continue to work towards the completion of this project with the implementation of dynamic scheduling for the Public Safety staff of the City. Anticipated completion of this project will be Summer, 2016.
- **USE OF TABLET COMPUTING IN THE FIELD.** Staff will continue the proliferation of tablet computing following the MUNIS upgrade in the effort to get more information into the hands of our field staff without having to return to the office. This capability will also be a benefit following the Time and Attendance system implementation where staff will be able to report information from the field.
- **IMPLEMENTATION OF APN SYSTEM.** Staff will be implementing the new Virtual Private Networking (VPN) component for HPD patrol car communications in 2016. The connection will be a VPN Tunnel with increased speeds and security.

PERFORMANCE INDICATORS

	2014/15	2015/16	2016/17
Number of City-wide personal computers	227	234	237
Number of PC Software programs supported	6	22	24
Number of Help Desk tickets	1,576	1,674	1,850
# of SPAM e-mails blocked daily	6,277	9,412	13,400
Phone calls managed through our central switch	372,122	381,266	395,000

INFORMATION TECHNOLOGY - PROGRAM FINANCIAL SUMMARY
FISCAL YEAR 2016/17

EXPENDITURE AND REVENUE SUMMARY

	2014/15 ACTUAL	2015/16 BUDGET	2015/16 EST. ACTUAL	2016/17 PROPOSED	2016/17 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	\$ 373,580	\$ 376,895	\$ 370,000	\$ 364,097	-3.4%
Benefits	141,105	129,355	130,024	126,234	-2.4%
Overtime	919	250	2,800	2,800	1020.0%
Personnel Subtotal	515,604	506,500	502,824	493,131	-2.6%
Contractual Services	755	5,000	2,500	3,000	-40.0%
Operating Expenditures	269,087	356,274	353,754	371,645	4.3%
Capital Outlay	2,310	3,400	3,400	3,400	0.0%
Operating Subtotal	272,152	364,674	359,654	378,045	3.7%
Total Expenditures	\$ 787,756	\$ 871,174	\$ 862,478	\$ 871,176	0.0%
REVENUES BY TYPE					
Departmental Revenue	\$ -	\$ -	\$ 15,000	\$ 15,000	100.0%
Total Revenues	\$ -	\$ -	\$ 15,000	\$ 15,000	100.0%
Expenditures, net of Revenues	\$ 787,756	\$ 871,174	\$ 847,478	\$ 856,176	-1.7%

BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

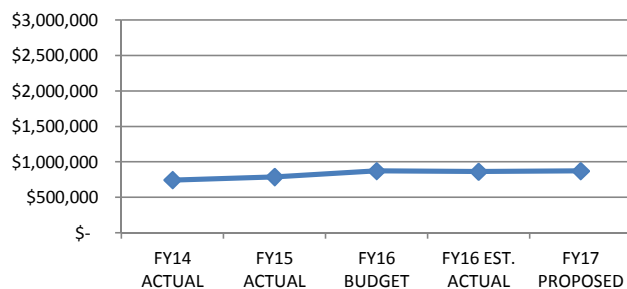
Adopted FY16 to Estimated Actual FY16

There are no significant expenditure variances from FY16 estimated actuals compared to FY16 budget levels. Departmental revenue is anticipated to increase due to reallocating a cell tower lease from Community & Economic Development to Information Technology.

Adopted FY16 to Proposed FY17

In total, expenditures are anticipated to remain flat from proposed FY17 budget to FY16 budget amounts. FY17 personnel costs are projected to decrease by 2.6% or \$13K as a result of a change in allocation of some staff's time across departments. Offsetting this decrease is incremental rate increases on some hardware and/or software annual maintenance costs reflected in the operating expenditure category above. Last, the department revenue is expected to continue in FY17 and does not represent a new revenue source for the City but merely a reallocation of a cell tower lease from Community & Economic Development.

Total Expenditures History



STAFFING SUMMARY

	FY15	FY16 Budg	FY16 Est Act	FY17
Full time	6.34	6.34	6.34	6.34
Less: Unfunded	-	-	-	-
Staffing Total	6.34	6.34	6.34	6.34
Part time	0.00	0.00	0.00	0.00
Total Part time	0.00	0.00	0.00	0.00

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 & property tax process, and customer service program. We are committed to continuous, long-term improvement to meet needs in an exceptional way. Our primary measure of success is customer satisfaction. Our intent is to earn and maintain the respect of our customers; promote trust in the Support Services organization, and establish collaborative working relationships our internal and external customers.

DEPARTMENT / PROGRAM OBJECTIVES

- **CREDIT BUREAU REPORTING.** Staff will look to add more teeth to our collection efforts by partnering with a credit bureau agency to report delinquent customer balances.
- **UPGRADED PHONE MANAGEMENT FEATURES.** Staff will be researching adding options to our phone voice mail system to allow for the recording of phone calls for both training and for evidential purposes. Staff will also look to a system that would provide queue hold information and opportunities for "key-in" payments.
- **TAX PROCESS REVIEW.** The upgrade of the MUNIS financial system allows for the tax department to execute a full review of how staff utilize the system for real / personal property tax management functions and to correct some long-standing issues inherent in the system since implementation in 2010. The success of other process reviews in HR/Payroll and Utility Billing prompts this review.
- **CUSTOMER SERVICE TRAINING.** The completion of the Utility Billing system process review with MUNIS subject matter experts allows for a revision of Customer Service training materials. This will allow staff to better understand and perform their job responsibilities. There has been no formal training for staff in several years, and the changing demands of our customer base require that our representatives have the tools they need to provide quality customer service.
- **SUPPORT SERVICES STRATEGIC PLAN.** The changes in our capabilities to provide effective customer service and cash processing require a revisiting of how the department does business both with internal City departments as well as our external customers. Reviews of our utility collection process, cash management operation, tax collection and reporting processes will all be documented and reviewed by staff, with recommendations on implementation.

PERFORMANCE INDICATORS

	2014/15	2015/16	2016/17
Number of calls offered into Support Services queue	59,220	62,522	65,000
Number of calls serviced in Support Services	45,599	48,454	51,000
Average hold time (in Seconds)	227	201	180
Number of counter transactions handled in City Hall	61,252	62,411	65,000
Total customers served	106,851	112,414	116,000
Dollar amount of transactions processed in City Hall	\$ 56,120,018	\$ 58,455,100	\$ 60,000,000

SUPPORT SERVICES - PROGRAM FINANCIAL SUMMARY
FISCAL YEAR 2016/17

EXPENDITURE AND REVENUE SUMMARY

	2014/15 ACTUAL	2015/16 BUDGET	2015/16 EST. ACTUAL	2016/17 PROPOSED	2016/17 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	\$ 364,292	\$ 375,775	\$ 375,775	\$ 385,946	2.7%
Benefits	137,139	137,273	137,421	146,957	7.1%
Overtime	2,850	-	2,270	2,270	100.0%
Personnel Subtotal	504,281	513,048	515,466	535,173	4.3%
Contractual Services	188,220	168,300	226,000	227,500	35.2%
Operating Expenditures	(285,742)	(307,502)	(313,051)	(322,246)	4.8%
Capital Outlay	1,043	5,600	6,800	5,300	-5.4%
Operating Subtotal	(96,479)	(133,602)	(80,251)	(89,446)	-33.1%
Total Expenditures	\$ 407,802	\$ 379,446	\$ 435,215	\$ 445,727	17.5%
REVENUES BY TYPE					
Departmental Revenue	\$ 27,582	\$ 32,130	\$ 20,000	\$ 15,000	-53.3%
Total Revenues	\$ 27,582	\$ 32,130	\$ 20,000	\$ 15,000	-53.3%
Expenditures, net of Revenues	\$ 380,220	\$ 347,316	\$ 415,215	\$ 430,727	24.0%

BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

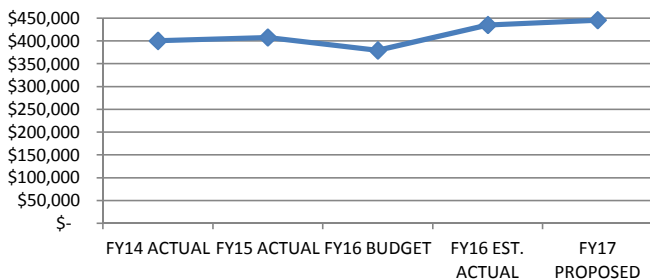
Adopted FY16 to Estimated Actual FY16

FY16 estimated actuals are projected to be greater than FY16 budget by 14.7% or \$56K. The primary reason for the budget variation is credit card fees reflected in the contractual services totals above. Total contractual services is 34.3% or \$58K over budget. The credit card fees represents all of this variance. Minor capital outlay is expected to be 21.4% or \$1K over budget for needed computer equipment purchases and replacements. In total, departmental revenue projections are less than budget by 37.8% or \$12K. The FY16 budget amounts include \$10K for credit card convenience fees which would be a new revenue source but are not yet implemented and require additional staff research.

Adopted FY16 to Proposed FY17

The proposed FY17 budget for personnel expenses is expected to be 4.3% or \$22K higher than FY16 budget. The increase in salaries is reflective of workload volume and does not include any salary enhancements beyond FY16 levels. The benefits are projected to be 7.1% or \$10K higher and include a 5% increase for employer costs of health insurance. Based on current FY16 trends, contractual services is anticipated to be 35.2% or \$60K higher as a result of credit card fees. Last, department revenue is expected to be below FY16 budget as credit card convenience fees are not yet implemented and require additional staff research.

**Total Expenditures
History**



STAFFING SUMMARY

	FY15	FY16 Budg	FY16 Est Act	FY17
Full time	5.66	5.66	5.66	5.66
Less: Unfunded	0.00	0.00	0.00	0.00
Staffing Total	5.66	5.66	5.66	5.66
Part time	3.00	3.00	3.00	3.00
Part time Seasonal	0.00	0.00	0.00	0.00
Total Part time	3.00	3.00	3.00	3.00

There are no full-time staffing changes proposed for Support Services. Support Services and Cashiering utilize 3 part-time positions in FY17.

HUMAN RESOURCES - PROGRAM DESCRIPTION
FISCAL YEAR 2016/17

DEPARTMENT / PROGRAM OVERVIEW

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

DEPARTMENT / PROGRAM OBJECTIVES

- Manage and implement changes to healthcare programs to comply with healthcare reform and keep costs within the City's health care budget.
- Offer comprehensive and targeted training programs to increase skill levels for broader responsibilities and increased employee engagement.
- Create and enhance employee recognition programs that highlight employee creativity, innovation, and commitment to the organization.
- Develop an increasingly comprehensive wellness and safety programs in order to enhance employee health and productivity while reducing healthcare and workers' compensation claims expenses.
- Maintain position control systems.
- Administration of the four union contracts and personnel policies.
- Administer self-insured Workers' compensation Program and Liability Insurance Services.

PERFORMANCE INDICATORS

	2014/15	2015/16	2016/17
Bargaining Unit Contracts	4	4	4
Per Employee Health Plan Costs	\$ 12,484	\$ 11,646	\$ 12,228
Per Retiree Health Plan Costs	\$ 4,048	\$ 4,468	\$ 4,691
Number of Employment Applications Received	1,506	1,810	1,700
Number of Regular FT employees hired	42	34	31
Number of non-regular employees hired	55	48	24
Retirements	13	10	11
Voluntary Separations	13	14	14
Involuntary Separations	1	3	2
Number of Injury Reports	90	95	93
Number of Property Claims	43	38	40
Number of General Liability Claims	37	30	30
Number of Police Liability Claims	4	4	4
Number of Auto Claims	72	70	70

HUMAN RESOURCES - PROGRAM FINANCIAL SUMMARY
FISCAL YEAR 2016/17

EXPENDITURE AND REVENUE SUMMARY

	2014/15 ACTUAL	2015/16 BUDGET	2015/16 EST. ACTUAL	2016/17 PROPOSED	2016/17 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	\$ 313,200	\$ 371,270	\$ 363,426	\$ 370,484	-0.2%
Benefits	119,241	121,029	134,582	134,555	11.2%
Overtime	53	100	100	100	0.0%
Personnel Subtotal	432,494	492,399	498,108	505,139	2.6%
Contractual Services	133,641	130,800	130,910	95,820	-26.7%
Operating Expenditures	71,732	71,798	72,680	53,901	-24.9%
Capital Outlay	3,582	3,750	3,008	4,600	22.7%
Operating Subtotal	208,955	206,348	206,598	154,321	-25.2%
Total Expenditures	\$ 641,449	\$ 698,747	\$ 704,706	\$ 659,460	-5.6%
REVENUES BY TYPE					
Departmental Revenue	\$ 225	\$ -	\$ 2,138	\$ -	0.0%
Total Revenues	\$ 225	\$ -	\$ 2,138	\$ -	0.0%
Expenditures, net of Revenues	\$ 641,224	\$ 698,747	\$ 702,568	\$ 659,460	-5.6%

BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

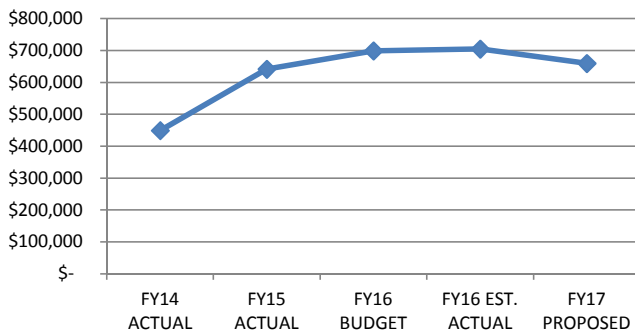
Adopted FY16 to Estimated Actual FY16

In total, FY16 estimated actual is expected to be 0.9% or \$6K higher than FY16 budget. Benefit costs are the primary reason for the budget variance at 11.2% or \$14K higher. With the changes in the Affordable Care Act, health insurance is now offered to part-time staff that was not previously eligible under the City's health plan documents and is the reason for the budget variation.

Adopted FY16 to Proposed FY17

In the proposed FY17 budget, total department expenditures are projected to decrease by 5.6% or \$39K. For FY16, \$35,000 was allotted to the Police Chief recruitment and selection process. This amount is removed from FY17 in contractual services as we are not anticipating any executive search fees for the year. All employee training and development was centralized to Human Resources in FY15 and FY16. Effective with FY17, these costs are being transitioned back to the individual departments to manage and result in a reduction in operating expenditures above of \$18K.

**Total Expenditures
History**



STAFFING SUMMARY

	FY15	FY16		FY17
		Budg	Est Act	
Full time	4.00	5.00	5.00	5.00
Less: Unfunded	0.00	0.00	0.00	0.00
Staffing Total	4.00	5.00	5.00	5.00
Part time	5.00	3.00	3.00	4.00
Part time Seasonal		2.00	2.00	2.00
Total Part time	5.00	5.00	5.00	6.00

In FY16, one FT position was added to support the transition to a self-insured Workers' Compensation program as well as administer HR programs. The Human Resources Department also staffs the information/security desk at City Hall with part-time positions plus has a part-time HR Representative.

DEPARTMENT / PROGRAM OVERVIEW

The Communications Department was incorporated into the Technology and Support Services Department in November 2015. This department manages all communications generated by City departments and acts as the point of contact for all news/press related activities. The group maintains and provides custom programming for our Public/Educational/Government (PEG) Channel 25, as well as produces the City Mayor and Council broadcasts both on cable and streaming Internet video for our citizens. Communications staff manages and maintains our City website, YouTube channel, and all social media activity. Lastly, the group manages City resident non-emergency notifications.

DEPARTMENT / PROGRAM OBJECTIVES

- **STUDIO CONSTRUCTION.** Work will begin in Spring 2016 on the video production studio for the Communications department in the Elizabeth Hager Center. The studio will allow for increased opportunities for community outreach and information by providing a production facility for more discussion based information providing programming. Staff will also be working with various departments to increase our offering of public service programming as well as promotional pieces to provide more fresh content on our PEG channel.
- **CITY WEB PAGE RE-DESIGN.** Staff will continue to modify and refine the City web page in a full transformation of style and context is implemented in 2016. The site will strive to be more user-friendly, information fresh, and feature rich to allow citizens and customers full interactive opportunities. The site will be modeled after award winning municipal sites of our size/budget to meet our citizenry needs.
- **CITY MARKETING BACKDROP/PRESENTATION DEVELOPMENT.** Staff will work with City departments to develop a standard backdrop and table covering for trade show/municipal events to highlight our City and provide information on the full range of opportunities available here. This would be used at events such as MML Conferences, local home shows, recruitment fairs.
- **RESIDENT 311 NOTIFICATIONS.** Staff will implement a RESIDENT311 service for City residents for non-emergency alerts and information either on a City-wide notification or specifically to their immediate neighborhood area.

PERFORMANCE INDICATORS

	2014/15	2015/16	2016/17
YouTube Lifetime video views	28,000	73,383	90,000
YouTube subscribers	192	282	400
Website visits	347,000	422,700	600,000
Facebook likes	6,260	6,732	8,000
Twitter followers	N/A	945	1,100

COMMUNICATIONS - PROGRAM FINANCIAL SUMMARY
FISCAL YEAR 2016/17

EXPENDITURE AND REVENUE SUMMARY

	2014/15	2015/16		2016/17	2016/17
	ACTUAL	BUDGET	EST. ACTUAL	PROPOSED	% CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	\$ 8,538	\$ 182,603	\$ 152,455	\$ 148,228	-18.8%
Benefits	1,661	53,475	48,267	40,049	-25.1%
Personnel Subtotal	10,199	236,078	200,722	188,277	-20.2%
Operating Expenditures	-	118,060	123,310	118,750	0.6%
Capital Outlay	-	-	500	1,000	100.0%
Operating Subtotal	-	118,060	123,810	119,750	1.4%
Total Expenditures	\$ 10,199	\$ 354,138	\$ 324,532	\$ 308,027	-13.0%
REVENUES BY TYPE					
Departmental Revenue	\$ -	\$ -	\$ -	\$ -	0.0%
Total Revenues	\$ -	\$ -	\$ -	\$ -	0.0%
Expenditures, net of Revenues	\$ 10,199	\$ 354,138	\$ 324,532	\$ 308,027	-13.0%

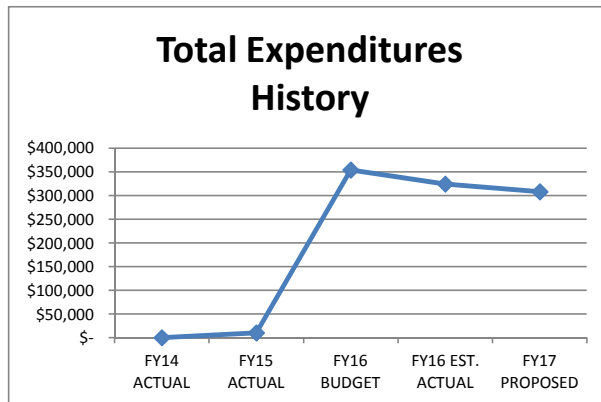
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY16 to Estimated Actual FY16

FY16 estimated projections are under FY16 budget levels by a total of 8.4% or \$30K. FY16 is the first time this department was split out from Community Affairs department. The FY16 budget amounts for personnel cost included a portion of the prior Director of Community & Economic Development Division. There have been changes made to the reporting structure. As a result, there are no continuing prorations for this position in the Communications department.

Adopted FY16 to Proposed FY17

FY17 budget is less than FY16 budget amounts by 13.0% or \$46K. The FY16 budget amounts for personnel cost included a portion of the prior Director of Community & Economic Development Division. There have been changes made to the reporting structure. As a result, there are no continuing prorations for this position in the Communications department.



STAFFING SUMMARY

	FY15	FY16 Budg Est Act		FY17
Full time	-	-	-	2.10
Less: Unfunded	-	-	-	-
Staffing Total	-	-	-	2.10
Part time	-	-	-	2.50
Part time Seasonal	-	-	-	-
Total Part time	-	-	-	2.50

In FY16, the Communications Department was split out as a stand alone department. For this reason, there were no employees to report in FY15. Because this department was newly created in FY16, the employees were previously reflected in the Community and Economic Development budget. Even with this change, the employee count remained the same and no new positions were created related to Communications.

DEPARTMENT / PROGRAM OVERVIEW

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

DEPARTMENT / PROGRAM OBJECTIVES

Recognizing that time is money for the development community, PCAD administers streamlined processes and provides exceptional service while planning for the future of the City through visionary yet realistic plans, flexible regulations, progressive programs, and customer-friendly processes. We remain focused on development and administration of progressive protective legislation for smart development and redevelopment. Our development review, permitting, and inspections staff strive to ensure speed and accuracy which in turn makes Hagerstown a location of choice for investors. In FY 17, PCAD will continue to protect the quality of life in our community and enhance property values through development and administration of new programs and tools and working with stakeholders on implementation of the Community's City Center Plan and development of neighborhood improvement plans and the City's comprehensive plan. PCAD will continue to work with the Department of Community & Economic Development (DCED) and other City departments to expand the City's reputation as an effective and efficient partner to the neighborhoods and development community.

PERFORMANCE INDICATORS

	2014/15	2015/16	2016/17
Value of Commercial Investment (in thousands)	\$ 19,900	\$ 13,530	\$ 13,530
Value of Residential Investment (in thousands)	\$ 5,950	\$ 5,300	\$ 5,300
Assessed Value of Newly Annexed Land	-	-	-
Number of New Home Starts	36	19	25
Percent of HDC applicant affirmed cases	94%	92%	98%
Number of Site Plans Reviewed	17	15	15
Volume of Inspections Performed	14,881	20,000	21,000
Number of Inspections Appealed	1	1	-
Number of Zoning Certificates issued of new businesses*	39	50	55
Number of Rental Units Licensed	9,002	9,050	9,100
Number of Vacant Residential Properties Licensed	510	842	850
Number of Vacant Non-Residential Properties Licensed	29	46	50
Value of Abatements performed by the City	\$ 122,488	\$ 182,980	\$ 137,200

*Applies only to new businesses that need a business license from the Courthouse

PLANNING AND CODE ADMINISTRATION - PROGRAM FINANCIAL SUMMARY
FISCAL YEAR 2016/17

EXPENDITURE AND REVENUE SUMMARY

	2014/15 ACTUAL	2015/16 BUDGET	2015/16 EST. ACTUAL	2016/17 PROPOSED	2016/17 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	\$ 1,036,584	\$ 1,145,008	\$ 1,109,669	\$ 1,158,617	1.2%
Benefits	396,545	448,373	445,263	460,991	2.8%
Overtime	3,316	1,100	2,444	2,444	122.2%
Personnel Subtotal	1,436,445	1,594,481	1,557,376	1,622,052	1.7%
Contractual Services	5,175	9,300	2,650	9,800	5.4%
Operating Expenditures	200,879	214,568	211,706	226,899	5.7%
Capital Outlay	34,512	2,250	2,457	1,750	-22.2%
Operating Subtotal	240,566	226,118	216,813	238,449	5.5%
Total Expenditures	\$ 1,677,011	\$ 1,820,599	\$ 1,774,189	\$ 1,860,501	2.2%
REVENUES BY TYPE					
Departmental Revenue	\$ 1,616,378	\$ 1,564,035	\$ 1,532,470	\$ 1,558,080	-0.4%
Total Revenues	\$ 1,616,378	\$ 1,564,035	\$ 1,532,470	\$ 1,558,080	-0.4%
Expenditures, net of Revenues	\$ 60,633	\$ 256,564	\$ 241,719	\$ 302,421	17.9%

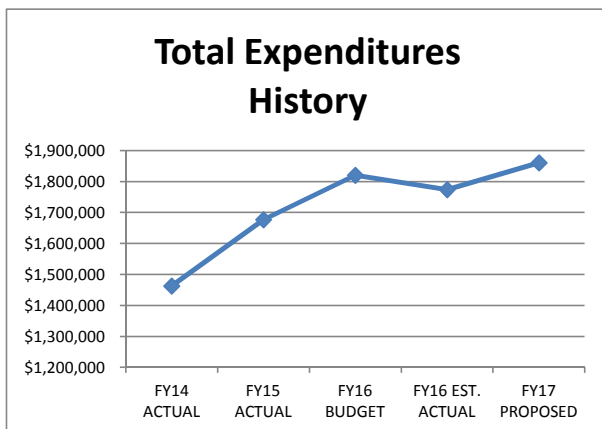
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY16 to Estimated Actual FY16

Overall, personnel costs are expected to be 2.3% or \$37K lower than budget. At the time of the FY16 budget amounts for personnel cost included a portion of the prior Director of Community & Economic Development Division. There have been changes made to the reporting structure. As a result, there are no continuing prorations for this position in the Planning & Code Administration departments. Additionally, there are savings of 71.5% or \$7K in contractual services as a result of \$0 being spent within the Planning Department. Last, departmental revenue is anticipated to be 2% under budget or \$32K as a result of less building permit activity in current year to date than expected.

Adopted FY16 to Proposed FY17

Total personnel costs are projected to be 1.7% or \$27K higher in proposed FY17 budget than current FY16 budget. Salaries are estimated to be \$13K higher in Code Administration due to increase in part-time staff usage and changes related to 1540 employees. Operating expenditures are projected to be 5.7% or \$12K higher than FY16 budget. Most of this increase is a result of decentralizing employee training & seminars back to the individual departments in FY17 and the rest are miscellaneous items like postage costs.



STAFFING SUMMARY

	FY15	FY16		FY17
		Budg	Est Act	
Full time	-	-	-	20.00
Less: Unfunded	-	-	-	-
Staffing Total	-	-	-	20.00
Part time	0.00	0.00	0.00	2.00
Part time Seasonal	-	-	-	3.00
Total Part time	0.00	0.00	0.00	5.00

In FY16, the Planning & Code Admin. Department was split from the Community & Economic Development department. Because of this change, the employees in this department were attached to the FY15 and FY16 DCED budget. However, for FY17 and beyond, the employee count will be reported under this department.

PLANNING AND CODE ADMINISTRATION - PROGRAM FINANCIAL SUMMARY
FISCAL YEAR 2016/17

EXPENDITURES BY PROGRAM

	2014/15 ACTUAL	2015/16 BUDGET	2015/16 EST. ACTUAL	2016/17 PROPOSED	2016/17 % CHANGE
EXPENDITURES					
Planning	\$ 434,433	\$ 452,886	\$ 413,974	\$ 426,620	-5.8%
Annexation	-	8,800	2,700	8,800	0.0%
Code Administration	1,242,578	1,358,913	1,357,515	1,425,081	4.9%
Total Expenditures	\$ 1,677,011	\$ 1,820,599	\$ 1,774,189	\$ 1,860,501	2.2%
REVENUES					
Departmental Revenue	\$ 1,616,378	\$ 1,564,035	\$ 1,532,470	\$ 1,558,080	-0.4%
Total Revenues	\$ 1,616,378	\$ 1,564,035	\$ 1,532,470	\$ 1,558,080	-0.4%
Expenditures, net of Revenues	\$ 60,633	\$ 256,564	\$ 241,719	\$ 302,421	17.9%

DEPARTMENT / PROGRAM OVERVIEW

The Department of Community and Economic Development (DCED) works in collaboration with all City Departments, our residents, businesses, current and prospective investors and visitors to advance the economy, image and quality of life in Hagerstown. The Department has three primary function areas: Community Development to grow strong neighborhoods; Economic Development to support business growth; and Special Events and Festivals to celebrate community pride.

DEPARTMENT / PROGRAM OBJECTIVES

In partnership with the private sector and all City Departments, DCED works directly with existing and prospective business owners and investors to retain, expand and attract investment in Hagerstown. These efforts include business retention, expansion and attraction programs; the administration of incentives; the development and implementation of special events; the management of the Arts & Entertainment District and Main Street Hagerstown programs; and increased volunteer opportunities. DCED leads the cross-department efforts of implementation of the 10-year Community's City Center Plan, comprised of eight (8) catalyst projects designed to spur private investment in downtown. Additionally, DCED leads community development projects designed to have visible results with a positive impact on the community, and the department administers the Community Development Block Grant (CDBG) functions (see also Special Revenue Section 5).

Staff continue to expand and adapt the department's programs to enhance the results, and in FY17, staff have proposed an aggressive list of goals (see Department Goals memo).

PERFORMANCE INDICATORS

	2014/15	2015/16	2016/17
Number of event attendees*	141,988	145,000	148,000
Number of volunteer hours	2,840	3,000	3,200
Number of business grand openings/anniversary celebrations	27	27	27
Number of new/retained jobs tied to incentive agreements	80	80	80
New investment tied to incentive agreements	\$ 175,000	\$ 175,000	\$ 175,000

*Includes 80,000 for the Alsatia Parade

COMMUNITY AND ECONOMIC DEVELOPMENT - PROGRAM FINANCIAL SUMMARY
FISCAL YEAR 2016/17

EXPENDITURE AND REVENUE SUMMARY

	2014/15	2015/16		2016/17	2016/17
	ACTUAL	BUDGET	EST. ACTUAL	PROPOSED	% CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	\$ 636,419	\$ 346,946	\$ 419,080	\$ 428,929	23.6%
Benefits	215,388	169,148	160,098	150,604	-11.0%
Overtime	80	-	750	500	100.0%
Personnel Subtotal	851,887	516,094	579,928	580,033	12.4%
Contractual Services	185,953	190,720	190,921	194,720	2.1%
Operating Expenditures	627,697	616,513	689,705	512,900	-16.8%
Capital Outlay	905	1,000	1,000	4,500	350.0%
Operating Subtotal	814,555	808,233	881,626	712,120	-11.9%
Total Expenditures	\$ 1,666,442	\$ 1,324,327	\$ 1,461,554	\$ 1,292,153	-2.4%
REVENUES BY TYPE					
Departmental Revenue	\$ 583,567	\$ 551,238	\$ 523,342	\$ 489,109	-11.3%
Total Revenues	\$ 583,567	\$ 551,238	\$ 523,342	\$ 489,109	-11.3%
Expenditures, net of Revenues	\$ 1,082,875	\$ 773,089	\$ 938,212	\$ 803,044	3.9%

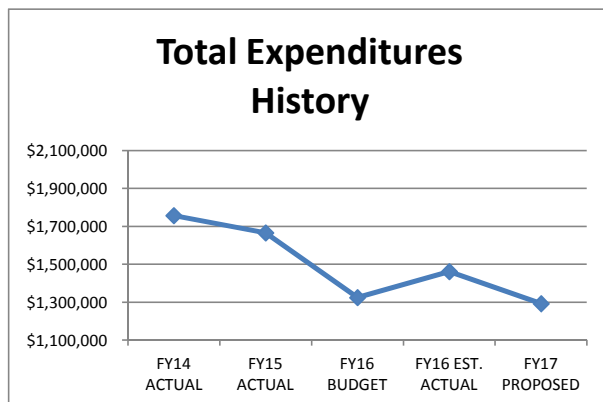
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY16 to Estimated Actual FY16

Total personnel costs are anticipated to exceed FY16 budget by 12.4% or \$64K. In FY16 budget, 100% of the Director of Community & Economic Development Division was unfunded and subtracted here. However the position costs were allocated across other areas at the time as well (Communications, Planning & Code Administration). Now there have been changes made to the reporting structure and the other areas mentioned reflect the savings. Additionally, operating expenditures are 11.9% or \$73K higher than budget due to one-time economic incentives for Pinnacle. Last, departmental revenue amounts are expected to be under budget by 5.1% or \$28K for two primary reasons: Farmers market vendor rent is lower by \$13K and the phase out of eligible Enterprise Zone tax credits for the balance.

Adopted FY16 to Proposed FY17

In total, personnel costs are projected to be 12.4% or \$64K higher in proposed FY17 budget compared to current FY16 budget. FY16 budget levels were reduced for an unfunded position. As a result of recent reporting structure changes, the Director position is no longer split and prorated to other areas like Communications and Planning & Code departments. Proposed FY17 budget for Operating expenditures are 16.8% or \$104K lower than FY16 budget amounts. FY16 budget amount for economic incentives included \$70K as a one-time incentive for demolition assistance on Antietam Street. Last, departmental revenue amounts are projected to be under FY16 budget amounts by 11.3% or \$62K. The revenue reductions are within two primary sources: \$13K reduction in Farmers market vendor rent and \$40K reduction in Enterprise Zone tax credits as current eligible properties continue to phase out.



STAFFING SUMMARY

	FY15	FY16 Budg Est Act		FY17
Full time	23.80	28.84	28.84	6.75
Less: Unfunded	-	(1.00)	(1.00)	-
Staffing Total	23.80	27.84	27.84	6.75
Part time	5.50	5.50	5.50	2.00
Part time Seasonal	3.00	3.00	3.00	-
Total Part time	8.50	8.50	8.50	2.00

Originally, this department included Planning & Code Administration and Communication employees which is reflected in FY15 and FY16 budgets but in FY17 and beyond these departments are segregated from Community & Economic Development which reflects in the

COMMUNITY AND ECONOMIC DEVELOPMENT - PROGRAM FINANCIAL SUMMARY
FISCAL YEAR 2016/17

EXPENDITURES BY PROGRAM

	2014/15	2015/16		2016/17	2016/17
	ACTUAL	BUDGET	EST. ACTUAL	PROPOSED	% CHANGE
EXPENDITURES					
Community Affairs	\$ 407,937	\$ 204,631	\$ 160,005	\$ 177,362	-13.3%
Public Functions	550,403	502,413	456,733	463,586	-7.7%
Farmers Market	83,342	74,390	74,390	79,590	7.0%
Economic Development	463,176	364,620	587,679	343,096	-5.9%
Neighborhoods First	58,404	68,237	60,853	80,688	18.2%
Housing & Community Dev	103,180	110,036	121,894	147,831	34.3%
Total Expenditures	\$ 1,666,442	\$ 1,324,327	\$ 1,461,554	\$ 1,292,153	-2.4%
REVENUES					
Departmental Revenue	\$ 583,567	\$ 551,238	\$ 523,342	\$ 489,109	-11.3%
Total Revenues	\$ 583,567	\$ 551,238	\$ 523,342	\$ 489,109	-11.3%
Expenditures, net of Revenues	\$ 1,082,875	\$ 773,089	\$ 938,212	\$ 803,044	3.9%

DEPARTMENT / PROGRAM OVERVIEW

The Department of Parks and Engineering has the unique opportunity to improve the livability and recreation opportunities for the citizens of Hagerstown. Through the construction of Capital Improvement Projects, providing excellent parks and recreational activities, and the implementation of 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 storm water 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 like bridges. Engineering Division staff prepare contract documents, bid projects, administer contracts, and inspect the construction performed. Engineering Division staff are also involved in land development reviews, 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 each week, the City's contractor also collects yard waste, and recycling, and collection of trash and recycling at small commercial establishments.

DEPARTMENT / PROGRAM OBJECTIVES

In FY16/17, Parks & Engineering staff will complete the following:

Engineering Division

- Staff will continue to monitor the EPA requirements for pollution reduction from storm water runoff and will develop strategies needed to address these issues.
- Transportation initiatives in FY16/17 include rehabilitation of three bridges on Burhans Boulevard, assisting the County with Professional Blvd design, and alley reconstruction.
- Other miscellaneous objectives would be construction of the Cultural Trail, Safe Routes to School projects, design of the Marsh Run Trail, dredging City Park lake, replacing South Prospect Street wall, green and sustainable initiatives, and increasing our pavement preservation efforts.

Parks and Recreation Division

- Develop new parks including National Road park, and two parks along the Cultural Trail.
- Publish biannual Recreation Program Guide and add new recreation programs such as fitness programs, dance classes, cycling, and outdoor recreations such as wiffleball, kickball and dodgeball. One source of funds is a \$10,00 grant we received to partner with the Health Department. Work with statewide HEAL program to implement initiatives approved by resolution of Mayor and Council.
- Other goals for 2016/17 include the contracting with a pool management company to operate the Potterfield Pool; constructing a pavilion at the railroad exhibit, and developing space in the former grandstands at Fairgrounds Park for a "fitness studio" to host indoor recreation programs.

Solid Waste Collection and Disposal

- Assist Code Administration staff to continue efforts to have totes removed from the public right of way, preventing the storage of trash and containers in the right of way, and continue punitive measures regarding early set outs of trash and totes.

ENGINEERING AND PARKS - PROGRAM DESCRIPTION
FISCAL YEAR 2016/17

PERFORMANCE INDICATORS - ENGINEERING

	2014/15	2015/16	2016/17
Number of Contracts and RFP's	25	33	28
Curb and Sidewalk Permits Issued	70	70	75
Traffic Complaints Resolved	148	150	150
Work Orders issued to Public Works	121	125	125

PERFORMANCE INDICATORS - PARKS

	2014/15	2015/16	2016/17
Number of Public Parks	18	19	21
Acres of Park Land	297	299	302
Number of Pavilion Reservations	383	399	400
City Park Bandshell Reservations	46	50	50
Municipal Stadium: Number of Suns Spectators (in 000s)	62	69	72
Miles of Bike Lanes and Paths	33	34	35
Hager House Visitors	2,015	2,742	3,000
Hager House Promotions/Events	9	10	11
Hagerstown 202 Railroad Museum Promotions/Events	4	6	7
202 Railroad Visitors	2,405	2,890	3,000

PERFORMANCE INDICATORS - GENERAL RECREATION

	2014/15	2015/16	2016/17
Number of Events	10	19	22
Number of Recreation Programs	10	21	32

PERFORMANCE INDICATORS - POTTERFIELD POOL

	2014/15	2015/16	2016/17
Number of Days in Full Operation	92	90	94
Number of Private Rentals	39	68	60
Number of Season Passes (all types)	49	34	45
Daily Paid Attendance (non camp)	9,000	9,365	10,000
Total Attendance	16,195	17,500	18,000

PERFORMANCE INDICATORS - WASTE COLLECTION

	2014/15	2015/16	2016/17
Tons of Garbage Collected Curbside	10,530	10,500	10,500
Tons of Yard Waste Collected	1,316	1,200	1,250
Tons of Recyclables Collected	2,676	2,750	2,700
Residential Units Served	14,257	14,345	14,375
Commercial Units served	62	67	70

ENGINEERING AND PARKS - PROGRAM FINANCIAL SUMMARY
FISCAL YEAR 2016/17

EXPENDITURE AND REVENUE SUMMARY

	2014/15 ACTUAL	2015/16 BUDGET	2015/16 EST. ACTUAL	2016/17 PROPOSED	2016/17 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	\$ 1,723,472	\$ 1,834,790	\$ 1,854,285	\$ 1,872,685	2.1%
Benefits	636,632	630,209	632,030	658,026	4.4%
Overtime	50,801	24,640	32,140	24,540	-0.4%
Personnel Subtotal	2,410,905	2,489,639	2,518,455	2,555,251	2.6%
Contractual Services	2,214,645	2,338,118	2,300,664	2,334,643	-0.1%
Operating Expenditures	748,990	744,808	743,527	753,000	1.1%
Capital Outlay	10,496	4,450	6,371	3,900	-12.4%
Other General Expenses	1,132	-	-	-	0.0%
Operating Subtotal	2,975,263	3,087,376	3,050,562	3,091,543	0.1%
Total Expenditures	\$ 5,386,168	\$ 5,577,015	\$ 5,569,017	\$ 5,646,794	1.3%
REVENUES BY TYPE					
Departmental Revenue	\$ 2,724,901	\$ 2,727,588	\$ 2,658,932	\$ 2,666,610	-2.2%
Total Revenues	\$ 2,724,901	\$ 2,727,588	\$ 2,658,932	\$ 2,666,610	-2.2%
Expenditures, net of Revenues	\$ 2,661,267	\$ 2,849,427	\$ 2,910,085	\$ 2,980,184	4.6%

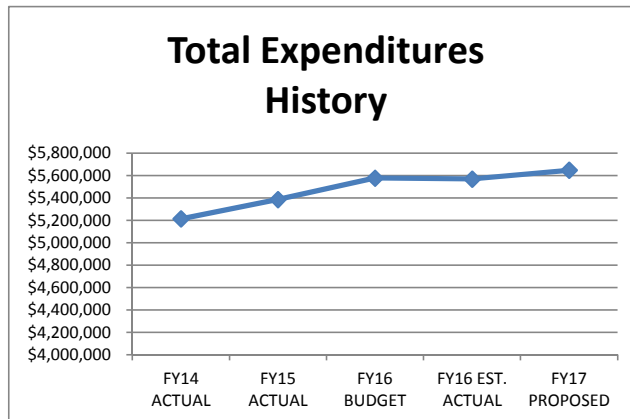
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY16 to Estimated Actual FY16

Total personnel costs are expected to be 1.2% or \$29K higher than FY16 budget. During FY16, AFSCME 1540 union employees received additional salary enhancements as a result of arbitration awards which were not anticipated during FY16 budget completion. Offsetting these increases, contractual services are projected to be under budget by 1.6% or \$37K driven by lower costs associated with Waste Collection and Disposal costs. Last, total departmental revenue is expected to be 2.5% or \$39K under budget. Engineering revenue from a combination of street digging permits and grading permits are projected to be \$25K under budget. The remaining revenue budget variance is overall Recreation programs being \$11K under budget.

Adopted FY16 to Proposed FY17

In total, personnel costs are projected to be 2.6% or \$66K higher in proposed FY17 budget compared to FY16 budget amounts. The majority of the salary increase is the continued impact from the AFSCME 1540 arbitration awards. Overall benefits include a total 4.4% or \$28K increase which incorporates a 5% increase for employer costs of health insurance. Operating expenditures is anticipated to be 1.1% or \$8K higher in FY17 and includes \$15K to host a future electronic recycling event. Finally, departmental revenue amounts are projected to be 2.2% or \$61K lower in FY17 budget. A portion of this revenue decrease is related to street digging permits of \$30K. Another revenue decrease when comparing proposed FY17 budget to current FY16 budget is Stadium Rental Income. The City's lease for Municipal Stadium was included in the General Fund for FY16 budget purposes. However, the new agreement stipulates that the rent for Municipal Stadium for FY17 and future will be reinvested in the facility. For this reason, the rent for Municipal Stadium is included within the CIP (Capital Improvement Program) for FY17.



STAFFING SUMMARY

	FY15	FY16 Budg	FY16 Est Act	FY17
Full time	29.63	30.64	30.64	30.65
Less: Unfunded	(3.00)	(3.00)	(3.00)	(3.00)
Staffing Total	26.63	27.64	27.64	27.65
Part time	5.00	6.00	6.00	6.00
Part time Seasonal	19.00	20.00	20.00	19.00
Total Part time	24.00	26.00	26.00	25.00

Three vacant positions will remain unfunded in FY17. The Department has 19 part-time seasonal employees for grounds maintenance, park attendants, Hager House, the train museum, and Sanitation/recycling. FY16 reflects the conversion of a PT position to FT.

ENGINEERING AND PARKS - PROGRAM FINANCIAL SUMMARY
FISCAL YEAR 2016/17

EXPENDITURES BY PROGRAM

	2014/15	2015/16		2016/17	2016/17
	ACTUAL	BUDGET	EST. ACTUAL	PROPOSED	% CHANGE
EXPENDITURES					
Engineering	\$ 1,082,294	\$ 1,113,514	\$ 1,099,360	\$ 1,138,607	2.3%
Waste Collection and Disposal	1,972,012	2,033,436	2,015,597	2,050,687	0.8%
Recreation	313,406	399,523	363,956	374,493	-6.3%
Swimming Pool	156,580	163,629	163,114	151,516	-7.4%
Municipal Stadium	46,660	14,270	14,296	18,161	27.3%
Hager House	51,406	53,557	42,465	42,835	-20.0%
Train Museum	22,614	18,080	47,485	15,647	-13.5%
Parks Division	1,741,196	1,781,006	1,822,744	1,854,848	4.1%
Total Expenditures	\$ 5,386,168	\$ 5,577,015	\$ 5,569,017	\$ 5,646,794	1.3%
REVENUES					
Departmental Revenue	\$ 2,724,901	\$ 2,727,588	\$ 2,658,932	\$ 2,666,610	-2.2%
Total Revenues	\$ 2,724,901	\$ 2,727,588	\$ 2,658,932	\$ 2,666,610	-2.2%
Expenditures, net of Revenues	\$ 2,661,267	\$ 2,849,427	\$ 2,910,085	\$ 2,980,184	4.6%

DEPARTMENT / PROGRAM OVERVIEW

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

In 2017, the Hagerstown Police Department will focus resources in the areas of Intelligence-Led Policing and Community Oriented Policing. Through the use of analytical software, the department will continue to refine the use of its Predictive-Policing program. A more traditional style of evidence-based policing, known as Problem-Solving Policing, will also continue through the city-wide Neighborhood Policing program. These two initiatives of Intelligence-Led Policing and Community Oriented Policing, will serve as the basis for the department's goals and objectives for 2016.

DEPARTMENT / PROGRAM OBJECTIVES

- ADMINISTRATION: Directs and manages the overall operation of the department.
- PATROL: Maintains pro-active patrol to detect criminal activity and reduce the opportunities for offenders to commit crimes; has primary responsibility for initial response to calls for service; initial investigations; order maintenance; protection of life and property; and traffic enforcement and problem solving. The patrol division includes a dedicated Downtown Squad which operates from the University of Maryland center. The Safe Speed for Students [Speed Cameras] system and the School Resource Officer program are also managed through the patrol division.
- CRIMINAL INVESTIGATIONS: Primary responsibilities are to conduct follow-up investigations originating in the Patrol Division, provide the initial response to more complex investigations, and assist the State Attorney's Office with the prosecution of violators. A civilian coordinator along with two detectives are also assigned to oversee the department's Safe Streets initiative which conducts investigations on known repeat criminal offenders. One detective is also dedicated to work on child abuse and domestic violence cases.
- PROFESSIONAL STANDARDS: Conducts internal affairs investigations.
- VEHICLE MAINTENANCE: Maintains all vehicles and facilities for departmental use, oversees the purchase of and upfitting of new cruisers.
- AUXILIARY POLICE: Provides volunteer traffic support during special events and fire incidents; enforces parking violations for handicap spaces, fire zones, and fire hydrants; assists with special patrol checks. They also conduct foot patrols in the Downtown for increased public safety presence.
- NARCOTICS TASK FORCE: A joint task force with HPD, Washington County Sheriff's Office, Washington County State's Attorney, and the Drug Enforcement Administration; conducts regional mid-level and in-depth investigations of drug offenses.
- WESTERN MARYLAND REGIONAL CRIME LABORATORY: Analyzes and processes crime scene evidence according to international accreditation standards; provides expert testimony in prosecution of cases.
- RECORDS: Serves as the department's centralized records repository; provides police records maintenance, control, and retrieval; operates the City's switchboard during business hours; coordinates and manages the department's use of criminal justice information systems.
- TRAINING: The supervisor assigned to the training division coordinates all in-service training for the department and serves as the department's liaison to the Hagerstown Community College Police Academy. The supervisor is a certified police instructor and teaches various courses in both areas. This position also carries the responsibility of the department's safety coordinator.
- RECRUITING: Conducts on-going recruiting, testing, selection processes for all new police officers for the department. Coordinates the background-check procedures with the assistance of a civilian background investigator along with the polygraph and other medical clearances.
- EVIDENCE CUSTODY AND CONTROL: Responsible for the operation of the department's evidence room, management of the evidence custody and control function, and management of all other property coming into the custody of the Police Department.
- SPEED CAMERAS: The department operates 11 speed cameras within school zones throughout the city. The program, entitled Safe Speeds for Students, is managed by a full time administrator and is intended to reduce speeding at or near schools.
- WARRANT TASK FORCE: The department contributes two full-time police officers and one part-time clerical position to the Washington County Warrant Task Force. They are responsible for serving criminal summons, warrants and protective orders along with timely entries into the National Databases.

DEPARTMENT / PROGRAM OBJECTIVES (continued)

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

Neighborhood Policing: The Department will be modifying its city-wide community engagement program designed to identify and solve problems that contribute to crime and the fear of crime in our neighborhoods. We will be hiring 4 additional officers identified as Neighborhood Guardians that will be assigned to specific neighborhoods to address systemic issues. These officers will be working in concert with the current neighborhood officers in using the Problem-Solving approach to policing. These officers will then coordinate activities using various police and other city services to improve the quality of life in each neighborhood.

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

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

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

Downtown Squad: Maintaining a strong police presence in our downtown will be a primary objective for 2017. This dedicated unit provides a vital service to the downtown community by delivering personalized service and reducing the fear of crime in the center of our city.

Directed Patrol Unit: The department has placed an emphasis on the investigation of Gangs and Guns violence through the creation of a specialized uniformed patrol unit. The Direct Patrol Unit (DPU) will continue to work to reduce gun violence in the city through the use of proactive patrols. The DPU shall also serve as the lead role in the Safe Streets Initiative relating to Repeat Criminal Offenders. Restoration of these positions will be dependent on the department's ability to fill currently funded police officer vacancies.

Safe Streets Initiative: The department continues to expand our efforts of reducing violent crimes caused by repeat offenders and we have adopted a new emphasis of repeated juvenile crime reduction. The Safe Streets Coordinator will work with the department's new juvenile officer/coordinator to identify and prevent criminal activity among our juvenile population. Both positions will work closely with allied agencies, the courts, the Board of Education, probation and Juvenile Services to achieve this goal.

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

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

Continuity of Operations Planning (COOP): The department will improve its ability to maintain core functions and recover full operations during a disaster by implementing a standard COOP policy.

Criminal Investigation: Improvements to the collection, analysis and dissemination of criminal intelligence information shall be pursued now with the addition of a criminal intelligence database. Inter-agency cooperation and information sharing will also be a priority. Partnerships with the Maryland Coordination and Analysis Center (MCAC) along with regional databases such as the National Capital Region's Law Enforcement Information Exchange (NCR-LInX) will be enhanced along with basic criminal intelligence training for police officers.

POLICE - CONSOLIDATED - PROGRAM FINANCIAL SUMMARY
FISCAL YEAR 2016/17

PERFORMANCE INDICATORS

	2014/15	2015/16	2016/17
Total calls for service	61,250	55,172	55,000
Criminal arrests	3,136	2,724	2,700
Juvenile arrests	702	470	470
CDS arrests	240	204	200
Domestic Violence Calls for Service	1,254	1,236	1,230
Mental Health Related Emergency Petitions	653	716	720
Accidents with injuries	231	234	240
Total Crime Rate*	0.039	0.035	0.035
Violent Crime Rate*	0.006	0.006	0.006
Property Crime Rate*	0.032	0.029	0.029
Volunteer response hours	6,892	8,750	8,750
Automated Speed Enforcement Citations	37,526	36,408	35,000
Funded Full-time Sworn Personnel	108	112	112
Funded Full-time Civilian Personnel	14	14	14

*= number of crimes per resident

EXPENDITURE AND REVENUE SUMMARY

	2014/15 ACTUAL	2015/16 BUDGET	2015/16 EST. ACTUAL	2016/17 PROPOSED	2016/17 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	\$ 6,276,492	\$ 6,581,017	\$ 6,406,750	\$ 6,818,126	3.6%
Benefits	3,122,483	3,071,296	3,083,081	3,264,516	6.3%
Overtime	784,022	661,325	632,350	650,950	-1.6%
Personnel Subtotal	10,182,997	10,313,638	10,122,181	10,733,592	4.1%
Contractual Services	1,121,945	953,931	962,231	981,591	2.9%
Operating Expenditures	1,613,135	1,725,238	1,658,390	1,726,933	0.1%
Capital Outlay	108,368	184,825	192,927	207,385	12.2%
Operating Subtotal	2,843,448	2,863,994	2,813,548	2,915,909	1.8%
Total Expenditures	\$ 13,026,445	\$ 13,177,632	\$ 12,935,729	\$ 13,649,501	3.6%
REVENUES BY TYPE					
Departmental Revenue	\$ 2,970,636	\$ 3,121,458	\$ 3,183,488	\$ 3,149,077	0.9%
Total Revenues	\$ 2,970,636	\$ 3,121,458	\$ 3,183,488	\$ 3,149,077	0.9%
Expenditures, net of Revenues	\$ 10,055,809	\$ 10,056,174	\$ 9,752,241	\$ 10,500,424	4.4%

BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY16 to Estimated Actual FY16

Overall personnel costs are anticipated to be 1.9% or \$191K lower than budget. Salary and wages reflect \$174K of this savings as a result of vacant positions. Also, overtime totals are expected to result in a budget savings of \$29K. The operating expenditures category above reflect \$69K in reductions over FY16 budget levels. This decrease is related to patrol vehicle maintenance costs trends year to date being less than original budget estimates. Overall, departmental revenue is estimated to be 2.0% or \$62K higher than budget primarily resulting from billings for Western Maryland lab fees and COPS hiring grant reimbursements.

Adopted FY16 to Proposed FY17

In total, personnel costs are projected to be 4.1% or \$420K more for proposed FY17 budget compared to FY16 budget levels. Salary increases reflect four (4) new additional sworn officer positions related to a new COPS grant secured in current FY16. Total benefit costs are 6.3% or \$193K more than FY16 as a result of Police & Fire employer pension costs rising to 14% of salaries versus current level of 13.71% of salaries plus a 5% rise in employer health insurance costs. Contractual services reflect 2.9% or \$27K more in FY17 budget. Some of the increases in contractual services include \$10K for biennial physicals for all sworn staff and \$13K for a continuity of operations plan (COOP). Capital outlay expenses are estimated to be 12.2% or \$23K more than FY16 budget levels. Most of the minor computer equipment items in proposed FY17 budget are less than current FY16 budget but are offset with body worn cameras for fifty-four (54) Police staff at a total of \$54K. Last, departmental revenue is expected to increase slightly by 0.9% or \$28K from billings for Western Maryland lab fees.

POLICE - CONSOLIDATED - PROGRAM FINANCIAL SUMMARY
FISCAL YEAR 2016/17

EXPENDITURES BY PROGRAM

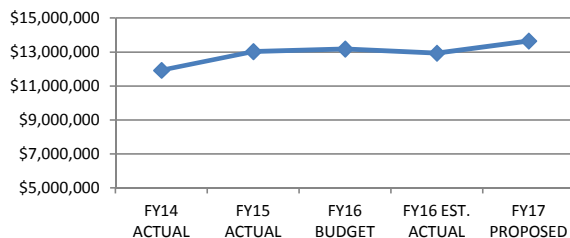
	2014/15 ACTUAL	2015/16 BUDGET	2015/16 EST. ACTUAL	2016/17 PROPOSED	2016/17 % CHANGE
EXPENDITURES					
Police Administration	\$ 793,822	\$ 827,197	\$ 802,314	\$ 890,837	7.7%
HPD Information Technology	191,244	250,388	250,453	227,536	-9.1%
Community Programs	37,946	40,321	40,321	40,321	0.0%
Police Records	167,549	181,668	192,458	197,039	8.5%
Communication / Dispatch	452,739	455,687	456,311	461,996	1.4%
Professional Services	325,700	301,879	386,500	375,261	24.3%
HPD Building	188,451	181,720	168,732	181,174	-0.3%
Western Maryland Laboratory	315,782	334,327	341,079	351,500	5.1%
Police K-9	35,298	29,030	23,135	17,670	-39.1%
Evidence & Property	77,817	79,654	82,557	87,775	10.2%
Patrol	7,180,730	7,525,113	7,108,626	7,563,323	0.5%
Criminal Investigation Division	1,168,751	1,097,245	1,182,013	1,286,372	17.2%
Patrol Vehicles	405,746	440,714	364,237	455,980	3.5%
Narcotics Task Force	860,497	820,562	879,535	913,023	11.3%
Police Auxiliary	10,743	18,275	16,666	18,950	3.7%
Speed Camera Enforcement	813,630	593,852	640,792	580,744	-2.2%
Total Expenditures	\$ 13,026,445	\$ 13,177,632	\$ 12,935,729	\$ 13,649,501	3.6%

REVENUES

Departmental Revenue	\$ 2,970,636	\$ 3,121,458	\$ 3,183,488	\$ 3,149,077	0.9%
Total Revenues	\$ 2,970,636	\$ 3,121,458	\$ 3,183,488	\$ 3,149,077	0.9%

Expenditures, net of Revenues	\$ 10,055,809	\$ 10,056,174	\$ 9,752,241	\$ 10,500,424	4.4%

Total Expenditures History



STAFFING SUMMARY

	FY15	FY16		FY17
		Budg	Est Act	
Full time	122.00	123.00	123.00	127.00
Less: Unfunded	(1.00)	(1.00)	(1.00)	(1.00)
Staffing Total	121.00	122.00	122.00	126.00
Part time	19.00	19.00	19.00	18.00
Total Part time	19.00	19.00	19.00	18.00

HPD currently has 1 vacant civilian position (Bookkeeping/ Clerk Typist) that is scheduled to remain unfunded for FY17. As in prior years, HPD carries additional "Police Officer Trainee" positions, temporarily filled by trainees attending a state approved police academy. Those positions are closed after the trainees complete the academy and move into vacant police officer positions. FY16 Est. Actual and FY17 Budget include the addition of an officer funded through the Washington County Library and 4 officers funded through the 2015 COPS Hiring Program.

FIRE - PROGRAM DESCRIPTION
FISCAL YEAR 2016/17

DEPARTMENT / PROGRAM OVERVIEW

Conduct research, planning, recordation, personnel and management functions of the Fire Department. Improve the quality of life for all citizens and visitors to prevent or minimize the 9-1-1 emergency through a variety of community risk reduction programs including fire prevention, life safety education, fire suppression, neighborhood canvassing campaigns, rescue and other special services to help protect the people that live, visit, work and invest in the City of Hagerstown.

DEPARTMENT / PROGRAM OBJECTIVES

- All-hazard emergency incident mitigation and 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, technical rescue and emergency medical services to the City and surrounding automatic aide partners.
- Fire Marshall - Provide education, engineering, and enforcement programs necessary to ensure the public welfare. Manage residential fire safety surveys and respond to citizen requests for smoke detector installations the same day. Investigate and determine the origin and cause of all fires in the City. Prosecute arson cases to the fullest extent of the law. Review building plans, conduct inspections, enforce codes, and investigate and resolve reports of fire code violations. Using our explosives K-9, properly investigate and render safe incidents involving explosives and other hazards.
- Training - Operate and maintain the FD Training Center on Bowman Ave. This includes a burn building, training tower, classroom building, test pit, SCBA maze and pump test pit. Maintain certification levels for all personnel that meet or exceed minimum standards and industry best practices. Ensure that training classes are available for volunteer personnel during non-traditional business hours including nights and weekends.
- Goals - Work with Washington County Volunteer Fire & Rescue Association (WCVFRA), Washington County Department of Emergency Services (WCDES), automatic aide partners and political leaders to strengthen the HFD. Implement the recommendations of the HFD Strategic Plan once finalized to guide the future path of the department. Strengthen the Emergency Preparedness Program, participate in the WC Emergency Management EOC and further collaborate with all partners to increase the efficiency and effectiveness of public safety in Hagerstown.

PERFORMANCE INDICATORS

	2014/15	2015/16	2016/17
Number of emergency incidents within City limits	11,071	12,274	13,010
Number of HFD Responses	2,648	3,236	3,430
EMS Events	9,229	10,528	11,189
Fire Events	1,842	1,746	1,821
Civilian Fire Injuries	15	16	N/A
Civilian Fire Deaths	1	-	N/A
# of Incidents with Recorded Fire Loss	116	120	118
Annual \$ Fire Loss	\$ -	\$ 903,478	N/A
Average response time to emergencies in minutes	4.0	4.1	4.1
Percent of structure fire causes identified	100.0%	100.0%	100.0%
Ratio of arrests to convictions by Fire Marshall Office	21 21	30 30	N/A N/A
Number of Inspections	2,711	2,817	2,991
Number of free smoke detectors installed	600	538	601
Number of educational programs presented	813	1,288	906
Number of people attending educational programs	5,750	9,269	7,677
Average number of firefighters responding per incident	6	5	5
# of active volunteer firefighters/officers	N/A	29	29

FIRE - PROGRAM FINANCIAL SUMMARY
FISCAL YEAR 2016/17

EXPENDITURE AND REVENUE SUMMARY

	2014/15	2015/16		2016/17	2016/17
	ACTUAL	BUDGET	EST. ACTUAL	PROPOSED	% CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	\$ 4,270,596	\$ 4,347,477	\$ 4,241,532	\$ 4,296,799	-1.2%
Benefits	2,077,661	2,137,954	2,087,733	2,139,736	0.1%
Overtime	243,222	225,000	225,000	250,000	11.1%
Personnel Subtotal	6,591,479	6,710,431	6,554,265	6,686,535	-0.4%
Contractual Services	57,711	50,000	50,000	62,000	24.0%
Operating Expenditures	415,884	413,054	465,958	561,493	35.9%
Capital Outlay	3,774	10,000	10,000	20,500	105.0%
Operating Subtotal	477,369	473,054	525,958	643,993	36.1%
Total Expenditures	\$ 7,068,848	\$ 7,183,485	\$ 7,080,223	\$ 7,330,528	2.0%
REVENUES BY TYPE					
Departmental Revenue	\$ 168,202	\$ 108,765	\$ 113,344	\$ 123,315	13.4%
Total Revenues	\$ 168,202	\$ 108,765	\$ 113,344	\$ 123,315	13.4%
Expenditures, Net of Revenues	\$ 6,900,646	\$ 7,074,720	\$ 6,966,879	\$ 7,207,213	1.9%

BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

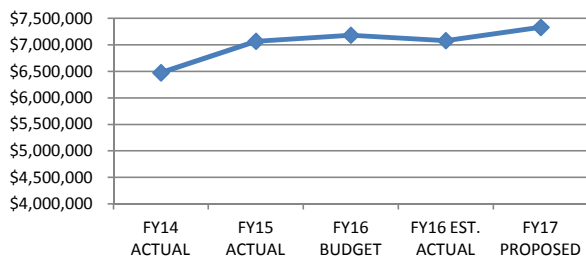
Adopted FY16 to Estimated Actual FY16

Total personnel costs for estimated actual FY16 are expected to be 2.3% or \$156K lower than FY16 budget levels. This reduction is a result of a few more tenured retirements that happened after FY16 budget completion. With the retirements, new staff replacements are at lower step levels which has decreased salary costs. Due to reduced salary costs, benefits have decreased accordingly. Operating expenditures are estimated to be 12.8% or \$53K over budget for the following: maintenance costs for buildings, structures, & training tower needs will be over budget by \$22K; vehicle maintenance and repair needs are estimated at same level as FY15 and will be over budget by \$12K; professional development over budget by \$9K; and other miscellaneous tools, clothing and uniforms over budget by \$10K.

Adopted FY16 to Proposed FY17

In total, personnel costs are projected to be 0.4% or \$24K under FY16 budget amounts. While the FY17 budget does not include any salary enhancements beyond FY16 amounts, proposed FY17 budget does include approximately \$36K for termination pay-outs that occur when staff retires or leaves employment. Contractual services are projected to be 24% or \$12K higher than FY16 budget to cover biennial medical testing for staff. Operating expenditures are estimated to be 35.9% or \$148K higher than FY16 budget related to the following: maintenance costs for buildings, structures, & training tower higher by \$36K; vehicle maintenance and repair costs higher by \$17K; miscellaneous tools, clothing, uniforms and safety apparel higher by \$55K; professional development higher by \$14K; and other general expense items combined higher by \$26K. The proposed FY17 budget for capital outlay items is projected to be double the FY16 budget or \$11K higher for minor non-portable equipment and computer equipment needs.

**Total Expenditures
History**



STAFFING SUMMARY

	FY16			FY17
	FY15	Budg	Est Act	
Full time	83.00	83.00	83.00	83.00
Less: Unfunded	(5.00)	(6.00)	(6.00)	(6.00)
Staffing Total	78.00	77.00	77.00	77.00

In response to the shortfall in State and County shared revenues, the Fire Department has five (6) vacant full time positions, which will remain unfunded during FY17.

PUBLIC WORKS - PROGRAM DESCRIPTION
FISCAL YEAR 2016/17

DEPARTMENT / PROGRAM OVERVIEW

The Public Works Department provides for the maintenance of streets, traffic control devices, building maintenance and maintains the city's fleet of vehicles and equipment. Street maintenance includes repairs (potholes, storm drains), street cleaning and snow removal of the 153.36 miles of streets and alleys within the city. Traffic control works closely with the Engineering Department to maintain and coordinate the 133 signaled intersections. The thousands of traffic signs also fall under this division. Buildings maintenance includes multiple buildings including City Hall, Elizabeth Hager Center, Roslyn Building, 60 W. Washington, Potomac Bead and the Market House. 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

- 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. Tree maintenance and landscaping will continue to be an important element of Public Works. Additional streets were added in January 2015 in the Collegiate Acres development on the west side of the city increasing the number of street miles to be maintained.
- Building projects include a new roof on the Central Equipment Building, a new floor with subfloor in the DLLR tenant space, the painting of multiple offices throughout multiple buildings and the installation of an exhaust system to service a majority of restrooms at City Hall.
- The construction of the Arts & Entertainment Trail that connects City Center and City Park will provide staff with additional responsibilities of trash collection, landscaping and maintenance. The anticipated completion date is September 2016. The maintenance responsibilities will be split with the Parks Department.
- Public Works will work in cooperation with the Planning and Codes Department regarding the abatements of private properties. Additional staff and equipment is being provided to Public Works to remove weeds, trash and other debris at residences that are in violation of current nuisance codes. Work is scheduled to begin in April 2016.

PERFORMANCE INDICATORS

	2014/15	2015/16	2016/17
Number of lane miles swept	11,443	13,600	13,600
Snow storm costs	\$ 481,497	\$ 401,868	\$ 398,253
Tons of Salt Used	2,334	2,000	2,000
Bulk Trash Collections	232	252	250
Traffic Islands Maintained	174	177	180
Public Trash Cans Maintained	156	168	170
Signaled Intersections	132	133	133
Sign Work Orders	130	121	125
Vehicles & Equipment Maintained	381	375	376

PUBLIC WORKS - PROGRAM FINANCIAL SUMMARY
FISCAL YEAR 2016/17

EXPENDITURE AND REVENUE SUMMARY

	2014/15 ACTUAL	2015/16 BUDGET	2015/16 EST. ACTUAL	2016/17 PROPOSED	2016/17 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	\$ 1,457,181	\$ 1,502,053	\$ 1,498,574	\$ 1,569,768	4.5%
Benefits	651,642	684,717	666,558	677,468	-1.1%
Overtime	69,621	49,000	49,000	49,000	0.0%
Personnel Subtotal	2,178,444	2,235,770	2,214,132	2,296,236	2.7%
Contractual Services	173,973	186,245	187,260	186,260	0.0%
Operating Expenditures	1,039,720	893,235	942,435	922,799	3.3%
Capital Outlay	11,352	23,765	21,765	21,765	-8.4%
Operating Subtotal	1,225,045	1,103,245	1,151,460	1,130,824	2.5%
Total Expenditures	\$ 3,403,489	\$ 3,339,015	\$ 3,365,592	\$ 3,427,060	2.6%
REVENUES BY TYPE					
Departmental Revenue	\$ 166,627	\$ 153,311	\$ 186,078	\$ 138,719	-9.5%
Total Revenues	\$ 166,627	\$ 153,311	\$ 186,078	\$ 138,719	-9.5%
Expenditures, net of Revenues	\$ 3,236,862	\$ 3,185,704	\$ 3,179,514	\$ 3,288,341	3.2%

BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

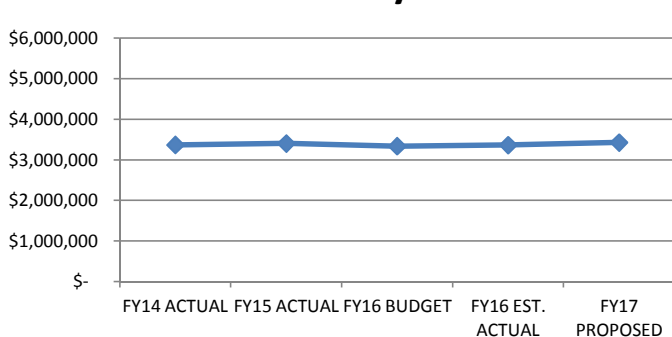
Adopted FY16 to Estimated Actual FY16

Total personnel expenditures from the FY16 budget to the FY16 estimated actual reflect a decrease of 1.0% or \$22K. This reduction is a result of a few more tenured retirements that happened after FY16 budget completion. With the retirements, new staff replacements are at lower step levels which has decreased total salary costs. Offsetting these salary savings, AFSCME 1540 union employees received additional salary enhancements as a result of arbitration awards which were not anticipated during FY16 budget completion. Operating expenditures are anticipated to be 5.5% or \$49K over budget due to vehicle maintenance, gasoline and shop time expenditures and hourly wage allocations. Departmental revenue is expected to be 21.4% or \$33K higher than budget due to higher than anticipated revenue from sale of assets and insurance reimbursements.

Adopted FY16 to Proposed FY17

In total, personnel expenditures are projected to be 2.7% or \$60K higher in proposed FY17 budget compared to FY16. The increase in salary and wages reflects the addition of one (1) full-time and seasonal staff as approved by Mayor & Council to handle abatement issues internally versus continuing to utilize outside contractors. Operating expenditures is projected to increase by 3.3% or \$30K due to change in work allocation assumptions. It is anticipated that more staff time will be spent within Public Works division and less allocated out to other areas.

**Total Expenditures
History**



STAFFING SUMMARY

	FY16			
	FY15	Budg	Est Act	FY17
Full time	32.90	32.50	32.50	32.90
Less: Unfunded	(5.00)	(5.00)	(5.00)	(4.00)
Staffing Total	27.90	27.50	27.50	28.90
Part time Seasonal	8.00	8.00	8.00	9.00
Total Part time	8.00	8.00	8.00	9.00

In response to revenue reductions in FY09, the Public Works Department staff was reduced and positions were unfunded. FY17 budget reflects funding one (1) full-time position as approved by Mayor & Council to address some abatement issues internally that were outsourced in prior years.

PUBLIC WORKS - PROGRAM FINANCIAL SUMMARY
FISCAL YEAR 2016/17

EXPENDITURES BY PROGRAM

	2014/15 ACTUAL	2015/16		2016/17 PROPOSED	2016/17 % CHANGE
		BUDGET	EST. ACTUAL		
EXPENDITURES					
City Hall	\$ 316,687	\$ 302,369	\$ 308,142	\$ 304,028	0.5%
Signal Supervision	522,112	514,194	499,307	491,254	-4.5%
Street Lighting	614,529	650,000	650,000	625,000	-3.8%
Snow Removal	481,497	401,868	401,868	398,253	-0.9%
Street Cleaning	277,570	297,055	292,648	281,970	-5.1%
Gas Station & Maintenance Garage	257,477	314,486	260,082	325,239	3.4%
Public Works & Streets Maintenance	811,579	746,283	840,661	888,103	19.0%
Central Equipment Building	122,038	112,760	112,884	113,213	0.4%
Total Expenditures	\$ 3,403,489	\$ 3,339,015	\$ 3,365,592	\$ 3,427,060	2.6%
REVENUES					
Departmental Revenue	\$ 166,627	\$ 153,311	\$ 186,078	\$ 138,719	-9.5%
Total Revenues	\$ 166,627	\$ 153,311	\$ 186,078	\$ 138,719	-9.5%
Expenditures, net of Revenues	\$ 3,236,862	\$ 3,185,704	\$ 3,179,514	\$ 3,288,341	3.2%

UNALLOCATED EXPENSES - PROGRAM SUMMARY
FISCAL YEAR 2016/2017

DEBT SERVICE - PRINCIPAL AND INTEREST

Debt Service is used to account for the principal and interest payment expense on the City's loans, bonds and lease financings. Remaining outstanding loans for FY17 proposed budget include the following current issues: 2004, 2005, 2006, 2009A, 2009B, 2014, 2015A and 2015B public improvement bond issues, and a 2012 loan issuance for financing of recycling totes. In addition, the following anticipated bond issues are included: 2017 future public improvement bond issues. Finally, the annual debt service requirements for capital improvement program items (listed in detail in Section 8 of the budget book) funded bond financing are included in this section. Currently, the City has no lease financing.

RETIREE HEALTH COSTS

This budget includes health and dental insurance benefit costs for General Fund qualified retirees and dependents. The cost of providing hospitalization and dental insurance to the City's retirees is financed on a pay-as-you-go basis. The health insurance is a contributory plan, with retirees sharing the cost of dependence coverage and the City paying 80% of the retirees' cost in full. The dental 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 AND FUND BALANCE APPROPRIATIONS

The current year portion of the general governmental capital improvements from the five-year CIP Program are accounted for in a separate Capital Improvements Program (CIP) Fund. The Capital Improvements Program transfer represents the General Fund's current funding requirements for capital projects anticipated to begin during each year. In addition, the City committed a combined total of \$1.5M in fund balance reserves to be utilized for the Invest Hagerstown Program as an economic incentive. Details on this incentive program are listed separately in Section 5 Special Revenue Funds. The funding reflected in the General Fund section represents the completion of projects that are currently obligated and does not include additional funding beyond the original amount of \$1.5M.

OPERATING TRANSFERS TO OTHER FUNDS

Transfers to the Golf Course Fund represent the amount necessary from the General Fund to cover this fund's annual operating and capital expenditure needs in excess of revenues generated by the fund itself. The FY17 budget includes a \$100,000 operating transfer to the Economic Redevelopment Fund which would be utilized for community based initiatives that support the vision of the City. 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. There are no anticipated Special Revenue Grant Fund transfers estimated for the FY17 budget.

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 FY17, a reserve of \$175,000 for savings associated with the management of future vacancies in various departments; \$170,000 in general contingency for miscellaneous items such as salary pay-outs upon employee terminations.

CONTRIBUTIONS TO OTHER AGENCIES POLICY

Contributions to Other Agencies accounts for the contributions the City makes to several organizations. A formal policy was originally adopted on November 25, 2014, with a revision on October 20, 2015, to better define the criteria and the overall funding limits. Several organizations were identified as core agencies and the complete process and details are located in Section 10 Fiscal Policies & Glossary on pages 6-7.

UNALLOCATED EXPENSES - PROPOSED EXPENSES
FISCAL YEAR 2016/2017

ACCOUNT DESCRIPTION	2014/15	2015/16		2016/17	2016/17
	ACTUAL	BUDGET	EST. ACTUAL	PROPOSED	% CHANGE
DEBT SERVICE-PRINCIPAL AND INTEREST					
2004 General Obligation Bonds	\$ 125,273	\$ 121,348	\$ 121,348	\$ 122,195	0.7%
2005 Public Facilities Bonds	329,607	325,455	325,455	325,698	0.1%
2006 Public Facilities Bonds	647,469	648,402	648,402	648,150	0.0%
2009-A Public Facilities Bonds	385,848	394,025	394,025	400,224	1.6%
2009-B Public Facilities Bonds (Build America Bond)	188,652	229,081	188,164	252,664	10.3%
2012 Tote Loan	73,102	73,101	73,101	73,101	0.0%
2014 Public Improvements Bond	36,124	35,920	35,920	35,916	0.0%
2015-A Future General Obligation Bond	35,551	286,335	198,687	194,475	-32.1%
2015-B Future General Obligation Bond	7,558	-	46,595	45,334	0.0%
2017 Future General Obligation Bond	-	40,158	-	68,310	70.1%
Total Expenses	\$ 1,829,184	\$ 2,153,825	\$ 2,031,697	\$ 2,166,067	0.6%
RETIREE HEALTH COSTS					
Health Insurance	\$ 1,358,195	\$ 1,431,344	\$ 1,446,319	\$ 1,518,635	6.1%
OPEB Plan - Reimbursement	-	-	-	(300,000)	
Dental Insurance	46,170	46,248	47,427	48,375	4.6%
Total Expenses	\$ 1,404,365	\$ 1,477,592	\$ 1,493,746	\$ 1,267,010	-14.3%
INVENTORY ADJUSTMENTS					
Physical Inventory Adjustments	\$ (222)	\$ 5,000	\$ 5,000	\$ 5,000	0.0%
E&O Inventory Write-offs	4,544	5,000	5,000	5,000	0.0%
Total Expenses	\$ 4,322	\$ 10,000	\$ 10,000	\$ 10,000	0.0%
CIP, FUND BALANCE APPROPRIATIONS, AND OTHER TRANSFERS					
Capital Transfers Out - CIP Fund	\$ 353,507	\$ 664,800	\$ 664,800	\$ 902,445	35.7%
GF Fund Balance Out - CIP Fund	546,903	135,195	105,195	-	-100.0%
GF Fund Balance Out - Economic Redevelopment for Invest Hagerstown Program	449,950	613,376	553,472	420,031	-31.5%
Total Expenses	\$ 1,350,360	\$ 1,413,371	\$ 1,323,467	\$ 1,322,476	-6.4%
OPERATING TRANSFERS TO OTHER FUNDS					
Golf Course Fund	\$ 226,313	\$ 195,000	\$ 195,000	\$ 200,000	2.6%
Economic Redevelopment Fund	-	100,000	100,000	100,000	0.0%
Special Revenue Grant Fund	8,816	-	-	-	0.0%
Total Expenses	\$ 235,129	\$ 295,000	\$ 295,000	\$ 300,000	1.7%
CONTINGENCY RESERVES					
Vacancy Savings	\$ -	\$ 10,275	\$ -	\$ (175,000)	-1803.2%
General Contingency	2,202	37,800	-	170,000	349.7%
Total Expenses	\$ 2,202	\$ 48,075	\$ -	\$ (5,000)	-110.4%

UNALLOCATED EXPENSES - PROPOSED EXPENSES
FISCAL YEAR 2016/2017

ACCOUNT DESCRIPTION	2014/15	2015/16		2016/17	2016/17
	ACTUAL	BUDGET	EST. ACTUAL	PROPOSED	% CHANGE
CONTRIBUTIONS TO OTHER AGENCIES					
Art Museum	\$ 40,500	\$ 40,500	\$ 40,500	\$ 40,500	0.0%
BOE Celebration of Excellence	200	-	-	-	100.0%
CASA	27,000	-	-	-	100.0%
Character Counts Program	1,000	-	-	-	100.0%
Children's Village	5,250	-	-	-	100.0%
Choral Arts Society	810	-	-	-	100.0%
Community Rescue Service	45,000	45,000	45,000	45,000	0.0%
Discovery Station	14,400	-	-	-	100.0%
Educator of the Year Award-Chamber	250	-	-	-	100.0%
Hagerstown Municipal Band	18,000	18,000	18,000	18,000	0.0%
Hagerstown Neighborhood Develop Partnership	50,000	28,450	28,450	28,450	0.0%
Heart of Civil War Heritage	5,000	-	-	-	100.0%
Marylnd Food Bank-Western Branch	3,000	-	-	-	100.0%
Maryland Symphony Orchestra	17,550	17,550	17,550	17,550	0.0%
Maryland Theatre	349,105	9,000	9,000	9,000	0.0%
USM-Hagerstown-Scholarship	4,050	-	-	-	100.0%
Washington County Art Council	3,000	-	-	-	100.0%
Washington County Free Library	31,500	31,500	31,500	31,500	0.0%
Washington County Historical Society	4,430	-	-	5,000	100.0%
Unspecified Agency Contributions	5,000	-	-	10,000	100.0%
Total Contributions to Other Agencies	\$ 625,045	\$ 190,000	\$ 190,000	\$ 205,000	7.9%

GENERAL FUND CAPITAL EXPENSES
FISCAL YEAR 2016/2017

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
CITY COUNCIL 0101001-5865 Computer Equipment	Two Additional ipad Purchases	With Election in November 2016	600
MAYOR 0101002-5865 Computer Equipment	ipad Purchase	With Election in November 2016	300
CITY ADMINISTRATOR 0103001-5861 Desks, Chairs & Tables	Replace Furniture	Replace As Needed	500
COMMUNITY AFFAIRS 0103003-5865 Computer Equipment	Replace Computer	Replace As Needed	1,500
COMMUNICATIONS 0103006-5865 Computer Equipment	Replace Computer	Replace As Needed	1,000
FINANCE & ACCOUNTING 0107001-5861 Desks, Chairs & Tables 0107001-5865 Computer Equipment TOTAL FINANCE & ACCOUNTING	Replace Furniture	Replace As Needed	500
	Upgrade Hardware And Software	Improve Quality Of Service	2,300
			2,800
INFORMATION TECHNOLOGY 0107200-5861 Desks, Chairs & Tables 0107200-5865 Computer Equipment TOTAL INFORMATION TECHNOLOGY	Replace Furniture	Replace As Needed	1,000
	Replace Computers	Replace As Needed	2,400
			3,400
SUPPORT SERVICES 0107201-5861 Desks, Chairs & Tables 0107201-5865 Computer Equipment 0107201-5867 Communication Equipment TOTAL SUPPORT SERVICES	Replace Furniture	Replace As Needed	1,000
	Replace Computers	Replace As Needed	1,400
	Phone Parts Not Under Maintenance	Replace As Needed	400
			2,800

GENERAL FUND CAPITAL EXPENSES
FISCAL YEAR 2016/2017

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
CASHIERING			
0107206-5861 Desks, Chairs & Tables	Replace Furniture	Replace As Needed	1,000
0107206-5864 Calculators & Typewriters	Replace Calculators	Replace As Needed	500
0107206- 5865 Computer Equipment	Replace Computer	Improve Quality Of Service	1,000
TOTAL CASHIERING			2,500
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 & Lighting	Replace Carpets, Furniture, And Remodel City Administrator's Office	Replace As Needed	5,000
TOTAL CITY HALL BUILDING			7,400
CITY ENGINEER			
0109004-5861 Desks, Chairs & Tables	Replace Furniture	Replace As Needed	200
0109004-5865 Computer Equipment	Replace Computers	Replace As Needed	2,000
TOTAL CITY ENGINEER			2,200
HUMAN RESOURCES			
0109005-5832 Photography Equipment	Video Surveillance Camera	Replace As Needed	50
0109005-5861 Desks, Chairs & Tables	Replace Furniture	Replace As Needed	3,000
0109005-5865 Computer Equipment	Replace Computer	Replace As Needed	1,550
TOTAL HUMAN RESOURCES			4,600
POLICE INFORMATION TECHNOLOGY			
0110003-5865 Computer Equipment	Replace Servers, Notebooks, Tablets, PC's	Replace As Needed	52,895

GENERAL FUND CAPITAL EXPENSES
FISCAL YEAR 2016/2017

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
PROFESSIONAL STANDARDS DIV			
0110203-5861 Desks, Chairs & Tables	Replace Furniture	Replace as Needed	250
0110203-5865 Computer Equipment	Upgrade hardware and software	Improve quality of service	350
TOTAL PROFESSIONAL STANDARD DIV			600
WESTERN MARYLAND LAB			
0110205-5832 Photography Equipment	Maintenance and Purchase Photographic Equipment	Required For Forensic Documentation	1,000
0110205-5833 Laboratory Equipment	Purchase Lab Equipment	Replace Aging And Outdated Equipment	1,500
TOTAL WESTERN MARYLAND LAB			2,500
POLICE K9 PROGRAM			
0110206-5830 Non-Portable Equipment	Required For K-9 Training	Upkeep Of K-9 Training Area	1,000
0110206-5839 Portable Tools/Equipment	Purchase Of K-9 Equip (Sleeves, Leashes, Etc.)	Replace Worn Equipment	1,900
0110206- 5898 Other Capitalized Expenses	Replace 2 K9 Dogs	Cost Includes Travel And Training	4,400
TOTAL POLICE K-9 PROGRAM			7,300
EVIDENCE AND PROPERTY			
0110208-5865 Computer Equipment	Windows Tablet	Replace As Needed	1,500
POLICE PATROL			
0110401-5832 Photography Equipment	Replace Broken Digital Cameras	Enhance Investigative Documentation Capabilities	54,000
0110401-5834 Firearms, Body Armor	Police Officer Use / Safety Equipment - Ballistic Vests	Replacement Of Expired Vests & Purchase Of New Vests	41,060
0110401-5839 Portable Tools & Other Equipment -	Purchase Moving Radar Units - LIDAR Speed Measuring Device	New Equipment Needed	19,030
0110401- 5865 Computer Equipment	Replace Servers, Notebooks, Tablets, PC's	Replace As Needed	23,500
0110401-5867 Communication Equipment	Portable Radios	Replace As Needed	5,000
TOTAL POLICE PATROL			142,590

GENERAL FUND CAPITAL EXPENSES
FISCAL YEAR 2016/2017

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
FIRE DEPARTMENT			
0112001-5830 Non Portable Equipment	Purchase Equipment	Replace As Needed	5,000
0112001-5855 Portable Equipment	Purchase Equipment	County No Longer Supplying	5,000
0112001-5861 Desks, Chairs & Tables	Purchase Office Furniture	Replace As Needed	2,000
0112001-5865 Computer Equipment	Purchase Computers	Replace As Needed	7,000
0112001-5867 Communication Equipment	Portable Radios	Replace As Needed	1,500
TOTAL FIRE DEPARTMENT			20,500
CODE ADMINISTRATION			
0114001-5832 Photography Equipment	Replace Equipment	Replace As Needed	250
0114001-5865 Computer Equipment	Purchase Computers	Replace As Needed	1,500
TOTAL CODE ADMINISTRATION			1,750
TRAFFIC CONTROL			
0116003-5839 Portable Tools & Other Equipment	Replace Power Tools	Replace As Needed	1,500
TRAFFIC SIGNS/LINES			
0116004-5839 Portable Tools & Other Equipment	Replace Power Tools	Replace As Needed	500
CENTRAL MAINTENANCE GARAGE			
0123003-5839 Portable Tools & Other Equipment	Tools Needed For Garage	Replace As Needed	5,000
0123003- 5861 Desks, Chairs & Tables	Replace Table And Chairs	Replace As Needed	500
0123003-5865 Computer Equipment	Replace Computer	Replace As Needed	900
TOTAL CENTRAL MAINTENANCE GARAGE			6,400
PUBLIC WORKS LABOR FORCE			
0124001-5861 Desks, Chairs & Tables	Replace Table And Chairs	Replace As Needed	1,000
0124001-5865 Computer Equipment	Replace Computers	Replace As Needed	1,800
TOTAL PUBLIC WORKS LABOR FORCE			2,800

GENERAL FUND CAPITAL EXPENSES
FISCAL YEAR 2016/2017

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
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 Equipment	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
RECREATION ADMINISTRATION 0140001-5865 Computer Equipment	Replace Computers	Replace As Needed	1,000
SWIMMING POOL 0140202-5839 Portable Tools & Other Equip	Power Washer, Leaf Blower Lawnmower, Power Tools, Etc.	Replace As Needed	200
0140202-5865 Computer Equipment	Replace Computers	Replace As Needed	500
TOTAL SWIMMING POOL			700
ECONOMIC DEVELOPMENT & ADMIN 0150001-5865 Computer Equipment	Replace Computer	Replace As Needed	3,000
TOTAL CAPITAL OUTLAY			278,300

SCHEDULE OF PUBLIC FUNCTIONS
FISCAL YEAR 2016/2017

FUNCTION DESCRIPTION	2014/15 ACTUAL	2015/16		2016/17 PROPOSED	2016/17 % CHANGE
		BUDGET	EST. ACTUAL		
Augustoberfest (City Services)	\$ 17,100	\$ 20,000	\$ 20,313	\$ 20,000	0.0%
A&E District Event	5,335	11,000	11,000	11,000	0.0%
BISFA Gala and Auction	2,950	3,000	3,000	3,000	0.0%
Blues Festival (City Services)	49,662	52,000	-	-	0.0%
Blues Festival	242,530	225,300	225,300	229,300	1.8%
Christmas Decorating	18,752	18,000	18,000	18,000	0.0%
Fairgrounds Country Fest	-	13,100	4,522	-	0.0%
Fairgrounds July 4th Fireworks	51,966	42,000	48,145	47,000	11.9%
Film Festival	1,500	1,500	1,500	1,500	0.0%
Hagerstown Official Commemorations	366	3,000	3,000	3,000	0.0%
Hollyfest/Tree Lighting	2,833	3,500	3,500	3,500	0.0%
Library Events	2,254	3,500	3,000	3,500	0.0%
MD Theatre Wind Downs	4,000	3,000	3,000	4,000	33.3%
Miscellaneous Downtown Events	10,913	18,900	18,900	28,000	48.1%
Miss Maryland Pageant	37,495	36,000	36,000	36,000	0.0%
Mummers Parade	25,188	29,000	31,257	31,000	6.9%
Municipal Band 100th Anniversary	2,000	-	-	-	100.0%
University of MD Systems Gala	1,000	1,000	1,000	1,000	0.0%
University Plaza Events	3,780	5,000	5,000	10,000	100.0%
Utility Benefit Concert	8,420	-	-	1,000	100.0%
Velo Club Bike Race	1,565	3,200	3,200	3,200	0.0%
Veterans WWII Trip	-	800	800	800	0.0%
YMCA Run	-	300	-	-	0.0%
Subtotal Public Function Events	\$ 489,609	\$ 493,100	\$ 440,437	\$ 454,800	-7.8%
Christmas In The Park	12,191	13,000	16,964	13,000	0.0%
City Park Festival	2,956	6,000	7,100	7,000	16.7%
Fairgrounds Harvest Hoedown	9,259	8,200	7,000	8,200	0.0%
Fishing Tournament-Pangborn	1,923	1,000	1,000	1,000	0.0%
Music by the Lake	6,118	7,500	6,700	7,500	0.0%
Subtotal Recreation Events	\$ 32,447	\$ 35,700	\$ 38,764	\$ 36,700	2.8%
Total Recreation Events	\$ 522,056	\$ 528,800	\$ 479,201	\$ 491,500	-7.1%

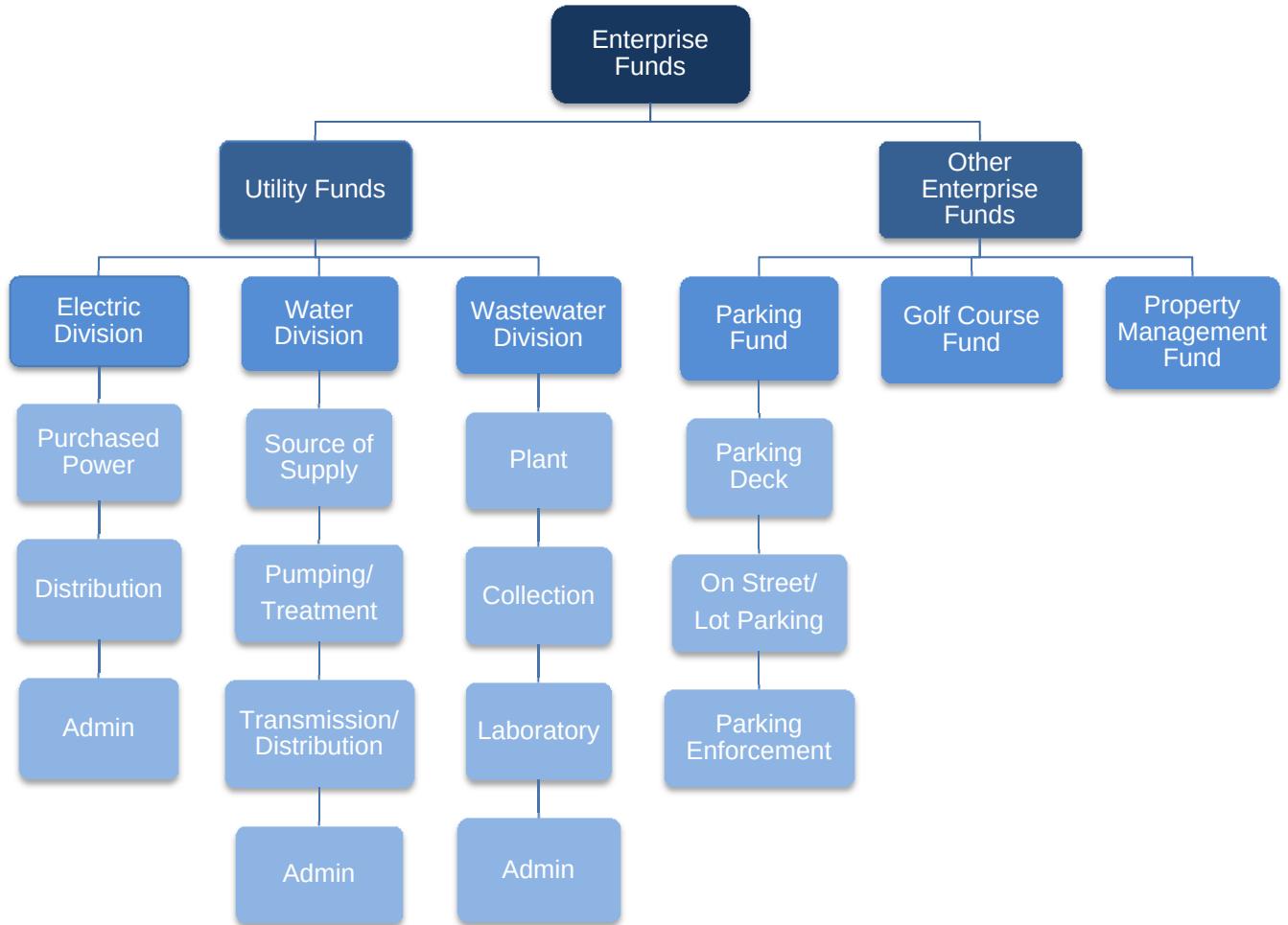
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ENTERPRISE FUNDS SECTION 4

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ENTERPRISE FUNDS – ORGANIZATIONAL CHART
FISCAL YEAR 2016/17



ENTERPRISE FUNDS - COMBINING STATEMENT
FISCAL YEAR 2016/2017

ACCOUNT DESCRIPTION	ELECTRIC	WATER	WASTEWATER	PARKING	GOLF COURSE	PROPERTY MANAGEMENT	TOTAL
OPERATING REVENUES							
Service Charges	\$23,696,540	\$10,742,000	\$ 12,571,000	\$ 855,402	\$193,000	\$ 316,324	\$48,374,266
Other Revenues	594,107	787,432	291,911	2,000	29,450	4,200	1,709,100
Total Operating Revenues	24,290,647	11,529,432	12,862,911	857,402	222,450	320,524	50,083,366
OPERATING EXPENSES							
Production and Treatment	17,594,781	3,639,935	4,818,550	-	-	-	26,053,266
Transmission, Distribution & Collection	2,358,542	1,895,717	1,767,427	-	-	-	6,021,686
Selling, General & Administrative	3,431,432	2,701,552	3,282,407	489,326	377,356	465,403	10,747,476
Depreciation	965,000	3,100,000	3,120,000	256,163	45,000	132,000	7,618,163
Total Operating Expenses	24,349,755	11,337,204	12,988,384	745,489	422,356	597,403	50,440,591
Operating Income (Loss)	(59,108)	192,228	(125,473)	111,913	(199,906)	(276,879)	(357,225)
NON-OPERATING REVENUES (EXPENSES)							
Interest Earned	105,083	500	2,000	500	-	10,000	118,083
Interest (Expense)	(22,285)	(570,876)	(412,476)	(39,184)	-	(2,611)	(1,047,432)
Gain (Loss) on Sale of Capital Assets	10,000	10,000	-	-	-	-	20,000
Total Other Income (Expense)	92,798	(560,376)	(410,476)	(38,684)	-	7,389	(909,349)
Net Income before Contributions & Transfers	33,690	(368,148)	(535,949)	73,229	(199,906)	(269,490)	(1,266,574)
OTHER FINANCING SOURCES (USES)							
Capital Contributions	-	500,000	500,000	-	-	-	1,000,000
Developer/Grant Funded	50,000	350,000	240,000	-	-	-	640,000
Operating & Capital Transfers (In)	-	-	-	-	200,000	-	200,000
Operating & Capital Transfers (Out)	(3,500)	(3,500)	(3,500)	(2,000)	-	(280,000)	(292,500)
Increase (Decrease) in Retained Earnings	80,190	478,352	200,551	71,229	94	(549,490)	280,926
ADJUST RETAINED EARNINGS TO A UNRESTRICTED CASH FLOW BASIS							
Add Back Depreciation	965,000	3,100,000	3,120,000	256,163	45,000	132,000	7,618,163
Capital Outlay/Fixed Assets	(987,500)	(3,754,000)	(3,274,000)	(135,000)	(35,000)	(162,000)	(8,347,500)
Deduct Non-Cash Contributions	(50,000)	(350,000)	-	-	-	-	(400,000)
Bond Proceeds	-	2,627,000	1,747,000	-	-	-	4,374,000
Repayment of Principal	(46,486)	(1,724,170)	(1,704,499)	(169,612)	-	(3,304)	(3,648,071)
Net Sources (Uses) of Cash	\$ (38,796)	\$ 377,182	\$ 89,052	\$ 22,780	\$ 10,094	\$ (582,794)	\$ (122,482)

ELECTRIC FUND - PROGRAM DESCRIPTION
FISCAL YEAR 2016/2017

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

- Managing the financial operations of the Electric Division to ensure that our existing rate structure remains in place. Our revenue stream is primarily driven by heating and cooling seasons versus unpredictable weather trends, which is a challenging endeavor to accurately project. Reduced wholesale power supply costs and projected increases in wage and benefits will force the Division to continue to reduce CIP and extend the life of our existing assets as required.
- The Electric Division strives to provide reliable electric service to all customers. The Division also works to ensure we are providing the most cost effective energy source in the immediate region. Division crews provide new service connections, routine maintenance, street light service throughout the entire City, monitor all substations and related equipment, and ensure the functionality of metering to ensure a high quality service.
- The Hagerstown Light Department has proposed land lease agreements with Mitsubishi Heavy Industries and Alevo paired with Customized Energy Solutions for the installation of energy storage systems on substation properties. During periods of high energy demand, these systems can be called to temporarily support the transmission and generation system in the PJM region. This technology can be used to smooth the 60 Hz alternating current distorted by renewable energy systems such as wind and solar.
- Staff continues to trim trees in identified areas to improve system reliability. Contractors are assisting with areas inaccessible to HLD lineworkers. Projected expenditure and other contracted overhead line maintenance in FY16 is \$100,000.
- The current Wholesale Power Supply contract expires on May 31, 2017. This contract language has been in place since July 1, 2006 and there have been various changes to regulations in Transmission and Generation. With that, staff plans to update the contract and request long-term pricing.

