CITY OF HAGERSTOWN

CITY ADMINISTRATOR'S ADOPTED BUDGET

Fiscal Year 2018 - 2019

July 1, 2018 - June 30, 2019

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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, 2017

Christopher P. Morrill

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.

FY2019 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 2017 through February 2018 and provided opportunities and guidance for the creation of the FY19 budget document. A listing of discussion topics and dates are located in the budget message in Section 1.

During the month of December 2017, departmental management and staff conducted departmental reviews of the Capital Improvement Program (CIP) projects. The Department Managers obtained requests from departments, neighborhoods, and homeowners for CIP projects. To assist the City Administrator in determining and recommending projects for funding, priorities were placed on capital projects that impact the City's facilities and infrastructure, safety and environment, legal provisions, and budget. During the same timeframe, Department Managers met with Budget staff to review individual departmental CIP requests.

In addition, the first public hearing on CDBG funding needs was held on December 13, 2017.

Budget review meetings began in January 2018 between Department Managers and the Budget Committee to consider departmental operating budget requests. In addition, discussions and/or meetings were held with Department Managers to review initial CIP projects for prioritization of timing and funding within department and City goals. From January 2018 through March 2018, 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 FY19 City Administrator's Proposed Operating Budget and the Capital Improvements Program for FY19 - FY23 for presentation to Mayor and Council.

On March 29, 2018, the City Administrator and Budget staff, in conjunction with City Management, will present the Mayor and Council with the FY19 City Administrator's Proposed Budget for review. The Mayor and Council and the City's senior management will work together from April 3, 2018 to May 22, 2018 to review and discuss the proposed budget and CIP projects. A public hearing will be scheduled for May 15, 2018 to discuss the Operating Budget, Capital Improvement Program (CIP), and property tax rates. A second public hearing will be scheduled for May 10, 2018 to discuss the Community Development Block Grant funding needs.

Mayor and Council are scheduled to introduce the ordinance for the approval of the budget and CIP projects on May 15, 2018. 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 22, 2018. To conclude the Budget Development Process, Budget staff will implement the FY19 Mayor and Council's Adopted Budget and the FY19 - FY23 approved CIP budget during June and July 2018. The FY19 adopted budget will become effective on July 1, 2018. 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 21 parks and additional recreation facilities throughout Hagerstown, to include a municipal golf course, a public swimming pool, and an indoor ice and sports complex. The City provides a clean, safe and well-maintained environment in our neighborhoods and community gathering places. The community receives public safety protection through the operation of the City's career fire and police departments.

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

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

Hagerstown was named the "Hub City" back when railroading was a primary source of transportation and commerce; the name has stuck throughout the years due to the city's unique positioning at the hub of Interstate 81 and Interstate 70. Today creative service and technology-related companies are recognizing Hagerstown's close proximity to Baltimore and the D.C.-metropolitan area as an asset, and Hagerstown is seeing a trend in those companies locating in the city. 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 City developed Engine Room Art Space, a cooperative gallery managed by artists who live and create in loft apartments on the upper floors. The Washington County Museum of Fine Arts is one of four designated fine arts museums in the state of Maryland, and welcomes visitors to its galleries from the picturesque setting of City Park, profiled as the most beautiful city park by a national travel website.

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

City Park is one of 21 parks throughout the park system, which also includes the community's first Dog Park. All parks and recreation facilities owned and managed by the City are smoke-free, with the exception of Municipal Stadium and The Greens at Hamilton Run, a nine-hole golf course overlooking a mountain view. The Hagerstown Ice & Sports Complex hosts hockey games, figure skating competitions, and public skate for amateurs on the ice. The University System of Maryland at Hagerstown opened in the heart of downtown in January 2005; and, currently there are 6 universities offering 13 undergraduate programs and 7 graduate programs, including a doctorate-level degree. The City, in partnership with a private developer and USMH, completed the first student housing project, renovating a vacant 19-room boarding house into apartments for eight students.

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

The population of the City of Hagerstown and its surrounding suburbs grew by less than one percent between 2010 and 2016. The 2016 population estimate for the City of Hagerstown is 40,325 with the suburban fringe containing approximately another 61,702. In the City of Hagerstown, there are currently 616 housing units in various stages of development and construction. Two dormant subdivisions have attracted new builders and two new subdivisions totaling 224 units are in the planning stages. 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. New commercial development has been on an uptick in the city, particularly on the Dual Highway, the Eastern Boulevard area, the Wesel Boulevard area, and the Garland Groh Boulevard area. Major cultural and educational expansion projects totaling more than $35 million are in the planning stages in the downtown with anticipated

construction to begin in FY 19. The City's new Cultural Art Trail linking the downtown with City Park has created a buzz and garnered national media attention.

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 over 20 years, attracting blues music fans to the weekend 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. Hagerstown has received national attention for the Krumpe's New Year's Eve Donut Drop, which is hosted by a downtown business, High Rock Studios, and creates a mock midnight celebration for families who count down as a giant paper-mache donut descends from the clock tower in Public Square.

The 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.