PERFORMANCE INDICATORS

	2014/15	2015/16	2016/17
Number of Residential Customers	14,329	14,545	14,650
Number of Commercial Customers	2,537	2,529	2,550
Million Kilowatt-hours Purchased	310	318	318
Million Kilowatt-hours Sold	307	307	309
Customer Average Interruption Duration Index (Hours/customer)	1.20	1	1
Number of Employees	31	31	30
Number of Customers Served per Employee	544	551	573

ELECTRIC FUND - PROGRAM FINANCIAL SUMMARY
FISCAL YEAR 2016/2017

EXPENDITURE AND REVENUE SUMMARY

	2014/15	2015/16		2016/17	2016/17
	ACTUAL	BUDGET	EST. ACTUAL	PROPOSED	% CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	\$ 1,893,412	\$ 1,903,138	\$ 1,893,036	\$ 1,892,549	-0.6%
Benefits	1,006,512	1,065,744	1,124,448	1,143,868	7.3%
Overtime	97,643	124,350	114,250	114,500	-7.9%
Personnel Subtotal	2,997,567	3,093,232	3,131,734	3,150,917	1.9%
Contractual Services	208,342	264,168	378,255	379,686	43.7%
Operating Expenditures	20,071,847	19,675,758	19,839,497	19,852,151	0.9%
Operating Cap Exp (Cap Outlay)	11,522	-	-	-	0.0%
Other General Expenses	936,422	982,588	914,534	1,032,785	5.1%
Operating Subtotal	21,228,133	20,922,514	21,132,286	21,264,622	1.6%
Total Expenditures	\$ 24,225,700	\$ 24,015,746	\$ 24,264,020	\$ 24,415,539	1.7%
REVENUES BY TYPE					
Departmental Revenue	24,679,856	24,177,315	24,471,791	24,495,729	1.3%
Total Revenues	\$ 24,679,856	\$ 24,177,315	\$ 24,471,791	\$ 24,495,729	1.3%
Revenues, excess of Expenditures	\$ (454,156)	\$ (161,569)	\$ (207,771)	\$ (80,190)	-50.4%

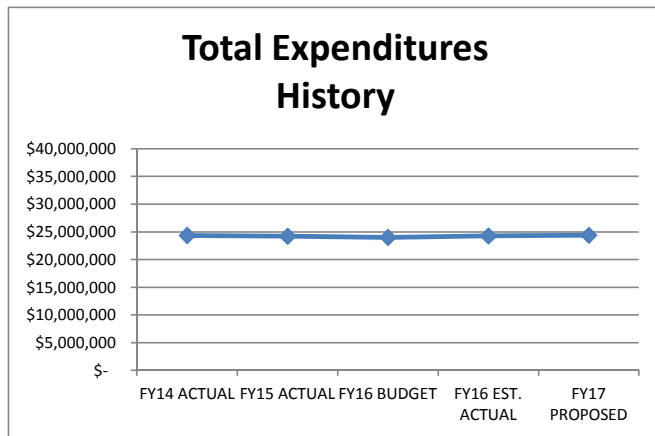
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY16 to Estimated Actual FY16

The Hagerstown Light Department maintains reduced staff levels at 5 unfilled positions and all external seminars and non-certification training continue to be monitored. The requested budget for Capital Outlay has remained consistent. As some improvements will continue to be deferred, others are being addressed as-needed, thus some increase in the Capital expenditures will be realized at the close of FY16. The HLD utilizes common sense approaches related to energy consumption, material repair/reuse, employee sharing, and vehicle re-utilization etc.

Adopted FY16 to Proposed FY17

The current Power Service Agreement will expire on May 31, 2017. Staff will be in the process of procuring wholesale power beyond this date. Principal payment and interest will be reflected following the completion of the roof replacement project. Maintenance of the building's exterior block walls will continue. Vegetation management will continue through the City for areas identified by HLD staff to require qualified arborists. This maintenance program has proven effective to reduce outage frequencies and durations. The Energy Storage System projects are expected to progress. Initial lease payments will be received in these early stages as staff continues to work through the proposed power charges.



STAFFING SUMMARY

	FY16			FY17
	FY15	Budg	Est Act	
Full time	35.55	35.55	35.55	35.55
Less: Unfunded	(5.00)	(5.00)	(5.00)	(5.00)
Staffing Total	30.55	30.55	30.55	30.55

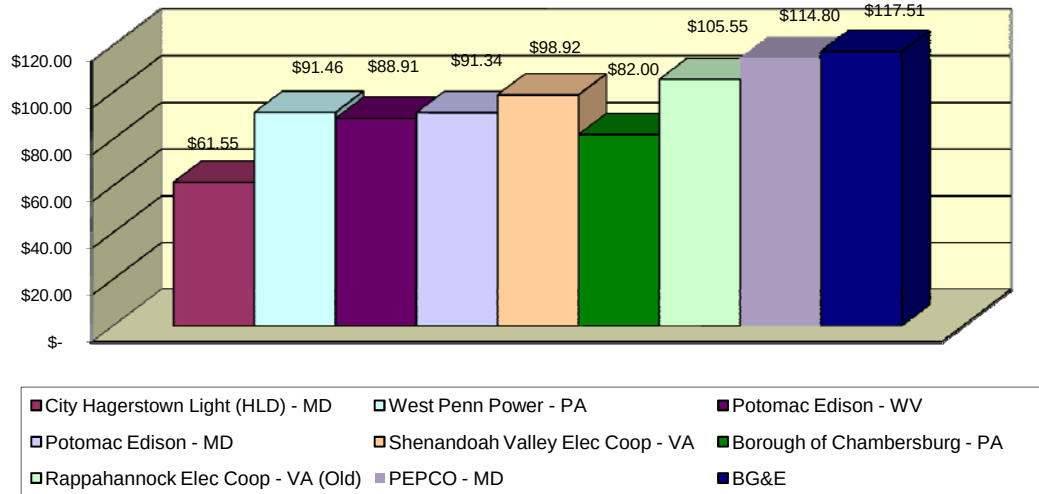
The Division will continue to reduce operational costs through any and all means available through FY17 and beyond.

ELECTRIC FUND - COMPARATIVE INCOME STATEMENT
FISCAL YEAR 2016/2017

ACCOUNT DESCRIPTION	2014/15	2015/16		2016/17	2016/17
	ACTUAL	BUDGET	EST. ACTUAL	PROPOSED	% CHANGE
OPERATING REVENUES					
Service Charges	\$ 23,821,592	\$ 23,295,380	\$23,696,540	\$ 23,696,540	1.7%
Other Revenues	643,639	613,051	576,867	594,107	-3.1%
Total Operating Revenues	24,465,231	23,908,431	24,273,407	24,290,647	1.6%
OPERATING EXPENSES					
Purchased Power	17,946,955	17,471,535	17,594,681	17,594,781	0.7%
Distribution Expenses	2,194,091	2,284,976	2,349,547	2,358,542	3.2%
Customer Accounts Expenses	1,031,670	1,121,544	1,130,310	1,136,283	1.3%
Selling, General & Administrative	2,117,528	2,157,603	2,275,948	2,295,149	6.4%
Depreciation	843,839	920,000	850,000	965,000	4.9%
Total Operating Expenses	24,134,083	23,955,658	24,200,486	24,349,755	1.6%
Operating Income (Loss)	331,148	(47,227)	72,921	(59,108)	25.2%
NON-OPERATING REVENUES (EXPENSES)					
Interest Earned	126,194	118,884	116,384	105,083	-11.6%
Interest (Expense)	(18,138)	(20,088)	(23,534)	(22,285)	10.9%
Gain (Loss) on Capital Assets	(5,092)	10,000	2,000	10,000	0.0%
Total Other Income (Expense)	102,964	108,796	94,850	92,798	-14.7%
Net Income before Operating Transfers	434,112	61,569	167,771	33,690	-45.3%
TRANSFERS FROM (TO) OTHER FUNDS					
Transfers to CIP Fund	(29,000)	-	-	(3,500)	100.0%
Total Transfers From (To) Funds	(29,000)	-	-	(3,500)	100.0%
CAPITAL CONTRIBUTIONS					
Grants in Aid of Construction	-	-	-	-	0.0%
Non-Cash Developer Contributions	49,044	100,000	40,000	50,000	-50.0%
Total Capital Contributions	49,044	100,000	40,000	50,000	-50.0%
Increase (Decrease) in Retained Earnings	454,156	161,569	207,771	80,190	-50.4%
Add Back Depreciation	843,839	920,000	850,000	965,000	4.9%
Deduct Non-Cash Capital Contributions	(49,044)	(100,000)	(40,000)	(50,000)	-50.0%
Changes in Working Capital	75,119	-	-	-	0.0%
Bond Proceeds	650,000	-	-	-	0.0%
Capital Outlay/Fixed Assets	(641,737)	(1,639,000)	(1,039,267)	(987,500)	-39.7%
Repayment of Principal	(23,234)	(57,621)	(46,409)	(46,486)	-19.3%
Net Sources (Uses) of Cash	\$ 1,309,099	\$ (715,052)	\$ (67,905)	\$ (38,796)	-94.6%
Beginning Fund Balance	\$ 19,988,490	\$ 18,551,111	\$18,551,111	\$ 18,758,882	
GASB 68 Adjustment	\$ (1,891,535)				
Ending Fund Balance	\$ 18,551,111	\$ 18,712,680	\$18,758,882	\$ 18,839,072	

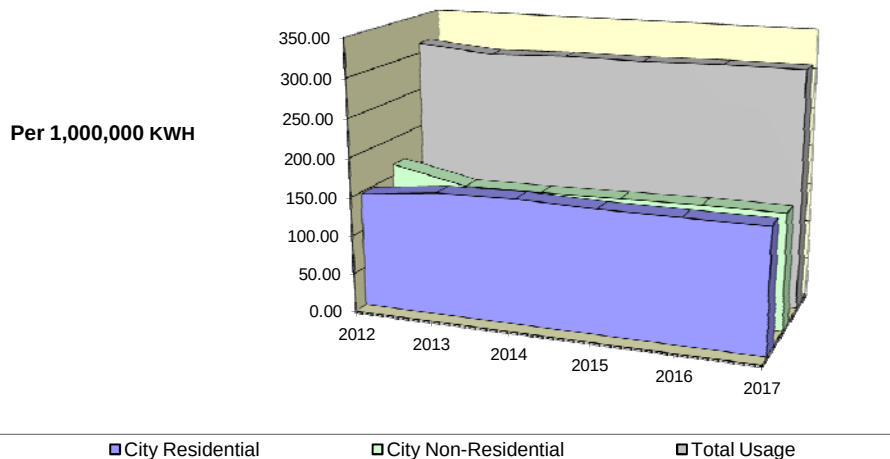
ELECTRIC FUND - CONSUMPTION AND RATE COMPARISON
FISCAL YEAR 2016/2017

SERVICE CHARGE COMPARISON AS OF FEBRUARY 2016



Shown above are comparative residential rates based on an average usage of 800 kWh per month. City of Hagerstown Light Department (HLD) rates will remain stable for the length of the wholesale contract, which expires May 31, 2017.

ELECTRIC CONSUMPTION FROM 2012 - 2017



Shown above is a trend based on millions of kWh used by HLD customers annually over a five year period.

ELECTRIC FUND - PROPOSED OPERATING REVENUES
FISCAL YEAR 2016/2017

ACCOUNT DESCRIPTION	2014/15	2015/16		2016/17	2016/17
	ACTUAL	BUDGET	EST. ACTUAL	PROPOSED	% CHANGE
ELECTRIC REVENUES					
Sales of Electric-Unbilled Readings	\$ 236,710	\$ -	\$ -	\$ -	0.0%
Residential Lighting	12,285,823	11,995,000	12,274,000	12,274,000	2.3%
Residential Metering	1,964	1,000	1,000	1,000	0.0%
Commercial Lighting	5,007,748	5,032,000	5,053,000	5,053,000	0.4%
Commercial Metering	8,101	8,000	6,800	6,800	-15.0%
Power PI(09)	1,978,840	2,052,000	2,069,000	2,069,000	0.8%
Power Ph(10)	3,512,015	3,414,000	3,502,000	3,502,000	2.6%
High Voltage-Newstech	126,612	132,000	129,000	129,000	-2.3%
Dusk to Dawn	21,334	21,800	20,120	20,120	-7.7%
Street Lighting	620,881	618,240	620,100	620,100	0.3%
Traffic Lighting	21,564	21,340	21,520	21,520	0.8%
Total Electric Revenues	23,821,592	23,295,380	23,696,540	23,696,540	1.7%
OTHER REVENUES					
Pole Rental/Attachment Fees	21,312	21,500	21,500	21,500	0.0%
Rents from Electric Properties	-	-	-	6,000	100.0%
Building Rental-CMG	38,000	39,000	39,000	39,000	0.0%
Rent Income - Sub-Station	3,050	3,796	3,050	3,050	-19.7%
Late Fees	234,049	160,000	160,000	160,000	0.0%
Miscellaneous Electric Revenue	36,683	50,000	40,000	40,000	-20.0%
Reconnection Charges	92,187	90,000	90,000	90,000	0.0%
Customer Reimbursed Overtime	16,154	25,000	15,000	15,000	-40.0%
Scrap Sales	12,183	25,000	10,000	10,000	-60.0%
Interconnection Application Fee	-	-	62	-	0.0%
Insurance Reimbursements	28,520	25,000	25,000	25,000	0.0%
Recovery of Notes Receivable-F.U.F.	158,163	168,755	168,755	180,057	6.7%
Bad Check Charges	3,338	5,000	4,500	4,500	-10.0%
Total Other Revenues	643,639	613,051	576,867	594,107	-3.1%
Total Operating Revenues	\$ 24,465,231	\$ 23,908,431	\$ 24,273,407	\$ 24,290,647	1.6%

ELECTRIC FUND CAPITAL EXPENSES
FISCAL YEAR 2016/2017

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	250,000
Telemetry Equipment-C0111 Construction of communication networks to facilitate transmission of data from installed devices in the Electric System.	Communication Equipment	Improve service, increase system reliability	40,000
System Reconductoring-C0259 Upgrade power in distribution lines.	Poles, Towers & Fixtures, Overhead Devices	Improve service and reliability	20,000
SCADA System- C0441 Upgrade Current SCADA software and hardware.	Communication Equipment	Improve load monitoring and outage restoration	25,000
Underground Replacement-C0540 Replace aging underground primary cable in various areas throughout HLD service territory identified by the feeder inspection program.	Replace Underground Cable	Replacing sections of aged primary cable will improve electric reliability in various developments and/or locations	50,000
Building & Site Improvements-C0542 Improvements to HLD facility on East Baltimore Street.	HLD Office Building Improvements	Cost avoidance, planned improvement, and improved service	50,000
Streetlight Replacement-C0546 Replace direct buried streetlight circuit, obsolete fixtures, and non-standard poles. FY17-Noland Drive	Street Lighting	Unable to provide for replacement materials for uniformity. Existing cable is in poor condition	25,000
A&E District Upgrades-C0591 Provide system upgrades and improvements on the north side of South Potomac Street.	Poles-Towers & Fixtures, O/H Conductors & Devices, Underground Conduit, U/G Conductors & Devices, and Line Transformers	Aesthetic improvements to the A&E district of Downtown Hagerstown	25,000
Test Equipment-C0609 Procure/repair test equipment to improve maintenance programs and power quality for customers.	Station Equipment	Improve reliability of service	10,000
Spare Regulators-C0797 Purchase and/or refurbish voltage regulators and controllers for substations.	Station Equipment	Replace, refurbish, and repair sub-station voltage regulators as needed to maintain levels within limits mandated by the MD Public Service Commission	20,000

ELECTRIC FUND CAPITAL EXPENSES
FISCAL YEAR 2016/2017

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
Wildlife Protection-C0802 Purchase and install wildlife protection on substation equipment.	Station Equipment	Power outages caused by wildlife within the substations will be reduced and reliability will increase. There will also be a decrease in maintenance repair and/or replacement costs of damaged equipment caused by wildlife.	10,000
Feeder Coordination-C0833 Remove, relocate, replace, and/or adjust Circuit Breakers, Reclosers, Fuses, Switches, and Capacitors.	Poles, Towers & Fixtures, O/H Conductors & Devices, and Underground Conductors & Devices	Improve system reliability and power quality	25,000
Circuit Upgrades-C0842 Construct final section of 34.5 kV subtransmission loop between substations.	Poles, Towers, & Fixtures, and O/H Conductors & Devices	Improve ability to switch load between substations improving service outage restoration times	20,000
SUBTOTAL PROJECT EXPENSES			\$ 570,000
5085001-583002 Dist-Station Equipment	Costs of installation of station equipment 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
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	50,000
5085001-583006 Dist-Underground Conduit	Costs of installation on underground conduit and tunnels used for housing distribution cables or wires.	To meet the need of electrical customers who are upgrading or installing new services	10,000
5085001-583007 Dist-Underground Conductors and Devices	Costs of installation of underground conductors and devices used for distribution purposes.	To upgrade existing primary electrical wires and for the installation of new primary underground conductors to maintain the reliability of the distribution systems	20,000

ELECTRIC FUND CAPITAL EXPENSES
FISCAL YEAR 2016/2017

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
5085001-583008 Dist-Line Transformers	Costs of installation of overhead & underground distribution line transformers and voltage regulators for use in transforming electricity to the voltage at which it is to be used by the customer.	To meet the needs of electrical customers who are upgrading their services or building new homes and to replace aging units already in service	100,000
5085001-583009 Dist-Services	Costs of installation of overhead & underground conductors leading from a point where wires leave the last pole of an overhead system, or if an underground system, the distribution box of manholes.	To meet the needs of electrical customers who are upgrading their services and building new homes	35,000
5085001-583010 Dist-Meters	Costs of installation of meters or devices for use in measuring the electricity delivered to users.	To meet the needs of electrical customers who are upgrading their services and building new homes and to replace obsolete meters currently in the system, as required by the Maryland Public Service Commission	15,000
5085001-583013 Dist-Street & Signal Lighting	Costs of installation of equipment used wholly for public streets.	To provide adequate street lighting for City residents	75,000
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	15,000
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	2,500
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			\$ 987,500

WATER FUND - PROGRAM DESCRIPTION
FISCAL YEAR 2016/2017

DEPARTMENT / PROGRAM OVERVIEW

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

DEPARTMENT / PROGRAM OBJECTIVES

- The Water Division supports the Mayor and Council's Goals and Priorities (2015-2016) through the Division's assistance to all City Departments in the realization of all applicable objectives. As part of the Public Facilities and Infrastructure goals to establish and maintain quality services and infrastructure that supports residents and business in a cost effective manner (Goal 7), the Water Division continues to work with Triad Engineering to investigate the long-term viability of the Edgement Reservoir and the W.M. Breichner Plant. Staff supports the Mayor and Council's core values regarding Health, Safety, and Welfare and, as such, continues to make improvements to the Water System that are consistent with both the Water Master Plan and the Capital Improvement Plan to ensure compliance with all Federal and State regulatory programs and requirements to include the Stage 2 DPBR and the LT2 Enhanced Surface Water Treatment Rule, and the Lead and Copper Rule.
- The Water Division is responsible for the treatment and distribution of 11.8 MGD (2015 average daily demand) of potable water to all City residents and surrounding communities in Washington County. The water system is comprised of approximately 425 miles of water mains, the R.C. Willson and W.M. Breichner treatment plants, four pumping stations and eight water storage tanks. The Division has undergone many improvements over the past 8 years which include the construction of two 6.4 MG tanks, electrical and treatment 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 our customers, the Division applied for low interest loans and grants for planned projects to include the replacement of the Traveling Screens at R.C. Willson Water Treatment Plant (\$775,000) and the installation of finished water storage tank mixing systems (\$600,000). The Water Fund has submitted a request for additional MDE funding for subsequent upgrades to the W.M. Breichner Plant for compliance with the LT2ESWTR and Stage 2 DBPR. The Water Division will achieve its goal to replace all residential meters in FY16 and will begin the fire Line Meter Program in FY17. This will assist with system billing accuracy, the reduction in unallocated water, and reduce customer billing complaints associated with human error. The Department will continue to test the 330 commercial meters annually. The Water Division will continue with our \$400,000 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. This CIP assists greatly in reducing system operational issues related to water main and equipment failures.

PERFORMANCE INDICATORS

	2014/15	2015/16	2016/17
Number of Inside City Customers	13,112	13,140	13,140
Number of Outside City Customers	15,631	15,700	15,700
Million Gallons Produced	4,569	4,170	4,317
Million Gallons Accounted For	3,607	3,436	3,468
Percentage of Unaccounted for Water	21.1%	17.6%	17.6%
Number of Employees	49.5	51.0	51.0
Number of Customers Served per Employee	578	565	565

WATER FUND - PROGRAM FINANCIAL SUMMARY
FISCAL YEAR 2016/2017

EXPENDITURE AND REVENUE SUMMARY

	2014/15	2015/16		2016/17	2016/17
	ACTUAL	BUDGET	EST. ACTUAL	PROPOSED	% CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	\$ 2,776,729	\$ 2,937,212	\$ 2,778,424	\$ 2,858,678	-2.7%
Benefits	1,258,303	1,296,941	1,383,742	1,335,902	3.0%
Overtime	173,308	122,000	125,500	118,000	-3.3%
Personnel Subtotal	4,208,340	4,356,153	4,287,666	4,312,580	-1.0%
Contractual Services	288,763	465,068	622,905	554,386	19.2%
Operating Expenditures	3,700,064	3,424,635	3,341,808	3,320,539	-3.0%
Operating Cap Exp (Cap Outlay)	41,947	54,700	48,500	49,500	-9.5%
Other General Expenses	2,998,872	3,881,100	3,889,840	3,685,176	-5.0%
Operating Subtotal	7,029,646	7,825,503	7,903,053	7,609,601	-2.8%
Total Expenditures	\$ 11,237,986	\$ 12,181,656	\$ 12,190,719	\$ 11,922,181	-2.1%
REVENUES BY TYPE					
Departmental Revenue	12,019,959	12,286,121	12,189,033	12,400,533	0.9%
Total Revenues	\$ 12,019,959	\$ 12,286,121	\$ 12,189,033	\$ 12,400,533	0.9%
Expenditures, net of Revenues	\$ (781,973)	\$ (104,465)	\$ 1,686	\$ (478,352)	357.9%

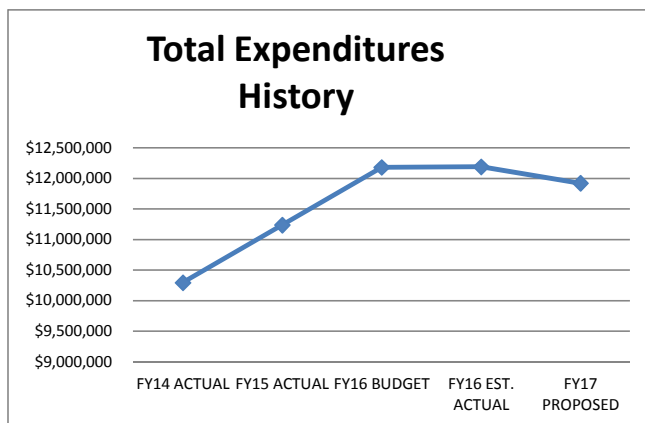
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY16 to Estimated Actual FY16

The Water Division has reduced staff and currently has 4 positions unfunded for FY17. Vehicle replacement purchases are limited and based on repair cost versus replacement cost, all external seminars and non-certification training will be monitored. Capital Outlay has remained consistent with FY15 actual of \$3.89M and \$3.75M projected in FY17 due to the completion of Phase IV Improvements for Stage 2 DPBR Compliance at the Willson Plant. From FY15 to FY17 our total operating revenues have increased from \$11.3M for FY16 to a projected \$11.5M in FY17. 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..

Adopted FY16 to Proposed FY17

Total personnel expenditures reflect a decrease of 1.0% or \$44K as a result of a tenured employee retiring at the highest pay scale in FY15 and a reduction in existing employees opting to not carry the City's insurance in FY17. Additionally, total operating expenditures are projected to decrease by 2.8% or \$216K as a result of a reduction of depreciation expense and capital outlay associated with the RC Willson Transmission Mains project. The Water Division continues to work with MDE to secure low interest State Revolving Loans and Drinking Water Grant Funds in an effort to ensure compliance with mandated regulatory requirements. Additionally, FY17 revenue reflects the third year of the updated Cost of Service Study Rate Model. Staff will continue to work with Municipal Financial Services to maintain the integrity of the Rate Model.



STAFFING SUMMARY

	FY16			
	FY15	Budget	Est Act	FY17
Full time	55.02	54.52	54.52	54.52
Less: Unfunded	(4.00)	(4.00)	(4.00)	(4.00)
Staffing Total	51.02	50.52	50.52	50.52
Part time Seasonal	0.00	1.00	0.00	0.00
Total Part time	0.00	1.00	0.00	0.00

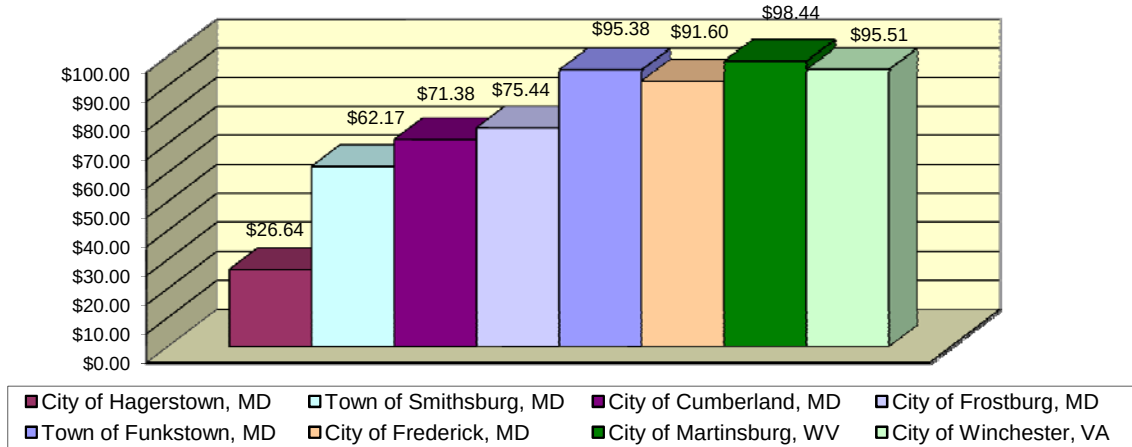
The Division will continue to reduce operational costs through any and all means available through FY17 and beyond through the management of the financial operations while insuring that our recently updated rate model is followed.

WATER FUND - COMPARATIVE INCOME STATEMENT
FISCAL YEAR 2016/2017

ACCOUNT DESCRIPTION	2014/15 ACTUAL	2015/16 BUDGET	2015/16 EST. ACTUAL	2016/17 PROPOSED	2016/17 PROPOSED
OPERATING REVENUES					
Service Charges	\$ 10,313,592	\$ 10,570,400	\$ 10,535,000	\$ 10,742,000	1.6%
Other Revenues	802,710	852,120	787,932	787,432	-7.6%
Total Operating Revenues	11,116,302	11,422,520	11,322,932	11,529,432	0.9%
OPERATING EXPENSES					
Source of Supply	96,790	57,850	53,775	55,750	-3.6%
Pumping & Water Treatment	3,570,695	3,559,759	3,710,425	3,584,185	0.7%
Transmission & Distribution	1,929,412	1,888,353	1,748,206	1,895,717	0.4%
Selling, General & Administrative	2,645,403	2,794,794	2,788,571	2,701,552	-3.3%
Depreciation	2,517,099	3,300,000	3,300,000	3,100,000	-6.1%
Total Operating Expenses	10,759,399	11,600,756	11,600,977	11,337,204	-2.3%
Operating Income (Loss)	356,903	(178,236)	(278,045)	192,228	-207.9%
NON-OPERATING REVENUES (EXPENSES)					
Interest Earned	1,263	1,500	500	500	-66.7%
Interest (Expense)	(431,441)	(570,299)	(579,141)	(570,876)	0.1%
Gain (Loss) on Capital Assets	14,963	1,500	5,000	10,000	566.7%
Total Other Income (Expense)	(415,215)	(567,299)	(573,641)	(560,376)	-1.2%
Income Before Contribs. & Transfers	(58,312)	(745,535)	(851,686)	(368,148)	-50.6%
TRANSFERS FROM (TO) OTHER FUNDS					
Transfers to CIP Fund	(36,545)	-	-	(3,500)	100.0%
Total Transfers From (To) Funds	(36,545)	-	-	(3,500)	100.0%
CAPITAL CONTRIBUTIONS					
Water Benefit Charges	876,830	500,000	500,000	500,000	0.0%
Non-Cash Developer Contributions	-	350,000	350,000	350,000	0.0%
Total Capital Contributions	876,830	850,000	850,000	850,000	0.0%
Increase (Decrease) in Retained Earnings	781,973	104,465	(1,686)	478,352	357.9%
Add Back Depreciation	2,517,099	3,300,000	3,300,000	3,100,000	-6.1%
Capital Outlay/Fixed Assets	(3,893,833)	(3,114,500)	(2,528,500)	(3,754,000)	20.5%
Repayment of Principal	(1,268,639)	(1,778,718)	(1,702,373)	(1,724,170)	-3.1%
Deduct Non-Cash Contributions	-	(350,000)	(350,000)	(350,000)	0.0%
Changes in Working Capital	(427,166)	-	-	-	0.0%
Bond Proceeds	6,530,356	1,886,000	950,000	2,627,000	39.3%
Net Sources (Uses) of Cash	\$ 4,239,790	\$ 47,247	\$ (332,559)	\$ 377,182	698.3%
Beginning Fund Balance	\$ 86,476,662	\$ 84,742,575	\$ 84,742,575	\$ 84,740,889	
GASB 68 Adjustment	\$ (2,516,060)				
Ending Fund Balance	\$ 84,742,575	\$ 84,847,040	\$ 84,740,889	\$ 85,219,241	

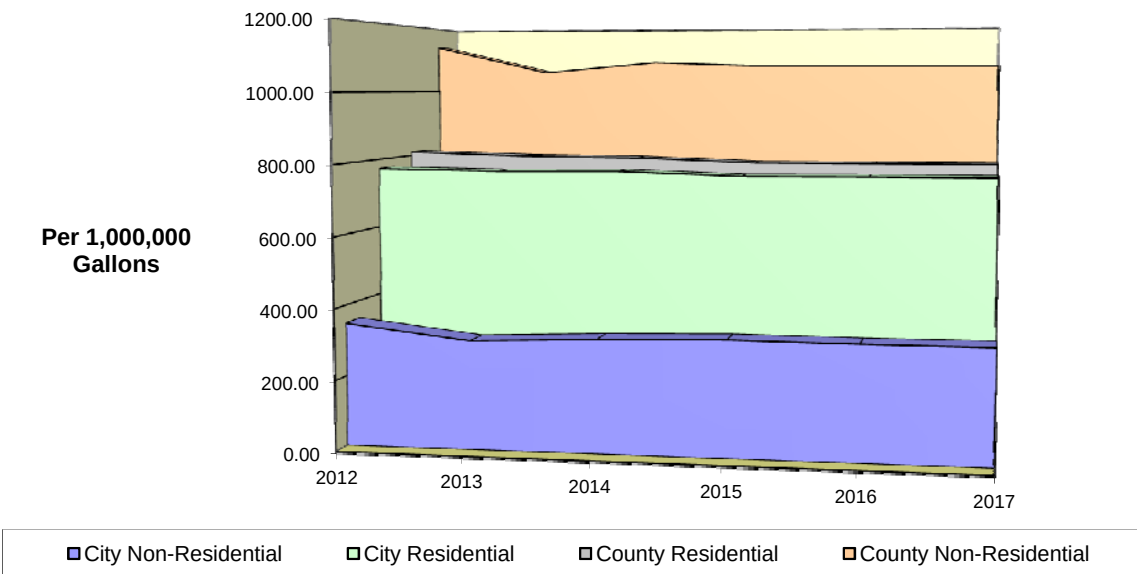
WATER FUND - CONSUMPTION AND RATE COMPARISON
FISCAL YEAR 2016/2017

SERVICE CHARGE COMPARISON AS OF FEBRUARY 2016
(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 2012 - 2017



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 loss of Unilever Good Humor-Breyers during calendar year 2012.

WATER FUND - PROPOSED OPERATING REVENUES
FISCAL YEAR 2016/2017

ACCOUNT DESCRIPTION	2014/15 ACTUAL	2015/16 BUDGET	2015/16 EST. ACTUAL	2016/17 PROPOSED	2016/17 % CHANGE
WATER SERVICES					
Metered Sales-Unbilled	\$ 2,713	\$ -	\$ -	\$ -	0.0%
Water Fixed Charge - City	489,397	496,000	504,000	514,000	3.6%
Water Fixed Charge - County	1,823,261	1,851,000	1,872,000	1,909,000	3.1%
Metered City Water	1,612,196	1,646,000	1,643,000	1,673,000	1.6%
Metered County Water	6,386,025	6,577,400	6,516,000	6,646,000	1.0%
Total Service Charges	10,313,592	10,570,400	10,535,000	10,742,000	1.6%
OTHER REVENUES					
Contracted Services	9,923	7,500	5,000	7,500	0.0%
Reconnection Charges	40,861	70,000	65,000	70,000	0.0%
Water Service Application Fee	19,729	15,000	15,000	15,000	0.0%
Water Transfer Fee	36,140	32,000	35,000	35,000	9.4%
W.C.S.D. Consumption Data Service	60,754	57,000	55,000	55,000	-3.5%
Review/Inspection Fee	14,329	10,000	15,000	15,000	50.0%
Insurance Reimbursements	2,780	2,500	5,000	2,500	0.0%
Rent-City Employees	20,514	20,620	20,620	20,620	0.0%
Late Fees	132,440	200,000	150,000	150,000	-25.0%
Miscellaneous Other Revenues	56,082	32,000	46,000	42,000	31.3%
County Debt Service Surcharge	51,396	52,000	21,312	21,312	-59.0%
Cell Tower Rent	10,771	10,000	10,500	10,000	0.0%
Fire Protection	143,813	142,000	148,000	152,000	7.0%
Plumbing	173,705	180,000	180,000	180,000	0.0%
Net Gain/Loss-Scrap Sales	27,410	20,000	15,000	10,000	-50.0%
Bad Check Charges	2,063	1,500	1,500	1,500	0.0%
Total Other Revenues	802,710	852,120	787,932	787,432	-7.6%
Total Operating Revenues	\$ 11,116,302	\$ 11,422,520	\$ 11,322,932	\$ 11,529,432	0.9%

WATER FUND CAPITAL EXPENSES
FISCAL YEAR 2016/2017

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
Water Fund Vehicles-C0117 Replace fleet vehicles.	Unit 202, Unit 205, Unit 228, Unit 234 Unit 210, Unit 227, and Unit P03	Replace Water Division vehicles	387,000
RC Willson WTP Improvements-C0166 Various plant improvements each year for equipment replacement to include pumps, motors, communication equipment, etc.	Equipment	Improve service and increase system reliability	225,000
Willson Transmission Mains-C0167 Begin Engineering design to extend the 36" transmission mains from Bottom Rd to the Creek.	Transmission/ Distribution	Replace deteriorated infrastructure - reliability	100,000
Edgemont Reservoir Improvements-C0168 Begin Study and Design to either repair the toe drain and spillway seepage or breach the reservoir per MDE Dam Safety Division requirements.	Land Improvements	Improve system and increase reliability	507,000
Breichner WTP Improvements-C0405 Plant upgrades will be a result of the implementation of existing and proposed Safe Drinking Water Act requirements as well as Clean Water Act requirements.	Equipment	Replace and/or upgrade aging equipment to achieve compliance and to continue to ensure a back-up water supply	100,000
Administrative & Eng. Equipment-C0648 Upgrade computer equipment and info-water program.	Computer Equipment & Software	Replace and/or upgrade engineering computer hardware and software	10,000
Pump Station Improvements-C0651 Replacement of tank mixing system for compliance with the Stage 2 DBP Rule-Nitrification Control.	Infrastructure	Replace and/or upgrade deteriorating infrastructure reliability	325,000
Distribution Services-C0653 Begin the fire line metering program which will include the evaluation of unmetered fire lines and installation of a fire meter.	Meter Replacement	Replace aging equipment to ensure water and sewer rates are an accurate reflection of the required revenue	330,000
Distribution System Rehabilitation-C0709 Continue the leak detection program and replace aging infrastructure throughout the Distribution System.	Infrastructure	Replace deteriorating infra- structure, improve safety for workers, and improve customer service	550,000

WATER FUND CAPITAL EXPENSES
FISCAL YEAR 2016/2017

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
Water SCADA System-C0820 Upgrade MP2 Software and software/hardware required SCADA upgrades.	Equipment	Replace and/or upgrade aging equipment and facilities	175,000
RC Willson-Traveling Screen Replacement-C0863 Advertise, bid and replace the existing traveling screens which have exceeded their useful life and have required extensive repairs over the past 3 to 5 years.	Equipment	Replacement of deteriorating equipment. Improve system reliability and reduce short term maintenance expenses.	1,045,000
SUBTOTAL PROJECT EXPENSES			\$ 3,754,000
5270501-5833 Laboratory Equipment-Willson	Laboratory Equipment	Maintain laboratory equipment	2,500
5270501-5839 Portable Tools/Equipment-Willson	Portable Tools and Equipment	Replace portable tools and equipment as needed	2,000
5270501-5861 Desks-Chairs-and Tables-Willson	Desks, Chairs, Tables	To replace office furniture as needed	1,500
5270501-5865 Computer Equipment-Willson	Computer Equipment	Replace worn equipment as needed	2,500
5270501-5867 Communication Equipment-Willson	Communication Equipment	To replace communication equipment as needed	4,000
5270502-5825 Residential Buildings-Pump Stations	Park Ave. Office - Facility Maintenance	Routine facility maintenance required	2,500
5270502-5833 Laboratory Equipment-Pump Stations	Laboratory Equipment	Replace laboratory equipment	500
5270502-5861 Desks-Chairs-Tables-Pump Stations	Desks, Chairs, Tables	To replace office furniture as needed	1,000
5270502-5865 Computer Equipment-Pump Stations	Computer Equipment	Replace worn equipment as needed	3,000

WATER FUND CAPITAL EXPENSES
FISCAL YEAR 2016/2017

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
5270502-5867 Communication Equipment-Pump Stations	Communication Equipment	To replace communication equipment as needed	3,000
5270503-5861 Desks-Chairs-and Tables-Laboratory	Desks, Chairs, Tables	To replace office furniture as needed	500
5270503-5865 Computer Equipment-Laboratory	Computer Equipment	Replace worn equipment as needed	1,000
5271001-5825 Residential Buildings-Source of Supply	Maintain Residential/ Rental Properties	Rental property maintenance (3 properties)	3,000
5271001-5839 Portable Tools/Equipment-Source of Supply	Portable Tools and Equipment	Replace portable tools and equipment as needed	500
5271001-5865 Computer Equipment-Source of Supply	Computer Equipment	Replace worn equipment as needed	1,500
5272501-5836 Traffic Lights-Signs-Etc.-Distribution	Traffic Control Equipment	Replace traffic control equip (signs, light bar, etc.)	2,500
5272501-5839 Portable Tools/Equipment-Distribution	Portable Tools 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	2,500

WATER FUND CAPITAL EXPENSES
FISCAL YEAR 2016/2017

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
5272501-5861 Desks-Chairs-and Tables-Distribution	Desks, Chairs, Tables	To replace office furniture as needed	500
5272501-5865 Computer Equipment-Distribution	Computer Equipment	Replace worn equipment as needed	2,500
5272501-5867 Communication Equipment-Distribution	Communication Equipment	To replace communication equipment as needed	1,000
5274001-5861 Desks-Chairs and Tables-Admin & General	Desks, Chairs, Tables	To replace office furniture as needed	500
5274001-5865 Computer Equipment-Admin & General	Computer Equipment	Replace worn equipment as needed	3,500
5274502-5861 Desks-Chairs and Tables-Customer Accounts	Desks, Chairs, Tables	To replace office furniture as needed	500
5274502-5865 Computer Equipment-Customer Accounts	Computer Equipment	Replace worn equipment as needed	3,000
5274502-5867 Communication Equipment-Customer Accounts	Communication Equipment	To replace communication equipment as needed	1,500
TOTAL CAPITAL OUTLAY			\$ 3,803,500

WASTEWATER FUND - PROGRAM DESCRIPTION
FISCAL YEAR 2016/2017

DEPARTMENT / PROGRAM OVERVIEW

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

DEPARTMENT / PROGRAM OBJECTIVES

- The Wastewater Division supports the Mayor and Council's Strategic Plan through the Division's assistance to all City Departments in the realization of all applicable objectives. As part of the City's approved Strategic Plan, Focus Area "A Safe and Healthy Community," Wastewater continues the successful operation of the Enhanced Nutrient Removal components of the wastewater treatment plant in order to achieve the highest quality effluent that available technology can provide.
- The Wastewater Division is responsible to the conveyance and treatment of an average of 6.73 MG per day of wastewater for calendar year 2015. The WWTP is currently permitted to treat an average daily flow of 8.0 MGD. The collection system is comprised of over 157 miles of gravity sewer, 23 wastewater pumping stations, 8.24 miles of forcemain, 330 Grinder Pumps, and approximately 4.68 miles of Low Pressure Sewer. The infrastructure ensures that all customers served by the City of Hagerstown receive consistently reliable service. The Division is currently working with Synagro to upgrade the sludge handling facilities at the Wastewater Treatment Plant. Phase One of that project addresses the need for redundant facilities to store and thicken sludge prior to being transferred to the Pelletizing Facility. Phase Two will address the upgrade and/or replacement of equipment within the Pelletizing Facility. Improvements to the Pelletizing Facility will ensure that the City, in conjunction with its contractor Synagro, will continue to provide a high quality service that is cost effective. Staff continues to refine our processes as they relate to the Enhanced Nutrient Removal (ENR) initiatives at our Wastewater Treatment Plant (WWTP) and we have been awarded \$240,000 from our 2015 Operations and Maintenance Grant submission.
- The City will invest approximately \$4 million over the next 3 years (FY17 through FY19) to upgrade the sludge storage, thickening and pelletizing facilities at the Wastewater Treatment Plant. These facilities were originally constructed in the early 1980's and are in need of replacement. The Division entered into a 10 year contract extension with Synagro, who will perform the work of designing, procuring, and constructing needed major capital improvements to the Facility, including immediate capital improvements and subsequent capital improvements throughout contract term. The City has secured \$300,000 of matching grant funds for FY16 and FY17 from the MDE for continuation of the efforts to reduce and eliminate Inflow and Infiltration (I&I) from our wastewater collection systems. Large portions of our wastewater collection systems were constructed in the early 1900's and require major rehabilitation to extend the life of the system for years to come. In order to manage our long-term debt, the division will only accept grant funding for the I&I project.

PERFORMANCE INDICATORS

	2014/15	2015/16	2016/17
Number of Inside City Customers	12,853	12,860	12,860
Number of Outside City Customers	6,489	6,500	6,500
Annual Million Gallons/Day Treated	7.29	7.00	7.00
Inflow/Infiltration Million Gallons/Day Treated	3.16	2.80	2.80
Available Allocation in Thousand Gallons (carryover)	691	798	798
Number of Employees	45.76	46.26	46.26
Number of Customers Served per Employee	418	419	419

WASTEWATER FUND - PROGRAM FINANCIAL SUMMARY
FISCAL YEAR 2016/2017

EXPENDITURE AND REVENUE SUMMARY

	2014/15 ACTUAL	2015/16 BUDGET	2015/16 EST. ACTUAL	2016/17 PROPOSED	2016/17 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	\$ 2,640,578	\$ 2,524,442	\$ 2,562,264	\$ 2,674,261	5.9%
Benefits	1,237,310	1,268,412	1,324,647	1,341,899	5.8%
Overtime	69,770	80,000	66,500	66,500	-16.9%
Personnel Subtotal	3,947,658	3,872,854	3,953,411	4,082,660	5.4%
Contractual Services	1,581,743	1,653,768	1,635,705	1,685,386	1.9%
Operating Expenditures	3,789,548	4,016,621	3,993,296	4,089,538	1.8%
Operating Cap Exp (Cap Outlay)	11,950	12,100	8,100	10,800	-10.7%
Other General Expenses	3,398,600	3,543,342	3,544,538	3,543,929	0.0%
Operating Subtotal	8,781,841	9,225,831	9,181,639	9,329,653	1.1%
Total Expenditures	\$ 12,729,499	\$ 13,098,685	\$ 13,135,050	\$ 13,412,313	2.4%
REVENUES BY TYPE					
Departmental Revenue	13,416,275	13,015,090	13,165,547	13,612,864	4.6%
Total Revenues	\$ 13,416,275	\$ 13,015,090	\$ 13,165,547	\$ 13,612,864	4.6%
Expenditures, net of Revenues	\$ (686,776)	\$ 83,595	\$ (30,497)	\$ (200,551)	-339.9%

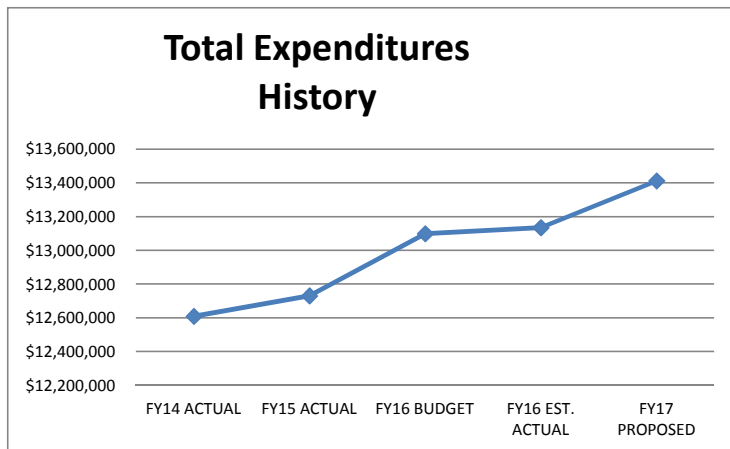
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY16 to Estimated Actual FY16

The Wastewater Division continues to carry 2 positions unfunded in the Collection System for FY16. All external seminars and non-certification training continue to be monitored. Capital Outlay has been decreased from \$2.20M budgeted in FY16 to \$1.84M projected in FY16 (a 16% reduction) due in part to the delay of collection system rehabilitation work. From FY14 to FY16 our total operating revenues have increased from \$10.8M to a projected \$12.4M (\$1.6M increase) due to a gradual rate increase approved for FY15 through FY19. 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, vehicle re-utilization, etc.

Adopted FY16 to Proposed FY17

Total personnel expenditures reflect an increase of approximately \$210K as a result of arbitration awards to AFSCME 1540 union for salary enhancements that occurred after the completion of the FY16 budget and rising employer costs for health and dental insurance, and pension contributions. Operating Expenses are projected to increase by 1.8% or \$72,917 due to the proposed FY17 budget reflecting an increase in legal fees and wage allocations. Staff submitted our annual funding request to the MDE for the continuation of our multi-year Citywide Inflow & Infiltration Project and was awarded \$300K in matching funds by the MDE. The CIP for the Wastewater Division has budgeted \$300K for the project and will bid it out once we receive contract document approval and permits.



STAFFING SUMMARY

	FY16			
	FY15	Budg	Est Act	FY17
Full time	47.76	48.26	48.26	48.26
Less: Unfunded	(2.00)	(2.00)	(2.00)	(2.00)
Staffing Total	45.76	46.26	46.26	46.26

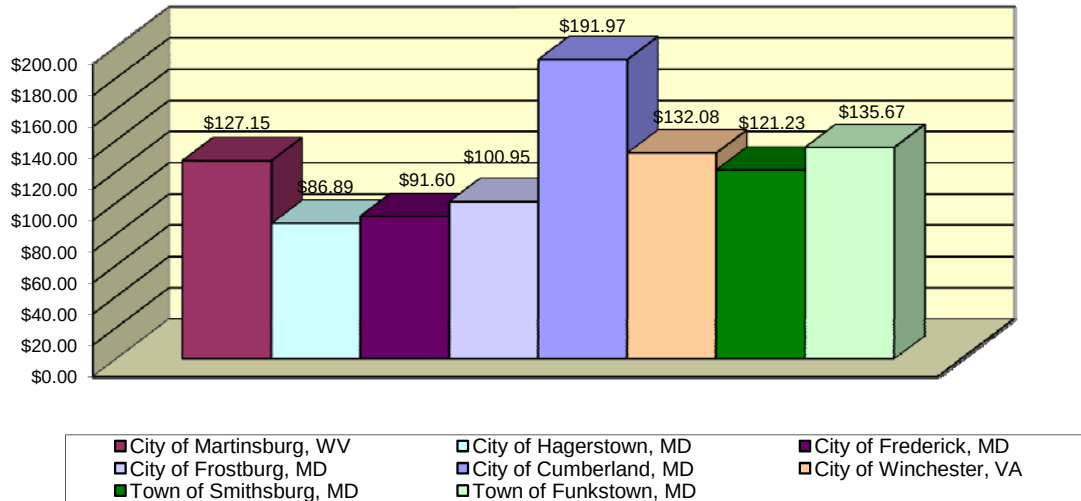
In order to respond to the projected loss of revenue associated with foreclosures and the reduced customer base, the Division will continue to monitor operational costs through any and all means available through Fiscal Year 17 and beyond.

WASTEWATER FUND - COMPARATIVE INCOME STATEMENT
FISCAL YEAR 2016/2017

ACCOUNT DESCRIPTION	2014/15 ACTUAL	2015/16 BUDGET	2015/16 EST. ACTUAL	2016/17 PROPOSED	2016/17 % CHANGE
OPERATING REVENUES					
Service Charges	\$ 11,755,707	\$ 12,189,672	\$12,093,000	\$ 12,571,000	3.1%
Other Revenues	470,680	273,465	323,394	291,911	6.7%
Operating Revenues	12,226,387	12,463,137	12,416,394	12,862,911	3.2%
OPERATING EXPENSES					
Plant Expenses	4,699,669	4,830,187	4,751,637	4,818,550	-0.2%
Laboratory Expenses	278,481	292,946	260,156	280,405	-4.3%
Collections	1,267,193	1,265,306	1,430,608	1,487,022	17.5%
Selling, General & Administrative	3,085,557	3,166,904	3,148,111	3,282,407	3.6%
Depreciation	2,981,470	3,120,000	3,120,000	3,120,000	0.0%
Total Operating Expenses	12,312,370	12,675,343	12,710,512	12,988,384	2.5%
Operating Income (Loss)	(85,983)	(212,206)	(294,118)	(125,473)	-40.9%
NON-OPERATING REVENUES (EXPENSES)					
Interest Earned	1,329	3,000	1,200	2,000	-33.3%
Interest (Expense)	(374,474)	(415,389)	(416,585)	(412,476)	-0.7%
Gain (Loss) on Sale of Capital Assets	14,998	1,000	-	-	-100.0%
Total Other Income (Expense)	(358,147)	(411,389)	(415,385)	(410,476)	-0.2%
Income before Contribs. & Transfers	(444,130)	(623,595)	(709,503)	(535,949)	-14.1%
TRANSFERS FROM (TO) OTHER FUNDS					
Transfers to CIP Fund	(29,000)	-	-	(3,500)	100.0%
Total Transfers From (To) Funds	(29,000)	-	-	(3,500)	100.0%
CAPITAL CONTRIBUTIONS					
Wastewater Benefit Charges	919,906	300,000	500,000	500,000	66.7%
Grants in Aid of Construction	240,000	240,000	240,000	240,000	0.0%
Total Capital Contributions	1,159,906	540,000	740,000	740,000	37.0%
Increase (Decrease) in Retained Earnings	686,776	(83,595)	30,497	200,551	-339.9%
Add Back Depreciation	2,981,470	3,120,000	3,120,000	3,120,000	0.0%
Capital Outlay/Fixed Assets	(1,293,710)	(2,198,000)	(1,844,172)	(3,274,000)	49.0%
Repayment of Principal	(1,583,309)	(1,707,220)	(1,681,243)	(1,704,499)	-0.2%
Changes in Working Capital	7,878	-	-	-	0.0%
Bond Proceeds	1,939,999	1,383,000	-	1,747,000	26.3%
Net Sources (Uses) of Cash	\$ 2,739,104	\$ 514,185	\$ (374,918)	\$ 89,052	-82.7%
Beginning Fund Balance	\$ 51,660,520	\$ 50,118,275	\$50,118,275	\$ 50,148,772	
GASB 68 Adjustment	\$ (2,229,021)				
Ending Fund Balance	\$ 50,118,275	\$ 50,034,680	\$50,148,772	\$ 50,349,323	

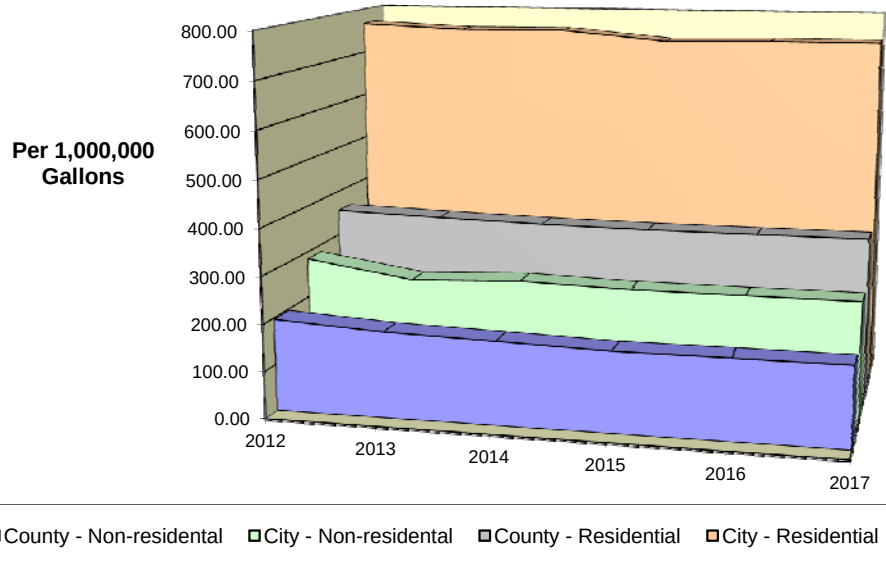
WASTEWATER FUND - CONSUMPTION AND RATE COMPARISON
FISCAL YEAR 2016/2017

SERVICE CHARGE COMPARISON AS OF MARCH 2016
(Rates presented are strictly City)



The service charge comparison shows the quarterly charges for a typical wastewater customer is less expensive in Hagerstown than any other comparable utility in the region. A typical wastewater customer is defined as a City resident with a usage of 13,000 gallons per quarter.

WASTEWATER CONSUMPTION FROM 2012 - 2017



The wastewater usage analysis shows a slight decline in both City and County customers.

WASTEWATER FUND - PROPOSED OPERATING REVENUES
FISCAL YEAR 2016/2017

ACCOUNT DESCRIPTION	2014/15	2015/16		2016/17	2016/17
	ACTUAL	BUDGET	EST. ACTUAL	PROPOSED	% CHANGE
WASTEWATER SERVICES					
Fixed Service Charge - City	\$ 1,444,493	\$ 1,493,955	\$ 1,515,000	\$ 1,576,000	5.5%
Fixed Service Charge - County	639,906	662,996	664,000	691,000	4.2%
Fixed Service Charge - Joint Service	605,508	621,321	637,000	662,000	6.5%
Service Charges-Unbilled	133,123	-	-	-	0.0%
Metered City Wastewater	4,844,952	5,146,000	5,055,000	5,254,000	2.1%
Metered County Wastewater	2,353,803	2,493,400	2,433,000	2,531,000	1.5%
Metered Joint Service Wastewater	1,629,184	1,668,000	1,685,000	1,753,000	5.1%
Low-Pressure System Charge	104,738	104,000	104,000	104,000	0.0%
Total Service Charges	11,755,707	12,189,672	12,093,000	12,571,000	3.1%
OTHER REVENUES					
Wastewater Application Fees	500	150	950	150	0.0%
Wastewater Connection Charges	54,150	6,000	2,500	2,500	-58.3%
Review/Inspection Fee	11,669	1,200	2,800	1,200	0.0%
Industrial Permit Maintenance Fee	5,750	5,750	5,750	5,750	0.0%
Reimbursements	5,653	4,500	4,083	-	-100.0%
Lab Testing	746	2,000	746	746	-62.7%
Industrial Surcharges	124,134	100,000	100,000	100,000	0.0%
Rental Income	365	365	465	465	27.4%
Late Fees	199,586	150,000	200,000	175,000	16.7%
Miscellaneous Revenue	64,853	3,000	5,600	5,600	86.7%
Net Gain/Loss-Scrap Sales	3,274	500	500	500	0.0%
Total Other Revenues	470,680	273,465	323,394	291,911	6.7%
Total Operating Revenues	\$ 12,226,387	\$ 12,463,137	\$ 12,416,394	\$ 12,862,911	3.2%

WASTEWATER FUND CAPITAL EXPENSES
FISCAL YEAR 2016/2017

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
Vehicle Replacement Program-C0004 Replace 2003 #508 Utility Truck \$135,000, 1998 #520 Case Tractor \$25,000, and 2004 #525 F450 Utility Truck \$95,000.	Vehicle Replacement	Replacement units - reduced maintenance costs anticipated.	255,000
Manhole Raising-C0267 Raise Manholes to meet new street grade, replace 3 inch thick lids with lighter more accessible lids.	Manhole Raising and Manhole Cover Replacement	As part of the City's Annual Pavement Preservation Program	36,000
Pumping Station Improvements-C0299 Replacement and upgrades to Collection System Pump Stations; these stations convey Wastewater to Wastewater Treatment Plant from low lying areas.	Pump Station Rehabilitation Project	Reduce maintenance and increase safety and security of stations	121,000
Collection System Rehabilitation-C0327 Collection System personnel to continue point repairs throughout the system, service connection & main rehabilitation, and manhole rehabilitation.	Construction	Reducing the inflow and infiltration will provide future recapturing of allocation for the WWTP	430,000
WWTP Equipment-C0584 Replaces various aging equipment or adds additional new equipment to maintain efficient operations and permit compliance.	Equipment	Deteriorating Equipment that has reached the end of its useful life cycle requires replacement to maintain reliable and continuous operations	275,000
Buildings and Structures-C0585 Upgrade heating and cooling systems in WW Operations Building and replace boiler system in Operations Building.	Construction	Aging structures that require repairs and improvements	100,000
Oxygen System Improvements-C0657 Specialized Services includes work by an outside consultant to continue efforts to integrate controls for oxygen control panels into Plant SCADA System.	Equipment	Improve reliability, efficiencies, and maintain MDE compliance	10,000
Solids Processing Pelletizer & WWTP Improvements-C0711 Upgrade or replace equipment in the Sludge Pelletizing facility (Synagro).	Equipment	Improve reliability and maintain MDE compliance	50,000

WASTEWATER FUND CAPITAL EXPENSES
FISCAL YEAR 2016/2017

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
Sludge Storage Phase I Improvement-C0712 Phase 2 - Synagro will upgrade the pelletizing facility.	Equipment Upgrades	Improve reliability and maintain MDE compliance	1,000,000
Collection System Equipment-C0713 Replaces various aging equipment or adds additional new equipment \$15,000, new generator for Unit #525 \$5,000, and new 45kVA trailer mounted, portable emergency generator for Pump Stations \$30,000.	Equipment	Reduce annual maintenance costs, and long-term CIP planning	50,000
Laboratory Equipment-C0745 Replaces various aging equipment or adds additional new equipment.	Equipment	Improve reliability of existing equipment	10,000
Grinder Pump Replacement Program-C0767 Replace 20 Grinder Pumps.	Equipment	Replace deteriorating equipment	162,000
SSES City-Wide-CS Rehab-C0800 Correct infiltration & inflow into the Wastewater Collection System by replacement or re-lining defective piping.	Piping	Reducing the inflow & infiltration will provide future recapturing of allocation for the WWTP	600,000
Eliminate Pump Stations-C0832 Design, permitting, and construction of gravity main and package Pump Station to eliminate Pump Station #6.	Installation of 12" Gravity Main	Reduce annual operating costs	160,000
Truck Lines and Laterals-C0834 Purchase or transfer of Infrastructure.	Infrastructure	Provide efficient use of Wastewater Infrastructure throughout system	15,000
SUBTOTAL PROJECT EXPENSES			\$ 3,274,000
5471501-5861 Office Furniture and Equipment	Office Furniture and Equipment	Normal replacement of worn materials	500
5471501-5865 Computer Equipment	Computer Equipment	Replace worn equipment	1,200
5471501-5867 Communication Equipment	Two-way Radios	Operators safety for 24-7 operations	1,000

WASTEWATER FUND CAPITAL EXPENSES
FISCAL YEAR 2016/2017

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
5472601-5865 Computer Equipment	Computer Equipment	Replace worn equipment	1,500
5472601-5867 Communication Equipment	Radios and SCADA System Upgrades	Normal replacement of worn equipment	1,000
5472701-5833 Lab Equipment	WW Lab Equipment	Replace worn equipment	2,500
5472701-5861 Office Furniture and Equipment	Office Furniture and Equipment	Normal replacement of worn office furniture and equipment	200
5472701-5865 Computer Equipment	Computer Equipment	Replace worn equipment	1,000
5474001-5861 Office Furniture and Equipment	Office Furniture and Equipment	Normal replacement of worn office furniture and equipment	400
5474001-5865 Computer Equipment	Computer Equipment	Replace worn equipment	1,500
TOTAL CAPITAL OUTLAY			\$ 3,284,800

PARKING SYSTEM - PROGRAM DESCRIPTION
FISCAL YEAR 2016/2017

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 12 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 maintained. Parking enforcement is managed by the Hagerstown Police Department.

DEPARTMENT / PROGRAM OBJECTIVES

- The parking lots are currently on an annual schedule for improvements. The Central Parking Lot and the Elizabeth Hager Lot both received partial new paving and overall crack sealing. New line striping was placed throughout most of the lot. The Market House Parking Lot is scheduled for improvements in FY17 that include pavement improvements, line striping and lighting.
- Minor repairs and improvements are planned for the University District Parking Deck and the Arts & Entertainment Parking Deck. Work includes new doors, frames and hardware, concrete repairs and painting at the University District Deck. Caulking and painting are the next planned improvements at the A&E District Deck.
- Future plans involve the complete overhaul of the pay systems and gates at both decks. The manufacturer of these items has gone out of business and obtaining parts for repairs is becoming increasingly difficult. The plan is to begin replacements in FY18.
- Continue to work with the Department of Community & Economic Development and the downtown businesses to provide parking options for the businesses and their customers.

PERFORMANCE INDICATORS

	2014/15	2015/16	2016/17
Parking Decks			
No. of Parking Spaces	625	625	625
No. of Permit Holders	560	667	670
Revenue			
Meters: Fees & Permits	\$371,623	\$368,830	\$345,122
Decks: Fees & Permits	\$426,571	\$411,280	\$413,280
Parking Enforcement	\$180,890	\$99,000	\$99,000
Number of Parking Lots	11	8	8
Number of Parking Lot Permit Holders	378	422	430
Total Parking Spaces (Lots & Street)	1,073	1,087	1,087

PARKING SYSTEM - PROGRAM FINANCIAL SUMMARY
FISCAL YEAR 2016/2017

EXPENDITURE AND REVENUE SUMMARY

	2014/15 ACTUAL	2015/16 BUDGET	2015/16 EST. ACTUAL	2016/17 PROPOSED	2016/17 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	\$ 228,173	\$ 263,485	\$ 246,079	\$ 240,616	-8.7%
Benefits	81,956	92,830	99,610	94,276	1.6%
Overtime	1,408	1,200	1,200	1,200	0.0%
Personnel Subtotal	311,537	357,515	346,889	336,092	-6.0%
Contractual Services	15,294	13,318	11,355	12,036	-9.6%
Operating Expenditures	121,201	131,354	141,122	140,198	6.7%
Operating Cap Exp (Cap Outlay)	4,430	1,000	1,052	1,000	0.0%
Other General Expenses	270,980	324,187	324,095	299,104	-7.7%
Operating Subtotal	411,905	469,859	477,624	452,338	-3.7%
Total Expenditures	\$ 723,442	\$ 827,374	\$ 824,513	\$ 788,430	-4.7%
REVENUES BY TYPE					
Departmental Revenue	978,112	880,867	858,531	859,659	-2.4%
Total Revenues	\$ 978,112	\$ 880,867	\$ 858,531	\$ 859,659	-2.4%
Expenditures, net of Revenues	\$ (254,670)	\$ (53,493)	\$ (34,018)	\$ (71,229)	33.2%

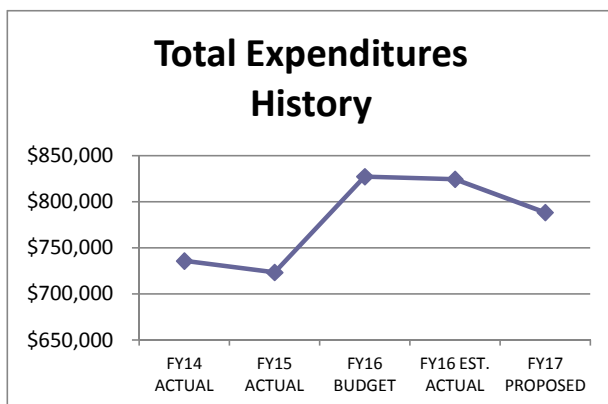
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY16 to Estimated Actual FY16

Total personnel expenditures for FY16 estimated actual are anticipated to come in slightly under budget by \$10,626. In total, operating expenses are expected to be 1.65% or \$7,765 lower than budget primarily due to unfunding an Assistant Director position that had wages partially allocated to the University Parking Deck in the adopted FY16 budget. Departmental revenues are expected to be 2.54% lower than budget due to lower than anticipated revenues for parking deck permits at the University Parking Deck and less parking lot meter revenue at the Central Lot.

Adopted FY16 to Proposed FY17

Total personnel expenditures for FY17 proposed budget are 6% or \$21,423 lower than FY16 budget. This decrease reflects the unfunding of a full-time position as well as a decrease in PT staff wages and fringe benefits. Operating expenditures are anticipated to increase by \$8,844 or 6.7% as a result of budgeting for additional maintenance and repairs in FY17. Depreciation expense is expected to decrease over current FY16 budget due to less capital items being included in the FY17 budget. Departmental revenues are expected to decline by \$21,208 from the FY16 budget as parking deck permit, parking lot meters, and departmental parking revenue have been projected to decrease in FY17.



STAFFING SUMMARY

	FY15	FY16		FY17
		Budg	Est Act	
Full time	2.20	2.40	2.40	2.20
Less: Unfunded	0.00	0.00	0.00	0.00
Staffing Total	2.20	2.40	2.40	2.20
Part time	7.00	9.00	9.00	7.00

PARKING FUND - COMPARATIVE INCOME STATEMENT
FISCAL YEAR 2016/2017

ACCOUNT DESCRIPTION	2014/15	2015/16		2016/17	2016/17
	ACTUAL	BUDGET	EST. ACTUAL	PROPOSED	% CHANGE
OPERATING REVENUES					
University District Parking Deck	\$ 230,956	\$ 230,000	\$ 217,000	\$ 217,000	-5.7%
A & E Parking Deck	195,574	181,280	196,280	196,280	8.3%
Parking Meter Fees	367,850	367,830	342,994	344,122	-6.4%
Net Parking Fines	180,934	98,000	98,000	98,000	0.0%
Other Revenue	621	2,000	2,000	2,000	0.0%
Total Operating Revenues	975,935	879,110	856,274	857,402	-2.5%
OPERATING EXPENSES					
University District Parking Deck	121,375	154,907	145,059	131,015	-15.4%
A & E Parking Deck	154,386	148,107	154,835	155,125	4.7%
Other Parking Facilities	136,855	151,021	151,826	153,812	1.8%
Parking Enforcement Expenses	39,847	49,152	48,698	49,374	0.5%
Depreciation	215,069	274,643	274,643	256,163	-6.7%
Total Operating Expenses	667,532	777,830	775,061	745,489	-4.2%
Operating Income (Loss)	308,403	101,280	81,213	111,913	10.5%
NON-OPERATING REVENUES (EXPENSES)					
Interest Earned	420	-	500	500	100.0%
Interest (Expense)	(54,153)	(47,787)	(47,695)	(39,184)	-18.0%
Total Other Income (Expense)	(53,733)	(47,787)	(47,195)	(38,684)	-19.0%
Income Before Contribs. & Transfers	254,670	53,493	34,018	73,229	36.9%
TRANSFERS FROM (TO) OTHER FUNDS					
Transfers to CIP Fund	-	-	-	(2,000)	100.0%
Total Transfers From (To) Funds	-	-	-	(2,000)	100.0%
CAPITAL CONTRIBUTIONS					
Grants in Aid of Construction	-	-	-	-	0.0%
Total Capital Contributions	-	-	-	-	0.0%
Increase (Decrease) in Retained Earnings	254,670	53,493	34,018	71,229	33.2%
Add Back Depreciation	215,069	274,643	274,643	256,163	-6.7%
Capital Outlay/Fixed Assets	(51,804)	(140,000)	(115,710)	(135,000)	-3.6%
Principal Payment on Debt	(155,740)	(162,527)	(162,527)	(169,612)	4.4%
Changes in Working Capital	(35,134)	-	-	-	0.0%
Net Sources/(Uses)of Cash	\$ 227,061	\$ 25,609	\$ 30,424	\$ 22,780	-11.0%
Beginning Fund Balance					
	\$ 6,196,570	\$ 6,451,240	\$ 6,451,240	\$ 6,485,258	
Ending Fund Balance					
	\$ 6,451,240	\$ 6,504,733	\$ 6,485,258	\$ 6,556,487	

PARKING FUND - PROPOSED OPERATING REVENUES
FISCAL YEAR 2016/2017

ACCOUNT DESCRIPTION	2014/15	2015/16		2016/17	2016/17
	ACTUAL	BUDGET	EST. ACTUAL	PROPOSED	% CHANGE
UNIVERSITY DISTRICT PARKING DECK					
Parking Deck Permits	\$ 206,077	\$ 220,000	\$ 200,000	\$ 200,000	-9.1%
Parking Deck Fees	43,670	33,000	35,000	35,000	6.1%
Downtown Promotions	7,901	7,000	7,000	7,000	0.0%
Parking Deck Coupons	3,190	1,500	2,000	2,000	33.3%
Validation Fees	23,409	16,000	22,000	22,000	37.5%
Park N Shop	(9,717)	(2,500)	(9,000)	(9,000)	260.0%
Volume Parking Discount	(43,574)	(45,000)	(40,000)	(40,000)	-11.1%
Total University District Deck Revenues	230,956	230,000	217,000	217,000	-5.7%
A&E PARKING DECK					
Parking Deck Permits	136,310	130,000	150,000	150,000	15.4%
Parking Deck Fees	62,240	55,000	50,000	50,000	-9.1%
Pep Discounts	(2,976)	(3,720)	(3,720)	(3,720)	0.0%
Total A&E Parking Deck Revenues	195,574	181,280	196,280	196,280	8.3%
PARKING LOT REVENUES					
Street Meters	116,385	110,000	110,000	110,000	0.0%
Antietam Street Lot Meters	25,668	25,000	25,000	25,000	0.0%
Bryan Center Lot Meters	288	350	350	350	0.0%
Central Lot Meters	44,173	50,000	40,000	40,000	-20.0%
Market House Lot Meters	2,311	3,000	3,000	3,000	0.0%
Rochester Lot Meters	401	300	500	500	66.7%
Central Lot Permits	46,100	50,000	45,000	45,000	-10.0%
Church Street Lot Permits	44,061	47,940	47,940	49,068	2.4%
Market House Lot Permits	34,299	32,000	32,000	32,000	0.0%
Rochester Lot Permits	13,239	7,000	7,000	7,000	0.0%
Departmental Charges-Parking Permits	43,725	45,000	35,000	35,000	-22.2%
Free Parking - 41 E Franklin Street	(1,120)	(1,104)	(1,140)	(1,140)	3.3%
Free Parking - 39 E Franklin Street	(1,680)	(1,656)	(1,656)	(1,656)	0.0%
Total Parking Lot Revenues	367,850	367,830	342,994	344,122	-6.4%
PARKING TICKET REVENUES					
Fines-Traffic Violations	4,550	5,000	5,000	5,000	0.0%
Original Issuance	97,505	93,000	93,000	93,000	0.0%
Late fees	83,724	75,000	75,000	75,000	0.0%
Uncollectable Parking Tickets	(4,845)	(75,000)	(75,000)	(75,000)	0.0%
Total Parking Ticket Revenues	180,934	98,000	98,000	98,000	0.0%
Insurance Reimbursements	778	2,000	2,000	2,000	0.0%
Sale of Assets	43	-	-	-	0.0%
Miscellaneous Revenue	(200)	-	-	-	0.0%
Total Other Revenues	621	2,000	2,000	2,000	0.0%
Total Operating Revenues	\$ 975,935	\$ 879,110	\$ 856,274	\$ 857,402	-2.5%

PARKING FUND CAPITAL EXPENSES
FISCAL YEAR 2016/2017

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTISIFCATION	COST
Upgrades to Parking Decks-C0749 General repairs and improvements to both decks.	Parking Deck Repairs	Continued refurbishments prevent deterioration of the facility. Upkeep and upgrades are required to maintain and improve the parking experience.	30,000
Parking Fund Vehicles-C0829 Replace 2000 Madvac Sweeper #050 (\$35,000)	Vehicle Replacement	Vehicle repair costs and maintenance increase with the age of the vehicle.	35,000
Parking Lot Improvements-C0857 Improve the overall condition of surface parking lots: Market Lot parking lot pavement preservation, sidewalk improvements, and lighting improvements.	Parking Lot Improvements	Preservation of the pavement allows the pavement to last much longer before total replacement is necessary. Sidewalk improvements include handicap accessible ramps to meet ADA requirements. Light improvements by transitioning to LED lights improve security while reducing energy costs.	45,000
Parking Systems Improvements-C0867 Project could include one or all of the following: kiosk parking for Pay-And-Display; pay by phone through a smart phone application or the installation of new meter heads that accept multiple forms of payment including credit cards.	Parking Systems Improvements	To provide multiple, payment options for those visiting the downtown and parking. Parking includes on-street and off-street lot parking. Different methods of payment provide a driver with options and thus enhance the parking experience.	\$ 25,000
SUBTOTAL PROJECT EXPENSES			\$ 135,000
5674013-5861 Desks-Chairs-Tables	Office Equipment	Replace as needed	1,000
TOTAL CAPITAL OUTLAY			\$ 136,000

GOLF - PROGRAM DESCRIPTION
FISCAL YEAR 2016/2017

DEPARTMENT / PROGRAM OVERVIEW

Constructed in 1932 by private individuals, the Greens at Hamilton Run has a mature course layout that new courses cannot equal. The City of Hagerstown has operated the golf course since 1947. We pride ourselves on beautiful greens, beautiful views, and well maintained fairways. The course is a 9-hole par 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 for a quick round of golf.

The course itself is in very good condition and the clubhouse was completely renovated in 2012 to provide an area for players to relax and enjoy food and beverages before and after their rounds. New rates went into effect July 1, 2012. In 2013, staff replaced all tee markers with the new course logo, installed yardage markers, and made general improvements to the course. All carts are new and leased in a piggyback on a Washington County contract.

DEPARTMENT / PROGRAM OBJECTIVES

- We propose to increase revenue by adding tournaments, leagues, promotions, and advertising (including on scorecards and tee markers). We will seek to partner with hotels, restaurants, and the CVB to offer golf packages for out-of-town visitors.
- We will strive to decrease costs during fiscal year 2015/16 by using contracted services to mow the rough areas so that the limited amount of City staff will focus on the fairways, greens, tees and traps. Overtime is also planned to decrease. There is NO fulltime staff in the clubhouse and only two fulltime (March-December) maintenance staff assigned to care for the course.
- In 2016, we plan to add sand traps, move the number 5 green, continue to strive for increased professionalism of the clubhouse operations and we will study adding a water feature on the course.

PERFORMANCE INDICATORS

	2014/15	2015/16	2016/17
Number of 9-hole Rounds started	15,000	17,438	18,000
Number of Rounds started	10,500	12,360	12,500
Average daily rounds of golf	50	56	60
Number of cart rentals	6,000	6,466	6,500
Number of golf leagues	1	2	3
Number of golf tournaments	2	5	8
Concession Revenue (in \$)	\$ 15,000	\$20,138	\$22,000

GOLF - PROGRAM FINANCIAL SUMMARY
FISCAL YEAR 2016/2017

EXPENDITURE AND REVENUE SUMMARY

	2014/15 ACTUAL	2015/16 BUDGET	2015/16 EST. ACTUAL	2016/17 PROPOSED	2016/17 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	\$ 158,498	\$ 152,375	\$ 163,200	\$ 149,013	-2.2%
Benefits	85,687	79,290	84,956	82,809	4.4%
Overtime	6,735	3,500	7,400	7,400	111.4%
Personnel Subtotal	250,920	235,165	255,556	239,222	1.7%
Contractual Services	32,536	26,052	38,829	39,097	50.1%
Operating Expenditures	112,785	102,603	99,452	99,037	-3.5%
Other General Expenses	39,755	43,000	43,000	45,000	4.7%
Operating Subtotal	185,076	171,655	181,281	183,134	6.7%
Total Expenditures	\$ 435,996	\$ 406,820	\$ 436,837	\$ 422,356	3.8%
REVENUES BY TYPE					
Departmental Revenue	435,996	430,860	436,950	422,450	-2.0%
Total Revenues	\$ 435,996	\$ 430,860	\$ 436,950	\$ 422,450	-2.0%
Expenditures, net of Revenues	\$ -	\$ (24,040)	\$ (113)	\$ (94)	-99.6%

BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

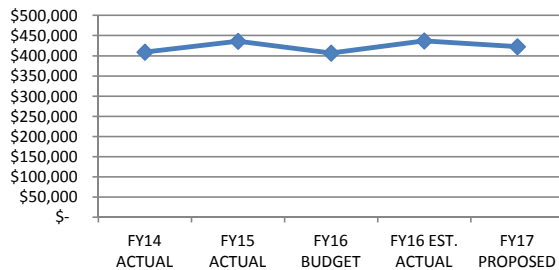
Adopted FY16 to Estimated Actual FY16

Total Expenditures reflect a 7.4% or a \$30K increase from the adopted budget to estimated actual for FY16. This variance resulted from costs associated with hiring part-time staff to backfill for a full-time staff member who was out on leave as well as the overtime costs and the additional expenses incurred from contracting services with ActiveNet to use the software to record Golf transactions. Operating revenue is projected to be \$6K higher than FY16 budget due to anticipated increased revenue from tournaments and specials. Overall departmental revenue is expected to be \$954 or 0.2% higher than FY15 actual.

Adopted FY16 to Proposed FY17

In total, personnel expenditures are planned to increase by 1.7%. Benefit expenses include an increase of 4.4% or \$3,519. Other general expenses are expected to increase by \$2,000 or 4.7%. This increase is a result of the investments the Golf Course continues to make in capital improvements. Departmental revenue reflects a total decrease of 2.0% or \$8,410 which reflects no additional contributions to the Golf Course Net capital improvement project (CIP) in FY17.

Total Expenditures History



STAFFING SUMMARY

	FY16			
	FY15	Budg	Est Act	FY17
Full time	2.53	2.52	2.52	2.52
Less: Unfunded	0.00	0.00	0.00	0.00
Staffing Total	2.53	2.52	2.52	2.52
Part time	1.00	2.00	2.00	1.00
Part time Seasonal	2.00	2.00	2.00	3.00
Total Part time	3.00	4.00	4.00	4.00

GOLF COURSE FUND - COMPARATIVE INCOME STATEMENT
FISCAL YEAR 2016/2017

ACCOUNT DESCRIPTION	2014/15	2015/16		2016/17	2016/17
	ACTUAL	BUDGET	EST. ACTUAL	PROPOSED	% CHANGE
OPERATING REVENUES					
Green Fees	\$ 80,981	\$ 84,500	\$ 80,000	\$ 80,000	-5.3%
Cart Rentals	35,416	43,600	35,000	35,000	-19.7%
Tournaments and Specials	75,325	58,000	78,000	78,000	34.5%
Other Revenues	17,959	29,750	28,950	29,450	-1.0%
Total Operating Revenues	209,681	215,850	221,950	222,450	3.1%
OPERATING EXPENSES					
Operating Expenses	396,241	363,820	393,837	377,356	3.7%
Depreciation	35,273	43,000	43,000	45,000	4.7%
Total Operating Expenses	431,514	406,820	436,837	422,356	3.8%
Operating Income (Loss)	(221,833)	(190,970)	(214,887)	(199,906)	4.7%
NONOPERATING REVENUES (EXPENSES)					
Interest Earned	2	10	-	-	-100.0%
Gain (Loss) on Capital Assets	(4,482)	-	-	-	0.0%
Total Other Income (Expense)	(4,480)	10	-	-	-100.0%
TRANSFERS FROM (TO) OTHER FUNDS					
Transfers from General Fund	226,313	195,000	195,000	200,000	2.6%
Total Transfers From (To) Funds	226,313	195,000	195,000	200,000	2.6%
CAPITAL CONTRIBUTIONS					
Capital Contributions	-	20,000	20,000	-	-100.0%
Total Capital Contributions	-	20,000	20,000	-	-100.0%
Increase (Decrease) in Retained Earnings	-	24,040	113	94	-99.6%
Add Back Depreciation	35,273	43,000	43,000	45,000	4.7%
Capital Outlay/Fixed Assets	(43,346)	(55,191)	(51,771)	(35,000)	-36.6%
Changes in Working Capital	20,208	-	-	-	0.0%
Net Sources (Uses) of Cash	\$ 12,135	\$ 11,849	\$ (8,658)	\$ 10,094	-14.8%
Beginning Fund Balance	\$ 534,917	\$ 534,917	\$ 534,917	\$ 535,030	0.0%
Ending Fund Balance	\$ 534,917	\$ 558,957	\$ 535,030	\$ 535,124	-4.3%

GOLF COURSE FUND - PROPOSED OPERATING REVENUES
FISCAL YEAR 2016/2017

ACCOUNT DESCRIPTION	2014/15	2015/16		2016/17	2016/17
	ACTUAL	BUDGET	EST. ACTUAL	PROPOSED	% CHANGE
GREENS REVENUES					
Greens Fees-Weekday,Senior,9-Hole	5,935	12,000	-	-	-100.0%
Greens Fees-Weekday,Senior,18-Hole	1,629	3,500	-	-	-100.0%
Greens Fees-Weekday,Regular,9-Hole	45,838	23,000	80,000	80,000	247.8%
Greens Fees-Weekday,Regular,18-H	2,354	7,500	-	-	-100.0%
Greens Fees-Weekend/Holiday	21,692	35,000	-	-	-100.0%
Season Pass-Senior Individual	-	1,500	-	-	-100.0%
Season Pass- Regular Individual	3,533	2,000	-	-	-100.0%
Total Greens Revenues	80,981	84,500	80,000	80,000	-5.3%
GOLF CART REVENUES					
Cart Rentals-1/2 Price Senior, 9-Hole	3,280	7,000	-	-	-100.0%
Cart Rentals-1/2 Price Senior, 18-Hole	1,652	4,000	-	-	-100.0%
Cart Rentals-Regular, 9-Holes	14,288	-	35,000	35,000	100.0%
Cart Rentals-1/2 Price, 9-Holes	9,028	18,000	-	-	-100.0%
Cart Rentals-1/2 Price, 18-Holes	6,898	14,000	-	-	-100.0%
Pull Cart Rentals	270	600	-	-	-100.0%
Total Golf Cart Revenues	35,416	43,600	35,000	35,000	-19.7%
TOURNAMENTS & SPECIALS	75,325	58,000	78,000	78,000	34.5%
OTHER REVENUES					
Rental of Golf Clubs	240	600	-	-	-100.0%
Contributions/Other Sponsorships	75	250	250	250	0.0%
Tee Marker/Scorecard Sponsorship	-	4,000	2,000	2,000	-50.0%
Golf Course Concession Revenues	2,882	3,500	4,000	4,000	14.3%
Golf Course Vending Revenues	8,105	9,000	9,000	9,000	0.0%
Golf Card Revenues	100	400	-	-	-100.0%
Gift Certificate Revenues	240	-	100	100	100.0%
Golf Course Alcohol Revenues	8,118	8,000	9,500	10,000	25.0%
Miscellaneous Golf Revenues	(1,801)	4,000	4,100	4,100	2.5%
Total Other Revenues	17,959	29,750	28,950	29,450	-1.0%
Total Operating Revenues	\$ 209,681	\$ 215,850	\$ 221,950	\$ 222,450	3.1%

GOLF COURSE FUND CAPITAL EXPENSES
FISCAL YEAR 2016/2017

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
Golf Course -Vehicles/Equipment-C0395 Replace 1995 Pickup #332 (\$35,000)	Vehicle and Equipment Replacement Schedule	Replace deteriorated equipment. Maintain reliable and efficient equipment necessary to operate and maintain golf course.	35,000
TOTAL CAPITAL OUTLAY			\$ 35,000

PROPERTY MANAGEMENT FUND - PROGRAM DESCRIPTION
FISCAL YEAR 2016/2017

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, 36 - 40 North Potomac Street (Studios on NoPo) 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 based on square footage .

DEPARTMENT / PROGRAM OBJECTIVES

- The City acquired 60 W. Washington Street in FY11 and initiated the renovation of the building. The renovations of the business incubator space have been completed utilizing funds from a USDA RBEG Grant and the building is now fully renovated. This space will be used as a business resource center for entrepreneurs and growing businesses. In 2016, the space will be furnished and fitted-out for this function. Operations and programming planning will be completed and the business resource center will open. The name "BuroBox" which translates to "OfficeBox" is representative of Hagerstown's German roots. The front retail space is currently available for lease and it is anticipated that the space will be leased in 2016. The rear classroom and office space remains occupied by USMH.
- The City acquired 36-40 N. Potomac Street in FY12 utilizing CDBG funds. The residential renovations in 2013 created four studio apartment units on the upper floors and all apartments are currently leased. CDBG funds and Community Legacy funds were used to complete the residential portion of the project. The art gallery renovations, funded with Economic Redevelopment and Citi Foundation Grant funds, were completed in 2015 and the gallery is now operational.
- Planned repairs to the Elizabeth-Hager Center include leasehold improvements and continued replacement of HVAC units.

PERFORMANCE INDICATORS

	2014/15	2015/16	2016/17
Number of leases -			
Elizabeth-Hager Center	6	7	7
Roslyn Building	2	2	2
Fire Police Headquarters	1	1	1
Small Business Incubator (60 W. Washington St)	3	1	1
36-40 North Potomac Street	5	5	3
Alms House	0	0	0

PROPERTY MANAGEMENT FUND - PROGRAM DESCRIPTION
FISCAL YEAR 2016/2017

EXPENDITURE AND REVENUE SUMMARY

	2014/15 ACTUAL	2015/16 BUDGET	2015/16 EST. ACTUAL	2016/17 PROPOSED	2016/17 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	\$ 66,433	\$ 98,016	\$ 84,750	\$ 84,357	-13.9%
Benefits	25,463	27,733	23,609	27,458	-1.0%
Personnel Subtotal	91,896	125,749	108,359	111,815	-11.1%
Contractual Services	28,009	27,818	23,399	25,552	-8.1%
Operating Expenditures	264,551	321,169	334,359	328,036	2.1%
Operating Cap Exp (Cap Outlay)	5,682	-	9,511	-	0.0%
Other General Expenses	592,940	499,277	159,664	414,611	-17.0%
Operating Subtotal	891,182	848,264	526,933	768,199	-9.4%
Total Expenditures	\$ 983,078	\$ 974,013	\$ 635,292	\$ 880,014	-9.7%
REVENUES BY TYPE					
Departmental Revenue	470,324	367,738	421,220	330,524	-10.1%
Total Revenues	\$ 470,324	\$ 367,738	\$ 421,220	\$ 330,524	-10.1%
Expenditures, net of Revenues	\$ 512,754	\$ 606,275	\$ 214,072	\$ 549,490	-9.4%

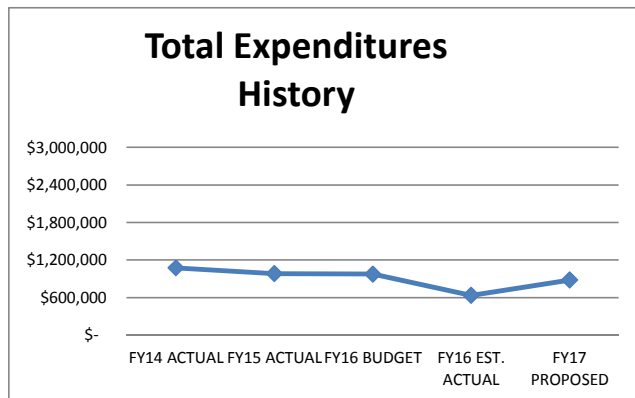
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY16 to Estimated Actual FY16

Salaries and wages are expected to be \$13K or 14% under budget as a result of a full-time staff member retiring at the end of FY15. Additionally, overall personnel expenditures are under budget by \$17K or 14%. Operating expenditures are anticipated to be significantly under budget by \$321K or 38% due to a \$365K CIP fund transfer for the Hagerstown Cultural Trail that was recorded in the FY16 budget, however, this transfer is not expected to occur until FY17.

Adopted FY16 to Proposed FY17

Salaries and Wages are projected to decrease by 13.9% or \$14K in FY17 with overall personnel expenditures expected to decrease by 11.1% or \$14K due to staff resignations, elimination of positions or regrading positions to a lower grade which will result in less expenses for FY17. Contracted services will decrease by 8.1% or \$2K for FY17 due to anticipating less service calls to 60 W. Washington. Operating Expenditures are planned to decrease by \$80K or 9.4% as a result of a CIP transfer for the Hagerstown Cultural Trail in FY17 in the amount of \$280K compared to \$365K in FY16 budget. In addition, departmental revenues are expected to decrease by 10.1% or \$37K due to the City Ballet relocation in FY16 and the National Institute of Standards and Technology (NIST) lease expiring 6/30/16.



STAFFING SUMMARY

	FY15	FY16 Budget	FY16 Est Act	FY17
Full time	0.90	1.10	1.10	0.90
Less: Unfunded	-	-	-	-
Staffing Total	0.90	1.10	1.10	0.90
Part time	1.00	1.00	1.00	1.00
Total Part time	1.00	1.00	1.00	1.00

PROPERTY MANAGEMENT FUND - COMPARATIVE INCOME STATEMENT
FISCAL YEAR 2016/2017

ACCOUNT DESCRIPTION	2014/15 ACTUAL	2015/16		2016/17 PROPOSED	2016/17 % CHANGE
		BUDGET	EST. ACTUAL		
OPERATING REVENUES					
Rent from Tenants	\$ 311,289	\$ 357,738	\$ 359,646	\$ 316,324	-11.6%
Other Revenues	43,861	-	-	4,200	100.0%
Total Operating Revenues	355,150	357,738	359,646	320,524	-10.4%
OPERATING EXPENSES					
Selling, General and Administrative Expenses	390,139	474,736	475,628	465,403	-2.0%
Depreciation	126,730	132,000	132,000	132,000	0.0%
Total Operating Expenses	516,869	606,736	607,628	597,403	-1.5%
Operating Income (Loss)	(161,719)	(248,998)	(247,982)	(276,879)	11.2%
NON-OPERATING REVENUES (EXPENSES)					
Interest Earned	16,816	10,000	10,050	10,000	0.0%
Interest (Expense)	(1,503)	(2,277)	(2,664)	(2,611)	14.7%
Gain (Loss) on Capital Assets	(101,755)	-	-	-	0.0%
Total Other Income (Expense)	(86,442)	7,723	7,386	7,389	-4.3%
Net Income (Loss) Before Transfers	(248,161)	(241,275)	(240,596)	(269,490)	11.7%
TRANSFERS FROM (TO) OTHER FUNDS					
Transfers to General Fund	(240,105)	-	-	-	0.0%
Transfers to Capital Improvement Fund	-	(365,000)	-	(280,000)	-23.3%
Transfers to Econ Redevelopment	(122,846)	-	(25,000)	-	0.0%
Transfers from Econ Redevelopment	47,248	-	-	-	0.0%
Total Transfers From (To) Funds	(315,703)	(365,000)	(25,000)	(280,000)	-23.3%
CAPITAL CONTRIBUTIONS					
Grants in Aid of Construction	51,110	-	51,524	-	0.0%
Total Capital Contributions	51,110	-	51,524	-	0.0%
Increase (Decrease) in Retained Earnings	(512,754)	(606,275)	(214,072)	(549,490)	-9.4%
Add Back Depreciation	126,730	132,000	132,000	132,000	0.0%
Capital Outlay/Fixed Assets	(221,274)	(135,000)	(52,772)	(162,000)	20.0%
Repayment of Principal	-	(5,500)	(3,429)	(3,304)	-39.9%
Changes in Working Capital	104,213	-	-	-	0.0%
Bond Proceeds	100,000	-	-	-	0.0%
Net Sources (Uses) of Cash	\$ (403,085)	\$ (614,775)	\$ (138,273)	\$ (582,794)	-5.2%
Beginning Fund Balance	\$ 5,780,787	\$ 5,268,033	\$ 5,268,033	\$ 5,053,961	-4.1%
Ending Fund Balance	\$ 5,268,033	\$ 4,661,758	\$ 5,053,961	\$ 4,504,471	-3.4%

PROPERTY MANAGEMENT FUND - PROPOSED OPERATING REVENUES
FISCAL YEAR 2016/2017

ACCOUNT DESCRIPTION	2014/15 ACTUAL	2015/16		2016/17 PROPOSED	2016/17 % CHANGE
		BUDGET	EST. ACTUAL		
Rent - 2-6 N Potomac Street, 1st Floor	\$ 148,369	161,530	161,530	161,530	0.0%
Rent - 14 N Potomac Street, Suite 200A/B	33,620	33,620	33,620	20,400	-39.3%
Rent - 14 N Potomac Street, Suite B-2	27,063	27,000	27,000	-	-100.0%
Rent - 12 Public Square	(2,400)	-	-	-	0.0%
Rent - 6 N Potomac Street	18,600	18,600	18,895	19,306	3.8%
Rent - 14 N Potomac Street, Suite B-3	25,097	27,222	29,222	29,222	7.3%
Rent - 10 Public Square (Common Area)	(222)	-	-	-	0.0%
Rent - 17 E Franklin Street	8,400	8,400	8,926	9,188	9.4%
Rent - 14 N Potomac Suite 200B Rm 59	2,528	2,334	2,334	2,334	0.0%
Rent - 60 W Wash Ste 102	(1,175)	-	-	-	0.0%
Rent - 790-800 Potomac Avenue	13,668	13,000	13,000	13,000	0.0%
Rent - 40 N Potomac Street	(15,299)	19,126	19,129	19,704	3.0%
Rent - 60 W Washington St Rear	30,240	30,240	30,240	30,240	0.0%
Rent - 38 N Potomac Street	22,800	16,666	15,750	11,400	-31.6%
Total Rent from Tenants	311,289	357,738	359,646	316,324	-11.6%
Contributions/Donations	50,000				
Other Revenues	(6,139)	-	-	4,200	100.0%
Total Other Revenues	43,861	-	-	4,200	100.0%
Total Operating Revenues	\$ 355,150	\$ 357,738	\$ 359,646	\$ 320,524	-10.4%

BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY16 to Estimated Actual FY16

Rental income from tenants is only anticipated to be \$1K higher than FY16 budget primarily due to several buildings being sold in FY14 which in turn has eliminated rental income. There will be no other revenues for FY16 budget and FY16 estimated actual.

Adopted FY16 to Proposed FY17

The FY17 budget was prepared to incorporate the changes that occurred in FY16 into the budget. The total rents from tenants will decrease by 11.6% or \$41,414 as a result of the City Ballet School relocating to another location in FY16 and NIST lease in the amount of \$13,220 expires in FY16.

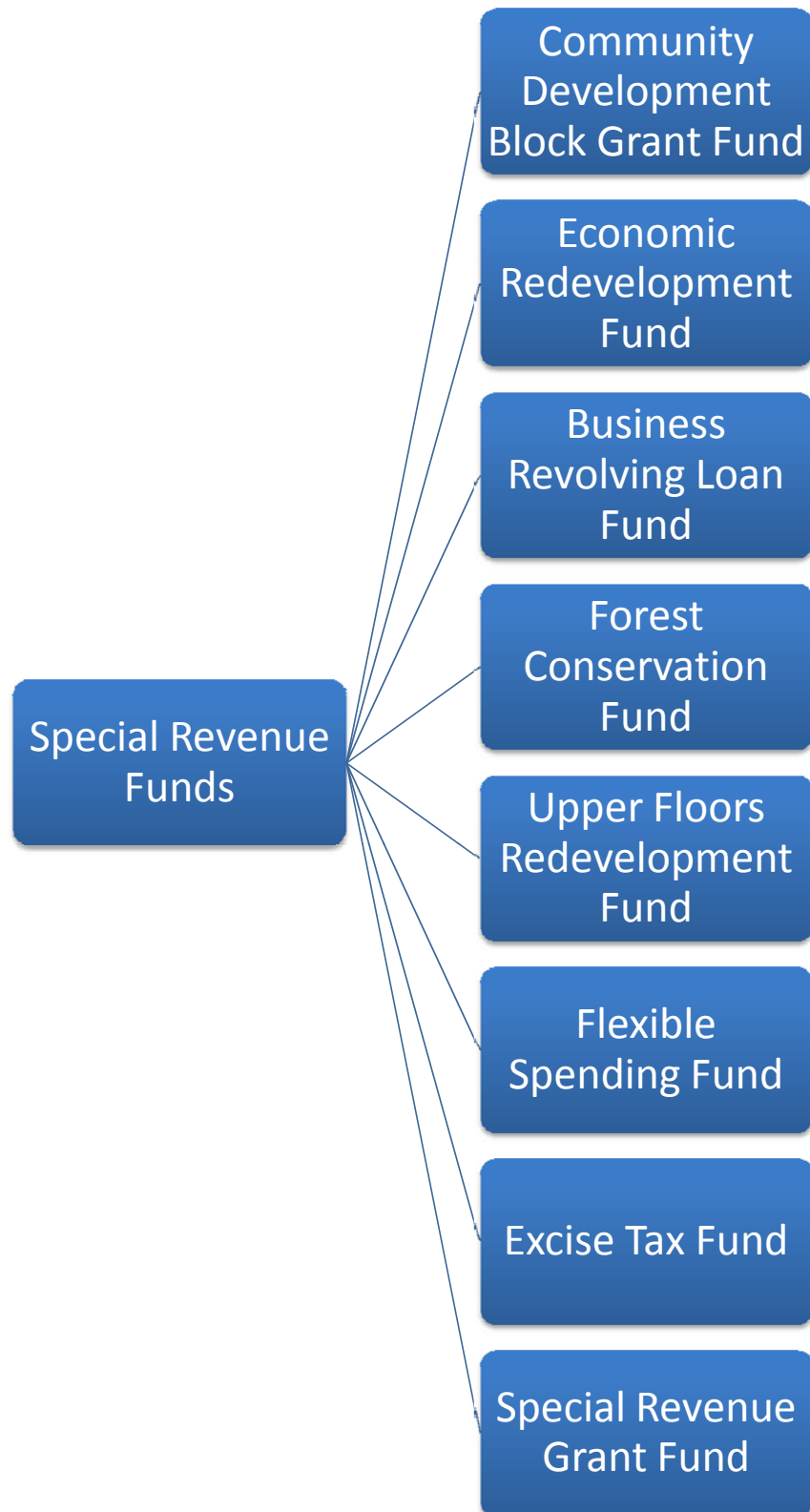
PROPERTY MANAGEMENT FUND CAPITAL EXPENSES
FISCAL YEAR 2016/2017

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
Roslyn Building Renovation-C0779 Replacement of 66 windows (\$100,000)	Building Renovation	Wood windows have deteriorated including many window sills along the East and South sides of the building. Need is immediate.	100,000
Elizabeth Hager Center-C0803 Replace floor tile and subfloor in DLLR Main Lobby. Replace (1) rear window and (2) front windows.	Floor and Window Replacement	The subfloor is failing causing the VCT floor tile to warp and no longer adhere. Original windows no longer function.	45,000
TOTAL CAPITAL OUTLAY			\$ 145,000

SPECIAL REVENUE FUNDS
SECTION 5

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SPECIAL REVENUE FUNDS -COMBINED STATEMENT OF REVENUES AND EXPENDITURES
FISCAL YEAR 2016/2017

ACCOUNT DESCRIPTION	CDBG	ECONOMIC REDEV	BUS. REVOLV LOAN FUND	FOREST CONSERV FUND	UPPER FL REDEVELOP FUND	FLEXIBLE SPENDING	EXCISE TAX	SPECIAL REVENUE GRANT	TOTAL
REVENUES									
Grant Revenues	\$ 1,104,189	\$ 172,680	-	\$ -	\$ -	\$ -	\$ -	\$ 302,019	\$ 1,578,888
Program Income	238,096	-	15,000	-	-	-	-	-	253,096
Interest on Investments	-	-	-	-	-	20	75	-	95
Reforestation Fees	-	-	-	12,500	-	-	-	-	12,500
Other Revenues	-	21,600	-	-	-	5,800	-	-	27,400
Total Revenues	1,342,285	194,280	15,000	12,500	-	5,820	75	302,019	1,871,979
EXPENDITURES									
New Loan Expenditures	-	-	100,000	-	-	-	-	-	100,000
Public Facilities and Improvements	455,000	-	-	-	-	-	-	-	455,000
Public Services	100,000	-	-	-	-	-	-	-	100,000
Housing	562,505	-	-	-	-	-	-	-	562,505
Administration	154,553	21,587	14,097	-	-	8,296	-	-	198,533
Public Safety	-	-	-	-	-	-	-	353,220	353,220
Comm First Third Grant:Invest Hagerstown	-	400,000	-	-	-	-	-	-	400,000
Downtown Rental Prog:Invest Hagerstown	-	17,600	-	-	-	-	-	-	17,600
City-wide Residency Prog:Invest Hagerstown	-	2,431	-	-	-	-	-	-	2,431
PEP Subsidized Rent Payments	-	100,000	-	-	-	-	-	-	100,000
USMH Housing Catalyst #3	-	21,500	-	-	-	-	-	-	21,500
Total Expenditures	1,272,058	563,118	114,097	-	-	8,296	-	353,220	2,310,789
Excess of Revenues Over (under) Expenditures	70,227	(368,838)	(99,097)	12,500	-	(2,476)	75	(51,201)	(438,810)
OTHER FINANCING USES									
Operating Transfers In	-	100,000	-	-	-	-	-	-	100,000
General FB Transfers (In) Invest Hagerstown	-	420,031	-	-	-	-	-	-	420,031
Operating Transfers (Out)	-	-	-	-	-	-	(260,000)	-	(260,000)
Total Other Financing Uses	-	520,031	-	-	-	-	(260,000)	-	260,031
Net Change in Fund Balance	70,227	151,193	(99,097)	12,500	-	(2,476)	(259,925)	(51,201)	(178,779)
Beginning Fund Balance	2,717,952	1,225,152	917,015	11,374	50,664	11,046	307,125	163,845	5,404,173
Ending Fund Balance	\$ 2,788,179	\$ 1,376,345	\$ 817,918	\$ 23,874	\$ 50,664	\$ 8,570	\$ 47,200	\$ 112,644	\$ 5,225,394

COMMUNITY DEVELOPMENT BLOCK GRANT - PROGRAM DESCRIPTION
FISCAL YEAR 2016/2017

DEPARTMENT / PROGRAM OVERVIEW

The Department of Community and Economic Development (DCED) administers the City's Community Development Block Grant Program (CDBG). The primary objective of the CDBG Program is the development of a viable urban community.

Hagerstown is an entitlement grantee under the CDBG Entitlement Program. Entitlement grantees receive an annual allocation of 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's entitlement has been reduced by approximately 40% when compared to past entitlements. The entitlement amount for FY17 is estimated to be \$600,000. This amount is approximately \$41,000 less than the FY16 entitlement amount and continues the trend of reduced entitlements to the CDBG program.

DEPARTMENT / PROGRAM OBJECTIVES

- Consistent with the National Objectives, the FY17 CDBG budget concentrates funds on neighborhood based projects that improve the housing stock and enhance the quality of life for Hagerstown residents. Current and future Community Development projects are being implemented to enhance the City's urban core and strengthen neighborhoods throughout the City. Housing programs include funding for both private/public partnership projects and City sponsored projects.

- The DCED works in cooperation with other City Departments to carry out neighborhood based projects. Proposed Public Facility projects to be carried out in cooperation with the Department of Parks & Engineering for FY17 include:

Creation of urban parks

Sidewalk accessibility ramp construction

In addition to the above activities, DCED will continue to partner with multiple City Departments and private property owners to carry out various projects and initiatives that will enhance the downtown and neighborhoods City-wide.

- The FY17 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

	2014/15	2015/16	2016/17
Number of Active Loans Outstanding	27	27	30
Value of Active Loans Portfolio (\$000)	\$ 1,549	\$ 1,553	\$ 1,650
City Center Residency - Down Payment/Rehab Cases	1	6	2
City Center Residency - New Rental Subsidy Units	2	16	5
City-Wide Down Payment/Rehab Cases	3	21	4
CDBG Single Family Rehabilitation Projects	14	9	15
Citizens Assisted Through Public Services	794	703	800
Overall Low/Moderate Benefit Ratio (%)	93.4%	84.82%	80.0%
Total Administrative Costs as Percent of Total Expenditures	20.0%	20.0%	20.0%

COMMUNITY DEVELOPMENT BLOCK GRANT - PROGRAM FINANCIAL SUMMARY
FISCAL YEAR 2016/2017

EXPENDITURE SUMMARY

	2014/15 ACTUAL	2015/16 BUDGET	2015/16 EST. ACTUAL	2016/17 PROPOSED	2016/17 % CHANGE
Commercial/Industrial Improvements	\$ 96,909	\$ 160,000	\$ 205,000	\$ -	-100.0%
Clearance and Demolition	2,580	-	-	-	0.0%
Public Facilities and Improvements	123,835	360,000	85,000	455,000	26.4%
Public Services	99,625	105,000	99,300	100,000	-4.8%
Cost of Properties Held for Resale	193,613	-	-	-	0.0%
Housing Rehab	146,570	559,000	564,568	562,505	0.6%
Administration	475,681	163,738	128,906	154,553	-5.6%
Total Expenditures	\$ 1,138,813	\$ 1,347,738	\$ 1,082,774	\$ 1,272,058	-5.6%

BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY16 to Estimated Actual FY16

CDBG funded Homeownership projects and Neighborhood Park projects will span multiple fiscal years resulting in some expenditures carrying over to FY17.

In FY16, funding was provided for a part-time inspector position focused on improving the quality of life in City neighborhoods. Funding for this position is included in the FY17 budget.

Administrative and Personnel costs associated with various activities will remain under the regulatory cap of 20%.

A cooperative effort with the Parks & Engineering Department lead to the following neighborhood based projects in FY16:

- o Accessibility Ramp Improvements
- o Downtown Sidewalk Cellar Door Replacement
- o Exterior improvements to 170 West Washington Street

In FY14, the Mayor and City Council created the City-Wide Down Payment and Rehabilitation Program. Through February of 2015, this impactful program has assisted twelve (12) homeowners with transforming a vacant home into an owner-occupied residence.

In FY14, the Mayor and City Council also adopted the First Third Grant Program. This unique program offers substantial City incentives for commercial redevelopment, and mixed-use redevelopment. Through calendar year 2014, a total of five (5) projects have been approved for First Third funding resulting in an estimated \$1,900,000 of total investment City-wide.

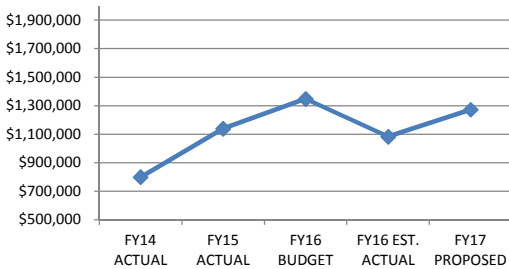
Adopted FY16 to Proposed FY17

The City is anticipating a slight increase in annual FY17 CDBG entitlement funds from HUD. Although the annual entitlement for FY17 is slightly more than FY16, total expenditure amounts when comparing FY16 and FY17 will be fairly level and reflect a slight decrease as a result of projects and actual spending spanning multiple fiscal years.

The FY17 budget includes funds for moving forward with several initiatives in the Strategic Plan and the Community's City Center Plan including creation of Neighborhood Parks, various Neighborhood Improvements, and Homeownership Acquisition and Resale projects.

In cooperation with multiple City departments, community partners, and Neighborhood 1st groups, efforts will be made to carry out neighborhood based projects throughout the City. This includes projects being carried out with or without CDBG funding.

**Total Expenditures
History**



STAFFING SUMMARY

	FY16			
	FY15	Budget	Est Act	FY17
Full time	2.21	2.01	2.01	2.00
Less: Unfunded	0.0	0.0	0.0	0.0
Staffing Total	2.21	2.01	2.01	2.00

Full time employee count will remain flat for FY17.

COMMUNITY DEVELOPMENT BLOCK GRANT - COMPARATIVE INCOME STATEMENT
FISCAL YEAR 2016/2017

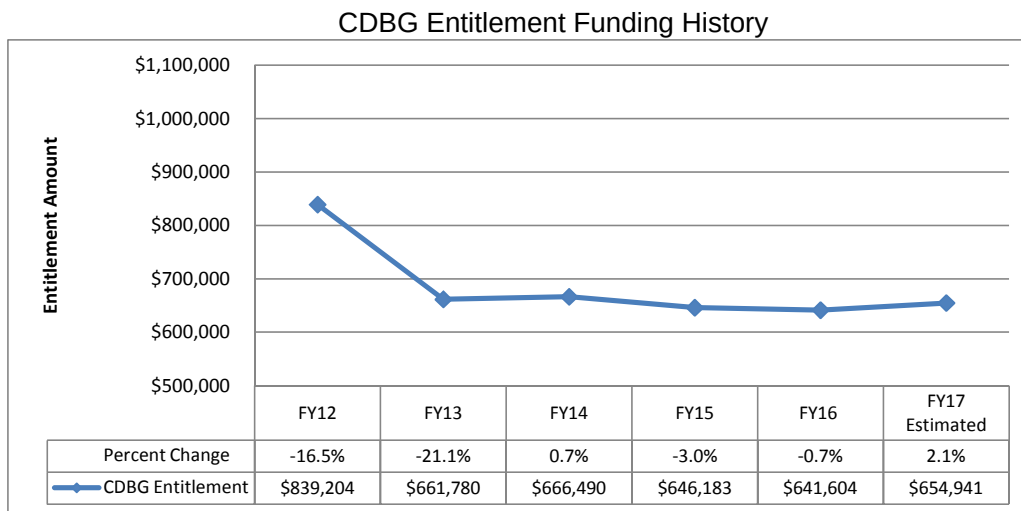
ACCOUNT DESCRIPTION	2014/15 ACTUAL	2015/16		2016/17 PROPOSED	2016/17 % CHANGE
		BUDGET	EST. ACTUAL		
REVENUES					
CDBG Grant Entitlements	\$ 657,552	\$ 1,117,183	\$ 963,292	\$ 1,104,189	-1.2%
Program Income	402,807	231,964	119,482	238,096	2.6%
Other Revenues	2,404	1,500	-	-	-100.0%
Total Operating Revenues	1,062,763	1,350,647	1,082,774	1,342,285	-0.6%
EXPENDITURES					
Commercial/Industrial Improvements	\$ 96,909	\$ 160,000	\$ 205,000	\$ -	-100.0%
Clearance and Demolition	2,580	-	-	-	0.0%
Public Facilities and Improvements	123,835	360,000	85,000	455,000	26.4%
Public Services	99,625	105,000	99,300	100,000	-4.8%
Cost of Properties Held for Resale	193,613	-	-	-	0.0%
Housing Rehab	146,570	559,000	564,568	562,505	0.6%
Administration	475,681	163,738	128,906	154,553	-5.6%
Total Operating Expenditures	1,138,813	1,347,738	1,082,774	1,272,058	-5.6%
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER USES					
	\$ (76,050)	\$ 2,909	\$ -	\$ 70,227	2314.1%
Beginning Fund Balance	2,794,002	2,717,952	2,717,952	2,717,952	0.0%
Ending Fund Balance	\$ 2,717,952	\$ 2,720,861	\$ 2,717,952	\$ 2,788,179	2.5%

COMMUNITY DEVELOPMENT BLOCK GRANT - PROPOSED OPERATING REVENUES
FISCAL YEAR 2016/2017

ACCOUNT DESCRIPTION	2014/15	2015/16		2016/17	2016/17
	ACTUAL	BUDGET	EST. ACTUAL	PROPOSED	% CHANGE
CDBG GRANT ENTITLEMENTS					
B12 Entitlement	115,816	-	-	-	0.0%
B13 Entitlement	541,736	-	124,753	-	0.0%
B14 Entitlement	-	476,183	646,183	-	-100.0%
B15 Entitlement	-	641,000	192,356	449,248	-29.9%
B15 Entitlement	-	-	-	654,941	100.0%
Total CDBG Grant Entitlements	657,552	1,117,183	963,292	1,104,189	-1.2%
PROGRAM INCOME					
Sale of Properties	-	75,000	-	125,000	66.7%
Principal Repayments on Loans	359,073	105,759	86,030	80,163	-24.2%
Interest Income on Loans	43,734	51,205	33,452	32,933	-35.7%
Total Program Income	402,807	231,964	119,482	238,096	2.6%
OTHER REVENUES					
Administrative Fee Revenues	2,404	1,500	-	-	-100.0%
Total Other Revenues	2,404	1,500	-	-	-100.0%
Total Operating Revenues	\$ 1,062,763	\$ 1,350,647	\$ 1,082,774	\$ 1,342,285	-0.6%

The CDBG Entitlement Funding History graph and chart below illustrate the CDBG Entitlement current year amounts awarded to the City for FY12–FY16, and the CDBG Entitlement amount estimated to be awarded to the City for FY17. 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, the amount of Federal funding awarded to the City for CDBG Entitlement funds has remained relatively steady after sharp declines in FY12 and FY13. The FY14 entitlement was a slight increase from FY13 with reductions in funding in FY15 and FY16. In FY17, the City anticipates a 2.1% increase in the awarded funds over FY16.



COMMUNITY DEVELOPMENT BLOCK GRANT - PROPOSED OPERATING EXPENSES
FISCAL YEAR 2016/2017

ACCOUNT DESCRIPTION	2014/15 ACTUAL	2015/16		2016/17 PROPOSED	2016/17 % CHANGE
		BUDGET	EST. ACTUAL		
COMMERCIAL/INDUSTRIAL IMPROVEMENTS					
Commercial Rehab-Cellar Doors	41,986	30,000	30,000	-	-100.0%
Commercial Rehabilitation	-	130,000	175,000	-	-100.0%
Commercial Rehab-City Owned Property	54,923	-	-	-	0.0%
Total Commercial/Industrial Improvements	96,909	160,000	205,000	-	-100.0%
CLEARANCE & DEMOLITION					
City - Downtown Buildings	2,580	-	-	-	0.0%
Total Clearance & Demolition	2,580	-	-	-	0.0%
COST OF PROPERTIES HELD FOR RESALE					
	193,613	-	-	-	0.0%
PUBLIC FACILITIES & IMPROVEMENTS					
Handicap Ramps	78,581	75,000	75,000	90,000	20.0%
Street Construction	-	35,000	-	-	-100.0%
Park Circle Improvements	(750)	-	-	-	0.0%
Neighborhood Parks	46,004	250,000	10,000	240,000	-4.0%
Loans	-	-	-	125,000	100.0%
Total Public Facilities & Improvements	123,835	360,000	85,000	455,000	26.4%
PUBLIC SERVICES					
Public Services	-	5,700	-	100,000	1654.4%
Community Free Clinic	39,058	39,000	39,000	-	-100.0%
Food & Friends	4,539	-	-	-	0.0%
Girl's Inc Supper Program	8,358	8,300	8,300	-	-100.0%
Children in Need	4,939	4,900	4,900	-	-100.0%
Senior Living Alternative Meals	42,731	42,500	42,500	-	-100.0%
CAC Financial Literacy	-	4,600	4,600	-	-100.0%
Total Public Services	99,625	105,000	99,300	100,000	-4.8%

COMMUNITY DEVELOPMENT BLOCK GRANT - PROPOSED OPERATING EXPENSES
FISCAL YEAR 2016/2017

ACCOUNT DESCRIPTION	2014/15	2015/16		2016/17	2016/17
	ACTUAL	BUDGET	EST. ACTUAL	PROPOSED	% CHANGE
HOUSING REHAB					
Res Single Fam Emergency Repair	27,923	30,000	30,000	25,000	-16.7%
Homeownership Program	22,376	20,000	20,000	10,000	-50.0%
Habitat Repair Program	-	-	-	18,000	100.0%
Commission on Aging	11,357	18,000	18,000	18,000	0.0%
Direct Home Assistance	77	-	-	-	0.0%
HNDP Downpayment & Settlement	14,000	18,000	18,000	21,000	16.7%
Single Family Loan Program	51,950	50,000	50,000	75,000	50.0%
Residential Rental Rehabilitation Loan	235,526	158,000	130,000	100,000	-36.7%
CDBG Administration (Residential Rental)	4,146	10,000	5,000	10,000	0.0%
CDBG Administration (Home Ownership)	21,925	15,000	5,000	10,000	-33.3%
CDBG Administration (Single Family)	10,553	10,000	5,000	10,000	0.0%
Contra Expense-Single Family Rehab	(276,977)	-	-	-	0.0%
Code Admin PT Inspector	21,083	30,000	8,568	18,564	-38.1%
Home Ownership Acq. Resale	107,506	200,000	275,000	246,941	23.5%
Contra Expense - Home Ownership Acq. Resale	(107,506)	-	-	-	0.0%
Residential Rental Rehabilitation	1,711	-	-	-	0.0%
Residential Single Family Rehabilitation	920	-	-	-	0.0%
Total Housing Rehab	146,570	559,000	564,568	562,505	0.6%
ADMINISTRATION					
Regular Wages - Salaried	94,660	107,006	55,955	100,445	-6.1%
Vacation Pay	7,561	-	-	-	0.0%
Holiday Pay	4,999	-	-	-	0.0%
Sick Leave Pay	4,315	-	-	-	0.0%
Personal Leave	1,574	-	-	-	0.0%
Overtime Pay	1,537	-	-	-	0.0%
Vacation Pay on Termination	20,581	-	-	-	0.0%
Allocated Labor - Salaried	(123,289)	(25,000)	(15,000)	(30,000)	20.0%
Office Supplies	-	500	475	450	-10.0%
Computer Software & Supplies	-	300	250	300	0.0%
Dues, Subscriptions & Periodicals	210	500	500	500	0.0%
Central Maintenance Garage	72	-	-	-	0.0%
Advertising & Printing	1,776	1,250	1,250	1,250	0.0%
Legal Fees	800	3,000	2,000	3,000	0.0%
Auditing Fees	1,875	3,592	1,856	2,442	-32.0%
Consolidated Plan	25,750	-	9,000	-	0.0%
Public Transportation Expenses	14	100	100	100	0.0%
Lodging & Meals	-	1,000	500	1,000	0.0%
Conference & Seminar Fees	-	1,000	1,425	1,000	0.0%
Postage Expenses	35	300	100	225	-25.0%
Other General Expenses	270,858	-	-	-	0.0%
Photocopy Expenses	560	250	125	200	-20.0%
Retirement Deficit Payment	9,832	10,323	10,324	10,840	5.0%
Retirement Contribution - State	14,814	13,594	13,594	12,182	-10.4%
FICA Taxes	8,658	7,536	5,600	7,048	-6.5%
Life Insurance	191	182	100	169	-7.1%
Workers Compensation	1,672	1,730	3,506	2,051	18.6%
Buildings & Contents Insurance	1,838	1,865	1,889	2,039	9.3%
Public Officials	300	310	297	330	6.5%

COMMUNITY DEVELOPMENT BLOCK GRANT - PROPOSED OPERATING EXPENSES
FISCAL YEAR 2016/2017

ACCOUNT DESCRIPTION	2014/15 ACTUAL	2015/16		2016/17 PROPOSED	2016/17 % CHANGE
		BUDGET	EST. ACTUAL		
ADMINISTRATION (continued)					
Health Insurance	25,427	22,894	22,894	26,731	16.8%
Health Insurance-Retiree	7,052	7,405	7,344	7,858	6.1%
Dental Insurance	995	784	830	665	-15.2%
General Liability Insurance	121	167	157	178	6.6%
Employee Discounted Parking	864	-	360	400	100.0%
Interest Exp. - Escrowed Taxes	164	-	-	-	0.0%
Communication Expense	3,702	1,900	1,900	1,900	0.0%
Capital Outlay - Office Furniture	-	1,250	1,575	1,250	0.0%
Office Allocation	86,163	-	-	-	0.0%
Total Administration	475,681	163,738	128,906	154,553	-5.6%
Total Expenditures	\$ 1,138,813	\$ 1,347,738	\$ 1,082,774	\$ 1,272,058	-5.6%

COMMUNITY DEVELOPMENT BLOCK GRANT FUND CAPITAL EXPENSES
FISCAL YEAR 2016/2017

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
1050001-5861 Desks, Chairs, & Tables	Office furniture, cabinets, and shelves	Replace worn equipment	\$ 250
1050001-5865 Computer Equipment	Computer equipment	Replace worn or obsolete equipment	1,000
TOTAL CAPITAL OUTLAY			\$ 1,250

OTHER SPECIAL REVENUE FUNDS - PROGRAM SUMMARY
FISCAL YEAR 2016/2017

ECONOMIC REDEVELOPMENT FUND

This fund was established to promote the revitalization of the City's downtown and older neighborhood areas. Currently the fund is being used to promote businesses and home ownership in the City Center. Additionally, this fund is used for the PEP Program, First Third Program, holding real property for resale, and related development activities. Revenues in this fund consist of periodic transfers from other funds and a proposal to transfer funds from the General Fund to assist in carrying out the strategic revitalization efforts such as building rehabilitation and/or acquisition activities.

BUSINESS REVOLVING LOAN FUND

This fund is designed to assist in the retention, expansion and attraction of businesses within the City. The Business Revolving Loan Fund was initially funded through a grant from the Maryland 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. In FY14, a partnership with the State of Maryland resulted in a State contribution of \$100,000 to the Revolving Loan Fund. In order to expand loan opportunities, the City will continue to seek funding for the Revolving Loan Fund through this partnership. For FY17, it is anticipated that program income will allow \$100,000 in new loans to be made.

UPPER FLOORS REDEVELOPMENT FUND

This fund was originally envisioned to provide assistance to install elevators and other equipment necessary to make the upper floors of existing downtown buildings attractive for residential or business use. In working to leverage funds, transfers from this fund to the Business Revolving Loan fund are being made as the required match for State of Maryland Funding to the Business Revolving Loan Program. The original purpose of this fund can be carried out through both the Business Revolving Loan Fund and other incentive programs such as the First Third Program.

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.

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's savings in social security and medicare costs from this pre-tax funding are used to pay for the program's administrative cost.

EXCISE TAX FUND

This fund accounts for the City's share of the County Excise Taxes collected by the City. Excise Tax revenue may be used only for specific purposes and is 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.

SPECIAL REVENUE GRANT FUND

In FY07 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 - PROGRAM DESCRIPTION
FISCAL YEAR 2016/2017

DEPARTMENT / PROGRAM OVERVIEW

The Economic Redevelopment Fund includes several major initiatives in the budget. The two primary initiatives are the strategic acquisition and resale projects at 170 West Washington Street and 43-53 West Washington Street.

170 West Washington Street:

A property located at the western gateway to the City Center is undergoing enhancements to remedy a blighting influence on the surrounding neighborhood and promote a more positive image of the downtown. The City of Hagerstown purchased the property at 170 West Washington Street from Frederick County Bank in March of 2013. The property had been vacant for a significant amount of time, which was impacting the immediate area, including churches and the St. Mary School. Using Economic Redevelopment funds, the City demolished the rear motel portion of the property, leveling the rear lot to make it ready for either new construction or parking, depending on a subsequent owner's needs. Roof replacement, window replacement, and exterior painting were completed in FY16. These improvements will allow the City to more effectively promote the building for redevelopment. State Community Legacy funding was matched with Economic Redevelopment funds to complete the additional exterior work.

Due to the location and historical value of the structure, this property was selected to be one of the City's strategic acquisition and redevelopment projects. The property is currently being marketed for resale back to the private sector for final redevelopment.

170 West Washington Street Funding Sources and Uses

Expenditures	FY14	FY15	FY16
Acquisition	\$ 27,500		
Demolition/Construction/Rehabilitation	\$ 87,000		\$ 238,000

Funding Sources	FY14	FY15	FY16
Economic Redevelopment	\$ 114,500		\$ 63,000
Community Legacy			\$ 150,000
Proceeds - Sale of 11-16 Public Square			\$ 25,000

43-53 West Washington Street:

Two neglected and deteriorating properties located across the street from the University System of Maryland at Hagerstown are now undergoing enhancements to create meaningful change in the downtown. In April of 2013 the City of Hagerstown purchased two buildings located at 43-53 West Washington Street (also known as the Updegraf Buildings). 43-47 West Washington Street is in significant need of repair and stabilization due to years of neglect and exposure to the elements. The City inherited a tenant, The Potomac Bead Company, in the 49-53 building, which has a complete fire suppression system and is otherwise more prepared for complete redevelopment. In 2014, the small two-story section of the rear of this building was demolished, the rear roof was replaced, and the rear wall was rebuilt.

The property presents a significant opportunity for an impactful downtown redevelopment project given its location across from the USMH campus and within the heart of the Arts and Entertainment District. The property is currently being marketed for resale back to the private sector for final redevelopment.

43-53 West Washington Street Funding Sources and Uses

Expenditures	FY13	FY14	FY15	FY16	FY17
Acquisition	\$ 320,000				
Demolition/Construction/Rehabilitation		\$ 140,550	\$ 179,352	\$ 50,000	\$ 50,000

Funding Sources	FY13	FY14	FY15	FY16	FY17
Economic Redevelopment					
Community Legacy	\$ 100,000			\$ 50,000	\$ 50,000
CDBG	\$ 220,000	\$ 140,550	\$ 57,524		
Proceeds - Sale of 11-16 Public Square			\$ 121,828		

ECONOMIC REDEVELOPMENT FUND - PROGRAM DESCRIPTION (continued)
FISCAL YEAR 2016/2017

Invest Hagerstown Program:

In order to stimulate redevelopment and investment in Hagerstown, the Mayor and City Council created multiple incentive programs under the Invest Hagerstown initiative. Each incentive program offered substantial City incentives for commercial redevelopment, mixed-use redevelopment, and residential investment. These successful programs were funded with General Fund Reserves and all program funding has been expended or committed to capacity. A funding chart and brief description of these programs are listed below.

The First Third Grant Program provided grants up to \$250,000 for eligible redevelopment projects in the City Center and up to \$50,000 eligible redevelopment projects City-wide. The City partnered with the private sector to assist in moving development forward. This program resulted in a combined private and public investment City-wide estimated at \$1,900,000. By the end of FY17, all of the funding will be expended for this program.

The City-Wide Down Payment/Rehab Incentive Program offered up to \$7,500 for homebuyers purchasing a vacant home within the City of Hagerstown. The program strengthened neighborhoods by encouraging homeownership of older structures that had been vacant for an extended period of time. By the end of FY17, all of the funding will be expended for this program..

The City Center Residency Initiative (CCRI) was created to attract a more diversified population to reside in the City Center. The program consists of two components: a down payment/rehab incentive for homebuyers and a rental subsidy for renters. In FY14, the Mayor and City Council enhanced this program by adopting more substantial incentives for each CCRI component. However, by the end of FY17 all of the funding will be expended for this program.

Invest Hagerstown Program Incentives		2013/14	2014/15	2015/16	2016/17
Expenditures	Designated	Actual	Actual	Estimated	Committed
Community First Third Grant	\$ 1,200,000	\$ 50,000	\$ 250,000	\$ 500,000	\$ 400,000
Downtown Rental Program	\$ 50,000	\$ -	\$ 16,950	\$ 15,450	\$ 17,600
Downtown Residency Program	\$ 100,000	\$ 12,550	\$ 40,000	\$ 17,450	\$ -
City-Wide Residency Program	\$ 150,000	\$ 17,000	\$ 139,997	\$ 20,572	\$ 2,431
Total Expenditures per Year	\$ 1,500,000	\$ 79,550	\$ 446,947	\$ 553,472	\$ 420,031

ECONOMIC REDEVELOPMENT FUND - PROPOSED EXPENSES AND REVENUES
FISCAL YEAR 2016/2017

ACCOUNT DESCRIPTION	2014/15	2015/16		2016/17	2016/17
	ACTUAL	BUDGET	EST. ACTUAL	PROPOSED	% CHANGE
REVENUES					
Interest on Investments	\$ 59	\$ 200	\$ -	\$ -	-100.0%
State Community Legacy Grant	-	275,000	227,320	172,680	-37.2%
Other Revenues	33,350	21,600	21,600	21,600	0.0%
Total Revenues	33,409	296,800	248,920	194,280	-34.5%
EXPENDITURES					
Administrative Expenditures	1,145	1,500	2,950	2,250	50.0%
Comm First Third Grant: Invest Hagerstown	250,000	500,000	500,000	400,000	-20.0%
Downtown Rental Prog:Invest Hagerstown	16,950	24,800	15,450	17,600	-29.0%
Downtown Rental Prog:Donation	3,750	-	-	-	0.0%
Downtown Residency Prog:Invest Hagerstown	40,000	57,450	17,450	-	-100.0%
City-Wide Residency Prog:Invest Hagerstown	139,997	31,126	20,572	2,431	-92.2%
PEP Subsidized Rent Payments	98,507	106,000	106,000	100,000	-5.7%
Incentive for Apartment Unit Reductions	-	37,500	-	-	-100.0%
Downtown Streetscape Enhancements	20,621	40,000	-	-	-100.0%
Sign and Facade Grants	19,557	-	10,000	-	0.0%
USMH Housing Catalyst #3	-	20,400	112,000	21,500	5.4%
Current Property Expenditures	15,537	122,887	19,209	19,337	-84.3%
Total Expenditures	606,064	941,663	803,631	563,118	-40.2%
OTHER FINANCING SOURCES (USES)					
Transfers from General Fund	-	100,000	100,000	100,000	0.0%
Transfers from GF Fund Bal:Invest Hagerstown	449,950	613,376	553,472	420,031	-31.5%
Transfers from CDBG Fund	57,503	-	-	-	0.0%
Transfers from Property Management Fund	122,846	-	25,000	-	0.0%
Transfers from Upper Floors Fund	-	126,000	126,000	-	-100.0%
Transfers (to) CIP Fund	-	(8,000)	-	-	-100.0%
Transfers (to) General Fund	(21,000)	(70,488)	(70,488)	-	-100.0%
Transfers (to) Property Mgmt Fund	(47,248)	-	-	-	0.0%
Total Other Financing Sources	562,051	760,888	733,984	520,031	-31.7%
Net Change in Fund Balance	(10,604)	116,025	179,273	151,193	30.3%
Beginning Fund Balance	1,056,483	1,045,879	1,045,879	1,225,152	17.1%
Ending Fund Balance	\$ 1,045,879	\$ 1,161,904	\$ 1,225,152	\$ 1,376,345	18.5%

BUSINESS REVOLVING LOAN FUND - PROPOSED EXPENSES AND REVENUES
FISCAL YEAR 2016/2017

ACCOUNT DESCRIPTION	2014/15	2015/16		2016/17	2016/17
	ACTUAL	BUDGET	EST. ACTUAL	PROPOSED	% CHANGE
REVENUES & LOAN REPAYMENTS					
Program Income:					
Interest from Loans	17,061	23,282	16,403	15,000	-35.6%
Interest on Investments	126	300	50	-	-100.0%
Miscellaneous Revenues	300	100	500	-	-100.0%
Total Revenues	17,487	23,682	16,953	15,000	-36.7%
EXPENDITURES, NEW LOANS & OTHER WORKING CAPITAL					
Salary, Wages and Benefits	79	11,534	11,505	11,501	-0.3%
Contractual Services	2,485	3,080	2,333	2,596	-15.7%
Capital Outlay	75	-	-	-	0.0%
New Loan Expenditures	10,488	150,000	150,000	100,000	-33.3%
Allowance for Uncollectible Loans	-	-	14,914	-	0.0%
Total Expenditures	13,127	164,614	178,752	114,097	-30.7%
OTHER FINANCING SOURCES (USES)					
Transfer from Upper Floors Fund	-	-	-	-	0.0%
Total Other Financing Sources	-	-	-	-	0.0%
Net Change in Fund Balance	4,360	(140,932)	(161,799)	(99,097)	-29.7%
Beginning Fund Balance	1,074,454	1,078,814	1,078,814	917,015	-15.0%
Ending Fund Balance	\$ 1,078,814	\$ 937,882	\$ 917,015	\$ 817,918	-12.8%

STAFFING SUMMARY

	FY16		FY17
	Est Act	Budget	Budget
Full time	0.16	0.16	0.15
Less: Unfunded	0.00	0.00	0.00
Staffing Total	0.16	0.16	0.15

UPPER FLOORS REDEVELOPMENT FUND - PROPOSED EXPENSES AND REVENUES
FISCAL YEAR 2016/2017

ACCOUNT DESCRIPTION	2014/15 ACTUAL	2015/16		2016/17 PROPOSED	2016/17 % CHANGE
		BUDGET	EST. ACTUAL		
REVENUES					
Interest on Investments	\$ 37	\$ 100	\$ -	\$ -	-100.0%
Total Revenues	37	100	-	-	-100.0%
EXPENDITURES					
New Loan (Grant) Expenditures	-	-	-	-	0.0%
Total Expenditures	-	-	-	-	0.0%
OTHER FINANCING SOURCES (USES)					
Transfers (to) Bus Revolving Loan Fund	-	-	-	-	0.0%
Transfers (to) Econ. Redevelopment Fund	-	(126,000)	(126,000)	-	-100.0%
Total Other Financing Sources	-	(126,000)	(126,000)	-	-100.0%
Net Change in Fund Balance	37	(125,900)	(126,000)	-	-100.0%
Beginning Fund Balance	176,627	176,664	176,664	50,664	-71.3%
Ending Fund Balance	\$ 176,664	\$ 50,764	\$ 50,664	\$ 50,664	-0.2%

FOREST CONSERVATION FUND - PROPOSED EXPENSES AND REVENUES
FISCAL YEAR 2016/2017

ACCOUNT DESCRIPTION	2014/15	2015/16		2016/17	2016/17
	ACTUAL	BUDGET	EST. ACTUAL	BUDGET	% CHANGE
REVENUES					
Reforestation Fees	\$ 30,579	\$ 40,000	\$ 10,000	\$ 12,500	-68.8%
Interest on Investments	13	20	-	-	-100.0%
Total Revenues	30,592	40,020	10,000	12,500	-68.8%
OTHER FINANCING SOURCES (USES)					
Transfers (to) CIP Fund	(72,000)	(40,000)	-	-	-100.0%
Total Other Financing Sources	(72,000)	(40,000)	-	-	-100.0%
Net Change in Fund Balance	(41,408)	20	10,000	12,500	62400.0%
Beginning Fund Balance	42,782	1,374	1,374	11,374	727.8%
Ending Fund Balance	\$ 1,374	\$ 1,394	\$ 11,374	\$ 23,874	1612.6%

EMPLOYEE FLEXIBLE SPENDING FUND - PROPOSED EXPENSES AND REVENUES
FISCAL YEAR 2016/2017

ACCOUNT DESCRIPTION	2014/15	2015/16		2016/17	2016/17
	ACTUAL	BUDGET	EST. ACTUAL	PROPOSED	% CHANGE
REVENUES					
Interest on Investments	\$ 8	\$ 20	\$ 20	\$ 20	0.0%
Employer FICA Savings	5,924	4,800	4,800	4,800	0.0%
Unreimbursed Employee Deductions	(14,941)	500	500	1,000	100.0%
Total Revenues	(9,009)	5,320	5,320	5,820	9.4%
EXPENDITURES					
Contractual Services	6,784	6,410	7,150	7,200	12.3%
Other General Expense	825	1,580	833	1,096	-30.6%
Total Expenditures	7,609	7,990	7,983	8,296	3.8%
OTHER FINANCING SOURCES (USES)					
Transfers (to) General Fund	-	-	-	-	0.0%
Total Other Financing Uses	-	-	-	-	0.0%
Net Change in Fund Balance	(16,618)	(2,670)	(2,663)	(2,476)	-7.3%
Beginning Fund Balance	30,327	13,709	13,709	11,046	-19.4%
Ending Fund Balance	\$ 13,709	\$ 11,039	\$ 11,046	\$ 8,570	-22.4%

EXCISE TAX FUND - PROPOSED EXPENSES AND REVENUES
FISCAL YEAR 2016/2017

ACCOUNT DESCRIPTION	2014/15	2015/16		2016/17	2016/17
	ACTUAL	BUDGET	EST. ACTUAL	PROPOSED	% CHANGE
REVENUES					
Interest on Investments	\$ 113	\$ 75	\$ 100	\$ 75	0.0%
Total Revenues	113	75	100	75	0.0%
OTHER FINANCING SOURCES (USES)					
Transfers (to) CIP Fund	(64,520)	(212,240)	(300,000)	(260,000)	22.5%
Total Other Financing Sources	(64,520)	(212,240)	(300,000)	(260,000)	22.5%
Net Change in Fund Balance	(64,407)	(212,165)	(299,900)	(259,925)	22.5%
Beginning Fund Balance	671,432	607,025	607,025	307,125	-49.4%
Ending Fund Balance	\$ 607,025	\$ 394,860	\$ 307,125	\$ 47,200	-88.0%

SPECIAL REVENUE GRANT FUND - PROPOSED EXPENSES AND REVENUES
FISCAL YEAR 2016/2017

ACCOUNT DESCRIPTION	2014/15	2015/16		2016/17	2016/17
	ACTUAL	BUDGET	EST. ACTUAL	PROPOSED	% CHANGE
REVENUES:					
Federal Grants	\$ 140,075	\$ 119,809	\$ 68,305	\$ 73,381	-38.8%
State Grants	395,975	320,249	235,167	228,638	-28.6%
County Grants	2,861	4,000	-	-	-100.0%
Program Income	28	-	-	-	0.0%
Other Contributions & Revenues	46	-	-	-	0.0%
Total Revenues	538,985	444,058	303,472	302,019	-32.0%
EXPENDITURES:					
Salary and Wages	95,987	205,103	119,068	167,382	-18.4%
Benefits	(8,567)	33,873	14,975	27,301	-19.4%
Overtime	81,000	161,281	92,023	91,831	-43.1%
Personnel Subtotal	168,420	400,257	226,066	286,514	-28.4%
Contractual Services	88,443	59,948	51,456	46,456	-22.5%
Commercial Rehab	40,885	-	-	-	0.0%
Operating Expenditures	28,442	2,250	2,250	-	-100.0%
Capital Outlay	81,149	19,245	22,339	20,250	5.2%
Other General Expenses	7,739	9,794	1,364	-	-100.0%
Operating Subtotal	246,658	91,237	77,409	66,706	-26.9%
TOTAL EXPENDITURES	415,078	491,494	303,475	353,220	-28.1%
OTHER FINANCING SOURCES (USES)					
Transfer from General Fund	8,816	-	-	-	0.0%
Total Other Financing Sources	8,816	-	-	-	0.0%
Net Change in Fund Balance	132,723	(47,436)	(3)	(51,201)	7.9%
Beginning Fund Balance	31,125	163,848	163,848	163,845	0.0%
Ending Fund Balance	\$ 163,848	\$ 116,412	\$ 163,845	\$ 112,644	-3.2%

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

		2016/17 PROPOSED
Police Department	FY16 Safe Streets	51,201
	FY15 JAG Program	4,131
	FY15 Bulletproof Vest Partnership Program	3,114
	FY16 Hagerstown PD MHSO Traffic Safety Program	3,769
	FY16 Lethality Assessment Coordinator	5,000
	FY17 GVRG Cease Fire	60,000
	FY17 Safe Streets	161,023
	FY16 Domestic Violence Entry	7,615
	FY16 JAG Program	12,000
	FY17 Hagerstown PD MHSO Traffic Safety Program	13,231
	FY17 Lethality Assessment Coordinator	15,000
	FY16 Bulletproof Vest Partnership Program	17,136
Total Grant Revenues		\$ 353,220

GRANT FUND CAPITAL EXPENSES
FISCAL YEAR 2016/2017

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
FY15 Bulletproof Vest Partnership 1610000-5834-G0178 Fire Arms, Body Armor	Police Use	Purchase of new body armor and bulletproof vest	3,114
Future Bulletproof Vest Partnership 1610000-5834 Fire Arms, Body Armor	Police Use	Purchase of new body armor and bulletproof vest	17,136
Total Bulletproof Vest Partnership			20,250
TOTAL CAPITAL OUTLAY			\$ 20,250

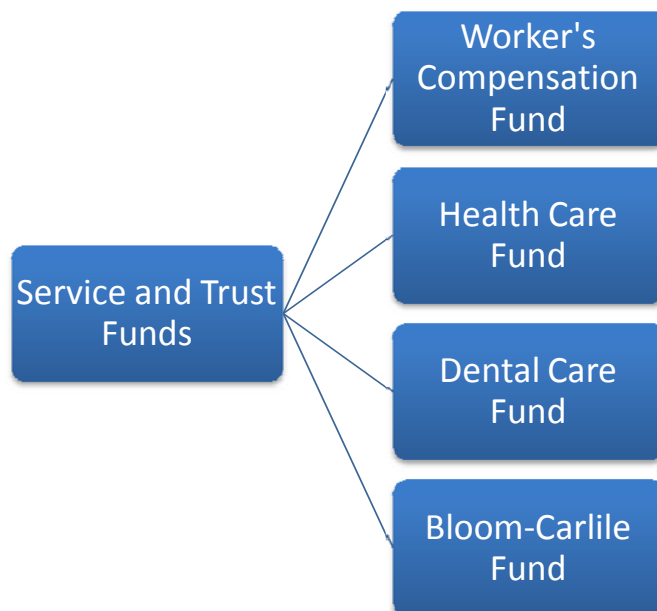
SERVICE AND TRUST FUNDS
SECTION 6

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SERVICE & TRUST FUND - COMBINING STATEMENT
FISCAL YEAR 2016/2017

ACCOUNT DESCRIPTION	WORKERS COMPENSATION	HEALTH CARE	DENTAL CARE	BLOOM- CARLILE	TOTAL
OPERATING REVENUES					
Premium Revenues	\$ 1,108,265	\$ 8,381,284	\$ 424,307	\$ -	\$ 9,913,856
Prescription Rebates	-	50,000	-	-	50,000
Stop Loss Reimbursements	-	-	-	-	-
Total Operating Revenues	1,108,265	8,431,284	424,307	-	9,963,856
OPERATING EXPENSES					
Medical Loss Reimbursement, Stop					
Loss Reinsurance, & Loss Claims Fees	1,004,551	7,416,016	312,565	-	8,733,132
OPEB Trust Contributions	-	650,000	-	-	650,000
Legal Fees, Claims Administrative Expenses &					
Injury and Damage Awards	144,976	398,508	28,076	-	571,560
Health Savings Acct Contributions	-	25,000	-	-	25,000
Audit Fees	483	482	482	-	1,447
Community Assistance Expenditures	-	-	-	4,800	4,800
Total Operating Expenses	1,150,010	8,490,006	341,123	4,800	9,985,939
Operating Income (Loss)	(41,745)	(58,722)	83,184	(4,800)	(22,083)
NON OPERATING REVENUES (EXPENSES)					
Investment Earnings	-	1,300	50	25	1,375
Total Other Income (Expense)	-	1,300	50	25	1,375
Net Income before Operating Transfers	(41,745)	(57,422)	83,234	(4,775)	(20,708)
Transfers out - General Fund	-	(55,000)	-	-	(55,000)
Increase (Decrease) in Retained Earnings	\$ (41,745)	\$ (112,422)	\$ 83,234	\$ (4,775)	\$ (75,708)
Beginning Fund Balance	844,568	2,797,072	241,962	109,048	3,992,650
Ending Fund Balance	\$ 802,823	\$ 2,684,650	\$ 325,196	\$ 104,273	\$ 3,916,942



WORKERS COMPENSATION FUND OVERVIEW

The Worker's Compensation fund was created in 1995 to help smooth potential large fluctuations 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. Starting on 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.

Effective July 1, 2015 the City transitioned from a traditional 100% coverage insurance to a self-insurance program. The fund will continue to serve as a conduit to collect charges based on historical allocations from each fund and category of workers and will be used to pay actual claim costs and other fees.

HEALTH CARE FUND OVERVIEW

The Health Care fund was created in 2000 to manage the City's new self-insurance program for health care. Under this self-funded plan, the City pays a standard monthly administrative fee for each covered member and accepts claims risk up to a specific stop loss for each individual covered. Plan changes may occur during collective bargaining negotiations for future periods. In addition, there is a second level of insurance called the aggregate stop loss which assures that the City does not pay more than the maximum projected expenses. Administratively, all City departments are billed pre-established internal "insurance" rates for their department's employees, retirees and dependents. These billings represent funding sources for the Health Care Fund from which all health care related administrative and medical reimbursement costs are paid.

DENTAL CARE FUND OVERVIEW

The Dental Care fund was created in 2006 to manage the City's new self-insurance program for dental care. Under this self-funded plan, the City pays a standard monthly administrative fee for each covered member and processes claims up to a maximum \$2,000 limit per covered individual, dependent upon type of plan chosen. Plan changes may occur during collective bargaining negotiations for future periods. Administratively, all City departments are billed pre-established internal "insurance" rates for their department's employees, retirees and dependents. These billings represent funding sources for the Dental Care fund from which all dental care related administrative and medical reimbursement costs are paid.

BLOOM-CARLILE TRUST FUND OVERVIEW

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

The Washington County Community Action Council has been administering disbursement of these funds on a no-cost basis for the City since 1983. All funds are disbursed based on an agreed upon operating policy and are reviewed by the Clerk's Office for compliance with the program guidelines.

WORKERS COMPENSATION FUND - PROGRAM FINANCIAL SUMMARY
FISCAL YEAR 2016/2017

EXPENDITURE AND REVENUE SUMMARY

	2014/15	2015/16		2016/17	2016/17
	ACTUAL	BUDGET	EST. ACTUAL	PROPOSED	% CHANGE
EXPENDITURES BY TYPE					
Loss Claims Expense	\$ -	\$ 134,977	\$ 134,977	\$ 155,584	15.3%
Administrative Expenses	625	51,039	51,050	61,039	19.6%
Premium Expense	1,303,181	624,798	624,798	848,967	35.9%
Audit Fees	366	703	366	483	-31.3%
Legal Fees	-	30,002	30,002	40,503	35.0%
Other Professional Services Fees	-	-	15,875	43,434	100.0%
Transfers to General Fund	-	-	-	-	0.0%
Total Expenditures & Transfers	\$ 1,304,172	\$ 841,519	\$ 857,068	\$ 1,150,010	36.7%
REVENUES BY TYPE					
Premium Revenues	1,341,680	1,089,126	1,089,126	1,108,265	1.8%
Interest Income from Investments	82	30	-	-	-100.0%
Miscellaneous Revenues	(44)	-	44	-	0.0%
Total Revenues	\$ 1,341,718	\$ 1,089,156	\$ 1,089,170	\$ 1,108,265	1.8%
Expenditures, net of Revenues	\$ (37,546)	\$ (247,637)	\$ (232,102)	\$ 41,745	-116.9%
Beginning Fund Balance	574,920	612,466	612,466	844,568	37.9%
Ending Fund Balance	\$ 612,466	\$ 860,103	\$ 844,568	\$ 802,823	-6.7%

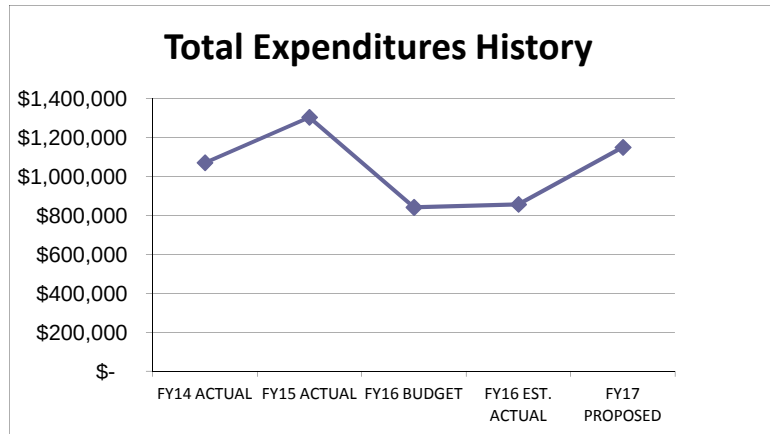
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY16 to Estimated Actual FY16

Total expenditures for FY16 estimated actual are anticipated to be slightly higher than the FY16 budget by about 2% or \$15,549. This slight increase is a result of other professional service expenses being over budget. In addition, the revenue is anticipated to remain flat for the adopted budget FY16 compared to the estimated actual FY16 budget. The premium revenues reflect amounts charged to all other City funds and were established with slightly higher rates based on anticipated expenses.

Adopted FY16 to Proposed FY17

Total expenditures for FY17 are projected to increase by 36.7% or \$308,491 due to the City transitioning from a 100% guaranteed premium insurance to a self-insurance plan in FY16 which will result in higher premium expenses, legal fees, and other professional service fees. In addition, the revenue will only increase slightly by 1.8% or \$19,109.



HEALTH CARE FUND - PROGRAM FINANCIAL SUMMARY
FISCAL YEAR 2016/2017

EXPENDITURE AND REVENUE SUMMARY

	2014/15 ACTUAL	2015/16 BUDGET	2015/16 EST. ACTUAL	2016/17 PROPOSED	2016/17 % CHANGE
EXPENDITURES BY TYPE					
Medical Loss Reimbursements	\$ 6,052,829	\$ 6,499,526	\$ 6,499,526	\$ 7,015,710	7.9%
Administrative Expenses	396,934	391,962	417,651	398,508	1.7%
Claims Reserve Expense	(277,672)	75,000	75,000	75,000	0.0%
Audit Fees	367	703	367	482	-31.4%
Stop Loss Reinsurance Expense	227,862	349,140	263,367	325,306	-6.8%
Health Savings Acct Contributions	22,500	21,250	25,500	25,000	17.6%
OPEB Trust Contributions	650,000	650,000	650,000	350,000	-46.2%
OPEB Reimbursement - City	-	-	-	300,000	100.0%
Transfers to General Fund	35,950	55,000	55,000	55,000	0%
Total Expenditures & Transfers	\$ 7,108,770	\$ 8,042,581	\$ 7,986,411	\$ 8,545,006	6.2%
REVENUES BY TYPE					
Premium Revenues-City	5,980,535	6,332,091	6,495,210	6,865,498	8.4%
Premium Revenues-Employees	1,091,297	1,110,000	1,272,887	1,274,100	14.8%
Premium Revenues-Retirees	245,926	241,290	241,686	241,686	0.2%
Stop Loss Reimbursement	-	14,600	-	-	-100.0%
Prescription Rebates	81,096	80,000	80,000	50,000	-37.5%
Interest from Investments	1,307	1,100	1,300	1,300	18.2%
Miscellaneous Revenue	-	-	-	-	0.0%
Total Revenues	\$ 7,400,161	\$ 7,779,081	\$ 8,091,083	\$ 8,432,584	8.4%
Expenditures, net of Revenues	\$ (291,391)	\$ 263,500	\$ (104,672)	\$ 112,422	-57.3%
Beginning Fund Balance	2,401,009	2,692,400	2,692,400	2,797,072	3.9%
Ending Fund Balance	\$ 2,692,400	\$ 2,428,900	\$ 2,797,072	\$ 2,684,650	10.5%

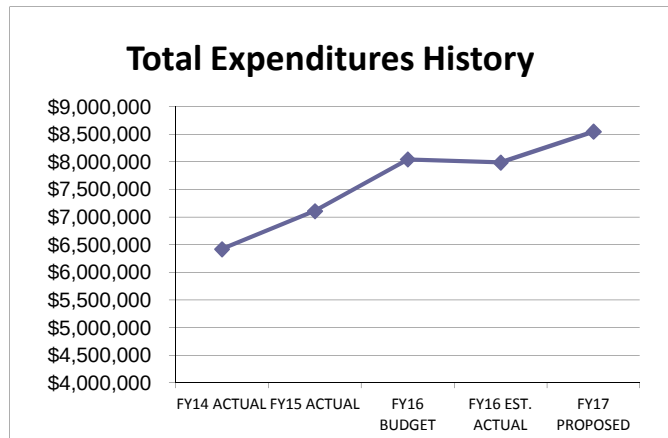
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY16 to Estimated Actual FY16

As a result of a decrease in stop loss reinsurance fees and audit fees, total expenditures are projected to be approximately .7% less or \$56,170 than originally included in the budget. Likewise, the premium revenues charged and paid by the City is expected to increase total revenues by 3.9% or \$312,002.

Adopted FY16 to Proposed FY17

As a result of the anticipated increase in medical expense claims and administrative expenses for FY16, the expenditures for proposed FY17 are projected to be 6.2% higher or \$502,425. As a result of the projected increase in medical expenses, the revenues charged across all City funds and to employees for FY17 will increase and be reflected in the total revenue change of 8.4% or \$653,503. In FY17, the City is only contributing \$350,000 versus prior fiscal year funding levels of \$650,000. The additional \$300,000 will be given to the General Fund in FY17. However, the City will continue to pay 100% of all claims while still adding the additional new monies of \$350,000 each fiscal year to the OPEB Trust.



DENTAL CARE FUND - PROGRAM FINANCIAL SUMMARY
FISCAL YEAR 2016/2017

EXPENDITURE AND REVENUE SUMMARY

	2014/15 ACTUAL	2015/16 BUDGET	2015/16 EST. ACTUAL	2016/17 PROPOSED	2016/17 % CHANGE
EXPENDITURES BY TYPE					
Medical Expense Reimbursement	\$ 307,018	\$ 358,000	\$ 300,000	\$ 307,565	-14.1%
Administrative Expenses	24,173	25,663	29,975	28,076	9.4%
Claims Reserve Expense	(38,194)	3,000	3,000	5,000	66.7%
Audit Fees	367	702	367	482	-31.3%
Total Expenditures & Transfers	\$ 293,364	\$ 387,365	\$ 333,342	\$ 341,123	-11.9%
REVENUES BY TYPE					
Premium Revenues-City	188,181	190,629	194,208	202,521	6.2%
Premium Revenues-Employees	151,350	156,152	159,944	159,944	2.4%
Premium Revenues-Retirees	62,680	61,842	61,842	61,842	0.0%
Interest from Investments	7	50	50	50	0.0%
Total Revenues	\$ 402,218	\$ 408,673	\$ 416,044	\$ 424,357	3.8%
Expenditures, net of Revenues	\$ (108,854)	\$ (21,308)	\$ (82,702)	\$ (83,234)	290.6%
Beginning Fund Balance	50,406	159,260	159,260	241,962	51.9%
Ending Fund Balance	\$ 159,260	\$ 180,568	\$ 241,962	\$ 325,196	80.1%

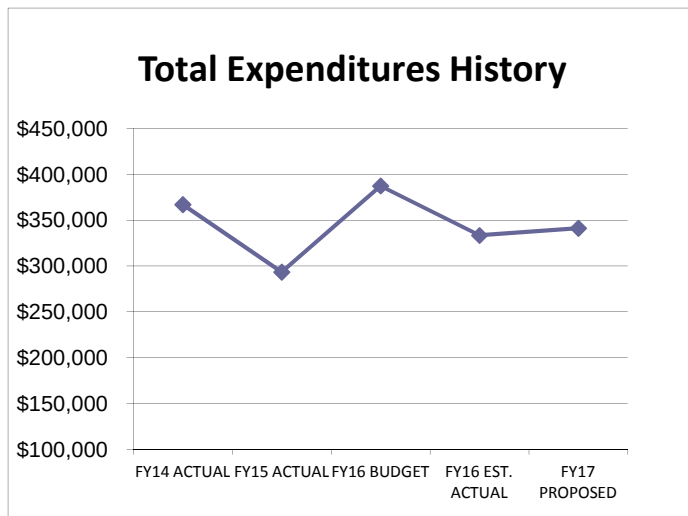
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY16 to Estimated Actual FY16

Total expenditures for FY16 estimated actual compared to FY16 budget are lower by 13.9% or \$54,023 as a result of lower actual dental claims paid. However, revenue has increased 1.8% or \$7,371 as a result of more City and employee premium revenues.

Adopted FY16 to Proposed FY17

As a result of current trends in dental claims for FY16, the expenditures for proposed FY17 are expected to decrease by 11.9% or \$46,242. Also, the revenues are expected to increase by 3.8% or \$15,684.



BLOOM-CARLILE TRUST FUND - PROGRAM FINANCIAL SUMMARY
FISCAL YEAR 2016/2017

EXPENDITURE AND REVENUE SUMMARY

	2014/15 ACTUAL	2015/16 BUDGET	2015/16 EST. ACTUAL	2016/17 PROPOSED	2016/17 % CHANGE
EXPENDITURES BY TYPE					
Utilities	\$ 1,425	\$ 500	\$ 1,000	\$ 800	60.0%
Shelter	6,344	6,000	5,000	4,000	-33.3%
Community Action Council Award	-	-	-	-	0.0%
Total Expenditures & Transfers	\$ 7,769	\$ 6,500	\$ 6,000	\$ 4,800	-26.2%

REVENUES BY TYPE

Utility Benefit Concert Revenue	-	-	-	-	0.0%
Interest Earned	13	25	25	25	0.0%
Total Revenues	\$ 13	\$ 25	\$ 25	\$ 25	0.0%

Expenditures, net of Revenues	\$ 7,756	\$ 6,475	\$ 5,975	\$ 4,775	-26.3%

Beginning Fund Balance	122,779	115,023	115,023	109,048	-5.2%
Ending Fund Balance	\$ 115,023	\$ 108,548	\$ 109,048	\$ 104,273	-3.9%

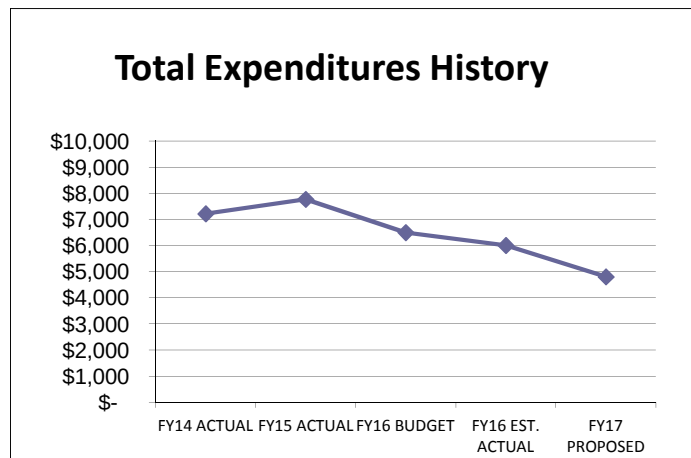
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY16 to Estimated Actual FY16

It is anticipated that we will need to appropriate about \$6,000 from accumulated prior years earnings to cover the shortfall between FY16 interest earnings and FY16 expenses. This shortfall is a result of the amount pledged to the Community Action Council with the change made to this program to assist the poor and needy of Hagerstown. Finance will continue to monitor this fund to ensure that a long-term balance is maintained between interest earnings and total expenditures.

Adopted FY16 to Proposed FY17

For many years, the budget limited the pledge to the Community Action Council to the next year's anticipated interest earnings. This limitation withheld assistance to the poor and needy of Hagerstown in economic slumps when the need was the greatest. In addition, interest rates have continued to decline due to the national economy which led to even less interest revenue being generated. Our FY17 budget continues to reflect our modification to treat this fund more as a flow of funds annuity with a steady annual stipend which will be continually replenished from investment earnings over a long-term time frame. Finance will monitor this fund so that a long-term balance between earnings and expenditures is maintained.



FINANCIAL PROJECTIONS
SECTION 7

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ALL FUNDS PROJECTIONS
FISCAL YEAR 2017/2021
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 FY2016/17 Proposed Budget as a baseline.
- Maintaining a broader view of the impact of the current budget process, fiscal policies, service levels, and Capital Improvement Plans.
- Enabling us to forecast the possible results of our current business plans and decisions to become more proactive in financial management and planning efforts.
- Reviewing and analyzing the impact of expected fiscal and economic trends on the City's financial condition.
- Reviewing the sufficiency of projected revenues in meeting projected expenditures.
- Analyzing the financial impact and affordability of the capital improvement programs.
- Reviewing the timing and amounts of needed debt financing and its fiscal impact.
- Determining the timing and magnitude of required revenue rate adjustments.

The projections are based on information available to staff as of March 1, 2016. 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 flat for FY2016/17 and remain flat in future years as a result of the national economy and the low interest rates available on our current investments.
- The Wage & Benefits projections contain no salary enhancements for FY2016/17. (See Section 1 page 6 for specific wage history trends by employee group). The projections include a combination of salary enhancements annually from FY2017/18 through FY2020/21. Additionally, the projection includes savings associated with unfunded vacant positions; and no funding is included for the restoration of any of these unfunded vacant positions through FY2020/21. The City has four collective bargaining union groups and all four groups have contracts that expire on June 30, 2016.
- The overall average projected increase in employee benefits is 3.8% - 8.9% primarily due to expected increases over the next several years in the City's Health, Dental and Retirement Program costs. It is important to note that FY2016/17 includes a one-time reduction in OPEB trust funding. Additionally, there are changes planned for the health insurance plan in FY2016/17 that helped keep the employer portion rising costs to 5.0%.
- Debt service includes current commitments to repay principal and interest on governmental obligations, as well as, projected debt requirements identified in the capital improvement plan. Future debt costs are based on a 2.00% - 4.25% interest rate range over a 20 or 30 year term and includes both City issued bonds and MDE issued bonds/loans.
- In addition to covering 100% of the claims and cost incurred for retired employees, the City makes annual contributions to a separate trust account for Other Post-Employment Benefits (OPEB). The annual amount to be contributed in FY2016/17 is \$350K and \$650K for all future projections through FY2020/21.
- In June 2012, GASB issued Statement No. 68 Accounting and Financial Reporting for Pensions (an amendment of GASB Statement No. 27), which requires an employers' unfunded actuarial pension liability to be recorded on the financials. This statement was effective and reflected in the City's financial statements for FY2014/15.

GENERAL FUND PROJECTIONS
FISCAL YEAR 2017/2021
ASSUMPTIONS

- In general, total revenue growth (excluding the "NEEDED REVENUE SOURCE" amount) is projected to decrease from 3.7% in FY2017/18 to 0.9% in FY2018/19 dependent on property assessed values. Due to several contributing factors, new and / or increased revenue sources are needed beginning in FY2016/17 to help offset estimates for future periods. The primary factors that impact the projections for FY2017/18 include:
 - o Funding equipment and Capital Improvement Program with annual operating revenue
 - o Minimal growth anticipated in existing City revenue sources
 - o Preliminary projection of 4.9% increase for all salary and related benefits costs
 - o Increasing annual debt service requirements to fund priority projects
 - o Preliminary overall inflation factors on insurance, supplies, and maintenance contracts
- In FY2016/17, the property tax rate is proposed to remain the same as the current FY2015/16 level of \$0.913 per \$100 of assessed value. For future years, the projections include slight growth in assessable base values based on historical trends. Additionally, FY2017/18 will be the first year of the City's next triennial assessment period and reflects an estimated 5.0% growth in assessed values after two consecutive decreases.
- 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 2016/17 and future years.
- From FY2015/16 to FY2016/17 budget, the overall City portion of State & County Shared Taxes is expected to have slight growth of 1.3% primarily as a result of anticipated growth in Income Tax. It is projected for overall annual growth to remain flat at 1.7% increase through from FY2017/18 through FY2020/21. The projections include modest continued growth in income tax, admission and amusement tax, and hotel/motel room tax. This reflects the current state of the economy and hopefully the continuation of economic recovery.
- Most operating grants revenues and related expenditures are separately reflected in the Special Revenue Grants Fund except three federal COPS Hiring Grants (2012, 2013, and 2015) secured by the Hagerstown Police Department. The 2012 COPS Hiring grant will reimburse a portion of five (5) sworn officers' salaries over a span of three (3) years with a commitment from the City to continue to pay those positions at 100% for an additional one (1) year thereafter. Likewise, the 2013 COPS Hiring grant will reimburse a portion of two (2) sworn officers' salaries over a span of three (3) years with a commitment from the City to continue to pay those positions at 100% for an additional one (1) year thereafter. Finally, the 2015 COPS Hiring grant will reimburse a portion of four (4) sworn officers' salaries over a span of three (3) years with a commitment from the City to continue to pay those positions at 100% for an additional one (1) year thereafter. All of the COPS Hiring Grants have a declining federal reimbursement percentage annually which is reflected in the decreasing amounts in the projections beginning in FY2015/16 through FY2018/19.
- The Safe Speed for Students Program (an automated speed camera program) began in phases April 2012. This revenue is included in Fines and Forfeitures and is used to support public safety activities. In FY2016/17 budget, Safe Speed revenue represents 4.0% or \$1.7 million of total operating revenue. The goal of this program is to change driving patterns which is reflected in the declining and flat future revenue projections of \$1.6 million in FY2017/18 and 2018/19 and \$1.5 million thereafter.
- Beginning in FY2016/17, there is a new potential revenue source included for the implementation of Red Light Cameras.
- A municipality has the authority to implement a Stormwater management fee. A study would need to be performed to establish the fee and rate structures. At this time, our projections do not include any revenue from a Stormwater management fee. Due to legislative mandates, the CIP budget does include project expenditures over the next five years and beyond. With no new revenue source anticipated, the funding for these specific projects will be funded with grants and general fund supported debt and is included in the annual debt service requirements in the projections.
- Wage & Benefit projections include four collective bargaining union contracts and non-union employees. All four collective bargaining contracts expire June 30, 2016. Additionally, the projections include the continuation of combined salary enhancements annually through FY2020/21. The projection includes savings associated with 14 unfunded vacant positions in FY2016/17 and holds these positions unfunded through FY2020/21.
- The overall average projected increase in employee benefits is 3.8% - 8.9% primarily due to expected increases over the next several years in the City's Pension Contributions, and Health and Dental Program costs.
- Annual debt service expenditures represent 5.1% of all general fund expenditures in FY2016/17 budget, or \$2.2 million. As reflected on the debt service schedule on page 12, annual debt service requirements are expected to increase annually from FY2017/18 through FY2020/21 respectively by 21.9%, 17.4%, 11.1%, and 1.9%. These increases are a result of investments in the City's infrastructure. The detail on each project that will be funded by future debt issues are reflected in Section 8, page 15.
- The remaining other expenditure categories are projected to increase based on a combination of historic trends and inflation factors.

GENERAL FUND FINANCIAL PROJECTIONS
FISCAL YEAR 2017/2021
INCOME STATEMENT
(IN THOUSANDS)

	2013/14	2014/15	2015/16	2016/17		2017/18	2018/19	2019/20	2020/21
	ACTUAL	ACTUAL	REVISED BUDGET	EST. ACTUAL	PROPOSED BUDGET	PROJ. CHG%	PROJ.	PROJ.	PROJ.
REVENUES									
Property Taxes	\$ 22,654	\$ 24,478	\$ 24,744	\$ 25,036	\$ 25,568	S	\$ 26,755	\$ 27,011	\$ 27,647
Payments in Lieu of Taxes	2,711	2,732	2,727	2,755	2,739	S	2,761	2,783	2,805
Total property taxes	25,365	27,210	27,471	27,791	28,307		29,516	29,794	30,452
	0.5%	7.3%	1.0%	1.2%	3.0%		4.3%	0.9%	2.2%
Income Tax	2,452	2,559	2,475	2,550	2,550	2.0%	2,601	2,653	2,706
Police / Fire Protection	805	785	735	728	735	0.5%	739	742	746
Admission Tax	208	214	200	205	205	2.0%	209	213	218
Financial Corporations	34	34	34	34	34		34	34	34
Room Tax - Tourism Promotion	176	191	177	184	184	2.5%	189	193	198
Enterprise Zone Tax Credits	87	70	70	48	30		30	30	30
Total Income & Other Taxes	3,762	3,853	3,691	3,749	3,738		3,802	3,866	3,932
	11.1%	2.4%	-4.2%	1.6%	1.3%		1.7%	1.7%	1.7%
Total Tax & Shared Revenues	29,127	31,063	31,162	31,540	32,045		33,317	33,660	34,384
	1.8%	6.6%	0.3%	1.2%	2.8%		4.0%	1.0%	2.2%
Grants	502	588	459	561	503	S	465	213	213
Admin Allocation	2,031	2,031	2,031	2,031	2,031	2.5%	2,082	2,134	2,187
Refuse Service Fees	2,221	2,238	2,240	2,256	2,256	2.5%	2,312	2,370	2,429
Other Service Charges	530	458	643	580	583	2.0%	595	607	619
Residential Rental Licenses & Vacant Structures	433	849	805	795	795	2.0%	811	827	844
Cable TV Franchise	407	425	400	425	425	2.0%	434	442	451
Other Licenses & Permits	685	986	901	837	863	1.0%	872	880	889
Interest	10	9	6	5	5	3.0%	5	5	5
Safe Speed for School Fines	1,225	1,394	1,700	1,655	1,655		1,600	1,600	1,500
Other Fines & Forfeitures	114	167	159	192	154	3.0%	159	163	168
Red Light Camera Citations					50		300	400	525
Rental Income	227	251	217	187	196		196	218	219
Other Revenues	647	733	413	441	320	S	301	301	301
NEEDED REVENUE SOURCE*	-	-	-	-	-		1,365	2,422	2,470
Total Other Revenues	9,032	10,129	9,974	9,965	9,836		11,496	12,583	12,821
Total Revenues	38,159	41,192	41,136	41,505	41,881		44,813	46,243	47,205
% Revenue Growth	5.4%	7.9%	-0.1%	0.9%	1.8%		7.0%	3.2%	2.1%
Appropriated Fund Balance to Econ Redevelopment:Invest Hagerstown	-	-	613	-	420		-	-	-
Appropriated Fund Balance to CIP Fund:Capital Expenditures	-	-	135	-	-		-	-	-
Total Other Funding Sources	-	-	748	-	420		-	-	-
Total Funding Sources	\$ 38,159	\$ 41,192	\$ 41,884	\$ 41,505	\$ 42,301		\$ 44,813	\$ 46,243	\$ 47,205
							\$ 48,693		

*FY17 includes potential new revenue source if Red Light Cameras are implemented.

**FY18 projections currently estimate additional \$1.7M in changes needed. This \$1.7M reflects funding equipment and CIP transfers with annual operations, combined 3.7% growth in current revenue sources, an overall preliminary estimate of 4.9% increase for all payroll related costs, growing annual debt service to fund priority projects, and cover overall inflation factors on items such as insurance, supplies, and maintenance contracts.