N
W
E
S
58
81
60
40
144
11
64
40A
11
65
632
40
70
Major Road
Local Street
City Corporate Boundary
Prepared By: Hagerstown Planning & Code Admin Dept, 2/16/18
Esri, HERE, DeLorme, MapmyIndia, © OpenStreetMap contributors, and the GIS user community

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

Date founded	1762
Date of incorporation	1813
Date of adoption of present City Charter	1983
Form of Government	Mayor, Council, and Administrator
Area (in square miles)	12.1

Fire Department

Number of Stations (3 volunteer, 3 City owned)	6
Number of Fire Hydrants (within City limits)	818
Responses to Fire alarms	5,993
Average response time (in minutes)	3:45
Malicious False alarms (included in above number)	54
Public fire education programs	626
Persons in attendance at public education programs	6,123

Parks and Recreation

Parks and Playgrounds (303 acres)	21
Minor League Baseball Stadium (9.94 Acres)	1
Outdoor Swimming Pool (Claude M Potterfield Pool 1.5 acres)	1
Municipal Golf Course (The Greens at Hamilton Run 61.9 acres)	1
Bike Lanes and Paths	54

Electric Department

Number of active accounts	17,085
Number of meters (in use)	17,512
Kilowatt hours purchased	304,938,150
Kilowatt hours sold	297,368,988
System peak demand-kilowatts	60,850
Number of substations – 34.5KV to 13.8KV	7

Water Department

Number of active accounts-City	13,324
Number of active accounts-County	15,967
Total number of active accounts	29,291
Daily average productions in million gallons	
R.C. Willson Plant (365 days)	11
Wm. M. Breichner Plant (365 days)	0
Greatest consumption for a single day	12.85
Plant pumping capacity per day	20
Average daily metered consumption	7.98
Miles of water mains (estimate)	430

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
2017 (Estimate)	40,452

Police Department

Parking ticket violations issued	8,674
Net parking fines	$ 159,013
Safe Speed Program citations issued	26,675
Calls for service	52,235
Alarm calls (included in above number)	402

Public Works

Miles of paved streets and alleys	153.42
Number of traffic signals maintained	136

Parking Facilities Department

Number of lots	12
Number of Parking Spaces (metered or rented)	
Lots	754
Streets	337
Parking Decks:	2
Number of Parking Spaces	625
Number of Permit Parkers	604

Wastewater Department

Number of active accounts-City	13,060
Number of active accounts-County	2,976
Number of active accounts-District (JSA)	3,670
Number of active accounts-Total	19,706
Daily average of sewage treated (in million gallons)	6.7
Daily average plant capacity (in million gallons)	8
Number of City owned pumping stations	23
Miles of collection system – City owned	157

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

	2017			2008		
Employer	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Washington County Public Schools	3,100	1	4.63%	2,921	2	4.41%
Meritus Health, Inc. (Washington County Health System, Inc.)	2,740	2	4.10%			
Citicorp Credit Services, Inc	2,300	3	3.44%	2,244	4	3.39%
First Data Merchant Services	2,185	4	3.27%	2,077	5	3.13%
Washington County Government	1,352	5	2.02%	1,080	7	1.63%
Volvo Powertrain NA (Mack Trucks, Inc.)	1,300	6	1.94%	1,511	6	2.28%
FedEx Ground	900	7	1.35%			
Hagerstown Community College	890	8	1.33%	682	10	1.03%
The Bowman Group, LLC	745	9	1.11%			
Federal Government	567	10	0.85%	763	8	1.15%
Washington Couty Health System, Inc.				2,971	1	4.48%
State of Maryland				2,613	3	3.94%
Staples Distribution Center				760	9	1.15%
Total	**16,079**		**24.04%**	**17,622**		**26.59%**

Source: Principal Employers for Washington County MD provided by Hagerstown/Washington County EDC
Total County employment for 2017 was 66,896 and 2008 was 66,106, supplied by Bureau of Labor Statistics.

Principal Property Taxpayers
Current Year and Nine Years Ago

	2017			2008		
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Washington REIT Centre at Hagerstown	$ 60,576,600	1	2.28%	$ -		
Lowes Home Centers, Inc.	30,226,500	2	1.14%	21,527,100	3	0.93%
Tractor Supply Company	22,383,400	3	0.84%			
Homes for Hagerstown LLC (Hagerstown Apartments)	21,382,800	4	0.81%			
Walmart Real Estate Business Trust	20,128,400	5	0.76%	17,713,000	4	0.77%
RPAI Hagerstown LLC	19,743,300	6	0.74%			
Stone House Maryland LLC (Oekos Stone House)	18,061,100	7	0.68%			
Cortpark II LLC	16,746,700	8	0.63%	10,872,000	8	0.47%
Cortpark LLC	16,746,700	9	0.63%			
Washington Real Estate				34,173,400	1	1.48%
Verizon-Maryland				27,050,290	2	1.17%
Sams Real Estate Business Trust				11,947,200	5	0.52%
Columbia Gas of Maryland, Inc.				11,031,650	6	0.48%
Inland Southeast Valley Park LLC				11,268,400	7	0.49%
York Pinewood Apts. LP				10,528,976	9	0.45%
Hagerstown Plaza LLC	14,764,600	10	0.56%	10,149,800	10	0.44%
Totals	**$ 240,760,100**		**9.07%**	**$ 166,261,816**		**7.18%**

Source: City of Hagerstown FY17 CAFR (Comprehensive Annual Financial Report)

ORDINANCE No. 0-18-10

ESTABLISHING THE BUDGET FOR
FISCAL YEAR JULY 1, 2018 TO JUNE 30, 2019
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 15, 2018 after fifteen days' notice in a newspaper of general circulation.