GENERAL FUND FINANCIAL PROJECTIONS
FISCAL YEAR 2017/2021
INCOME STATEMENT
(IN THOUSANDS)

			2015/16		2016/17						
	2013/14	2014/15	REVISED	EST.	PROPOSED	PROJ.	2017/18	2018/19	2019/20	2020/21	
	ACTUAL	ACTUAL	BUDGET	ACTUAL	BUDGET	CHG%	PROJ.	PROJ.	PROJ.	PROJ.	
EXPENDITURES											
Salaries and Wages	\$ 17,212	\$ 18,459	\$ 18,886	\$ 18,581	\$ 19,081	S	\$ 19,646	\$ 20,229	\$ 20,829	\$ 21,447	
Fringe Benefits -											
Active Employees	6,828	7,792	7,841	7,795	8,079	S	8,534	8,843	9,161	9,489	
Retirees	1,340	1,404	1,477	1,494	1,267	S	1,644	1,725	1,809	1,898	
Total Wages & Benefits	25,380	27,655	28,204	27,870	28,427		29,824	30,797	31,799	32,834	
	4.0%	9.0%	2.0%	-1.2%	0.8%		4.9%	3.3%	3.3%	3.3%	
Contracted Services	4,231	4,341	4,327	4,321	4,370	S	4,454	4,553	4,654	4,756	
Advertising & Printing	261	248	261	253	264	2.0%	269	275	280	286	
Rentals	109	102	97	114	115		100	100	100	100	
Maintenance & Repairs	647	725	807	838	826		826	826	826	826	
Vehicle Expenses	1,050	952	989	923	1,003	2.0%	1,023	1,044	1,064	1,086	
Materials, Supplies & Utilities	2,071	2,147	2,141	2,182	2,134	3.0%	2,198	2,264	2,332	2,402	
Professional Development	157	147	137	155	195		170	175	180	185	
Communication	321	335	223	331	331		330	330	332	334	
Wage & Overhead Allocation	(1,069)	(943)	(1,066)	(1,270)	(1,151)		(1,208)	(1,247)	(1,288)	(1,329)	
Other General Expenditures	790	555	801	903	834		839	844	849	854	
Insurance	202	257	274	274	299	5.0%	314	330	346	363	
Unallocated Gen'l Expenditures	626	980	532	557	585		587	589	591	593	
Capital Outlay - Non-CIP	178	179	248	252	278		280	280	285	285	
Debt Service	1,833	1,829	2,153	2,031	2,166	S	2,641	3,100	3,445	3,511	
Operating Transfers to Other Funds	301	235	295	295	300	S	499	489	428	428	
Capital Transfers to CIP Fund	832	354	665	665	902		1,666	1,495	981	1,179	
Fund Balance Transfers to CIP Fund	-	547	135	105	-		-	-	-	-	
Fund Balance Transfers for Invest Hag	80	450	613	553	420		-	-	-	-	
Total Expenditures	38,000	41,095	41,836	41,352	42,298		44,813	46,243	47,205	48,693	
% Expenditures Growth	2.5%	8.1%	1.8%	-1.2%	1.1%		5.9%	3.2%	2.1%	3.2%	
Surplus / (Deficit)	\$ 159	\$ 97	\$ 48	\$ 153	\$ 3		\$ 0	\$ (0)	\$ (0)	\$ 0	
Real Estate Tax Rates	\$ 0.788	\$ 0.898	\$ 0.913	\$ 0.913	\$ 0.913		\$ 0.913	\$ 0.913	\$ 0.913	\$ 0.913	
Change in Tax Rates	\$ -	\$ 0.110	\$ 0.015	\$ 0.015	\$ -		\$ -			\$ -	
Each penny on the real estate tax rate generates additional revenue of	\$ 260	\$ 247	\$ 243	\$ 247	\$ 252		\$ 265	\$ 267	\$ 274	\$ 283	
Personal Property Tax Rates	\$ 1.970	\$ 2.245	\$ 2.283	\$ 2.283	\$ 2.283		\$ 2.283	\$ 2.283	\$ 2.283	\$ 2.283	
Change in Tax Rates	\$ -	\$ 0.275	\$ 0.038	\$ 0.038	\$ -		\$ -	\$ -	\$ -	\$ -	
Each penny on the personal property tax rate generates additional revenue of	\$ 12	\$ 11	\$ 12	\$ 12	\$ 12		\$ 12	\$ 12	\$ 12	\$ 12	

GENERAL FUND FINANCIAL PROJECTIONS
FISCAL YEAR 2017/2021
PROPERTY TAXES
(IN THOUSANDS)

	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20	2020/21
	ACTUAL	ACTUAL	REVISED BUDGET	EST. ACTUAL	PROPOSED BUDGET	PROJ. CHG% *	PROJ.	PROJ.	PROJ.	PROJ.
Real Estate - Full Year Levy	\$ 20,724	\$ 22,274	\$ 22,647	\$ 22,690	\$ 23,257		\$ 24,411	\$24,620	\$ 25,221	\$25,994
% Increase	2.5%	7.5%	1.7%	0.2%	2.7%		5.0%	0.9%	2.4%	3.1%
Personal Property - UnInc	36	54	40	40	40	0.5%	40	40	41	41
Personal Property - Corp	2,292	2,443	2,650	2,680	2,710	0.5%	2,724	2,737	2,751	2,765
Homestead Tax Credit	(131)	(53)	(95)	(91)	(95)		(100)	(100)	(100)	(100)
Enterprise Zone Tax Credit Program	(173)	(140)	(200)	(97)	(96)		(96)	(96)	(96)	(96)
Tax Exemption - Real Estate	(350)	(253)	(250)	(139)	(200)		(180)	(148)	(128)	(128)
Total Current Year's Levy	22,398	24,325	24,792	25,083	25,616		26,799	27,054	27,689	28,475
Reserve for Uncollect Taxes	113	(46)	(125)	(125)	(125)		(125)	(125)	(125)	(125)
Total Adj - Prior Yrs Levies	113	(46)	(125)	(125)	(125)		(125)	(125)	(125)	(125)
Current Years Levy	171	230	108	108	108		113	114	117	121
Total Interest on Delinq Tax	171	230	108	108	108		113	114	117	121
Tax Discounts/Allows - C/Yr	(28)	(31)	(31)	(30)	(31)		(33)	(33)	(34)	(35)
Total Tax Discounts/Allows	(28)	(31)	(31)	(30)	(31)		(33)	(33)	(34)	(35)
Total Property Taxes	22,654	24,478	24,744	25,036	25,568		26,755	27,011	27,647	28,436
% Increase	0.6%	8.1%	1.1%	1.2%	3.3%		4.6%	1.0%	2.4%	2.9%
Hag Housing Authority	87	85	87	87	87	0.8%	88	88	89	90
Bethel Gardens	-	11	10	21	12	0.8%	12	12	12	12
Liberty Property	70	81	75	93	85	0.8%	86	86	87	88
CW Brooks Mid-Rise	7	8	7	7	7	0.8%	7	7	7	7
Electric Fund	532	532	532	532	532	0.8%	536	541	545	549
Water Fund	660	660	660	660	660	0.8%	665	671	676	681
Wastewater Fund	1,298	1,298	1,298	1,298	1,298	0.8%	1,308	1,319	1,329	1,340
Property Management Fund	57	57	58	57	58	0.8%	58	59	59	60
Total Pymts in Lieu of Taxes	2,711	2,732	2,727	2,755	2,739		2,761	2,783	2,805	2,828
% Increase	-0.2%	0.8%	-0.2%	1.0%	0.4%		0.0%	0.8%	0.8%	0.8%
Total Property Taxes	\$ 25,365	\$ 27,210	\$ 27,471	\$ 27,791	\$ 28,307		\$ 29,516	\$29,794	\$ 30,452	\$31,264
% Increase	0.5%	7.3%	1.0%	1.2%	3.0%		4.3%	0.9%	2.2%	2.7%

GENERAL FUND FINANCIAL PROJECTIONS
FISCAL YEAR 2017/2021
ASSESSABLE BASE TABLE

	Total Assessable Base Values* (in millions)	Assessable Base - % Change from Prior Year	Real Estate Tax Rate	Real Estate Tax Rate - % Change from Prior Year	Real Estate and Property Tax Revenue (in thousands)	Property Taxes - % Change from Prior Year
Actual 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%	0.680	0.0%	9,821	0.8%
Actual 1998/1999	1,278	1.1%	0.696	2.4%	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%
Actual 2011/2012	2,559	-11.2%	0.788	0.0%	21,386	-11.4%
Actual 2012/2013	2,634	2.9%	0.788	0.0%	22,216	3.9%
Actual 2013/2014	2,665	1.2%	0.788	0.0%	22,398	0.8%
Actual 2014/2015	2,542	-4.6%	0.898	14.0%	24,325	8.6%
Estimated 2015/2016	2,569	1.0%	0.913	1.7%	25,083	3.1%
Proposed 2016/2017	2,625	2.2% **	0.913	0.0%	25,616	2.1%
Projected 2017/2018	2,754	4.9%	0.913	0.0%	26,799	4.6%
Projected 2018/2019	2,781	1.0%	0.913	0.0%	27,054	1.0%
Projected 2019/2020	2,849	2.5%	0.913	0.0%	27,689	2.3%
Projected 2020/2021	2,935	3.0%	0.913	0.0%	28,477	2.8%

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

**The assessable base value per the February 2016 Constant Yield Notice memo reflects an expected real property assessed value of 2,515. The City chart above assumes a slightly higher average assessable base value which includes personal property values for all of FY16 and not just the value estimated to be on July 1.

GENERAL FUND FINANCIAL PROJECTIONS
FISCAL YEAR 2017/2021
ASSESSABLE BASE TABLE
(IN THOUSANDS)

	ACTUAL		ACTUAL		EST. ACTUAL		PROPOSED			
	2013/14		2014/15		2015/16		BUDGET		PROJECTED	
							2016/17		2017/18	
For Full Year Levy	\$	20,724	\$	22,274	\$	22,690	\$	23,257	\$	24,411
Enterprise Zone Tax Credit Program		(173)		(140)		(97)		(96)		(96)
Tax Exemption - Real Estate		(350)		(253)		(139)		(200)		(180)
Homestead Tax Credit Cap		(131)		(53)		(91)		(95)		(100)
Net Real Estate Taxes		20,070		21,828		22,363		22,866		24,035
		1.5%		8.8%		2.5%		2.2%		5.1%
Unincorporated Personal Property		36		54		40		40		40
Corporate Personal Property		2,292		2,443		2,680		2,710		2,724
Total Personal Property		2,328		2,497		2,720		2,750		2,764
		-4.5%		7.3%		8.9%		1.1%		0.5%
Current Year's Levy	\$	22,398	\$	24,325	\$	25,083	\$	25,616	\$	26,799
		0.8%		8.6%		3.1%		2.1%		4.6%
Real EstateTax Rate	\$	0.788	\$	0.898	\$	0.913	\$	0.913	\$	0.913
Business Property Tax Rate	\$	1.970	\$	2.245	\$	2.283	\$	2.283	\$	2.283
Assessable Base										
Real Property	\$	2,546,954	\$	2,430,735	\$	2,449,398	\$	2,504,491	\$	2,632,540
		1.5%		-4.6%		0.8%		2.2%		5.1%
[(Net Real Estate Taxes / Tax Rate)/10]										
Business Personal Property		118,173		111,225		119,168		120,482		121,095
		-4.5%		-5.9%		7.1%		1.1%		0.5%
[Total Personal Property / Tax Rate]										
Total Assessable Base	\$	2,665,127	\$	2,541,960	\$	2,568,565	\$	2,624,973	\$	2,753,636
		1.2%		-4.6%		1.0%		2.2%		4.9%

GENERAL FUND FINANCIAL PROJECTIONS
FISCAL YEAR 2017/2021
GRANT AND OTHER REVENUES
(IN THOUSANDS)

GRANT REVENUES

	2013/14 ACTUAL	2014/15 ACTUAL	2015/16		2016/17		PROJ. CHG%	2017/18 PROJ.	2018/19 PROJ.	2019/20 PROJ.	2020/21 PROJ.
			REVISED BUDGET	EST. ACTUAL	PROPOSED BUDGET						
Planning Dept. Grants											
Heritage Area Planning Grant	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -
Various Dept. Grants											
All Other Departmental Grants	30	30	30	30	14		-	-	-	-	
Police Dept. Grants											
DEA Reimbursed Overtime	33	94	25	25	25		25	25	25	25	
COPS Hiring Grants - 2012, 2014, and 2016	251	276	216	318	276		252	-	-	-	
School Resource Officers Grant	188	188	188	188	188		188	188	188	188	
Total Grant Revenues	502	588	459	561	503		465	213	213	213	

OTHER REVENUES

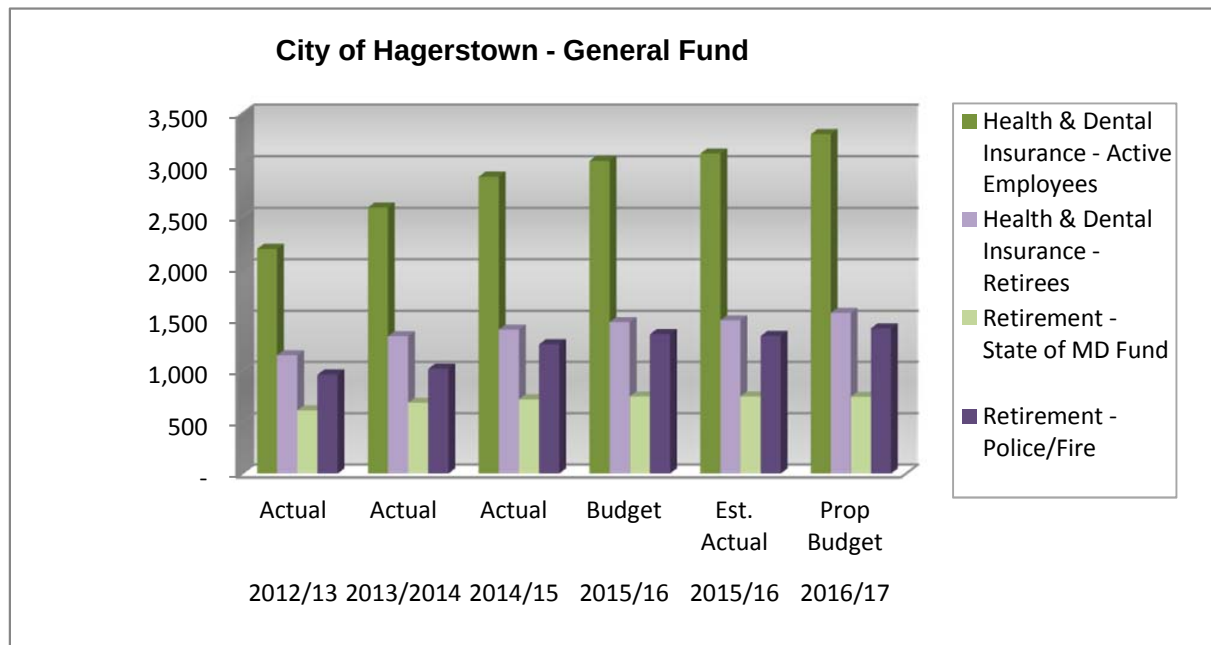
	2013/14 ACTUAL	2014/15 ACTUAL	2015/16		2016/17		2017/18 PROJ.	2018/19 PROJ.	2019/20 PROJ.	2020/21 PROJ.
			REVISED BUDGET	EST. ACTUAL	PROPOSED BUDGET	PROJ. CHG%				
Sale of Land & Other Propty										
Fire & Police Dept Equipment	3	3	2	6	2		2	2	2	2
Other	32	19	9	17	3		4	4	4	4
Total Land Sale/Other	35	22	11	23	5		6	6	6	6
Contributions & Donations	164	143	132	138	162		125	125	125	125
Miscellaneous Revenues	135	151	115	146	79		85	85	85	85
Other Revenues	299	294	247	284	241		210	210	210	210
Transfers from Economic Redevelopment Fund	-	21	70	70	-		-	-	-	-
Transfers from CDBG Fund	18	21	30	9	19		30	30	30	30
Transfers from Workers Comp	250	-	-	-	-		-	-	-	-
Transfers from Health Ins Fund	25	36	55	55	55		55	55	55	55
Transfers from CIP Fund	-	100	-	-	-		-	-	-	-
Transfers from Property Management Fund	20	240	-	-	-		-	-	-	-
Total Transfers from Other Funds	313	418	155	134	74		85	85	85	85
Total Other Revenues	\$ 646	\$ 733	\$ 413	\$ 441	\$ 320		\$ 301	\$ 301	\$ 301	\$ 301

GENERAL FUND FINANCIAL PROJECTIONS
FISCAL YEAR 2017/2021
PERSONAL SERVICES AND FRINGE BENEFITS
(IN THOUSANDS)

SALARIES AND WAGES										
	2013/14	2014/15	2015/16		2016/17	PROJ. CHG%	2017/18	2018/19	2019/20	2020/21
	ACTUAL	ACTUAL	REVISED BUDGET	EST. ACTUAL	PROPOSED BUDGET		PROJ. 3.000%	PROJ. 3.000%	PROJ. 3.000%	PROJ. 3.000%
BASE WAGES										
Regular Wages-Salaried	\$ 7,795	\$ 8,383	\$ 10,782	\$ 10,249	\$ 10,825		\$ 11,150	\$ 11,484	\$ 11,829	\$ 12,184
Regular Wages-Hourly	5,019	5,330	7,331	6,664	7,276		7,494	7,719	7,951	8,189
Sick Leave Pay	419	450	-	-	-		-	-	-	-
Holiday Pay	726	833	-	-	-		-	-	-	-
Vacation Pay	1,033	1,108	-	-	-		-	-	-	-
Compensatory Time Used	168	210	2	2	2		-	-	-	-
Personal Leave	197	190	-	-	-		-	-	-	-
Temporary & Seasonal	627	639	705	679	722	0.50%	726	729	733	737
Vacation Pay on Termination	112	161	108	40	83		85	85	85	85
Furlough Day Savings	-	-	-	-	-		-	-	-	-
Unfunded Positions Savings	-	-	(853)	-	(634)		(634)	(634)	(634)	(634)
Additional Vacancy Savings	-	-	(150)	-	(175)		(175)	(175)	(175)	(175)
Total Base Wages	16,096	17,304	17,925	17,634	18,099		18,646	19,209	19,788	20,385
% Increase	0.9%	7.5%	3.6%	-1.6%	1.0%		3.0%	3.0%	3.0%	3.0%
ADDITIONAL WAGES										
Overtime Pay	1,041	1,105	960	946	981		1,001	1,021	1,041	1,062
Comp Time Earned	75	50	1	1	1		-	-	-	-
Total Additional Wages	1,116	1,155	961	947	982		1,001	1,021	1,041	1,062
% Increase	5.3%	3.5%	-16.8%	-1.5%	2.2%		1.9%	2.0%	2.0%	2.0%
Total Wages	\$ 17,212	\$ 18,459	\$ 18,886	\$ 18,581	\$ 19,081		\$ 19,646	\$ 20,229	\$ 20,829	\$ 21,447
% Increase	1.2%	7.2%	2.3%	-1.6%	1.0%		3.0%	3.0%	3.0%	3.0%
FRINGE BENEFITS										
	2013/14	2014/15	2015/16		2016/17	PROJ. CHG%	2017/18	2018/19	2019/20	2020/21
	ACTUAL	ACTUAL	REVISED BUDGET	EST. ACTUAL	PROPOSED BUDGET		PROJ.	PROJ.	PROJ.	PROJ.
Active Employees										
Holiday/Vacation Buy Back	\$ 21	\$ 18	\$ -	\$ 16	\$ 17		\$ -	\$ -	\$ -	\$ -
Retirement Payouts	204	104	194	130	103		150	150	150	150
Retirement - State Fund	691	724	752	752	749		772	795	819	844
Retirement - Police/Fire	1,022	1,261	1,360	1,342	1,416		1,459	1,503	1,548	1,595
Retirement Deficit Payment	152	160	168	168	176		185	194	204	214
Retirement - 401(a) Plan	-	-	-	2	2		2	2	2	2
F.I.C.A. Taxes (7.65%)	1,290	1,368	1,373	1,364	1,352		1,503	1,548	1,593	1,641
Health Insurance	2,514	2,805	2,958	3,026	3,208	5.0%	3,368	3,537	3,714	3,899
Dental Insurance	76	84	85	87	93	2.0%	95	97	99	101
Life Insurance	26	27	30	29	31		32	33	34	35
Long-Term Disability	13	1	6	5	6		8	8	8	8
Workmans Compensation	686	1,062	758	754	799		781	795	812	827
Emply Discounted Parking	54	59	54	54	54		58	58	58	58
Unemployment Taxes	45	83	60	39	36		85	85	80	75
Employee Assistance Prog	9	9	13	13	13		13	13	14	14
HPD Housing Allowance	18	21	24	8	18		18	20	21	22
Employee Longevity	7	6	6	6	6		6	6	6	6
Total	6,828	7,792	7,841	7,795	8,079		8,534	8,843	9,161	9,489
% Increase	9.4%	14.1%	0.6%	-0.6%	3.0%		5.6%	3.6%	3.6%	3.6%
Retirees										
Health Insurance	1,294	1,358	1,431	1,447	1,519	5.0%	1,595	1,675	1,758	1,846
Hlth Ins-OPEB Reimburse	-	-	-	-	(300)		-	-	-	-
Dental Insurance	46	46	46	47	48	2.0%	49	50	51	52
Total	1,340	1,404	1,477	1,494	1,267		1,644	1,725	1,809	1,898
% Increase	16.1%	4.8%	5.2%	1.2%	-14.2%		29.7%	4.9%	4.9%	4.9%
Total Fringe Benefits	\$ 8,168	\$ 9,196	\$ 9,318	\$ 9,289	\$ 9,346		\$ 10,178	\$ 10,568	\$ 10,970	\$ 11,387
% Increase	10.5%	12.6%	1.3%	-0.3%	0.3%		8.9%	3.8%	3.8%	3.8%

GENERAL FUND HISTORICAL TRENDS
FISCAL YEAR 2017/2021
EMPLOYER SHARE OF INSURANCE AND PENSION COSTS
(IN THOUSANDS)

	2012/13 Actual	2013/2014 Actual	2014/15 Actual	2015/16 Budget	2015/16 Est. Actual	2016/17 Prop Budget
Health & Dental Insurance - Active Employees	2,189	2,590	2,889	3,043	3,113	3,301
Health & Dental Insurance - Retirees	1,154	1,340	1,404	1,477	1,494	1,567
Retirement - State of MD Fund	616	691	724	752	752	749
Retirement - Police/Fire	965	1,022	1,261	1,360	1,342	1,416
	4,924	5,643	6,278	6,632	6,701	7,033
	2%	15%	11%	6%	1%	6%



GENERAL FUND HISTORICAL TRENDS
FISCAL YEAR 2013 THROUGH FISCAL YEAR 2017
PENSIONS COSTS AS PERCENT OF SALARY

	2012/13 Actual	2013/2014 Actual	2014/15 Actual	2015/16 Budget	2015/16 Est. Actual	2016/17 Prop Budget
Retirement - State of MD Fund Employer	8.99%	10.00%	9.73%	8.53%	8.53%	8.53%
Retirement - State of MD Fund Employee	7.00%	7.00%	7.00%	N/A	7.00%	N/A
Retirement - Police/Fire Employer	11.29%	12.20%	13.50%	13.71%	13.71%	14.00%
Retirement - Police/Fire Employee	7.00%	7.00%	7.00%	N/A	7.00%	N/A

GENERAL FUND FINANCIAL PROJECTIONS
FISCAL YEAR 2017/2021
CONTRACTED SERVICES AND OPERATING TRANSFERS
(IN THOUSANDS)

CONTRACTED SERVICES

	2013/14	2014/15	2015/16		2016/17	PROJ.	2017/18	2018/19	2019/20	2020/21
	ACTUAL	ACTUAL	REVISED BUDGET	EST. ACTUAL	PROPOSED BUDGET	CHG%	PROJ.	PROJ.	PROJ.	PROJ.
Medical Services	\$ 25	\$ 46	\$ 27	\$ 26	\$ 49	2.0%	\$ 50	\$ 51	\$ 52	\$ 53
Grounds Services	138	165	142	172	172	2.0%	175	179	183	187
Miss Utility	2	2	3	3	3	2.0%	3	3	3	3
Contracted Staffing	88	3	11	8	9	2.0%	9	9	9	9
Other Contracted Services	1,419	1,618	1,508	1,555	1,527		1,546	1,577	1,609	1,641
Trash Collection	1,916	1,954	2,024	1,985	2,017	2.5%	2,067	2,119	2,172	2,226
Legal Fees	307	246	249	267	249	2.0%	254	259	264	269
Auditing	27	23	44	23	30	2.0%	31	32	33	34
Consulting	60	20	20	15	15	2.0%	15	15	15	15
Engineering	45	36	35	35	35	2.0%	36	37	38	39
Building Services	13	14	21	18	18	2.0%	18	18	18	18
Wellness Program	27	47	55	55	55		55	55	55	55
Safety Program	3	3	5	5	5	2.0%	5	5	5	5
Other Professional Services	161	164	183	154	186	2.0%	190	194	198	202
Total Contracted Services	\$ 4,231	\$ 4,341	\$ 4,327	\$ 4,321	\$ 4,370		\$ 4,454	\$ 4,553	\$ 4,654	\$ 4,756
% Increase	5.2%	2.6%	-0.3%	-0.1%	1.0%		1.9%	2.2%	2.2%	2.2%

OPERATING TRANSFERS TO OTHER CITY FUNDS

	2013/14	2014/15	2015/16		2016/17	PROJ.	2017/18	2018/19	2019/20	2020/21
	ACTUAL	ACTUAL	REVISED BUDGET	EST. ACTUAL	PROPOSED BUDGET	CHG%	PROJ.	PROJ.	PROJ.	PROJ.
Economic Redevelopment Fund	\$ 100	\$ -	\$ 100	\$ 100	\$ 100		\$ 250	\$ 250	\$ 200	\$ 200
Golf Course Fund	200	226	195	195	200		224	214	203	203
Special Revenue Grant Fund	1	9	-	-	-		25	25	25	25
Property Management Fund	-	-	-	-	-		-	-	-	-
Total Operating Transfers	\$ 301	\$ 235	\$ 295	\$ 295	\$ 300		\$ 499	\$ 489	\$ 428	\$ 428

GENERAL FUND FINANCIAL PROJECTIONS
FISCAL YEAR 2017/2021
DEBT SERVICE
(IN THOUSANDS)

	2013/14	2014/15	2015/16		2016/17	PROJ.	2017/18	2018/19	2019/20	2020/21
	ACTUAL	ACTUAL	REVISED BUDGET	EST. ACTUAL	PROPOSED BUDGET	CHG%	PROJ.	PROJ.	PROJ.	PROJ.
1998/99 Pub Imprv Bonds										
Interest	\$ 2	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -
Principal (\$1,675,000)	80	-	-	-	-		-	-	-	-
2003/04 Pub Imprv Bonds										
Interest	29	25	21	21	17		12	8	3	-
Principal (\$1,395,000)	95	100	100	100	105		110	115	120	-
Deferred Costs	-	-	-	1	1		1	1	-	-
2004/2005 Public Fac Bonds										
Interest	68	59	50	50	41		31	21	11	-
Principal (\$3,800,000)	261	271	276	276	285		299	309	318	-
2005/06 Pub Facilities Bonds										
Interest	173	155	137	137	118		98	78	57	35
Principal (\$7,490,666)	477	492	511	511	530		549	571	594	613
2008/09 Pub Imprv Bonds										
Interest	70	60	54	54	44		36	13	1	-
Principal (\$3,407,810)	316	325	339	339	356		375	394	412	-
Deferred Costs	-	-	-	-	-		-	-	-	-
2008/09 Pub Imprv BAB										
Interest	188	188	229	188	252		239	239	239	228
Principal (\$5,074,007)	-	-	-	-	-		-	-	-	427
Deferred Costs	-	-	-	-	-		-	-	-	-
2012 Tote Loan										
Interest	21	19	17	17	14		12	9	6	4
Principal (\$600,000)	53	55	56	57	59		61	64	68	68
Deferred Costs	-	-	-	-	-		-	-	-	-
2014 Pub Imprv Bonds										
Interest (2.50% over 15 years)	-	11	10	10	10		9	8	8	7
Principal (\$428,427)	-	25	26	26	26		27	28	28	29
2015A Pub Imprv Bonds										
Interest (3.06% over 20 years)	-	-	84	86	86		83	80	76	72
Principal (\$3,273,743)	-	-	203	112	108		112	118	122	129
Deferred Costs	-	36	-	-	-		-	-	-	-
2015B Pub Imprv Bonds										
Interest (3.89% over 20 years)	-	-	-	20	21		20	20	19	19
Principal (\$650,000)	-	-	-	26	25		25	26	26	26
Deferred Costs	-	8	-	-	-		-	-	-	-
Subtotal Current Debt Service Issues										
Interest & Deferred Costs	551	561	602	584	604		541	477	420	365
Principal	1,282	1,268	1,511	1,447	1,494		1,558	1,625	1,688	1,292
Subtotal Current Debt Service Issues	\$ 1,833	\$ 1,829	\$ 2,113	\$ 2,031	\$ 2,098		\$ 2,099	\$ 2,102	\$ 2,108	\$ 1,657
2017 Pub Imprv Bonds (Future)										
Interest (4.00% over 20 years)	-	-	40	-	68		137	137	137	137
Principal (\$6,399,000)	-	-	-	-	-		330	330	330	330
2018 Pub Imprv Bonds (Future)										
Interest (4.25% over 20 years)	-	-	-	-	-		75	149	149	149
Principal (\$6,580,000)	-	-	-	-	-		-	339	339	339
2019 Pub Imprv Bonds (Future)										
Interest (4.25% over 20 years)	-	-	-	-	-		-	43	87	87
Principal (\$3,825,000)	-	-	-	-	-		-	-	198	198
2020 Pub Imprv Bonds (Future)										
Interest (4.25% over 25 years)	-	-	-	-	-		-	-	97	195
Principal (\$8,620,000)	-	-	-	-	-		-	-	-	356
2021 Pub Imprv Bonds (Future)										
Interest (4.25% over 20 years)	-	-	-	-	-		-	-	-	63
Principal (\$5,580,000)	-	-	-	-	-		-	-	-	-
Total All Debt Service Issues										
Interest & Deferred Costs	551	561	642	584	672		753	806	890	996
Principal	1,282	1,268	1,511	1,447	1,494		1,888	2,294	2,555	2,515
Total All Debt Service Issues	\$ 1,833	\$ 1,829	\$ 2,153	\$ 2,031	\$ 2,166		\$ 2,641	\$ 3,100	\$ 3,445	\$ 3,511

**Note: It is anticipated that no Public G/O bonds will be issued in 2016. The 2017 bond issue on the chart above will be for approved FY16 and FY17 capital bond projects.*

**GENERAL FUND FINANCIAL PROJECTIONS
FISCAL YEAR 2017/2021
DEBT AFFORDABILITY**

Fiscal Year	Total Taxable Assessed Value	Population	Governmental Outstanding Debt	Gov't Debt as Percentage of Total Taxable Assessed Value	Gov't Debt Per Capita	General Fund Debt Service as % of General Fund Operating Revenue
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	2,552,030	40	13,343	0.52%	333	5.16%
2010	2,830,482	40	20,457	0.72%	511	5.25%
2011	2,880,838	40	18,695	0.65%	471	6.41%
2012	2,559,162	40	17,460	0.68%	440	6.80%
2013	2,633,731	40	16,013	0.61%	404	5.31%
2014	2,665,127	40	15,168	0.57%	382	4.80%
2015	2,541,960	40	18,093	0.71%	448	4.80%
Estimated 2015/16	2,568,565	40	16,633	0.65%	412	4.89%
Proposed 2016/17	2,624,973	40	21,525	0.82%	533	5.17%
Projected 2017/18	2,753,636	40	26,203	0.95%	649	5.89%
Projected 2018/19	2,780,661	40	27,721	1.00%	687	6.70%
Projected 2019/20	2,849,258	40	33,773	1.19%	837	7.30%
Projected 2020/21	2,934,530	40	36,825	1.25%	912	7.21%
City Debt Policy Guidelines				10.00%	1,000	10.00%

**General Fund Financial Projections
Fiscal Year 2017/2021
General Fund Debt Capacity Limit: Debt per Capita**

Fiscal Year	Total Taxable Assessed Value	Governmental Outstanding Debt	Population	Gov't Debt per Capita	Future Governmental Debt Issuances	Future Repayment Schedule
Future Bond Issuances included in Capital Improvement Program						
2015	2,541,960	18,093	40	448	-	-
Estimated 2015/16	2,568,565	16,633	40	412	-	1,460
Proposed Bud 2016/17	2,624,973	21,525	40	533	6,399	1,507
Projected 2017/18	2,753,636	26,203	40	649	6,580	1,901
Projected 2018/19	2,780,661	27,721	40	687	3,825	2,307
Projected 2019/20	2,849,258	33,773	40	837	8,620	2,568
Projected 2020/21	2,934,530	36,825	40	912	5,580	2,528
Subtotal Future Issuances					31,004	12,272
City Debt Policy Limit		40,364	40	1,000		

Additional General Fund Debt Issue Capacity

Over FY 2014/15 level	22,271
Beyond 5 year proposed projections	3,539

ENTERPRISE FUNDS PROJECTIONS
FISCAL YEAR 2017/2021
INTRODUCTION

- Percentages of projected changes are indicated in the seventh column. Items without a percentage have been individually projected by year.
- Operating revenue across the utility funds includes a variety of sources; such as, service charges to customers, rental income from tenants, and green fees to golf. Rate and/or premium increases are included for Water and Wastewater Funds. Most of the other revenue increases included in the projections are based on increased utilization or increased customer base.
- Total operating expenses (excluding depreciation) continue to increase for Electric, Water, and Wastewater based on historical trends occurring within these funds but the operating expenses are decreasing for the Parking fund from the FY2015/16 budget to the proposed budget in FY2016/17. The overall operating expense increases range from 0.8% through 3.2% for Electric, Water, and Wastewater and the decrease for Parking is 2.8% and is specifically notated within each individual fund's assumption section that follows. The increases included for future periods through FY2020/21 are based on trends specific within each fund and are notated in the following pages.
- Depreciation expense is based on each fund's financial ability to invest in capital infrastructure and renovation projects. Depreciation expense is directly associated to each fund's capital investments through FY2020/21 and to fixed assets that have reached its useful life period. Specific details on each funds' capital projects are located in the Capital Improvement Program Section 8.
- The interest income rate is projected to be flat for FY2016/17 and remain flat in future years as a result of the national economy and the low interest rates available on our current investments.
- The debt service requirements vary by fund and are reflected in Interest Expense and Principal Payments in all applicable funds. The future bond issue interest costs vary as some are City issued bonds and some are financed through Maryland Department of the Environment (MDE). Each issue may have different terms as well. In general, the projections for City issued governmental bonds are based on interest rates of 4.0% and 4.25% primarily for 20 year terms. Typically, MDE bond issues are low interest rates at 2.0% over a 30 year term.
- Capital expenditures are taken directly from Section 8, Capital Improvement Program. Each department prepares and details a five year projection for all capital improvement projects. Non-CIP capital outlay expenditures have been estimated and added to the capital improvement projection amounts based on prior years' experience.
- The cash and short term investment balances at the beginning and end of each fiscal year are presented for each fund to assist in analyzing the cumulative impact of the annual surplus or deficit amounts on working capital.

ELECTRIC FUND PROJECTIONS
FISCAL YEAR 2017/2021
ASSUMPTIONS

- The HLD is currently operating under a Power Service Agreement through May 31, 2017 at \$51.50 per megawatt hour (MWh). This extension represents a reduction of approximately 4.5% from the former contract which ended May 31, 2015 and is reflected in the purchase power section of the operating expense budget. As a result of the reduction in purchase power expenses, HLD customers realized a reduction of the average Purchase Power Adjustment, reflected in the revenue budget.
- The increase in service charge revenue from FY2015/16 budget compared to FY2016/17 proposed budget is 1.7% or \$401K and reflects the approval of the Purchase Power contract. With the new contract extension in place, our projections for revenue from FY2016/17 through FY2020/21 will remain flat with no change as a result of the Purchase Power agreement and Public Service Commission regulations.
- Operating expenses, excluding depreciation, increased by 1.5% from the FY2015/16 budget compared to the proposed budget for FY2016/17. This increase reflects an increase in health insurance costs for employees and retirees in FY17 as well as legal fees in FY17 due to beginning discussions on a new Wholesale Power contract. Based on historical data, the projections reflect annual increases of 0.5% from FY2017/18 through FY2020/21.
- The purchased power expense for FY2016/17 budget represents approximately 74% of total service revenue charges. Due to the Purchase Power revenue remaining flat from FY2015/16 estimated actuals, the projections for the expenses are flat from FY2015/16 estimated actuals to proposed FY2016/17 budget. Just like the revenue projections for future years, the purchase power expense category remains flat beginning in FY2016/17 through FY2020/21.
- Depreciation expense for proposed FY2016/17 budget is 4.9% higher than current FY2015/16 budget. This increase is a result of higher than anticipated investments in new capital projects and assets. Beginning in FY2017/18 through FY2020/21, it is anticipated that more capital equipment and infrastructure investments will be made which causes the following annual increases in the depreciation expenses: .6%, 1.3%, 1.3%, and 1.2%.
- The investment interest rate is assumed to remain flat. 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 remaining flat.
- As reflected in our projections, all capital improvement projects and capital outlay expenditures will be covered by fund balance in the Electric Fund. However, the Electric Fund did receive \$650,000 from a bond issue in FY2014/15 for a roof replacement at its Administrative Office Building. After the completion of this capital improvement project, there is no future debt issues included in projections through FY2020/21.
- Based on the assumptions outlined above for minimal revenue growth and increasing expenses, our net increase (decrease) in retained earnings is estimated to decline from an anticipated gain of \$80K in FY2016/17 to a gain of \$19K in FY2017/18.
- The projections show the dividend affordability formula and its effect on the Electric Fund's cash balance. Per the City's Enterprise Fund Dividend Transfer policy, projections will be updated once FY2015/16 is closed and audited to determine if any transfer is possible.

ELECTRIC FUND PROJECTIONS
FISCAL YEAR 2017/21
INCOME STATEMENT
(IN THOUSANDS)

	2013/14	2014/15	2015/16		2016/17	PROJ.	2017/18	2018/19	2019/20	2020/21
	ACTUAL	ACTUAL	REVISED	ESTIMATED	PROPOSED	CHG %	PROJ.	PROJ.	PROJ.	PROJ.
Operating Revenues										
Service Charges:										
Residential	\$ 12,531	\$ 12,288	\$ 11,996	\$ 12,275	\$ 12,275	0.0%	\$ 12,275	\$ 12,275	\$ 12,275	\$ 12,275
Commercial	5,051	5,016	5,040	5,060	5,060	0.0%	5,060	5,060	5,060	5,060
Industrial	5,424	5,491	5,466	5,571	5,571	0.0%	5,571	5,571	5,571	5,571
Other Rates	1,089	1,027	793	791	791	0.0%	791	791	791	791
Total Service Charges	24,095	23,822	23,295	23,697	23,697		23,697	23,697	23,697	23,697
Other Operating Revenues	603	644	613	577	594		594	594	594	594
Total Operating Revenue	24,698	24,465	23,908	24,273	24,291		24,291	24,291	24,291	24,291
Operating Expenses										
Purchased Power	18,153	17,947	17,472	17,595	17,595	0.0%	17,595	17,595	17,595	17,595
Distribution	2,215	2,194	2,285	2,350	2,359	0.5%	2,370	2,382	2,394	2,406
General & Administration	3,067	3,149	3,279	3,406	3,431	0.5%	3,449	3,466	3,483	3,501
Depreciation	845	844	920	850	965		971	984	996	1,008
Total Operating Expenses	24,280	24,134	23,956	24,200	24,350		24,385	24,427	24,468	24,510
Operating Income (Loss)	418	331	(47)	73	(59)		(94)	(136)	(178)	(219)
Non-Operating Revenues (Expenses)										
Interest Earned	137	126	119	116	105		105	105	105	105
Interest Expense	(8)	(18)	(20)	(24)	(22)		(21)	(19)	(17)	(16)
Gain (loss) on Sale of Capital Assets	(15)	(5)	10	2	10		10	10	10	10
Total Non-Operating Revenue (Expense)	114	103	109	95	93		94	96	98	100
Net Income (Loss) Before Operating Transfers	533	434	62	168	34		0	(40)	(80)	(119)
Transfers to Capital Improvements	(24)	(29)	-	-	(4)		(31)	(41)	(46)	(31)
Capital Contributions										
Non-cash Developer Contributions	80	49	100	40	50		50	50	50	50
Capital Contributions	80	49	100	40	50		50	50	50	50
Increase (Decrease) in Retained Earnings	588	454	162	208	80		19	(31)	(76)	(100)
Adjust to a Cash Flow Basis										
Depreciation	845	844	920	850	965		971	984	996	1,008
Current Principal Payments on Debt	(23)	(23)	(58)	(46)	(46)		(48)	(50)	(52)	(54)
Non-Cash Capital Contributions	(80)	(49)	(100)	(40)	(50)		(50)	(50)	(50)	(50)
Changes in Working Capital	582	75	-	-	-		-	-	-	-
Total Adjustments to Retained Earnings	1,324	847	762	764	869		873	883	894	904
Funds Available for Capital Outlay	1,913	1,301	924	971	949		892	852	818	803
Capital Outlay	536	642	1,639	1,039	988		1,299	1,564	1,764	1,414
Cash After Capital Outlay	\$ 1,376	\$ 659	\$ (715)	\$ (68)	\$ (39)		\$ (406)	\$ (711)	\$ (945)	\$ (610)
Additional Funding:										
City Bond Financing	-	650	-	-	-		-	-	-	-
Net Surplus (Deficit)	1,376	1,309	(715)	(68)	(39)		(406)	(711)	(945)	(610)
Beginning Cash Balance	\$ 3,806	\$ 5,183	\$ 6,492	\$ 6,492	\$ 6,424		\$ 6,385	\$ 5,979	\$ 5,268	\$ 4,322
Ending Cash Balance	\$ 5,183	\$ 6,492	\$ 5,777	\$ 6,424	\$ 6,385		\$ 5,979	\$ 5,268	\$ 4,322	\$ 3,712
Dividend Affordability Formula										
Operating & Maintenance Expenses	\$ 23,435	\$ 23,290	\$ 23,036	\$ 23,350	\$ 23,385		\$ 23,414	\$ 23,443	\$ 23,472	\$ 23,501
Reserved Retained Earnings (2 Months)	\$ 3,906	\$ 3,882	\$ 3,839	\$ 3,892	\$ 3,897		\$ 3,902	\$ 3,907	\$ 3,912	\$ 3,917
Cash in Excess of Reserve after Dividend	\$ 1,278	\$ 2,610	\$ 1,938	\$ 2,532	\$ 2,488		\$ 2,077	\$ 1,361	\$ 410	\$ (205)

ELECTRIC FUND PROJECTIONS
FISCAL YEAR 2017/21
INCOME STATEMENT
(IN THOUSANDS)

			2015/16		2016/17						
	2013/14	2014/15	REVISED	ESTIMATED	PROPOSED	PROJ.	2017/18	2018/19	2019/20	2020/21	
	ACTUAL	ACTUAL	BUDGET	ACTUAL	BUDGET	CHG %	PROJ.	PROJ.	PROJ.	PROJ.	
Schedule A - Capital Outlay											
Capital Outlay											
Vehicles-C0090	\$ -	\$ 123	\$ 250	\$ 75	\$ 250		\$ 190	\$ 250	\$ 250	\$ 200	
Telemetry Equipment-C0111	16	9	40	40	40		30	20	20	20	
Central Substation-C0118	-	-	-	-	-		-	200	500	200	
Wesel Boulevard-C0220	-	-	-	-	-		50	50	50	50	
System Reconductoring-C0259	-	37	20	-	20		20	20	20	20	
Pedestrian Lights-C0388	-	-	-	-	-		100	100	100	100	
SCADA System-C0441	-	-	-	-	25		-	-	-	-	
Underground Replacement-C0540	-	-	100	50	50		50	50	50	50	
Supplemental Lighting-C0541	-	-	20	-	-		-	-	-	-	
Building & Site Improvements-C0542	19	133	675	475	50		25	25	25	25	
Bulldog Substation- C0544	-	-	-	-	-		-	-	20	20	
Street Light Replacement-C0546	-	-	25	-	25		25	-	-	-	
A&E District Upgrades-C0591	-	-	32	-	25		25	25	25	25	
Test Equipment-C0609	-	-	7	3	10		10	10	10	10	
Substation Breaker Replacement-776	-	-	-	-	-		50	50	50	50	
Mitchell Substation Third Bay-C0778	-	-	-	-	-		60	100	-	-	
Spare Regulators-C0797	-	14	15	-	20		20	20	-	-	
Wildlife Protection-C0802	14	-	15	10	10		10	10	10	10	
Noland Drive Boys and Girls Club-C0818	15	6	-	-	-		-	-	-	-	
Hamilton Hotel-C0819	8	-	-	1	-		-	-	-	-	
Feeder Coordination-C0833	-	-	25	-	25		25	25	25	25	
Bester Elementary School-C0841	17	29	-	-	-		-	-	-	-	
Circuit Upgrades-C0842	11	-	20	20	20		150	150	150	150	
Washington County Senior Center-C0869	-	20	-	5	-		-	-	-	-	
Other - Non-Specific	437	272	395	360	418		459	459	459	459	
Total Capital Outlay	\$ 536	\$ 642	\$ 1,639	\$ 1,039	\$ 988		\$ 1,299	\$ 1,564	\$ 1,764	\$ 1,414	

WATER FUND PROJECTIONS
FISCAL YEAR 2017/2021
ASSUMPTIONS

- Mayor and City Council adopted a five-year rate schedule on March 27, 2014, water service rates are scheduled to increase an average of 2.0% for services provided in the City and an average of 2.0% per year for services provided outside the City. The five-year rate schedule was based on a cost of service study; and, the rate schedule began on July 1, 2014 and will end June 30, 2019. The projections reflect these average increases through FY2018/19. Additionally, the projections for FY2019/20 and FY2020/21 include an additional 2% rate increase. The Utilities Department updates the Rate Model annually with actual revenues and expenditures to help ensure revenue and expense projections are realized. The rate increases are necessary to offset increasing debt service costs, rising depreciation expenses, and flat capital contributions.
- Total operating expenses (excluding depreciation) increased by 0.8% from the FY2015/16 budget compared to the proposed budget for FY2016/17. Primarily, this increase is a result of salary enhancements for AFSCME 1540 union employees due to an arbitration award in FY2015/16 and rising employer health costs. Also, the 2016/17 budget reflects a high amount of chemical expenses for the Willson Plant as a result of the completion of the Phase IV Plant improvements and additional maintenance costs are anticipated due to the Phase IV project completion. Based on historical trends, the projections include increases in future periods as well, and the overall estimated increase for each period from FY2017/18 through FY2020/21 is 2.0%.
- Depreciation expense has decreased from FY2015/16 budget to FY2016/17 budget by 6.5%, however, we anticipate that depreciation will continue to increase in future years as investment in significant capital projects continue throughout the City. This trend will continue to increase at a lower rate in the years that follow based upon current anticipated new projects. In the four years from FY2017/18 through FY2020/21 the increase in expense will be 6.4%, 4.0%, 5.9%, and 5.6%.
- The investment interest rate is assumed to remain flat with no growth calculated due to the current economic market conditions.
- The projection incorporates benefit charge funds. Benefit charge funds are intended to be used for growth related capital projects and debt service from prior year growth related projects. Benefit charges have remained flat due to the economy. From our current FY2015/16 budget to estimated projections for FY2015/16, benefit charges are estimated to remain flat. The projections for FY2016/17 will remain flat with no growth. All remaining projections will remain flat annually through FY2020/21.
- The projections for Maryland Department of the Environment (MDE) Loan Program Bond financing include low interest rates at 2% for thirty year terms. In addition, MDE bonds include an administrative fee of 5.0% of debt service issued annually. The bonds marked as City bonds have a range in interest rates from 4.0% to 4.25% over 20 years. The prior MDE bond financing for the R.C. Willson Plant upgrades includes loan forgiveness of \$1.5 million which will occur in FY2023/24.
- Based on the assumptions outlined above for both revenues and increasing expenses, our net increase (decrease) in retained earnings is estimated to decline from an anticipated gain of \$478K in FY2016/17 to a gain of \$257K in FY2017/18.
- Due to the drop in projected new benefit charges, the cost of service rate study recommends that an allocation of cash be included as restricted cash in future years. This allocation would cover a portion of annual service charge revenues for future system repairs, renewal, and replacement.
- The ending total cash balance projection decreased from \$10.6M in FY2016/17 to \$10.2M in FY2020/21 primarily as a result of an increase in annual debt service requirements for infrastructure.

WATER FUND PROJECTIONS
FISCAL YEAR 2017/2021
INCOME STATEMENT
(IN THOUSANDS)

	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20	2020/21
	ACTUAL	ACTUAL	REVISED BUDGET	EST. ACTUAL	PROPOSED BUDGET	PROJ. CHG%	PROJ.	PROJ.	PROJ.	PROJ.
Operating Revenues										
Service Charges										
Metered City Water	\$ 2,071	\$ 2,102	\$ 2,142	\$ 2,147	\$ 2,187	2%	\$ 2,231	\$ 2,275	\$ 2,321	\$ 2,367
Metered County Water	8,064	8,212	8,428	8,388	8,555	2%	8,726	8,901	9,079	9,260
Total Service Charges	10,135	10,314	10,570	10,535	10,742		10,957	11,176	11,399	11,627
Other Operating Revenues	982	803	852	788	787		800	800	800	800
Total Operating Revenue	11,117	11,116	11,423	11,323	11,529		11,757	11,976	12,199	12,427
Operating Expenses										
Source of Supply	76	97	58	54	56	2%	57	58	59	60
Pumping & Water Treatment	3,283	3,571	3,560	3,710	3,584	2%	3,656	3,729	3,804	3,880
Transmission & Distribution	1,483	1,929	1,888	1,748	1,896	2%	1,934	1,972	2,012	2,052
Selling, General & Administration	2,620	2,645	2,795	2,789	2,702	2%	2,756	2,811	2,867	2,924
Total Operating Expenses	7,461	8,242	8,301	8,301	8,237		8,402	8,570	8,741	8,916
Cash Operating Income (Loss)	3,656	2,874	3,122	3,022	3,292		3,355	3,406	3,458	3,511
Depreciation	2,403	2,517	3,300	3,300	3,100		3,300	3,431	3,634	3,837
Operating Income (Loss)	1,253	357	(178)	(278)	192		55	(25)	(176)	(326)
Non-Operating Revenues (Expenses)										
Interest Earned	3	1	2	1	1		2	2	2	2
Interest Expense	(359)	(431)	(570)	(579)	(571)		(622)	(717)	(775)	(794)
Gain on Fixed Asset Disposals	8	15	2	5	10		3	3	3	3
Total Non-Operating Revenue (Expense)	(348)	(415)	(567)	(574)	(560)		(617)	(713)	(771)	(789)
Net Income (Loss) Before Operating Transfers	905	(58)	(746)	(852)	(368)		(562)	(738)	(947)	(1,115)
Transfers From (To) Other Funds										
Transfers to Capital Improvements Fund	(60)	(37)	-	-	(4)		(31)	(41)	(46)	(31)
Total Transfers From (To) Other Funds	(60)	(37)	0	0	(4)		(31)	(41)	(46)	(31)
Capital Contributions										
Benefits Charges	672	877	500	500	500		500	500	500	500
Grants in Aid of Construction	1,375	-	-	-	-		-	-	-	-
Developer Contributions	661	-	350	350	350		350	350	350	350
Capital Contributions	2,708	877	850	850	850		850	850	850	850
Increase (Decrease) in Retained Earnings	3,553	782	104	(2)	478		257	71	(143)	(296)
Adjust to a Cash Flow Basis										
Add Back Depreciation	2,403	2,517	3,300	3,300	3,100		3,300	3,431	3,634	3,837
Changes in Working Capital	1,331	(426)	-	-	-		-	-	-	-
Principal Payments on Long-term Debt	(1,256)	(1,269)	(1,779)	(1,702)	(1,724)		(1,868)	(2,206)	(2,537)	(2,633)
Non-Cash Capital Contributions	(661)	-	(350)	(350)	(350)		(350)	(350)	(350)	(350)
Total Adjustments to Retained Earnings	1,816	822	1,171	1,248	1,026		1,081	875	747	854
Cash Available for Capital Outlay	5,369	1,604	1,276	1,246	1,504		1,338	947	604	558
Capital Outlay										
Non-Growth Related	10,101	3,301	2,525	2,193	3,561		4,626	6,375	2,034	1,896
Growth Related	2,299	593	590	336	193		3,896	5,068	1,046	6,098
Total Capital Outlay	12,400	3,894	3,115	2,529	3,754		8,522	11,443	3,080	7,994
Cash After Capital Outlay	(7,031)	(2,289)	(1,839)	(1,283)	(2,250)		(7,184)	(10,496)	(2,476)	(7,436)
Additional Funding										
MDE Bond Financing -Current Year	5,945	2,052	1,400	950	1,375		5,000	8,200	400	4,000
MDE Bond Financing-Previous Year	-	1,222	-	-	-		-	-	-	-
Contributions from Developers	-	-	-	-	-		-	150	550	2,000
City Bond Financing-Current and Future year	-	3,256	486	-	1,252		2,588	2,018	1,268	1,018
Total Additional Funding	5,945	6,530	1,886	950	2,627		7,588	10,368	2,218	7,018
Net Surplus (Deficit)	\$ (1,086)	\$ 4,240	\$ 47	\$ (333)	\$ 377		\$ 404	\$ (129)	\$ (259)	\$ (419)
Beginning Cash Balance	\$ 7,404	\$ 6,318	\$ 10,558	\$ 10,558	\$ 10,225		\$ 10,602	\$ 11,006	\$ 10,877	\$ 10,619
Ending Cash Balance	\$ 6,318	\$ 10,558	\$ 10,605	\$ 10,225	\$ 10,602		\$ 11,006	\$ 10,877	\$ 10,619	\$ 10,200
Unrestricted Cash Balance - Beginning	\$ 4,206	\$ 2,879	\$ 6,611	\$ 6,611	\$ 6,209		\$ 6,460	\$ 6,778	\$ 6,650	\$ 6,466
Unrestricted Cash Balance - Ending	\$ 2,879	\$ 6,611	\$ 6,589	\$ 6,209	\$ 6,460		\$ 6,778	\$ 6,650	\$ 6,466	\$ 6,345
Restricted Cash Balance - Beginning	\$ 3,198	\$ 3,439	\$ 3,947	\$ 3,947	\$ 4,016		\$ 4,142	\$ 4,228	\$ 4,227	\$ 4,153
Restricted Cash Balance - Ending	\$ 3,439	\$ 3,947	\$ 4,016	\$ 4,016	\$ 4,142		\$ 4,228	\$ 4,227	\$ 4,153	\$ 3,855
Dividend Affordability Formula:										
Operating & Maintenance Expenses	\$ 7,461	\$ 8,242	\$ 8,301	\$ 8,301	\$ 8,237		\$ 8,402	\$ 8,570	\$ 8,741	\$ 8,916
Reserved Retained Earnings (2 Months)	\$ 1,244	\$ 1,374	\$ 1,383	\$ 1,383	\$ 1,373		\$ 1,400	\$ 1,428	\$ 1,457	\$ 1,486
Cash in Excess of Reserve after Dividend	\$ 1,635	\$ 5,237	\$ 5,206	\$ 4,826	\$ 5,087		\$ 5,378	\$ 5,222	\$ 5,009	\$ 4,859

WATER FUND PROJECTIONS
FISCAL YEAR 2017/2021
INCOME STATEMENT
(IN THOUSANDS)

	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20	2020/21
	ACTUAL	ACTUAL	REVISED BUDGET	EST. ACTUAL	PROPOSED BUDGET	PROJ. CHG%	PROJ.	PROJ.	PROJ.	PROJ.
Schedule A - Capital Outlay										
Capital Outlay										
Water Vehicles-C0117	\$ 169	\$ 209	\$ 234	\$ 254	\$ 387		\$ 257	\$ 398	\$ 210	\$ 324
R.C. Willson Plant Improvements-C0166	102	80	210	200	225		235	245	255	265
Willson Transmission Main-C0167	-	-	500	-	100		3,750	4,750	400	4,000
Edgemont Reservoir Improvements-C0168	-	-	250	100	507		1,825	1,225	450	175
Zone 3 Standpipe-C0323	-	-	-	-	-	-	-	-	-	100
Breichner WTP Improvements-C0405	-	-	150	20	100		1,050	3,150	50	50
Administrative/Engineering Equip.-C0648	-	-	10	5	10		10	10	10	10
Pump Station Improvements-C0651	35	6	75	25	325		75	225	625	1,975
Distribution Services-C0653	1,975	913	330	300	330		330	330	330	330
Distribution System Rehabilitation-C0709	563	365	406	400	550		565	585	600	615
R.C. Willson Plant - Phase IV-C0740	7,250	2,175	-	1,000	-		-	-	-	-
Water System SCADA Improvements-C0820	2,307	145	175	175	175		425	525	150	150
R.C.Willson Traveling Screen ReplacementC0863	-	-	775	50	1,045		-	-	-	-
Total Capital Outlay	12,400	3,894	3,115	2,529	3,754		8,522	11,443	3,080	7,994
Schedule B - Capital Outlay Detail										
Capital Outlay										
Non-Growth Related										
Cash Funded										
Water Vehicles-C0117	\$ 169	\$ 209	\$ 234	\$ 254	\$ 387		\$ 257	\$ 398	\$ 210	\$ 324
R.C. Willson Plant Improvements-C0166	77	23	23	23	23		28	28	28	28
Edgemont Reservoir Improvements-C0168	-	-	150	100	150		150	150	150	150
Breichner WTP Improvements-C0405	-	-	50	20	50		50	50	50	50
Administrative/Engineering Equip.-C0648	-	-	8	4	8		8	8	8	8
Pump Station Improvements-C0651	35	-	75	25	100		75	75	75	75
Distribution Services-C0653	1,975	-	330	300	330		330	330	330	330
Distribution System Rehabilitation-C0709	563	-	200	-	-		-	-	-	-
R.C. Willson Plant - Phase IV-C0740	113	92	-	113	-		-	-	-	-
Water System SCADA Improvements-C0820	692	116	60	60	20		20	20	-	-
R.C.Willson Traveling Screen Rep -C0863	-	-	75	50	45		-	-	-	-
Total Cash Funding	3,622	440	1,204	948	1,113		918	1,059	851	965
Grants in Aid of Construction										
R.C. Willson Plant - Phase IV-C0740	1,031	-	-	-	-		-	-	-	-
Total Grants in Aid of Construction	1,031	0	0	0	0		0	0	0	0
MDE Bond Funded										
Breichner WTP Improvements-C0405	-	-	100	-	50		1,000	3,100	-	-
Pump Station Improvements-C0651	-	-	-	-	225		-	-	-	-
R.C. Willson Plant - Phase IV-C0740	4,294	1,539	-	638	-		-	-	-	-
Water System SCADA Improvements-C0820	176	-	80	80	-		200	280	-	-
R.C.Willson Traveling Screen Rep-C0863	-	-	700	-	1,000		-	-	-	-
Total MDE Bond Funding	4,469	1,539	880	718	1,275		1,200	3,380	0	0
Benefit Charge Advance(MDE Bond Funding)										
Water System SCADA Improvements-C0820	978	-	-	-	-		-	-	-	-
Total Benefit Charge Advance(MDE Funding)	978	0	0	0	0		0	0	0	0
City Bond Funded (Benefit Charge Advance)										
R.C. Willson Plant Improvements-C0166	-	38	135	128	146		148	156	163	171
Edgemont Reservoir Improvements-C0168	-	-	100	-	357		1,675	1,075	300	25
Pump Station Improvements-C0651	-	6	-	-	-		-	-	-	-
Distribution Services-C0653	-	913	-	-	-		-	-	-	-
Distribution System Rehabilitation-C0709	-	365	206	400	550		565	585	600	615
Water System SCADA Improvements-C0820	-	-	-	-	120		120	120	120	120
Total City Bond Funding	0	1,322	441	528	1,173		2,508	1,936	1,183	931
Total Non-Growth Related Capital Outlay	\$ 10,101	\$ 3,301	\$ 2,525	\$ 2,193	\$ 3,561		\$ 4,626	\$ 6,375	\$ 2,034	\$ 1,896

WATER FUND PROJECTIONS
FISCAL YEAR 2017/2021
INCOME STATEMENT
(IN THOUSANDS)

	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20	2020/21
	ACTUAL	ACTUAL	REVISED BUDGET	EST. ACTUAL	PROPOSED BUDGET	PROJ. CHG%	PROJ.	PROJ.	PROJ.	PROJ.
Growth Related										
Grants in Aid of Construction										
R.C. Willson Plant - Phase IV-C0740	344	-	-	-	-		-	-	-	-
Total Grants in Aid of Construction	344	0	0	0	0		0	0	0	0
Contributions by Developers										
Zone 3 Standpipe-C0323	-	-	-	-	-		-	-	-	100
New Pump Stations -C0651	-	-	-	-	-		-	150	550	1,900
Total Contributions by Developers	0	0	0	0	0		0	150	550	2,000
Benefit Charges/Restricted Cash Funded										
R.C. Willson Plant Improvements-C0166	26	8	8	8	8		9	9	9	9
Administrative/Engineering Equip.-C0648	-	-	2	1	2		2	2	2	2
R.C. Willson Plant - Phase IV-C0740	38	31	-	38	-		-	-	-	-
Water System SCADA Improvements-C0820	173	29	15	15	5		5	5	-	-
Total Benefit Charge Funded	236	67	25	61	15		16	16	11	11
MDE Bond Funded										
Willson Transmission Main-C0167	-	-	500	-	100		3,750	4,750	400	4,000
R.C. Willson Plant - Phase IV-C0740	1,431	513	-	213	-		-	-	-	-
Water System SCADA Improvements-C0820	44	-	20	20	-		50	70	-	-
Total MDE Bond Funding	1,475	513	520	233	100		3,800	4,820	400	4,000
MDE Bond Funded Benefit Charge Advance										
Water System SCADA Improvements-C0820	244	-	-	-	-		-	-	-	-
Total MDE Bond Benefit Charge Advance	244	0	0	0	0		0	0	0	0
City Bond Funded (Benefit Charge Advance)										
R.C. Willson Plant Improvements-C0166	-	13	45	43	49		49	52	54	57
Water System SCADA Improvements-C0820	-	-	-	-	30		30	30	30	30
Total City Bond Funding	0	13	45	43	79		79	82	84	87
Total Growth Related Capital Outlay	2,299	593	590	336	193		3,896	5,068	1,046	6,098
Total Capital Outlay	\$ 12,400	\$ 3,894	\$ 3,115	\$ 2,529	\$ 3,754		\$ 8,522	\$ 11,443	\$ 3,080	\$ 7,994

WASTEWATER FUND PROJECTIONS
FISCAL YEAR 2017/2021
ASSUMPTIONS

- Service Charge Revenue reflects the five-year rate schedule adopted on March 27, 2014. The five-year rate schedule was based on a cost of service study; and, the rate schedule began July 1, 2014 and will end June 30, 2019. The projections reflect the new rates: FY2016/17 - 4% rate increase; and both FY2017/18 and FY2018/19 – 2% rate increase. Additionally, the projections for FY2019/20 and FY2020/21 include an additional 2% rate increase. The rate increases are necessary to meet the Wastewater revenue requirements and enable the fund to be self-supporting.
- Total operating expenses (excluding depreciation) increased by 3.2% from the FY2015/16 budget compared to the proposed budget for FY2016/17. Primarily, this increase is a result of arbitration awards to AFSCME 1540 union for salary enhancements in FY16 and rising employer costs for health, dental, and pension contributions. As a result of historical trends, the projections include increases in future periods. The overall estimated increase for each period from FY2017/18 through FY2020/21 is 2.0%.
- Depreciation expense will fluctuate as a result of capital improvement upgrades, infrastructure investments, and assets reaching the end of its useful life. However, it is estimated that depreciation expense from the proposed FY2016/17 budget will remain flat with the current FY2015/16 budget. In addition, we anticipate that depreciation will increase in future years as we invest in various capital projects throughout the City. In the four years from FY2017/18 through FY2020/21 the increase in expense will be 1.9%, 2.6%, 2.1%, and 1.7%.
- The investment interest rate is assumed to remain flat due to the current market conditions. So, interest revenue projections are flat until FY2020/21.
- 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 due to the current economy. From our current FY2015/16 budget to estimated projections for FY2015/16, benefit charges are estimated to increase by 40% or \$200K. However, all of the projections for FY2017/18 through FY2020/21 will remain flat.
- Beginning in FY2016/17, projections assume that all future bonds will be backed by the full faith and credit of the City and issued as general obligation debt, which reflect an interest rate ranging from 4.0% to 4.25% and terms of 20 years.
- Based on the various estimations mentioned above for both revenues and expenses, our net increase (decrease) in retained earnings is estimated to decrease slightly from an anticipated gain of \$201K in FY2016/17 to a gain of \$98K in FY2020/21.
- The ending total cash balance projections reflect growth from \$5.4M in FY2016/17 to \$7.6M in FY2020/21 primarily as a result of the increase in service charges and maintaining operating and capital expenditures to amounts lower than anticipated revenue growth.

WASTEWATER FUND PROJECTIONS
FISCAL YEAR 2017/2021
INCOME STATEMENT
(IN THOUSANDS)

	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20	2020/21
	ACTUAL	ACTUAL	REVISED BUDGET	EST. ACTUAL	PROPOSED BUDGET	PROJ. CHG%	PROJ.	PROJ.	PROJ.	PROJ.
Operating Revenues										
Service Charges										
Metered City Sewer	\$ 5,653	\$ 6,423	\$ 6,640	\$ 6,570	\$ 6,830	2%	\$ 6,967	\$ 7,106	\$ 7,248	\$ 7,393
Metered County Sewer	2,733	2,994	3,156	3,097	3,222	2%	\$ 3,286	\$ 3,352	\$ 3,419	\$ 3,488
Metered Joint Sewer	1,991	2,235	2,289	2,322	2,415	2%	\$ 2,463	\$ 2,513	\$ 2,563	\$ 2,614
Low -Pressure System Charge	106	105	104	104	104	0%	104	104	104	104
Total Service Charges	10,483	11,756	12,190	12,093	12,571		12,820	13,075	13,334	13,599
Other Operating Revenues	299	471	273	323	292		275	275	275	275
Total Operating Revenue	10,782	12,226	12,463	12,416	12,863		13,095	13,350	13,609	13,874
Operating Expenses										
Plant Expenses	4,740	4,700	4,830	4,752	4,819	2%	4,915	5,013	5,113	5,216
Laboratory Expenses	292	278	293	260	280	2%	286	292	298	304
Collection Systems	1,121	1,267	1,265	1,431	1,487	2%	1,517	1,547	1,578	1,610
Selling, General & Administration	3,113	3,086	3,167	3,148	3,282	2%	3,348	3,415	3,483	3,553
Total Operating Expenses	9,266	9,331	9,555	9,591	9,868		10,066	10,267	10,472	10,682
Cash Operating Income (Loss)	1,516	2,895	2,908	2,826	2,995		3,030	3,083	3,137	3,192
Depreciation	2,918	2,981	3,120	3,120	3,120		3,180	3,263	3,333	3,390
Operating Income (Loss)	(1,402)	(86)	(212)	(294)	(125)		(150)	(181)	(196)	(198)
Non-Operating Revenues (Expenses)										
Interest Earned	(1)	1	3	1	2		5	5	5	5
Interest Expense	(391)	(374)	(415)	(417)	(412)		(429)	(441)	(448)	(419)
Gain (Loss) on Sale of Capital Assets	3	15	1	-	-		-	-	-	-
Total Non-Operating Revenues (Expenses)	(390)	(358)	(411)	(415)	(410)		(424)	(436)	(443)	(414)
Net Income (Loss) Before Operating Transfers	(1,792)	(444)	(624)	(710)	(536)		(574)	(617)	(639)	(611)
Transfers (to) Capital Improvements Fund	(24)	(29)	-	-	(4)		(31)	(41)	(46)	(31)
Capital Contributions										
Benefits Charges	580	920	300	500	500		500	500	500	500
Grants - Operations	234	240	240	240	240		240	240	240	240
Grants- Capital	-	-	-	-	-		300	-	-	-
Contributions by Developers	-	-	-	-	-		1,000	300	300	-
Total Capital Contributions	813	1,160	540	740	740		2,040	1,040	1,040	740
Increase (Decrease) in Retained Earnings	(1,003)	687	(84)	30	201		1,435	382	355	98
Adjust Retained Earnings to a Cash Flow Basis										
Add Back Depreciation	2,918	2,981	3,120	3,120	3,120		3,180	3,263	3,333	3,390
Changes in Working Capital	823	8	-	-	-		-	-	-	-
Principal Payment on Current Long-Term Debt	(1,499)	(1,583)	(1,707)	(1,681)	(1,704)		(1,824)	(1,965)	(2,064)	(1,727)
Total Adjustments to Retained Earnings	2,243	1,406	1,413	1,439	1,416		1,355	1,298	1,268	1,663
Cash Available for Capital Outlay	1,240	2,093	1,329	1,469	1,616		2,790	1,680	1,623	1,760
Capital Outlay										
Non-Growth Related	1,085	984	1,629	1,390	2,396		2,281	1,666	2,146	771
Growth Related	105	310	569	454	878		1,888	863	863	263
Total Capital Outlay	1,191	1,294	2,198	1,844	3,274		4,169	2,529	3,009	1,034
Cash After Capital Outlay	49	799	(869)	(375)	(1,658)		(1,379)	(849)	(1,386)	726
Additional Funding										
City Bond Financing	1,174	1,940	1,383	-	1,747		2,112	1,312	1,312	312
Total Additional Funding	1,174	1,940	1,383	-	1,747		2,112	1,312	1,312	312
Net Surplus (Deficit)	\$ 1,223	\$ 2,739	\$ 514	\$ (375)	\$ 89		\$ 733	\$ 463	\$ (74)	\$ 1,038
Total Cash Balance - Beginning	\$ 1,732	\$ 2,955	\$ 5,695	\$ 5,695	\$ 5,320		\$ 5,409	\$ 6,142	\$ 6,605	\$ 6,531
Total Cash Balance - Ending	\$ 2,955	\$ 5,695	\$ 6,209	\$ 5,320	\$ 5,409		\$ 6,142	\$ 6,605	\$ 6,531	\$ 7,570
Unrestricted Cash Balance - Beginning	\$ 1,732	\$ 2,954	\$ 5,243	\$ 5,243	\$ 4,734		\$ 4,863	\$ 5,560	\$ 5,926	\$ 5,767
Unrestricted Cash Balance - Ending	\$ 2,955	\$ 5,243	\$ 5,909	\$ 4,734	\$ 4,863		\$ 5,560	\$ 5,926	\$ 5,767	\$ 6,683
Restricted Cash Balance - Beginning	\$ -	\$ -	\$ -	\$ 450	\$ 586		\$ 546	\$ 583	\$ 679	\$ 764
Restricted Cash Balance - Ending	\$ -	\$ 450	\$ 300	\$ 586	\$ 546		\$ 583	\$ 679	\$ 764	\$ 886
Dividend Affordability Formula:										
Operating & Maintenance Expenses	\$ 9,266	\$ 9,331	\$ 9,555	\$ 9,591	\$ 9,868		\$ 10,066	\$ 10,267	\$ 10,472	\$ 10,682
Reserved Retained Earnings (2 Months)	\$ 1,544	\$ 1,555	\$ 1,593	\$ 1,598	\$ 1,645		\$ 1,678	\$ 1,711	\$ 1,745	\$ 1,780
Cash in Excess of Reserve after Dividend	\$ 1,411	\$ 3,688	\$ 4,317	\$ 3,135	\$ 3,218		\$ 3,882	\$ 4,215	\$ 4,022	\$ 4,903

WASTEWATER FUND PROJECTIONS
FISCAL YEAR 2017/2021
INCOME STATEMENT
(IN THOUSANDS)

			2015/16		2016/17							
	2013/14	2014/15	REVISED	EST.	PROPOSED	PROJ.	2017/18	2018/19	2019/20	2020/21		
	ACTUAL	ACTUAL	BUDGET	ACTUAL	BUDGET	CHG%	PROJ.	PROJ.	PROJ.	PROJ.		
Schedule A - Capital Outlay												
Capital Outlay												
Sewer Vehicles-C0004	\$ 453	\$ 43	\$ -	\$ 85	\$ 255		\$ 335	\$ 270	\$ 750	\$ 75		
Manhole Raising-C0267	11	32	36	36	36		36	36	36	36		
Pump Station Improvements-C0299	-	72	144	144	121		121	121	121	121		
Collection System Rehabilitation-C0327	213	144	400	200	430		1,600	400	400	400		
East End Pump Station-C0565	-	-	-	-	-		375	300	300	-		
WWTP Equipment-C0584	47	111	0	0	275		50	50	50	50		
Buildings & Structures-C0585	61	24	100	100	100		25	25	25	25		
WWTP - Phase III - Disinfection-C0657	-	0	10	10	10		10	10	10	10		
WWTP/Phase V/Solids Processing-C0711	15	0	50	50	50		50	50	50	50		
Sludge Storage Phase I Improvement-C0712	-	733	1,000	1,000	1,000		1,000	1,000	1,000	0		
Collection System Equipment-C0713	83	17	111	50	50		80	80	80	80		
Laboratory Equipment-C0745	-	-	10	7	10		10	10	10	10		
Grinder Pump Replacement-C0767	96	118	162	162	162		162	162	162	162		
SSES City Wide-C0800	(11)	-	-	-	600		-	-	-	-		
Eliminate Pump Station #12-C0832	134	-	160	-	160		300	-	-	-		
New Laterals-C0834	-	-	15	-	15		15	15	15	15		
Final Clarifiers 4 & Weir Covers 6-C0845	89	-	-	-	-		-	-	-	-		
Total Capital Outlay	\$ 1,192	\$ 1,294	\$ 2,198	\$ 1,844	\$ 3,274		\$ 4,169	\$ 2,529	\$ 3,009	\$ 1,034		
Schedule B - Capital Outlay Detail												
Capital Outlay Non-Growth Related												
Cash Funded												
Sewer Vehicles-C0004	-	-	-	-	255		335	270	750	75		
Manhole Raising-C0267	10.94	32	36	36	36		36	36	36	36		
Pump Station Improvements-C0299	-	54	108	108	91		91	91	91	91		
Collection System Rehabilitation-C0327	-	-	200	100	115		100	100	100	100		
WWTP Equipment-C0584	-	-	-	-	-		50	50	50	50		
Buildings & Structures-C0585	61	24	100	100	100		25	25	25	25		
WWTP Phase III Disinfection-C0657	-	-	7	7	7		7	7	7	7		
WWTP/Phase V/Solids Processing-C0711	11	-	35	35	35		35	35	35	35		
Collection System Equipment-C0713	-	-	-	-	50		80	80	80	80		
Laboratory Equipment-C0745	-	-	10	7	10		10	10	10	10		
WWTP Disinfection Improvements-C0748	-	-	-	-	-		-	-	-	-		
Grinder Pump Replacement-C0767	30	6	50	50	50		50	50	50	50		
SSES City Wide-C0800	-	-	-	-	150		-	-	-	-		
Eliminate Pump Station #12-C0832	14	-	-	-	-		-	-	-	-		
Final Clarifiers 4 & Weir Covers 6-C0845	89	-	-	-	-		-	-	-	-		
Total Cash Funding	215	115	546	443	899		819	754	1,234	559		
Grants in Aid of Construction												
SSES City Wide-C0800	(5)	-	-	-	150		-	-	-	-		
Total Grant in Aid of Construction	(5)	-	-	-	150		-	-	-	-		
Contributions by Developers												
Total Developer Contributions	-	-	-	-	-		-	-	-	-		
MDE Bond Funded												
Total MDE Bond Funding	-	-	-	-	-		-	-	-	-		
City Bond Funded (Benefit Charge Advance)												
Sewer Vehicles-C0004	453	43	-	85	-		-	-	-	-		
Collection System Rehabilitation-C0327	106	72	-	-	100		350	100	100	100		
WWTP Equipment-C0584	47	111	-	-	275		-	-	-	-		
Sludge Storage Phase I Improvement-C0712	-	513	700	700	700		700	700	700	-		
Collection System Equipment-C0713	83	17	111	50	-		-	-	-	-		
Grinder Pump Replacement-C0767	66	112	112	112	112		112	112	112	112		
Eliminate Pump Station #12-C0832	120	-	160	-	160		300	-	-	-		
Total City Bond Funding	877	868	1,083	947	1,347		1,462	912	912	212		
Total Non-Growth Related Capital Outlay	\$ 1,086	\$ 984	\$ 1,629	\$ 1,390	\$ 2,396		\$ 2,281	\$ 1,666	\$ 2,146	\$ 771		

WASTEWATER FUND PROJECTIONS
FISCAL YEAR 2017/2021
INCOME STATEMENT
(IN THOUSANDS)

	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20	2020/21
	ACTUAL	ACTUAL	REVISED	EST.	PROPOSED	PROJ. CHG%	PROJ.	PROJ.	PROJ.	PROJ.
Growth Related										
Grants in Aid of Construction										
SSES City Wide-C0800	\$	(5)	\$	-	\$	150	\$	-	\$	-
Total Grants in Aid of Construction		(5)		-		150		-		-
Contributions by Developers										
Collection System Rehabilitation-C0327	-	-	-	-	-	-	700	-	-	-
East End Pump Station-C0565	-	-	-	-	-	-	300	300	300	-
Total Developer Contributions				-		-	1,000	300	300	-
Benefit Charges/Restricted Cash Funded										
Pump Station Improvements-C0299	-	18	36	36	30	-	30	30	30	30
Collection System Rehabilitation-C0327	-	-	200	100	115	-	100	100	100	100
East End Pump Station-C0565	-	-	-	-	-	-	75	-	-	-
WWTP - Phase III - Disinfection-C0657	-	-	3	3	3	-	3	3	3	3
WWTP/Phase V/Solids Processing-C0711	5	-	15	15	15	-	15	15	15	15
SSES City Wide-C0800	-	-	-	-	150	-	-	-	-	-
New Laterals-C0834	-	-	15	-	15	-	15	15	15	15
Total Benefit Charge Funding	5	18	269	154	328		238	163	163	163
MDE Bond Funded										
Total MDE Bond Funding				-		-		-		-
City Bond Funded										
Collection System Rehabilitation-C0327	106	72	-	-	100	-	350	100	100	100
Sludge Storage Phase I Improvement-C0712	-	220	300	300	300	-	300	300	300	-
Total City Bond Funding	106	292	300	300	400		650	400	400	100
Total Growth Related Capital Outlay	105	310	569	454	878		1,888	863	863	263
Total Capital Outlay	\$ 1,192	\$ 1,294	\$ 2,198	\$ 1,844	\$ 3,274		\$ 4,169	\$ 2,529	\$ 3,009	\$ 1,034

PARKING FUND PROJECTIONS
FISCAL YEAR 2017/2021
ASSUMPTIONS

- Parking rates were last increased on July 1, 2014. Currently, the rates are as follows: deck rates are \$62/month or maximum \$8.00/day; lot rates are \$48/month; and after hours deck rates are \$2 after 4 pm weekdays and Saturdays. Sunday is free parking at both decks (University Parking Deck and Arts & Entertainment Parking Deck). The University District Deck and Parking lots provide volume discounts of 10% for 10 passes/vehicles and 25% for 25+ passes/vehicles. Future revenues do include an estimate for increased usage by 1.5% annually beginning in FY18 through FY21.
- Based on an economic study by Urban Partners in 2014, a future need for a third parking deck may occur through the development of new retail office space in the downtown (Catalyst Project #1). The projections include the assumption that this third parking deck would be completed and operational for half of FY21. The revenue calculation is based on 50% utilization of 250 available spaces in the new deck for a portion of the year in FY21. The estimations for the third deck revenue also include usage being primarily composed of daily rates and not monthly rentals of group spaces based on current development around the City. Additionally, new parking deck expenses and fees are included in the projections and are based on average expenditure trends reflected in our existing two decks. With the inclusion of a third parking deck, it is anticipated that there will be a deficit in FY21 which will begin to deplete the Parking Fund cash balances.
- Total operating expenses (excluding depreciation) decreased by 2.8% from the FY16 budget compared to the budget proposed for FY17. Primarily, this decrease is reflected in wages and benefits as a result of a funded full-time position that was unfunded after initial FY16 budget completion. Although based on historical trends, the projections will include increases in future periods. The overall increase for each fiscal year from FY18 to FY20 is estimated to be 2.5% annually. The increase in FY21 is estimated to be 17.5% with the inclusion of a third parking deck for half of the year.
- Depreciation expense has increased in our current fiscal year, however, depreciation from FY16 to FY17 budget will decrease by 6.7%. This decrease is a result of no major infrastructure developments planned in FY17. However, we anticipate that depreciation will increase significantly in FY21 upon projected completion of the third parking deck (#56-C0173 in CIP Section 8).
- The investment interest rate is assumed to remain flat with no growth calculated due to the current economic market conditions.
- The future bond interest rates for the new parking deck are estimated at a rate of 4.25% over 30 years. Our projections include City issued governmental bonds to fund the construction of the third parking deck. The debt service impact is reflected in our interest expense and principal repayment figures.
- Based on the assumptions outlined above for both revenues and increasing expenses, our net increase (decrease) in retained earnings is estimated to decline from an anticipated gain of \$53K in FY16 to a loss of \$452K in FY21 due to significant increases in depreciation and debt service expenses for a third parking deck.

PARKING FUND PROJECTIONS
FISCAL YEAR 2017/2021
INCOME STATEMENT
(IN THOUSANDS)

	2013/14	2014/15	2015/16	2016/17			2017/18	2018/19	2019/20	2020/21
	ACTUAL	ACTUAL	REVISED BUDGET	EST. ACTUAL	PROPOSED BUDGET	PROJ. CHG%	PROJ.	PROJ.	PROJ.	PROJ.
Operating Revenues										
Parking Deck Revenues										
University District Parking Deck										
Parking Deck Permits	215	206	220	200	200	1.5%	203	206	209	212
Parking Deck Fees	53	67	49	57	57	1.5%	58	59	60	60
Downtown Promotions	10	8	7	7	7	0.0%	7	7	7	7
General Free Parking	(53)	(53)	(48)	(49)	(49)	1.5%	(50)	(50)	(51)	(52)
Parking Deck Coupons	2	3	2	2	2	1.5%	2	2	2	2
Arts & Entertainment Parking Deck										
Parking Deck Permits	121	136	130	150	150	1.5%	152	155	157	159
Parking Deck Fees	55	62	55	50	50	1.5%	51	52	52	53
Downtown Promotions	-	-	-	-	-	1.5%	-	0	-	0
PEP Parking Discount	(3)	(3)	(4)	(4)	(4)	1.5%	(4)	(4)	(4)	(5)
Parking Deck III										
Parking Deck Fees	-	-	-	-	-		-	-	-	94
Total Parking Deck Revenue	401	427	411	413	413		419	426	432	531
Parking Meter & Lot Revenues										
Street Meters	113	116	110	110	110	1.5%	112	113	115	117
Free Parking	(3)	(3)	(3)	(3)	(3)	0.0%	(3)	(3)	(3)	(3)
Market House Lot	38	37	35	35	35	1.5%	36	36	37	37
Church Street Lot	51	44	48	48	49	1.5%	50	51	51	52
Rochester Lot	19	14	7	8	8	1.5%	8	8	8	8
Central Lot	93	90	100	85	85	1.5%	86	88	89	90
Antietam St. Lot	26	26	25	25	25	1.5%	25	26	26	27
Bryan Centre Lot	1	0	0	0	0	0.0%	0	0	0	0
Departmental Charges	45	44	45	35	35	1.5%	36	36	37	37
Total Parking Meter & Lot Revenue	384	368	368	343	344		349	355	360	365
Parking Enforcement	85	181	98	98	98	1.5%	99	101	102	104
Other Operating Revenues										
Other Revenues	1	1	2	2	2		2	2	2	2
Total Other Operating Revenue	1	1	2	2	2		2	2	2	2
Total Operating Revenue	870	976	879	856	857		870	883	896	1,003
Operating Expenses										
University District Parking Deck	154	121	155	145	131	2.5%	134	138	141	145
Arts & Entertainment Parking Deck	121	154	148	155	155	2.5%	159	163	167	171
Parking Deck III	-	-	-	-	-	2.5%	-	-	-	79
Parking Lots	128	137	151	152	154	2.5%	158	162	166	170
Parking Enforcement Expenses	55	40	49	49	49	2.5%	51	52	53	54
Total Operating Expense	458	452	503	500	489		502	514	527	619
Cash Operating Income (Loss)	412	523	376	356	368		369	369	369	384
Depreciation	212	215	275	275	256		268	293	359	698
Operating Income (Loss)	200	308	101	81	112		100	76	10	(314)
Non-Operating Revenue (Expense)										
Interest Earned	1	0	-	1	1		1	1	1	1
Interest Expense	(64)	(54)	(48)	(48)	(39)		(30)	(20)	(29)	(138)
Total Non-Operating Revenue (Expense)	(63)	(54)	(48)	(47)	(39)		(30)	(20)	(29)	(138)
Net Income (Loss) Before Operating Transfers	136	255	53	34	73		71	56	(19)	(452)
Transfers From (To) Other Funds										
Transfers from General Fund	-	-	-	-	-		-	-	-	-
Transfers to CIP Fund	-	-	-	-	(2)		-	-	-	-
Total Transfers From (To) Other Funds	-	-	-	-	(2)		-	-	-	-
Capital Contributions										
Grants in Aid of Construction	-	-	-	-	-		-	-	-	-
Capital Contributions	-	-	-	-	-		-	-	-	-
Increase (Decrease) in Retained Earnings	136	255	53	34	71		71	56	(19)	(452)

PARKING FUND PROJECTIONS
FISCAL YEAR 2017/2021
INCOME STATEMENT
(IN THOUSANDS)

			2015/16		2016/17							
	2013/14	2014/15	REVISED	EST.	PROPOSED	PROJ.	2017/18	2018/19	2019/20	2020/21		
	ACTUAL	ACTUAL	BUDGET	ACTUAL	BUDGET	CHG%	PROJ.	PROJ.	PROJ.	PROJ.		
Adjust to a Cash Flow Basis												
Add Back Depreciation	\$ 212	\$ 215	\$ 275	\$ 275	\$ 256		\$ 268	\$ 293	\$ 359	\$ 698		
Changes in Working Capital	51	(35)	-	-	-		-	-	-	-		
Prin. Pay on Current Long-Term Debt.	(143)	(156)	(163)	(163)	(170)		(182)	(189)	(202)	(106)		
Total Adjustments to Retained Earnings	120	24	112	112	87		86	104	157	592		
Cash Available for Capital Outlay	257	279	166	146	158		157	160	139	140		
Capital Outlay												
Parking Facilities 3rd Parking Deck - C0173	-	-	-	-	-		-	-	1,575	8,425		
University District Parking Deck - C0749	294	3	30	6	30		120	350	30	30		
Vehicles/Equipment - C0829	-	22	25	25	35		-	-	-	-		
Parking Way Finding Signs - C0848	-	7	-	-	-		-	-	-	-		
Parking System Improvements - C0867	-	-	25	25	25		-	-	-	-		
Parking Lot Improvements - C0857	-	20	60	60	45		60	30	10	15		
Total Capital Outlay	294	52	140	116	135		180	380	1,615	8,470		
Cash After Capital Outlay	(38)	227	26	30	23		(23)	(220)	(1,476)	(8,330)		
Additional Funding												
Bond Financing	104	-	-	-	-		-	-	1,575	8,425		
Total Additional Funding	104	-	-	-	-		-	-	1,575	8,425		
Net Surplus (Deficit)	\$ 67	\$ 227	\$ 26	\$ 30	\$ 23		\$ (23)	\$ (220)	\$ 99	\$ 95		
Beginning Cash Balance	\$ 394	\$ 460	\$ 687	\$ 687	\$ 717		\$ 740	\$ 717	\$ 497	\$ 596		
Ending Cash Balance	\$ 460	\$ 687	\$ 713	\$ 717	\$ 740		\$ 717	\$ 497	\$ 596	\$ 691		

GOLF COURSE FUND PROJECTIONS
FISCAL YEAR 2017/2021
ASSUMPTIONS

- The last rate increases implemented at the Golf Course were on July 1, 2012. There are no other rate increases included in the projections through FY2020/21. However, higher revenues are expected as a result of adding tournaments and leagues and increased promotions and advertising efforts. The operating revenue proposed in FY2016/17 budget remains relatively flat compared to estimated actuals for FY2015/16. However, increases are anticipated annually in FY2017/18 through FY2020/21. It is expected that revenues will increase by 3.1%, 1.3%, 1.7% and 1.7% respectively.
- Total operating expense (excluding depreciation) increased by 3.7% from current FY2015/16 budget to proposed FY2016/17 budget. Salaries and wages remained flat from FY2015/16 budget to proposed FY2016/17 budget. Beginning in FY2017/18 through FY2020/21, the increase in total expenses range annually from 5.4%, 3.5%, 2.5%, and 2.9% respectively. The increase reflects an annual salary enhancement of 6% for FY2017/18 and 3% thereafter in each consecutive year as well as associated benefits. In addition, several category of expenses (Material, Supplies, & Utilities; Maintenance & Repairs; Vehicle Operating Expenses; and Contracted Services) are anticipated to increase based on historical trends and inflation factors.
- Depreciation expense is a reflection of investment in capital infrastructure and renovation. Therefore, the projections for depreciation reflect an increase of 4.4% or \$2,000 from FY2015/16 to FY2016/17 budget. This increase is due to the purchase of additional vehicles for the golf course. In FY2017/18 through FY2019/20, depreciation is anticipated to increase 6.3%, 2.0%, and 2.0% with FY2020/21 remaining flat from the previous fiscal year.
- The investment interest rate is assumed to remain flat with no growth calculated due to the current market conditions. As a result of the low cash balances within the Golf Course fund, there will be no interest earned in FY2016/17 through FY2020/21.
- The Golf Course currently has no debt service and is not estimated to incur any through FY2020/21.
- Currently, the Golf Course receives a subsidy from the General Fund. It will be necessary to continue this subsidy through FY2020/21 based on the projections and trends. The proposed budget for FY2016/17 is \$5K more than current FY2015/16 budget indicating a dependence on the General Fund subsidy in that year. Additionally, the anticipated subsidy increases in FY2017/18. It is expected that the subsidy necessary to operate the Golf Course will remain relatively the same in future years and range from \$203K to \$224K.
- Based on the assumptions outlined above for both revenues and increasing expenses, our net increase (decrease) in retained earnings is estimated to decrease from \$24K in FY2015/16 budget to zero in FY2016/17 budget.

GOLF COURSE FUND PROJECTIONS
FISCAL YEAR 2017/2021
INCOME STATEMENT
(IN THOUSANDS)

			2015/16		2016/17					
	2013/14	2014/15	REVISED	EST.	PROPOSED	PROJ.	2017/18	2018/19	2019/20	2020/21
	ACTUAL	ACTUAL	BUDGET	ACTUAL	BUDGET	CHG%	PROJ.	PROJ.	PROJ.	PROJ.
Operating Revenues										
Green Fees	\$ 77	\$ 81	\$ 84	\$ 80	\$ 80		\$ 85	\$ 87	\$ 90	\$ 93
Cart Rentals	40	35	44	35	34		35	35	35	35
Tournaments & Specials	60	75	58	78	78		78	78	78	78
Other Revenues	20	18	30	29	29		31	32	33	34
Total Operating Revenues	197	210	216	222	222		229	232	236	240
Operating Expenses										
Salaries & Wages	149	164	156	170	156		166	171	176	181
Wage & O/H Allocation	15	(26)	(21)	(20)	(20)		(20)	(20)	(22)	(24)
Fringe Benefits	75	86	79	85	83		90	94	98	102
Materials, Supplies, & Utilities	57	62	60	64	60	3.0%	62	64	66	68
Maintenance & Repairs	1	7	4	3	3	2.0%	3	3	3	3
Vehicle Operating Expenses	13	15	18	15	16	1.5%	16	16	17	17
Advertising & Printing	7	9	10	12	11		8	8	8	8
Machinery & Equipment Rentals	13	13	17	13	13		20	21	21	22
Contracted Services	27	33	26	39	39	2.5%	40	41	43	44
Other General Expenses	18	17	10	12	12		10	11	11	12
Insurance	2	15	3	-	3		3	3	3	3
Communication Expenses	1	1	1	1	1		1	1	1	1
Depreciation	32	35	43	43	45		48	49	50	50
Total Operating Expenses	410	432	407	437	422		447	462	474	487
Operating Income (Loss)	(213)	(222)	(191)	(215)	(200)		(218)	(230)	(238)	(247)
Non-Operating Revenues (Expense)										
Gain (Loss) on Capital Assets	-	(4)	-	-	-		-	-	-	-
Total Non-Operating Revenue (Expense)	-	(4)	-	-	-		-	-	-	-
Transfers From (To) Other Funds										
Transfers from General Fund	200	226	195	195	200		224	214	203	203
Total Transfers From (To) Other Funds	200	226	195	195	200		224	214	203	203
Capital Contributions										
Grants in Aid of Construction	-	-	20	20	-					
Total Capital Contributions	-	-	20	20	-		-	-	-	-
Increase (Decrease) in Retained Earnings	(13)	-	24	-	-		6	(16)	(35)	(44)
Adjust to Cash Flow Basis										
Add Back Depreciation	32	35	43	43	45		48	49	50	50
Changes in Working Capital	(2)	20	-	-	-		-	-	-	-
Total Adjustment to Retained Earnings	30	55	43	43	45		48	49	50	50
Cash Available for Capital Outlay	17	55	67	43	45		54	33	15	6
Capital Outlay										
Vehicle/Equipment Replace - C0395	39	-	40	40	35		30	20	20	-
Golf Course Bridge Replace - C0669	-	26	-	-	-		-	-	-	-
Golf Course Net - C0670	-	17	15	12	-		-	-	-	-
Golf Cart Storage Pavilion - C0825	-	-	-	-	-		30	-	-	-
Total Capital Outlay	39	43	55	52	35		60	20	20	-
Net Surplus (Deficit)	\$ (22)	\$ 12	\$ 12	\$ (9)	\$ 10		\$ (6)	\$ 13	\$ (5)	\$ 6
Beginning Cash	\$ 34	\$ 12	\$ 24	\$ 24	\$ 15		\$ 25	\$ 20	\$ 32	\$ 28
Ending Cash	\$ 12	\$ 24	\$ 36	\$ 15	\$ 25		\$ 20	\$ 32	\$ 28	\$ 34
Self Supporting Level	48.0%	48.6%	53.1%	50.8%	52.6%		51.3%	50.2%	49.8%	49.3%

PROPERTY MANAGEMENT FUND PROJECTIONS
FISCAL YEAR 2017/2021
ASSUMPTIONS

- Overall, rental revenue projections are estimated to decrease by 11.6% or \$37,214 due to NIST (14 N. Potomac) lease expiring in FY2015/16 and City Ballet School (14 N. Potomac Suite B-2) relocating to another location in FY2015/16. At this time, there are several areas that are occupied for just a \$1.00 per year or for no cost (Fire Police Headquarters on Valley Road, City of Hagerstown Police Auxiliary, and Hagerstown Neighborhood Development Partnership Home Store). Additionally, the current lease with the Department of Labor, Licensing, & Regulation expires July 2017 so no future rent is included in the projections beyond this date.
- Total operating expenses (excluding depreciation) are expected to decrease by 2.0% over the FY2016/17 budget. This decrease is a result of a position being unfunded that was originally included in the FY2015/16 budget which will result in lower expenses for FY2016/17. Based on historical trends, the projections include increases beginning in FY2017/18. The overall estimated increase for each consecutive year from FY2017/18 to FY2020/21 is 2.0%.
- Depreciation expense is expected to remain flat from the FY2015/16 budget to the proposed FY2016/17 budget. However, it is estimated that depreciation will increase by 4.1% in FY2017/18; 6.1% in FY2018/19; and minimal increases of 0.5% in FY2019/20 and FY2020/21.
- The investment interest rate is assumed to remain flat with no growth calculated due to the current market conditions.
- The City took out a bond issue in April 2015. With that bond issue, there was \$100,000 for Property Management for the replacement of 66 windows in the Roslyn Building. The FY2016/17 budget reflects debt service expenditures for the repayment of these bonds. Debt service is calculated for 20 years at 4% interest. Another borrowing is anticipated in FY2017/18.
- Based on the assumptions outlined above for both revenues and expenses, our net increase (decrease) in retained earnings is estimated to improve from an anticipated loss of <\$606K> in FY2015/16 to a loss of <\$549K> in FY2016/17.
- The ending total cash balance is projected to be a negative balance of <\$74K> beginning in FY2016/17. This negative cash balance is a result of multiple factors: higher annual operating expenditures over rental income; selling properties at financial losses in consecutive years beginning with the Armory Property in FY2012/13, Public Square Building in FY2013/14, and 19-23 Antietam Street in FY2014/15; and utilizing the cash proceeds received from the sale of properties at a loss to fund economic redevelopment projects such as The Maryland Theatre's HVAC capital project, proposed development of A&E Trail, and capital improvements at 43-53 West Washington Street property.

PROPERTY MANAGEMENT FUND PROJECTIONS
FISCAL YEAR 2017/2021
INCOME STATEMENT
(IN THOUSANDS)

	2013/14	2014/15	2015/16	2016/17						
	ACTUAL	ACTUAL	REVISED BUDGET	EST. ACTUAL	PROPOSED BUDGET	PROJ. CHG%	2017/18 PROJ.	2018/19 PROJ.	2019/20 PROJ.	2020/21 PROJ.
Operating Revenues										
Rent - 2-6 N Potomac Street, 1st Floor	\$ 162	\$ 148	\$ 162	\$ 162	\$ 162		\$ 13	\$ -	\$ -	\$ -
Rent - 14 N Potomac Street, Suite 200A/B	33	34	34	34	20		20	20	20	20
Rent - 14 N Potomac Street, Suite B-2	26	27	27	27	-		-	-	-	-
Rent - 16 Public Square	1	-	-	-	-		-	-	-	-
Rent - 12 Public Square	3	(2)	-	-	-		-	-	-	-
Rent - 6 N Potomac Street	19	19	19	19	19		19	19	19	20
Rent - 14 N Potomac Street, Suite B-3	27	25	27	29	29		29	29	30	30
Rent - 17 E Franklin Street	8	8	8	9	9		9	10	6	-
Rent - 14 N Potomac Street, Suite 200B Room 5	3	3	2	2	2		2	2	2	2
Rent - 14 N Potomac Street, Suite 200B	3	-	-	-	-		-	-	-	-
Rent - 60 W Washington Street, Suite 102	6	(1)	-	-	-		-	-	-	-
Rent - 790-800 Potomac Avenue	13	14	13	13	13		13	13	13	13
Rent - 40 N Potomac Street	20	(15)	19	19	20		20	21	22	22
Rent - 60 W Washington Street, Rear	30	30	30	30	30		32	32	32	32
Rent - 38 N Potomac Street	6	23	17	16	11		20	20	20	20
Miscellaneous Revenues	16	44	-	-	4		-	-	-	-
Total Operating Revenues	377	355	358	360	321		179	166	164	159
Operating Expenses										
Rental Properties Operational Expense	431	390	475	476	465		475	484	494	504
Depreciation	113	127	132	132	132		137	146	146	147
Total Operating Expenses	544	517	607	608	597		612	630	640	651
Operating Income (Loss)	(167)	(162)	(249)	(248)	(277)		(433)	(463)	(476)	(492)
Non-Operating Revenues (Expenses)										
Interest Earned	18	17	10	10	10		10	10	10	10
Interest Expense	-	(2)	(2)	(3)	(3)		(2)	(2)	(5)	(5)
Loss on Disposal of Capital Assets	(510)	(102)	-	-	-		-	-	-	-
Total Non-Operating Revenues (Expenses)	(492)	(86)	8	7	7		8	8	5	5
Net Income (Loss) Before Operating Transfers	(659)	(248)	(241)	(241)	(269)		(425)	(456)	(471)	(486)
Transfers From (To) Other Funds										
Operating Transfers from Other Funds	22	-	-	-	-		-	-	-	-
Capital Transfers from Other Funds	82	47	-	-	-		-	-	-	-
Operating Transfers to Other Funds	(20)	(363)	-	(25)	-		-	-	-	-
Capital Transfers to Other Funds	-	-	(365)	-	(280)		-	-	-	-
Total Transfers From (To) Other Funds	84	(316)	(365)	(25)	(280)		-	-	-	-
Capital Contributions										
Grants in Aid of Construction	6	51	-	52	-		-	-	-	-
Total Capital Contributions	6	51	-	52	-		-	-	-	-
Increase (Decrease) in Retained Earnings	\$ (568)	\$ (513)	\$ (606)	\$ (214)	\$ (549)		\$ (425)	\$ (456)	\$ (471)	\$ (486)
Adjust to a Cash Flow Basis										
Add Back Depreciation	113	127	132	132	132		137	146	146	147
Changes in Working Capital	764	104	-	-	-		-	-	-	-
Bond Proceeds	-	100	-	-	-		-	-	-	-
Principal Payments on Long-term Debt	-	-	(6)	(3)	(3)		(3)	(9)	(9)	(9)
Total Adjustments to Retained Earnings	877	331	127	129	129		134	137	137	138
Cash Available for Capital Outlay	308	(182)	(480)	(86)	(421)		(291)	(319)	(334)	(349)
Capital Outlay										
Roslyn Building - C0779	-	-	100	-	100		100	-	-	-
Elizabeth Hager Center - C0803	-	-	20	-	45		20	20	20	20
Hagerstown Small Business Center - C0828	4	52	-	52	5		90	-	-	-
36-40 N Potomac Street - C0836	80	68	15	-	12		35	-	-	-
Antietam Street	-	102	-	1	-		-	-	-	-
Total Capital Outlay	84	221	135	53	162		250	20	20	20
Net Surplus (Deficit)	\$ 224	\$ (403)	\$ (615)	\$ (138)	\$ (583)		\$ (541)	\$ (339)	\$ (354)	\$ (369)
Beginning Cash Balance	\$ 826	\$ 1,050	\$ 647	\$ 647	\$ 508		\$ (74)	\$ (616)	\$ (955)	\$ (1,309)
Ending Cash Balance	\$ 1,050	\$ 647	\$ 32	\$ 508	\$ (74)		\$ (616)	\$ (955)	\$ (1,309)	\$ (1,677)

HEALTH CARE FUND PROJECTIONS
FISCAL YEAR 2017/2021
ASSUMPTIONS

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. 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. 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 Medical Plan (low deductible and copays), and the Plus Medical Plan (a high-deductible plan). The City pays a portion of the premium and employees pay a percentage of the premium for their coverage and their dependents coverage. This City's portion of the premium ranges from 74% to 98% depending on the plan and level of coverage.

Eligible retirees and their dependents who are not Medicare eligible can enroll in the City's Under 65 Medical Plan with a similar cost sharing arrangement for retirees and dependents. Retirees who are Medicare eligible may choose from two medical plan options including the "Medicomp" Medicare supplement medical plan or the Health Reimbursement Account (HRA). A stipend of up to \$4,800 per person is allocated to pay toward these plans and will be decreased to \$4,200 effective July 1, 2016. The HRA plan allows retirees to "opt out" of the Medicomp coverage and purchase their own secondary coverage and receive reimbursement for their eligible premiums, deductibles and copays.

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 2015/16, the City projects cash balances of \$3.6 million which will provide future funding for any required Claims Reserve. Additionally, our fund balance reserve is estimated to increase slightly over FY 2015/16 to \$2.8 million.

Proposed Fiscal Year 2016/17 Budget

We project a deficit in Fiscal Year 2016/17. We anticipate growing premiums and claims costs to rise as the overall national trend in healthcare coverage and costs climbs. At the end of Fiscal Year 2016/17, we estimate a fund balance reserve of \$2.7 million and cash of approximately \$3.5 million.

Four Year Forecast Beyond Proposed Fiscal Year 2016/17 Budget

As a result of our recent claims expense trends and the financial impact of Healthcare Reform, the projections into the future include 5.0% increases for actual medical expense claims.

Accounting Rules for Other Post Employment Benefits

Like pension benefits, City employees and their dependents receive health and dental benefits after retirement based upon years of employment with the City. In Fiscal Year 2008/09, the City had to conform to new accounting rules from GASB 43 to remain in compliance with generally accepted accounting principles. 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 perform all necessary calculations. The annual contribution from the City to fund an OPEB trust account is reflected as a separate line item in our financial projections. The City lowered the annual amount to \$350,000 in Fiscal Year 2016/17 proposed budget one-time and will increase the funding to \$650,000 for all future years. Based on the current structure of our Health Insurance Fund's plan, we expect that the required annual required contribution (ARC) will remain flat.

HEALTH CARE FUND PROJECTIONS
FISCAL YEAR 2017/2021
PROPOSED EXPENSES & REVENUES
(IN THOUSANDS)

			2015/16		2016/17					
	2013/14	2014/15	REVISED	EST.	PROPOSED	PROJ.	2017/18	2018/19	2019/20	2020/21
	ACTUAL	ACTUAL	BUDGET	ACTUAL	BUDGET	CHG%	PROJ.	PROJ.	PROJ.	PROJ.
							5.00%	5.00%	5.00%	5.00%
Premium Revenues										
Premium Revenues - City	\$ 5,466	\$ 5,981	\$ 6,332	\$ 6,495	\$ 6,865		\$ 7,208	\$ 7,569	\$ 7,947	\$ 8,344
Premium Revenues - Employees	1,118	1,091	1,110	1,273	1,274		1,299	1,364	1,433	1,504
Premium Revenues - Retirees	239	246	241	242	242		254	267	280	294
Total Premium Revenue	6,823	7,318	7,683	8,010	8,381		8,762	9,200	9,660	10,143
Interest From Investments	2	1	1	1	1	1.5%	1	1	1	1
Prescription Rebates	84	81	80	80	50	2.5%	51	53	54	55
Stop Loss Reimbursement	1	-	15	-	-		5	10	15	20
Miscellaneous Revenue	1	-	-	-	-	0.0%	-	-	-	-
Total Revenue	6,911	7,400	7,779	8,091	8,432		8,819	9,263	9,730	10,219
Administrative & Audit Expenses	440	397	393	418	399	3.0%	411	423	436	449
Stop Loss Reinsurance Expenses	233	228	349	263	325	3.0%	335	345	355	366
Medical Expense Reimbursement	5,304	6,053	6,500	6,500	7,016	5.0%	7,367	7,735	8,122	8,528
Health Savings Account Contributions	21	23	21	26	25		28	30	33	35
Claims Reserve Expense	(253)	(278)	75	75	75	2.0%	77	78	80	81
Transfer to General Fund	25	36	55	55	55		55	55	55	55
OPEB Trust Contributions	650	650	650	650	350	0.0%	650	650	650	650
OPEB Reimbursement - City	-	-	-	-	300		-	-	-	-
Total Expenses	6,420	7,109	8,043	7,987	8,545		8,922	9,316	9,730	10,164
Operating Income (Loss)	491	291	(264)	104	(113)		(102)	(53)	(0)	55
Increase (Decrease) in Retained Earnings	\$ 491	\$ 291	\$ (264)	\$ 104	\$ (113)		\$ (102)	\$ (53)	\$ (0)	\$ 55
Beginning Fund Balance	1,909	2,401	2,692	2,692	2,797		2,685	2,583	2,530	2,529
Ending Fund Balance	2,401	2,692	2,429	2,797	2,685		2,583	2,530	2,529	2,585
Ending Cash Balance*	\$ 3,447	\$ 3,484	\$ 3,221	\$ 3,589	\$ 3,476		\$ 3,374	\$ 3,321	\$ 3,320	\$ 3,376

*Ending Cash balance includes \$224,000 currently on deposit with United Healthcare.

DENTAL INSURANCE FUND
FISCAL YEAR 2017/2021
PROPOSED EXPENSES & REVENUES
(IN THOUSANDS)

			2015/16		2016/17						
	2013/14	2014/15	REVISED	EST.	PROPOSED	PROJ.	2017/18	2018/19	2019/20	2020/21	
	ACTUAL	ACTUAL	BUDGET	ACTUAL	BUDGET	CHG%	PROJ.	PROJ.	PROJ.	PROJ.	
							0.00%	0.00%	0.00%	0.00%	
Premium Revenues											
Premium Revenues - City	\$ 179	\$ 188	\$ 191	\$ 194	\$ 203		\$ 203	\$ 203	\$ 203	\$ 203	
Premium Revenues - Employees	147	151	156	160	160		160	160	160	160	
Premium Revenues - Retirees	59	63	62	62	62		62	62	62	62	
Total Premium Revenue	385	402	409	416	424		425	425	425	425	
Interest From Investments	-	-	-	-	-		-	-	-	-	
Total Revenue	385	402	409	416	424		425	425	425	425	
Administrative & Audit Expenses	22	24	26	30	28	3.0%	29	30	31	32	
Medical Expense Reimbursement	343	307	358	300	308	2.0%	314	320	327	333	
Claims Reserve Expense	2	(38)	3	3	5		5	5	5	5	
Total Expenses	367	293	387	333	341		348	355	362	370	
Increase (Decrease) in Retained Earnings	\$ 18	\$ 109	\$ 22	\$ 83	\$ 83		\$ 77	\$ 70	\$ 63	\$ 55	
Beginning Fund Balance	32	50	159	159	242		325	402	472	534	
Ending Fund Balance	50	159	181	242	325		402	472	534	589	
Ending Cash Balance*	\$ 109	\$ 160	\$ 182	\$ 243	\$ 326		\$ 403	\$ 473	\$ 535	\$ 590	

*Ending Cash balance includes \$31,300 currently on deposit with United Concordia.

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CAPITAL IMPROVEMENT PROGRAM

SECTION 8

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Acknowledgements

The Capital Improvement Program section could not have been prepared without the support and leadership of the Mayor and Council and the City of Hagerstown Management Team. The individuals listed below played an integral part in the preparation of this section.

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CAPITAL IMPROVEMENT PROJECTS – PROGRAM SUMMARY
FISCAL YEAR 2016/2017

All Departments – Consolidated

PROGRAM OVERVIEW

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

The proposed Capital Improvements Program (CIP) for FY16 and FY17 is summarized below:

Fund	FY16		FY17	
	Revised Budget	Estimated Actual	Proposed Budget	
General / CIP Fund	\$ 13,335,160	\$ 8,226,778	\$ 13,582,815	
Electric Fund *	1,244,000	679,267	570,000	
Water Fund	3,114,500	2,528,500	3,754,000	
Wastewater Fund	2,198,000	1,844,172	3,274,000	
Parking Fund	140,000	115,710	135,000	
Golf Fund	55,191	51,771	35,000	
Property Management Fund	135,000	52,772	162,000	
TOTALS	\$ 20,221,851	\$ 13,498,970	\$ 21,512,815	

* Excludes capital expenditures not included in specific projects of \$395,000, \$360,000 and \$417,500 respectively.

MAJOR FY17 PROGRAM OBJECTIVES

- Further the City's goals and objectives as outlined in the City's Comprehensive and Strategic Plans, the Community's City Center Plan as summarized on the City's website, and the Mayor & Council Goals & Priorities included in Section 1 of the budget book.
- Maximize opportunities for community development and infrastructure replacement while staying within debt affordability guidelines, available resources and complying with the City's debt management policy.
- Increase opportunities to obtain funding from outside sources such as the Federal, State and County Governments and other private parties.
- Assist in planning, budgeting and coordinating the operational and capital efforts of all City Departments.
- Provide guidance for making decisions about requests for routine or emergency capital expenditures.
- Attract private investment by planning for future amenities and infrastructure improvements to support public capital commitments.
- Maintain or improve the City's bond rating through effective financial planning and management.

THE CITY'S STRATEGIC PLAN

In December 2014, the Mayor and City Council approved their Goals & Priorities for calendar years 2015 through 2016 which build upon the City's Vision and Mission Statements that were updated and approved in October 2013. (Mayor & Council Goals & Priorities – 2015 through 2016 is located in Section 1 Overview). By strategically utilizing a combination of financial management policies, land use, and forecasting, the City will ensure stability by maximizing its use of resources. To assist policy makers, the CIP's five year forecast included in this section

CAPITAL IMPROVEMENT PROJECTS – PROGRAM SUMMARY

FISCAL YEAR 2016/2017

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.

Economic Development

The City of Hagerstown strives to have a diverse, business-friendly economy that supports the community's needs. To achieve this goal, \$3.3 million has been included in the CIP budget to implement the Community's City Center Plan to promote economic development and strong neighborhoods in the core of the city, to construct a multi-use trail linking the Arts & Entertainment District with City Park and the Washington County Museum of Fine Arts; to assist in the expansion of the Farmer's Market; to fund a Downtown Redevelopment initiative; and to build a public-private partnership to provide high-speed broadband to attract high-tech business to the City.

Public Facilities and Infrastructure

In order to establish and maintain quality services and an infrastructure that supports residents and business in a cost effective manner, the budget proposal provides \$14.6 million for new technologies that provide and promote a more customer-oriented parking experience and for bridge repairs, dredging of City Park Lake, storm water management upgrades, reconstruct of Prospect Street wall, pavement preservation and maintenance, signal controller upgrades, major signal intersection upgrades, various upgrades and renovations related to the electrical services provided to Hagerstown Light Division customers, water main replacements, improvements to water treatment plants to improve safe drinking water standards, and various Wastewater collection system rehabilitations.

Citizen-based Government

The City of Hagerstown believes in an ethical and financially responsible government, while supporting an engaged citizenry to make the community more than the sum of its parts. To accomplish this goal, Mayor and Council plan to integrate technology throughout City operations to enhance the customer experience and increase citizen access to City services and information, promote awareness and understanding of the City's finances through accessible and easy-to-use data presentations, grow the volunteer outreach program "Hagerstown Strong Program" which pairs volunteers with local government staff, cultivate a foundation of active and engaged residents to serve on various City boards and commissions, and improve access to the City website information for mobile device users. The majority of these goals will be accomplished using existing general fund expense budgets; however, \$159K has been earmarked in the CIP budget for technology improvements to achieve these goals.

Neighborhoods

Providing the citizens of Hagerstown the ability to experience a high quality of life in their neighborhood is important to the City of Hagerstown. In addition to the City's operating funding support of neighborhood programs, the capital budget plan includes \$457K for neighborhood parks, downtown beautification programs and tree installation, and accessibility ramps.

Active/Healthy Living

In order to support a rich, social and culturally vibrant community, the City of Hagerstown plans to establish multi-use walking trails, add additional bike lanes, bike racks and rider-friendly routes to enhance its standing as a "Bicycle Friendly Community, add public art through the city's neighborhoods, parks and public gathering spaces, enhance visitor attractions at Potterfield Pool, expand programs in the Parks & Recreation Division to promote healthy eating and active lifestyles, and many other community-health focused programs. Plans are to accomplish this goal through the combination of \$295K in CIP funds and the use of existing operating expense budgets.

Public Safety

To ensure that all who live, work and play in the City of Hagerstown are safe, \$2.6 million has been designated to purchase a ladder truck, replace existing Fire Training Tower building, upgrade City-owned Fire Facilities, replace

CAPITAL IMPROVEMENT PROJECTS – PROGRAM SUMMARY
FISCAL YEAR 2016/2017

police vehicles and upgrade police radios and crime lab equipment.

Innovative/Progressive Government

The City of Hagerstown is committed to employee development, excellence in services and adapting to meet the needs of the community and the organization. To reach this goal, the City has identified funding of \$157K to complete implementation of an electronic time and attendance system to enhance the tracking of employee time and leave, upgrade hardware and software, and upgrade technology of our Municipal Financial System (MUNIS) to increase mobile capabilities for the City's employees

OVERVIEW OF THE PROJECTS IN THE CIP

The CIP section presents comprehensive descriptions of major project needs for FY17 through FY21. Pages 13 through 42 provide summary schedules by Fund outlining funding sources and project expenditures and are organized by Fund and department. Pages 43 through 178 contain detailed descriptions pertaining to individual CIP projects and are organized by Fund and project number. These pages describe each project in more detail, and include a justification section. Additionally, these pages include information relating to the potential budget impact that each recurring and non-recurring capital investment may have on current and future operating budgets and services provided by the City.

The City's Capital Improvement Program budget for FY17 at \$21.5 million is 6.4% higher than the \$20.2 million in the FY16 revised budget. The FY17 budget encompasses various types of projects as indicated above in the Strategic Plan section. Several of the major projects in our five year Capital Improvement Program plan are summarized below:

- The City has a history of deferring vehicles over the past six years in an effort to lower costs and remain within limited resources impacted negatively by the economy. While the FY17 budget includes vehicle and equipment replacements for aging equipment, it is important to note that the only new additions to our existing vehicle fleet is in the Police Department for one patrol vehicle. Overall, the FY17 budget includes \$3.2 million for vehicle replacements. Of this amount, \$962K is funded by Enterprise Funds and includes the replacement of a bucket truck, backhoe, crane truck, dump trucks, and other miscellaneous vehicles. \$2.2 million will be funded by various sources within the General Fund. This includes the addition of 1 new Police cruiser (\$49K), replacement of 4 cruisers and 2 other police vehicles (\$204K), the replacement of 2 Fire vehicles (\$120K), refurbishing Fire ladder truck (\$30K), and other miscellaneous vehicle accessories. Additionally, future bond funds will be needed for the replacement of a ladder truck (\$1.25M) for the Fire Department, a bucket truck (\$75K), and two dump trucks (\$250K) for the Public Works department. The City will strive to continue to implement a systematic vehicle replacement plan to eliminate costly repairs and to improve efficiency of operations.
- Utilizing a variety of funding sources, the City included \$1.65M in the FY17 budget to continue with the implementation of phase 1 of the Hagerstown Cultural Trail. The Mayor and Council's goals and priorities include this project identified in the Community's City Center Plan to construct a multi-use trail linking the Arts & Entertainment District with City Park and the Washington County Museum of Fine Arts. The trail will allow residents and visitors to journey through city streets, past centerpieces of art, to historic markers, parks, museums, theatres, shops and more. This project detail is included on page 57.
- The City has included \$1.5 million in our FY17 budget for a Downtown Redevelopment project(s) to help spur economic redevelopment. While no specific project has yet been identified, funding has been included in the budget to help address Mayor and Council priority projects many of which are outlined with the Community's Center City Plan.
- To provide necessary improvements, the budget includes a future bond issue of \$1.1 million to address deterioration and preservation of City Park Lake. This funding would be utilized to dredge the City's 7.1 acre lower lake within City Park which was recently rated one of the most beautiful municipal parks in America.

CAPITAL IMPROVEMENT PROJECTS – PROGRAM SUMMARY
FISCAL YEAR 2016/2017

- Phase II of the Sludge Storage and Solids Processing-Pelletizer Plant Improvement is expected to begin in FY17 with upgrades to the Wastewater's Treatment Plan's 25 year old Sludge Pelletizing Facility. These upgrades will provide complete management of the end-use of the City's bio-solids. The budget includes the continuation of a five year agreement with Synagro to provide \$1 million annually through FY20.
- To improve system reliability, \$1.045 million has been included in the FY17 budget to replace the City's traveling screens at the RC Willson Water Plant. The traveling screens are the first barrier in the treatment process. The screens protect the low service pumps by removing trash, sticks and debris from surface water before entering the water treatment plant. The existing screens were installed in 1976 and require extensive repair. The primary funding source is anticipated to be a MDE low-interest bond issue.
- Several other large projects within the FY17 budget are: funding for the Pavement preservation program for upkeep and maintenance of City streets; reconstruction of alleys throughout the city; possible Storm Water Management projects to meet future state/federal regulations; complete roof replacement at the City's Light Department; installation of 1800 linear feet of new sidewalks through the Safe Routes to School Grant; rehabilitation of walls at Marsh Run; reconstruction of collapsed Prospect Street wall; and the development of new urban and pocket parks in the City's underserved areas.

DEFINITIONS

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

Operating costs are those recurring personal service or consumable asset expenditures, the costs of which are usually consistent and annual. Those costs are not included in the Capital Improvements Program.

Capital costs for purposes of the Capital Improvement Program are non-recurring, have a useful life of more than four (4) years, and exceed \$5,000 (\$10,000 for Enterprise Funds). Capital budget costs include both capital "projects" and major capital "outlays". Project expenditures are for the construction, purchase or major renovation of buildings, utility systems, or other physical structures. Outlay expenditures are for the acquisition of furniture, equipment, or fixed assets; such as trucks, land, or buildings, which otherwise meet the definition of "capital".

For detailed definitions on other terms, please refer to the Glossary in Section 10.

CAPITAL IMPROVEMENTS PROGRAM - ALL FUNDS
FISCAL YEARS 2017/21
LIST OF PROJECTS ALPHABETICAL BY PROJECT NAME

PROJECT NAME	PROJECT NUMBER	PROJECT PRIORITY
36-40 North Potomac Street	58-C0836	Planned Improvement
A & E District Upgrades	50-C0591	Planned Improvement
Accessibility Ramps	45-C0217	Probable Grant
Adm. & Engineering Equipment	52-C0648	Planned Improvement
Alley Reconstruction	45-C0324	Planned Improvement
Alms House Repairs	58-C0755	Planned Improvement
Antietam Creek Greenway Trail	45-C0774	Planned Improvement
Breichner WTP Improvements	52-C0405	Planned Improvement
Bridge Repair Program	45-C0400	Cost Avoidance
Building and Site Improvements	50-C0542	Planned Improvement
Bulldog Substation Upgrade	50-C0544	Planned Improvement
Cable Inet	45-C0568	Contract Obligation
Cable PEG	45-C0569	Contract Obligation
Central Substation	50-C0118	Planned Improvement
Circuit Upgrades	50-C0842	Planned Improvement
City Hall Improvements	45-C0326	Planned Improvement
City Park Improvements	45-C0522	Planned Improvement
City Park Lake Improvements	45-C0047	Planned Improvement
Citywide - CS Rehabilitation	54-C0800	Public Safety
Collection System Equipment	54-C0713	Planned Improvement
Collection System Rehabilitation	54-C0327	Public Safety
Community & Economic Development Vehicles	45-C0249	Cost Avoidance
Computer Equipment and Software	45-C0006	Planned Improvement
Consolidation of Public Safety Assets	45-C0687	Planned Improvement
Curb and Sidewalk Replacement Program	45-C0458	Planned Improvement
Distribution Services - Meter Program	52-C0653	Cost Avoidance
Distribution System Rehab - Main Replacement	52-C0709	Planned Improvement
Downtown Beautification Program	45-C0280	Planned Improvement
Downtown Redevelopment	45-C0854	Planned Improvement
East End Pump Station	54-C0565	Planned Improvement
Edgemont Reservoir Improvements	52-C0168	Planned Improvement
Electric Vehicles	50-C0090	Planned Improvement
Eliminate Pump Stations	54-C0832	Planned Improvement
Elizabeth Hager Center	58-C0803	Planned Improvement
Engineering Vehicles	45-C0133	Cost Avoidance
Fairground Grandstand Improvements	45-C0624	Planned Improvement
Fairgrounds Park Improvements	45-C0626	Planned Improvement
Feeder Coordination	50-C0833	Planned Improvement
Fire Computer Equip/Public Safety Radios	45-C0849	Public Safety
Fire Department Breathing Apparatus Equip	45-C0663	Planned Improvement
Fire Department Training Center	45-C0241	Planned Improvement
Fire Department Vehicle Replacement	45-C0010	Planned Improvement
Fire Equipment	45-C0871	Planned Improvement
Fire Facilities City Owned Buildings	45-C0870	Planned Improvement
Fire Station Relocation	45-C0730	Planned Improvement
Geographic Information System	45-C0451	Planned Improvement
George Washington Statue	45-C0837	Planned Improvement
Golf Cart Storage	57-C0825	Improve Service
Golf Course - Vehicles/Equipment	57-C0395	Cost Avoidance

CAPITAL IMPROVEMENTS PROGRAM - ALL FUNDS
FISCAL YEARS 2017/21
LIST OF PROJECTS ALPHABETICAL BY PROJECT NAME

PROJECT NAME	PROJECT NUMBER	PROJECT PRIORITY
Green Streets	45-C0639	Probable Grant
Grinder Pump Replacement Program	54-C0767	Planned Improvement
Hagerstown Cultural Trail	45-C0140	Planned Improvement
Hagerstown Ice Rink	45-C0843	Planned Improvement
Hagerstown Small Business Center	58-C0828	Planned Improvement
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
Longmeadow Park Improvements	45-C0866	Planned Improvement
Major Signal Intersection Upgrades	45-C0243	Planned Improvement
Manhole Raising	54-C0267	Public Safety
Market House Improvements	45-C0099	Planned Improvement
Marsh Run Walls Rehabilitation	45-C0853	Cost Avoidance
Mitchell Substation Third Bay	50-C0778	Planned Improvement
Mobile License Plate Readers	45-C0860	Public Safety
Multi-Use Trails	45-C0717	Probable Grant
Municipal Broadband	45-C0008	Improve Service
Municipal Financial System	45-C0739	Planned Improvement
Municipal Stadium Improvements	45-C0040	Planned Improvement
Neighborhood Parks	45-C0751	Planned Improvement
New Sidewalks	45-C0595	Public Safety
Northwest Connector	45-C0735	Planned Improvement
Oxygen System Improvements	54-C0657	Public Safety
Pangborn Lake Reconstruction	45-C0812	Documented Savings
Pangborn Park Improvements	45-C0335	Planned Improvement
Park Equipment	45-C0237	Planned Improvement
Parking Facilities - 3rd Parking Deck	56-C0173	Planned Improvement
Parking Fund Vehicles	56-C0829	Planned Improvement
Parking Lot Improvements	56-C0857	Planned Improvement
Parking System Improvements	56-C0867	Improve Service
Parks Vehicles and Equipment	45-C0570	Planned Improvement
Pavement Markings	45-C0093	Public Safety
Pavement Preservation Program	45-C0025	Planned Improvement
Pedestrian Lighting	50-C0388	Planned Improvement
Planning & Code Admin Vehicles	45-C0678	Cost Avoidance
Police Building Renovation	45-C0308	Planned Improvement
Police Crime Lab Equipment	45-C0182	Planned Improvement
Police Firing Range	45-C0226	Planned Improvement
Police Radios	45-C0128	Public Safety
Police Software	45-C0196	Public Safety
Police Vehicles	45-C0129	Public Safety
Potterfield Pool Improvements	45-C0822	Improve Service
Professional Court Extension	45-C0685	Planned Improvement
Prospect Street Wall	45-C0401	Cost Avoidance
Public Art	45-C0868	Planned Improvement
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

CAPITAL IMPROVEMENTS PROGRAM - ALL FUNDS
FISCAL YEARS 2017/21
LIST OF PROJECTS ALPHABETICAL BY PROJECT NAME

PROJECT NAME	PROJECT NUMBER	PROJECT PRIORITY
Pump Station Improvements	52-C0651	Planned Improvement
Pump Station Improvements	54-C0299	Public Safety
R. Paul Smith Boulevard	45-C0733	Planned Improvement
RC Willson - Traveling Screen Replacement	52-C0863	Planned Improvement
Roslyn Building Renovation	58-C0779	Planned Improvement
SCADA System	50-C0441	Planned Improvement
Signal Controller Upgrades	45-C0433	Planned Improvement
Signal Timing Optimization	45-C0640	Planned Improvement
Sludge Storage Phase I Improvement	54-C0712	Planned Improvement
Solids Processing-Pelletizer and WWTP Improvements	54-C0711	Contract Obligation
Spare Regulators	50-C0797	Planned Improvement
State Highway Retrofit Sidewalk Program	45-C0527	Probable Grant
Steam Engine Museum	45-C0439	Planned Improvement
Storm Water Management Implementation	45-C0637	Probable Grant
Stormdrain System Upgrades	45-C0444	Planned Improvement
Street Crime Cameras/CPTED	45-C0130	Public Safety
Streetlight Replacement	50-C0546	Planned Improvement
Substation Breaker Replacement	50-C0776	Planned Improvement
System Reconductoring	50-C0259	Planned Improvement
Telemetry Equipment	50-C0111	Planned Improvement
Test Equipment	50-C0609	Planned Improvement
Time & Attendance Software and Equip	45-C0007	Planned Improvement
Traffic Calming	45-C0560	Planned Improvement
Trunk Lines and Laterals	54-C0834	Contract Obligation
Underground Replacement	50-C0540	Planned Improvement
Upgrades to Parking Decks	56-C0749	Planned Improvement
Vehicle Lifts	45-C0858	Improve Service
Wastewater Vehicle Replacement	54-C0004	Planned Improvement
Water System SCADA Improvements	52-C0820	Planned Improvement
Water Vehicles	52-C0117	Planned Improvement
Wesel Boulevard Development	50-C0220	Planned Improvement
Wildlife Protection	50-C0802	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
WWT Buildings and Structures	54-C0585	Planned Improvement
WWT Plant Equipment	54-C0584	Public Safety
Zone 3 Standpipe	52-C0323	Planned Improvement

**VEHICLE & EQUIPMENT REPLACEMENT SCHEDULE - ALL FUNDS
FIVE YEAR PLAN - FISCAL YEARS 2017-21**

UNIT	VEHICLE	YEAR	DESCRIPTION	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	TOTAL
COMMUNITY & ECONOMIC DEVELOPMENT									
717	5699	2003	CHEVY CAVALIER		25,000				25,000
COMMUNITY & ECONOMIC DEVELOPMENT TOTAL				-	25,000	-	-	-	25,000
PLANNING & CODE ADMINISTRATION									
401	5816	2006	CHEVY TRUCK		25,000				25,000
712	5779	2005	JEEP LIBERTY						-
713	5857	2007	FORD FOCUS					25,000	25,000
715	5697	2003	CHEVY CAVALIER		25,000				25,000
718	5815	2006	CHEVY COLORADO			25,000			25,000
750	5822	2006	CHEVY COLORADO			25,000			25,000
752	5786	2005	CHEVY COLORADO					25,000	25,000
755	5751	2004	CHEVY COLORADO						-
850	5804	2006	JEEP LIBERTY				25,000		25,000
PLANNING & CODE ADMINISTRATION				-	50,000	50,000	25,000	50,000	175,000
ENGINEERING DEPARTMENT									
701	5892	2008	CHEVY COLORADO P/U			17,000			17,000
702	5814	2006	CHEVY COLORADO P/U		17,000				17,000
703	5893	2008	CHEVY IMPALA SEDAN		17,000				17,000
705	5609	2000	GMC SONOMA P/U						-
707	5865	2007	FORD FOCUS						-
709	5810	2006	JEEP LIBERTY				17,000		17,000
710	5542	1998	CHEVY CARGO VAN					20,000	20,000
ENGINEERING DEPARTMENT TOTAL				-	34,000	17,000	17,000	20,000	88,000
PARKS DEPARTMENT									
308	5662	2002	FORD F550 4WD DUMP TRUCK	80,000					80,000
309	5638	2001	GMC 1500 2WD PICKUP						-
311	5515	1997	GMC 1500 P/U						-
312	5756	2004	FORD F150 PICKUP	30,000					30,000
316	5743	2004	JD 4X2 GATOR						-
317	5744	2004	JD 4X2 GATOR		8,000				8,000
319	5864	2007	BOBCAT LOADER				60,000		60,000
322	5797	2005	GRAVELY PM320 MOWER						-
323	5798	2005	CHEVY TRUCK						-
331	5850	2007	CHEVY 3/4 TON 4WD P/U		30,000				30,000
333	5749	2004	JOHN DEERE BACKHOE			100,000			100,000
350	5306	2005	JD 2355 TRACTOR		65,000				65,000
369	5800	2005	GRAVELY 260Z MOWER			12,000			12,000
371	5484	1996	FORD F150 PICKUP						-
372	5466	1995	TROY BUILT TRACTOR						-
378	5884	2007	JD TX GATOR		10,000				10,000
379	5460	1995	GRAVELY PM 300 MOWER			12,000			12,000
380	5615	2000	SHUR-TRAIL TRAILER			5,000			5,000
PARKS DEPARTMENT TOTAL				110,000	113,000	129,000	60,000	-	412,000
PUBLIC WORKS DEPARTMENT									
			MISC ITEM, MOWER DECK, ETC.	5,000					5,000
002	5946	2010	FORD 1/2 T 4WD					30,000	30,000
003	5688	2003	CHEVY BLAZER						-
005	5213	1981	FORD TRACTOR		25,000				25,000
006	5854	2006	BOBCAT A300						-
010	5928	2008	2008 FORD F550 DUMP TRUCK					110,000	110,000
012	5929	2008	2008 FORD F550 DUMP TRUCK					110,000	110,000
014	5915	2008	2008 CHEVY 2500 2x4 TRUCK					30,000	30,000
016	5897	2008	FORD REFUSE TRUCK				75,000		75,000
017	5717	2003	FORD 4X4 DUMP	100,000					100,000
026	5780	2005	STERLING ACTERA DUMP	150,000					150,000
027	5781	2005	STERLING ACTERA DUMP		160,000				160,000
028	5830	2006	STERLING ACTERA RDS DUMP			170,000			170,000
030	5610	2000	GMC 1/2 T 4WD						-
031	5808	2006	CHEVY CARGO VAN			30,000			30,000
034	5713	2004	CHEVY CREW CAB P/U		30,000				30,000
035	5855	2007	CHEVY 3/4 TON TRUCK			30,000			30,000
045	5537	1998	GMC 1/2 TON P/U						-
046	5713	2004	CHEVY CREW CAB P/U		30,000				30,000
062	5664	2002	GRAVELY 300 MOWER						-
063	5969	2011	Z930A JD MOWER						-
068	5422	1993	FORD 1520 TRACTOR					35,000	35,000
076	5831	2006	US CARGO TRAILER				15,000		15,000
077	5725	2004	JOHN DEERE TRACTOR				18,000		18,000
084	5433	1993	WACKER ROLLER			15,000			15,000
085	5523	1997	WACKER TAMPER						-
088	5767	2005	JOHN DEERE X595 TRACTOR					18,000	18,000
089	5618	2000	TRAILER, SHUR TRAIL						-
092	5795	2005	SCHWARZE SWEEPER		250,000				250,000
093	5866	2007	SCHWARZE A8000				270,000		270,000
094	5578	1999	GMC SIERRA PICKUP						-

**VEHICLE & EQUIPMENT REPLACEMENT SCHEDULE - ALL FUNDS
FIVE YEAR PLAN - FISCAL YEARS 2017-21**

UNIT	VEHICLE	YEAR	DESCRIPTION	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	TOTAL
600	5903	2008	FORD PICKUP TRUCK				30,000		30,000
601	5629	2001	F550 BUCKET TRUCK	75,000					75,000
602	5821	2006	E350 BUCKET VAN			50,000			50,000
615	5763	2005	CHEVY CARGO VAN			30,000			30,000
616	5949	2008	SOLAR SIGN BOARD					45,000	45,000
PUBLIC WORKS DEPARTMENT TOTAL				330,000	495,000	325,000	408,000	378,000	1,936,000
POLICE DEPARTMENT									
NEW			VEHICLES (1) 2017	49,000					49,000
900	5631	1990	TOYOTA FOUR RUNNER						-
912	206023	2005	CHEVY TAHOE					10,000	10,000
930	5878	2007	DODGE CHARGER				46,000		46,000
931	5879	2007	DODGE CHARGER						-
932	5880	2007	DODGE CHARGER				46,000		46,000
933	5838	2006	FORD CROWN VICTORIA INTERCEPTOR						-
934	5839	2006	FORD CROWN VICTORIA INTERCEPTOR		46,000				46,000
935	5840	2006	FORD CROWN VICTORIA INTERCEPTOR		46,000				46,000
936	5841	2006	FORD CROWN VICTORIA INTERCEPTOR			46,000			46,000
939	5812	2006	FORD CROWN VICTORIA INTERCEPTOR			46,000			46,000
940	5811	2006	FORD CROWN VICTORIA INTERCEPTOR			46,000			46,000
941	5805	2006	FORD CROWN VICTORIA INTERCEPTOR			46,000			46,000
942	5843	2006	FORD CROWN VICTORIA INTERCEPTOR			46,000			46,000
943	5960	1997	FORD EXPLORER						-
944	5752	2004	FORD CROWN VICTORIA INTERCEPTOR		46,000				46,000
946	5881	2007	DODGE CHARGER				46,000		46,000
948	5514	1997	GMC JIMMY		10,000				10,000
949	5700	1998	FORD TAURUS						-
951	5832	2003	NISSAN PATHFINDER	10,000					10,000
953	5783	2005	FORD EXPEDITION		46,000				46,000
954	5528	1997	CHEVY LUMINA	10,000					10,000
955	5541	1998	JEEP CHEROKEE						-
957	5552	1998	FORD CROWN VICTORIA						-
958	5919	2009	FORD CROWN VICTORIA INTERCEPTOR				46,000		46,000
959	5554	1998	FORD CROWN VICTORIA	46,000					46,000
963	5667	2003	FORD CROWN VICTORIA INTERCEPTOR	46,000					46,000
964	5860	2000	FORD FOCUS						-
967	5621	2000	FORD CROWN VICTORIA	46,000					46,000
970	5837	2000	CHRYSLER CIRRUS						-
972	5753	2004	FORD CROWN VICTORIA INTERCEPTOR		46,000				46,000
973	5626	2001	CHEVY LUMINA						-
975	5882	2007	DODGE CHARGER				46,000		46,000
979	5776	2004	HONDA ACCORD			10,000			10,000
981	5883	2007	DODGE CHARGER				46,000		46,000
982	5623	2000	FORD CROWN VICTORIA INTERCEPTOR						-
984	5572	1999	FORD EXPLORER				10,000		10,000
988	5668	2003	FORD CROWN VICTORIA INTERCEPTOR		46,000				46,000
993	5495	1996	OLDSMOBILE CUTLASS						-
995	5722	2001	FORD ESCAPE		46,000				46,000
998	5947	1998	FORD CROWN VICTORIA	46,000					46,000
999	5723	2001	FORD CROWN VICTORIA INTERCEPTOR			46,000			46,000
9111	206004	2013	FORD TAURUS						-
9212	5940	2009	DODGE CHARGER					46,000	46,000
9213	5942	2009	DODGE CHARGER					46,000	46,000
9214	5924	2009	FORD CROWN VICTORIA INTERCEPTOR					46,000	46,000
9215	5923	2009	FORD CROWN VICTORIA INTERCEPTOR					46,000	46,000
9304	5921	2009	FORD CROWN VICTORIA INTERCEPTOR					46,000	46,000
9305	5943	2009	DODGE CHARGER					46,000	46,000
9401	5838	2006	CROWN VICTORIA			46,000			46,000
POLICE DEPARTMENT TOTAL				253,000	332,000	332,000	286,000	286,000	1,489,000
FIRE DEPARTMENT									
ENG1	5435	1994	KME RENEGADE LFD						-
ENG2	5718	2004	KME MFD				645,000		645,000
ENG3	5719	2004	KME MFD				645,000		645,000
ENG4	5918	2009	KME MFD					660,000	660,000
ENG5	5720	2004	KME MFD				645,000		645,000
CAR2	5724	2004	GMC SAFARI VAN	60,000					60,000
CAR3	5740	2004	CHEVY TAHOE						-
CAR4	5768	2005	CHEVY BLAZER						-
CAR7	5813	2005	CHEVY TRAILBLAZER		75,000				75,000
CAR8	5856	2007	FORD EXPEDITION	60,000					60,000
RE4	5349	1991	KME RENEGADE LFD						-
TRK1	5547	1997	AI 105' LADDER						-
TRK4	5535	1997	AI 105' LADDER	1,400,000					1,400,000
TRK11	206058	1994	AI 105' LADDER	30,000		1,550,000			1,580,000
U3A	5920	2008	FORD F350 PICKUP					60,000	60,000
FIRE DEPARTMENT TOTAL				1,550,000	75,000	1,550,000	1,935,000	720,000	5,830,000
GENERAL FUND TOTAL				\$ 2,243,000	\$ 1,124,000	\$ 2,403,000	\$ 2,731,000	\$ 1,454,000	\$ 9,955,000

**VEHICLE & EQUIPMENT REPLACEMENT SCHEDULE - ALL FUNDS
FIVE YEAR PLAN - FISCAL YEARS 2017-21**

UNIT	VEHICLE	YEAR	DESCRIPTION	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	TOTAL
ELECTRIC FUND									
105	5861	2007	CHEVY TRAILBLAZER					30,000	30,000
107	5520	1997	GMC SIERRA P/U						-
109	5684	2003	CHEVY CAVALIER		25,000				25,000
110	5672	2002	CHEVY CAVALIER						-
111	5573	1999	GMC SONOMA		25,000				25,000
112	5574	1999	GMC SONOMA		25,000				25,000
113	5575	1999	GMC SONOMA		25,000				25,000
121	5582	1999	GMC WITH ALTEC BUCKET	250,000					250,000
117	5307	1990	JOHN DEERE 410C		90,000				90,000
120	5441	1994	GMC/TEXOMA DIG/DERR			250,000			250,000
122	5869	2007	CHEVY 3/4 TON 4WD					30,000	30,000
124	5696	2003	BUCKET TRUCK				250,000		250,000
126	5871	2007	CHEVY 3/4 TON 4WD PICK-UP					40,000	40,000
129	5569	1998	GMC WITH STAKE BODY						-
131	5870	2007	SILVERADO 4x4 PICKUP w/PLOW					40,000	40,000
134	5299	1990	INGERSOLL-RAND AIR COMP. TRAILER					20,000	20,000
135	5347	1991	GMC HOLAN STALLION BUCK						-
137	5766	2005	CHEVROLET 3500 CARGO FUN					40,000	40,000
138	5516	1997	PRO-CHIP WOOD CHIPPER						-
ELECTRIC FUND TOTAL				250,000	190,000	250,000	250,000	200,000	1,140,000

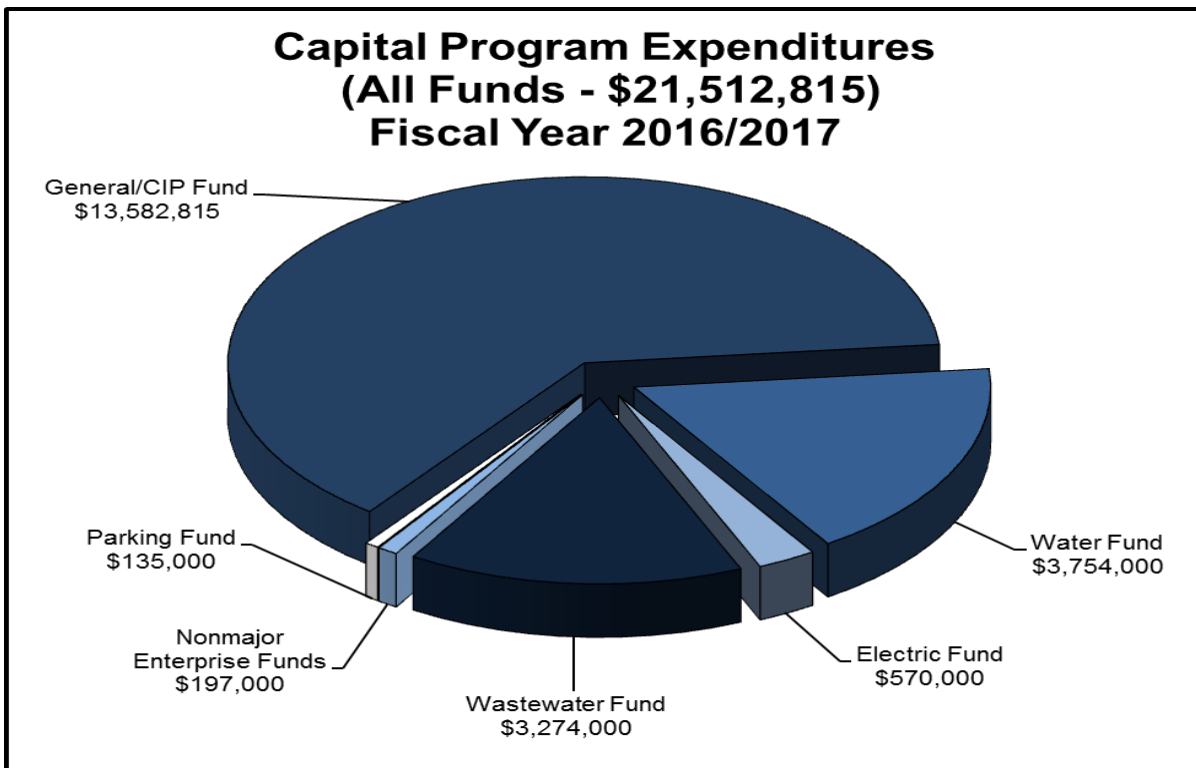
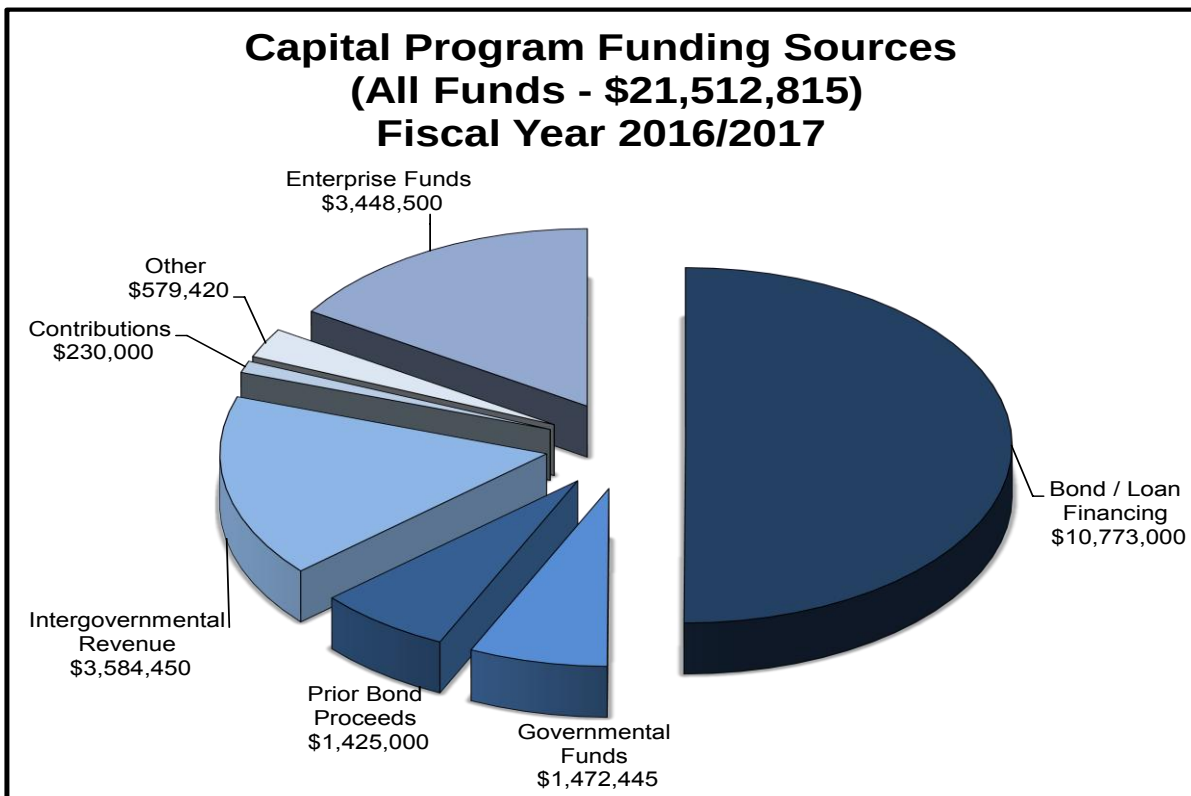
WATER FUND									
P03	5874	2007	CHEVY COLORADO P/U	22,000					22,000
200	5911	2008	CHEVY TRAIL BLAZER 4WD						-
201	5862	2007	TRAIL BLAZER				25,000		25,000
202	5828	2006	CHEVY 2500 4WD P/U	25,000					25,000
203	5825	2006	CHEVY 2500 P/U						-
204	5863	2007	CHEVY 2500 4x4			45,000			45,000
205	5712	2003	FORD F550	85,000					85,000
206	5627	2012	FORD F450					90,000	90,000
207	5661	2002	INTERNATIONAL DUMP						-
208	5792	2005	FORD F550			85,000			85,000
209	5761	2004	CHEVY 3/4 TON VAN						-
210	5614	2000	CHEVY 2500 4WD P/U	25,000					25,000
211	5927	2009	F750 DUMP TRUCK			90,000			90,000
212	5785	2005	CHEVY 2500 4WD P/U		45,000				45,000
213	5962	2010	ARIENS ZOOM XL 54 MOWER						-
214	5691	2003	CHEVY S10 P/U						-
215	5820	2006	STERLING ACTERA DUMP		90,000				90,000
216	5628	2000	FORD F450						-
217	5581	1999	CHEVY 2500 P/U						-
218	5793	2005	FORD F450		50,000				50,000
219	5449	1995	VOLVO CRANE TRUCK					155,000	155,000
221	5963	2010	ARIENS ZOOM XL 54 MOWER						-
223	5853	2006	JD 310SG BACKHOE				125,000		125,000
224	5407	1993	JCB BACKHOE						-
225	5754	2004	JEEP LIBERTY						-
226	5902	2008	CHEVY COLORADO		22,000				22,000
227	5705	2003	CHEVY 2500 4WD P/U	45,000					45,000
228	5656	2001	JOHN DEERE 4106 BACKHOE LOADER	100,000					100,000
230	5640	2012	GMC JIMMY					24,000	24,000
232	5583	1999	1 TON DUMP TRUCK		50,000				50,000
233	5926	2008	DUMP TRUCK				60,000		60,000
234	5750	2004	FORD F550	85,000					85,000
235	5643	2001	GMC S15						-
237	5540	1998	JD 310E BACKHOE						-
238	5686	2003	KUT KWICK SLOPE MOWER 38HP					55,000	55,000
239	5635	2001	FORD ESCAPE						-
240	5653	2001	SUV						-
241	5576	2008	GMC JIMMY			25,000			25,000
244	5818	2006	JEEP LIBERTY						-
254	5760	2004	FORD F250 P/U			28,000			28,000
257	5787	2005	BACKHOE			125,000			125,000
260	5474	1995	CHEVY 3500 UTILITY						-
261	5642	2001	GMC SONOMA						-
WATER FUND TOTAL				387,000	257,000	398,000	210,000	324,000	1,576,000

WASTEWATER FUND									
508	5690	2003	FORD F550 1-T W/CRANE	135,000					135,000
509	5580	1999	VOLVO TRAILER MOUNTED GENERATOR					75,000	75,000
512	5616	2000	GMC TOPKICK DUMP TRUCK		135,000				135,000
513	5427	1993	KOHLER MGS 2226 GENERATOR			65,000			65,000
519	5285	1989	CHEVROLET 7D042 VACUUM TRUCK		105,000				105,000
520	5248	1988	CASE TRACTOR 245/255	25,000					25,000
522	5357	1991	INGERSOLL RAND LIGHT PLANT						-
525	5759	2004	FORD F450 UTILITY TRUCK	95,000					95,000
526	5695	2003	FORD F450 UTILITY TRUCK						-
527	5539	1998	FORD W86 225 FLUSHER						-
528	5833	2006	JET-VAC CLEANER				750,000		750,000
535	5657	2005	NEW HOLLAND TRACTOR			25,000			25,000

VEHICLE & EQUIPMENT REPLACEMENT SCHEDULE - ALL FUNDS
FIVE YEAR PLAN - FISCAL YEARS 2017-21

UNIT	VEHICLE	YEAR	DESCRIPTION	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	TOTAL
536	5824	2006	CHEVY 2500 4 WD P/U						-
592	5633	2001	JD 310SG BACKHOE		95,000				95,000
594	5570	1999	JOHN DEERE BACKHOE LOADER 310SE						-
595	5562	2002	CHEVY C8500 DUMP			180,000			180,000
WASTEWATER FUND TOTAL				255,000	335,000	270,000	750,000	75,000	1,685,000
PARKING FUND									
050	5619	2000	MADVAC SWEEPER	35,000					35,000
PARKING FUND TOTAL				35,000	-	-	-	-	35,000
GOLF COURSE									
326	5859	2007	JACOBSEN III TRIPLEX REEL MOWER						-
330	5485	1996	FORD F-150 P/U						-
332	5461	1995	PICKUP	35,000					35,000
353	5465	1995	KUBOTA L4200GST			20,000			20,000
373A	5478	1996	CUSHMAN TURF TRUCKSTER				20,000		20,000
389	5774	2004	CUSHMAN SPRAYER		30,000				30,000
GOLF FUND TOTAL				35,000	30,000	20,000	20,000	-	105,000
GRAND TOTAL - ALL FUNDS				\$ 3,205,000	\$ 1,936,000	\$ 3,341,000	\$ 3,961,000	\$ 2,053,000	\$ 14,496,000

ALL FUNDS - FUNDING SOURCES AND EXPENDITURES
FISCAL YEAR 2016/17



CAPITAL IMPROVEMENT PROGRAM - ALL FUNDS
FIVE YEAR PLAN - FISCAL YEARS 2017/21
EXPENDITURES SUMMARY BY FUND

DEPARTMENT	FY17	FY18	FY19	FY20	FY21	Total
Community & Economic Development		25,000				25,000
Engineering	5,859,000	5,984,000	3,477,000	4,412,000	9,415,000	29,147,000
Finance	1,500,000					1,500,000
Fire	2,155,000	2,085,000	2,390,000	2,290,000	810,000	9,730,000
Information Technology	332,890	288,000	205,000	225,000	175,000	1,225,890
Parks	2,444,500	3,533,000	1,359,000	4,980,000	4,500,000	16,816,500
Planning & Code Administration	61,900	50,000	50,000	25,000	50,000	236,900
Police	488,495	733,978	670,871	609,413	609,413	3,112,170
Public Works	741,030	1,265,000	941,000	479,000	479,000	3,905,030
General/CIP Fund Total	\$ 13,582,815	\$ 13,963,978	\$ 9,092,871	\$ 13,020,413	\$ 16,038,413	\$ 65,698,490
Electric Fund	570,000	840,000	1,105,000	1,305,000	955,000	4,775,000
Water Fund	3,754,000	8,522,000	11,443,000	3,080,000	7,994,000	34,793,000
Wastewater Fund	3,274,000	4,169,000	2,529,000	3,009,000	1,034,000	14,015,000
Parking Fund	135,000	180,000	380,000	1,615,000	8,470,000	10,780,000
Golf Fund	35,000	60,000	20,000	20,000		135,000
Property Management Fund	162,000	250,000	20,000	20,000	20,000	472,000
Grand Total - All Funds	\$ 21,512,815	\$ 27,984,978	\$ 24,589,871	\$ 22,069,413	\$ 34,511,413	\$ 130,668,490

City of Hagerstown, Maryland

GENERAL/CIP FUND

FY '17 thru FY '21

FUNDING SOURCE SUMMARY

Source	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Bond Financing (General Fund)	6,399,000	6,580,000	3,825,000	8,620,000	5,580,000	31,004,000
CIP Fund Balance	483,420	128,000				611,420
Contribution by Others	230,000	110,000	15,000	1,165,000	7,065,000	8,585,000
Excise Tax Fund	260,000				198,000	458,000
Grants-Federal	1,297,500	2,750,000	275,000			4,322,500
Grants-Private		50,000				50,000
Grants-State	570,000	700,000	1,245,000	70,000	502,000	3,087,000
Grants-State MD Heritage	30,950					30,950
Grants-State Program Open Space	126,000	136,000	459,000	225,000		946,000
Grant-State MDE	60,000					60,000
Other		25,000				25,000
PEG Fee	56,000	56,000	56,000	56,000	56,000	280,000
Prior Bond Proceeds	1,325,000					1,325,000
Reforestation Funds	40,000	40,000	40,000	40,000	40,000	200,000
State Highway User Revenue	1,200,000	1,255,000	1,255,000	1,255,000	1,255,000	6,220,000
Transfers to CIP-CDBG Fund	310,000	375,000	305,000	470,000	70,000	1,530,000
Transfers to CIP-Electric Fund	3,500	31,000	41,000	46,000	31,000	152,500
Transfers to CIP-General Fund	902,445	1,665,978	1,494,871	981,413	1,179,413	6,224,120
Transfers to CIP-Parking Fund	2,000					2,000
Transfers to CIP-Prop Mgmt Fund	280,000					280,000
Transfers to CIP-Wastewater Fund	3,500	31,000	41,000	46,000	31,000	152,500
Transfers to CIP-Water Fund	3,500	31,000	41,000	46,000	31,000	152,500
GRAND TOTAL	13,582,815	13,963,978	9,092,871	13,020,413	16,038,413	65,698,490

City of Hagerstown, Maryland

GENERAL/CIP FUND

FY '17 thru FY '21

PROJECTS BY FUNDING SOURCE

Source	Project#	Priority	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Bond Financing (General Fund)								
Fire Department Vehicle Replacement	45-C0010	5	1,250,000		1,550,000	1,935,000	510,000	5,245,000
City Park Lake Improvements	45-C0047	5	1,100,000			500,000		1,600,000
Public Works Vehicles	45-C0065	5	325,000	410,000	170,000	345,000	220,000	1,470,000
Market House Improvements	45-C0099	5	120,000					120,000
Hagerstown Cultural Trail	45-C0140	5		320,000				320,000
Fire Department Training Center	45-C0241	5	200,000					200,000
Public Works Operations Center Improvement Program	45-C0250	5	120,000					120,000
Alley Reconstruction	45-C0324	5	769,000	200,000				969,000
City Hall Improvements	45-C0326	5		300,000				300,000
Prospect Street Wall	45-C0401	4	310,000					310,000
Parks Vehicles and Equipment	45-C0570	5	80,000			60,000		140,000
Fairground Grandstand Improvements	45-C0624	5			500,000	4,000,000	4,000,000	8,500,000
Storm Water Management Implementation	45-C0637	6		800,000	800,000			1,600,000
Professional Court Extension	45-C0685	5		2,000,000				2,000,000
Consolidation of Public Safety Assets	45-C0687	5		500,000				500,000
Public Works Storage Yard Expansion	45-C0718	5		375,000	525,000			900,000
Fire Station Relocation	45-C0730	5	150,000	1,150,000				1,300,000
Northwest Connector	45-C0735	5			280,000	1,000,000	850,000	2,130,000
Pangborn Lake Reconstruction	45-C0812	3		400,000				400,000
Fire Computer Equip/Public Safety Radios	45-C0849	1				280,000		280,000
Marsh Run Walls Rehabilitation	45-C0853	4	400,000			500,000		900,000
Downtown Redevelopment	45-C0854	5	1,500,000					1,500,000
Vehicle Lifts	45-C0858	8	75,000					75,000
Fire Facilities City Owned Buildings	45-C0870	5		125,000				125,000
Bond Financing (General Fund) Total			6,399,000	6,580,000	3,825,000	8,620,000	5,580,000	31,004,000
CIP Fund Balance								
Computer Equipment and Software	45-C0006	5	60,000	40,000				100,000
Municipal Broadband	45-C0008	8	17,358					17,358
Pavement Preservation Program	45-C0025	5	100,000					100,000
LED Signal Lights	45-C0245	4	15,000					15,000
Public Works Operations Center Improvement Program	45-C0250	5	2,930					2,930
Downtown Beautification Program	45-C0280	5	8,000					8,000
Police Building Renovation	45-C0308	5	25,000					25,000
Signal Controller Upgrades	45-C0433	5	12,650					12,650
Steam Engine Museum	45-C0439	5	13,000					13,000
Geographic Information System	45-C0451	5	65,000	60,000				125,000
Curb and Sidewalk Replacement Program	45-C0458	5	15,000					15,000
Cable PEG	45-C0569	2	102,532					102,532
Public Works Storage Yard Expansion	45-C0718	5		10,000				10,000
Municipal Financial System	45-C0739	5	16,000	8,000				24,000
George Washington Statue	45-C0837	5	30,950					30,950
Public Art	45-C0868	5		10,000				10,000

Source	Project#	Priority	FY '17	FY '18	FY '19	FY '20	FY '21	Total
CIP Fund Balance Total			483,420	128,000				611,420
Contribution by Others								
Fire Department Vehicle Replacement	45-C0010	5	150,000				150,000	300,000
Municipal Stadium Improvements	45-C0040	5	35,000	35,000				70,000
Prospect Street Wall	45-C0401	4	40,000					40,000
Fairgrounds Park Improvements	45-C0626	5		60,000				60,000
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
Antietam Creek Greenway Trail	45-C0774	5				150,000		150,000
Hagerstown Ice Rink	45-C0843	5	5,000	5,000	5,000	5,000	5,000	25,000
Public Art	45-C0868	5		10,000	10,000	10,000	10,000	40,000
Contribution by Others Total			230,000	110,000	15,000	1,165,000	7,065,000	8,585,000
Excise Tax Fund								
Hagerstown Cultural Trail	45-C0140	5	100,000					100,000
Bridge Repair Program	45-C0400	4	125,000					125,000
Steam Engine Museum	45-C0439	5	15,000					15,000
Northwest Connector	45-C0735	5					150,000	150,000
Antietam Creek Greenway Trail	45-C0774	5					48,000	48,000
Longmeadow Park Improvements	45-C0866	5	20,000					20,000
Excise Tax Fund Total			260,000				198,000	458,000
Grants-Federal								
Police Crime Lab Equipment	45-C0182	5	110,000					110,000
Police Firing Range	45-C0226	5			25,000			25,000
Storm Water Management Implementation	45-C0637	6	500,000	250,000	250,000			1,000,000
Multi-Use Trails	45-C0717	6	200,000	2,500,000				2,700,000
Longmeadow Park Improvements	45-C0866	5	487,500					487,500
Grants-Federal Total			1,297,500	2,750,000	275,000			4,322,500
Grants-Private								
Fairgrounds Park Improvements	45-C0626	5		50,000				50,000
Grants-Private Total				50,000				50,000
Grants-State								
State Highway Retrofit Sidewalk Program	45-C0527	6		500,000	500,000			1,000,000
New Sidewalks	45-C0595	1	350,000					350,000
Green Streets	45-C0639	6	75,000	70,000	70,000	70,000	70,000	355,000
Fire Department Breathing Apparatus Equip	45-C0663	5	95,000		675,000			770,000
Multi-Use Trails	45-C0717	6	50,000					50,000
Antietam Creek Greenway Trail	45-C0774	5					432,000	432,000
Pangborn Lake Reconstruction	45-C0812	3		100,000				100,000
Longmeadow Park Improvements	45-C0866	5		30,000				30,000
Grants-State Total			570,000	700,000	1,245,000	70,000	502,000	3,087,000

Source	Project#	Priority	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Grants-State MD Heritage								
George Washington Statue	45-C0837	5	30,950					30,950
Grants-State MD Heritage Total			30,950					30,950
Grants-State Program Open Space								
Hagerstown Cultural Trail	45-C0140	5	45,000	100,000				145,000
Park Equipment	45-C0237	5	36,000					36,000
Pangborn Park Improvements	45-C0335	5	13,500					13,500
Steam Engine Museum	45-C0439	5	9,000					9,000
City Park Improvements	45-C0522	5			279,000	225,000		504,000
Fairgrounds Park Improvements	45-C0626	5		36,000				36,000
Winter Street School-Neighborhood Park	45-C0764	6			180,000			180,000
Potterfield Pool Improvements	45-C0822	8	22,500					22,500
Grants-State Program Open Space Total			126,000	136,000	459,000	225,000		946,000
Grant-State MDE								
Storm Water Management Implementation	45-C0637	6	60,000					60,000
Grant-State MDE Total			60,000					60,000
Other								
Steam Engine Museum	45-C0439	5		25,000				25,000
Other Total				25,000				25,000
PEG Fee								
Cable Inet	45-C0568	2	14,000	14,000	14,000	14,000	14,000	70,000
Cable PEG	45-C0569	2	42,000	42,000	42,000	42,000	42,000	210,000
PEG Fee Total			56,000	56,000	56,000	56,000	56,000	280,000
Prior Bond Proceeds								
Hagerstown Cultural Trail	45-C0140	5	1,225,000					1,225,000
Storm Water Management Implementation	45-C0637	6	100,000					100,000
Prior Bond Proceeds Total			1,325,000					1,325,000
Reforestation Funds								
Installation of Street Trees	45-C0594	5	40,000	40,000	40,000	40,000	40,000	200,000
Reforestation Funds Total			40,000	40,000	40,000	40,000	40,000	200,000
State Highway User Revenue								
Pavement Preservation Program	45-C0025	5	1,100,000	1,200,000	1,200,000	1,200,000	1,200,000	5,900,000
Pavement Markings	45-C0093	1	25,000	15,000	15,000	15,000	15,000	85,000
Accessibility Ramps	45-C0217	6	20,000	20,000	20,000	20,000	20,000	100,000
City Park Improvements	45-C0522	5	35,000					35,000
Traffic Calming	45-C0560	5	20,000	20,000	20,000	20,000	20,000	100,000

Source	Project#	Priority	FY '17	FY '18	FY '19	FY '20	FY '21	Total
State Highway User Revenue Total			1,200,000	1,255,000	1,255,000	1,255,000	1,255,000	6,220,000
Transfers to CIP-CDBG Fund								
Accessibility Ramps	45-C0217	6	70,000	70,000	70,000	70,000	70,000	350,000
Major Signal Intersection Upgrades	45-C0243	5		225,000		400,000		625,000
New Sidewalks	45-C0595	1			35,000			35,000
Neighborhood Parks	45-C0751	5	240,000	80,000	200,000			520,000
Transfers to CIP-CDBG Fund Total			310,000	375,000	305,000	470,000	70,000	1,530,000
Transfers to CIP-Electric Fund								
Computer Equipment and Software	45-C0006	5		10,000	15,000	20,000	15,000	60,000
Time & Attendance Software and Equip	45-C0007	5	3,500	2,000	2,000	2,000	2,000	11,500
Geographic Information System	45-C0451	5		15,000	20,000	20,000	10,000	65,000
Municipal Financial System	45-C0739	5		4,000	4,000	4,000	4,000	16,000
Transfers to CIP-Electric Fund Total			3,500	31,000	41,000	46,000	31,000	152,500
Transfers to CIP-General Fund								
Computer Equipment and Software	45-C0006	5		10,000	15,000	20,000	15,000	60,000
Time & Attendance Software and Equip	45-C0007	5	3,500	2,000	2,000	2,000	2,000	11,500
Fire Department Vehicle Replacement	45-C0010	5	150,000	75,000			60,000	285,000
Public Works Vehicles	45-C0065	5	5,000	85,000	155,000	63,000	158,000	466,000
Market House Improvements	45-C0099	5	15,000				45,000	60,000
Police Radios	45-C0128	1	34,495	131,978	133,871	143,413	143,413	587,170
Police Vehicles	45-C0129	1	253,000	332,000	332,000	286,000	286,000	1,489,000
Street Crime Cameras/CPTED	45-C0130	1		150,000	150,000	150,000	150,000	600,000
Engineering Vehicles	45-C0133	4		34,000	17,000	17,000	20,000	88,000
Police Software	45-C0196	1	56,000					56,000
Park Equipment	45-C0237	5	4,000					4,000
Fire Department Training Center	45-C0241	5		75,000	75,000	75,000	75,000	300,000
Major Signal Intersection Upgrades	45-C0243	5	10,000		20,000			30,000
LED Signal Lights	45-C0245	4		15,000	15,000	15,000		45,000
Community & Economic Development Vehicles	45-C0249	4		25,000				25,000
Public Works Operations Center Improvement Program	45-C0250	5	3,100	25,000	6,000	6,000	6,000	46,100
Downtown Beautification Program	45-C0280	5	17,000	25,000	25,000	25,000	25,000	117,000
Police Building Renovation	45-C0308	5	10,000	60,000	30,000	30,000	30,000	160,000
Alley Reconstruction	45-C0324	5			50,000			50,000
City Hall Improvements	45-C0326	5	15,000		25,000	25,000	25,000	90,000
Pangborn Park Improvements	45-C0335	5	1,500					1,500
Signal Controller Upgrades	45-C0433	5	7,350	20,000	20,000			47,350
Stormdrain System Upgrades	45-C0444	5	40,000	40,000	30,000			110,000
Geographic Information System	45-C0451	5		15,000	5,000	5,000	5,000	30,000
Curb and Sidewalk Replacement Program	45-C0458	5	10,000	25,000	25,000	25,000	25,000	110,000
City Park Improvements	45-C0522	5		10,000	31,000	25,000		66,000
Parks Vehicles and Equipment	45-C0570	5	30,000	113,000	129,000			272,000
Fairgrounds Park Improvements	45-C0626	5	20,000	24,000				44,000
Green Streets	45-C0639	6	10,000	10,000	10,000	10,000	10,000	50,000
Signal Timing Optimization	45-C0640	5	20,000	20,000				40,000
Fire Department Breathing Apparatus Equip	45-C0663	5			75,000			75,000
Planning & Code Admin Vehicles	45-C0678	4		50,000	50,000	25,000	50,000	175,000
Municipal Financial System	45-C0739	5		4,000	4,000	4,000	4,000	16,000
Winter Street School-Neighborhood Park	45-C0764	6			20,000			20,000

Source	Project#	Priority	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Kiwanis Park	45-C0773	2	10,000					10,000
Potterfield Pool Improvements	45-C0822	8	2,500	50,000				52,500
Hagerstown Ice Rink	45-C0843	5	15,000	15,000	15,000	15,000	15,000	75,000
Fire Computer Equip/Public Safety Radios	45-C0849	1	15,000	15,000	15,000		15,000	60,000
Mobile License Plate Readers	45-C0860	1		60,000				60,000
Public Art	45-C0868	5		5,000	15,000	15,000	15,000	50,000
Fire Facilities City Owned Buildings	45-C0870	5	105,000	105,000				210,000
Fire Equipment	45-C0871	5	40,000	40,000				80,000
Transfers to CIP-General Fund Total			902,445	1,665,978	1,494,871	981,413	1,179,413	6,224,120
Transfers to CIP-Parking Fund								
Time & Attendance Software and Equip	45-C0007	5	2,000					2,000
Transfers to CIP-Parking Fund Total			2,000					2,000
Transfers to CIP-Prop Mgmt Fund								
Hagerstown Cultural Trail	45-C0140	5	280,000					280,000
Transfers to CIP-Prop Mgmt Fund Total			280,000					280,000
Transfers to CIP-Wastewater Fund								
Computer Equipment and Software	45-C0006	5		10,000	15,000	20,000	15,000	60,000
Time & Attendance Software and Equip	45-C0007	5	3,500	2,000	2,000	2,000	2,000	11,500
Geographic Information System	45-C0451	5		15,000	20,000	20,000	10,000	65,000
Municipal Financial System	45-C0739	5		4,000	4,000	4,000	4,000	16,000
Transfers to CIP-Wastewater Fund Total			3,500	31,000	41,000	46,000	31,000	152,500
Transfers to CIP-Water Fund								
Computer Equipment and Software	45-C0006	5		10,000	15,000	20,000	15,000	60,000
Time & Attendance Software and Equip	45-C0007	5	3,500	2,000	2,000	2,000	2,000	11,500
Geographic Information System	45-C0451	5		15,000	20,000	20,000	10,000	65,000
Municipal Financial System	45-C0739	5		4,000	4,000	4,000	4,000	16,000
Transfers to CIP-Water Fund Total			3,500	31,000	41,000	46,000	31,000	152,500
GRAND TOTAL			13,582,815	13,963,978	9,092,871	13,020,413	16,038,413	65,698,490

City of Hagerstown, Maryland

GENERAL/CIP FUND

FY '17 thru **FY '21**

DEPARTMENT SUMMARY

Department	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Community Development		25,000				25,000
Engineering	5,859,000	5,984,000	3,477,000	4,412,000	9,415,000	29,147,000
Finance	1,500,000					1,500,000
Fire	2,155,000	2,085,000	2,390,000	2,290,000	810,000	9,730,000
Information Technology	332,890	288,000	205,000	225,000	175,000	1,225,890
Parks	2,444,500	3,533,000	1,359,000	4,980,000	4,500,000	16,816,500
Planning	61,900	50,000	50,000	25,000	50,000	236,900
Police	488,495	733,978	670,871	609,413	609,413	3,112,170
Public Works	741,030	1,265,000	941,000	479,000	479,000	3,905,030
TOTAL	13,582,815	13,963,978	9,092,871	13,020,413	16,038,413	65,698,490

City of Hagerstown, Maryland

GENERAL/CIP FUND

FY '17 thru FY '21

CATEGORY SUMMARY

Category	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Amenities	415,000			500,000		915,000
Automobiles and Trucks	2,243,000	1,124,000	2,403,000	2,731,000	1,454,000	9,955,000
Buildings and Structures	1,928,030	4,035,000	2,361,000	5,336,000	5,336,000	18,996,030
Energy Savings	20,000	20,000	20,000	20,000	20,000	100,000
Infrastructure-Alleys	769,000	200,000	50,000			1,019,000
Infrastructure-Bridges	475,000					475,000
Infrastructure-Sidewalks	465,000	615,000	650,000	115,000	115,000	1,960,000
Infrastructure-Storm Drains	700,000	1,090,000	1,080,000			2,870,000
Infrastructure-Streets	65,000	2,205,000	315,000	2,035,000	7,935,000	12,555,000
Infrastructure-Utilities	10,000	225,000	20,000	400,000		655,000
Land Acquisition			200,000			200,000
Land Improvements	3,919,400	3,130,000	600,000	990,000	570,000	9,209,400
Machinery and Equipment	835,385	587,978	1,224,871	724,413	469,413	3,842,060
Software	153,000	152,000	89,000	89,000	59,000	542,000
Storm Water	85,000	580,000	80,000	80,000	80,000	905,000
Unassigned	1,500,000					1,500,000
TOTAL	13,582,815	13,963,978	9,092,871	13,020,413	16,038,413	65,698,490

City of Hagerstown, Maryland

GENERAL/CIP FUND

FY '17 thru **FY '21**

EXPENDITURE TYPE SUMMARY

Expenditure Type	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Planning/Design	399,858	180,000	665,000	530,000	15,000	1,789,858
Land Acquisition	20,000	180,000	200,000	150,000		550,000
Construction/Maintenance	8,618,930	11,835,000	4,516,000	8,786,000	14,076,000	47,831,930
Equip/Vehicles/Furnishings	2,906,027	1,736,978	3,637,871	3,480,413	1,923,413	13,684,702
Other	1,500,000					1,500,000
Software	138,000	32,000	74,000	74,000	24,000	342,000
TOTAL	13,582,815	13,963,978	9,092,871	13,020,413	16,038,413	65,698,490

City of Hagerstown, Maryland

GENERAL/CIP FUND

FY '17 thru FY '21

PROJECTS BY DEPARTMENT

Department	Project#	Priority	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Community Development								
Community & Economic Development Vehicles	45-C0249	4		25,000				25,000
Community Development Total				25,000				25,000
Engineering								
Pavement Preservation Program	45-C0025	5	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	6,000,000
Pavement Markings	45-C0093	1	25,000	15,000	15,000	15,000	15,000	85,000
Engineering Vehicles	45-C0133	4		34,000	17,000	17,000	20,000	88,000
Hagerstown Cultural Trail	45-C0140	5	1,650,000	420,000				2,070,000
Accessibility Ramps	45-C0217	6	90,000	90,000	90,000	90,000	90,000	450,000
Major Signal Intersection Upgrades	45-C0243	5	10,000	225,000	20,000	400,000		655,000
Alley Reconstruction	45-C0324	5	769,000	200,000	50,000			1,019,000
Bridge Repair Program	45-C0400	4	125,000					125,000
Prospect Street Wall	45-C0401	4	350,000					350,000
Stormdrain System Upgrades	45-C0444	5	40,000	40,000	30,000			110,000
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		500,000	500,000			1,000,000
Traffic Calming	45-C0560	5	20,000	20,000	20,000	20,000	20,000	100,000
Installation of Street Trees	45-C0594	5	40,000	40,000	40,000	40,000	40,000	200,000
New Sidewalks	45-C0595	1	350,000		35,000			385,000
Storm Water Management Implementation	45-C0637	6	660,000	1,050,000	1,050,000			2,760,000
Green Streets	45-C0639	6	85,000	80,000	80,000	80,000	80,000	405,000
Signal Timing Optimization	45-C0640	5	20,000	20,000				40,000
Professional Court Extension	45-C0685	5		2,000,000				2,000,000
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
Marsh Run Walls Rehabilitation	45-C0853	4	400,000			500,000		900,000
Public Art	45-C0868	5		25,000	25,000	25,000	25,000	100,000
Engineering Total			5,859,000	5,984,000	3,477,000	4,412,000	9,415,000	29,147,000
Finance								
Downtown Redevelopment	45-C0854	5	1,500,000					1,500,000
Finance Total			1,500,000					1,500,000
Fire								
Fire Department Vehicle Replacement	45-C0010	5	1,550,000	75,000	1,550,000	1,935,000	720,000	5,830,000
Fire Department Training Center	45-C0241	5	200,000	75,000	75,000	75,000	75,000	500,000
Fire Department Breathing Apparatus Equip	45-C0663	5	95,000		750,000			845,000
Consolidation of Public Safety Assets	45-C0687	5		500,000				500,000
Fire Station Relocation	45-C0730	5	150,000	1,150,000				1,300,000
Fire Computer Equip/Public Safety Radios	45-C0849	1	15,000	15,000	15,000	280,000	15,000	340,000
Fire Facilities City Owned Buildings	45-C0870	5	105,000	230,000				335,000
Fire Equipment	45-C0871	5	40,000	40,000				80,000

Department	Project#	Priority	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Fire Total			2,155,000	2,085,000	2,390,000	2,290,000	810,000	9,730,000
Information Technology								
Computer Equipment and Software	45-C0006	5	60,000	80,000	60,000	80,000	60,000	340,000
Time & Attendance Software and Equip	45-C0007	5	16,000	8,000	8,000	8,000	8,000	48,000
Municipal Broadband	45-C0008	8	17,358					17,358
Geographic Information System	45-C0451	5	65,000	120,000	65,000	65,000	35,000	350,000
Cable Inet	45-C0568	2	14,000	14,000	14,000	14,000	14,000	70,000
Cable PEG	45-C0569	2	144,532	42,000	42,000	42,000	42,000	312,532
Municipal Financial System	45-C0739	5	16,000	24,000	16,000	16,000	16,000	88,000
Information Technology Total			332,890	288,000	205,000	225,000	175,000	1,225,890
Parks								
Municipal Stadium Improvements	45-C0040	5	35,000	35,000				70,000
City Park Lake Improvements	45-C0047	5	1,100,000			500,000		1,600,000
Park Equipment	45-C0237	5	40,000					40,000
Pangborn Park Improvements	45-C0335	5	15,000					15,000
Steam Engine Museum	45-C0439	5	37,000	25,000				62,000
City Park Improvements	45-C0522	5	35,000	10,000	310,000	250,000		605,000
Parks Vehicles and Equipment	45-C0570	5	110,000	113,000	129,000	60,000		412,000
Fairground Grandstand Improvements	45-C0624	5			500,000	4,000,000	4,000,000	8,500,000
Fairgrounds Park Improvements	45-C0626	5	20,000	170,000				190,000
Multi-Use Trails	45-C0717	6	250,000	2,500,000				2,750,000
Neighborhood Parks	45-C0751	5	240,000	80,000	200,000			520,000
Winter Street School-Neighborhood Park	45-C0764	6			200,000			200,000
Kiwanis Park	45-C0773	2	10,000					10,000
Antietam Creek Greenway Trail	45-C0774	5				150,000	480,000	630,000
Pangborn Lake Reconstruction	45-C0812	3		500,000				500,000
Potterfield Pool Improvements	45-C0822	8	25,000	50,000				75,000
Hagerstown Ice Rink	45-C0843	5	20,000	20,000	20,000	20,000	20,000	100,000
Longmeadow Park Improvements	45-C0866	5	507,500	30,000				537,500
Parks Total			2,444,500	3,533,000	1,359,000	4,980,000	4,500,000	16,816,500
Planning								
Planning & Code Admin Vehicles	45-C0678	4		50,000	50,000	25,000	50,000	175,000
George Washington Statue	45-C0837	5	61,900					61,900
Planning Total			61,900	50,000	50,000	25,000	50,000	236,900
Police								
Police Radios	45-C0128	1	34,495	131,978	133,871	143,413	143,413	587,170
Police Vehicles	45-C0129	1	253,000	332,000	332,000	286,000	286,000	1,489,000
Street Crime Cameras/CPTED	45-C0130	1		150,000	150,000	150,000	150,000	600,000
Police Crime Lab Equipment	45-C0182	5	110,000					110,000
Police Software	45-C0196	1	56,000					56,000
Police Firing Range	45-C0226	5			25,000			25,000
Police Building Renovation	45-C0308	5	35,000	60,000	30,000	30,000	30,000	185,000
Mobile License Plate Readers	45-C0860	1		60,000				60,000
Police Total			488,495	733,978	670,871	609,413	609,413	3,112,170
Public Works								
Public Works Vehicles	45-C0065	5	330,000	495,000	325,000	408,000	378,000	1,936,000
Market House Improvements	45-C0099	5	135,000				45,000	180,000

Department	Project#	Priority	FY '17	FY '18	FY '19	FY '20	FY '21	Total
LED Signal Lights	45-C0245	4	15,000	15,000	15,000	15,000		60,000
Public Works Operations Center Improvement Program	45-C0250	5	126,030	25,000	6,000	6,000	6,000	169,030
Downtown Beautification Program	45-C0280	5	25,000	25,000	25,000	25,000	25,000	125,000
City Hall Improvements	45-C0326	5	15,000	300,000	25,000	25,000	25,000	390,000
Signal Controller Upgrades	45-C0433	5	20,000	20,000	20,000			60,000
Public Works Storage Yard Expansion	45-C0718	5		385,000	525,000			910,000
Vehicle Lifts	45-C0858	8	75,000					75,000
Public Works Total			741,030	1,265,000	941,000	479,000	479,000	3,905,030
GRAND TOTAL			13,582,815	13,963,978	9,092,871	13,020,413	16,038,413	65,698,490

City of Hagerstown, Maryland

GENERAL/CIP FUND

FY '17 thru FY '21

PROJECTS & FUNDING SOURCES BY DEPARTMENT

Department	Project#	Priority	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Community Development								
Community & Economic Development Vehicles	45-C0249	4		25,000				25,000
Transfers to CIP-General Fund				25,000				25,000
Community Development Total				25,000				25,000
Engineering								
Pavement Preservation Program	45-C0025	5	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	6,000,000
CIP Fund Balance			100,000					100,000
State Highway User Revenue			1,100,000	1,200,000	1,200,000	1,200,000	1,200,000	5,900,000
Pavement Markings	45-C0093	1	25,000	15,000	15,000	15,000	15,000	85,000
State Highway User Revenue			25,000	15,000	15,000	15,000	15,000	85,000
Engineering Vehicles	45-C0133	4		34,000	17,000	17,000	20,000	88,000
Transfers to CIP-General Fund				34,000	17,000	17,000	20,000	88,000
Hagerstown Cultural Trail	45-C0140	5	1,650,000	420,000				2,070,000
Bond Financing (General Fund)				320,000				320,000
Excise Tax Fund			100,000					100,000
Grants-State Program Open Space			45,000	100,000				145,000
Prior Bond Proceeds			1,225,000					1,225,000
Transfers to CIP-Prop Mgmt Fund			280,000					280,000
Accessibility Ramps	45-C0217	6	90,000	90,000	90,000	90,000	90,000	450,000
State Highway User Revenue			20,000	20,000	20,000	20,000	20,000	100,000
Transfers to CIP-CDBG Fund			70,000	70,000	70,000	70,000	70,000	350,000
Major Signal Intersection Upgrades	45-C0243	5	10,000	225,000	20,000	400,000		655,000
Transfers to CIP-CDBG Fund				225,000		400,000		625,000
Transfers to CIP-General Fund			10,000		20,000			30,000
Alley Reconstruction	45-C0324	5	769,000	200,000	50,000			1,019,000
Bond Financing (General Fund)			769,000	200,000				969,000
Transfers to CIP-General Fund					50,000			50,000
Bridge Repair Program	45-C0400	4	125,000					125,000
Excise Tax Fund			125,000					125,000
Prospect Street Wall	45-C0401	4	350,000					350,000
Bond Financing (General Fund)			310,000					310,000
Contribution by Others			40,000					40,000
Stormdrain System Upgrades	45-C0444	5	40,000	40,000	30,000			110,000
Transfers to CIP-General Fund			40,000	40,000	30,000			110,000
Curb and Sidewalk Replacement Program	45-C0458	5	25,000	25,000	25,000	25,000	25,000	125,000
CIP Fund Balance			15,000					15,000
Transfers to CIP-General Fund			10,000	25,000	25,000	25,000	25,000	110,000
State Highway Retrofit Sidewalk Program	45-C0527	6		500,000	500,000			1,000,000
Grants-State				500,000	500,000			1,000,000
Traffic Calming	45-C0560	5	20,000	20,000	20,000	20,000	20,000	100,000
State Highway User Revenue			20,000	20,000	20,000	20,000	20,000	100,000
Installation of Street Trees	45-C0594	5	40,000	40,000	40,000	40,000	40,000	200,000
Reforestation Funds			40,000	40,000	40,000	40,000	40,000	200,000