NOW, THEREFORE BE IT RESOLVED, ENACTED and **ORDAINED** by the Mayor and Council of the City of Hagerstown, that the budget for the City for the fiscal year beginning July 1, 2018 and ending June 30, 2019, is hereby established as follows:

Funds	Proposed FY19 Budget	Mayor and Council Approved FY19 budget
General Fund	$ 45,408,195	$ 46,262,195
Community Development Block Grant Fund	1,272,677	1,272,677
Special Revenue Funds	1,968,263	1,968,263
General/Capital Improvement Projects	14,797,337	14,797,337
Total Government Funds	**63,446,472**	**64,300,472**
Electric Fund	25,225,890	25,225,890
Water Fund	20,941,950	20,941,950
Wastewater Fund	19,353,455	19,353,455
Parking Fund	916,644	916,644
Golf Fund	458,777	458,777
Property Management Fund	677,935	677,935
Total Enterprise Funds	**67,574,651**	**67,574,651**
Service & Trust Funds	10,110,187	10,110,187
Total Combined Uses of Funds	**$ 141,131,310**	**$ 141,985,310**

BE IT FURTHER ORDAINED that the effective date of the budget established herein is July 1, 2018 and shall govern for the period set forth.

MAYOR AND COUNCIL OF THE
CITY OF HAGERSTOWN, MARYLAND

(SEAL)

Robert E. Bruchey II, Mayor

Donna Spickler, City Clerk

Date of Introduction: *May 15, 2018*
Date of Passage: *May 29, 2018*
Effective Date: *July 1, 2018*

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

ORDINANCE No. 0-18-09

ESTABLISHING THE TAX RATES
FISCAL YEAR JULY 1, 2018 TO JUNE 30, 2019
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, 2018 through June 30, 2019, is hereby established as follows:

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

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

C. Taxpayers who pay the taxes referred to herein, between the period of July 1, 2018 up to and including July 31, 2018, 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, 2018 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, 2018 and shall govern for the period set forth.

MAYOR AND COUNCIL OF THE
CITY OF HAGERSTOWN, MARYLAND

R E Bruchey II

Robert E. Bruchey II, Mayor

Donna K. Spickler

Donna Spickler, City Clerk

Date of Introduction: *May 15, 2018*
Date of Passage: *May 29, 2018*
Effective Date: *July 1, 2018*

OVERVIEW
SECTION 1

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City of Hagerstown, Maryland

City Administrator's Department

March 29, 2018

Mayor and City Council,

The Proposed FY19 City of Hagerstown budget book is presented for your review. This proposed budget document for FY19 represents the dedicated work of the senior leadership team and staff along with the many public discussions we have had with Mayor and Council over the past several months. This work enabled me to provide a comprehensive and balanced budget for your consideration. As in the past few years, I have not deviated from the prior format of the budget book recognizing that the City has earned numerous consecutive past distinguished budget presentation awards from the Government Finance Officers Association. This recognition is an honor for the Finance team and the City. Therefore, the layout of the book contains familiar sections such as financial and program information for all funds. Some of the information is presented as summaries but they are normally followed by more detailed information. This will ensure you have the necessary information in this budget book to make sound fiscal decisions.

According to the City Charter, *"Not later than June 1st of each year, the budget shall be prepared and adopted…"* therefore, over the next two months you will be engaged in FY19 budget deliberations. Since the City has recently gained two new Council members, this budget year represents the first for them as well as the first for you as a public body. Since two months is a relatively short time period and you have much information to review we will likely spend the majority of the time discussing the General Fund which is the City's primary operating fund. I do respect it is Mayor and Council's decision to spend as much time on this or any other fund as they desire.

In reviewing the prior year budget message and considering all that has occurred since this time last year, I have found many similarities and realized we will be reviewing this FY19 budget under nearly the same circumstances as we did for FY18. We have a fairly new makeup on City Council, the challenges we faced still exist and we wish to maintain the goal to continue to provide the same or improved service levels. There has been no discussion by anyone wanting to cut or eliminate any services we are currently providing. It is quite the opposite as it seems we want to continue to do more. But the challenges remain; we face reduced availability of financial resources, the rising cost of providing services and the growing needs of the residential and business community.

As was true last year and due to the timing of this new public body, this Administration has not yet established official unified short term goals. You are moving in the direction of setting a longer term vision since you are going through the process of updating the City's Comprehensive Plan, namely *VisionHagerstown2035*. My position in formalizing a proposed FY19 budget for your review has not changed from a year ago. Therefore, I approached the formation of the FY19 proposed balanced General Fund budget from the same comprehensive perspective. I included and sustained current types as well as current service levels and therefore have not reduced staffing levels. I also included the Capital Improvement Program and projects, equipment needs and facility improvements. Also we kept momentum on key capital projects and initiatives such as the catalyst projects found in the Community's City Center Plan and the Urban Improvement Project. Therefore, items pertaining to these initiatives are also included.