Department	Project#	Priority	FY '17	FY '18	FY '19	FY '20	FY '21	Total
New Sidewalks	45-C0595	1	350,000		35,000			385,000
<i>Grants-State</i>			350,000					350,000
<i>Transfers to CIP-CDBG Fund</i>					35,000			35,000
Storm Water Management Implementation	45-C0637	6	660,000	1,050,000	1,050,000			2,760,000
<i>Bond Financing (General Fund)</i>				800,000	800,000			1,600,000
<i>Grants-Federal</i>			500,000	250,000	250,000			1,000,000
<i>Grant-State MDE</i>			60,000					60,000
<i>Prior Bond Proceeds</i>			100,000					100,000
Green Streets	45-C0639	6	85,000	80,000	80,000	80,000	80,000	405,000
<i>Grants-State</i>			75,000	70,000	70,000	70,000	70,000	355,000
<i>Transfers to CIP-General Fund</i>			10,000	10,000	10,000	10,000	10,000	50,000
Signal Timing Optimization	45-C0640	5	20,000	20,000				40,000
<i>Transfers to CIP-General Fund</i>			20,000	20,000				40,000
Professional Court Extension	45-C0685	5		2,000,000				2,000,000
<i>Bond Financing (General Fund)</i>				2,000,000				2,000,000
R. Paul Smith Boulevard	45-C0733	5				500,000	4,500,000	5,000,000
<i>Contribution by Others</i>						500,000	4,500,000	5,000,000
Northwest Connector	45-C0735	5			280,000	1,500,000	3,400,000	5,180,000
<i>Bond Financing (General Fund)</i>					280,000	1,000,000	850,000	2,130,000
<i>Contribution by Others</i>						500,000	2,400,000	2,900,000
<i>Excise Tax Fund</i>							150,000	150,000
Marsh Run Walls Rehabilitation	45-C0853	4	400,000			500,000		900,000
<i>Bond Financing (General Fund)</i>			400,000			500,000		900,000
Public Art	45-C0868	5		25,000	25,000	25,000	25,000	100,000
<i>CIP Fund Balance</i>				10,000				10,000
<i>Contribution by Others</i>				10,000	10,000	10,000	10,000	40,000
<i>Transfers to CIP-General Fund</i>				5,000	15,000	15,000	15,000	50,000
Engineering Total			5,859,000	5,984,000	3,477,000	4,412,000	9,415,000	29,147,000

Finance

Downtown Redevelopment	45-C0854	5	1,500,000					1,500,000
<i>Bond Financing (General Fund)</i>			1,500,000					1,500,000
Finance Total			1,500,000					1,500,000

Fire

Fire Department Vehicle Replacement	45-C0010	5	1,550,000	75,000	1,550,000	1,935,000	720,000	5,830,000
<i>Bond Financing (General Fund)</i>			1,250,000		1,550,000	1,935,000	510,000	5,245,000
<i>Contribution by Others</i>			150,000				150,000	300,000
<i>Transfers to CIP-General Fund</i>			150,000	75,000			60,000	285,000
Fire Department Training Center	45-C0241	5	200,000	75,000	75,000	75,000	75,000	500,000
<i>Bond Financing (General Fund)</i>			200,000					200,000
<i>Transfers to CIP-General Fund</i>				75,000	75,000	75,000	75,000	300,000
Fire Department Breathing Apparatus Equip	45-C0663	5	95,000		750,000			845,000
<i>Grants-State</i>			95,000		675,000			770,000
<i>Transfers to CIP-General Fund</i>					75,000			75,000
Consolidation of Public Safety Assets	45-C0687	5		500,000				500,000
<i>Bond Financing (General Fund)</i>				500,000				500,000
Fire Station Relocation	45-C0730	5	150,000	1,150,000				1,300,000
<i>Bond Financing (General Fund)</i>			150,000	1,150,000				1,300,000
Fire Computer Equip/Public Safety Radios	45-C0849	1	15,000	15,000	15,000	280,000	15,000	340,000
<i>Bond Financing (General Fund)</i>						280,000		280,000
<i>Transfers to CIP-General Fund</i>			15,000	15,000	15,000		15,000	60,000
Fire Facilities City Owned Buildings	45-C0870	5	105,000	230,000				335,000
<i>Bond Financing (General Fund)</i>				125,000				125,000

Department	Project#	Priority	FY '17	FY '18	FY '19	FY '20	FY '21	Total
<i>Transfers to CIP-General Fund</i>			105,000	105,000				210,000
Fire Equipment	45-C0871	5	40,000	40,000				80,000
<i>Transfers to CIP-General Fund</i>			40,000	40,000				80,000
Fire Total			2,155,000	2,085,000	2,390,000	2,290,000	810,000	9,730,000

Information Technology

Computer Equipment and Software	45-C0006	5	60,000	80,000	60,000	80,000	60,000	340,000
<i>CIP Fund Balance</i>			60,000	40,000				100,000
<i>Transfers to CIP-Electric Fund</i>				10,000	15,000	20,000	15,000	60,000
<i>Transfers to CIP-General Fund</i>				10,000	15,000	20,000	15,000	60,000
<i>Transfers to CIP-Wastewater Fund</i>				10,000	15,000	20,000	15,000	60,000
<i>Transfers to CIP-Water Fund</i>				10,000	15,000	20,000	15,000	60,000
Time & Attendance Software and Equip	45-C0007	5	16,000	8,000	8,000	8,000	8,000	48,000
<i>Transfers to CIP-Electric Fund</i>			3,500	2,000	2,000	2,000	2,000	11,500
<i>Transfers to CIP-General Fund</i>			3,500	2,000	2,000	2,000	2,000	11,500
<i>Transfers to CIP-Parking Fund</i>				2,000				2,000
<i>Transfers to CIP-Wastewater Fund</i>			3,500	2,000	2,000	2,000	2,000	11,500
<i>Transfers to CIP-Water Fund</i>			3,500	2,000	2,000	2,000	2,000	11,500
Municipal Broadband	45-C0008	8	17,358					17,358
<i>CIP Fund Balance</i>			17,358					17,358
Geographic Information System	45-C0451	5	65,000	120,000	65,000	65,000	35,000	350,000
<i>CIP Fund Balance</i>			65,000	60,000				125,000
<i>Transfers to CIP-Electric Fund</i>				15,000	20,000	20,000	10,000	65,000
<i>Transfers to CIP-General Fund</i>				15,000	5,000	5,000	5,000	30,000
<i>Transfers to CIP-Wastewater Fund</i>				15,000	20,000	20,000	10,000	65,000
<i>Transfers to CIP-Water Fund</i>				15,000	20,000	20,000	10,000	65,000
Cable Inet	45-C0568	2	14,000	14,000	14,000	14,000	14,000	70,000
<i>PEG Fee</i>			14,000	14,000	14,000	14,000	14,000	70,000
Cable PEG	45-C0569	2	144,532	42,000	42,000	42,000	42,000	312,532
<i>CIP Fund Balance</i>			102,532					102,532
<i>PEG Fee</i>			42,000	42,000	42,000	42,000	42,000	210,000
Municipal Financial System	45-C0739	5	16,000	24,000	16,000	16,000	16,000	88,000
<i>CIP Fund Balance</i>			16,000	8,000				24,000
<i>Transfers to CIP-Electric Fund</i>				4,000	4,000	4,000	4,000	16,000
<i>Transfers to CIP-General Fund</i>				4,000	4,000	4,000	4,000	16,000
<i>Transfers to CIP-Wastewater Fund</i>				4,000	4,000	4,000	4,000	16,000
<i>Transfers to CIP-Water Fund</i>				4,000	4,000	4,000	4,000	16,000
Information Technology Total			332,890	288,000	205,000	225,000	175,000	1,225,890

Parks

Municipal Stadium Improvements	45-C0040	5	35,000	35,000				70,000
<i>Contribution by Others</i>			35,000	35,000				70,000
City Park Lake Improvements	45-C0047	5	1,100,000			500,000		1,600,000
<i>Bond Financing (General Fund)</i>			1,100,000			500,000		1,600,000
Park Equipment	45-C0237	5	40,000					40,000
<i>Grants-State Program Open Space</i>			36,000					36,000
<i>Transfers to CIP-General Fund</i>			4,000					4,000
Pangborn Park Improvements	45-C0335	5	15,000					15,000
<i>Grants-State Program Open Space</i>			13,500					13,500
<i>Transfers to CIP-General Fund</i>			1,500					1,500
Steam Engine Museum	45-C0439	5	37,000	25,000				62,000
<i>CIP Fund Balance</i>			13,000					13,000
<i>Excise Tax Fund</i>			15,000					15,000
<i>Grants-State Program Open Space</i>			9,000					9,000
<i>Other</i>				25,000				25,000

Department	Project#	Priority	FY '17	FY '18	FY '19	FY '20	FY '21	Total
City Park Improvements	45-C0522	5	35,000	10,000	310,000	250,000		605,000
<i>Grants-State Program Open Space</i>					279,000	225,000		504,000
<i>State Highway User Revenue</i>			35,000					35,000
<i>Transfers to CIP-General Fund</i>				10,000	31,000	25,000		66,000
Parks Vehicles and Equipment	45-C0570	5	110,000	113,000	129,000	60,000		412,000
<i>Bond Financing (General Fund)</i>			80,000			60,000		140,000
<i>Transfers to CIP-General Fund</i>			30,000	113,000	129,000			272,000
Fairground Grandstand Improvements	45-C0624	5			500,000	4,000,000	4,000,000	8,500,000
<i>Bond Financing (General Fund)</i>					500,000	4,000,000	4,000,000	8,500,000
Fairgrounds Park Improvements	45-C0626	5	20,000	170,000				190,000
<i>Contribution by Others</i>				60,000				60,000
<i>Grants-Private</i>				50,000				50,000
<i>Grants-State Program Open Space</i>				36,000				36,000
<i>Transfers to CIP-General Fund</i>			20,000	24,000				44,000
Multi-Use Trails	45-C0717	6	250,000	2,500,000				2,750,000
<i>Grants-Federal</i>			200,000	2,500,000				2,700,000
<i>Grants-State</i>			50,000					50,000
Neighborhood Parks	45-C0751	5	240,000	80,000	200,000			520,000
<i>Transfers to CIP-CDBG Fund</i>			240,000	80,000	200,000			520,000
Winter Street School-Neighborhood Park	45-C0764	6			200,000			200,000
<i>Grants-State Program Open Space</i>					180,000			180,000
<i>Transfers to CIP-General Fund</i>					20,000			20,000
Kiwanis Park	45-C0773	2	10,000					10,000
<i>Transfers to CIP-General Fund</i>			10,000					10,000
Antietam Creek Greenway Trail	45-C0774	5				150,000	480,000	630,000
<i>Contribution by Others</i>						150,000		150,000
<i>Excise Tax Fund</i>							48,000	48,000
<i>Grants-State</i>							432,000	432,000
Pangborn Lake Reconstruction	45-C0812	3		500,000				500,000
<i>Bond Financing (General Fund)</i>				400,000				400,000
<i>Grants-State</i>				100,000				100,000
Potterfield Pool Improvements	45-C0822	8	25,000	50,000				75,000
<i>Grants-State Program Open Space</i>			22,500					22,500
<i>Transfers to CIP-General Fund</i>			2,500	50,000				52,500
Hagerstown Ice Rink	45-C0843	5	20,000	20,000	20,000	20,000	20,000	100,000
<i>Contribution by Others</i>			5,000	5,000	5,000	5,000	5,000	25,000
<i>Transfers to CIP-General Fund</i>			15,000	15,000	15,000	15,000	15,000	75,000
Longmeadow Park Improvements	45-C0866	5	507,500	30,000				537,500
<i>Excise Tax Fund</i>			20,000					20,000
<i>Grants-Federal</i>			487,500					487,500
<i>Grants-State</i>				30,000				30,000
Parks Total			2,444,500	3,533,000	1,359,000	4,980,000	4,500,000	16,816,500

Planning

Planning & Code Admin Vehicles	45-C0678	4		50,000	50,000	25,000	50,000	175,000
<i>Transfers to CIP-General Fund</i>				50,000	50,000	25,000	50,000	175,000
George Washington Statue	45-C0837	5	61,900					61,900
<i>CIP Fund Balance</i>			30,950					30,950
<i>Grants-State MD Heritage</i>			30,950					30,950
Planning Total			61,900	50,000	50,000	25,000	50,000	236,900

Police

Police Radios	45-C0128	1	34,495	131,978	133,871	143,413	143,413	587,170
<i>Transfers to CIP-General Fund</i>			34,495	131,978	133,871	143,413	143,413	587,170

Department	Project#	Priority	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Police Vehicles	45-C0129	1	253,000	332,000	332,000	286,000	286,000	1,489,000
<i>Transfers to CIP-General Fund</i>			253,000	332,000	332,000	286,000	286,000	1,489,000
Street Crime Cameras/CPTED	45-C0130	1		150,000	150,000	150,000	150,000	600,000
<i>Transfers to CIP-General Fund</i>				150,000	150,000	150,000	150,000	600,000
Police Crime Lab Equipment	45-C0182	5	110,000					110,000
<i>Grants-Federal</i>			110,000					110,000
Police Software	45-C0196	1	56,000					56,000
<i>Transfers to CIP-General Fund</i>			56,000					56,000
Police Firing Range	45-C0226	5			25,000			25,000
<i>Grants-Federal</i>					25,000			25,000
Police Building Renovation	45-C0308	5	35,000	60,000	30,000	30,000	30,000	185,000
<i>CIP Fund Balance</i>			25,000					25,000
<i>Transfers to CIP-General Fund</i>			10,000	60,000	30,000	30,000	30,000	160,000
Mobile License Plate Readers	45-C0860	1		60,000				60,000
<i>Transfers to CIP-General Fund</i>				60,000				60,000
Police Total			488,495	733,978	670,871	609,413	609,413	3,112,170
Public Works								
Public Works Vehicles	45-C0065	5	330,000	495,000	325,000	408,000	378,000	1,936,000
<i>Bond Financing (General Fund)</i>			325,000	410,000	170,000	345,000	220,000	1,470,000
<i>Transfers to CIP-General Fund</i>			5,000	85,000	155,000	63,000	158,000	466,000
Market House Improvements	45-C0099	5	135,000				45,000	180,000
<i>Bond Financing (General Fund)</i>			120,000					120,000
<i>Transfers to CIP-General Fund</i>			15,000				45,000	60,000
LED Signal Lights	45-C0245	4	15,000	15,000	15,000	15,000		60,000
<i>CIP Fund Balance</i>			15,000					15,000
<i>Transfers to CIP-General Fund</i>				15,000	15,000	15,000		45,000
Public Works Operations Center Improvement Program	45-C0250	5	126,030	25,000	6,000	6,000	6,000	169,030
<i>Bond Financing (General Fund)</i>			120,000					120,000
<i>CIP Fund Balance</i>			2,930					2,930
<i>Transfers to CIP-General Fund</i>			3,100	25,000	6,000	6,000	6,000	46,100
Downtown Beautification Program	45-C0280	5	25,000	25,000	25,000	25,000	25,000	125,000
<i>CIP Fund Balance</i>			8,000					8,000
<i>Transfers to CIP-General Fund</i>			17,000	25,000	25,000	25,000	25,000	117,000
City Hall Improvements	45-C0326	5	15,000	300,000	25,000	25,000	25,000	390,000
<i>Bond Financing (General Fund)</i>				300,000				300,000
<i>Transfers to CIP-General Fund</i>			15,000		25,000	25,000	25,000	90,000
Signal Controller Upgrades	45-C0433	5	20,000	20,000	20,000			60,000
<i>CIP Fund Balance</i>			12,650					12,650
<i>Transfers to CIP-General Fund</i>			7,350	20,000	20,000			47,350
Public Works Storage Yard Expansion	45-C0718	5		385,000	525,000			910,000
<i>Bond Financing (General Fund)</i>				375,000	525,000			900,000
<i>CIP Fund Balance</i>				10,000				10,000
Vehicle Lifts	45-C0858	8	75,000					75,000
<i>Bond Financing (General Fund)</i>			75,000					75,000
Public Works Total			741,030	1,265,000	941,000	479,000	479,000	3,905,030
GRAND TOTAL			13,582,815	13,963,978	9,092,871	13,020,413	16,038,413	65,698,490

City of Hagerstown, Maryland

ELECTRIC FUND

FY '17 thru FY '21

PROJECTS BY FUNDING SOURCE

Source	Project#	Priority	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Electric Fund								
Electric Vehicles	50-C0090	5	250,000	190,000	250,000	250,000	200,000	1,140,000
Telemetry Equipment	50-C0111	5	40,000	30,000	20,000	20,000	20,000	130,000
Central Substation	50-C0118	5			200,000	500,000	200,000	900,000
Wesel Boulevard Development	50-C0220	5		50,000	50,000	50,000	50,000	200,000
System Reconductoring	50-C0259	5	20,000	20,000	20,000	20,000	20,000	100,000
Pedestrian Lighting	50-C0388	5		100,000	100,000	100,000	100,000	400,000
SCADA System	50-C0441	5	25,000					25,000
Underground Replacement	50-C0540	5	50,000	50,000	50,000	50,000	50,000	250,000
Building and Site Improvements	50-C0542	5	50,000	25,000	25,000	25,000	25,000	150,000
Bulldog Substation Upgrade	50-C0544	5				20,000	20,000	40,000
Streetlight Replacement	50-C0546	5	25,000	25,000				50,000
A & E District Upgrades	50-C0591	5	25,000	25,000	25,000	25,000	25,000	125,000
Test Equipment	50-C0609	5	10,000	10,000	10,000	10,000	10,000	50,000
Substation Breaker Replacement	50-C0776	5		50,000	50,000	50,000	50,000	200,000
Mitchell Substation Third Bay	50-C0778	5		60,000	100,000			160,000
Spare Regulators	50-C0797	5	20,000	20,000	20,000			60,000
Wildlife Protection	50-C0802	5	10,000	10,000	10,000	10,000	10,000	50,000
Feeder Coordination	50-C0833	5	25,000	25,000	25,000	25,000	25,000	125,000
Circuit Upgrades	50-C0842	5	20,000	150,000	150,000	150,000	150,000	620,000
Electric Fund Total			570,000	840,000	1,105,000	1,305,000	955,000	4,775,000
GRAND TOTAL			570,000	840,000	1,105,000	1,305,000	955,000	4,775,000

City of Hagerstown, Maryland

ELECTRIC FUND

FY '17 thru FY '21

PROJECTS & FUNDING SOURCES BY DEPARTMENT

Department	Project#	Priority	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Electric Fund								
Electric Vehicles	50-C0090	5	250,000	190,000	250,000	250,000	200,000	1,140,000
<i>Electric Fund</i>			250,000	190,000	250,000	250,000	200,000	1,140,000
Telemetry Equipment	50-C0111	5	40,000	30,000	20,000	20,000	20,000	130,000
<i>Electric Fund</i>			40,000	30,000	20,000	20,000	20,000	130,000
Central Substation	50-C0118	5			200,000	500,000	200,000	900,000
<i>Electric Fund</i>					200,000	500,000	200,000	900,000
Wesel Boulevard Development	50-C0220	5		50,000	50,000	50,000	50,000	200,000
<i>Electric Fund</i>				50,000	50,000	50,000	50,000	200,000
System Reconductoring	50-C0259	5	20,000	20,000	20,000	20,000	20,000	100,000
<i>Electric Fund</i>			20,000	20,000	20,000	20,000	20,000	100,000
Pedestrian Lighting	50-C0388	5		100,000	100,000	100,000	100,000	400,000
<i>Electric Fund</i>				100,000	100,000	100,000	100,000	400,000
SCADA System	50-C0441	5	25,000					25,000
<i>Electric Fund</i>			25,000					25,000
Underground Replacement	50-C0540	5	50,000	50,000	50,000	50,000	50,000	250,000
<i>Electric Fund</i>			50,000	50,000	50,000	50,000	50,000	250,000
Building and Site Improvements	50-C0542	5	50,000	25,000	25,000	25,000	25,000	150,000
<i>Electric Fund</i>			50,000	25,000	25,000	25,000	25,000	150,000
Bulldog Substation Upgrade	50-C0544	5				20,000	20,000	40,000
<i>Electric Fund</i>						20,000	20,000	40,000
Streetlight Replacement	50-C0546	5	25,000	25,000				50,000
<i>Electric Fund</i>			25,000	25,000				50,000
A & E District Upgrades	50-C0591	5	25,000	25,000	25,000	25,000	25,000	125,000
<i>Electric Fund</i>			25,000	25,000	25,000	25,000	25,000	125,000
Test Equipment	50-C0609	5	10,000	10,000	10,000	10,000	10,000	50,000
<i>Electric Fund</i>			10,000	10,000	10,000	10,000	10,000	50,000
Substation Breaker Replacement	50-C0776	5		50,000	50,000	50,000	50,000	200,000
<i>Electric Fund</i>				50,000	50,000	50,000	50,000	200,000
Mitchell Substation Third Bay	50-C0778	5		60,000	100,000			160,000
<i>Electric Fund</i>				60,000	100,000			160,000
Spare Regulators	50-C0797	5	20,000	20,000	20,000			60,000
<i>Electric Fund</i>			20,000	20,000	20,000			60,000
Wildlife Protection	50-C0802	5	10,000	10,000	10,000	10,000	10,000	50,000
<i>Electric Fund</i>			10,000	10,000	10,000	10,000	10,000	50,000
Feeder Coordination	50-C0833	5	25,000	25,000	25,000	25,000	25,000	125,000
<i>Electric Fund</i>			25,000	25,000	25,000	25,000	25,000	125,000
Circuit Upgrades	50-C0842	5	20,000	150,000	150,000	150,000	150,000	620,000
<i>Electric Fund</i>			20,000	150,000	150,000	150,000	150,000	620,000
Electric Fund Total			570,000	840,000	1,105,000	1,305,000	955,000	4,775,000
GRAND TOTAL			570,000	840,000	1,105,000	1,305,000	955,000	4,775,000

City of Hagerstown, Maryland

WATER FUND

FY '17 thru FY '21

PROJECTS BY FUNDING SOURCE

Source	Project#	Priority	FY '17	FY '18	FY '19	FY '20	FY '21	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	195,000	197,500	207,500	217,500	227,500	1,045,000
Edgemont Reservoir Improvements	52-C0168	5	357,000	1,675,000	1,075,000	300,000	25,000	3,432,000
Distribution System Rehab - Main Replacement	52-C0709	5	550,000	565,000	585,000	600,000	615,000	2,915,000
Water System SCADA Improvements	52-C0820	5	150,000	150,000	150,000	150,000	150,000	750,000
Bond Financing (Water Fund) Total			1,252,000	2,587,500	2,017,500	1,267,500	1,017,500	8,142,000
Contribution by Others								
Pump Station Improvements	52-C0651	5			150,000	550,000	1,900,000	2,600,000
Contribution by Others Total					150,000	550,000	1,900,000	2,600,000
MDE Loan								
Willson Transmission Mains	52-C0167	5	100,000	3,750,000	4,750,000	400,000	4,000,000	13,000,000
Breichner WTP Improvements	52-C0405	5	50,000	1,000,000	3,100,000			4,150,000
Pump Station Improvements	52-C0651	5	225,000					225,000
Water System SCADA Improvements	52-C0820	5		250,000	350,000			600,000
RC Wilson - Traveling Screen Replacement	52-C0863	5	1,000,000					1,000,000
MDE Loan Total			1,375,000	5,000,000	8,200,000	400,000	4,000,000	18,975,000
Water Fund								
Water Vehicles	52-C0117	5	387,000	257,000	398,000	210,000	324,000	1,576,000
Willson Treatment Plant	52-C0166	5	30,000	37,500	37,500	37,500	37,500	180,000
Edgemont Reservoir Improvements	52-C0168	5	150,000	150,000	150,000	150,000	150,000	750,000
Breichner WTP Improvements	52-C0405	5	50,000	50,000	50,000	50,000	50,000	250,000
Adm. & Engineering Equipment	52-C0648	5	10,000	10,000	10,000	10,000	10,000	50,000
Pump Station Improvements	52-C0651	5	100,000	75,000	75,000	75,000	75,000	400,000
Distribution Services - Meter Program	52-C0653	4	330,000	330,000	330,000	330,000	330,000	1,650,000
Water System SCADA Improvements	52-C0820	5	25,000	25,000	25,000			75,000
RC Wilson - Traveling Screen Replacement	52-C0863	5	45,000					45,000
Water Fund Total			1,127,000	934,500	1,075,500	862,500	976,500	4,976,000
GRAND TOTAL			3,754,000	8,522,000	11,443,000	3,080,000	7,994,000	34,793,000

City of Hagerstown, Maryland

WATER FUND

FY '17 thru FY '21

PROJECTS & FUNDING SOURCES BY DEPARTMENT

Department	Project#	Priority	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Water Fund								
Water Vehicles	52-C0117	5	387,000	257,000	398,000	210,000	324,000	1,576,000
<i>Water Fund</i>			387,000	257,000	398,000	210,000	324,000	1,576,000
Willson Treatment Plant	52-C0166	5	225,000	235,000	245,000	255,000	265,000	1,225,000
<i>Bond Financing (Water Fund)</i>			195,000	197,500	207,500	217,500	227,500	1,045,000
<i>Water Fund</i>			30,000	37,500	37,500	37,500	37,500	180,000
Willson Transmission Mains	52-C0167	5	100,000	3,750,000	4,750,000	400,000	4,000,000	13,000,000
<i>MDE Loan</i>			100,000	3,750,000	4,750,000	400,000	4,000,000	13,000,000
Edgemont Reservoir Improvements	52-C0168	5	507,000	1,825,000	1,225,000	450,000	175,000	4,182,000
<i>Bond Financing (Water Fund)</i>			357,000	1,675,000	1,075,000	300,000	25,000	3,432,000
<i>Water Fund</i>			150,000	150,000	150,000	150,000	150,000	750,000
Zone 3 Standpipe	52-C0323	5					100,000	100,000
<i>ARDI Fund Balance</i>							100,000	100,000
Breichner WTP Improvements	52-C0405	5	100,000	1,050,000	3,150,000	50,000	50,000	4,400,000
<i>MDE Loan</i>			50,000	1,000,000	3,100,000			4,150,000
<i>Water Fund</i>			50,000	50,000	50,000	50,000	50,000	250,000
Adm. & Engineering Equipment	52-C0648	5	10,000	10,000	10,000	10,000	10,000	50,000
<i>Water Fund</i>			10,000	10,000	10,000	10,000	10,000	50,000
Pump Station Improvements	52-C0651	5	325,000	75,000	225,000	625,000	1,975,000	3,225,000
<i>Contribution by Others</i>					150,000	550,000	1,900,000	2,600,000
<i>MDE Loan</i>			225,000					225,000
<i>Water Fund</i>			100,000	75,000	75,000	75,000	75,000	400,000
Distribution Services - Meter Program	52-C0653	4	330,000	330,000	330,000	330,000	330,000	1,650,000
<i>Water Fund</i>			330,000	330,000	330,000	330,000	330,000	1,650,000
Distribution System Rehab - Main Replacement	52-C0709	5	550,000	565,000	585,000	600,000	615,000	2,915,000
<i>Bond Financing (Water Fund)</i>			550,000	565,000	585,000	600,000	615,000	2,915,000
Water System SCADA Improvements	52-C0820	5	175,000	425,000	525,000	150,000	150,000	1,425,000
<i>Bond Financing (Water Fund)</i>			150,000	150,000	150,000	150,000	150,000	750,000
<i>MDE Loan</i>				250,000	350,000			600,000
<i>Water Fund</i>			25,000	25,000	25,000			75,000
RC Wilson - Traveling Screen Replacement	52-C0863	5	1,045,000					1,045,000
<i>MDE Loan</i>			1,000,000					1,000,000
<i>Water Fund</i>			45,000					45,000
Water Fund Total			3,754,000	8,522,000	11,443,000	3,080,000	7,994,000	34,793,000
GRAND TOTAL			3,754,000	8,522,000	11,443,000	3,080,000	7,994,000	34,793,000

City of Hagerstown, Maryland

WASTEWATER FUND

FY '17 thru FY '21

PROJECTS BY FUNDING SOURCE

Source	Project#	Priority	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Bond Financing (Wastewater Fund)								
Collection System Rehabilitation	54-C0327	1	200,000	700,000	200,000	200,000	200,000	1,500,000
WWT Plant Equipment	54-C0584	1	275,000					275,000
Sludge Storage Phase I Improvement	54-C0712	5	1,000,000	1,000,000	1,000,000	1,000,000		4,000,000
Grinder Pump Replacement Program	54-C0767	5	112,000	112,000	112,000	112,000	112,000	560,000
Eliminate Pump Stations	54-C0832	5	160,000	300,000				460,000
Bond Financing (Wastewater Fund) Total			1,747,000	2,112,000	1,312,000	1,312,000	312,000	6,795,000
Contribution by Others								
Collection System Rehabilitation	54-C0327	1		700,000				700,000
East End Pump Station	54-C0565	5		300,000	300,000	300,000		900,000
Contribution by Others Total				1,000,000	300,000	300,000		1,600,000
Grant-State MDE								
Citywide - CS Rehabilitation	54-C0800	1	300,000					300,000
Grant-State MDE Total			300,000					300,000
Wastewater Fund								
Wastewater Vehicle Replacement	54-C0004	5	255,000	335,000	270,000	750,000	75,000	1,685,000
Manhole Raising	54-C0267	1	36,000	36,000	36,000	36,000	36,000	180,000
Pump Station Improvements	54-C0299	1	121,000	121,000	121,000	121,000	121,000	605,000
Collection System Rehabilitation	54-C0327	1	230,000	200,000	200,000	200,000	200,000	1,030,000
East End Pump Station	54-C0565	5		75,000				75,000
WWT Plant Equipment	54-C0584	1		50,000	50,000	50,000	50,000	200,000
WWT Buildings and Structures	54-C0585	5	100,000	25,000	25,000	25,000	25,000	200,000
Oxygen System Improvements	54-C0657	1	10,000	10,000	10,000	10,000	10,000	50,000
Solids Processing-Pelletizer and WWTP Improvements	54-C0711	2	50,000	50,000	50,000	50,000	50,000	250,000
Collection System Equipment	54-C0713	5	50,000	80,000	80,000	80,000	80,000	370,000
Laboratory Equipment	54-C0745	5	10,000	10,000	10,000	10,000	10,000	50,000
Grinder Pump Replacement Program	54-C0767	5	50,000	50,000	50,000	50,000	50,000	250,000
Citywide - CS Rehabilitation	54-C0800	1	300,000					300,000
Trunk Lines and Laterals	54-C0834	2	15,000	15,000	15,000	15,000	15,000	75,000
Wastewater Fund Total			1,227,000	1,057,000	917,000	1,397,000	722,000	5,320,000
GRAND TOTAL			3,274,000	4,169,000	2,529,000	3,009,000	1,034,000	14,015,000

City of Hagerstown, Maryland

WASTEWATER FUND

FY '17 thru FY '21

PROJECTS & FUNDING SOURCES BY DEPARTMENT

Department	Project#	Priority	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Wastewater Fund								
Wastewater Vehicle Replacement	54-C0004	5	255,000	335,000	270,000	750,000	75,000	1,685,000
<i>Wastewater Fund</i>			255,000	335,000	270,000	750,000	75,000	1,685,000
Manhole Raising	54-C0267	1	36,000	36,000	36,000	36,000	36,000	180,000
<i>Wastewater Fund</i>			36,000	36,000	36,000	36,000	36,000	180,000
Pump Station Improvements	54-C0299	1	121,000	121,000	121,000	121,000	121,000	605,000
<i>Wastewater Fund</i>			121,000	121,000	121,000	121,000	121,000	605,000
Collection System Rehabilitation	54-C0327	1	430,000	1,600,000	400,000	400,000	400,000	3,230,000
<i>Bond Financing (Wastewater Fund)</i>			200,000	700,000	200,000	200,000	200,000	1,500,000
<i>Contribution by Others</i>				700,000				700,000
<i>Wastewater Fund</i>			230,000	200,000	200,000	200,000	200,000	1,030,000
East End Pump Station	54-C0565	5		375,000	300,000	300,000		975,000
<i>Contribution by Others</i>				300,000	300,000	300,000		900,000
<i>Wastewater Fund</i>				75,000				75,000
WWT Plant Equipment	54-C0584	1	275,000	50,000	50,000	50,000	50,000	475,000
<i>Bond Financing (Wastewater Fund)</i>			275,000					275,000
<i>Wastewater Fund</i>				50,000	50,000	50,000	50,000	200,000
WWT Buildings and Structures	54-C0585	5	100,000	25,000	25,000	25,000	25,000	200,000
<i>Wastewater Fund</i>			100,000	25,000	25,000	25,000	25,000	200,000
Oxygen System Improvements	54-C0657	1	10,000	10,000	10,000	10,000	10,000	50,000
<i>Wastewater Fund</i>			10,000	10,000	10,000	10,000	10,000	50,000
Solids Processing-Pelletizer and WWTP Improvements	54-C0711	2	50,000	50,000	50,000	50,000	50,000	250,000
<i>Wastewater Fund</i>			50,000	50,000	50,000	50,000	50,000	250,000
Sludge Storage Phase I Improvement	54-C0712	5	1,000,000	1,000,000	1,000,000	1,000,000		4,000,000
<i>Bond Financing (Wastewater Fund)</i>			1,000,000	1,000,000	1,000,000	1,000,000		4,000,000
Collection System Equipment	54-C0713	5	50,000	80,000	80,000	80,000	80,000	370,000
<i>Wastewater Fund</i>			50,000	80,000	80,000	80,000	80,000	370,000
Laboratory Equipment	54-C0745	5	10,000	10,000	10,000	10,000	10,000	50,000
<i>Wastewater Fund</i>			10,000	10,000	10,000	10,000	10,000	50,000
Grinder Pump Replacement Program	54-C0767	5	162,000	162,000	162,000	162,000	162,000	810,000
<i>Bond Financing (Wastewater Fund)</i>			112,000	112,000	112,000	112,000	112,000	560,000
<i>Wastewater Fund</i>			50,000	50,000	50,000	50,000	50,000	250,000
Citywide - CS Rehabilitation	54-C0800	1	600,000					600,000
<i>Grant-State MDE</i>			300,000					300,000
<i>Wastewater Fund</i>			300,000					300,000
Eliminate Pump Stations	54-C0832	5	160,000	300,000				460,000
<i>Bond Financing (Wastewater Fund)</i>			160,000	300,000				460,000
Trunk Lines and Laterals	54-C0834	2	15,000	15,000	15,000	15,000	15,000	75,000
<i>Wastewater Fund</i>			15,000	15,000	15,000	15,000	15,000	75,000
Wastewater Fund Total			3,274,000	4,169,000	2,529,000	3,009,000	1,034,000	14,015,000
GRAND TOTAL			3,274,000	4,169,000	2,529,000	3,009,000	1,034,000	14,015,000

City of Hagerstown, Maryland

PARKING FUND

FY '17 thru FY '21

PROJECTS BY FUNDING SOURCE

Source	Project#	Priority	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Bond Financing (Parking Fund)								
Parking Facilities - 3rd Parking Deck	56-C0173	5				1,575,000	8,425,000	10,000,000
Bond Financing (Parking Fund) Total						1,575,000	8,425,000	10,000,000
Parking Fund								
Upgrades to Parking Decks	56-C0749	5	30,000	120,000	350,000	30,000	30,000	560,000
Parking Fund Vehicles	56-C0829	5	35,000					35,000
Parking Lot Improvements	56-C0857	5	45,000	60,000	30,000	10,000	15,000	160,000
Parking System Improvements	56-C0867	8	25,000					25,000
Parking Fund Total			135,000	180,000	380,000	40,000	45,000	780,000
GRAND TOTAL			135,000	180,000	380,000	1,615,000	8,470,000	10,780,000

City of Hagerstown, Maryland

PARKING FUND

FY '17 thru FY '21

PROJECTS & FUNDING SOURCES BY DEPARTMENT

Department	Project#	Priority	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Parking Fund								
Parking Facilities - 3rd Parking Deck	56-C0173	5				1,575,000	8,425,000	10,000,000
<i>Bond Financing (Parking Fund)</i>						<i>1,575,000</i>	<i>8,425,000</i>	<i>10,000,000</i>
Upgrades to Parking Decks	56-C0749	5	30,000	120,000	350,000	30,000	30,000	560,000
<i>Parking Fund</i>			<i>30,000</i>	<i>120,000</i>	<i>350,000</i>	<i>30,000</i>	<i>30,000</i>	<i>560,000</i>
Parking Fund Vehicles	56-C0829	5	35,000					35,000
<i>Parking Fund</i>			<i>35,000</i>					<i>35,000</i>
Parking Lot Improvements	56-C0857	5	45,000	60,000	30,000	10,000	15,000	160,000
<i>Parking Fund</i>			<i>45,000</i>	<i>60,000</i>	<i>30,000</i>	<i>10,000</i>	<i>15,000</i>	<i>160,000</i>
Parking System Improvements	56-C0867	8	25,000					25,000
<i>Parking Fund</i>			<i>25,000</i>					<i>25,000</i>
Parking Fund Total			135,000	180,000	380,000	1,615,000	8,470,000	10,780,000
GRAND TOTAL			135,000	180,000	380,000	1,615,000	8,470,000	10,780,000

City of Hagerstown, Maryland

GOLF FUND

FY '17 thru FY '21

PROJECTS BY FUNDING SOURCE

Source	Project#	Priority	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Golf Fund								
Golf Course - Vehicles/Equipment	57-C0395	4	35,000	30,000	20,000	20,000		105,000
Golf Cart Storage	57-C0825	8		3,000				3,000
Golf Fund Total			35,000	33,000	20,000	20,000		108,000
Grants-State Program Open Space								
Golf Cart Storage	57-C0825	8		27,000				27,000
Grants-State Program Open Space Total				27,000				27,000
GRAND TOTAL			35,000	60,000	20,000	20,000		135,000

City of Hagerstown, Maryland

GOLF FUND

FY '17 thru FY '21

PROJECTS & FUNDING SOURCES BY DEPARTMENT

Department	Project#	Priority	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Golf Fund								
Golf Course - Vehicles/Equipment	57-C0395	4	35,000	30,000	20,000	20,000		105,000
<i>Golf Fund</i>			35,000	30,000	20,000	20,000		105,000
Golf Cart Storage	57-C0825	8		30,000				30,000
<i>Golf Fund</i>				3,000				3,000
<i>Grants-State Program Open Space</i>				27,000				27,000
Golf Fund Total			35,000	60,000	20,000	20,000		135,000
GRAND TOTAL			35,000	60,000	20,000	20,000		135,000

City of Hagerstown, Maryland
PROPERTY MANAGEMENT FUND
 FY '17 thru FY '21

PROJECTS BY FUNDING SOURCE

Source	Project#	Priority	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Bond Financing (Prop Mgmt Fund)								
Roslyn Building Renovation	58-C0779	5		100,000				100,000
Bond Financing (Prop Mgmt Fund) Total				100,000				100,000
Prior Bond Proceeds								
Roslyn Building Renovation	58-C0779	5	100,000					100,000
Prior Bond Proceeds Total			100,000					100,000
Property Management Fund								
Alms House Repairs	58-C0755	5		5,000				5,000
Elizabeth Hager Center	58-C0803	5	45,000	20,000	20,000	20,000	20,000	125,000
Hagerstown Small Business Center	58-C0828	5	5,000	90,000				95,000
36-40 North Potomac Street	58-C0836	5	12,000	35,000				47,000
Property Management Fund Total			62,000	150,000	20,000	20,000	20,000	272,000
GRAND TOTAL			162,000	250,000	20,000	20,000	20,000	472,000

City of Hagerstown, Maryland
PROPERTY MANAGEMENT FUND
 FY '17 thru FY '21

PROJECTS & FUNDING SOURCES BY DEPARTMENT

Department	Project#	Priority	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Property Management Fund								
Alms House Repairs	58-C0755	5		5,000				5,000
Property Management Fund				5,000				5,000
Roslyn Building Renovation	58-C0779	5	100,000	100,000				200,000
Bond Financing (Prop Mgmt Fund)				100,000				100,000
Prior Bond Proceeds			100,000					100,000
Elizabeth Hager Center	58-C0803	5	45,000	20,000	20,000	20,000	20,000	125,000
Property Management Fund			45,000	20,000	20,000	20,000	20,000	125,000
Hagerstown Small Business Center	58-C0828	5	5,000	90,000				95,000
Property Management Fund			5,000	90,000				95,000
36-40 North Potomac Street	58-C0836	5	12,000	35,000				47,000
Property Management Fund			12,000	35,000				47,000
Property Management Fund Total			162,000	250,000	20,000	20,000	20,000	472,000
GRAND TOTAL			162,000	250,000	20,000	20,000	20,000	472,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

City of Hagerstown, Maryland

Project # 45-C0006
Project Name Computer Equipment and Software



Type Replacement
Useful Life 5 years
Category Machinery and Equipment
Location: City Hall
Year Submitted: Ongoing

Department Information Technology
Contact Nicewarner
Priority Planned Improvement

Status Active

Description

Continued upgrades to hardware and software to accommodate IT infrastructure replacements and additions. The priorities for FY16-17 will be the purchase of a phone call recording/queue management system to allow for the management and training of Customer Service representatives as well as for call experience retention purposes. We will also be looking at additional switch/network printer/server upgrades.

Justification

The City has done a good job of squeezing all the life we can out of our legacy equipment, with most of our networking equipment 7 or more years old and now obsolete. We also look to improve the customer's experience when calling into our Customer Service Department by acquiring a phone system add-on to allow for the recording of queue calls as well as providing realtime information to the customer on hold times.

Budget Impact/Other

Allow for continued operations of technology (internet, phones, financial system) through the reliable transmission of data across our City network. Mission critical for City technology operations.

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Equip/Vehicles/Furnishings	60,000	80,000	60,000	80,000	60,000	340,000
Total	60,000	80,000	60,000	80,000	60,000	340,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
CIP Fund Balance	60,000	40,000				100,000
Transfers to CIP-Electric Fund		10,000	15,000	20,000	15,000	60,000
Transfers to CIP-General Fund		10,000	15,000	20,000	15,000	60,000
Transfers to CIP-Wastewater Fund		10,000	15,000	20,000	15,000	60,000
Transfers to CIP-Water Fund		10,000	15,000	20,000	15,000	60,000
Total	60,000	80,000	60,000	80,000	60,000	340,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

City of Hagerstown, Maryland

Project # 45-C0007

Project Name Time & Attendance Software and Equip

Type Improvement

Department Information Technology

Useful Life 5 years

Contact Nicewarner

Category Software

Priority Planned Improvement

Location: All City Departments

Year Submitted: 2013

Status Active



Description

Acquisition of additional time clocks or other equipment to enhance the Intellitime Time and Attendance System. Yearly amount is the equivalent of two to three time clocks.

Justification

Following software implementation, there may be a need to re-organize or acquire additional equipment to facilitate the time and attendance reporting process.

Budget Impact/Other

Enhancement of time and attendance reporting capabilities if necessary

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Software	16,000	8,000	8,000	8,000	8,000	48,000
Total	16,000	8,000	8,000	8,000	8,000	48,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Transfers to CIP-Electric Fund	3,500	2,000	2,000	2,000	2,000	11,500
Transfers to CIP-General Fund	3,500	2,000	2,000	2,000	2,000	11,500
Transfers to CIP-Parking Fund	2,000					2,000
Transfers to CIP-Wastewater Fund	3,500	2,000	2,000	2,000	2,000	11,500
Transfers to CIP-Water Fund	3,500	2,000	2,000	2,000	2,000	11,500
Total	16,000	8,000	8,000	8,000	8,000	48,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

City of Hagerstown, Maryland

Project # 45-C0008

Project Name Municipal Broadband

Type Improvement

Department Information Technology

Useful Life 10 years

Contact Nicewarner

Category Machinery and Equipment

Priority Improve Service

Location: Various locations

Year Submitted: 2014

Status Active



Description

Expand the accessibility of commercial owners and visitors to Hagerstown to high-speed internet either through a fiber-connected wired connection or through publicly accessible free wireless access. This project will incorporate costs of a needs assessment for Hagerstown commercial property owners, as well as start-up costs for a City share of equipment for a public/private partnership.

Justification

The broadband impact study commissioned by Washington County shows that our area is underserved in the ability to offer high-speed (>1GB) broadband services to existing or potential commercial customers. This project would go towards identifying needs within our City boundaries for this access, and provide resources to develop a partnership to get this service available to the community. This high-speed service would be critical in the City's ability to recruit high-tech businesses into the urban core.

Budget Impact/Other

The operational costs of this project will be borne by the private partner with the city providing limited financial aid.

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Planning/Design	17,358					17,358
Total	17,358					17,358

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
CIP Fund Balance	17,358					17,358
Total	17,358					17,358

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

City of Hagerstown, Maryland

Project # 45-C0010

Project Name Fire Department Vehicle Replacement

Type Replacement

Department Fire

Useful Life 15 years

Contact Lohr

Category Automobiles and Trucks

Priority Planned Improvement

Location: Administrative Office

Year Submitted: Ongoing

Status Active



Description

FY17: Unit C2 - 2004 GMC Safari Van (\$60,000)
 FY17: Unit C8 - 2007 Ford Expedition (\$60,000)
 FY17: Truck 11 - 1994 Ladder Truck Mini-rehab (\$30,000)
 FY17: Truck 4 - 1997 AI 105' Ladder (\$1,400,000) to be split between City bond financing (\$1,250,000) and Contributions of (\$150,000)
 FY18: Unit C7 - 2005 Chevy Trailblazer (\$75,000)
 FY19: Truck 11- 1994 Ladder Truck Replacement (\$1,550,000)
 FY20: Engine 2 - 2004 (\$645,000)
 FY20: Engine 3 - 2004 (\$645,000)
 FY20: Engine 5 - 2004 (\$645,000)
 FY21: Engine 4 -2009 (\$660,000)
 FY21: Utility 3A - 2008 Ford F350 Pickup (\$60,000) - Utility vehicle that responds to all fire/ incident calls within the City limits.

Justification

Replace aging vehicle equipment used in fire suppression operations.

Budget Impact/Other

Based on a 20 year term, preliminary annual debt service impact for the 2017 general fund supported bond issue of \$1.25M is \$91.2K.

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Equip/Vehicles/Furnishings	1,550,000	75,000	1,550,000	1,935,000	720,000	5,830,000
Total	1,550,000	75,000	1,550,000	1,935,000	720,000	5,830,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Bond Financing (General Fund)	1,250,000		1,550,000	1,935,000	510,000	5,245,000
Contribution by Others	150,000				150,000	300,000
Transfers to CIP-General Fund	150,000	75,000			60,000	285,000
Total	1,550,000	75,000	1,550,000	1,935,000	720,000	5,830,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 thru FY '21

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

Status Active



Description

Resurfacing of various streets and parking lots per pre-established plan. Includes overlay, crack-sealing, slurry-sealing, pavement markings and milling based on the presentation given to Mayor and City Council.

The City utilizes all HURs funding received to fund a portion of our Pavement Preservation program and other applicable capital projects. We received one-time additional monies in the 2015 state approved budget but early indications from the State are that funding will be reduced significantly. We will only spend what the State provides.

FY17: Includes funds for paving portions of Summit Avenue, Lee Street, East Avenue, Frederick Street, South Mulberry & Washington Street. It also includes funds for crack sealing, pavement marking, and slurry seal.

Justification

November 2015 presentation to Mayor and Council showed that approximately \$1,100,000 needs spent annually to maintain the Pavement Condition Index. In 2013, the CPI was 77 (good overall condition) but due to drop in funding in 2013 and 2014, our Pavement Condition Index dropped to 74 in 2015.

In 2010 we expanded the program to include slurry-seals and crack-sealing in addition to overlay. Both slurry seal and crack sealing slow pavement deterioration, delaying the need for a full pavement overlay.

Budget Impact/Other

Pavement preservation keeps operational costs down, extends the service life of all streets and maintains pavement to a level acceptable to the public. We want to use the "right treatment at the right time on the right street". Estimated that \$20,000 annually will be saved on patching and repairs if the streets are properly preserved by this program.

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Construction/Maintenance	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	6,000,000
Total	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	6,000,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
CIP Fund Balance	100,000					100,000
State Highway User Revenue	1,100,000	1,200,000	1,200,000	1,200,000	1,200,000	5,900,000
Total	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	6,000,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

City of Hagerstown, Maryland

Project # 45-C0040

Project Name Municipal Stadium Improvements

Type Improvement

Department Parks

Useful Life 10 years

Contact Tissue

Category Buildings and Structures

Priority Planned Improvement

Location: Municipal Stadium

Year Submitted: 2008

Status Active



Description

The Hagerstown Suns have an approved lease to play in Municipal Stadium during the 2016 baseball season. The Mayor and Council is currently negotiating a lease extension for the 2017 and 2018 seasons. Capital improvements will be determined by the Suns and the City.

Justification

Provide recreation facilities that are desired and supported by the community.

Budget Impact/Other

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Construction/Maintenance	35,000	35,000				70,000
Total	35,000	35,000				70,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Contribution by Others	35,000	35,000				70,000
Total	35,000	35,000				70,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

City of Hagerstown, Maryland

Project # 45-C0047
Project Name City Park Lake Improvements



Type Improvement
Useful Life 25 - 50 years
Category Land Improvements
Location: City Park
Year Submitted: Ongoing
Department Parks
Contact Tissue
Priority Planned Improvement
Status Active

Description

The 7.1 acre lower lake needs to be dredged to remove 100+ years of sediment. Plan to design extent of dredging in FY16 and acquire permits and waste site approval. Construction targeted for FY17 in December 2016 through March 2017. No grant sources were found for lake enhancements.

Replacement of walls around perimeter of upper and middle lakes, associated sidewalk improvements, and landscape enhancements. Repairs to lower lake walls as they deteriorate will be completed by Park Division staff.

FY20: Upgrades to upper lake

The lower lake walls were reconstructed in three phases:

1995: Phase I- Key Street end

1998: Phase II- Virginia Avenue side

2004: Phase III- Museum Drive side

Justification

The goal is to improve deteriorating facilities and provide necessary maintenance. In addition, City Park was recently rated one of the most beautiful municipal city parks in America. Last, the preservation of the lake helps to maintain the beauty of the lake, which is visited by tens of thousands of people each year.

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.

Based on a 20 year term, preliminary annual debt service impact for the 2017 general fund supported bond issue of \$1.1M is \$80.6K

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Construction/Maintenance	1,100,000			500,000		1,600,000
Total	1,100,000			500,000		1,600,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Bond Financing (General Fund)	1,100,000			500,000		1,600,000
Total	1,100,000			500,000		1,600,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

City of Hagerstown, Maryland

Project # 45-C0065
Project Name Public Works Vehicles

Type Replacement
Useful Life 10 years
Category Automobiles and Trucks
Location: Public Works
Year Submitted: Ongoing
Department Public Works
Contact Deike
Priority Planned Improvement
Status Active



Description

Per Vehicle and Equipment schedule.

FY17: 2003 Ford dump truck #017 (\$100,000), 2005 Sterling dump truck #026 (\$150,000), 2001 Bucket Truck #601 (\$75,000), Misc. Items - Mower Deck, etc. (\$5,000)

FY18: 1981 Ford tractor #005 (\$25,000), 2004 Chevy Truck #034 (\$30,000), 2005 Sterling Actera Dump #027 (\$160,000), 2005 Schwarze Sweeper #092 (\$250,000), 2004 Chevy truck #046 (\$30,000)

FY19: 2006 Sterling Dump RDS #28 (\$170,000), 2006 Chevy Van #31 (\$30,000), 2007 Chevy 2500 4x4 pickup truck #35 (\$30,000), 1993 Wacker Roller #84 (\$15,000), 2006 Ford E350 Bucket Truck #602 (\$50,000), 2005 Chevy Van #615 (\$30,000)

FY20: 2008 Ford F550 Dump Truck #16 (\$75,000), 2006 US Cargo Trailer #76 (\$15,000), 2004 John Deere X595 Tractor #77 (\$18,000), 2007 Schwarze Sweeper #93 (\$270,000), 2008 Ford F250 4x4 pickup truck #600 (\$30,000)

FY21: 2010 Ford F150 4x4 Truck # 2 (\$30,000), 2008 Ford F550 Dump Truck #10 (\$110,000), 2008 Ford F550 Dump Truck #12 (\$110,000), 2008 Chevy 2500 2x4 Truck #14 (\$30,000), 1993 Ford 1520 Tractor #68 (\$35,000), 2005 John Deere X595 Tractor #88 (\$18,000), 2008 Solar Sign Board #616 (\$45,000)

Justification

Vehicle repair costs and maintenance increase with the age of a vehicle. On average, vehicles should be replaced every 10 years. Some equipment and vehicles should be replaced sooner than 10 years while others can go longer.

Budget Impact/Other

New vehicles and equipment should operate more efficiently and need less maintenance. Newer vehicles will have better fuel economy and less labor and material costs for maintenance.

Based on a 20 year term, preliminary annual debt service impact for the 2017 general fund supported bond issue of \$325K is \$24K.

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Equip/Vehicles/Furnishings	330,000	495,000	325,000	408,000	378,000	1,936,000
Total	330,000	495,000	325,000	408,000	378,000	1,936,000
Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Bond Financing (General Fund)	325,000	410,000	170,000	345,000	220,000	1,470,000
Transfers to CIP-General Fund	5,000	85,000	155,000	63,000	158,000	466,000
Total	330,000	495,000	325,000	408,000	378,000	1,936,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

City of Hagerstown, Maryland

Project # 45-C0093
Project Name Pavement Markings

Type Improvement
Useful Life 5 years
Category Infrastructure-Streets
Location: City-Wide
Year Submitted: Ongoing
Department Engineering
Contact Tissue
Priority Public Safety
Status Active



Description

Upgrading pavement markings around the City with emphasis on crosswalks, school zones, and public safety. One crosswalk costs about \$500. A typical intersection can cost \$3,000 to \$5,000 for all pavement markings. Propose a four year plan to upgrade deteriorated "stop bars" and "crosswalks" city wide. If don't receive adequate State Highway User Revenue, the project won't be done.

Justification

Improve safety. Public expects streets to be properly marked. Marked crosswalks are desirable.

Budget Impact/Other

Recommend contracting these services as they take special equipment to install. Staff estimates the cost for staff to install markings would be two to three times the contracted rate. This is a never-ending project to maintain pavement markings worn away by traffic.

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Construction/Maintenance	25,000	15,000	15,000	15,000	15,000	85,000
Total	25,000	15,000	15,000	15,000	15,000	85,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
State Highway User Revenue	25,000	15,000	15,000	15,000	15,000	85,000
Total	25,000	15,000	15,000	15,000	15,000	85,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

City of Hagerstown, Maryland

Project # 45-C0099
Project Name Market House Improvements



Type Improvement **Department** Public Works
Useful Life 5 years **Contact** Deike and Frick
Category Machinery and Equipment **Priority** Planned Improvement
Location: Market House
Year Submitted: 1992
Status Active

Description

The Community City Center Plan Catalyst Project #7 focuses on a reinvention of the Farmer's Market. Physical improvements to the interior, exterior, exterior lighting and signage will be required. These improvements will assist in positioning the Market for future success.

FY17: Interior improvements which include an interior storefront to the rear room section for an anchor tenant, improved and inviting exterior lighting, and a much larger sign.

FY21: Replacement of HVAC cooling units installed in 2007. Existing cooling units will be at the end of their life cycle.

Justification

These improvements will position the market to further the goals and details outlined in Catalyst Project

Budget Impact/Other

Based on a 20 year term, preliminary annual debt service impact for the 2017 general fund supported bond issue of \$120K is \$9.1K.

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Construction/Maintenance	135,000				45,000	180,000
Total	135,000				45,000	180,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Bond Financing (General Fund)	120,000					120,000
Transfers to CIP-General Fund	15,000				45,000	60,000
Total	135,000				45,000	180,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

City of Hagerstown, Maryland

Project # 45-C0128
Project Name Police Radios

Type Improvement
Useful Life 5 - 7 years
Category Machinery and Equipment
Location: Police Department
Year Submitted: Ongoing
Department Police
Contact Kifer
Priority Public Safety
Status Active



Description

Police radio replacement schedule. The budget represents replacement of radio equipment based on a 5-7 year useful life cycle, distributed over 4 years. Replacement plan, which includes portable and mobile radios each year, is as follows:

FY17: 10 radios
FY18: 41 radios
FY19: 42 radios
FY20: 45 radios
FY21: 45 radios

Justification

Modern radio technology ensures police personnel can continue to communicate effectively with each other, and with other public safety agencies. Radio communications are vital to the safety of the public and police.

The current Washington County radio system became 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.

Electronic radio equipment has a limited useful life, generally 5-7 years.

Current radio models have been discontinued.

Budget Impact/Other

The operating budget includes \$7,500 per year in maintenance costs for repairs to radio equipment.

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Equip/Vehicles/Furnishings	34,495	131,978	133,871	143,413	143,413	587,170
Total	34,495	131,978	133,871	143,413	143,413	587,170

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Transfers to CIP-General Fund	34,495	131,978	133,871	143,413	143,413	587,170
Total	34,495	131,978	133,871	143,413	143,413	587,170

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

City of Hagerstown, Maryland

Project # 45-C0129
Project Name Police Vehicles

Type Replacement
Useful Life 5 years
Category Automobiles and Trucks
Location: Police Department
Year Submitted: Ongoing
Department Police
Contact Kifer
Priority Public Safety
Status Active



Description

FY17: Adding 1 new patrol vehicle plus all auxiliary equipment (radios, computers, e-tickets, prisoner transport cages, weapons mounts, emergency lighting, etc.) to provide take-home car for the increased number of police officers now living within city limits- \$49,000); Unit 959 (98 Crown Victoria - \$46,000); Unit 963 (03 Crown Victoria - \$46,000); Unit 967 (00 Crown Victoria - \$46,000); Unit 998 (98 Crown Victoria \$46,000); Unit 954 (97 Chevy Lumina \$10,000); and Unit 951 (03 Nissan Pathfinder \$10,000).

FY18: Unit 995 (01 Ford Escape \$46,000); Unit 972 (04 Crown Victoria - \$46,000); Unit 988 (03 Crown Victoria - \$46,000); Unit 934 (06 Crown Victoria - \$46,000); Unit 935 (06 Crown Victoria - \$46,000); Unit 944 (04 Crown Victoria - \$46,000); Unit 953 (05 Ford Expedition - \$46,000); 948 (97 GMC Jimmy - \$10,000).

FY19: Unit 936 (06 Crown Victoria - \$46,000); Unit 939 (06 Crown Victoria - \$46,000); Unit 940 (06 Crown Victoria - \$46,000); Unit 941 (06 Crown Victoria - \$46,000); Unit 942 (06 Crown Victoria - \$46,000); Unit 9401 (06 Crown Victoria - \$46,000); Unit 979 (04 Honda Accord \$10,000); Unit 999 (01 Crown Victoria - \$46,000).

FY20: Unit 930 (07 Dodge Charger - \$46,000); Unit 932 (07 Dodge Charger - \$46,000); Unit 946 (07 Dodge Charger - \$46,000); Unit 975 (07 Dodge Charger - \$46,000); Unit 981 (07 Dodge Charger \$46,000); Unit 958 (09 Crown Victoria \$46,000); Unit 984 (99 Ford Explorer \$10,000).

FY21: Unit 9212 (09 Dodge Charger \$46,000); Unit 9213 (09 Dodge Charger \$46,000); Unit 9214 (09 Crown Victoria \$46,000); Unit 9215 (09 Crown Victoria \$46,000); Unit 9304 (09 Crown Victoria \$46,000); Unit 9305 (09 Dodge Charger \$46,000); Unit 912 (05 Chevy Tahoe \$10,000).

Justification

Many patrol vehicles are operated around the clock with in-town driving and considerable idling. Staff had assessed and identified the need for a baseline minimum of 30 patrol cars. Vehicle equipment will be reused when practical. Take-home patrol cars are provided as available for police officers who live within city limits.

Staff cars are needed for other agency components such as the Criminal Investigation Division, Crime Lab, Professional Standards, and Training. The budget is intended to enable the acquisition of reliable, low-mileage pre-owned cars being retired by other agencies as available.

Budget Impact/Other

Post warranty maintenance is assumed in the department operating budget.

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Equip/Vehicles/Furnishings	253,000	332,000	332,000	286,000	286,000	1,489,000
Total	253,000	332,000	332,000	286,000	286,000	1,489,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Transfers to CIP-General Fund	253,000	332,000	332,000	286,000	286,000	1,489,000
Total	253,000	332,000	332,000	286,000	286,000	1,489,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

City of Hagerstown, Maryland

Project # 45-C0130

Project Name Street Crime Cameras/CPTED

Type Replacement

Department Police

Useful Life 5 years

Contact Kifer

Category Machinery and Equipment

Priority Public Safety

Location: Various locations

Year Submitted: Ongoing

Status Active



Description

The City has more than 100 security cameras. As they reach the end of their useful life, they will need to be replaced. Included in the replacement plans is the conversion from wireless to fiber connectivity for more efficient system operation and image display. Future fiscal years represent 15 camera components per year at \$10,000 each. Environmental elements such as lighting and traffic flow can be adjusted to affect crime and disorder issues.

Purchases for FY17 are being deferred one year.

Justification

Street crime cameras have been successfully utilized to monitor known trouble spots, provide real-time information during crimes and incidents in progress, and provide video recordings used in criminal and traffic investigations.

Crime prevention through environmental design (CPTED) is a multi-disciplinary approach to deterring criminal behavior through environmental design. CPTED strategies rely upon the ability to influence offender decisions that precede criminal acts by affecting the built, social and administrative environment.

Budget Impact/Other

Recurring cost is the maintenance agreement with the vendor and is expected to increase as new cameras are added to the system.

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Equip/Vehicles/Furnishings		150,000	150,000	150,000	150,000	600,000
Total		150,000	150,000	150,000	150,000	600,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Transfers to CIP-General Fund		150,000	150,000	150,000	150,000	600,000
Total		150,000	150,000	150,000	150,000	600,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

City of Hagerstown, Maryland

Project # 45-C0133
Project Name Engineering Vehicles

Type Replacement
Useful Life 6 - 10 years
Category Automobiles and Trucks
Location: City Hall
Year Submitted: Ongoing
Department Engineering
Contact Tissue
Priority Cost Avoidance
Status Active



Description

Replacement program for vehicles for department personnel, these are NOT additions to the fleet. There is a vehicle replacement schedule maintained by CMG.

FY18: Replace 2006 Colorado truck #702 (\$17,000) and 2008 Impala sedan #703 (\$17,000)
 FY19: Replace 2008 Colorado truck #701 (\$17,000)
 FY20: Replace 2006 Jeep Liberty #709 (\$17,000)
 FY21: Replace 2013 Chevy Cargo Van #710 (\$20,000)

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 '17	FY '18	FY '19	FY '20	FY '21	Total
Equip/Vehicles/Furnishings		34,000	17,000	17,000	20,000	88,000
Total		34,000	17,000	17,000	20,000	88,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Transfers to CIP-General Fund		34,000	17,000	17,000	20,000	88,000
Total		34,000	17,000	17,000	20,000	88,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

City of Hagerstown, Maryland

Project # 45-C0140

Project Name Hagerstown Cultural Trail



Type Improvement

Department Engineering

Useful Life 100 years

Contact Tissue

Category Land Improvements

Priority Planned Improvement

Location: City-Wide

Year Submitted: 2015

Status Active

Description

Development of a trail that will eventually connect the city center Arts & Entertainment District/Farmers Market to City Park (Fine Arts Museum) and other cultural destinations. Ultimate goal is new market-rate housing adjacent to the trail. This project is included in the Community City Center Plan as Catalyst Project #5.

FY17: Phase I: Complete Phase I trail project construction started in FY16 (Park Circle to Antietam Street)

FY18: Phase II: Trail (Antietam Street to Washington Street and a portion thru the building funded by others (\$170,000 Future Bond Issue)

FY18: Phase III: Development of Triangle Park near Park Circle (\$250,000; \$100,000 State POS Grant, \$150,000 Future Bond Issue)

Additional public art will need to be added with funding from private grants and the City.

Justification

Community City Center Plan Catalyst Project #5. This project is also listed as a Mayor & Council priority in "Goals & Priorities" approved by Mayor & Council in December 2014.

Budget Impact/Other

Significant Impact. Operations will have to maintain landscaping, maintain park, trash/dog bag removal, lighting costs, etc., estimated cost at over \$25,000 annually.

Based on a 20 year term, the debt service impact from the 2015 general fund supported bond issue of \$1.225M is \$36.3K.

Based on a 20 year term, preliminary annual debt service impact of the future 2018 general fund supported bond issue of \$320K is \$23.8K.

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Land Acquisition		100,000				100,000
Construction/Maintenance	1,650,000	320,000				1,970,000
Total	1,650,000	420,000				2,070,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Bond Financing (General Fund)		320,000				320,000
Excise Tax Fund	100,000					100,000
Grants-State Program Open Space	45,000	100,000				145,000
Prior Bond Proceeds	1,225,000					1,225,000
Transfers to CIP-Prop Mgmt Fund	280,000					280,000
Total	1,650,000	420,000				2,070,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

City of Hagerstown, Maryland

Project # 45-C0182
Project Name Police Crime Lab Equipment

Type Replacement
Useful Life 5 - 7 years
Category Machinery and Equipment
Location: Police Department
Year Submitted: 2009
Department Police
Contact Kifer
Priority Planned Improvement
Status Active



Description

FY17: Gas Chromatograph/Mass Spectrometer (\$110,000).

Justification

The GCMS is used in vast array of forensic tests and is required for investigative and prosecutorial purposes. It is a standard piece of scientific equipment used by forensic laboratories.

Budget Impact/Other

Initial purchases are anticipated to include multiple year maintenance agreements.

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Equip/Vehicles/Furnishings	110,000					110,000
Total	110,000					110,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Grants-Federal	110,000					110,000
Total	110,000					110,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 thru FY '21

City of Hagerstown, Maryland

Project # 45-C0196
Project Name Police Software

Type Improvement
Useful Life 5 - 7 years
Category Software
Location: Police Department
Year Submitted: 2006
Department Police
Contact Kifer
Priority Public Safety
Status Active



Description

Advanced automated tracking and records keeping of evidence and property that comes into the custody and control of the Police Department.

Justification

Current evidence and property records keeping is done using multiple manual methods requiring repetitive entry, time consuming records searches and final dispositions. The current system is outdated and, as compared with modern systems, significantly inefficient. The proposed system will integrate with the current records management system, provide bar coding capabilities, and greatly streamline evidence and property processing, records keeping, and disposal.

Budget Impact/Other

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Software	56,000					56,000
Total	56,000					56,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Transfers to CIP-General Fund	56,000					56,000
Total	56,000					56,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

City of Hagerstown, Maryland

Project # 45-C0217
Project Name Accessibility Ramps

Type Improvement
Useful Life 20 years
Category Infrastructure-Sidewalks
Location: To be determined
Year Submitted: Ongoing
Department Engineering
Contact Tissue
Priority Probable Grant
Status Active



Description

This project provides ADA-compliant ramps and sidewalks citywide. Staff addresses complaints and installs ramps/sidewalks along 'pavement preservation' streets which is a requirement of ADA and the city's "Complete Streets" policy when paving is done. Improvements are budgeted at \$2,500 per ramp. For the State Highway User Revenue funded portion, if the City doesn't receive the full amount, we will only spend what the State provides.

FY17: \$90,000 Install accessibility ramps along overlay streets (Summit Avenue, W. Lee Street, East Avenue, Radcliff Avenue, and West Washington Street).

FY18 - FY21: Install and/or replace approximately 35-40 accessibility ramps per year.

Justification

These upgrades will remove barriers and make Hagerstown a more accessible City for our residents, workers and visitors regardless of physical limitations. Improved accessibility adds to business and neighborhood vitality.

Budget Impact/Other

None.

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Construction/Maintenance	90,000	90,000	90,000	90,000	90,000	450,000
Total	90,000	90,000	90,000	90,000	90,000	450,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
State Highway User Revenue	20,000	20,000	20,000	20,000	20,000	100,000
Transfers to CIP-CDBG Fund	70,000	70,000	70,000	70,000	70,000	350,000
Total	90,000	90,000	90,000	90,000	90,000	450,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

City of Hagerstown, Maryland

Project # 45-C0226
Project Name Police Firing Range

Type Improvement
Useful Life 30 years
Category Machinery and Equipment
Location: Smithsburg Watershed Area
Year Submitted: 2011
Department Police
Contact Kifer
Priority Planned Improvement
Status Active



Description

FY19: Anticipated road and parking lot improvements.

Justification

Firearms training and qualification, including judgmental training, is mandated by state law. Due to improvements in recent years, the police firing range has become a well designed firearms training facility. It is utilized by all Washington County law enforcement agencies, as well as several state and federal agencies. The current road and parking area are constructed of crush and run material and need annual maintenance due to weather erosion. The planned improvements are intended to mitigate that need.

Budget Impact/Other

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Construction/Maintenance			25,000			25,000
Total			25,000			25,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Grants-Federal			25,000			25,000
Total			25,000			25,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

City of Hagerstown, Maryland

Project # 45-C0237
Project Name Park Equipment

Type Replacement
Useful Life 15 years
Category Machinery and Equipment
Location: To be determined
Year Submitted: 2008
Department Parks
Contact Mason
Priority Planned Improvement
Status Active



Description

Projects are contingent on receiving State funding.

FY17: Park benches, picnic tables & trash cans for various parks (\$40,000).

Justification

The park benches and picnic tables will improve park facilities for use by the general public.

Staff will continue to apply for funding from Program Open Space and Community Parks and Playgrounds.

Budget Impact/Other

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Equip/Vehicles/Furnishings	40,000					40,000
Total	40,000					40,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Grants-State Program Open Space	36,000					36,000
Transfers to CIP-General Fund	4,000					4,000
Total	40,000					40,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

City of Hagerstown, Maryland

Project # 45-C0241
Project Name Fire Department Training Center



Type Improvement **Department** Fire
Useful Life 25 years **Contact** Lohr
Category Buildings and Structures **Priority** Planned Improvement
Location: City Fire Training Center
Year Submitted: 2009
Status Active

Description

FY17: Replace existing Fire Training Burn Building at the City Fire Training Center on Bowman Avenue near the wastewater treatment plant. Pave and repair roads to the existing Fire Training Burn Building.

FY18 - FY21: The Fire Training Center needs maintenance and improvements to include the SCBA maze, pump testing appliances and training center.

Justification

The Bowman Avenue Training facility remains the primary practical evolution facility for regional fire-rescue and law enforcement assets. The HFD funded training center which includes a certified burn building, single classroom, SCBA maze, training tower and pump testing facility has been minimally maintained since the early 1980s and is in advanced disrepair. Paving of the entire facility is inadequate and dangerous, and the other props have deteriorated to the point that they should be removed from service. At a minimum, funding is requested to join other agencies in development of a jointly funded regional training center.

Budget Impact/Other

Based on a 20 year term, preliminary annual debt service impact for the 2017 general fund supported bond issue of \$200K is \$14.8K.

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Construction/Maintenance	200,000	75,000	75,000	75,000	75,000	500,000
Total	200,000	75,000	75,000	75,000	75,000	500,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Bond Financing (General Fund)	200,000					200,000
Transfers to CIP-General Fund		75,000	75,000	75,000	75,000	300,000
Total	200,000	75,000	75,000	75,000	75,000	500,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

City of Hagerstown, Maryland

Project # 45-C0243
Project Name Major Signal Intersection Upgrades

Type Improvement
Useful Life 5 - 10 years
Category Infrastructure-Utilities
Location: System-wide
Year Submitted: 1997
Department Engineering
Contact Tissue
Priority Planned Improvement
Status Active



Description

Traffic signals at these locations are not in compliance with current standards. In order to improve signal visibility, construct a mast arm pole to hang the signals over the travel lanes. Pedestrian signals will also be upgraded.

FY17: Design, Mulberry & Antietam signal replacement

FY18: Reconstruct Mulberry & Antietam - Last intersection on Mulberry Street without overhead signals. Statistics show 14 running red light accidents in last 3 years.

FY19: Design Cleveland @ Liberty and Franklin signal replacements.

FY20: Reconstruct Cleveland @ Liberty and Franklin

Justification

These changes increase safety on our streets and sidewalks by making lights for pedestrians and motorists more visible.

Budget Impact/Other

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Planning/Design	10,000		20,000			30,000
Construction/Maintenance		225,000		400,000		625,000
Total	10,000	225,000	20,000	400,000		655,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Transfers to CIP-CDBG Fund		225,000		400,000		625,000
Transfers to CIP-General Fund	10,000		20,000			30,000
Total	10,000	225,000	20,000	400,000		655,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

City of Hagerstown, Maryland

Project # 45-C0245
Project Name LED Signal Lights

Type Improvement
Useful Life 10 years
Category Machinery and Equipment
Location: City-Wide
Year Submitted: 2005
Department Public Works
Contact Deike
Priority Cost Avoidance
Status Active



Description

Replace original LED lights that were installed in 2006. LED signal lights have an estimated life of 7-10 years.

Justification

LED lights will be used to reduce energy consumption and extend light replacement time.

Budget Impact/Other

LED lights have proven to save upwards of 75% to 80% in electrical costs. Labor is reduced since LEDs have a life expectancy of 10 years while incandescent bulbs burn for one to two years.

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	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 '17	FY '18	FY '19	FY '20	FY '21	Total
CIP Fund Balance	15,000					15,000
Transfers to CIP-General Fund		15,000	15,000	15,000		45,000
Total	15,000	15,000	15,000	15,000		60,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

City of Hagerstown, Maryland

Project # 45-C0249
Project Name Community & Economic Development Vehicles

Type Replacement **Department** Community Development
Useful Life 10 years **Contact** Frick
Category Automobiles and Trucks **Priority** Cost Avoidance
Location: Downtown
Year Submitted: 2013



Status Active

Description

See Vehicle and Equipment replacement schedule.

FY18: 2003 Chevy Cavalier #717 (\$25,000) - Replacing with truck

Justification

Replace deteriorating equipment

Budget Impact/Other

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Equip/Vehicles/Furnishings		25,000				25,000
Total		25,000				25,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Transfers to CIP-General Fund		25,000				25,000
Total		25,000				25,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

City of Hagerstown, Maryland

Project # 45-C0250
Project Name Public Works Operations Center Improvement Program

Type Improvement
Useful Life 5 - 10 years
Category Buildings and Structures
Location: City Shed
Year Submitted: Ongoing
Department Public Works
Contact Deike
Priority Planned Improvement
Status Active



Description

Various improvements to building built in 1938. Improvement projects include the following:

FY17: Replace roof. Roof was installed in 1995 with a ten year warranty. (Current estimate is \$4.50 to \$5.00 per square foot) and construct a roof canopy over the front entry door.

FY18: Pave the main lot and construct fencing.

Justification

This facility was built in 1938. Since its construction, multiple departments have used it. The building needs continual repairs due to its age. Roof was installed in 1995. It is a rubber roof held down by ballast rock. 10 Year warranty has long since expired.

Budget Impact/Other

Operational costs will not be affected at this time. Most of these projects are replacements or reconstruction of existing amenities.

Based on a 20 year term, preliminary annual debt service impact for the 2017 general fund supported bond issue of \$120K is \$9.2K.

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Construction/Maintenance	126,030	25,000	6,000	6,000	6,000	169,030
Total	126,030	25,000	6,000	6,000	6,000	169,030

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Bond Financing (General Fund)	120,000					120,000
CIP Fund Balance	2,930					2,930
Transfers to CIP-General Fund	3,100	25,000	6,000	6,000	6,000	46,100
Total	126,030	25,000	6,000	6,000	6,000	169,030

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

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

Status Active



Description

Complements pedestrian street lighting program with trees, pole banners, and other amenities.

FY 17 - FY21: Funds for various streetscape improvements in the downtown area.

Justification

Enhances and improves the appearance of the downtown.

The Comp Plan recommends the continuation of a full range of physical improvements on an incremental basis to the downtown area. These should be aimed at improving the downtown's image and attractiveness through traffic calming measures; gateway and pedestrian enhancements; landscaping and streetscaping; 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 '17	FY '18	FY '19	FY '20	FY '21	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 '17	FY '18	FY '19	FY '20	FY '21	Total
CIP Fund Balance	8,000					8,000
Transfers to CIP-General Fund	17,000	25,000	25,000	25,000	25,000	117,000
Total	25,000	25,000	25,000	25,000	25,000	125,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

City of Hagerstown, Maryland

Project # 45-C0308
Project Name Police Building Renovation

Type Improvement **Department** Police
Useful Life 10 - 20 years **Contact** Kifer
Category Buildings and Structures **Priority** Planned Improvement
Location: Police Department
Year Submitted: Ongoing
Status Active



Description
FY17 Includes replacement of 2 small overhead air handlers or 1 larger unit (\$10,000). Additional police building needs will be absorbed by the carry-over from FY16 (\$25,000). FY18 Includes replacement of 2 small overhead air handlers or 1 larger unit (\$10,000); repaving & restriping the Police Department parking lot and the portion of McPherson St. that runs through the lot (\$50,000). FY19 through FY21 Includes replacement of 2 small overhead air handlers or 1 larger unit (\$10,000); other capital improvement needs that will occur based on the age of the police department building.
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.
Budget Impact/Other

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Construction/Maintenance	35,000	60,000	30,000	30,000	30,000	185,000
Total	35,000	60,000	30,000	30,000	30,000	185,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
CIP Fund Balance	25,000					25,000
Transfers to CIP-General Fund	10,000	60,000	30,000	30,000	30,000	160,000
Total	35,000	60,000	30,000	30,000	30,000	185,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 thru FY '21

City of Hagerstown, Maryland

Project # 45-C0324
Project Name Alley Reconstruction

Type Improvement
Useful Life 40 years
Category Infrastructure-Alleys
Location: Various locations
Year Submitted: Ongoing
Department Engineering
Contact Tissue
Priority Planned Improvement
Status Active



Description
Replace deteriorated alleys. In 2014 staff conducted a comprehensive condition survey of all the alleys in the city. The overall network is in relatively poor condition. We are suggesting that we use bond proceeds to begin to catch up on the overall condition. FY17: Alley 3-36 (portion adjacent to 109 Besster Street - drainage) - \$20,000 FY17: Alley 1-123 (beside Memorial Ree) - \$40,000 FY17: Alley 1-124 (Blooms Alley) - \$47,000 FY17: Alley 5-54 (E. Irvin to Mulberry) -\$75,000 FY17: Alley 5-49 (Manila to Hillcrest) -\$90,000 FY17: Alley 5-67 (Lieba South - Hillcreat to Alley 5-68) -\$45,000* FY17: Alley 5-67 (Lieba North - Alley 5-68 to Pangborn) -\$50,000* FY17: Alley 5-68 (Mulberry to Lieba Alley) - \$19,000* FY17:Alley 5-69 (Lieba Alley to View Street) -\$20,000* FY17:Alley 5-42 (Laurel to Cypress) - \$39,000 FY17: Alley 5-41 (Laurel to Alley 5-42) - \$21,000 FY17: Alley 5-52 (Hillcrest to Mulberry) -\$64,000 FY17: Alley 5-42 (Laurel to Cypress) - \$39,000 FY17:Alley 5-49 (Manila to Hillcrest) - \$90,000 FY17:Alley 2-115 (Guilford to Chestnut) - \$50,000 FY17:Alley 2-118 (Donut Alley) - \$60,000 *Confirm with Columbia gas that no mains/services require replacement ** Estimates do not include retaining walls or drainage structures.

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. Based on a 20 year term, preliminary annual debt service impact for the 2017 general fund supported bond issue of \$769K is \$56.6K.

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Construction/Maintenance	769,000	200,000	50,000			1,019,000
Total	769,000	200,000	50,000			1,019,000
Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Bond Financing (General Fund)	769,000	200,000				969,000
Transfers to CIP-General Fund			50,000			50,000
Total	769,000	200,000	50,000			1,019,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

City of Hagerstown, Maryland

Project # 45-C0326
Project Name City Hall Improvements

Type Replacement
Useful Life 15 years
Category Buildings and Structures
Location: City Hall
Year Submitted: 1990
Department Public Works
Contact Deike
Priority Planned Improvement
Status Active



Description

FY17: Install bathroom exhaust system on floors 2-4
 FY18: Replace one of two boilers (\$50,000), install A/C for entire building (\$250,000)
 FY19: Paint exterior emergency stairwell.

Justification

FY17: None of the restrooms have an exhaust system. Windows are the primary means of ventilation.
 FY18: City Hall opened in 1940 before the advent of air conditioning. The building is a mix of window units and smaller systems proving A/C to small suites. The council chambers shares an A/C system with the first floor. A/C is either "on" for the first floor or the second floor, but cannot function for both at the same time.

Budget Impact/Other

FY17: Increased energy use.
 FY18: Increased energy use.

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Construction/Maintenance	15,000	300,000	25,000	25,000	25,000	390,000
Total	15,000	300,000	25,000	25,000	25,000	390,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Bond Financing (General Fund)		300,000				300,000
Transfers to CIP-General Fund	15,000		25,000	25,000	25,000	90,000
Total	15,000	300,000	25,000	25,000	25,000	390,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

City of Hagerstown, Maryland

Project # 45-C0335
Project Name Pangborn Park Improvements

Type Improvement
Useful Life 20 years
Category Amenities
Location: Pangborn Park
Year Submitted: 2013
Department Parks
Contact Tissue
Priority Planned Improvement
Status Active



Description

FY17: Installation of outdoor exercise equipment - contingent on receiving grant funding.

Justification

Equipment at Fairgrounds Park is used extensively. As part of our "active community" initiatives, install equipment in Pangborn Park.. Contingent on receiving grant funding.

Budget Impact/Other

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Construction/Maintenance	15,000					15,000
Total	15,000					15,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Grants-State Program Open Space	13,500					13,500
Transfers to CIP-General Fund	1,500					1,500
Total	15,000					15,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

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

Status Active



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.

FY17: Expansion Dam project: to replace expansion dams on Mt Aetna , Wilson, Virginia and Various Bridges

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 '17	FY '18	FY '19	FY '20	FY '21	Total
Construction/Maintenance	125,000					125,000
Total	125,000					125,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Excise Tax Fund	125,000					125,000
Total	125,000					125,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

City of Hagerstown, Maryland

Project # 45-C0401
Project Name Prospect Street Wall

Type Maintenance **Department** Engineering
Useful Life 30 years **Contact** Tissue
Category Infrastructure-Bridges **Priority** Cost Avoidance
Location: Prospect Street
Year Submitted: 2016
Status Active



Description

FY17: South Prospect Wall Replacement. Replace collapsing wall northeast corner of South Prospect Street "Dry Bridge". Approximately 180 LF.

Justification

Rehabilitates deteriorating facilities.

Budget Impact/Other

Operational budget should be used for routing 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.

Based on a 20 year term, preliminary annual debt service impact for the 2017 general fund supported bond issue of \$310K is \$22.6K.

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Construction/Maintenance	350,000					350,000
Total	350,000					350,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Bond Financing (General Fund)	310,000					310,000
Contribution by Others	40,000					40,000
Total	350,000					350,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

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
Status Active



Description
Upgrade signal controllers to current technology. FY17: Install autoscope at Maryland Ave & Wilson Blvd. FY18: Install autoscope at Northern Ave. & Oak Hill. FY19: Install autoscope at Northern Ave & Hamilton
Justification
FY17-19: To upgrade traffic monitoring system to improve traffic flow.
Budget Impact/Other

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Equip/Vehicles/Furnishings	20,000	20,000	20,000			60,000
Total	20,000	20,000	20,000			60,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
CIP Fund Balance	12,650					12,650
Transfers to CIP-General Fund	7,350	20,000	20,000			47,350
Total	20,000	20,000	20,000			60,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

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
Status Active

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.

FY17: Pavilion and amenities (benches, tables, cans) to be funded with State POS grant monies and city funds.

FY18: Add amenity for birthday parties by purchasing and restoring an antique dining or bunk train car. (\$25,000 to be funded by selling 3 cabooses)

Justification

By undertaking additional future improvements, we would diversify the attractions that will result in the opportunity to provide a wide array of interpretive programs to the visiting public. The end result will be continued must-see destination for the train enthusiast and the public at-large.

Budget Impact/Other

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Construction/Maintenance	37,000	25,000				62,000
Total	37,000	25,000				62,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
CIP Fund Balance	13,000					13,000
Excise Tax Fund	15,000					15,000
Grants-State Program Open Space	9,000					9,000
Other		25,000				25,000
Total	37,000	25,000				62,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

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
Status Active

Description

FY17 : \$30,000 for inspection of minor bridges.(Required by State Law every 5 years)
 FY17: \$10,000 for Repairs

FY18: \$40,000 for 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. If possible, will hire a consultant to visually inspect larger storm drains.

FY19: \$30,000 Inspections and Repairs

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 '17	FY '18	FY '19	FY '20	FY '21	Total
Construction/Maintenance	40,000	40,000	30,000			110,000
Total	40,000	40,000	30,000			110,000

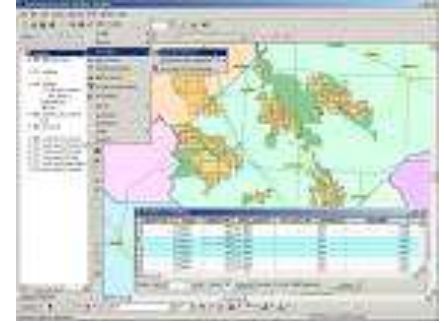
Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Transfers to CIP-General Fund	40,000	40,000	30,000			110,000
Total	40,000	40,000	30,000			110,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

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
Status Active

Description

GIS is an organized collection of computer hardware, software, geographic data and personnel designed to efficiently capture, store, update, manipulate, analyze, and display all forms of geographically referenced data. This CIP project continues to expand on the 2010 GIS Strategic Plan in accomplishing the organization of this data and making it available for all City departments for use in the analysis of their operations.

Justification

Due to staffing and priority projects, this CIP was cut back in FY13-14 to review the strategic plan and determine steps moving forward. This technology will be vital in integrating with our financial systems, including Utility billing and tax, and providing information to our citizens through our improved web page. The state will continue to look for this type of information in coordination with their StateStat initiatives.

Budget Impact/Other

Maintenance fees are currently budgeted and included for the ESRI GIS platform in the IT/SS expense budget. These maintenance costs remain static through FY17 .

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Planning/Design	15,000	100,000	15,000	15,000	15,000	160,000
Equip/Vehicles/Furnishings		20,000			20,000	40,000
Software	50,000		50,000	50,000		150,000
Total	65,000	120,000	65,000	65,000	35,000	350,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
CIP Fund Balance	65,000	60,000				125,000
Transfers to CIP-Electric Fund		15,000	20,000	20,000	10,000	65,000
Transfers to CIP-General Fund		15,000	5,000	5,000	5,000	30,000
Transfers to CIP-Wastewater Fund		15,000	20,000	20,000	10,000	65,000
Transfers to CIP-Water Fund		15,000	20,000	20,000	10,000	65,000
Total	65,000	120,000	65,000	65,000	35,000	350,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

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

Status Active



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).

FY17: Replace sidewalks damaged by street trees (\$25,000)

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 '17	FY '18	FY '19	FY '20	FY '21	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 '17	FY '18	FY '19	FY '20	FY '21	Total
CIP Fund Balance	15,000					15,000
Transfers to CIP-General Fund	10,000	25,000	25,000	25,000	25,000	110,000
Total	25,000	25,000	25,000	25,000	25,000	125,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 thru FY '21

City of Hagerstown, Maryland

Project # 45-C0522
Project Name City Park Improvements

Type Improvement
Useful Life 25 years
Category Land Improvements
Location: City Park
Year Submitted: Ongoing
Department Parks
Contact Mason
Priority Planned Improvement
Status Active



Description

Construct improvements to existing parking lots in City Park. Includes paving, landscaping, walkways and lighting (#514).

FY17: Pave badly deteriorated parking lots at Hager House apartment, Mansion House loop, and railroad museum.

FY18: Fountain in restored lower lake (See CIP 0047)

FY19: Improve the upper parking lot by tennis courts & pavilion.

FY20: Improve the upper parking lot by Mansion House.

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 '17	FY '18	FY '19	FY '20	FY '21	Total
Planning/Design				15,000		15,000
Construction/Maintenance	35,000	10,000	300,000	235,000		580,000
Equip/Vehicles/Furnishings			10,000			10,000
Total	35,000	10,000	310,000	250,000		605,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Grants-State Program Open Space			279,000	225,000		504,000
State Highway User Revenue	35,000					35,000
Transfers to CIP-General Fund		10,000	31,000	25,000		66,000
Total	35,000	10,000	310,000	250,000		605,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

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

Status Active



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:

FY17: We will encourage improvements to the Dual Highway as a result of the recent study by M.P.O.

FY18: Route 65 (East side) from Wilson to Downsville Road to Scarlett Hills

FY19: US40 from Nottingham to Bartow Drive/Garland Groh Blvd

Work will be completed as State funds become available.

Justification

Part of the "Complete Streets" policy 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 '17	FY '18	FY '19	FY '20	FY '21	Total
Construction/Maintenance		500,000	500,000			1,000,000
Total		500,000	500,000			1,000,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Grants-State		500,000	500,000			1,000,000
Total		500,000	500,000			1,000,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

City of Hagerstown, Maryland

Project # 45-C0560
Project Name Traffic Calming

Type Improvement
Useful Life 30 years
Category Infrastructure-Streets
Location: Various locations
Year Submitted: Ongoing
Department Engineering
Contact Tissue
Priority Planned Improvement
Status Active



Description

Construct physical improvements to force traffic to slow down (i.e., pinch points, circles, offsets, etc.) Engineering Department developed a policy that was approved by City Council in October 2011.

FY17: Wilson at Summit turn lane or bumpouts on Mulberry Avenue in conjunction with Neighborhood 1st group.

FY18 - FY21: Working with various Neighborhood First groups, and following our policy, install medians, mini-roundabout or choker islands to reduce speed of traffic. Staff has received numerous complaints about excessive speed and these measures would be effective in "capping" these speeds.

Justification

Police enforcement is only useful as long as police are visible. These improvements would be effective all of the time.

The Comp Plan recommends continuation of Livable City initiatives that bring design continuity to City neighborhoods by focusing on improved park amenities; public sidewalk repairs and enhancements; street tree planting; and traffic island installation.