When staff met with Mayor and Council in work session to review the working FY19 budget status on February 6, 2018, we were facing a challenging deficit just as we were last year for FY18 and very close to the FY19 projection. After this work session, the department heads and I went back to the initial budget numbers and reviewed all operational line items, capital projects and revenue streams. Due to the multiple years of very lean operations and repeated capital deferment there were no areas where we found *substantial* costs reductions that could occur without full elimination of services. Full elimination of services would have included reductions in associated personnel costs as well as other operational costs

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and capital items. Without reduction in services, we worked until we could present a balanced FY19 budget. We accomplished this in a similar manner to last year by utilizing a shared blend of expenditure reductions and deferments, capital deferments, use of General Fund reserves and a proposed property tax increase in the amount of $776K. I will discuss options regarding this property tax increase in the next section of this message.

As I reflect on this process, and this my third proposed budget, I find the challenges remain unchanged. We City leaders both elected and staff must come to visionary decisions regarding the level of services the City will continue to provide. If we want to continue to provide the same or increased level of services which is the approach of this FY19 proposed budget and include such things as community events and programs, amenities such as parks, the pool and golf course, the catalyst projects of the Community's City Center plan, contributions to the Maryland Theatre and Plaza for the Urban Improvement Project, other agency contributions, other capital improvement programs, union and non-union employee salary and benefit enhancements for examples; then the revenue increase side of the equation 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 including the reduction in expenditures of associated personnel, programs, and facilities. A continued process of deferment is not sustainable.

You have the opportunity during this time to make changes to the proposed FY19 budget; you may consider reductions in operations which would reduce service levels in particular areas, programs or facilities. The City offers a wealth of community amenities; changes in these operations may also be considered. Any of these decisions could then impact the level of operational or capital expenditures required. Staff is available during the deliberations to assist Mayor and Council if you want to consider any of these or other options as an alternative to the recommendations in the proposed FY19 budget.

I will discuss in more detail the tax rate and assessable base and appropriations of General Fund Reserves in the next sections

HAGERSTOWN'S ASSESSABLE BASE AND TAX RATE

The 2018 Constant Yield Tax Rate notice from the State Department of Assessments and Taxation indicates a July 1, 2018 Constant Yield Tax Rate of 94.18 per $100. This is higher than our current tax rate of 94.10 per $100. This is the second year of the new Triennial Assessment. Two of the key numbers for the City are the net assessable real property base for July 1, 2017 at $2,539,280,971 and the net assessable real property base for July 1, 2018 at $2,537,056,450. Based on this notice and July 1 snapshot, our net assessable base for the coming fiscal year will decrease by 0.09% over the current fiscal year which is relatively flat but still not moving in the right direction for fiscal sustainability. The first step will be to increase our current rate to the constant yield. My proposed FY19 makes this assumption and is included. A thirty year history of the change in the City's assessable tax base and property tax revenues is included in Section 3 page 6.

It is important to note that the proposed FY19 budget includes additional property tax revenue needed of $776K. This additional revenue is necessary to: maintain existing city services at current levels; provide salary enhancements as approved in collective bargaining union contracts; cover increasing costs of employer paid benefits; invest in capital infrastructure improvements that have been deferred; and accommodate annual debt service requirements. There are several options for implementing the proposed $776K property tax revenue increase (tier tax rate system or overall real estate property tax increase). In terms of a straight tax rate increase it would bring our tax rate to 97.18 per $100. Roughly $258K is raised per 1 cent of tax increase; therefore this option would be a 3.0 cent tax increase over the constant yield.

It must be recognized that a tax increase certainly impacts our Citizens and it is helpful if we can break that down in a more personal way so that the average taxpayer may understand the impact and how it will relate to their own household finances. The below chart reflects an average annual impact to property owners of a 3.0 cent tax rate increase over the Constant Yield:

Annual Impact on Property Owners of Tax Rate Increases:

	0.03	**0.03**
Home Values	Annual Increase	Monthly Increase
$ 75,000	$ 22.50	$ 1.88
$ 100,000	$ 30.00	$ 2.50
$ 125,000	$ 37.50	$ 3.13
$ 150,000	$ 45.00	$ 3.75
$ 200,000	$ 60.00	$ 5.00

There have also been initial and preliminary discussions regarding a tiered tax rate option. Creating a tier between all owner occupied verses non owner occupied properties is another option. The chart below will give you some options that could be used for this type of tiered tax rate implementation that could net the needed $776K.

OWNER OCCUPIED		$0.941 per $100K	REVENUE @ $0.941	INCREASE FROM FY18	REVENUE @ $0.941	INCREASE FROM FY18
R - RESIDENTIAL (OO)	$ 752,258,724	$ 7,078,755	NO RATE CHANGE		NO RATE CHANGE	
TH - TOWNHOUSE (OO)	$ 109,975,366	$ 1,034,868				
U - RES/CONDO (OO)	$ 57,642,449	$ 542,415				
GROUP TOTAL	**$ 919,876,539**	**$ 8,656,038**	**$ 8,656,038**	**$ -**	**$ 8,656,038**	**$ -**

NON-OWNER OCCUPIED		$0.941 per $100K	REVENUE @ $1.052 (12%)	INCREASE FROM FY18	REVENUE @ $1.08 (15%)	INCREASE FROM FY18
(M) APARTMENTS	$ 224,260,688	$ 2,110,293	$ 2,359,222	$ 248,929	$ 2,422,015	$ 311,722
(RC) RES/COMM (NOO)	$ 1,950,733	$ 18,356	$ 20,522	$ 2,165	$ 21,068	$ 2,712
R - RESIDENTIAL (NOO)	$ 351,823,714	$ 3,310,661	$ 3,701,185	$ 390,524	$ 3,799,696	$ 489,035
TH - TOWNHOUSE (NOO)	$ 81,768,036	$ 769,437	$ 860,200	$ 90,763	$ 883,095	$ 113,658
U - RES/CONDO (NOO)	$ 23,520,738	$ 221,330	$ 247,438	$ 26,108	$ 254,024	$ 32,694
CC - COMM/CONDO (NOO)	$ 19,048,700	$ 179,248	$ 200,392	$ 21,144	$ 205,726	$ 26,478
GROUP TOTAL	**$ 702,372,609**	**$ 6,609,326**	**$ 7,388,960**	**$ 779,634**	**$ 7,585,624**	**$ 976,298**

Given the proposed increase for tax revenue above, the chart below has been included that reflects how the city will spend each tax dollar received:

APPROPRIATION OF GENERAL FUND RESERVES

As mentioned above, the FY19 Proposed budget does include the appropriation of General Fund reserves as a means to reduce General Fund direct transfers to CIP (Pay-go) and to help balance the budget. The amount proposed is $240K and is used to fund a multitude of needs across General Fund departments. It should also be noted that the amount used is a carryover of funds from FY18 and does not exceed parameters within our policy found in Section 10 page 4. There are no additional amounts of fund balance reserves to cover items in the FY19 budget beyond the total amount approved in FY18. You will find the complete listing of these items in Section 8 on page 15 under the CIP projects listed by funding source. Details of all of these items can be found on the individual CIP sheets by their corresponding number in Section 8 beginning on page 46.

The proposed budget also includes the reallocated use of $250K in General Fund reserves. This amount represented the final commitments of the former Invest Hagerstown program, but I have proposed a modified use to allow $200K to be committed to the Maryland Theatre for their expansion project in FY19. The $50K will stay with former program in the even there is any activity with the project as originally intended. Details of ending Fund Balance including the unassigned reserve can be found in Section 3 on the bottom of page 2.

MAYOR AND COUNCIL FISCAL WORK SESSIONS AND DISCUSSIONS

During FY18 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 serve to assist you throughout the year and help you make informative FY19 budget decisions

July 11, 2017	Stormwater Utility and Fee Discussion Speed Monitoring System Contract and Collections Contract Red Light Camera Update
July 18, 2017	Parking Equipment Upgrades to Decks Massey Park Concept
July 25, 2017	IBEW 307 Labor Contract
August 8, 2017	Excessive Use of City Services Program Update
August 15, 2017	Fund Balance Retained Earnings Policy DCED Loan Portfolio Update Rental Licensing Program Update
August 22, 2017	RFP Discussion for Student Housing- Catalyst Project #3 Blues Fest Discussion
September 12, 2017	Urban Improvement Project (UIP) – Bridge Discussion UIP-MHT MOU for Property Demolitions
September 19, 2017	Joint meeting with Planning Commission for Comprehensive Plan Update Reconstruction of Pangborn Park Pond and Hamilton Run Stabilization Trash and Recycling Collection Services Contract
October 3, 2017	Hagerstown Ice and Sports Complex Annual Report 2017 IAFF1605 Labor Contract Distribution Foreman Funding Electrical Operations
October 10, 2017	City Owned Properties and Property Management Fund Discussions BuroBox MOU Agreements 2018 Blues Festival Changes
October 17, 2017	Annual Review of Police and Fire Retirement Plan and Other Post-Employment Benefits FY19 Preliminary Budget for Agency Contributions General Fund 2018 Proposed Stadium Improvements Fairgrounds Park Entrance Building Discussions
November 7, 2017	Approval of Legal Services Retainer Stormwater Utility and Fee Study Discussion Community Coalition Meeting Update
November 14, 2017	Hagerstown Business Revolving Loan Program Guidelines Homeownership Program Guidelines Approval of Fund Balance Retained Earnings Policy
November 21, 2017	Tiered Property Tax Rate Discussion
December 12, 2017	Program Open Space Annual Program Discussion Indoor Sports Complex Financial and Market Feasibility Study
January 9, 2018	2017 Audit and Comprehensive Annual Financial Report (CAFR) Presentation County Phase I Plan for Fire Service
January 16, 2018	Permitting Inspections and Code Compliance Committee Report FY19 Parking Rates Recommendation
January 23, 2018	Stormwater Utility Fee Study Contract City Fire Volunteer Briefing
February 6, 2018	FY19 Working Budget Status Review Loan Request from Ice Rink Tiered Real Property Tax Rate Structure
February 20, 2018	Licensing of Hotels Funding transfer to the Economic Redevelopment Fund Proposed sale of 21-23 West Franklin Street
February 27, 2018	Tiered Real Property Tax Rate Structure update
March 6, 2018	ARC Grant Requests for FY 19 Grants for the UIP 2018 Taxable Bond Issuance Private Placement Indoor Sports Complex

EMPLOYEE WAGE ADJUSTMENT HISTORY AND FY19 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.