Budget Impact/Other

Increased maintenance of each new island where landscaping is installed. DPW staff would have to work in island two or three times annually to maintain.

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	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 '17	FY '18	FY '19	FY '20	FY '21	Total
State Highway User Revenue	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 '17 *thru* FY '21

City of Hagerstown, Maryland

Project # 45-C0568

Project Name Cable Inet

Type Improvement

Useful Life 10 years

Category Machinery and Equipment

Location: City-Wide

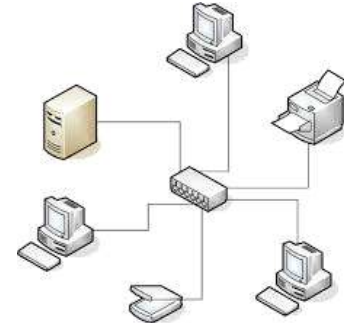
Year Submitted: 2001

Department Information Technology

Contact Nicewarner

Priority Contract Obligation

Status Active



Description

Per the Cable Franchise Agreement with Antietam Cable, funds are provided to this CIP to allow for the maintenance and enhancement of the Institutional Network as defined in the agreement. Funds go to the maintenance and new connectivity of network services to our outlying buildings, as well as the network to allow all to communicate with each other. These buildings include those of the BOE and HCC ownership.

Justification

The needs continue for the sharing of data between the major governmental agencies within the County due to consolidation opportunities and governmental transparency initiatives. The use of these funds is contractually required for this type of project through the cable franchise agreement in place with Antietam Cable.

Budget Impact/Other

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Equip/Vehicles/Furnishings	14,000	14,000	14,000	14,000	14,000	70,000
Total	14,000	14,000	14,000	14,000	14,000	70,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
PEG Fee	14,000	14,000	14,000	14,000	14,000	70,000
Total	14,000	14,000	14,000	14,000	14,000	70,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

City of Hagerstown, Maryland

Project # 45-C0569
Project Name Cable PEG

Type Improvement
Useful Life 10 years
Category Machinery and Equipment
Location: City-Wide
Year Submitted: 2015

Department Information Technology
Contact Nicewarner
Priority Contract Obligation



Status Active

Description

Per the Cable Franchise Agreement with Antietam Cable, funds are provided to this CIP to allow for the maintenance and enhancement of the Public, Educational, and Government services provided by the agreement. These funds will go towards the development of a studio for City broadcasts, improvements to the BOE and HCC video production equipment, and other equipment needs as provided by the agreement.

Justification

These funds are provided by the cable system per the agreement and are mandated to be used for capital purchases fitting the purpose of PEG activities and services. The amounts shown are the PEG portion of the total remittance from ACTV per the franchise agreement.

Budget Impact/Other

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Equip/Vehicles/Furnishings	144,532	42,000	42,000	42,000	42,000	312,532
Total	144,532	42,000	42,000	42,000	42,000	312,532

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
CIP Fund Balance	102,532					102,532
PEG Fee	42,000	42,000	42,000	42,000	42,000	210,000
Total	144,532	42,000	42,000	42,000	42,000	312,532

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

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
Status Active



Description
We have deferred vehicle replacements and need to start replacing worn out items. See Vehicle and Equipment replacement schedule.
FY17: Replace 2004 Ford F150 truck #312 (\$30,000), 2002 Ford Dump truck #308 (\$80,000)
FY18: Replace 2004 JD Gator #317 (\$8,000), 2007 JD Gator #378 (\$10,000), 2007 Chevy truck #331 (\$30,000); 2005 JD Tractor #350 (\$65,000)
FY19: Replace 2005 Gravely Mower #369 (\$12,000), 1995 Gravely PM Mower #379 (\$12,000), 2000 Shur-trail trailer #380 (\$5,000), 2004 John Deere backhoe #333 (\$100,000)
FY20: Replace 2007 Bobcat loader #319 (\$60,000)
Justification
Improved Service.
Budget Impact/Other
Based on a 20 year term, preliminary annual debt service impact for the 2017 general fund supported bond issue of \$80K is \$6.4K.

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Equip/Vehicles/Furnishings	110,000	113,000	129,000	60,000		412,000
Total	110,000	113,000	129,000	60,000		412,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Bond Financing (General Fund)	80,000			60,000		140,000
Transfers to CIP-General Fund	30,000	113,000	129,000			272,000
Total	110,000	113,000	129,000	60,000		412,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

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
Status Active



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 (See CIP 639) and Forest Conservation Act funds. To meet 30% goal (tree coverage goal), the City will need to contribute.

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 '17	FY '18	FY '19	FY '20	FY '21	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 '17	FY '18	FY '19	FY '20	FY '21	Total
Reforestation Funds	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 '17 *thru* FY '21

City of Hagerstown, Maryland

Project # 45-C0595
Project Name New Sidewalks

Type Improvement
Useful Life 30 years
Category Infrastructure-Sidewalks
Location: Various locations
Year Submitted: Ongoing
Department Engineering
Contact Tissue
Priority Public Safety
Status Active



Description

The City's "Complete Streets" policy has a stated goal of a complete network of sidewalks in the community, creating a path that connects several neighborhoods and commercial areas. Grant assistance will be sought when possible.

FY17: Install 1800 LF of sidewalk on Haven Road if funded by Safe Routes to School Grant.

FY19: CDBG funded Carr Street (\$35,000)

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 '17	FY '18	FY '19	FY '20	FY '21	Total
Construction/Maintenance	350,000		35,000			385,000
Total	350,000		35,000			385,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Grants-State	350,000					350,000
Transfers to CIP-CDBG Fund			35,000			35,000
Total	350,000		35,000			385,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

City of Hagerstown, Maryland

Project # 45-C0624

Project Name Fairground Grandstand Improvements

Type Improvement

Department Parks

Useful Life 25 - 50 years

Contact Tissue

Category Buildings and Structures

Priority Planned Improvement

Location: Fairground Park

Year Submitted: 2004

Status Active



Description

City Council endorsed concept plan in 2007 that converts the grandstand into a "community center". The building could provide two full size athletic courts, walking/jogging trail, and could support a 1290-seat auditorium or be converted to a 155 booth craft/expo area or a 980-seat banquet area.

This project is listed as a priority in the Mayor & Council's 2015-2016 "Goals & Priorities" approved December 2014.

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 '17	FY '18	FY '19	FY '20	FY '21	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 '17	FY '18	FY '19	FY '20	FY '21	Total
Bond Financing (General Fund)			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 '17 *thru* FY '21

City of Hagerstown, Maryland

Project # 45-C0626

Project Name Fairgrounds Park Improvements

Type Improvement

Department Parks

Useful Life 15 - 25 years

Contact Mason

Category Infrastructure-Streets

Priority Planned Improvement

Location: Fairground Park

Year Submitted: 2004

Status Active



Description

FY17: Building Stabilization: Repairs to gatekeepers house that is inspected annually by Maryland Historic Trust. Replace roof on stables as nails no longer hold and is a constant maintenance issue.

FY18: Soccer Fields Lights: Working with Hagerstown Area Youth Soccer League (HAYSL), this project would install field lights to allow expanded use of fields. Project is contingent upon two grants and a MOU with HAYSL.

Justification

Soccer Field Lights: Increased activity and recreational opportunities. This is part of the "H.E.A.L City" initiative and is part of "Goals & Priorities" approved by the Mayor and Council in December 2014.

Budget Impact/Other

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Construction/Maintenance	20,000	170,000				190,000
Total	20,000	170,000				190,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Contribution by Others		60,000				60,000
Grants-Private		50,000				50,000
Grants-State Program Open Space		36,000				36,000
Transfers to CIP-General Fund	20,000	24,000				44,000
Total	20,000	170,000				190,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

City of Hagerstown, Maryland

Project # 45-C0637
Project Name Storm Water Management Implementation

Type Improvement
Useful Life Indefinite
Category Infrastructure-Storm Drains
Location: City-Wide
Year Submitted: Ongoing
Department Engineering
Contact Tissue
Priority Probable Grant
Status Active



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.

FY17: Construct stormwater retrofit facilities at Hagerstown Greens and other locations. Will also perform a watershed assessment of Hamilton Run to identify future projects.

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 revenue and unreserved fund balance, future bonds, and future State/Federal grants, the City must likely consider implementation of a stormwater utility fee to fund the required improvements if future State funding is insufficient.

Budget Impact/Other

As new stormwater facilities are constructed, maintenance costs for the City will increase accordingly.

Based on a 20 year term, the debt service impact from the 2015 general fund supported bond issue of \$100K is \$2.4K.

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Planning/Design	100,000	50,000	50,000			200,000
Construction/Maintenance	560,000	1,000,000	1,000,000			2,560,000
Total	660,000	1,050,000	1,050,000			2,760,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Bond Financing (General Fund)		800,000	800,000			1,600,000
Grants-Federal	500,000	250,000	250,000			1,000,000
Grant-State MDE	60,000					60,000
Prior Bond Proceeds	100,000					100,000
Total	660,000	1,050,000	1,050,000			2,760,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

City of Hagerstown, Maryland

Project # 45-C0639
Project Name Green Streets

Type Improvement
Useful Life 50 years
Category Storm Water
Location: Various locations
Year Submitted: 2014
Department Engineering
Contact Tissue
Priority Probable Grant
Status Active



Description

Reconstruct existing streets to improve pedestrian access, decrease impervious surfaces, and construct new planting beds and tree pits to provide stormwater management. Compliance with EPA/MDE mandates requires reduction in runoff by eliminating unnecessary pavement.

FY17: Potential projects to narrow streets or install BMP's (Best Management Practices) include:
 Baltimore @ Potomac Street
 Mulberry Avenue @ Pangborn Blvd.

FY18 - FY21: Addressing future storm water EPA mandates.

Justification

Anticipated NPDES (National Pollutant Discharge Elimination System) regulations will require the City to provide stormwater management for existing impervious surfaces; "Green Street" elements can be incorporated in narrow street corridors where there is not sufficient space for traditional facilities, and can enhance the environmental value of the streetscape.

Budget Impact/Other

The City's Department of Public Works will be responsible for maintaining the new stormwater management features (including trees, landscape plantings, cleaning, and maintenance of structures, etc.).

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Construction/Maintenance	85,000	80,000	80,000	80,000	80,000	405,000
Total	85,000	80,000	80,000	80,000	80,000	405,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Grants-State	75,000	70,000	70,000	70,000	70,000	355,000
Transfers to CIP-General Fund	10,000	10,000	10,000	10,000	10,000	50,000
Total	85,000	80,000	80,000	80,000	80,000	405,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

City of Hagerstown, Maryland

Project # 45-C0640
Project Name Signal Timing Optimization

Type Improvement
Useful Life 5 years
Category Machinery and Equipment
Location: City-Wide
Year Submitted: Ongoing
Department Engineering
Contact Tissue
Priority Planned Improvement
Status Active



Description

Evaluate existing signals using computer modeling and re-time signals based on the ever changing traffic volume.

FY17: Wesel Boulevard interface with County intersection
FY18: Northern Avenue corridor

Justification

Most cost effective way to reduce delay and congestion. Reduces air pollution when vehicles are not delayed in needless congestion caused by a signal system not operating at optimal efficiency.

Budget Impact/Other

Operational cost neutral. This process optimizes the signal timing decreasing motorist delay and frustration.

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Planning/Design	20,000	20,000				40,000
Total	20,000	20,000				40,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Transfers to CIP-General Fund	20,000	20,000				40,000
Total	20,000	20,000				40,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 thru FY '21

City of Hagerstown, Maryland

Project # 45-C0663
Project Name Fire Department Breathing Apparatus Equip

Type Replacement
Useful Life 15 years
Category Machinery and Equipment
Location: Fire Dept Admin
Year Submitted: 2014
Department Fire
Contact Lohr
Priority Planned Improvement
Status Active



Description

Replacing 76 breathing apparatus will fully outfit all front line fire equipment. It will also outfit the reserve equipment when called into service. All fire apparatus are needed on a large fire. It will outfit the battalion staff vehicles as well as the Fire Marshall's vehicles. Fire Department employees service and maintain all current breathing apparatus used by City employees. (Includes service for utilities department like Wastewater and the RC Willson Water Plant in Williamsport.)

Justification

Current breathing apparatus was purchased in 2000 and some in 2006. In 2006, we also purchased kits to upgrade the breathing apparatus purchased in 2000. These all meet the 2002 NFPA Standard.

There has been 2 standard updates since the equipment has been purchased. We are now working under the 2013 NFPA standard. The next standard update is anticipated in 2018. This is the time that new equipment should be purchased to bring us up to the current standards. With the purchase we would receive a breathing apparatus, 2 cylinders and a standard face piece. We would also need around 160 additional face pieces for career staff and active volunteers.

Finally, we need to replace the existing cascade system; it will no longer meet our needs due to higher pressure needed to fill the cylinders. (The cascade system is used to fill the cylinders with air.) The new apparatus runs at a higher pressure 6000 psi. The current system does not have a compliant fill station. The new system will reduce the risk of injury as a result of catastrophic failures.

Budget Impact/Other

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Equip/Vehicles/Furnishings	95,000		750,000			845,000
Total	95,000		750,000			845,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Grants-State	95,000		675,000			770,000
Transfers to CIP-General Fund			75,000			75,000
Total	95,000		750,000			845,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

City of Hagerstown, Maryland

Project # 45-C0678
Project Name Planning & Code Admin Vehicles

Type Replacement **Department** Planning
Useful Life 5 years **Contact** Maher
Category Automobiles and Trucks **Priority** Cost Avoidance
Location: City-Wide
Year Submitted: 2017
Status Active



Description
Vehicle replacements FY18: 2003 Chevy Cavalier #715 (\$25,000), 2006 Chevy Colorado #401 (\$25,000) FY19: 2006 Chevy Colorado #750 (\$25,000), 2006 Chevy Colorado #718 (\$25,000) FY20: 2006 Jeep Liberty #850 (\$25,000) FY21: 2007 Ford Focus #713 (\$25,000), 2005 Chevy Colorado #752 (\$25,000)
Justification
Budget Impact/Other

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Equip/Vehicles/Furnishings		50,000	50,000	25,000	50,000	175,000
Total		50,000	50,000	25,000	50,000	175,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Transfers to CIP-General Fund		50,000	50,000	25,000	50,000	175,000
Total		50,000	50,000	25,000	50,000	175,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 thru FY '21

City of Hagerstown, Maryland

Project # 45-C0685

Project Name Professional Court Extension

Type Increase Capacity

Department Engineering

Useful Life 25 years

Contact Tissue

Category Infrastructure-Streets

Priority Planned Improvement

Location: Professional Court

Year Submitted: 2005

Status Active



Description

Mayor & Council have not yet made any decision regarding the funding of the construction of this project.

The overall project is the creation of a new street network beyond the current eastern edge of the City. While Washington County government is already working on funding the initial phases of the street network, another portion of the project is the construction of a new 370' long multi-span bridge over Antietam Creek to the new street network for new development and as a means of providing a connection between the Eastern Boulevard corridor and Robinwood Drive.

Design work of this portion of the project commenced in 2015 and is funded by a \$1,120,000 grant the county received from MDOT. This connection will prove to be a vital link in the community's transportation system on the eastern side of the City and would help to relieve traffic congestion on US Route 40. A road network will make development of the adjoining land as a bio-tech business park more feasible and, if annexed, create economic development opportunities for the City. Total project cost of just the new streets is estimated at \$24.7 million for the entire connection improvements between Eastern Boulevard and Robinwood Drive.

If the annexation of land is realized and a memorandum of understanding is executed between the City and County, the City's responsibility is the widening and reconstruction of the existing Professional Court to accommodate the construction of a new multi-span bridge over Antietam Creek. Construction will start early 2018.

Justification

Provides redundant, more direct access to area (where hospital is now located) from the downtown and north side of the City.

Listed as a priority in the Mayor & Council's 2015-2016 "Goals & Priorities" approved December 2014 and the City's Comp Plan recommends this project as an improvement that would enhance the City's transportation network.

Budget Impact/Other

Long-term increase in maintenance costs of roughly \$20,000 annually for plowing, pavement maintenance, bridge maintenance, and pavement markings on new road within City limits. Additional lighting costs of \$3,000 annually.

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Construction/Maintenance		2,000,000				2,000,000
Total		2,000,000				2,000,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Bond Financing (General Fund)		2,000,000				2,000,000
Total		2,000,000				2,000,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

City of Hagerstown, Maryland

Project # 45-C0687

Project Name Consolidation of Public Safety Assets

Type Replacement

Department Fire

Useful Life Indefinite

Contact Lohr

Category Buildings and Structures

Priority Planned Improvement

Location: To be determined

Year Submitted: 2017

Status Active



Description

Combine and collocate Hagerstown and Washington County Public Safety Assets

Justification

The great recession, availability of resources dedicated to public safety and a stated goal to eliminate redundant services, requires all regional public safety assets to evaluate opportunities to share available resources across traditional political boundaries. Even though many opportunities may be present; consolidation of administrative, command staff and training staffs offer unique value assuming the facility is located within the Hagerstown Corporate Boundary. The Community Rescue Service and Hagerstown Fire Department are far and away the #1 and #2 provider of fire-rescue services in Washington County.

Budget Impact/Other

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Construction/Maintenance		500,000				500,000
Total		500,000				500,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Bond Financing (General Fund)		500,000				500,000
Total		500,000				500,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

City of Hagerstown, Maryland

Project # 45-C0717
Project Name Multi-Use Trails

Type Improvement
Useful Life 15 - 25 years
Category Land Improvements
Location: Memorial Blvd
Year Submitted: 2011

Department Parks
Contact Tissue
Priority Probable Grant

Status Active



Description

Construct a multi-use (pedestrian, bicycle, rollerblade, etc.) path and/or trail adjacent to Marsh Run.

FY17 - FY18: Marsh Run Trail would connect City Park to Municipal Stadium. Project is complete east of Potomac Street. Preliminary design of the 2000 LF "missing link" of the "Marsh Run" Trail commenced in 2015 and is funded by a "Bike Maryland" MDOT Grant. Assuming CSXRR grants permission to install a tunnel under their spur, FY17 will be the completion of the design and FY18 would be the construction.

This initiative is listed as a priority in the Mayor & Council's 2015-2016 "Goals & Priorities" approved December 2014.

Justification

The Bicycle Advisory Committee endorsed a plan to create a multi-use trail from Hager Park to City Park.

Budget Impact/Other

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Construction/Maintenance	250,000	2,500,000				2,750,000
Total	250,000	2,500,000				2,750,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Grants-Federal	200,000	2,500,000				2,700,000
Grants-State	50,000					50,000
Total	250,000	2,500,000				2,750,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

City of Hagerstown, Maryland

Project # 45-C0718

Project Name Public Works Storage Yard Expansion

Type Improvement

Department Public Works

Useful Life 50 years

Contact Deike

Category Buildings and Structures

Priority Planned Improvement

Location: 50 W. Memorial Blvd.

Year Submitted: 2006

Status Active



Description

Develop the vacant lot across from the Department of Public Works and Bester Elementary School.

FY18: Site planning for a new facility.

FY18-19: 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 '17	FY '18	FY '19	FY '20	FY '21	Total
Planning/Design		10,000				10,000
Construction/Maintenance		375,000	525,000			900,000
Total		385,000	525,000			910,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Bond Financing (General Fund)		375,000	525,000			900,000
CIP Fund Balance		10,000				10,000
Total		385,000	525,000			910,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

City of Hagerstown, Maryland

Project # 45-C0730

Project Name Fire Station Relocation



Type Increase Capacity

Department Fire

Useful Life 25 - 50 years

Contact Lohr

Category Buildings and Structures

Priority Planned Improvement

Location: To be determined

Year Submitted: 2006

Status Active

Description

Construct a combined Fire Station and EMS station.

FY 17: Land acquisition

FY 17: Design

FY 18: Construction

Justification

The 2015 Insurance Services Office (ISO) public protection classification and rating suggests an opportunity to either relocate or combine downtown companies for greater efficiency and effectiveness. This opportunity combined with the City's comprehensive plan recommendations could defer or eliminate on-going operating and maintenance expenses and combine available staffing in a model that ensures compliance with OSHA 29 CFR and other industry best practices.

Budget Impact/Other

Based on a 20 year term, preliminary annual debt service impact for the 2017 general fund supported bond issue of \$150K is \$11.3K.

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Planning/Design	150,000					150,000
Construction/Maintenance		1,150,000				1,150,000
Total	150,000	1,150,000				1,300,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Bond Financing (General Fund)	150,000	1,150,000				1,300,000
Total	150,000	1,150,000				1,300,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

City of Hagerstown, Maryland

Project # 45-C0733
Project Name R. Paul Smith Boulevard



Type Increase Capacity
Useful Life 25 years
Category Infrastructure-Streets
Location: Howell Road at US 40
Year Submitted: 2006
Department Engineering
Contact Tissue
Priority Planned Improvement
Status Active

Description

FY20 & FY21: 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 '17	FY '18	FY '19	FY '20	FY '21	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 '17	FY '18	FY '19	FY '20	FY '21	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 '17 *thru* FY '21

City of Hagerstown, Maryland

Project # 45-C0735
Project Name Northwest Connector



Type Increase Capacity
Useful Life 25 years
Category Infrastructure-Streets
Location: Haven Road to Marshall Street
Year Submitted: 2006
Department Engineering
Contact Tissue
Priority Planned Improvement
Status Active

Description

In conjunction with 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 '17	FY '18	FY '19	FY '20	FY '21	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 '17	FY '18	FY '19	FY '20	FY '21	Total
Bond Financing (General Fund)			280,000	1,000,000	850,000	2,130,000
Contribution by Others				500,000	2,400,000	2,900,000
Excise Tax Fund					150,000	150,000
Total			280,000	1,500,000	3,400,000	5,180,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

City of Hagerstown, Maryland

Project # 45-C0739
Project Name Municipal Financial System

Type Maintenance
Useful Life 5 years
Category Software
Location: City Hall
Year Submitted: 2007-2008

Department Information Technology
Contact Nicewarner
Priority Planned Improvement

Status Active



Description

This project will allow for investment in new technologies to be offered by Tyler technologies for the MUNIS Financial System utilized by the City. These features would include tablet computing by staff, increased web functionality.

Justification

Our City workforce has become an increasingly mobile one, as well as our citizens-customers becoming more comfortable with online transacting. This presents a need to continue to enhance our financial system with programs and modules to provide a more accessible service to our stakeholders, and allow our City staff to better respond to our constituent needs. This can be done through our online payment/account management portal (utility billing/taxes/permitting) to on-site access to the MUNIS system from mobile devices.

Budget Impact/Other

There will be yearly maintenance costs added to any new acquisition of product that will not be known until acquisition.

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Software	16,000	24,000	16,000	16,000	16,000	88,000
Total	16,000	24,000	16,000	16,000	16,000	88,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
CIP Fund Balance	16,000	8,000				24,000
Transfers to CIP-Electric Fund		4,000	4,000	4,000	4,000	16,000
Transfers to CIP-General Fund		4,000	4,000	4,000	4,000	16,000
Transfers to CIP-Wastewater Fund		4,000	4,000	4,000	4,000	16,000
Transfers to CIP-Water Fund		4,000	4,000	4,000	4,000	16,000
Total	16,000	24,000	16,000	16,000	16,000	88,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

City of Hagerstown, Maryland

Project # 45-C0751
Project Name Neighborhood Parks

Type Improvement
Useful Life 25 years
Category Land Improvements
Location: City-Wide
Year Submitted: 2009
Department Parks
Contact Tissue
Priority Planned Improvement
Status Active



Description

City staff will be collaborating with Neighborhood 1st Groups, interested residents and area businesses to develop new urban parks and pocket parks in underserved areas. Parks division goal is to provide a "quality park within walking distance from every residence in Hagerstown" (defined as 1/4 mile). This initiative is listed as a priority in the Mayor & Council's 2015-2016 "Goals & Priorities" approved December 2014.

FY17: Continuation of park development at 806-808 West Washington Street

FY18: Land acquisition of future park site

FY19: Construction of future park site

Justification

Our Comprehensive Plan recommends developing new neighborhood parks and pocket parks in under-served portions of the City. Specific areas of future need are: 1) Salem Ave corridor, 2) Wilson Blvd corridor, and 3) Potomac Ave corridor.

The creation of these parks will offer more recreation opportunities for the children and families in the selected neighborhoods. By inviting the neighbors to have input in the design and the basis of the parks, the community develops a sense of pride and responsibility for maintaining and using those spaces.

Budget Impact/Other

Additional operating costs will include mowing, tree trimming, etc.

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Land Acquisition		80,000				80,000
Construction/Maintenance	240,000		200,000			440,000
Total	240,000	80,000	200,000			520,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Transfers to CIP-CDBG Fund	240,000	80,000	200,000			520,000
Total	240,000	80,000	200,000			520,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

City of Hagerstown, Maryland

Project # 45-C0764

Project Name Winter Street School-Neighborhood Park

Type Improvement

Department Parks

Useful Life 50 years

Contact Tissue

Category Land Acquisition

Priority Probable Grant

Location: Franklin & Winter Streets

Year Submitted: 2008

Status Active



Description

Winter Street School is programmed to be closed and possibly torn down in FY17. Planning staff proposed the idea of space being donated to the city to develop green space park and play area in FY19. Staff is working with Washington County Board of Education to coordinate work.

Will request funding from Program Open Space if the idea is endorsed by the County and City Council.

Justification

Need additional park in west end of Hagerstown. This park will be a year-round park for the neighborhood as identified in the Comprehensive Plan.

The Comprehensive Plan recommends developing new neighborhood parks in under-served portions of the City. This location is in an underserved area. The project is also listed as a priority in the Mayor & Council's 2015-2016 "Goals & Priorities" approved in December 2014.

Budget Impact/Other

Increase of in-house maintenance - mowing, trash pickup, utilities, purchase of amenities, etc.

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Construction/Maintenance			200,000			200,000
Total			200,000			200,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Grants-State Program Open Space			180,000			180,000
Transfers to CIP-General Fund			20,000			20,000
Total			200,000			200,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

City of Hagerstown, Maryland

Project # 45-C0773
Project Name Kiwanis Park



Type Improvement
Useful Life Indefinite
Category Land Improvements
Location: Light Business Park
Year Submitted: 2009
Department Parks
Contact Tissue
Priority Contract Obligation
Status Active

Description

The developer of the Light Business Park off Eastern Boulevard donated land along the Antietam Creek to the City for the purpose of creating a park with access to Antietam Creek. The Kiwanis Club agreed to assist with maintenance of this public park. Phase I included a parking lot, access road, signs, etc. Phase II included the stream access/paths.

FY17: Future phases may consist of renovating old house unless we can develop a plan to transfer the structure to another owner. \$10,000 is included for materials to stabilize the existing house.

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 listed as a priority in the Mayor & Council's 2015-2016 "Goals & Priorities" approved December 2014.

Budget Impact/Other

Assume \$1,500 in annual lighting costs and \$10,000 in annual parking lot and general up keep costs.

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Construction/Maintenance	10,000					10,000
Total	10,000					10,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Transfers to CIP-General Fund	10,000					10,000
Total	10,000					10,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

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
Status Active

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 10' wide trail at approximately \$60 per linear foot. Project is assumed to be from Howell Road to Funkstown (about 8,000 LF) and could be done in phases.

Justification

The Comprehensive Plan identifies as an issue the fact that there is little public access to Antietam Creek and other streams that could serve as greenways. The draft Plan recommends that the City investigate potential locations for linear parks along Antietam Creek and Hamilton Run.

This project is also consistent with the City's most recent Strategic Plan.

Budget Impact/Other

Assume \$7,000 in annual lighting costs and \$14,000 annually in pavement maintenance costs (to overlay after 25 years.)

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Land Acquisition				150,000		150,000
Construction/Maintenance					480,000	480,000
Total				150,000	480,000	630,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Contribution by Others				150,000		150,000
Excise Tax Fund					48,000	48,000
Grants-State					432,000	432,000
Total				150,000	480,000	630,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

City of Hagerstown, Maryland

Project # 45-C0812

Project Name Pangborn Lake Reconstruction

Type Improvement

Department Parks

Useful Life 50 years

Contact Tissue

Category Storm Water

Priority Documented Savings

Location: Pangborn Park

Year Submitted: 2010

Status Active



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.

Design work will be completed in 2016. We have obtained "Waterway Construction Permit" and MHT & MDE approvals.

City staff will be seeking state grant funding for a portion of this project with work to be completed in Fall 2017.

Justification

Water in lake is less than 12" deep due to sedimentation, walls are deteriorating, drains not functioning. Work would be a "greener" natural shoreline.

Budget Impact/Other

Less maintenance of walls, more vegetation to maintain.

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Construction/Maintenance		500,000				500,000
Total		500,000				500,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Bond Financing (General Fund)		400,000				400,000
Grants-State		100,000				100,000
Total		500,000				500,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

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

Status Active

Description

Maintaining the pool and adding attractions periodically is essential to keeping this facility a vibrant recreation option for city residents.
FY17: Additional spray amenities to existing sprayground; addition of climbing wall (\$25,000).
FY18: Whitecoat replacement and deck caulking (\$50,000).

Justification

This initiative is listed as a priority in the Mayor & Council's 2015-2016 "Goals & Priorities" approved December 2014.

Budget Impact/Other

None

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Construction/Maintenance	25,000	50,000				75,000
Total	25,000	50,000				75,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Grants-State Program Open Space	22,500					22,500
Transfers to CIP-General Fund	2,500	50,000				52,500
Total	25,000	50,000				75,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

City of Hagerstown, Maryland

Project # 45-C0837
Project Name George Washington Statue

Type Improvement **Department** Planning
Useful Life 100 years **Contact** Maher
Category Land Improvements **Priority** Planned Improvement
Location: W Washington Street
Year Submitted: 2012
Status Active



Description

To design and install a 10 percent over-life-size statue of George Washington, which will be mounted on a natural stone base and located in 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. This statue will improve the downtown streetscape and display public art in the A&E district. 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 '17	FY '18	FY '19	FY '20	FY '21	Total
Construction/Maintenance	61,900					61,900
Total	61,900					61,900

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
CIP Fund Balance	30,950					30,950
Grants-State MD Heritage	30,950					30,950
Total	61,900					61,900

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

City of Hagerstown, Maryland

Project # 45-C0843
Project Name Hagerstown Ice Rink

Type Replacement
Useful Life 10 years
Category Energy Savings
Location: Ice Rink
Year Submitted: 2013

Department Parks
Contact Tissue
Priority Planned Improvement

Status Active



Description

The new Board of Directors called the Hagerstown Ice Amateur Athletic Association (HIAAA) began operating the rink in April 2014. The HIAAA is comprised of all the user groups and at-large members. The new operating agreement calls for the City to pay for 75% of the capital improvements to the building and ice making equipment with the balance being contributions by HIAAA or others. Between April 1, 2014 and April 1, 2017, the HIAAA will be completing the locker room project and make improvements to the dasher boards, public address system, purchasing new rental skates, and doing other long-term maintenance.

FY17: Beam and girder painting to prevent rust

FY18-21: Long term maintenance work to building to be determined (\$20k) each year

The rental income that will be received in future years will be used in the operating budget to offset the City's portion of utility costs as follows:

FY17: \$9,000 rental income

FY18 - FY21: \$36,000 rental income

Justification

Supports the Hagerstown Ice Amateur Athletic Association who operates the Ice Rink, which is a city owned building.

Budget Impact/Other

Decrease in electric costs to City.

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	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 '17	FY '18	FY '19	FY '20	FY '21	Total
Contribution by Others	5,000	5,000	5,000	5,000	5,000	25,000
Transfers to CIP-General Fund	15,000	15,000	15,000	15,000	15,000	75,000
Total	20,000	20,000	20,000	20,000	20,000	100,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

City of Hagerstown, Maryland

Project # 45-C0849
Project Name Fire Computer Equip/Public Safety Radios

Type Replacement **Department** Fire
Useful Life 10 years **Contact** Lohr
Category Machinery and Equipment **Priority** Public Safety
Location: Fire Dept Admin
Year Submitted: 2012
Status Active



Description

Upgrade station alerting system/public safety radios. The existing system cannot be supported going forward. A new digital paging system will be implemented by Washington County Government with the City of Hagerstown to collaborate with them to improve the system. This system will also include portable and mobile radios that will upgrade dual band, encrypted zones and talk groups.

Justification

Replacing a radio system that will no longer be supported by the service provider. And, the ISO review indentified a lack of redundant circuits for the purpose of alerting personnel of emergency situations. Upgrading the radios will ensure public safety interoperability.

Budget Impact/Other

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Equip/Vehicles/Furnishings	15,000	15,000	15,000	280,000	15,000	340,000
Total	15,000	15,000	15,000	280,000	15,000	340,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Bond Financing (General Fund)				280,000		280,000
Transfers to CIP-General Fund	15,000	15,000	15,000		15,000	60,000
Total	15,000	15,000	15,000	280,000	15,000	340,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

City of Hagerstown, Maryland

Project # 45-C0853

Project Name Marsh Run Walls Rehabilitation

Type Maintenance

Department Engineering

Useful Life 30 years

Contact Tissue

Category Amenities

Priority Cost Avoidance

Location: Marsh Run

Year Submitted: 2013

Status Active



Description

In August 2013, Engineering staff completed an extensive inspection of this facility from Municipal Stadium to Park Circle. 88 areas were noted to be experiencing cracks, loss of wall section, spawl, or in need of re-pointing mortar.

Phase I: Reconstruct deteriorated stone and concrete walls of the 5 worst areas identified in the August 2013 inspections. These repairs were completed in the Fall of 2014 for \$100,000.

FY17: Phase II repairs to continue on other areas identified during the August 2013 inspection and to be completed in FY17.

FY20: Phase III repairs

Justification

This work will help avoid larger expenditures and costly operating maintenance repairs in the future.

Budget Impact/Other

Based on a 20 year term, preliminary annual debt service impact for the 2017 general fund supported bond issue of \$400K is \$29.7K.

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Construction/Maintenance	400,000			500,000		900,000
Total	400,000			500,000		900,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Bond Financing (General Fund)	400,000			500,000		900,000
Total	400,000			500,000		900,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

City of Hagerstown, Maryland

Project # 45-C0854
Project Name Downtown Redevelopment

Type Improvement
Useful Life 25 years
Category Unassigned
Location: Downtown
Year Submitted: 2013
Department Finance
Contact Hepburn
Priority Planned Improvement
Status Active



Description
Revitalization of the City Center is a top priority of the Mayor and Council. The focus of this CIP is to assist in the overall revitalization efforts creating economic redevelopment. The money designated here is for one-time project costs and expenditures. These bond funds may be part of a tax-exempt or taxable bond issuance. A decision on any future City commitments for the use of these funds will be considered over the next year.
Justification
The proposed project will concentrate on improvements to increase downtown foot traffic, add amenities, support the Arts & Entertainment District, remove blight, encourage private sector development, or related activities.
Budget Impact/Other
Based on a 20 year term, preliminary annual debt service impact for the 2017 general fund supported bond issue of \$1.5M is \$110K.

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Other	1,500,000					1,500,000
Total	1,500,000					1,500,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Bond Financing (General Fund)	1,500,000					1,500,000
Total	1,500,000					1,500,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

City of Hagerstown, Maryland

Project # 45-C0858
Project Name Vehicle Lifts



Type Improvement **Department** Public Works
Useful Life 50 years **Contact** Deike
Category Machinery and Equipment **Priority** Improve Service
Location: CMG
Year Submitted: 2014
Status Active

Description

Installation of a heavy duty vehicle lift to assist the vehicle and equipment mechanics in the maintenance and repair of the city's fleet of over 300 cars, trucks and heavy equipment. Fork lifts currently exist in the shop and can handle 80% of the fleet. This device will lift the heavier equipment.

Justification

Safety is paramount in the repair and maintenance of the city's fleet. This lift would be installed where floor pits currently exist. The pits would be eliminated reducing another potential hazard of falls and air quality (gasses collecting in the pit.)

Budget Impact/Other

Will provide better employee safety when handling heavy objects such as transmissions, pumps, salt spreaders, etc.

Based on a 20 year term, preliminary annual debt service impact for the 2017 general fund supported bond issue of \$75K is \$5.7K.

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Equip/Vehicles/Furnishings	75,000					75,000
Total	75,000					75,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Bond Financing (General Fund)	75,000					75,000
Total	75,000					75,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

City of Hagerstown, Maryland

Project # 45-C0860
Project Name Mobile License Plate Readers

Type Unassigned
Useful Life 5 years
Category Machinery and Equipment
Location: Police Department
Year Submitted: 2014
Department Police
Contact Kifer
Priority Public Safety
Status Active



Description

LPR technology uses specialized cameras and computers to quickly capture large numbers of license plate photographs and compare them to a list of plates of interest, or "hot list." LPR systems can identify a target plate within seconds of reading it, allowing law enforcement to identify target vehicles that may otherwise be overlooked.

FY18: Two units at \$30k each.

Justification

The LPR is a tool with a variety of uses, including the detection of stolen vehicles, vehicles with revoked or suspended registrations, uninsured vehicles, vehicles operated by drivers with suspended or revoked licenses. It is also used to detect vehicles involved in other crimes, and in finding wanted and missing persons. The technology is available in mobile systems mounted on police vehicles, and fixed camera systems that can be mounted on posts or on the roadside. Mobile LPR systems are designed to allow officers to patrol at normal speeds while the system reads license plates they come in contact with and alerts them if there is a match to a "hot list."

Budget Impact/Other

Post-warranty maintenance is assumed in the department operating budget.

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Equip/Vehicles/Furnishings		60,000				60,000
Total		60,000				60,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Transfers to CIP-General Fund		60,000				60,000
Total		60,000				60,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

City of Hagerstown, Maryland

Project # 45-C0866
Project Name Longmeadow Park Improvements

Type Improvement
Useful Life 50 years
Category Land Improvements
Location: Hamilton Run
Year Submitted: 2015
Department Parks
Contact Tissue
Priority Planned Improvement
Status Active



Description

Hamilton Run flows adjacent Longmeadow Park and is severely eroding the banks. In conjunction with local landowners, this project will improve the stream and recreational opportunities at the park. City staff has applied for a Federal Grant for this project.

Phase I: 900' Long stream restoration project

Phase II: Improve paths to Country Club Road with bridge over Hamilton Run

Justification

Stream is eroding and impacting properties, completed in cooperation with the American Legion.

Budget Impact/Other

Minimal impact, additional maintenance, street light operations. Less than \$5,000 annually.

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Planning/Design	87,500					87,500
Land Acquisition	20,000					20,000
Construction/Maintenance	400,000	30,000				430,000
Total	507,500	30,000				537,500

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Excise Tax Fund	20,000					20,000
Grants-Federal	487,500					487,500
Grants-State		30,000				30,000
Total	507,500	30,000				537,500

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

City of Hagerstown, Maryland

Project # 45-C0868

Project Name Public Art

Type Improvement

Department Engineering

Useful Life 50 years

Contact Tissue

Category Land Improvements

Priority Planned Improvement

Location: City-Wide

Year Submitted: 2015

Status Active



Description

Partnering with the local art community (Washington County Arts Council, Washington County Museum of Fine Arts, Barbara Ingram School for the Arts, Valley Art Association, and others) we propose an annual public art project. We plan to identify sites within City Park and Downtown Hagerstown for the placement of contemporary sculptures that would be site-specific works of art.

Justification

Public art makes a significant statement about the community and is free for people to enjoy and interpret. This is a wonderful opportunity to enrich the cultural experience in our community. The proposed art will not only employ artists but will also build on the economic development aspects of Hagerstown as an artistic destination. Frequently businesses investigating locations for extension of their operations will view such collaborative projects as a strong indicator of the community's forward-thinking ability.

Budget Impact/Other

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Equip/Vehicles/Furnishings		25,000	25,000	25,000	25,000	100,000
Total		25,000	25,000	25,000	25,000	100,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
CIP Fund Balance		10,000				10,000
Contribution by Others		10,000	10,000	10,000	10,000	40,000
Transfers to CIP-General Fund		5,000	15,000	15,000	15,000	50,000
Total		25,000	25,000	25,000	25,000	100,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

City of Hagerstown, Maryland

Project # 45-C0870

Project Name Fire Facilities City Owned Buildings



Type Maintenance

Department Fire

Useful Life Indefinite

Contact Lohr

Category Buildings and Structures

Priority Planned Improvement

Location: Various locations

Year Submitted: 2017

Status Active

Description

FY 17 &18: Pioneer Hook & Ladder: Replace fire escape, roof/exterior walls deteriorating, replace plumbing and upgrade electrical GFI outlets. (\$35,000 each year)

FY 17 &18 :Administrative Office 25 W. Church Street: Masonry repairs to cracked sidewalks and to replace holes in the walls, upgrade electrical and GFI outlets, replace plumbing, HVAC installation. (\$35,000 each year)

FY17 &18: Independent Junior Fire Engine Company #3: Repair/replacement of construction, plumbing and electrical services. (\$35,000 each year)

FY18: Independent Junior Fire Engine Company #3: Replace leaking rubber roof. (\$125,000)

Justification

Repairs are necessary to achieve code compliance. Examples of repairs: Masonry -cracked sidewalks, holes/cracks in wall; Electrical -GFCI needed by sinks and in truck bay, wiring need supports, fans not vented to the outside, loose cable outlets. Plumbing - seals need replaced by shower in officer's quarters, damage to trim by shower door; ceiling tiles missing, stained and sagging in areas; HVAC - air conditioning is needed on the Administrative side of the office. This is a condensed list of all repairs that the Administrative Office needs.

Budget Impact/Other

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Construction/Maintenance	105,000	230,000				335,000
Total	105,000	230,000				335,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Bond Financing (General Fund)		125,000				125,000
Transfers to CIP-General Fund	105,000	105,000				210,000
Total	105,000	230,000				335,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

City of Hagerstown, Maryland

Project # 45-C0871
Project Name Fire Equipment

Type Replacement **Department** Fire
Useful Life 10 years **Contact** Lohr
Category Machinery and Equipment **Priority** Planned Improvement
Location: Administrative Office
Year Submitted: 2017
Status Active



Description

Update Hydraulic Tools. Two complete sets of Hurst Hydraulic tools to include hoses, reels, jaws of life, kick rams, cutters, air bags, meters, high angle rescue equipment and ISO recommended portable equipment.

Justification

Replace aging equipment to comply with ISO ratings and improve firefighting capabilities.

Budget Impact/Other

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Equip/Vehicles/Furnishings	40,000	40,000				80,000
Total	40,000	40,000				80,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Transfers to CIP-General Fund	40,000	40,000				80,000
Total	40,000	40,000				80,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

City of Hagerstown, Maryland

Project # 50-C0090
Project Name Electric Vehicles

Type Replacement
Useful Life 10 years
Category Automobiles and Trucks
Location: Electric Department
Year Submitted: Ongoing
Department Electric Fund
Contact Fridinger
Priority Planned Improvement
Status Active



Description

Replace fleet vehicles scheduled for replacement under the Vehicle Replacement Program. There will be no increase in fleet size.
 FY17 - Replace 1999 Bucket Truck 121
 FY18 - Replace 1990 Backhoe 117 and 1990/2003 Cavalier/Sonoma Vehicles 109, 111, 112, & 113.
 FY19 - Replace 1999 Digger Derrick 120
 FY20 - Replace 2003 Bucket Truck 124
 FY21 - Replace 2007 Full Size Pick Up Trucks (122, 126, 131), 2005 Meter Van 137, and 1990 Air Compressor 134

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 '17	FY '18	FY '19	FY '20	FY '21	Total
Equip/Vehicles/Furnishings	250,000	190,000	250,000	250,000	200,000	1,140,000
Total	250,000	190,000	250,000	250,000	200,000	1,140,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Electric Fund	250,000	190,000	250,000	250,000	200,000	1,140,000
Total	250,000	190,000	250,000	250,000	200,000	1,140,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

City of Hagerstown, Maryland

Project # 50-C0111
Project Name Telemetry Equipment

Type Improvement
Useful Life 10 years
Category Machinery and Equipment
Location: Electric Department
Year Submitted: 1997
Department Electric Fund
Contact Fridinger
Priority Planned Improvement
Status Active



Description

Construction of communication networks (wired and wireless) to facilitate transmission of data and/or voice from installed devices in the electric system. These devices may be located in City owned facilities or equipment.

Justification

Fiscal year 2017 funds are budgeted to complete the fiber optic installation between Fairgrounds and Mitchell for SCADA communication. Currently, the substation is communicating with the SCADA system through a third-party wireless network and there is question as to whether this network will be available in the future. Fiscal year 2018 budget improves communication delay and errors between devices monitored within the substations by the SCADA system with the purchase of additional RS-232 to Ethernet converters. Fiscal Years 2019 and beyond are to provide for maintenance of operation. There are presently no plans for vehicle or electric meter communications.

Budget Impact/Other

HLD installation of communications for SCADA, metering, and system monitoring.

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Construction/Maintenance	30,000	10,000	10,000	10,000	10,000	70,000
Equip/Vehicles/Furnishings	10,000	20,000	10,000	10,000	10,000	60,000
Total	40,000	30,000	20,000	20,000	20,000	130,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Electric Fund	40,000	30,000	20,000	20,000	20,000	130,000
Total	40,000	30,000	20,000	20,000	20,000	130,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

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
Status Active



Description

Construct new 34.5/13.8 kV package substation near City Center to offload substations on the northwest end of town. Located at HLD owned property in the rears of the 200 block of Jonathan Street and the unit block of W. Church Street.

Justification

Needed to meet future power requirements in City Center and on the outskirts of town.

Budget Impact/Other

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	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 '17	FY '18	FY '19	FY '20	FY '21	Total
Electric Fund			200,000	500,000	200,000	900,000
Total			200,000	500,000	200,000	900,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

City of Hagerstown, Maryland

Project # 50-C0220
Project Name Wesel Boulevard Development

Type Improvement **Department** Electric Fund
Useful Life 50 years **Contact** Fridinger
Category Infrastructure-Utilities **Priority** Planned Improvement
Location: Wesel Boulevard
Year Submitted: Ongoing
Status Active



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 '17	FY '18	FY '19	FY '20	FY '21	Total
Construction/Maintenance		20,000	20,000	20,000	20,000	80,000
Equip/Vehicles/Furnishings		30,000	30,000	30,000	30,000	120,000
Total		50,000	50,000	50,000	50,000	200,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Electric Fund		50,000	50,000	50,000	50,000	200,000
Total		50,000	50,000	50,000	50,000	200,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

City of Hagerstown, Maryland

Project # 50-C0259

Project Name System Reconductoring

Type Improvement

Department Electric Fund

Useful Life 50 years

Contact Fridinger

Category Infrastructure-Utilities

Priority Planned Improvement

Location: City-Wide

Year Submitted: Ongoing

Status Active



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 '17	FY '18	FY '19	FY '20	FY '21	Total
Construction/Maintenance	10,000	10,000	10,000	10,000	10,000	50,000
Equip/Vehicles/Furnishings	10,000	10,000	10,000	10,000	10,000	50,000
Total	20,000	20,000	20,000	20,000	20,000	100,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Electric Fund	20,000	20,000	20,000	20,000	20,000	100,000
Total	20,000	20,000	20,000	20,000	20,000	100,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

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
Status Active



Description

Install ornamental street lighting in areas designated by the Mayor and City Council

FY18: 400 Block of North Potomac Street

Justification

Improve aesthetics along the main streets and walks within the City.

Budget Impact/Other

Additional lighting will increase street light operation and maintenance budgets for HLD. It will also increase electricity usages charges to the General Fund.

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Construction/Maintenance		50,000	50,000	50,000	50,000	200,000
Equip/Vehicles/Furnishings		50,000	50,000	50,000	50,000	200,000
Total		100,000	100,000	100,000	100,000	400,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Electric Fund		100,000	100,000	100,000	100,000	400,000
Total		100,000	100,000	100,000	100,000	400,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

City of Hagerstown, Maryland

Project # 50-C0441
Project Name SCADA System

Type Improvement **Department** Electric Fund
Useful Life 10 years **Contact** Fridinger
Category Infrastructure-Utilities **Priority** Planned Improvement
Location: 425 E. Baltimore Street
Year Submitted: 2017
Status Active



Description

Upgrade Current SCADA Software and Hardware to improve Substation device monitoring and interrogation.
 SCADA = (S)upervisory (C)ontrol and (D)ata (A)cquisition.

Justification

Improve Load Monitoring and Outage Restoration.

Budget Impact/Other

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Equip/Vehicles/Furnishings	25,000					25,000
Total	25,000					25,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Electric Fund	25,000					25,000
Total	25,000					25,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

City of Hagerstown, Maryland

Project # 50-C0540
Project Name Underground Replacement

Type Replacement
Useful Life 30 years
Category Infrastructure-Utilities
Location: Various locations
Year Submitted: 2015
Department Electric Fund
Contact Fridinger
Priority Planned Improvement
Status Active



Description

Replace aging underground primary cable in various areas throughout the HLD service territory identified by the feeder inspection program.

Justification

Replacing sections of aged primary cable will improve electric reliability in various developments/locations.

Budget Impact/Other

Decrease extensive labor to locate fault and replace cable during unplanned outages.

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Construction/Maintenance	25,000	25,000	25,000	25,000	25,000	125,000
Equip/Vehicles/Furnishings	25,000	25,000	25,000	25,000	25,000	125,000
Total	50,000	50,000	50,000	50,000	50,000	250,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Electric Fund	50,000	50,000	50,000	50,000	50,000	250,000
Total	50,000	50,000	50,000	50,000	50,000	250,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

City of Hagerstown, Maryland

Project # 50-C0542
Project Name Building and Site Improvements

Type Improvement
Useful Life 30 years
Category Buildings and Structures
Location: 425 E. Baltimore Street
Year Submitted: 2001
Department Electric Fund
Contact Fridinger
Priority Planned Improvement
Status Active



Description

Make improvements to the HLD facility on East Baltimore Street.

FY17 - Repair and paint exterior walls caused by poor gutter and roof system (gutter and roof system replaced FY16).

Justification

The existing rubber roof and rain gutters have been replaced in FY16. As a result of the aged infrastructure, the exterior walls are in need of repairs and repainting due to improper drainage.

Budget Impact/Other

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Construction/Maintenance	50,000	25,000	25,000	25,000	25,000	150,000
Total	50,000	25,000	25,000	25,000	25,000	150,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Electric Fund	50,000	25,000	25,000	25,000	25,000	150,000
Total	50,000	25,000	25,000	25,000	25,000	150,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

City of Hagerstown, Maryland

Project # 50-C0544
Project Name Bulldog Substation Upgrade

Type Improvement **Department** Electric Fund
Useful Life 25 years **Contact** Fridinger
Category Infrastructure-Utilities **Priority** Planned Improvement
Location: Burhans Boulevard
Year Submitted: 2001
Status Active



Description

Remove aging station transformer and related equipment. Equipment located at site will not be required after the third bay at the Mitchell Substation is installed (C0778).

Justification

Oldest substation transformer on system (approximately 40 years old) is reaching the end of the expected lifespan of a substation transformer. This station may no longer be required if plans to install a third bay at the Mitchell Substation move forward. There would also be scrap/salvage value which cannot be estimated at this time.

Budget Impact/Other

Removing transformer and/or station will result in lower station maintenance costs and increase reliability of service.

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Construction/Maintenance				10,000	10,000	20,000
Equip/Vehicles/Furnishings				10,000	10,000	20,000
Total				20,000	20,000	40,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Electric Fund				20,000	20,000	40,000
Total				20,000	20,000	40,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

City of Hagerstown, Maryland

Project # 50-C0546
Project Name Streetlight Replacement



Type Replacement **Department** Electric Fund
Useful Life 30 years **Contact** Fridinger
Category Infrastructure-Utilities **Priority** Planned Improvement
Location: Various locations
Year Submitted: 2016
Status Active

Description

Replace direct buried streetlight circuit, obsolete fixtures, and non-standard poles..
 FY17 - Noland Drive
 FY18 - Pangborn Blvd

Justification

Unable to provide for replacement materials for uniformity. Existing cable is in poor condition.

Budget Impact/Other

Decrease extensive labor to locate fault and replace.

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Construction/Maintenance	15,000	15,000				30,000
Equip/Vehicles/Furnishings	10,000	10,000				20,000
Total	25,000	25,000				50,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Electric Fund	25,000	25,000				50,000
Total	25,000	25,000				50,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

City of Hagerstown, Maryland

Project # 50-C0591
Project Name A & E District Upgrades



Type Improvement
Useful Life 50 years
Category Infrastructure-Utilities
Location: South Potomac Street
Year Submitted: 2004
Department Electric Fund
Contact Fridinger
Priority Planned Improvement
Status Active

Description

Provide system upgrades and improvements on the north side of South Potomac Street in conjunction with City projects and developer plans.

Justification

Aesthetic improvements to the A&E district of Downtown Hagerstown.

Budget Impact/Other

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Construction/Maintenance	10,000	10,000	10,000	10,000	10,000	50,000
Equip/Vehicles/Furnishings	15,000	15,000	15,000	15,000	15,000	75,000
Total	25,000	25,000	25,000	25,000	25,000	125,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Electric Fund	25,000	25,000	25,000	25,000	25,000	125,000
Total	25,000	25,000	25,000	25,000	25,000	125,000

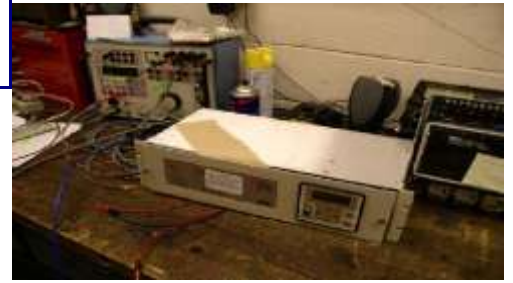
CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

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
Status Active



Description

Procure/repair test equipment to improve maintenance programs and power quality for customers, record voltages, record energy usage, test revenue meters, substation equipment maintenance testing, distribution equipment maintenance testing, 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 '17	FY '18	FY '19	FY '20	FY '21	Total
Equip/Vehicles/Furnishings	10,000	10,000	10,000	10,000	10,000	50,000
Total	10,000	10,000	10,000	10,000	10,000	50,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	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 '17 *thru* FY '21

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
Status Active

Description
 To provide for the replacement of substation breakers that have reached their lifespan. Replacement of substation breakers will be determined by the number of operations, performance test results, age, and type.

Justification
 Replacement of aged and deteriorated breakers will reduce unnecessary outages and assure proper coordination of the distribution system.

Budget Impact/Other

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Construction/Maintenance		25,000	25,000	25,000	25,000	100,000
Equip/Vehicles/Furnishings		25,000	25,000	25,000	25,000	100,000
Total		50,000	50,000	50,000	50,000	200,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Electric Fund		50,000	50,000	50,000	50,000	200,000
Total		50,000	50,000	50,000	50,000	200,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

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
Status Active



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 '17	FY '18	FY '19	FY '20	FY '21	Total
Construction/Maintenance		50,000	50,000			100,000
Equip/Vehicles/Furnishings		10,000	50,000			60,000
Total		60,000	100,000			160,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Electric Fund		60,000	100,000			160,000
Total		60,000	100,000			160,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

City of Hagerstown, Maryland

Project # 50-C0797
Project Name Spare Regulators

Type Maintenance
Useful Life 25 - 50 years
Category Machinery and Equipment
Location: Various locations
Year Submitted: 2009
Department Electric Fund
Contact Fridinger
Priority Planned Improvement
Status Active



Description

Purchase and/or refurbish voltage regulators and controllers for various substations to maintain proper operation.

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 '17	FY '18	FY '19	FY '20	FY '21	Total
Equip/Vehicles/Furnishings	20,000	20,000	20,000			60,000
Total	20,000	20,000	20,000			60,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Electric Fund	20,000	20,000	20,000			60,000
Total	20,000	20,000	20,000			60,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

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** Planned Improvement
Location: Various locations
Year Submitted: 2009
Status Active



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 '17	FY '18	FY '19	FY '20	FY '21	Total
Construction/Maintenance	2,500	2,500	2,500	2,500	2,500	12,500
Equip/Vehicles/Furnishings	7,500	7,500	7,500	7,500	7,500	37,500
Total	10,000	10,000	10,000	10,000	10,000	50,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	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 '17 *thru* FY '21

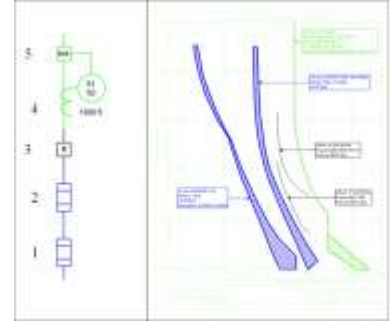
City of Hagerstown, Maryland

Project # 50-C0833
Project Name Feeder Coordination

Type Improvement
Useful Life 10 years
Category Infrastructure-Utilities
Location: Various locations
Year Submitted: 2012

Department Electric Fund
Contact Fridinger
Priority Planned Improvement

Status Active



Description

Remove, relocate, replace, and/or adjust Circuit Breakers, Reclosers, Fuses, Switches, Capacitors, etc. to improve system reliability and power quality. Project will follow Coordination study by Electric Division Engineers.

Justification

Improve system reliability and power quality.

Budget Impact/Other

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Construction/Maintenance	15,000	15,000	15,000	15,000	15,000	75,000
Equip/Vehicles/Furnishings	10,000	10,000	10,000	10,000	10,000	50,000
Total	25,000	25,000	25,000	25,000	25,000	125,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Electric Fund	25,000	25,000	25,000	25,000	25,000	125,000
Total	25,000	25,000	25,000	25,000	25,000	125,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

City of Hagerstown, Maryland

Project # 50-C0842
Project Name Circuit Upgrades

Type Improvement
Useful Life 50 years
Category Infrastructure-Utilities
Location: Wesel to Burhans
Year Submitted: 2006

Department Electric Fund
Contact Fridinger
Priority Planned Improvement



Status Active

Description

Construct final section of 34.5 kV subtransmission loop between substations. Final section of line will connect the Wesel Substation in the south with the 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 '17	FY '18	FY '19	FY '20	FY '21	Total
Construction/Maintenance	10,000	50,000	50,000	50,000	50,000	210,000
Equip/Vehicles/Furnishings	10,000	100,000	100,000	100,000	100,000	410,000
Total	20,000	150,000	150,000	150,000	150,000	620,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Electric Fund	20,000	150,000	150,000	150,000	150,000	620,000
Total	20,000	150,000	150,000	150,000	150,000	620,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

City of Hagerstown, Maryland

Project # 52-C0117
Project Name Water Vehicles

Type Replacement
Useful Life 10 years
Category Automobiles and Trucks
Location: Water Department
Year Submitted: Ongoing
Department Water Fund
Contact Hausrath
Priority Planned Improvement
Status Active



Description
FY17: Unit 202 2006 3/4Ton Truck 4WD (\$25,000), Unit 205 2003 F550 Truck w/crane (\$85,000), Unit 228 2001 Backhoe (\$100,000), Unit 234 2004 F550 Service Truck (\$85,000), Unit P03 2007 Chevrolet Truck 4WD (\$22,000), Unit 210 2000 3/4Ton Truck 4WD (\$25,000), and Unit 227 2003 3/4Ton Truck 4WD (\$45,000)
FY18: Unit 215 2006 Dump Truck (\$90,000), Unit 218 2005 F450 Cargo Truck (\$50,000), Unit 232 1999 1 Ton Dump (\$50,000), Unit 226 2008 Truck SUV (\$22,000), and Unit 212 2005 3/4Ton Truck (\$45,000)
FY19: Unit 208 2005 F550 Service Truck (\$85,000), Unit 211 2009 F750 Dump (\$90,000), Unit 257 2005 Backhoe (\$125,000), Unit 241 2008 SUV (\$25,000), Unit 204 2007 3/4Ton 4WD (\$45,000), and Unit 254 2004 F250 4WD (\$28,000)
FY20 : Unit 223 2006 Backhoe (\$125,000), Unit 233 2008 IT Dump (\$60,000), and Unit 201 2007 SUV (\$25,000)
FY21: Unit 206 2012 F450 Service Truck (\$90,000), Unit 219 1995 Crane Truck (\$155,000), Unit 230 2012 SUV (\$24,000), and Unit 238 2003 Slope Mower (\$55,000)

Justification
Replace Fleet Vehicles scheduled for replacement under the Vehicle Replacement Program - No additional vehicles are being added to the Water Dept. Fleet.
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 '17	FY '18	FY '19	FY '20	FY '21	Total
Equip/Vehicles/Furnishings	387,000	257,000	398,000	210,000	324,000	1,576,000
Total	387,000	257,000	398,000	210,000	324,000	1,576,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Water Fund	387,000	257,000	398,000	210,000	324,000	1,576,000
Total	387,000	257,000	398,000	210,000	324,000	1,576,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

City of Hagerstown, Maryland

Project # 52-C0166
Project Name Willson Treatment Plant

Type Replacement **Department** Water Fund
Useful Life 50 years **Contact** Hausrath
Category Infrastructure-Utilities **Priority** Planned Improvement
Location: Willson Plant
Year Submitted: Ongoing
Status Active



Description

FY17: Various plant improvements each year for equipment replacement to include pumps, motors, communication equipment, etc. Work will include rebuilding one high service pump, rehab/replace plant oil boiler (installed in 1929), and replace roof on Plant Operations Building.

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.

Additionally based on a 20 year term, the preliminary annual debt service impact for the 2017 Water fund supported bond issue of \$195K is \$15K.

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Construction/Maintenance	25,000	25,000	25,000	25,000	25,000	125,000
Equip/Vehicles/Furnishings	200,000	210,000	220,000	230,000	240,000	1,100,000
Total	225,000	235,000	245,000	255,000	265,000	1,225,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Bond Financing (Water Fund)	195,000	197,500	207,500	217,500	227,500	1,045,000
Water Fund	30,000	37,500	37,500	37,500	37,500	180,000
Total	225,000	235,000	245,000	255,000	265,000	1,225,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

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
Status Active



Description

FY17 - FY21: Phase 2 - Begin Engineering Design to extend the 36" Transmission Mains from Bottom Road to the Creek(work will include a directional bore under the Conococheague Creek)

FY20: Phase 3 - Begin design to extend new 36" Transmission Mains from the Conococheague Creek to Governor's Lane

Justification

To replace 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.

Additionally based on a 30 year term, the preliminary annual debt service impact for the 2017 MDE low interest bond issue of \$100K is \$5K.

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Construction/Maintenance		3,250,000	4,250,000		3,500,000	11,000,000
Engineering	100,000	500,000	500,000	400,000	500,000	2,000,000
Total	100,000	3,750,000	4,750,000	400,000	4,000,000	13,000,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
MDE Loan	100,000	3,750,000	4,750,000	400,000	4,000,000	13,000,000
Total	100,000	3,750,000	4,750,000	400,000	4,000,000	13,000,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

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
Status Active



Description

FY17: Continue to monitor reservoir seepage (Triad Engineering) and make required Maryland Department of the Environment (MDE) Improvements

FY17: Begin Study and Design to either repair the toe drain and spillway seepage or breach the reservoir per MDE Dam Safety Division requirements

FY18: Continue MDE required reservoir improvements

FY19: Continue MDE required reservoir improvements

FY17 - FY21: \$150,000 each year for Watershed Land Acquisition and Improvements in the Watershed

Justification

Improve System and Increase Reliability - Work will ensure the Edgemont Reservoir is repaired and maintained in accordance with MDE Dam Safety Division requirements.

Funding from Earnings on Investment on the Appalachian Trail will be used to help fund Watershed work.

Budget Impact/Other

Planned improvement to address regulatory requirements.

Additionally based on a 20 year term, the preliminary annual debt service impact for the 2017 Water fund supported bond issue of \$357K is \$26K.

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Construction/Maintenance	310,000	1,500,000	1,000,000	250,000		3,060,000
Other	150,000	150,000	150,000	150,000	150,000	750,000
Engineering	47,000	175,000	75,000	50,000	25,000	372,000
Total	507,000	1,825,000	1,225,000	450,000	175,000	4,182,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Bond Financing (Water Fund)	357,000	1,675,000	1,075,000	300,000	25,000	3,432,000
Water Fund	150,000	150,000	150,000	150,000	150,000	750,000
Total	507,000	1,825,000	1,225,000	450,000	175,000	4,182,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

City of Hagerstown, Maryland

Project # 52-C0323
Project Name Zone 3 Standpipe

Type Improvement
Useful Life 50 years
Category Infrastructure-Utilities
Location: Water Department
Year Submitted: 2001
Department Water Fund
Contact Hausrath
Priority Planned Improvement
Status Active



Description

This project will result in the construction of a new water storage tank or an upgrade to Pump Station 3 (located on Orchard Hill 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 and infrastructure) 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 Corporation (SNC) Agreement.

Cost share of \$100,000 from SNC.

Budget Impact/Other

Planned improvement to enhance reliability.

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Equip/Vehicles/Furnishings					100,000	100,000
Total					100,000	100,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
ARDI Fund Balance					100,000	100,000
Total					100,000	100,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

City of Hagerstown, Maryland

Project # 52-C0405
Project Name Breichner WTP Improvements

Type Improvement
Useful Life 25 years
Category Infrastructure-Utilities
Location: Breichner Plant
Year Submitted: Ongoing
Department Water Fund
Contact Hausrath
Priority Planned Improvement
Status Active



Description

Upgrades will be a result of the implementation of existing and proposed Safe Drinking Water Act requirements as well as Clean Water Act requirements. Upgrades will be necessary to convert the Breichner Plant to Chloramination once the Willson Phase IV work is complete. Additional upgrades will include upgrading the electrical and SCADA equipment, internal piping and enhanced filtration sufficient to treat the raw water supply. Upgrade(s) will likely cost \$4,200,000 (engineering and construction). Upgrades will be phased in once the Willson Plant upgrades are complete.

FY17-FY21: \$50,000 annually for miscellaneous required rehab/replacement projects.

FY18: Begin Design for Plant upgrades for compliance with Safe Drinking Water Act Disinfectant By-Product Rule (Stage 2) requirements and the Long Term 2 Enhanced Surface Water Treatment Rule. Improvements and Edgemont Viability Study must be completed prior to this work commencing.

Justification

Replace and/or upgrade aging equipment to achieve compliance with the Safe Drinking Water Act Disinfectant By-Product Rule and the Enhanced Long Term 2 Surface Water Treatment Rule requirements and to continue to ensure a back-up water supply.

Budget Impact/Other

Planned improvement to enhance reliability.

Additionally based on a 30 year term, the preliminary annual debt service impact for the 2017 MDE low interest bond issue of \$50K is \$3K.

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Construction/Maintenance	50,000	500,000	3,000,000	50,000	50,000	3,650,000
Engineering	50,000	550,000	150,000			750,000
Total	100,000	1,050,000	3,150,000	50,000	50,000	4,400,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
MDE Loan	50,000	1,000,000	3,100,000			4,150,000
Water Fund	50,000	50,000	50,000	50,000	50,000	250,000
Total	100,000	1,050,000	3,150,000	50,000	50,000	4,400,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

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
Status Active



Description

FY17-FY21 - 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 '17	FY '18	FY '19	FY '20	FY '21	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 '17	FY '18	FY '19	FY '20	FY '21	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 '17 thru FY '21

City of Hagerstown, Maryland

Project # 52-C0651
Project Name Pump Station Improvements

Type Improvement
Useful Life 25 years
Category Infrastructure-Utilities
Location: Various locations
Year Submitted: Ongoing
Department Water Fund
Contact Hausrath
Priority Planned Improvement
Status Active



Description

FY17 - FY21: \$75,000 for replacement of critical equipment at all stations (pumps, SCADA Upgrade, etc.)

FY17: Tank Mixing System for compliance with the Stage 2 DBP Rule - Nitrification Control at the West End, Orchard Hills, Mack Truck, and Smithburg tanks

FY19: Design of New Suction and Discharge Mains at Pump Station 6 at Greendale Street (\$150,000); Misc. Pump Replacements (developer driven)

FY20: Construction of the Pump Station 6 Improvements (suction and discharge) - Work will be contingent on the Water Master Plan Update recommendations

FY21: Design for the Relocation of PS2 (\$400,000); Construction of New PS2 (\$1,500,000) - Note PS2 is located on Northern Ave. (developer driven)

Justification

Replace and/or upgrade deteriorating infrastructure - reliability. Pump Station 2 (Northern Ave) relocation will be development driven. It is possible that a portion of the funding will be through developer contribution.

Budget Impact/Other

Replace and/or Upgrade Deteriorating Infrastructure - Reliability
 Compliance with Stage 2 DBPR - Nitrification Control
 Note - upgrades to the pump stations will not likely change the overall operating cost.

Additionally based on a 30 year term, the preliminary annual debt service impact for the 2017 MDE low interest bond issue of \$225K is \$10K.

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Construction/Maintenance	300,000	75,000	75,000	575,000	1,575,000	2,600,000
Engineering	25,000		150,000	50,000	400,000	625,000
Total	325,000	75,000	225,000	625,000	1,975,000	3,225,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Contribution by Others			150,000	550,000	1,900,000	2,600,000
MDE Loan	225,000					225,000
Water Fund	100,000	75,000	75,000	75,000	75,000	400,000
Total	325,000	75,000	225,000	625,000	1,975,000	3,225,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

City of Hagerstown, Maryland

Project # 52-C0653
Project Name Distribution Services - Meter Program

Type Replacement
Useful Life 25 years
Category Infrastructure-Utilities
Location: Water Department
Year Submitted: 2004

Department Water Fund
Contact Hausrath
Priority Cost Avoidance

Status Active



Description

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.

FY17: Begin the fire line metering program which will include the evaluation of unmetered fire lines and installation of a fire meter if evaluation shows consistent use on the fire line.

Funding in FY17 through FY21 is set aside for the Large Meter Program and any required software and/or hardware upgrades associated with the Sensus meter reading system.

Justification

Replace aging equipment to ensure water and sewer rates are an accurate reflection of the required revenue.

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 Sewer.

When project is complete, department efficiencies will increase - also expect revenues to increase associated with better read accuracy.

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Construction/Maintenance	250,000	250,000	250,000	250,000	250,000	1,250,000
Allocated Labor	80,000	80,000	80,000	80,000	80,000	400,000
Total	330,000	330,000	330,000	330,000	330,000	1,650,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Water Fund	330,000	330,000	330,000	330,000	330,000	1,650,000
Total	330,000	330,000	330,000	330,000	330,000	1,650,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

City of Hagerstown, Maryland

Project # 52-C0709
Project Name Distribution System Rehab - Main Replacement

Type Replacement
Useful Life 50 years
Category Infrastructure-Utilities
Location: Water Department
Year Submitted: Ongoing
Department Water Fund
Contact Hausrath
Priority Planned Improvement
Status Active



Description

FY17: Continue the leak detection program.
 FY17: Continue to replace aging infrastructure throughout the Distribution System - will coordinate with City/County and State road projects.
 FY17 - FY21: Continue to replace aging infrastructure throughout the Distribution System (Antietam Street and Frederick Street planned in FY17).
 FY17 - FY21: \$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.)
 Additionally based on a 20 year term, the preliminary annual debt service impact for the 2017 Water fund supported bond issue of \$550K is \$40K.

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Construction/Maintenance	350,000	360,000	375,000	385,000	395,000	1,865,000
Allocated Labor	200,000	205,000	210,000	215,000	220,000	1,050,000
Total	550,000	565,000	585,000	600,000	615,000	2,915,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Bond Financing (Water Fund)	550,000	565,000	585,000	600,000	615,000	2,915,000
Total	550,000	565,000	585,000	600,000	615,000	2,915,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

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 Planned Improvement

Location: Water Department

Year Submitted: Ongoing

Status Active

Description

FY18: Breichner Plant SCADA Upgrade (\$250,000) - work will be contingent on the Edgemont Source Water Viability Study

FY19: Continue Breichner Plant SCADA Upgrade (\$350,000) - work will be contingent on the Edgemont Source Water Viability Study

FY17 - FY21: Software/Hardware required SCADA upgrades (\$150,000)

Justification

Replace and/or upgrade aging equipment and facilities. SCADA upgrades will increase operational efficiency.

Budget Impact/Other

Upgrades will replace aging equipment. To maintain existing SCADA to ensure treatment efficiencies.

Additionally based on a 20 year term, the preliminary annual debt service impact for the 2017 Water fund supported bond issue of \$150K is \$11K

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Construction/Maintenance	150,000	400,000	500,000	150,000	150,000	1,350,000
Engineering	25,000	25,000	25,000			75,000
Total	175,000	425,000	525,000	150,000	150,000	1,425,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Bond Financing (Water Fund)	150,000	150,000	150,000	150,000	150,000	750,000
MDE Loan		250,000	350,000			600,000
Water Fund	25,000	25,000	25,000			75,000
Total	175,000	425,000	525,000	150,000	150,000	1,425,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

City of Hagerstown, Maryland

Project # 52-C0863
Project Name RC Willson - Traveling Screen Replacement

Type Replacement **Department** Water Fund
Useful Life 30 years **Contact** Hausrath
Category Infrastructure-Utilities **Priority** Planned Improvement
Location: R.C. Willson Plant-Williamsport
Year Submitted: 2016

Status Active



Description

FY17: Advertise, Bid and replace the existing Traveling Screens - the existing traveling screens have exceeded their useful life and have required extensive repairs over the past 3 to 5 years. Future repairs would require extensive re-construction of the existing screens and the useful life of this type of repair is approximately 5 years. The existing screens were installed in 1976.

Justification

Replacement of deteriorating critical equipment. Improve system reliability and reduce short term maintenance expenses.

Budget Impact/Other

Replace deteriorating critical equipment. Short term maintenance costs will be eliminated associated with the existing equipment.

Additionally based on a 30 year term, the preliminary annual debt service impact for the 2017 MDE low interest bond issue of \$1M is \$45K.

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Construction/Maintenance	1,000,000					1,000,000
Engineering	45,000					45,000
Total	1,045,000					1,045,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
MDE Loan	1,000,000					1,000,000
Water Fund	45,000					45,000
Total	1,045,000					1,045,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

City of Hagerstown, Maryland

Project # 54-C0004
Project Name Wastewater Vehicle Replacement

Type Replacement **Department** Wastewater Fund
Useful Life 6 years **Contact** Moss
Category Automobiles and Trucks **Priority** Planned Improvement
Location: CS, WWTP, Admin.
Year Submitted: Ongoing
Status Active



Description
FY17: Replace 2003 #508 Utility Truck (\$135,000), 1988 #520 Case Tractor (\$25,000), 2004 #525 F450 Utility Truck (\$95,000)
FY18: Replace 2000 #512 Dump Truck (\$135,000), 2001 #592 John Deere Backhoe (\$95,000), 1989 #519 Chevy 7D042 Vacuum Truck (\$105,000)
FY19: Replace 2005 #535 New Holland Tractor (\$25,000), 1993 #513 Kohler Generator (\$65,000), 2002 #595 Tandem Dump Truck (\$180,000)
FY20: Replace 2006 # 528 Jet-Vac Cleaner (\$750,000)
FY21: Replace 1999 #509 Volvo Trailer Mounted Generator (\$75,000)
Justification
Replacement units - reduced maintenance costs anticipated
Budget Impact/Other
Newer vehicle requires less maintenance thus reducing O&M costs.

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Equip/Vehicles/Furnishings	255,000	335,000	270,000	750,000	75,000	1,685,000
Total	255,000	335,000	270,000	750,000	75,000	1,685,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Wastewater Fund	255,000	335,000	270,000	750,000	75,000	1,685,000
Total	255,000	335,000	270,000	750,000	75,000	1,685,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

City of Hagerstown, Maryland

Project # 54-C0267
Project Name Manhole Raising

Type Improvement **Department** Wastewater Fund
Useful Life 40 years **Contact** Moss
Category Infrastructure-Utilities **Priority** Public Safety
Location: City-Wide
Year Submitted: Ongoing
Status Active



Description

Raise manholes to meet new street grade, replace three-inch thick lids with lighter more accessible lids.

Manhole raising frame replacement (\$25,000); 25 Manhole Conversion Risers & Lids (\$11,000)

Justification

Annual overlay projects.

Budget Impact/Other

Reduction of liability cost - road improvements.

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Equip/Vehicles/Furnishings	36,000	36,000	36,000	36,000	36,000	180,000
Total	36,000	36,000	36,000	36,000	36,000	180,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Wastewater Fund	36,000	36,000	36,000	36,000	36,000	180,000
Total	36,000	36,000	36,000	36,000	36,000	180,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

City of Hagerstown, Maryland

Project # 54-C0299
Project Name Pump Station Improvements

Type Improvement **Department** Wastewater Fund
Useful Life 40 years **Contact** Moss
Category Infrastructure-Utilities **Priority** Public Safety
Location: System-wide
Year Submitted: Ongoing
Status Active



Description
Replacement and Upgrades to Collection System Pump Stations; these stations convey wastewater to wastewater treatment plant from low lying areas. Muffin Monster Motors, Drive Gear, Cutters (\$45,000); Upgrade SCADA RTU at 5 stations (\$28,000); New Soft Starts at various stations (\$26,000); Repairs and Replacement of security fence for PS No. 7 and Pole Barn (\$22,000);
Justification
Reduce maintenance and increase safety and security of stations.
Budget Impact/Other
Replacing obsolete equipment is needed due to the unavailability of parts for existing units. New soft starts reduce the peak inrush of power required to start large pump motors which helps reduce electric bills.

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Construction/Maintenance	121,000	121,000	121,000	121,000	121,000	605,000
Total	121,000	121,000	121,000	121,000	121,000	605,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Wastewater Fund	121,000	121,000	121,000	121,000	121,000	605,000
Total	121,000	121,000	121,000	121,000	121,000	605,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

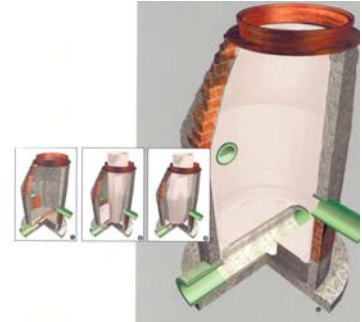
City of Hagerstown, Maryland

Project # 54-C0327
Project Name Collection System Rehabilitation

Type Improvement
Useful Life 40 years
Category Infrastructure-Utilities
Location: City-Wide
Year Submitted: Ongoing

Department Wastewater Fund
Contact Moss
Priority Public Safety

Status Active



Description

FY17-FY21: Collection System Personnel to continue Point Repairs through out the system (estimated at \$150,000 / year); Service connection & main rehabilitation (\$150,000); Manhole rehabilitation (\$100,000)

FY17: Relocate Gravity at Pump Station #3 (\$30,000)

FY18: Re-route forcemain for Station #8 to discharge into Station #18 & #26 (\$1,200,000)

Justification

Reducing the inflow and infiltration will provide future re-capturing of allocation for the WWTP.

Consistent with Comp Plan - identified need to address long term wastewater issues with projected capacity deficits.

FY18: By re-routing the forcemain for Station #8 into #18 & #26 it will reduce the burden on Station #4 and open that area up to development.

Budget Impact/Other

Reduction of I/I will free up capacity for future growth (future revenues).

Additionally based on a 20 year term, the preliminary annual debt service impact for the 2017 Wastewater fund supported bond issue of \$200K is \$15K.

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Construction/Maintenance	430,000	1,600,000	400,000	400,000	400,000	3,230,000
Total	430,000	1,600,000	400,000	400,000	400,000	3,230,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Bond Financing (Wastewater Fund)	200,000	700,000	200,000	200,000	200,000	1,500,000
Contribution by Others		700,000				700,000
Wastewater Fund	230,000	200,000	200,000	200,000	200,000	1,030,000
Total	430,000	1,600,000	400,000	400,000	400,000	3,230,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

City of Hagerstown, Maryland

Project # 54-C0565
Project Name East End Pump Station

Type Improvement **Department** Wastewater Fund
Useful Life 40 years **Contact** Moss
Category Infrastructure-Utilities **Priority** Planned Improvement
Location: East End
Year Submitted: 2001
Status Active



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 a developer in future.

Justification

Pump Station #9 (Former Four Points), has reached capacity, new station needed to promote growth and development.

Budget Impact/Other

Possible increase in electrical cost and pump station maintenance.

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Planning/Design		75,000				75,000
Construction/Maintenance		300,000	300,000	300,000		900,000
Total		375,000	300,000	300,000		975,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Contribution by Others		300,000	300,000	300,000		900,000
Wastewater Fund		75,000				75,000
Total		375,000	300,000	300,000		975,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

City of Hagerstown, Maryland

Project # 54-C0584
Project Name WWT Plant Equipment

Type Replacement
Useful Life 20 years
Category Machinery and Equipment
Location: Wastewater treatment plant
Year Submitted: Ongoing
Department Wastewater Fund
Contact Moss
Priority Public Safety
Status Active



Description
Replaces various aging equipment or adds additional new equipment to maintain efficient operations and permit compliance. Replace the Electrical Switch Gear located in the Main Control Building and O2 Building (FY17 - \$125,000.00) Upgrade the PLC's throughout the WWTP by replacing the obsolete and unsupported programming software systems currently in place. (FY17 - \$150,000.00)
Justification
Deteriorating equipment that has reached the end of its useful life cycle requires replacement to maintain reliable, continuous operations.
Budget Impact/Other
Should reduce annual maintenance and repair of equipment cost. Additionally based on a 20 year term, the preliminary annual debt service impact for the 2017 Wastewater fund supported bond issue of \$275K is \$21K.

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Equip/Vehicles/Furnishings	275,000	50,000	50,000	50,000	50,000	475,000
Total	275,000	50,000	50,000	50,000	50,000	475,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Bond Financing (Wastewater Fund)	275,000					275,000
Wastewater Fund		50,000	50,000	50,000	50,000	200,000
Total	275,000	50,000	50,000	50,000	50,000	475,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

City of Hagerstown, Maryland

Project # 54-C0585
Project Name WWT Buildings and Structures

Type Improvement **Department** Wastewater Fund
Useful Life 50 years **Contact** Moss
Category Buildings and Structures **Priority** Planned Improvement
Location: 1 Clean Water Circle
Year Submitted: Ongoing
Status Active



Description
Wastewater Buildings; renovations, repairs and maintenance.
Upgrade heating and cooling systems in WW Operations Building. Install cooling system in conference room and remove old chiller units on DAF building. (FY17)
Replace boiler system in Operations Building or install alternative systems to provide heat to all areas currently heated with hot water. (FY17)
Other various building improvements such as replacing the flooring and lower ceiling in main lobby area of Administration Building.
Justification
Aging structures that require repairs and improvements. The administration building was last upgraded in 1980.
The boiler system for the operations building is beyond its useful life and has been leaking. A systemwide evaluation needs to be completed for the operations building to determine the best option to pursue for heating.
Budget Impact/Other
Reduce future operation and maintenance costs to keep the heating and cooling systems in service.

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Construction/Maintenance	100,000	25,000	25,000	25,000	25,000	200,000
Total	100,000	25,000	25,000	25,000	25,000	200,000
Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Wastewater Fund	100,000	25,000	25,000	25,000	25,000	200,000
Total	100,000	25,000	25,000	25,000	25,000	200,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

City of Hagerstown, Maryland

Project # 54-C0657
Project Name Oxygen System Improvements

Type Replacement **Department** Wastewater Fund
Useful Life 20 years **Contact** Moss
Category Infrastructure-Utilities **Priority** Public Safety
Location: Wastewater treatment plant
Year Submitted: Ongoing
Status Active



Description

Specialized Services includes work by an outside consultant to continue efforts to integrate controls for oxygen control panels into Plant SCADA System.

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 '17	FY '18	FY '19	FY '20	FY '21	Total
Equip/Vehicles/Furnishings	10,000	10,000	10,000	10,000	10,000	50,000
Total	10,000	10,000	10,000	10,000	10,000	50,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Wastewater 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 '17 *thru* FY '21

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** Moss
Category Machinery and Equipment **Priority** Contract Obligation
Location: Wastewater treatment plant
Year Submitted: Ongoing
Status Active



Description

Upgrade or replace equipment in the Sludge Pelletizing facility (Synagro). The pelletizing building and the equipment is owned by the City. Synagro is contracted to operate and maintain all the equipment in this facility. The Wastewater operations staff verify all expenses for repair parts and subcontract work billed to the City by Synagro.

Justification

Improve reliability and maintain MDE compliance.

Budget Impact/Other

Maintain continuous and reliable solids processing facilities for the WWTP.

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Equip/Vehicles/Furnishings	50,000	50,000	50,000	50,000	50,000	250,000
Total	50,000	50,000	50,000	50,000	50,000	250,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Wastewater Fund	50,000	50,000	50,000	50,000	50,000	250,000
Total	50,000	50,000	50,000	50,000	50,000	250,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

City of Hagerstown, Maryland

Project # 54-C0712
Project Name Sludge Storage Phase I Improvement



Type Maintenance **Department** Wastewater Fund
Useful Life **Contact** Moss
Category Machinery and Equipment **Priority** Planned Improvement
Location: Wastewater treatment plant
Year Submitted: Ongoing
Status Active

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. By contract, Synagro is tasked to complete the upgrades for this facility. Redundant facilities for sludge storage and sludge thickening will also be created.

FY16: Phase 1- Sludge Storage and Thickening Improvements; modifications to the existing Fermentor required to convert it into a Gravity Thickener to act as a backup process to the DAF unit.

FY17 & FY18: Phase 2 - Synagro will upgrade the pelletizing facility as a part of their extended contract.

Justification

Phase 1 provides back-up storage for our thickened sludge and an alternate thickening process to the DAF. Phase 2 provides for upgrades to the pelletizing facility which is approaching 30 years old.

Budget Impact/Other

Provides redundant storage and thickening facilities for the solids processing operations and replaces the components of the pelletizing plant that are at the end of their useful life.

Additionally based on a 20 year term, the preliminary annual debt service impact for the 2017 Wastewater fund supported bond issue of \$1M is \$74K.

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Construction/Maintenance	1,000,000	1,000,000	1,000,000	1,000,000		4,000,000
Total	1,000,000	1,000,000	1,000,000	1,000,000		4,000,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Bond Financing (Wastewater Fund)	1,000,000	1,000,000	1,000,000	1,000,000		4,000,000
Total	1,000,000	1,000,000	1,000,000	1,000,000		4,000,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

City of Hagerstown, Maryland

Project # 54-C0713
Project Name Collection System Equipment

Type Improvement
Useful Life 15 years
Category Machinery and Equipment
Location: Clean Water Circle
Year Submitted: Ongoing
Department Wastewater Fund
Contact Moss
Priority Planned Improvement
Status Active



Description

Replaces various aging equipment or adds additional new equipment to maintain efficient operations and permit compliance. (FY17 \$15,000.00)
New Generator for Unit #525 (FY17 \$5,000.00)
New 45kVA trailer mounted, portable emergency generator for Pump Stations. (FY17 \$30,000.00)

Justification

The addition of this new trailer mounted gen set provides the capability to now have generators for every Pump Station.

Budget Impact/Other

Will reduce annual maintenance cost, main and service I&I location, and long-term CIP planning.

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Equip/Vehicles/Furnishings	50,000	80,000	80,000	80,000	80,000	370,000
Total	50,000	80,000	80,000	80,000	80,000	370,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Wastewater Fund	50,000	80,000	80,000	80,000	80,000	370,000
Total	50,000	80,000	80,000	80,000	80,000	370,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

City of Hagerstown, Maryland

Project # 54-C0745
Project Name Laboratory Equipment

Type Replacement
Useful Life 15 years
Category Machinery and Equipment
Location: Wastewater treatment plant
Year Submitted: Ongoing
Department Wastewater Fund
Contact Moss
Priority Planned Improvement
Status Active



Description

Replaces various aging equipment or adds additional new equipment to maintain efficient operations and permit compliance.
 \$10,000 for unexpected equipment breakdown.

Justification

Improve reliability of existing equipment.

Budget Impact/Other

No impact to future operating budgets.

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Equip/Vehicles/Furnishings	10,000	10,000	10,000	10,000	10,000	50,000
Total	10,000	10,000	10,000	10,000	10,000	50,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Wastewater 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 '17 *thru* FY '21

City of Hagerstown, Maryland

Project # 54-C0767

Project Name Grinder Pump Replacement Program



Type Replacement

Department Wastewater Fund

Useful Life 10 years

Contact Moss

Category Infrastructure-Utilities

Priority Planned Improvement

Location: Various locations

Year Submitted: 2007

Status Active

Description

The City is responsible for approximately 330 Grinder Pumps; they have been installed in four locations (Brightwood East, Fairway East, Fairway Meadows & Woodlands North). Grinder pumps are used in situations where sewer service lines leaving a home or business is lower than the public sewer main.

The Grinder Pump is used to pump the wastewater into the public sewer main.

This program will replace 20 grinder pumps including the discharge assemblies per year. (Annual Program)

This program will be entering it's eighth year in the budget process.

Grinder pump discharge assembly - 12 @ \$960.00 each (\$12,000.00)

Justification

Replace deteriorating equipment.

Budget Impact/Other

Reduction of annual maintenance cost is anticipated.

Based on a 20 year term, the preliminary annual debt service impact for the 2017 Wastewater fund supported bond issue of \$112K is \$8K.

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Equip/Vehicles/Furnishings	112,000	112,000	112,000	112,000	112,000	560,000
Labor (CS)	50,000	50,000	50,000	50,000	50,000	250,000
Total	162,000	162,000	162,000	162,000	162,000	810,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Bond Financing (Wastewater Fund)	112,000	112,000	112,000	112,000	112,000	560,000
Wastewater Fund	50,000	50,000	50,000	50,000	50,000	250,000
Total	162,000	162,000	162,000	162,000	162,000	810,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

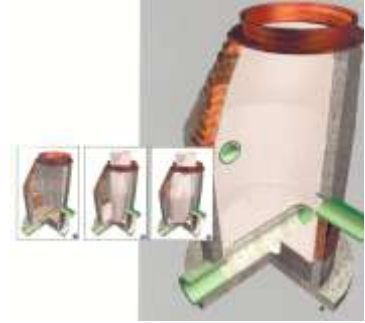
City of Hagerstown, Maryland

Project # 54-C0800
Project Name Citywide - CS Rehabilitation

Type Improvement
Useful Life 40 years
Category Infrastructure-Utilities
Location: City-Wide
Year Submitted: 2008

Department Wastewater Fund
Contact Moss
Priority Public Safety

Status Active



Description

Correct infiltration and inflow into the wastewater collection system by replacement or re-lining defective piping.

Application for grant funding to MDE was approved for \$300,000.00. Contract Documents submitted for approval 12-1-15. Bidding to commence in February 2016

The Project will repair segments that were identified in the 2007 Sanitary Sewer Evaluation Study (SSES)

Justification

Reducing the inflow & infiltration will provide future re-capturing of allocation for the WWTP.

Consistent with Comprehensive Plan - identified need to address long-term wastewater issues with projected capacity deficits.

Budget Impact/Other

Reduction of I/I will free up capacity for future growth (future revenues)

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Construction/Maintenance	600,000					600,000
Total	600,000					600,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Grant-State MDE	300,000					300,000
Wastewater Fund	300,000					300,000
Total	600,000					600,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

City of Hagerstown, Maryland

Project # 54-C0832
Project Name Eliminate Pump Stations

Type Improvement
Useful Life 40 years
Category Infrastructure-Utilities
Location: Various locations
Year Submitted: 2016
Department Wastewater Fund
Contact Moss
Priority Planned Improvement
Status Active



Description

Design, permitting and construction of gravity main and package pump station to eliminate Pump Station # 6 (FY17 - \$160,000)
 Pump Station # 15 (Noland Village) may need new pumps or maybe demolished if nearby gravity piping is completed (FY18 - \$300,000)

Justification

Reduce annual operating costs.

Budget Impact/Other

Eliminate the cost of operating over-sized pump stations.
 Additionally based on a 20 year term, the preliminary annual debt service impact for the 2017 Wastewater fund supported bond issue of \$160K is \$12K.

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Construction/Maintenance	160,000	300,000				460,000
Total	160,000	300,000				460,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Bond Financing (Wastewater Fund)	160,000	300,000				460,000
Total	160,000	300,000				460,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

City of Hagerstown, Maryland

Project # 54-C0834
Project Name Trunk Lines and Laterals

Type Improvement
Useful Life 40 years
Category Infrastructure-Utilities
Location: Various locations
Year Submitted: Ongoing
Department Wastewater Fund
Contact Moss
Priority Contract Obligation
Status Active



Description

Purchase or transfer of infrastructure, which are often necessary to connect the City and County Systems.

Justification

Provide efficient use of wastewater infrastructure throughout system.

Budget Impact/Other

These funds are designated for the purchase of Right of Ways and/or Easements sometimes needed to connect City and County infrastructure.

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	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 '17	FY '18	FY '19	FY '20	FY '21	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 '17 thru FY '21

City of Hagerstown, Maryland

Project # 56-C0173

Project Name Parking Facilities - 3rd Parking Deck



Type Improvement
Useful Life 50 years
Category Buildings and Structures
Location: To be determined
Year Submitted: 2011

Department Parking Fund
Contact Deike and Tissue
Priority Planned Improvement

Status Active

Description

A parking study conducted in 2012 by Rich & Associates communicated that current parking demand will not support a third deck. The downtown "Community City Center Plan" linked the possible future need for additional parking to Catalyst Project #1 which is the development of new retail/office space in the downtown. The City is currently working with a developer for this catalyst project. Parking will initially be provided by the Central Parking Lot and the University District Parking Deck. The Urban Partners Study states "once capacity of existing off-street facilities is exhausted, it is the intention of the City to construct additional off-street parking facilities."

FY20: Land acquisition and design phase

FY21: Construction phase of a new approximately 490 space deck

Justification

Provide additional needed parking to support redevelopment of the City center area including: residential, office, and commercial development, as well as any other downtown revitalization projects. Intent is to get paying customers above the current level as funding sources do not include any general fund support.

Budget Impact/Other

For this deck to be financially viable to the City, it is critical to have new and additional paying parking system customers in our downtown area beyond current levels. The operating revenue from a third deck, combined with other Parking Fund revenue, would need to meet total Parking operating expenses plus related debt service expenses to avoid general fund subsidies and revenue shortfalls.

Bond financing to fund either all or a portion of the planning/design phase and land acquisition and construction would be needed by the end of calendar year 2020. Finally, the preliminary annual debt service for future bond is estimated to be \$570K for a 30 year term.

Annual operation costs are estimated to be \$150,000 to \$160,000 for a full year beginning in FY22 and half of this amount approximately \$79K for partial year open in FY21.

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Planning/Design				875,000		875,000
Land Acquisition				700,000		700,000
Construction/Maintenance					8,425,000	8,425,000
Total				1,575,000	8,425,000	10,000,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Bond Financing (Parking Fund)				1,575,000	8,425,000	10,000,000
Total				1,575,000	8,425,000	10,000,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

City of Hagerstown, Maryland

Project # 56-C0749

Project Name Upgrades to Parking Decks



Type Maintenance

Department Parking Fund

Useful Life 10 - 20 years

Contact Deike

Category Buildings and Structures

Priority Planned Improvement

Location: Downtown

Year Submitted: 2007

Status Active

Description

CIP is to provide funding for upgrades and refurbishments for both parking decks.

FY17: Funding provided for general repairs and improvements to both decks

FY18: Replacement of gate equipment for A&E

FY19: Construction of a second exit lane and replacement of gate equipment at the University district Parking Deck.

FY20 - FY21: Funding provided for general repairs and improvements to both decks

Justification

University District Deck opened in 1986 and received major refurbishments in 2013 and 2014. No major structural issues at this time. Continued refurbishments prevents deterioration of the facility. The Arts & Entertainment District Deck opened in 2007 and also requires upkeep and upgrades to maintain and improve the parking experience.

Existing equipment at both decks is Federal APD. This manufacturer is no longer in business. Parts are becoming increasingly difficult to obtain.

Budget Impact/Other

Refurbishment prevents further deterioration of the facilities and costlier repairs.

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Construction/Maintenance	30,000	120,000	350,000	30,000	30,000	560,000
Total	30,000	120,000	350,000	30,000	30,000	560,000
Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Parking Fund	30,000	120,000	350,000	30,000	30,000	560,000
Total	30,000	120,000	350,000	30,000	30,000	560,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

City of Hagerstown, Maryland

Project # 56-C0829
Project Name Parking Fund Vehicles

Type Replacement
Useful Life 10 years
Category Automobiles and Trucks
Location: North Potomac Street
Year Submitted: Ongoing
Department Parking Fund
Contact Deike
Priority Planned Improvement
Status Active



Description

Per Vehicle and Equipment schedule

FY17: 2000 Madvac Sweeper #050 (\$35,000)

Justification

Vehicle repair costs and maintenance increase with the age of a vehicle. On average, vehicles should be replaced every 10 years. Some equipment and vehicles should be replaced sooner than 10 years while others can go longer.

Budget Impact/Other

New vehicles and equipment should operate more efficiently and need less maintenance. Newer vehicles will have better fuel economy and less labor and material costs for maintenance.

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Equip/Vehicles/Furnishings	35,000					35,000
Total	35,000					35,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Parking Fund	35,000					35,000
Total	35,000					35,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

City of Hagerstown, Maryland

Project # 56-C0857
Project Name Parking Lot Improvements

Type Maintenance **Department** Parking Fund
Useful Life 15 - 25 years **Contact** Deike
Category Buildings and Structures **Priority** Planned Improvement
Location: Various locations
Year Submitted: 2014
Status Active



Description
Improve the overall condition of surface parking lots to include: preservation of the pavement, sidewalk improvements, lighting and handicap accessible ramps.
FY17: Market Lot parking lot pavement preservation, sidewalk improvements, and lighting improvements (\$45,000)
FY18: Rochester Lot parking lot pavement preservation, sidewalk improvements, and lighting improvements (\$60,000)
FY19: Elizabeth Hager Lot parking lot pavement preservation, sidewalk improvements, and lighting improvements (\$30,000)
FY20: Antietam Street lot pavement preservation (\$10,000)
FY21: High Street and Madison Avenue parking lot pavement preservation, sidewalk improvements, and lighting improvements (\$15,000)
Justification
Preservation of the pavement (crack sealing, overlay) allows the pavement to last much longer before total replacement is necessary. Sidewalk improvements include handicap accessible ramps to meet ADA requirements. Light improvements by transitioning to LED lights improve security while reducing energy costs.
Budget Impact/Other
Reduction in electrical costs for parking lot lighting. LED light saves 50% to 75% in utility costs.

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Construction/Maintenance	45,000	60,000	30,000	10,000	15,000	160,000
Total	45,000	60,000	30,000	10,000	15,000	160,000
Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Parking Fund	45,000	60,000	30,000	10,000	15,000	160,000
Total	45,000	60,000	30,000	10,000	15,000	160,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

City of Hagerstown, Maryland

Project # 56-C0867
Project Name Parking System Improvements

Type Improvement
Useful Life 15 years
Category Machinery and Equipment
Location: Downtown
Year Submitted: 2015

Department Parking Fund
Contact Deike
Priority Improve Service

Status Active



Description

One of the Mayor and Council's Goals & Priorities is to "promote a more customer-oriented parking experience" for parkers in the downtown. Project could include one or all of the following: kiosk parking for Pay-And-Display; pay by phone through a smart phone application or the installation of new meter heads that accept multiple forms of payment including credit cards.

Justification

To provide multiple, payment options for those visiting the downtown and parking. Parking includes on-street and off-street lot parking. Different methods of payment provides a driver with options and thus enhance the parking experience.

Budget Impact/Other

Industry standards indicate that parking paid by phone (smart phone app) and credit card increase parking revenues while providing a better parking experience.

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Equip/Vehicles/Furnishings	25,000					25,000
Total	25,000					25,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Parking Fund	25,000					25,000
Total	25,000					25,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

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

Status Active

Description

See vehicle and equipment replacement schedule.

FY17: Replace 1995 Pickup #332 (\$35,000)
 FY18: Replace 2004 Cushman Sprayer #389 (\$30,000)
 FY19: Replace 1995 Kubota Tractor #353 (\$20,000)
 FY20: 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 '17	FY '18	FY '19	FY '20	FY '21	Total
Equip/Vehicles/Furnishings	35,000	30,000	20,000	20,000		105,000
Total	35,000	30,000	20,000	20,000		105,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Golf Fund	35,000	30,000	20,000	20,000		105,000
Total	35,000	30,000	20,000	20,000		105,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

City of Hagerstown, Maryland

Project # 57-C0825
Project Name Golf Cart Storage

Type Improvement
Useful Life 25 years
Category Buildings and Structures
Location: Greens at Hamilton Run
Year Submitted: 2011
Department Golf Fund
Contact Mason
Priority Improve Service
Status Active



Description

Covered building for golf cart storage, security, and recharging of electric batteries.
 Contingent upon receiving State POS funding.

Justification

To shelter the golf carts from inclement weather and secure them.

Budget Impact/Other

Very minimal.

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Construction/Maintenance		30,000				30,000
Total		30,000				30,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Golf Fund		3,000				3,000
Grants-State Program Open Space		27,000				27,000
Total		30,000				30,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

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
Status Active

Description

Stabilize building and ensure it complies with the City's exterior code compliance regulations. Seek Mayor and Council guidance on future.

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 '17	FY '18	FY '19	FY '20	FY '21	Total
Construction/Maintenance		5,000				5,000
Total		5,000				5,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Property Management Fund		5,000				5,000
Total		5,000				5,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

City of Hagerstown, Maryland

Project # 58-C0779
Project Name Roslyn Building Renovation

Type Replacement **Department** Property Management Fund
Useful Life 25 years **Contact** Deike
Category Buildings and Structures **Priority** Planned Improvement
Location: 17-25 E. Franklin Street
Year Submitted: 2016
Status Active



Description

FY17: Replacement of windows (\$100,000) - total of 66 windows
 FY18: Roof Replacement (\$100,000)

Justification

Wood windows have deteriorated including many window sills along the East and South sides of the building. Need is immediate.

Roof is original to renovation over 15 years ago. Useful life has been met or exceeded.

Budget Impact/Other

Future plans are uncertain for this property. Projects listed will probably require bond financing since Property Management is cash strapped.

Based on a 20 year term, the annual debt service impact for the April 2015 general fund supported bond issue of \$100K is \$6K.

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Construction/Maintenance	100,000	100,000				200,000
Total	100,000	100,000				200,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Bond Financing (Prop Mgmt Fund)		100,000				100,000
Prior Bond Proceeds	100,000					100,000
Total	100,000	100,000				200,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

City of Hagerstown, Maryland

Project # 58-C0803
Project Name Elizabeth Hager Center



Type Replacement
Useful Life 15 - 25 years
Category Buildings and Structures
Location: 10-14 N. Potomac St.
Year Submitted: 2010
Department Property Management Fund
Contact Deike
Priority Planned Improvement
Status Active

Description

FY17-21: Painting, various leasehold improvements and continued replacement of HVAC units on an as needed basis.

FY17: Replace floor tile and subfloor in DLLR Main Lobby. Both are failing. Replace (1) rear window and (2) front windows. Original windows no longer function.

Justification

The subfloor is failing causing the VCT floor tile to warp and no longer adhere.

The windows are original steel frame, uninsulated windows. Window sills need repaired/replaced.

Budget Impact/Other

New HVAC should be more efficient possibly saving on heating/cooling costs.

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Construction/Maintenance	45,000	20,000	20,000	20,000	20,000	125,000
Total	45,000	20,000	20,000	20,000	20,000	125,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Property Management Fund	45,000	20,000	20,000	20,000	20,000	125,000
Total	45,000	20,000	20,000	20,000	20,000	125,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

City of Hagerstown, Maryland

Project # 58-C0828
Project Name Hagerstown Small Business Center

Type Improvement
Useful Life 25 - 50 years
Category Buildings and Structures
Location: 60 W Washington Street
Year Submitted: 2011
Department Property Management Fund
Contact Frick
Priority Planned Improvement
Status Active



Description

The City continues to support small business through revitalization of the building located at 60 West Washington Street, which was acquired in 2011. The final phase of renovations for the middle portion of the building included the creation of a collaborative work space, three offices, and a conference room. This space will provide incubation, assistance, and networking opportunities for new and existing downtown businesses. A USDA Rural Business Enterprise Grant was awarded to the City in the amount of \$174,000 for the construction and fit out the Business Resource Center.

FY17: Painting retail space (\$5,000)

FY18: Painting USMH space (\$10,000); and total building roof replacement (\$80,000)

Justification

As part of the City of Hagerstown's commitment to enhance economic development in the City Center, the building was acquired in April 2011 in order to create a small business incubator. The small business incubator will aide in the creation of small businesses and allow small businesses to grow and expand.

Budget Impact/Other

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Construction/Maintenance	5,000	90,000				95,000
Total	5,000	90,000				95,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Property Management Fund	5,000	90,000				95,000
Total	5,000	90,000				95,000

CAPITAL IMPROVEMENT PROGRAM

FY '17 *thru* FY '21

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** Frick
Category Buildings and Structures **Priority** Planned Improvement
Location: 36-40 N Potomac St
Year Submitted: 2012

Status Active

Description

The Artist Lofts and Cooperative Gallery, located at 36-40 North Potomac Street, is an impactful redevelopment project that created live/work spaces for artists seeking to live in the downtown.

The building was acquired in 2011 and façade renovations were completed in 2012. The existing residential units have received a complete makeover and have been transformed into open, loft style apartments. The vacant commercial space has been renovated and is now occupied by the Engine Room Art Space

FY17: Improvements to the rear parking area and upgrades to the ground level storage areas.

FY18: Repairs to the rear exterior wall and replacement of the restaurant's rear deck.

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 has been renovated to create live/work spaces for artists who will have access to a cooperative gallery on the first floor.

FY17: The parking lot is in need of replacing. Most of the asphalt is cracked and damaged. Sealing is not an option.

Budget Impact/Other

Expenditures	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Construction/Maintenance	12,000	35,000				47,000
Total	12,000	35,000				47,000

Funding Sources	FY '17	FY '18	FY '19	FY '20	FY '21	Total
Property Management Fund	12,000	35,000				47,000
Total	12,000	35,000				47,000

**SCHEDULE OF FEES AND SERVICE CHARGES
SECTION 9**

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SCHEDULE OF FEES & SERVICE CHARGES
FISCAL YEAR 2016/2017

NAME OF FEE/PURPOSE	EFF DATE	FY16 RATE	FY17 PROPOSED	FY15 ACTUAL	COMPARABLE RATES	ACTION REQUIRED
CITY CLERK						
01030022 - 4271 Auctioneer-to Conduct an Auction Annual Fee	1992	\$25	\$25	\$ 9,526	Baltimore County: \$180	Ordinance
Peddler: Peddler (Door-to-Door) Annual Fee	2014	\$250	\$250		Cumberland \$200/yr, \$75/day	Ordinance
Vendor (Stand or Truck) Annual Fee	2014	\$250	\$250		Salisbury: \$25 + \$1,000 Surety Bond	
Temporary Peddler Daily Fee	2014	\$25	\$25			
Transient Dealer Annual Fee	2014	\$1,000-\$3,500	\$1,000-\$3,500			Ordinance
Parade Per Event Fee	1992	\$125	\$125		Baltimore \$170	Ordinance
Circus/Carnival Weekly Fee	1992	\$125	\$125		Salisbury: \$75/day	Ordinance
Special Sales(Auctions, Going-out-of Business, Etc.)	1992	\$125	\$125			Ordinance
Theatre Annual Fee	1967	\$100	\$100			Ordinance
01030022 - 4221 Utility License Annual Fee	2007	\$4,500	\$4,500	\$ 14,500	For all private & City owned utilities	Resolution
01030022 - 4221 City Code Annual Fee	1990	\$125	\$125	\$ -	Available on-line, free of charge	Admin Order
City Code Supplement	1998	\$40	\$40			Admin Order
01030021 - 489903 Souvenirs/Maps		Various	Various	\$ -		
SUPPORT SERVICES						
01070022 - 4494 Bad Check Fee Per Check (To compensate the City for Bank charges & employee time)	2007	\$37.50	\$37.50	\$ 300	\$35-\$39 Area Banks	Admin Order
01072062 - 4490 Pay-By-Phone Transaction Fee	2012	\$7	\$7	\$ 27,582	Potomac Edison \$7	Admin Order
01072062-449001 Credit Card Convenience Fee	2014	\$2	\$2	\$ -		Admin Order
COMMUNICATIONS						
0103003-5517 (Used in FY15-FY16) 01030062-4899 (FY17) Pulic Information Requests Fee Per Page: 20 pages or less 21 pages or more DVD/2GB Thumb Drive Document Retrieval & Review beyond 2 hrs Letter for Certification issues by City Clerk	2002	\$0.25/page \$0.25/page \$5.00 Billed at employee's hourly rate N/A	Free \$1.25 plus \$0.25/each addtl page \$5.00 Billed at employee's hourly rate \$3.00	\$ 2,737 \$ -	Cumberland - First 20 pages free; \$0.25/page or \$1.00 per page for certified copy Rockville - First 40 pages free; \$0.20/page B&W or \$1.00 per page for color Frederick - First 20 pages free; \$0.25/page Salisbury - First 4 pages free; \$0.25/page Annapolis - First 10 pages free; \$0.25/page; \$30/hr for document retrieval& review over 2 hrs	Admin Order
COMMUNITY DEVELOPMENT BLOCK GRANT FUND						
10000002 - 441596 Loan Processing Fees: Multifamily Residence Mixed Use or Commercial Economic Development	1986	\$50 \$50 \$100	\$50 \$50 \$100	\$ 2,404	Cumberland - No Fees Frederick - No similar program. They outsource to their local Community Action Council.	Admin Order
BUSINESS REVOLVING LOAN FUND						
14000001 - 4899 Miscellaneous Revenue Based on loan request amount: \$5,000- 50,000 \$50,001- 100,000 \$100,001- 150,000 \$150,001 - 200,000	2001	\$100 \$150 \$200 \$250	\$100 \$150 \$200 \$250	\$ 300	Frederick - \$200 Flat Fee	Admin Order
MARKET HOUSE						
01402042-481005 Market House Stall Rentals: Annual Rates: Reg Space: 6ft Quarterly Fee Reg Space: 6ft Monthly Fee Reg Space: 3ft Quarterly Fee Reg Space: 3ft Monthly Fee Prem Space: 6ft Quarterly Prem Space: 6ft Monthly Prem Space: 3ft Quarterly Prem Space: 3ft Monthly Electric Monthly Fee Seasonal Rates: Reg Space: 6ft Quarterly Fee Reg Space: 6ft Monthly Fee Reg Space: 3ft Quarterly Fee Reg Space: 3ft Monthly Fee Prem Space: 6ft Quarterly Prem Space: 6ft Monthly Prem Space: 3ft Quarterly Prem Space: 3ft Monthly Electric Monthly Fee		\$57 \$19 \$28.50 \$9.50 N/A N/A N/A N/A \$12 \$63 \$21 \$31.50 \$10.50 N/A N/A N/A N/A N/A \$12	\$57 \$19 \$28.50 \$9.50 N/A N/A N/A N/A \$12 \$63 \$21 \$31.50 \$10.50 N/A N/A N/A N/A N/A \$12	\$ 21,054	Washington County Farmer's Market - \$15.24/ft Stall Washington County Farmer's Market \$10 per day Wed. & Sat. Receive 10% discount if choose to be a part of the entire season	Admin Order
01402042-489905 City Farmer's Market Mugs		None	None	\$ -		Admin Order

SCHEDULE OF FEES & SERVICE CHARGES
FISCAL YEAR 2016/2017

NAME OF FEE/PURPOSE	EFF DATE	FY16 RATE	FY17 PROPOSED	FY15 ACTUAL	COMPARABLE RATES	ACTION REQUIRED
PLANNING						
01090012 - 441131 Subdivision: Simplified Plat, Condo Plat, Replat	2006	\$355	\$355	\$ 900	Washington County-\$365	Admin Order
01090012 - 441122 Subdivision: Final Plat	2006	\$590+\$50/lot	\$590+\$50/lot	\$ 800	Washington County: \$665+\$250/lot (<50 lots) \$665+\$150/lot (>50 lots)	Admin Order
01090012-44124 Subdivision: Sketch Plans				\$ -		
Nonresidential - 2 ≤ acres	2013	\$590	\$590		N/A	Admin Order
Nonresidential - > 2 acres	2013	\$1,200	\$1,200		N/A	Admin Order
Residential - < 50 lots	2013	\$590	\$590		N/A	Admin Order
Residential - ≥ 50 lots	2013	\$1,200	\$1,200		N/A	Admin Order
01090012 - 441121 Subdivision: Development Plan	2006	\$1,200+\$50/lot	\$1,200+\$50/lot	\$ -	Washington County -\$915+\$100/Lot	Admin Order
01090012 - 441125 Minor Subdivision	2012	\$355	\$355	\$ 900	Washington County-\$365	Admin Order
01090012 - 441126 Subdivision Variance/Waiver Request	2012	\$100	\$100	\$ -	Washington County-\$115	Admin Order
01090012 - 441161 Concept Plan/Sketch Plans:				\$ -		
CR Sketch Plan	2006	\$1,200	\$1,200			Admin Order
Multi-Family Development	2012	\$1,200	\$1,200			Admin Order
01090012 - 441119 BZA Filing Fee:				\$ 2,479		
Special Exception	2006	\$590	\$590		Washington County-\$500	Admin Order
Variances:						
Residential	2012	\$155	\$155		Washington County-\$150	Admin Order
Non-Residential	2012	\$310	\$310		Washington County-\$300	Admin Order
Residential Fence Variance	2006	\$155	\$155		Washington County-\$150	Admin Order
Nonconforming Uses:						
Change	2006	\$590	\$590		Washington County-\$500	Admin Order
Expansion	2012	\$590	\$590		Washington County-\$500	Admin Order
Administrative Appeals	2012	\$250	\$250		Washington County-\$150	Admin Order
01090012 - 441112 Rezoning Fees:				\$ -		
Preliminary Consultation	2006	\$590	\$590		Washington County-\$515+\$20/acre	Admin Order
Rezoning Filing Fee	2006	\$2,400+\$15/APO	\$2,400+\$15/APO		Washington County - \$2015+\$20/acre	Admin Order
Local Conversation District	2010	\$590	\$590			Admin Order
PUD Master Plan	2006	\$2,400+\$15/unit	\$2,400+\$15/unit		Washington County - \$1030+\$30/lot	Admin Order
01090012 - 441102 Full Site Plan Fees:				\$ 5,834		
Concept Plan for Environmental Site Design		0	0		Washington County - \$215	Admin Order
Residential	2006	\$1000 + \$15/unit	\$1000 + \$15/unit		Washington Co - Res. \$765+\$10/unit	Admin Order
Nonresidential	2006	\$1000 + \$50/acre	\$1000 + \$50/acre		Washington Co -Non \$765+\$50/acre	Admin Order
01090012 - 441101 Minor Site Plan	2006	\$590	\$590	\$ 1,500	Washington Co - Res. \$665	Admin Order
01090012 - 441103 Site Plan Variance/Waiver Request	2012	\$100	\$100	\$ -	Washington County-\$115	Admin Order
01090012 - 441111 Zoning Certificate Fees:				\$ 15,650		
Home Work Stations & CC-MU	2012	\$50	\$50		Washington Co - \$65	Admin Order
All other commercial	2012	\$125	\$125		Washington Co - \$165	Admin Order
Zoning Verification Letter: One SFR	2004	\$50	\$50		Washington Co - \$100	Admin Order
Zoning Verification Letter: All Others	2006	\$100	\$100		Washington Co - \$100	Admin Order
Fence Permits:						
Residential: Single Family, Two-Family	2005	\$40	\$40		Washington Co - Res. \$50	Admin Order
Commercial, Industrial, Multi-Family	2005	\$125	\$125		Washington Co -Non \$165	Admin Order
01090012 - 489603 Comprehensive Plan	2012	\$25	\$25	\$ -	Washington County - \$50 (\$5 on CD)	Admin Order
01090012 - 489604 Land Management Code	2013	\$25	\$25	\$ -	Washington County - \$20 zoning; \$12 subdivision	Admin Order
Design Review Guidelines	2013	\$25	\$25		Washington County - \$100	Admin Order
01090012 - 441141 Zoning Text Amendment	2006	\$2,400	\$2,400	\$ -	Washington County - \$2,015	Admin Order
Subdivision Text Amendment	2006	\$2,400	\$2,400		Washington County - \$2,015	Admin Order
01090012 - 4899 Copies of Recorded Meetings	2006	\$30/mtg + \$12/disc	\$30/mtg + \$12/disc	\$ 6		Admin Order
01090012 - 426902 Forest Conservation Fee:				\$ 20,152		
Delineation	2006	\$290	\$290		Washington Co-\$265	Admin Order
Final Plan & Easements	2006	\$590+\$15/acre	\$590+\$15/acre		Washington Co. \$750+\$10/acre	Admin Order
Forest Conservation Waiver/Variance Request	2006	\$30	\$30		Washington Co-\$40	
Forest Conservation Exemption Certification	2008	\$0	\$0		Washington Co-\$25	
01090012 - 441151 Pre-Annexation Agreement Review Fees:				\$ 4,165		
Infill residential lot - 1 or 2 units	2012	\$150	\$150		N/A	Admin Order
Minor residential development - ≤ 5 units	2012	\$500	\$500		N/A	Admin Order
Major residential development - ≥ 5 units	2012	\$1,000 +\$15/unit	\$1,000 +\$15/unit		N/A	Admin Order
Nonresidential	2012	\$1,000+\$50/acre	\$1,000+\$50/acre		N/A	Admin Order
CODE ADMINISTRATION						
01140012 - 441502 Pre-Sale Inspections, First unit	2011	\$100	\$100	\$ 200		Admin order
Each Add'l Unit		\$40	\$40			

SCHEDULE OF FEES & SERVICE CHARGES
FISCAL YEAR 2016/2017

NAME OF FEE/PURPOSE	EFF DATE	FY16 RATE	FY17 PROPOSED	FY15 ACTUAL	COMPARABLE RATES	ACTION REQUIRED
CODE ADMINISTRATION (continued)						
01140012 - 4210 Building Permits: Application Fee Tech Fee Commercial & New Residential: up to \$10,000 \$10,000 and greater Misc Residential: up to \$10,000 \$10,000 and greater	2011	\$20 \$20 \$8.50 / thousand \$5.00 / thousand \$8.50 / thousand \$3.50 / thousand	\$20 \$20 \$8.50 / thousand \$5.00 / thousand \$8.50 / thousand \$3.50 / thousand	\$ 147,835	Washington County: Comm app \$150+ \$15 tech fee+ \$0.15 per sq ft Res app \$65 + \$15 tech + \$.10 per sq ft. Frederick City: Comm \$0.009 x cost (\$128 min) Res SFD \$0.20, Multi \$0.15 per sq ft.(\$64 min) Frederick County: Comm app \$35 + \$0.21 per sq ft Res app \$35 + \$741 SFD < 4000 sq ft / \$395 per multi unit	Ordinance
01140012 - 421101 Plumbing Permits: Application Fee: Residential/Comm/Apmt Tech Fee Fixture fees (varies) Single fixture (app fee is waived)	2011	\$50/\$100/\$100 \$20 \$4- \$40 Tech fee + fixture only	\$50/\$100/\$100 \$20 \$4- \$40 Tech fee + fixture only	\$ 78,045	Wash. Co.\$65 Res/\$125Comm+\$15 tech fee Fred City: \$30 single fix, \$10 each additional Fred Co: \$45 Res/\$110 Comm min + \$10 enhance fee, fixture fees vary	Ordinance
01140012 - 4202 Plumbers license/registration (Biannual): Master Journeyman Apprentice If license has lapsed more than 30 days	2007	(\$40 of fee is tech fee) New: \$150/ Renew: \$125 New: \$95/ Renew: \$70 New: \$85/ Renew: \$60 New rate is charged	(\$40 of fee is tech fee) New: \$150/ Renew: \$125 New: \$95/ Renew: \$70 New: \$85/ Renew: \$60 New rate is charged	\$ 10,625	Wash. Co.(2 yr) Master \$50/res, \$100 non-res Journeyman \$20/\$40 Apprentice \$15/\$30 Fred City (2 yr): Master \$100, Journeyman \$30, Apprentice \$10 Fred Co (2 yr). Master \$150 Journeyman \$55	Ordinance
01140012 - 421102 Electrical Permits Application Fee: Residential/Comm/Apmt Tech Fee Fixture fees (vary)	2011	\$50/\$100/\$100 \$20 \$3-\$50	\$50/\$100/\$100 \$20 \$3-\$50	\$ 115,447	Wash Co: \$65 Res/ \$125 Comm+\$15 tech+ \$15-\$50 fixture fees Fred City: Min chg \$61 Res or Comm.(Most over \$122) Fred Co: \$45 Res/ \$147 Comm min + \$10 enhance fee fixture fees vary	Ordinance
01140012 - 421103 Mechanical Permits: Application Fee: Residential/Comm/Apmt Tech Fee Fixture fees (vary)	2011	\$50/\$100/\$100 \$20 \$5 -\$30	\$50/\$100/\$100 \$20 \$5 -\$30	\$ 49,015	Wash Co: \$65Res/\$125Comm+\$15 tech+ \$3-\$60 fixture fees additional enhance fee fixture fees vary Frederick City : Same as plumbing Frederick County: Same as Plumbing	Ordinance
01140012 - 4203 Contractor's Licenses (Biennial)	2011	(\$40 of fee is tech fee) \$125	(\$40 of fee is tech fee) \$125	\$ 3,230	Wash Co Mechanical (2yr): \$50/res, \$100 non-res Fred City: Heat/Nat.gas/propane(2 yr): \$100 Fred Co: Appliance installer (2 yr): \$125	Ordinance
01140012 - 4204 Electrician's Licenses (Biennial) Master/ Restricted Master If license has lapsed more than 30 days	2007	(\$40 of fee is tech fee) New: \$150/ Renew: \$125 New rate is charged	(\$40 of fee is tech fee) New: \$150/ Renew: \$125 New rate is charged	\$ 26,175	Wash Co (3 yr): Mstr or low volt \$150, inactive \$50 Fred City (2 yr): \$240 Fred Co (2 yr):\$150 (all types)	Ordinance
01140012 - 441593 Administrative Fee for Excise Tax	2005	2% of 72% of excise tax	2% of 72% of excise tax	\$ 3,381		Admin Order
01140012 - 450102 Municipal Infractions: Fee Per Citation	2008	\$25-\$1,000	\$25-\$1,000	\$ 93,000	Most citations are \$200-\$1,000; however, trash citations start at \$25	Ordinance
01140012 - 4205 Rental Registration Fee Per Unit Fee Per Rooming House + Per Unit Fee	2014	\$50 \$100+\$10	\$75 \$100+\$10	\$ 659,980	Cumberland: \$25 per unit (annual) Gaithersburg: \$150 per unit (Biennial) Mont Co: \$98 per unit (annual)/ \$56 per multi-unit bldg Howard Co: \$93.50 per unit (Biennial). Incl roomers	Ordinance
01140012 - 4504 CAD Administrative Fees: Snow Removal Fee + Tech Fee All Others: Fee + Tech Fee Refuse Pickup Admin Fee Refuse Pickup Tech Fee Trash Pickup Fee Trash Pickup Tech Fee	2003 2011 2013 2013 2013 2013	\$50 \$100+\$20 \$50 \$20 \$5 per bag \$20	\$50+\$20 \$100+\$20 \$50 \$20 \$5 per bag \$20	\$ 36,350		Admin Order
01140012 - 4505 Appeals Fee-Board of Code Appeals Fee Per Case	2002	\$50	\$50	\$ 70	Annapolis/Rockville/Mont Co \$75/case Wash Co \$250/case	Admin Order
01140012 - 441503 Reinspection fee	2011	\$50	\$50	\$ 700	Wash Co: 1st- \$50, 2nd- \$75, 3rd- \$100 Fred City: 1st- \$75, 2nd- \$200, 3rd- \$500; Fred Co: \$45/ea	Admin Order
01140012 - 441504 Property Abatement Billings: Grass/High Weed Removal Trash and Debris Removal Securing of Vacant Structures Snow Removal From Public Sidewalks Admin Fee Tech Fee	2001 2001 2008 2004 2016	\$100-\$1,000+ \$50-\$1,500+ \$100 \$25-\$250+ \$50-\$100 N/A	\$100-\$1,000+ \$50-\$1,500+ \$100 \$25-\$250+ \$50-\$100 \$20	\$ 92,717		Ordinance Ordinance Admin Order Admin Order
01140012 - 441512 Vacant Structures, Residential	2007	\$100	\$100	\$ 122,900		Ordinance
01140012 - 441513 Vacant Structures, Commercial	2007	\$250-\$1,000	\$250-\$1,000	\$ 10,250		Ordinance
01140012 - 441594 Secure Vacant Structure: Fee Per Building Admin fee Tech fee Material fees	2007 2011	\$100 \$100 \$20 Various	\$100 \$100 \$20 Various	\$ 2,820		Ordinance
01140012 - 441595 Technology Fees	2004	\$20	\$20	\$ 37,770		Admin Order
01140012 - 449001 Credit Card Convenience Fee	2013	\$2	\$2	\$ 1,446		Ordinance
01140012 - 449101 Rental License Late Fee, Per Incident	2011	\$50	\$50	\$ 14,393		Ordinance
01140012 Change of Use Permits	2016	N/A	\$75	\$ -		Admin Order

SCHEDULE OF FEES & SERVICE CHARGES
FISCAL YEAR 2016/2017

NAME OF FEE/PURPOSE	EFF DATE	FY16 RATE	FY17 PROPOSED	FY15 ACTUAL	COMPARABLE RATES	ACTION REQUIRED
CODE ADMINISTRATION (continued)						
01140012 Commercial Pre-Sale Inspections First 5,000 sq ft Per each additional 1,000 sq ft	2016	N/A N/A	\$200 \$50	\$ -		Admin Order
ENGINEERING						
01090042 - 421202 Street Cutting Permits Per Cut Minimum Fee Tech Fee	2015	Varies \$25 to \$1500	Varies \$25 to \$1500	\$ 131,089	Some street can cost thousand's depending on situation Washington County \$35/cut	Ordinance
01090042 - 4899 Sale of Construction Standards Sale of Construction Documents	Varies Per Contract	Varies from \$5-\$200	Varies from \$5-\$200	\$ 2,605	Frederick City \$20 Washington Co \$25-50	Admin Order Admin Order
01090042 - 4896 Sale of Maps Sale of Prints/Copies	2012	Increase & Update	Increase & Update	\$ 190	Frederick County \$3/map Washington Co. \$3 or .50-/SF	Admin Order
01090042 - 421203 Curb/Sidewalk/Driveway Permits Fee Per Driveway Fee Per Curb/Sidewalk Plus Tech Fee	1995	\$25 \$10 \$5	\$25 \$10 \$5	\$ 1,977	Cumberland \$15,Fred.Co \$35+bond	Resolution
01090042 - 421205 Site Grading Permit Flat Fee for Site Cost Plus % of Total Work Cost Plus Tech Fee	2004	\$15 1% \$25	\$15 1% \$25	\$ 13,283	Fred Co \$109 Minor,\$239 Major or 1.5% Wash Co \$25 minor,5 acre min-\$20 ac	Admin Order
01090042 - 421201 General Street Construction Permit Fee: Flat Fee Plus % of Total Work Cost Plus Tech Fee	2003	\$25 2% \$25	\$25 2% \$25	\$ 5,424	Based on % so rate adjusts automatically as project costs change	Ordinance
01090042 - 421204 Storm Water Management Permit Flat Fee Plus % of Total Work Cost Plus Tech Fee	1995	\$25 2% \$25	\$25 2% \$25	\$ 9,453	Based on % so rate adjusts automatically as project costs change	Admin Order
01090042 - 441201 Engineering Review Fees Fee Per Lot - Subdivision Fee Per AC-Site Plan Sim. Plats	2013	\$150 + \$200/acre for <10 acres \$150+\$200/acre \$100	\$150 + \$200/acre for <10 acres \$150+\$200/acre \$100	\$ 5,406	Washington County - Min Fee of \$600: \$150 + \$280/acre (<10 acres) \$150 + \$140/acre (>10-<50 acres) \$150 +	Admin Order
01090042 - 421206 Right of Way Closure Permit Application Fee Tech Fee Closure Fee	2005	\$10 \$5 Fee Varies	\$10 \$5 Fee Varies	\$ 3,508	None - Washington County	Admin Order
PARKS & RECREATION						
57000002-446501-446506 Greens Fees at Hamilton Run 9 Hole/18 Hole Senior 9 Hole/Senior 18 Hole Twilight/Youth Weekend or Holiday 9 Hole/18 Hole	2015	\$7/\$11.50 \$6/\$9.50 \$8 \$14/\$17	\$7/\$11.50 \$6/\$9.50 \$8 \$14/\$17	\$ 77,448	Town of Waynesboro: \$10.75/\$14.75 \$10.25/\$13.75 N/A \$12.50/\$17.25	Admin Order
57000002-446601-446602 Season Pass (City Residents Only) Individual Senior Individual	2012	\$425 \$300	\$425 \$300	\$ 3,533	\$450 \$400	Admin Order
57000002-4467, 446701-446707 Coupon Book for (9) Greens Fee Regular Rate Senior Rate	2007	\$60 \$50	\$60 \$50	\$ 75,326		Admin Order
Tournaments & Specials	2011	Varies	Varies			Admin Order
57000002-481801-481809 Cart Rentals, Per Person: 9 Hole/18 Hole Senior 9 Hole/Senior 18 Hole Pull Cart Fee	2012 2012 2012 2015	\$7.50/\$12 \$6.50/\$10 \$3.00	\$7.50/\$12 \$6.50/\$10 \$3.00	\$ 35,414	\$6/\$9.50 \$5.50/\$8.50	Admin Order
01450002 - 481011 Municipal Stadium-Facility Reservations: Field-No Lights: Rate Per Game Field-With Lights: Add'l Rate Per Game Parking Lot Rental	2012 2009	\$250/Youth; \$350/Non-Profit and \$600 Other \$100 \$50	\$250/Youth; \$350/Non-Profit and \$600 Other \$100 \$50	\$ 9,248	Frederick \$500/day,\$660/night game Frederick \$250	Admin Order
01450002 - 481013 Pavilion Facility Reservations: Bandshell Facility Reservations: All Day Rate Reservations Administrative Fee	2006 2013 2016	\$50 \$100 N/A	\$50 \$100 10%	\$ 20,485	Washington Co: Residents \$50; Nonresidents \$70 Arts Pavilion \$70/\$90 Pen-Mar \$125/\$135	Admin Order Admin Order Admin Order
01450002 - 481012 Softball Field Facility Reservation: All Day Rate (City Park) - Private/Public	2013	\$75/\$225	\$75/\$225	\$ 100		
01450002 - 481010 Fairground Park Multipurpose Fields Facility Reservations: Non-Tournament - All Day Tournament Stable Rental - All Day Rate	2013 2013	\$75/\$175 \$75 \$175 \$275	\$75/\$175 \$75 \$175 \$275	\$ 1,200		Admin Order Admin Order

SCHEDULE OF FEES & SERVICE CHARGES
FISCAL YEAR 2016/2017

NAME OF FEE/PURPOSE	EFF DATE	FY16 RATE	FY17 PROPOSED	FY15 ACTUAL	COMPARABLE RATES	ACTION REQUIRED
PARKS & RECREATION (continued)						
01450002 - 481011 Fairground Park Special Event Rentals Special Events: Walk-A-Thon 5K Entire Park Tennis/Basketball/Hockey Courts and all other areas: All Day Rate	2013	\$75 \$225 \$1,025	\$75 \$225 \$1,025	\$ 9,248		Admin Order
	2013	\$75	\$75			Admin Order
01404023-4711 Hager House Adults Senior Citizens; Students: Age 13-17 Children: Age 6-12 Children: 5 & Under Group	2014	\$3 \$2 \$1 Free \$2/person	\$3 \$2 \$1 Free \$2/person	\$ 203	Miller House: \$8/adult,\$5/senior Less than 16 yrs old/Free	Admin Order
01402022 - Various Accounts Potterfield Pool: Daily Rates: 2 and Under/Pre-school Youth: Ages 5-12 Adult: 13 and Older Senior: 62 and Older Season Pass - City Residents: Age 2 & Under Pre-school/Youth Adult/Senior Family Season Pass - Non-City Residents: Age 2 & Under Pre-school/Youth Adult/Senior Family	2011	Free/\$1.50 \$3 \$3.50 \$3	Free/\$1.50 \$3 \$3.50 \$3	\$ 40,978 Total Fees	County Pool: Free/\$1.50 \$3 (ages 5-17) \$3.50 (ages 18-61) \$3 (age 62+) County Pool:	Admin Order
	2011	Free \$25/\$55 \$75/\$50 \$125	Free \$25/\$55 \$75/\$50 \$125		\$60/child,\$80/Adult,\$150/Family (max 5 + \$20/pp additional)	
	2011	Free \$40/\$80 \$100/\$70 \$175	Free \$40/\$80 \$100/\$70 \$175			
	2015	\$75 \$100 \$125 Special Quote \$50 \$2/person	\$75 \$100 \$125 Special Quote \$50 \$2/person		6:30pm - 8:30pm (rates are for 2 hrs): 0-75 \$140 76+ \$200 Progressive \$40R/\$45NR	Admin Order
01404032 - 448601 202 Train Exhibit Adults Seniors; Students - Age 13-17 Children: 6-12/5 & Under Group Tours	2014	\$2 \$1 \$0.50/Free \$1	\$2 \$1 \$0.50/Free \$1	\$ 3,053		Admin Order
RECYCLING AND TRASH COLLECTION						
01300012 - 4416 Recycling & Refuse Collection Quarterly Fee - Residence Quarterly Fee - Commercial	2012	\$39.00 \$50.00	\$39.00 \$50.00	\$ 2,217,173	Private Contract Hauler \$106/Qtr plus \$25/Mo for Yard Waste	Admin Order
01300012 - 4417 Bulk Trash Pick-up and Disposal Fee: Per Load Fee Appliance with Freon Fee	2008	\$25 \$25	\$25 \$25	\$ 6,725	Busby Junk Removal - Minimum Charge \$95 JunkIt Removal - Minimum Charge \$69 Junk In The Truck - Minimum \$120	Admin Order
01300012 - 4493 Utility Monthly Late Fee	2014	1% per month on past due unpaid balance	1% per month on past due unpaid balance	\$ 35,360		Ordinance
POLICE DEPARTMENT						
01100012 - 4896 Copy Charges Fee Per Page	2012	Accident reports: Free to involved parties if emailed or received at HPD; mailing costs if printed and mailed. All others: \$0.25 plus mailing costs if applicable.	Accident reports: Free to involved parties if emailed or received at HPD; mailing costs if printed and mailed. All others: \$0.25 plus mailing costs if applicable.	\$ 6,721	WCSO-\$5/1st page,\$1/each add'l page	Admin Order
01100012 - 441301 Electronic Media Duplication	2004	Cost of Media + External Cost	Cost of Media + External Cost	\$ -	WCSO-\$10/1st hour, \$5 each add'l hour.	Admin Order
01104012 - 441331 Special Assignments- Hrly Fee (Dance, School Event, etc)	2014	115% of Top Officer's Pay Rate	115% of Top Officer's Pay Rate	\$ 61,315	Fluctuates with Top Officer's Pay Rate per AFSCME 3373 Barg. Agrmt (Art 5; Sect 8)	Barg. Agrmt
01100012 - 4503 Vehicle Storage Fee Per Day Storage, Towed Vehicles, Public Auctions	2007	\$20	\$20	\$ 13,315	WCSO - \$25; max. \$1,125	Admin Order
01100012-4551 Red Curb & Handicap Fines Fine - Parking on Red Curb Fine - Parking on Handicap Zone Fine - Parking in Fire Lane Fine - Parking in front of Fire Hydrant Late Fees for Fines paid After 10 days/After 30 days	2014	\$25 \$100 \$25 \$100 \$10/\$20	\$25 \$100 \$25 \$100 \$10/\$20	\$ 17,492	Annapolis Frederick \$100 red, \$35 yellow \$ 30 yellow \$100 \$100 \$100 \$100 \$100 \$100	Ordinance
01104072 - 4509 Speed Camera Fine	2012	\$40 (\$35 if paid within 7 days of issuance)	\$40 (\$35 if paid within 7 days of issuance)	\$ 1,474,422	Annapolis Frederick \$40 \$40	Ordinance
01104072-4552 Speed Camera Fine Late Fee	2012	\$20	\$20	\$ 191,809		Ordinance

SCHEDULE OF FEES & SERVICE CHARGES
FISCAL YEAR 2016/2017

NAME OF FEE/PURPOSE	EFF DATE	FY16 RATE	FY17 PROPOSED	FY15 ACTUAL	COMPARABLE RATES	ACTION REQUIRED
FIRE DEPARTMENT						
01120012 - 441402 False Call/Failure to notify FD working	2012	\$250	\$250	\$ 2,465		Ordinance
01120012 - 421302 Blasting Permits	2012	\$50	\$50	\$ 140		Ordinance
01120012 - 4210 GBSD Permit	2012	\$250	\$250	\$ 84,541	State Fire Marshal Assembly Permit: 1,000>\$360; 301-1000: \$240; 50-300: \$120 Fairgrounds/Parks: 9 bldgs or less \$240; 10 bldgs>\$480	Ordinance
Assembly Permit	2012	\$50	\$50			Ordinance
Building Permits: % of Total Building Permit Fee	2013	25%	25%			
01120012 - 421301 Firework Permits	2007	\$250	\$250	\$ 1,750		Ordinance
01120012 - 441401 Reinspection Fee Plan Review & Inspection for Fire Protection System Installation Per System	2012	\$150 \$100 with add'l chgs per system fixture or \$1.50 per device	\$150 \$100 with add'l chgs per system fixture or \$1.50 per device	\$ 150	State Fire Marshal 1st \$200; 2nd \$250 State Fire Marshal \$150/system with add'l charges per system fixture or device \$2.00	Ordinance Ordinance
01120012 - 4507 Fire Code Violations	2007	\$250 or Court Ordered amount	\$250 or Court Ordered amount	\$ 8,484		Ordinance
01120012 - 4899 Technical Assistance Hourly Fee Municipal Infractions & Misc. Revenues Fire Report Fee	2013 2006 2004	\$50 Various \$5 for 4 pages	\$50 Various \$5 for 4 pages	\$ 345	State Fire Marshall Office \$75/hr	Ordinance Ordinance Admin Order
01120012 - 441403 Juvenile Intervention Program	2004	\$150	\$150	\$ 150		Admin Order
01120012 - 441404 Fire Call Service Charges:	2011			\$ 2,471		Ordinance
Engine Hourly Rate		\$150	\$150			
Utility Hourly Rate		\$100	\$100			
Officer Hourly Rate		\$50	\$50			
Fire Marshall Hourly Rate		\$50	\$50			
Truck Hourly Rate		\$150	\$150			
01120012 - 441405 Responding to Motor Vehicle Collisions				\$ 1,400		Ordinance
Engine: Hourly Rate (Min Billing Amt)	2012	\$150	\$150			
Utility: Hourly Rate (Min Billing Amt)	2012	\$100	\$100			
Officer: Hourly Rate (Min Billing Amt)	2013	\$50	\$50			
Truck: Hourly Rate (Min Billing Amt)	2012	\$150	\$150			
PUBLIC WORKS						
01160012 - 483006 Signal-State Highway Administration Fee Per Intersection	2005	\$1,500	\$1,500	\$ 52,500	\$1,500 each	Admin Order
PARKING FACILITIES						
56740112 - 4451 56740122 - 4451 Parking Deck Permits - Monthly Fee:				\$ 342,386 Total		
Regular Customers	2014	\$62	\$62		Annapolis: \$175/\$225 month	Resolution
Personally Assigned Space		\$120	\$120		Cumberland: \$55/\$90 month	Resolution
Late Fee Parking Deck Permit		\$15	\$15		Winchester: \$42/\$50 month	Admin Order
					Frederick: \$97 month	
56740112 - 4452 56740122 - 4452 Parking Deck Fees				\$ 105,910 Total		
Minimum Fee	2010	\$1	\$1		Annapolis: \$2 for 1st hr up to	Resolution
Half Hour Fee	2010	\$0.50	\$0.50		\$20 for hours 6 - 8; \$20 max	
Maximum Daily Rate	2012	\$8	\$8		Cumberland: \$1/hr, \$8 max	
Monthly	2014	\$62	\$62		Winchester: \$0.50/hr; \$10 max	
Exiting Fee Between 4pm-6am weeknights & Saturdays	2014	\$2	\$2		Frederick: \$1/hr; \$11 max; \$2 afterhours rate	
Sundays	2014	Free	Free			
56740112 - 4453 Special Event Parking (i.e. Blues Fest)		\$5	\$5	\$ 7,901	Annapolis: Market Rate Pricing Frederick: Market Rate Pricing depends on event	
56740112 - 4454 Parking and Shop Hourly Fee	2010	\$0.80	\$0.80	\$ 3,190		Resolution
56740132 - 4457, 445701, 445702 445703, 445704, 445705, 445706 Parking Meter Fees				\$ 189,227 Total Fees		
Twelve (12) Minutes	2012	\$0.10	\$0.10		Annapolis: \$1.00/hour	Resolution
Thirty (30) Minutes	2012	\$0.25	\$0.25		Cumberland: \$.50/hour	
Sixty (60) Minutes	2012	\$0.50	\$0.50		Winchester: \$0.50 - \$0.75/hour	
Thirty Minute Parking Meters					Frederick: \$1/hour	Resolution
Six (6) Minutes	2003	\$0.10	\$0.10			
Twelve (12) Minutes	2003	\$0.20	\$0.20			
Thirty (30) Minutes	2003	\$0.50	\$0.50			
56740132 - 445801, 445802 445803, 445804 Monthly Permit Fees Parking Lots:	2014			\$ 137,700 Total Fees		
Central Lot		\$48	\$48		Annapolis: \$60 - \$225/month	Resolution
Church Street Lot		\$48	\$48		Cumberland: \$35/month	
Market Lot		\$48	\$48		Winchester: not available	
Rochester Lot		\$48	\$48		Frederick: \$50 - \$75/month	

SCHEDULE OF FEES & SERVICE CHARGES
FISCAL YEAR 2016/2017

NAME OF FEE/PURPOSE	EFF DATE	FY16 RATE	FY17 PROPOSED	FY15 ACTUAL	COMPARABLE RATES	ACTION REQUIRED
PARKING FACILITIES (continued)						
56740132 - 445899 Department Charges Monthly Fee	2012	\$46.50	\$46.50	\$ 43,725		Admin Order
56740142 -4551, 455101, 4552, 455201 4553, 4559, 483005, 4899 Parking/Expired Meter Fire Hydrant Non-Meter/All Other Handicap Zone Parking Boot Fee	2003	\$10/\$25/\$35 \$100/\$110/\$120 \$15/\$25/\$35 \$100/\$110/\$120 \$100	\$10/\$25/\$35 \$100/\$110/\$120 \$15/\$25/\$35 \$100/\$110/\$120 \$100	\$ 180,890 Total Fees	Annapolis: \$20/expired,\$100/handicap Cumberland: \$25/expired Winchester: \$10/expired,\$100 handicap Frederick: \$15/expired,\$100/handicap	Ordinance Resolution
ELECTRIC DEPARTMENT						
50000002 - 442101 50000002 - 442102 Residential - All KWH Base rate Purchased Power Adj. Rate (Est Ave rate)	2005	\$0.06263 \$0.01308	\$0.06263 \$0.01308	\$ 12,287,786 Total Fees	Potomac Edison rate Jan to May 2016: \$0.10673/kWh	Maryland PSC
50000002 - 442201 50000002 - 442202 General and Commercial 1st 700 KWH >700 KWH Demand over 7.5 KW Purchased Power Adj. Rate (Est. aver. rate)	2005	\$0.08314 \$0.05257 \$4.06817 \$0.01308	\$0.08314 \$0.05257 \$4.06817 \$0.01308	\$ 5,015,849 Total Fees	Potomac Edison-Jan to May 2016 rate: 1st 350 kWh = \$0.1818/kWh next 350 kWh = \$0.1225/kWh over 700 kWh = \$.07017/kWh	Maryland PSC
50000002 - 442301 Industrial-Low Load 1st 100,000 KWH Over 100,000 KWH Demand all KW Purchased Power Adj. Rate (Est. ave. rate)	2005	\$0.05040 \$0.04220 \$3.409 \$0.01308	\$0.05040 \$0.04220 \$3.409 \$0.01308	\$ 1,978,840	AP Schedule "PP" No comparison due to AP Large Industrial customers experiencing hourly load pricing	Maryland PSC
50000002 - 442302 Industrial-High Load 1st 100,000 KWH Over 100,000 KWH Demand all KW Purchased Power Adj. Rate (Est. ave. rate)	2005	\$0.04052 \$0.03606 \$6.26929 \$0.01308	\$0.04052 \$0.03606 \$6.26929 \$0.01308	\$ 3,512,015	AP Schedule "PH" No comparison due to AP Large Industrial customers experiencing hourly load pricing	Maryland PSC
50000002 - 4424 Outdoor Lighting 175 Watt Monthly Fee 250 Watt Monthly Fee 400 Watt Monthly Fee Purchased Power Adj. Rate (Est. ave. rate)	1996	\$5.25 \$6.96 \$10.03 \$0.01308	\$5.25 \$6.96 \$10.03 \$0.01308	\$ 21,334	No comparison due to Structuring difference	Maryland PSC
50000002 - 442501 Street & Highway Lighting Per KWH Purchased Power Adj. Rate (Est. ave. rate)	2005	\$0.06842 \$0.01308	\$0.06842 \$0.01308	\$ 620,881	No comparison	Maryland PSC
50000002 - 442502 Traffic Lights Per KWH 1st 700 KWH >700 Purchased Power Adj. Rate (Est. ave. rate)	1996	\$0.06749 \$0.03865 \$0.01308	\$0.06749 \$0.03865 \$0.01308	\$ 21,564	No comparison	Maryland PSC
50000002 - 442303 High Voltage-Cascades Per KW Per KWH Per KWH	1995	\$10.538 \$0.01092 \$0.02468	\$10.538 \$0.01092 \$0.02468	\$ 126,612	No comparison	Maryland PSC
50000002 - 481813 Pole Rental - Fee Per Pole Pole Rental (Prior 2001 grandfathered)	2001 1966	\$20 \$4.50	\$20 \$4.50	\$ 21,312		Maryland PSC
50000002 - 481815 50000002 - 481816 Central Maintenance Garage Monthly Fee Rent from Sub-Station	2012 2007	\$3,250/month \$3,050/year	\$3,250/month \$3,050/year	\$ 41,050		Admin Order
50000002 - 489908 Reimbursed Line Dept. Overtime Call out charge-Reconnect Call out Charge-Pole Reconnect	1984	Actual Cost \$85 Est. Actual Cost	Actual Cost \$85 Est. Actual Cost	\$ 16,154		Maryland PSC
50000002 - 4238 Connection Fees Reconnection Fees	1992	\$10 \$15	\$10 \$15	\$ 92,187		Maryland PSC
50000002 - 4493 Utility Monthly Late Fee	2014	Max of 5% of unpaid bill	Max of 5% of unpaid bill	\$ 234,049	Per COMAR	Ordinance

SCHEDULE OF FEES & SERVICE CHARGES
FISCAL YEAR 2016/2017

NAME OF FEE/PURPOSE	EFF DATE	FY16 RATE	FY17 PROPOSED	FY15 ACTUAL	COMPARABLE RATES	ACTION REQUIRED
WATER DEPARTMENT						
52000002 - 4249 Contracted service-payment for services rendered not w/in the existing level Labor Fee	1991	\$1,200 \$2.64 Multiplier Material,25% Equip	\$1,200 \$2.64 Multiplier Material,25% Equip	\$ 9,923	Frederick - Labor 38.5%,Material 10%	Admin Order
52000002 - 4231 52000002 - 4245 Water Plan Review/Inspection Fee Per Application Fee Plus Fee Per Ft Main Review Inspection Fee Per Ft PS Fee Per Gallon (Minimum of PS Capacity)	2006	\$50 \$50 \$0.50 \$3 \$14	\$50 \$50 \$0.50 \$3 \$14	\$ 34,058 Total Fees		Ordinance
52000002 - 4235 Non-Utility Misc-payment for providing consumption data to Washington County Fee Per Account/qtr	Annual Per Agreement 2012	\$2.92	\$2.92	\$ 60,754		Admin Order
52000002 - 481002 Rent-City Employee Smithsburg (Tenants Pay Fuel) Edgemont (Tenants Pay Fuel) Ritchie Rd (Tenants Pay Fuel)	2008 2008 2008	\$495 \$505 \$700	\$495 \$505 \$700	\$ 20,514	Wheaton Park \$207 Funkhouser Park \$427 Hager Park \$290	Admin Order
52000002 - 481003 Cell Tower Rental	2007	\$897.60/month	\$897.60/month	\$ 10,771		Motion
52000002 - 4899 Misc. Other Revenues Hunting Permits Maps (Free with Permit)	2006	\$10 \$1	\$10 \$1	\$ 6,556	N/A	Admin Order
52000002 - 4240 Transfer Fee Meter Testing Fee	2007 2007	\$30 \$30	\$30 \$30	\$ 36,140	Frederick City \$50 for prop transfer fee Frederick County \$50 for meter testing fee	M&C
52000004 - 4722 Benefit charges-charged to new customers for impact of additional demand to major system components Fee Per Gallon of Average Daily Usage Fee Min 200 Gallon	2006	\$12.50 \$2,500	\$12.50 \$2,500	\$ 875,234	Washington County -initial alloc is part of connection fee; additional alloc is \$1,950 per EDU Frederick City - impact fee is \$23.92 / gallon	Ordinance
52000002 - 443201 52000002 - 443101 Metered Sales - City: Residential: Consumption: Per K, 1st 18,000 Consumption: Per K, Over 18,000 Fixed: 5/8" - 10" Non-Residential: Consumption: Per K, 1st 100,000 Consumption: Per K, Over 100,000 Fixed: 5/8" - 10"	2012 2012	Eff July 1, 2015 Rate Increase - 2% City & 2% County \$1.53 \$2.90 \$6.75-\$931.50 \$1.53 \$1.35 \$6.75-\$931.50	Eff July 1, 2016 Rate Increase 2% for All \$1.56 \$2.96 \$6.89-\$950.82 \$1.56 \$1.38 \$6.89-\$950.82	\$ 2,101,592 Total Fees	5 Year Rate Increases approved by Mayor and Council for FY15-FY19 Frederick City FY2016/quarterly rates: 1st 6,000 gals - \$3.41 / 1000 gals next 10,000 gals - \$4.95 / 1000 gals next 8,000 gals - \$5.23 / 1000 gals next 8,000 gals - \$5.47/1000 gals over 32,000 gals - \$5.93/1000 gals Base charge 3/4" - >8" = \$36.49 - \$1058.08	Ordinance
52000002 - 443202 52000002 - 443102 Metered Service - County: Residential: Consumption: Per K, 1st 18,000 Consumption: Per K, Over 18,000 Fixed: 5/8" - 10" Non-Residential: Consumption: Per K, 1st 100,000 Consumption: Per K, Over 100,000 Fixed: 5/8" - 10"	2012 2012	Eff July 1, 2015 Rate Increase - 2% City & 2% County \$3.68 \$7.00 \$19.68-\$2,715.84 \$3.68 \$3.30 \$19.68-\$2,715.84	Eff July 1, 2016 Rate Increase 2% for All \$3.75 \$7.14 \$20.07-\$2,769.66 \$3.75 \$3.37 \$20.07-\$2,769.66	\$ 8,209,286 Total Fees	5 Year Rate Increases approved by Mayor and Council for FY15-FY19 Washington County for FY2016: Residential - 1st 6000 gallons (minimum) - \$96.15 Over 6000 gallons = \$10.32 per 1000 gals Commercial I - 1st 6000 gallons (minimum) - \$96.15 Over 6000 gallons = \$10.51 per 1000 gals	Ordinance Ordinance
52000002 - 4237 Fire Protection: City - 4" - 12" County - 4" - 12"	2009	Eff July 1, 2015 Rate Increase - 3% City & 3% County \$176.11-\$1,582.86 \$235.52-\$2,111.19	Eff July 1, 2016 Rate Increase - 3% for All \$181.39-\$1,630.35 \$242.59-\$2,174.53	\$ 143,813		Ordinance
52000002 - 4232 New Services: 3/4" 1" 1" Double Application Fee	2003	\$715 \$925 \$1,160 \$50	\$715 \$925 \$1,160 \$50	\$ 173,705		Resolution
52000002 - 4238 Reconnection Fee: 8:00am-3:00pm After 3:00pm	2006 2001	\$35 \$85	\$35 \$85	\$ 40,861	Washington County - \$50 turn off and \$50 turn on during business hours; \$75 each after hours	Ordinance
52000002 - 4493 Utility Monthly Late Fee	2014	10% one-time late fee	10% one-time late fee	\$ 132,440	Frederick City - 1% per month Washington County - \$30 per bill Town of Smithsburg - 10% one time fee(excluding bay fee)	Ordinance
52000002-489914 Emergency Load Response Program	2014	Capacity at 75% of market clearing price	Capacity at 75% of market clearing price	\$ 49,528		M & C

SCHEDULE OF FEES & SERVICE CHARGES
FISCAL YEAR 2016/2017

NAME OF FEE/PURPOSE	EFF DATE	FY16 RATE	FY17 PROPOSED	FY15 ACTUAL	COMPARABLE RATES	ACTION REQUIRED
WASTEWATER DEPARTMENT						
54000002 - 4243 Connection Charge: City	2003	\$1,200	\$1,200	\$ 54,150		Ordinance
54000002 - 4242 54000002 - 4245 Sewer Plan Review/Inspection Fee: Application Fee + Review Fee Per Ft. Inspection Fee Per Ft. PS Fee Per Gal. (Minimum of PS Capacity)	2006	\$50 + \$0.50 \$3 \$14	\$50 + \$0.50 \$3 \$14	\$ 12,169 Total Fees		Ordinance
54000002 - 4810 Rental Income per year	1984	\$365	\$365	\$ 365		Admin Order
54000004 - 4722 55000004 - 4722 Benefit Charges-Fee Per Gallon: In City w/\$4,400 Minimum In County w/\$5,000 Minimum	2006	\$22/gallon \$25/gallon	\$22/gallon \$25/gallon	\$ 919,906 Total Fees	Washington County - \$5900 per EDU Frederick City impact fee - \$21 / gallon	Ordinance
54000002 - 444201 54000002 - 444101 Sewer Service Charges-City Consumption: Per 1,000 Gallons Fixed Charges: 5/8" - 10"	2012	Eff July 1, 2015 Rate Increase 4% for All \$5.08 \$20.85-\$2,877.30	Eff July 1, 2016 Rate Increase 4% for All \$5.28 \$21.68-\$2,991.84	\$ 6,289,445 Total Fees	5 Year Rate Increases approved by Mayor and Council for FY15-FY19 Frederick City - same rate as Water	Ordinance
54000002 - 444202 54000002 - 444102 Sewer Service Charges- County Consumption: Per 1,000 Gallons Fixed Charges: 5/8" - 10"	2012	Eff July 1, 2015 Rate Increase 4% for All \$8.51 \$34.63-\$4,778.94	Eff July 1, 2016 Rate Increase 4% for All \$8.85 \$36.02-\$4,970.76	\$ 2,993,709 Total Fees	5 Year Rate Increases approved by Mayor and Council for FY15-FY19 Frederick City: Outside City - double In City rate Wash County FY16: \$110.97 min up to 6000 gals over 6000 gals - \$6.36 per 1000 gals	Ordinance
54000002 - 444203 54000002 - 444103 Sewer Service Charges-Joint County Consumption: Per 1,000 Gallons Fixed Charges: 5/8" - 10"	2012	Eff July 1, 2015 Rate Increase 4% for All \$7.39 \$30.12-\$4,156.56	Eff July 1, 2016 Rate Increase 4% for All \$7.69 \$31.32-\$4,322.16	\$ 2,234,692 Total Fees	5 Year Rate Increases approved by Mayor and Council for FY15-FY19 Frederick City: Outside City - double In City rate	Ordinance
54000002 - 4443 Low Pressure Systems Per Dwelling Quarterly Fee If 2 Dwelling Pump Quarterly Fee	2010	\$97.80 \$53.73	\$97.80 \$53.73	\$ 104,738		Ordinance
54000002 - 4246 Monitoring Report/Lab Testing Fees: Meter Set-Up Charge Per Test Biochemical Oxygen Demand Chemical Oxygen Demand Fats, Oils & Grease Suspended Solids PH Metals	2012	\$85 \$30 \$30 \$40 \$15 \$8 \$15	\$85 \$30 \$30 \$40 \$15 \$8 \$15	\$ 746	Washington County: Sample Collection \$25 Biochemical Oxygen Demand \$25 Chemical Oxygen Demand \$35 Oil & Grease \$25 PH (Corrosivity) \$6	Admin Order
54000002 - 4241 54000002 - 4244 Industrial Permit Fee/year Industrial Surcharge Per 1,000 lbs: Chemical Oxygen Demand Fee Suspended Solids Fee Grease & Oil Fee Biochemical Oxygen Demand	2001 2008	\$250 - \$2,000 \$0.33 \$0.82 \$0.47 \$0.82	\$250 - \$2,000 \$0.33 \$0.82 \$0.47 \$0.82	\$ 129,884 Total Fees	Washington county: Pretreatment Prog Permit Fees: SIU's and Non SIU's = \$300 and \$150 Permit Maintenance Annual Fees: < 1000 gpd - \$250 1000 -999 gpd - \$500 10,000-25000 gpd \$1000 >25,000 gpd - \$2000	Ordinance
54000002 - 4493 Utility Monthly Late Fee	2014	10% one-time late fee	10% one-time late fee	\$ 199,586	Frederick City - 1% per month Washington County - \$30 per bill Town of Smithsburg - 10% one time fee(excluding bay fee)	Ordinance

FISCAL POLICIES AND GLOSSARY
SECTION 10

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The policies described below represent summarized versions of the existing policies and are not intended to represent the full policy. These policies should not be considered all inclusive of the policies and procedures of the City of Hagerstown.

OPERATING BUDGET POLICY

1. The budget will be prepared, presented and administered by the City Administrator. The budget is a resource-allocation policy document for the Mayor and City Council.
2. The budget document will be prepared so that it facilitates public study and effectively communicates key economic issues and fiscal policies. The budget process will encourage public involvement.
3. By Charter, the budget must be balanced. Revenues must equal or exceed expenditures. As a general rule, current operating revenue needs to be sufficient to support current operating expenditures.
4. Debt or bond financing will not be used to finance current operating expenditures.
5. Every effort will be made to maintain existing levels of essential public services.
6. All enterprise funds will be fully self-supporting, pay their own way and provide for their own system improvement and expansion needs.
7. Each fund will budget for, and pay, their fair share of public utility and public service costs or fees. Each fund is to be treated as though it were a private customer or taxpayer to properly provide for payments between funds.
8. In addition to its annual operating budget, the City will prepare five-year budget projections, as well as, an analysis of its past financial trends to obtain a broader, more comprehensive picture of the impact of decisions involving the current year's budget or other financial plans.
9. The City will develop a program to integrate performance measurement and productivity indicators with the annual budget.
10. Whenever possible, the City will take advantage of technological improvements to improve productivity and lower costs.
11. Budget performance will be monitored and reported on throughout the year. The department managers are an integral part of the budget control process and will be responsible for their individual department's performance.
12. Prior year's fund balances are to be treated as a "rainy day" fund and are not to be used in budgeting for operating expenditures.
13. As a target, annual "pay as you go" capital expenditures, including both capital improvement program (CIP) and non-CIP, funded by current General Fund dollars shall be greater than the annual depreciation on non-infrastructure General Fund assets plus current cost of maintaining the City's streets through the annual resurfacing program. Other infrastructure assets will be funded through grants and/or debt financing.

REVENUE POLICY

1. The City will try to maintain a diversified and stable revenue system to aid in sheltering it from the impact of short-term fluctuations in any one revenue source.
2. The City will attempt to continually search for new revenue, both financial and non-financial, as a way to diversify its revenue base and help ensure a balanced budget.
3. Wherever possible, those receiving the benefits of a government or utility service will pay for what they receive in full; through current fees, charges, or other assessments. This includes the City's own utilities and other departments who are service "users".
4. The City will follow an aggressive policy of collecting the revenues which are due it.
5. Nonrecurring revenues and other financing resources will not be used to finance continuing operations. Long-term financial commitments to continuing outlays will be avoided unless sustained revenue growth is assured.
6. The City will project revenues for five years and will update the projections annually.
7. Revenue estimates will be based on reasonable expectations and be as realistic as possible, unless fund balances become insufficient to absorb occasional shortfalls, then more conservative estimates should be used.
8. The City will annually review its fees and other charges for service, property tax rates, and utilize annual incremental increases in these to ensure that the City is maintaining existing levels of essential public services.
9. Market rates and charges levied by other public and private organizations for similar services will be considered in establishing rates, fees, and charges.

PURCHASING POLICY

1. The City shall attempt to buy materials and services of high quality at a reasonable cost.
2. The City shall make sure that all purchasing actions are fair and impartial with no impropriety or appearance of impropriety. All qualified buyers and sellers shall have access to City business, and no individual or firm shall be arbitrarily excluded.
3. Every attempt will be made to secure the maximum feasible amount of competition.
4. All purchases and contracts shall be made by the City Administrator. The City Administrator may delegate the responsibility for all major construction contracts to the City Engineer and the Director of Utilities, and the responsibility for all other city purchases to the Purchasing Manager.
5. All budgeted purchase requisitions are subject to the following approvals:
 - Purchase requisitions up to \$1,000 are to be approved by the Department Manager.
 - Purchase requisitions from \$1,000 up to \$4,999 are to be approved by the Purchasing Manager.
 - Purchase requisitions from \$5,000 up to \$9,999 are to be approved by the Finance Director.
 - Purchase requisitions from \$10,000 up to \$24,999 are to be approved by the City Administrator.
 - Purchase requisitions over \$25,000 are to be approved by the Mayor and Council.If budgeted funds are not available, the Director of Finance shall be contacted to locate a source of funds prior to any purchase occurring.
6. Purchases of \$1,000 and under may be made using the Purchasing Card (PCard) Program.
7. Purchases of \$30 and under may be made through petty cash.
8. The City shall maintain a yearly open purchase order system (\$200 maximum per transaction) to cover purchases from specified vendors who supply the City with a high volume of the same or similar goods or services during the course of a year.
9. The City of Hagerstown Purchasing Manual shall cover all detailed City purchasing policies and procedures and is available from the Purchasing Department.

INVESTMENT POLICY (Amended September 25, 2012)

1. This Policy's four primary goals are as follows:
 - A. Assure compliance with federal, state, and local laws governing the investment of public monies under the control of the Director of Finance and Investment Officer.
 - B. Provide sufficient liquidity to meet normal operating and unexpected expenditures.
 - C. Protect the principal monies entrusted to the City.
 - D. Generate the maximum amount of investment income within the parameters of prudent risk management as defined in this Investment Policy.
2. This policy establishes guidelines for the investing of the financial assets for the City, except as specifically excluded by the Mayor and Council or restrictive covenants. Assets held in trust and agency funds (Pension plans and OPEB plans) are exempt from this policy and are covered under separate policies, procedures, and committees.
3. All investments shall conform to the laws of the State of Maryland. Funds are to be managed in such a way that income earned will be maximized and the portfolio capital is preserved, while simultaneously planning for cash flow and budgetary needs.
4. Although the City Administrator must approve each City investment, the Director of Finance and the designated Investment Officer have the authority to develop and maintain written administrative procedures consistent with the Investment Policy.
5. All investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.
6. Internal controls are established by the Director of Finance to prevent loss of funds due to human and market miscalculations.

7. The City's priorities for investment and management of public funds are: Safety of principal, Liquidity, and Return on investments.
8. The Policy designates allowable types of investment instruments with limitations on amounts invested in any one institution. The investment of funds is also restricted by maturity terms.
9. The policy outlines criteria to rate financial institutions to qualify as eligible for City investment purposes. The criteria consider the following items for each financial institution: total assets, core capital-to-total assets ratio, nationally recognized financial statistical rating, and charter.
10. An Investment Committee, consisting of the City Administrator, Director of Finance, and Budget and/or Investment Officer has been established to develop general direction and guidance for the City's investment activities.
11. The detailed investment policies, which have been approved by the Mayor and Council, are available from the City Administrator.

DEBT MANAGEMENT POLICY (Amended December 16, 2014)

1. The City shall maintain adequate operating cash to meet future debt service requirements.
2. The City will assure compliance with debt covenant provisions and appropriate disclosure to investors, underwriters, and rating agencies.
3. The City will comply with Federal, State, and City Charter requirements and adhere to Federal arbitrage regulations for all debt issuances.
4. The City may issue bonds for eligible projects after determining there will be sufficient revenue to pay annual debt service expenditures for the bond.
5. The City will limit its long-term borrowing to capital items and projects.
6. The City will not use long-term debt to fund annual operating costs or to fund capital items and projects that should be funded from sources other than long-term debt.
7. Capital Projects financed through the issuance of bonds shall not be financed for longer than the average expected useful life of all projects and items included in the bond issue, as well as the amount of each item in the bond issue.
8. When available, current operating revenue ("pay-as-you-go") may be used to fund capital items and projects that otherwise would be financed through long-term borrowing. Pay-as-you-go may also be used for projects that do not qualify for bond financing.
9. Interest, operating, and maintenance expenses will be capitalized only for enterprise or utility fund facilities and will be strictly limited to those expenses incurred prior to actual operation of the facilities.
10. The City will avoid the use of short-term tax anticipation or other short term debt for non-capital purposes except when necessitated by cash flow or other "emergency" situations. Any bond anticipation debt will be retired within 6 months after completion of the project it financed. Continual rollover of short term debt without principal pay down will be avoided.
11. The City will maintain good communications with the bond rating agencies about its financial condition and will follow a policy of full and open disclosure on every financial report and bond prospectus.
12. The City's future funding obligations for OPEB and pensions shall also be considered as long-term debt.
13. Neither Maryland State law nor the City Charter mandates a limit on municipal debt.
14. The City will maintain an average maturity of total City general obligation bonds at or below 25 years.

CAPITAL IMPROVEMENT PROGRAM

1. The City will prepare and adopt a five-year Capital Improvement Program which will detail each capital project, the estimated project cost, description, and funding source. The overall goal of the Capital Improvement Plan is to order the City's fiscal expenditures while coordinating public investment with adopted plans and policies to properly manage the City's long term investments. To that end, the program is expected to:
 - increase opportunities to obtain funding from outside sources, such as the state and federal government;
 - assist in the planning, budgeting and coordinating the operation and capital efforts of the various City Departments;
 - provide a rational basis by having supporting public capital commitments; and

- result in a more favorable bond rating by giving evidence of effective management.
- 2. Operating expenditures will be programmed to include the cost of implementing the approved Capital Improvement Program and providing all manpower, operating costs and capital outlay required by it.
- 3. All capital projects must be justified on the basis of providing a basic service, improving or rehabilitating deteriorated facilities, reducing costs, promoting jobs or benefiting a large population segment or a target area of the City. They must also be compatible with other planned projects and overall City development plans.
- 4. All projects are to be prioritized according to the following criteria levels:
 - FIRST - clear and present danger to the public; or contractual obligation; or written commitment of grant funding.
 - SECOND - documented cost savings; or probable grant commitments; or other justified need.
 - THIRD - future cost avoidance; or planned improvements; or significant improvement of service.
- 5. Appropriations for all Capital Improvement Projects are approved on an annual basis only. All uncompleted projects must be reconsidered annually to determine if unspent funds need to be recommitted to a given project or reallocated to other planned projects.

ENTERPRISE FUND DIVIDEND TRANSFER POLICY (Amended November 25, 2013)

1. As part of its year end annual financial evaluation process, the City will consider whether it is appropriate and prudent to transfer a portion of the unused retained earnings from an Enterprise Fund to the CIP Fund assigned fund balance. Uses of the fund will include non-recurring capital expenditures for city neighborhoods, downtown redevelopment, economic development projects, park improvements, and special one-time projects.
2. This transfer payment cannot be considered a normal cost of Enterprise Fund operations recoverable through the rate base. Rather, it is to be paid out of the annual net profits of the prior year just as a private investor owned utility would pay their shareholders a dividend from these sources.
3. The following controls will be utilized to ensure that the payment of dividends by an Enterprise Fund does not jeopardize the financial health of the fund.
 - On an annual basis after the prior fiscal year end audited financial statements are presented, an updated financial projection analysis of the Enterprise Funds will be done. The analysis will include all expected sources and uses of funds for the current year as well as funding approved through the current approved budget.
 - Adequate funds within the Enterprise Funds must be provided for debt interest, principal repayments and any debt coverage requirements. A minimum working capital reserve level equal to two months of operating costs must be maintained at all times. Operating cost is defined as total operating expenses less depreciation and interest expense. Additionally, for those Enterprise Funds utilizing a 3R Reserve, 1% of the cost of replacement of the total asset must be maintained in a restricted cash account.
 - Capital expenditures on average during the six year projection period must be at a level at least equal to the average depreciation expense during the projection period. (This control is intended to prevent under funding replacement capital expenditures to allow for dividend transfers).
 - Payment will be made after reviewing the prior year's audited financial statements, and preparation of an updated financial projection analysis for an Enterprise Fund.
 - Mayor and Council shall act on staff recommendation and declare dividend if appropriate and in compliance with this policy through an approval of a Motion.
4. These needs must be anticipated and adequately provided for in the Enterprise Funds.

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.
2. All departments may apply for any grants that contribute to the overall mission and goals of the City. Department Managers must approve all grant applications for their respective departments. Department Managers shall report accurate data and information on all applications, consistent with the City's reports, records, and operations.
3. Prior to submitting the grant application to the granting entity, Department Managers must input the application information into the Grant Master module in Munis, and attach complete scans of the grant application and any program or guides into Tyler Content Manager.
4. The Finance Department must be notified that a grant application has been entered for Finance Department review.
5. Electronically submitted grants must include the Director of Finance as an authorizing agent or person. The grantee should be listed as "City of Hagerstown", not the requesting department.
6. Prior to submission of a grant application, the Department seeking the grant must complete all necessary Human Resources Department, Finance Department, City Administrator, and Mayor & Council approvals. This approval requirement applies to both first time and ongoing grants, and will include the following:
 - The Department Manager must approve all new and ongoing grant applications of less than \$30,000 and less than \$25,000 in City matching funds. The Department must notify the Finance Department of the grant application for review prior to submission.
 - Prior to submission, the Department Manager along with both the Director of Finance and the City Administrator must approve all new grant applications between \$30,000 and \$50,000 and requiring less than \$25,000 in City matching funds, and all ongoing grants greater than \$30,000 and requiring less than \$25,000 in City matching funds. The Department Manager, Director of Finance, and City Administrator are the only personnel authorized to sign applications, agreements, contracts and grant documents on behalf of the City for grants of \$30,000 or greater.
 - Prior to submission, the Department Manager, the Director of Finance, the City Administrator and the Mayor and Council must approve all grant applications that meet any of the following conditions:
 - i. Any new grant funding the addition of a new position. Additionally, approval from the Human Resource Director is required for position additions.
 - ii. Any new grant in excess of \$50,000.
 - iii. Any new or ongoing grant requiring City matching of funds of \$25,000 or more.
 - iv. Any new or ongoing grant requiring either Mayor or Council approval of or understanding of the City's ongoing obligations to retain the grant.
7. The Department Manager shall notify the Finance Department of whether the grant has been awarded or denied and make necessary updates to the grant status in the Grant Master. Copies of the grant award notification, approved grant budget, and conditions must be scanned and attached to the Grant Master through Tyler Content Manager.
8. Upon notification from the Department originating the grant, the Finance Department will establish a new project number for the grant, and set up the appropriate budget, income, and expenditure accounts in the City's General Ledger system. The Finance Department will notify the Department of the new project and account numbers.
9. Grant financial records, supporting documentation and all other records pertinent to the grant shall be retained by the City permanently following the submission of the final report to the grantor. Copies of all applications, award letters, budget notices, award conditions, reimbursement requests, expenditures, quarterly reports, performance measures, and close out reports must be scanned and attached to the Grant Master through Tyler Content Manager.
10. Federal and State grants are subject to annual audits by the City's external auditors and must comply with certain standards. The Finance Department will prepare the Schedule of Expenditures of Federal Awards and State Financial Assistance (SEFA) to comply with the City's Single Audit requirements.

GENERAL FUND AGENCY CONTRIBUTION POLICY (Amended October 20, 2015)

Purpose:

The City of Hagerstown for many years has funded grants to local community agencies using annual appropriations in the General Fund as the source of this financial support. The purpose of this policy is the following:

- 1) To establish the level of General Fund funding support for agency contributions.
- 2) To define the City's timeline for this process.
- 3) To specify the City's requirements for the information to be provided by agencies seeking funding.
- 4) To outline the schedule for the City's distribution of funds to agencies receiving a grant of more than \$5,000.

Funding:

- 1) The Mayor and Council have established a funding level of \$195,000 to be allocated toward 8 recipients identified by the City as core agencies. These agencies include the following:
 - a) Washington County Free Library
 - b) Washington County Museum of Fine Arts
 - c) Maryland Theatre
 - d) Maryland Symphony Orchestra
 - e) Hagerstown Municipal Band
 - f) Community Rescue Services
 - g) Hagerstown Neighborhood Development Partnership
 - h) Hagerstown Historical Society
- 3) The Mayor and Council have established a \$10,000 contingency for General Fund Agency Contributions.
- 4) The Mayor and Council have established that the total funding level for General Fund Agency Contributions is \$205,000

Timeline:

- 1) If needed, the Mayor and Council will consider changes to these funding levels for General Fund Agency Contributions in future fiscal years by the end of October.
- 2) The City will distribute application packets to community agencies in November.
- 3) Applications from agencies are due no later than the 2nd Friday of January. Submission of funding requests will not be received after this date.
- 4) The Mayor and Council will approve Community Agency funding from the General Fund by the end of May.
- 5) Agencies will be notified of the Mayor and Council's funding decision by mid-June for contributions to be available beginning July 1.

Application: The City of Hagerstown will consider a number of factors/criteria in approving funding requests. Agencies requesting more than \$5,000 in funding should include the following in their applications for funding:

- 1) A full description of how the requested grant from the City would be used to support agency operations, services, and capital improvements.
- 2) A summary of other local government funding sources and amounts including any grants received from Washington County or other municipalities.
- 3) A copy of the agency's most recent budget.
- 4) A copy of the agency's most recent financial report or audit prepared by an independent auditing firm.
- 5) A description of how the agency supports the goals of the City for downtown revitalization, expansion of the arts, culture, and education, neighborhood vitality, quality of life.
- 6) Agency service data related specifically to providing service and assistance to residents of the City of Hagerstown.

As part of the application and approval process, an agency may be requested to make a presentation of their funding request and service information to Mayor and Council during a public work session.

Distribution of Funds:

- 1) The City will distribute grant funds to the agencies on a quarterly reimbursement basis beginning on October 1 of each year for those organizations receiving a grant of more than \$5,000. Other agencies can receive the full amount of their grant in July, the first month of the City's fiscal year.

Definitions of terms used in preparation of the Budget are listed below and in the pages that follow.

Accounting System – The total structure of records and procedures that identify, record, classify, summarize, and report information on the financial position and results of operations of a government.

Accrual Basis of Accounting – The method of accounting where transactions are recognized when they occur, regardless of the timing of related cash flows.

Appropriations – The legal authorizations made by the Mayor and Council to the departments, offices, and agencies of the City which approves their budgets and allows them to make expenditures and incur obligations for purposes with the accounts approved.

Assessable Base – The total value of all real and personal property in the city which is used as a basis for levying taxes. Tax exempt property is excluded from the assessable base.

Assigned Fund Balance – The portion of net resources intended for a specific use by the City, as determined by the designee of the Mayor and Council.

Balanced Budget – A budget that has operating revenues equal to operating expenditures.

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

Bond – A written promise to pay a specified amount of money, called the principal amount, at specific dates in the future called maturity dates along with interest at specific rate.

Bond Anticipation Notes – Short-term interest-bearing notes issued by a government in anticipation of bonds to be issued at a later date. The notes are retired from proceeds of the bond to which they are related.

Bonds Issued – Bonds sold.

Bond Rating – A rating that indicates the probability of timely repayment of principal and interest on bonds issued.

Budget – A financial plan containing estimated revenues and expenses for an organization. The plans are prepared by the individual departments and reviewed and submitted by the City Administrator to the Mayor and Council for their review and approval.

Budget Year – The fiscal year for which the budget is being considered. (See also FISCAL YEAR.)

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

Capital Budget – The annual adoption of project appropriations by the Mayor and Council. Project appropriations are for the amount necessary to carry out a capital project's expenditure plan, including multi-year contracts for which a total appropriation covering several years planned expenditures may be required.

Capital Improvements Program (CIP) – The annual updated 6-year plan or schedule of projected expenditures for buildings, public facilities, and other improvements which are of significant value and have a useful life of several years. The City's program includes estimated project costs, sources of funding, and timing of work for each project. The capital improvement program is the basis for the annual CIP appropriations and any new bond issues.

Capital Expenses (Outlays) – Departmental expenditures which generally result in the acquisition of furniture, equipment, and/or computers, which have a value of less than \$5,000 (\$10,000 for Enterprise

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Funds), and have a useful economic life of more than one year. Capital expenses are reflected in the budget document in each department requesting the items.

Capital Projects – A specific activity or element of the Capital Improvements Program involving expenditures and funding for the creation of permanent facilities or other public assets that have a relatively long useful life.

CDBG – See Community Development Block Grant

CIP – See Capital Improvements Program

Committed Fund Balance – Portion of net resources with imposed limitations set at the highest level of decision making authority. Such authority includes ordinances, resolutions of the Mayor and Council and the City's charter. Formal action at the same level of authority is required to remove such limitations.

Community Development Block Grant (CDBG) – A general purpose, federal grant primarily used to promote rehabilitation and development of residential and commercial neighborhoods, and to meet all urgent community development needs.

Current Year – The fiscal year that is prior to the budget year.

Debt Issuance – The sale or issuance of any type of debt instrument, such as bonds.

Debt Limit – The statutory or constitutional maximum debt that an issuer can legally incur.

Debt Ratios – The ratios that provide measures of assessing debt load and ability to repay debt, which play a part in the determination of credit ratings. They also are used to evaluate the City's debt position over time against its own standards and policies.

Debt Service – The payment of principal and interest on borrowed funds such as bonds.

Deficit – The amount by which a government's budget outlays exceed its budget revenues for a given period, usually a fiscal year.

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

Department – The major organizational divisions in the City government with overall responsibility for one or 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.

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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.

Governmental Fund – The funds through which most government functions are financed. The City's governmental funds are the General, Debt Service, Capital Projects, and Special Revenue Funds.

Grants – A transfer of county, state or federal monies to the City, usually for specific programs or activities.

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.

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Long-Term Debt – Debt or obligations of the City with a final maturity or payment date of greater than one year.

Major Budget Highlights – A component of the Program Summary that explains significant changes or highlights in each department's proposed budget as compared to the previous year's budget.

Major Budget Year Initiatives – A component of the Program Description that details departmental goals for the fiscal year. These objectives are tied to the City's overall strategic plan.

Matured Bonds Payable – A liability account reflecting unpaid bonds that have reached or passed their maturity date.

MGD – Million Gallons per Day.

Modified Accrual Basis Of Accounting – The accrual basis of accounting adapted to the governmental fund type. It is a modified version of the full accrual basis of accounting in that it, in general, measures financial flow (tax and spend) of an organization, rather than capital accumulation (profit or loss).

Net Bonded Debt – Gross bonded debt less any cash or other assets available and earmarked for its retirement.

Non-Departmental Operating Expenditures – Operating expenditures which are not charged directly to specific departments but are cost to the City as a whole, such as debt service payments and general liability insurance.

Nonspendable Fund Balance – Portion of net resources that cannot be spent either (a) because of their form, or (b) because they must be maintained intact.

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.

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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 responsibility of the department.

Program Summary – One of the major sections of the budget document that details each department's budgetary activity. The summary includes the expenditure summary, major budget highlights, and staffing levels.

Projections – The estimate of budget authority, outlays, receipts, or other amounts extending several years into the future. Projections generally are intended to indicate the budgetary implications of existing or proposed programs.

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

Proposed Budget – Reflects the budget or line-item amount recommended by the City Administrator to the Mayor and Council for their review and consideration. It reflects either his assessment of what is needed to accomplish the department's objectives, or the limited resources available to accomplish the intended objectives.

Resolution – A special or temporary order of a legislative body that requires less legal formality than an ordinance or statute.

Retained Earnings – The cumulative annual net income or loss of an Enterprise fund's operations since the inception of the fund which are retained for future operation or needs.

Receipts – Collections from the public based on a government's exercise of its sovereign powers. Governmental receipts consist of receipts from taxes, court fines, gifts and contributions, and compulsory licenses.

Restricted Fund Balance – Portion of net resources with imposed limitations set by either (a) creditors, grantors, contributors, or the laws and regulations of other governments, or (b) laws through constitutional provisions or enabling legislation.

Revenue – Income received by the City to support its program of services to the community. It includes sources such as property taxes, admission fees, service charges, Federal and State grants, and parking fines 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.

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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.

Unassigned Fund Balance – The portion of net resources in excess of the nonspendable, restricted, committed, and assigned balances.

Unfunded Positions - Positions not currently funded that would require an identified funding source and Mayor and Council approval before being funded again.

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

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

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

Working Capital – A term used to describe the unreserved fund balance calculated by subtracting current liabilities from current assets. This is used for the City's enterprise funds.

Zoning – The partitioning of a city, borough, or township by ordinance into sections reserved for different land use purposes (i.e. residential, offices, manufacturing, commercial, etc.)