FY10	**All Groups:** No COLA, Steps granted June 2010 – Three positions eliminated
FY11	**All Groups:** 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	**All Groups:** No COLA, No steps, and Frozen career paths $1,000 gross one-time pay on 12/2/11 to all regular FT employees
FY13	**All Groups:** 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 307:** 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 1605:** 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 307:** 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 1605:** 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 307:** 2% COLA, restorative step based on anniversary date. **AFSCME 3373:** 1 longevity step effective 7/1/15. **IAFF 1605:** 2% COLA effective 7/1/15 and 1 longevity step effective 7/1/15
FY17	**Non-Union, IAFF 1605, AFSCME 3373:** No COLA, no Steps **AFSCME 1540 & IBEW 307:** Longevity step based on anniversary date
FY18	**Non-Union** 1 step effective 7/1/17 for those hired before January 1, 2017 **IBEW 307:** 2% COLA, continued longevity steps effective 7/24/17 **AFSCME 1540:** 1% COLA effective 1/1/18, continued longevity steps effective 7/1/17 **AFSCME 3373:** Restored longevity steps based on years of service, compressed longevity steps from 22 to 15, steps frozen until 7/2/18. **IAFF 1605:** restored step increases based on years of service, effective 7/3/17. Steps frozen for duration of contract, 6/30/17 (one year contract) Negotiation continue 3/1/18
FY19	**Non-Union:** Proposed step increase, proposed adding of step 14 **IBEW 307:** 2% COLA effective 7/2/18 **AFSCME 1540:** 1% COLA, add year 25 step effective 7/1/18 **AFSCME 3373:** Steps unfrozen effective 7/2/18 **IAFF 1605:** Pending negotiations

HIGHLIGHTS OF FY19 PROPOSED BUDGET

The following information included in this section of this budget message provides a summary of the key assumptions and highlights of this FY19 proposed budget. These highlights explain the most significant topics and assumptions needed in preparing a balanced FY19 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 FY19 Proposed Budget:** On February 6, 2018 staff held a FY19 budget status review with Mayor and City Council and at that time reported a deficiency of approximately $2.7M. We are now presenting a balanced FY19 proposed budget. The key changes that allow for a balanced budget are: reductions in General Fund transfers to CIP by $544K leaving $843K for pay-go funding of capital projects, re-appropriating $240K of General Fund reserves to fund capital projects; tax increase generating $776K; recognition of a health insurance surplus reimbursement of $536K; and decreases in various additional operational items. 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. **FY19 General Fund Revenues and Expenditures:** The Proposed General Fund revenue of $45.409M for FY19 represents a 3.2% increase over the FY18 budget. The key factors for this increase are summarized in this budget message under Sources of FY19 General Fund Revenues on page 20. The Proposed FY19 Budget reflects a 3.3% increase in General Fund Expenditures for a total of $45.408M. The key factors for this increase are summarized in this budget message under Expenditures of FY19 General Fund Resources on page 21. The General Fund's FY19 proposed budget reflects the total costs of wages and benefits at $30,194M and is close to our largest revenue source total of Property Taxes at $30,642M a difference of $448K. Debt Service expenditures are anticipated to increase 8.0% for FY19 over FY18 revised budget. Transfer (pay go) funding for proposed FY19 CIP related projects and equipment increased by $697K over FY18 reflecting decreased use of General Fund reserves. General Fund Expenditures are summarized in subsequent locations in this budget message on various schedules and starting on page 15.

3. **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 FY19 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. Once you begin to examine the forecasts for the out years you will find the earlier discussions in this message about strategic planning and short and long term budget planning really come to light. Serious considerations to additional revenue increases and/or possible change to program and service levels in light of available revenues for FY20 and beyond are a must. 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 mainly focus on FY19. On page 3, you will see that the General Fund lacks sufficient resources to cover the projected cost of our wages, benefits, and other operational and capital expenditures in FY20 and beyond. Our current projections show a shortfall of $2.2M for FY20 with similar deficits in subsequent years. Without future changes to service levels and capital equipment, programs and or amenities, or increases to revenue the City cannot continue operations in the manner as projected.

4. **Debt Service Expenditures and Bond Issues**: Information on our Bonded Debt Outstanding and our Debt Levels and Affordability is presented starting on Page 24 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 8.0% for FY19 over FY18 budget. In our FY19 projections we have assumed a $6.3M General Fund supported bond issue in late FY19. This bond issue will support funding for such items as the Plaza for the Urban Improvement Project, $1M; Fire vehicles for $709K; Consolidation of public safety assets for $2.1M; Public Works vehicles for $340K, Police radios for $534K and Pangborn Lake Reconstruction for $1.0M. 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 4.0% for the late FY18 issue and 20 years and 4.25% for the FY19 issue. For subsequent years we are anticipating 20-25 year terms with 4.25- 4.75% rates. The summary of General Fund Debt Service appearing in Section 7 page 12 shows our annual projected expenditures increasing from $2.609M in FY19 to $3.012 in FY23. Actual expenditures will vary and are based on future decisions the City will make related to project funding and debt affordability. Projects such as Fire Department Equipment, Professional Court Extension, Wesel Blvd Reconstruction 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 15 in Section 8.

5. **Staffing Levels:** The FY19 proposed budget includes 477 full-time positions with 331 in the General Fund and 146 in other funds and operations. There are 25 unfunded positions with 15 unfunded in the General Fund and 10 unfunded in other funds and operations. This makes a total of 452 funded positions city-wide. There are no new positions included in this proposed budget. There are also no reductions in staffing proposed. A schedule of City staffing for all of our operations along with a five year history appears on Page 7 of Section 1.

6. **Employee Compensation Package:** Historically our employees are given a competitive compensation package. It should be noted that the cost of wages, associated payroll taxes and benefits continues to be the largest segment of the overall budget. This is not unexpected as the City is a service provider. Multi-year contracts were negotiated and approved last year for three of the City's bargaining units: AFSCME 3373, AFSCME 1540, and IBEW 307. For IAFF 1605, a one year contract was reached and we are currently in contract talks with this fourth union group. This proposed budget includes all agreed upon general enhancements from the contracts including salary and benefits. It also includes enhancement amounts for good faith bargaining with IAFF 1605 as well as amounts for the City's non-union personnel. A history of wages since FY10 is included in the summary appearing above in this Section on Page 7. General Fund employee and retiree benefits detail information is included on Page 9 of Section 7. Due to changes that occurred in the plan for FY17 our projections are very positive and therefore this proposed FY19 budget assumes the City will remain flat with no increase in our Health Insurance Program costs. On another positive note, the contribution to City Police and Fire Pension will remain at 14% of salary. As shown on the top of Page 10 in section 7 the General Fund portion of employee and retiree health insurance and pension costs amounts to $7.055M which is $11K increase over the FY18 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 9.0% next year a slight increase from FY18. The five year history of the share of the City and Employee cost appears in the table at the bottom of Page 10.

7. **Amenities Supported by the General Fund:** The following is a chart that details the revenue and costs associated with providing a wide range of Community amenities. These amenities are included in this proposed FY19 budget.

CITY OF HAGERSTOWN
SCHEDULE OF AMENITIES
FISCAL YEAR 2018 PROJECTED AND FY19 BUDGET

	FISCAL YEAR 2018 PROJECTED ACTUAL					FISCAL YEAR 2019 PROPOSED BUDGET				
AMENITY DESCRIPTION	DIRECT REVENUE	DIRECT OPERATING EXPENSE	FUNDING FOR CAPITAL BY EXTERNAL PARTIES	CAPITAL EXPENSES	TOTAL	DIRECT REVENUE	DIRECT OPERATING EXPENSE	FUNDING FOR CAPITAL BY EXTERNAL PARTIES	CAPITAL EXPENSES	TOTAL
General Fund:										
Farmer's Market	$ 30,180	$ 82,991	$ -	$ 2,500	$ (55,311)	$ 29,370	$ 76,651	$ -	$ 15,000	$ (62,281)
Potterfield Pool	65,650	184,548	-	21,904	(140,802)	70,200	166,974	-	30,000	(126,774)
Hager House	7,714	35,276	-	-	(27,562)	8,120	39,259	-	-	(31,139)
Train Museum	20,000	56,858	-	28,455	(65,313)	6,500	22,025	-	40,000	(55,525)
Municipal Stadium	-	24,922	35,000	41,322	(31,244)	-	23,922	35,000	35,000	(23,922)
All Other Parks*	96,475	1,793,384	379,167	771,829	(2,089,571)	99,295	1,828,740	1,926,000	4,159,000	(3,962,445)
Ice Rink	36,000	75,000	-	14,776	(53,776)	36,000	85,000	4,500	18,000	(62,500)
All Other Recreation	70,541	353,777	-	-	(283,236)	62,250	358,484	-	-	(296,234)
Events										
Public Functions	163,350	383,450	-	-	(220,100)	163,350	383,450	-	-	(220,100)
Recreation	7,179	41,571	-	-	(34,392)	8,900	37,000	-	-	(28,100)
Subtotal General Fund	**497,089**	**3,031,777**	**414,167**	**880,786**	**(3,001,307)**	**483,985**	**3,021,505**	**1,965,500**	**4,297,000**	**(4,869,020)**
Golf Fund:										
Golf Course	157,800	461,130	-	29,995	(333,325)	163,300	436,777	-	22,000	(295,477)
Subtotal Golf Fund	**157,800**	**461,130**	**-**	**29,995**	**(333,325)**	**163,300**	**436,777**	**-**	**22,000**	**(295,477)**
Parking Fund:										
Parking Decks	476,140	499,312	-	300,000	(323,172)	476,140	520,717	-	30,000	(74,577)
Parking Lots	355,470	224,627	-	30,000	100,843	355,470	226,667	-	30,000	98,803
All Other Parking Fund	129,757	101,657	-	-	28,100	129,257	109,260	-	-	19,997
Subtotal Parking Fund	**961,367**	**825,596**	**-**	**330,000**	**(194,229)**	**960,867**	**856,644**	**-**	**60,000**	**44,223**
Property Management Fund:										
Property Management	367,743	486,464	-	264,730	(383,451)	357,492	451,625	-	75,000	(169,133)
Art Gallery	-	20,597	-	27,000	(47,597)	-	23,559	-	15,000	(38,559)
Burobox	3,600	14,550	5,616	4,631	(9,965)	6,400	12,750	-	100,000	(106,350)
Subtotal Property Management Fund	**371,343**	**521,611**	**5,616**	**296,361**	**(441,013)**	**363,892**	**487,934**	**-**	**190,000**	**(314,042)**
Total	**$1,987,599**	**$ 4,840,114**	**$ 419,783**	**$ 1,537,142**	**$(3,969,874)**	**$1,972,044**	**$ 4,802,860**	**$ 1,965,500**	**$4,569,000**	**$(5,434,316)**

*All Other Parks includes the Hagerstown Cultural Trail for FY18 Projected and FY19 Proposed Budget and Urban Improvement Project for FY19 Proposed Budget

8. **Municipal Stadium:** CIP 45-C0040, Municipal Stadium Improvements for $35K is included for each FY19, FY20 and FY21.This CIP is included for anticipated Capital improvements to the stadium. At the time of this writing the City and the Hagerstown Suns have not agreed upon any extension terms. There are no dollars proposed for FY22 and FY23 of this proposed budget.

9. **Parks Highlights:** Included in this proposed FY19 is $1.739M in funding for various Park Department projects and equipment and is summarized with funding sources beginning on Page 29 of Section 8. These expenditures are described in detail on their individual CIP project sheets in Section 8 and include key items such as: CIP 45-C00626 Park Equipment contingent on State funding for $150K; CIP 45-C0570 Equipment Gator and Bobcat loader for $68K and CIP 45-C0812 Pangborn Lake Reconstruction for $1.0M City Bond financing. A combination of General Fund transfers (pay-go), Bond Financing, contributions from others, State and Federal Grants, CIP funds, HUR funds and General Fund reserves will fund all Park projects.

10. **Hagerstown Cultural 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, FY17 and FY18 for CIP 45-C0140 the Hagerstown Cultural Trail, and efforts will continue in FY19 with $500K included for phase II from Antietam Street to Washington Street and thru the proposed Plaza.

11. **Events:** On Page 58 of Section 3 you will find the schedule of public functions proposed for FY19. It is separated to show those events now managed by Recreation. This is a significant part of the budget representing nearly $421K of General Fund resources utilized for this function. As limited resources hinder our ability to continue to provide this level of General Fund investment, part of the 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.

12. **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 and the request from the Maryland Theatre for their expansion and the Washington County Museum for their HVAC project, the Proposed FY19 Budget includes $405K in funding for our support of community agencies from the General Fund. This includes $195K that the Mayor and Council set aside for the eight core agencies plus an additional $200K from the General Fund Reserves for the Maryland Theatre and an additional $10K from the unspecified Agency Contributions for the Washington County Museum. Out of the Original $205K of Agency Contribution funds for future fiscal years, a proposal to give the Maryland Theatre $100K for each of FY20, 21 & 22 and $50.5K for the Museum for FY20 & 21. This would leave the balance of $54.5K to be split among the remaining six agencies in future fiscal years.

13. **Overview of Capital Improvement Projects (CIP)**: The City's Capital Improvement Program budget for FY19 at $29.8 million is 30% higher than the $22.8 million in the FY18 revised budget. The CIP Section 8 presents comprehensive descriptions of major project needs for FY19 through FY23. Pages 14 through 45 provide summary schedules by Fund outlining funding sources and project expenditures and are organized by Fund and department. Pages 46 through 176 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.

14. **Urban Improvement Project (UIP) Plaza:** The City has included CIP 45-C0875 for $2,043,000 in our FY19 budget for the Plaza portion of the Urban Improvement project. FY19 would see the overhead utility wires placed underground and the construction of the Plaza. This project and funding has been included in the budget to help address Mayor and Council priority projects which are outlined with the Community's Center City Plan.

15. **Third Parking Deck and Parking Fund Outlook:** Discussions around the Urban Improvement Project have indicated that further analysis should be completed to determine the need of an additional parking deck in the core. For a new deck to be financially viable to the City, it is critical to have new and additional paying parking system customers in our downtown area beyond current levels. The operating revenues from the new 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. CIP 56-C0173 includes FY20 planning Design and Land Acquisition of $1,367,000 and FY21 construction of $6,634,000. 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 180 available spaces in the new deck for a portion of the year in FY21. 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 in FY22. Detailed assumptions on the Parking Fund can be found in Section 7 page 26 There are no proposed rate adjustments for the City's Parking System in FY19. The Proposed Budget does include a total of $60,000 in Capital Projects as outlined on Page 40 of Section 8. These include the following: CIP 56-C0749 General repairs $30,000 and CIP 56-C0857 Parking Lot

improvements for Elizabeth Hager Lot for $30,000. Parking Fund revenues will provide the funding for these purchases.

16. **Vehicles:** The City has a history of deferring vehicles over the past several years in an effort to lower costs and remain within limited resources impacted negatively by the economy. While the FY19 budget includes vehicle and equipment replacements for aging equipment, it is important to note that there are no new additions to our existing vehicle fleet but only vehicle replacements. Overall, the FY19 budget includes $4.2M for vehicle replacements. Of this amount, $1.3M is funded by Enterprise Funds and includes the replacement of an electric Digger Derrick truck, wastewater vacuum truck, backhoes, dump trucks, and other miscellaneous vehicles. The balance of $2.9M will come from other sources such as general funds, future bond funds and prior bond funds. General funds of $526K will be funded by various sources within the General Fund. This includes the replacement of 8 police cruisers ($368K), replacement of 1 John Deere gator ($8K), and 3 other vehicles ($150K). Future bond funds will be needed for the replacement of a reserve engine ($709K) for the Fire department, 2 dump trucks ($340K) for Public Works, and a bobcat loader ($60K) for Parks & Recreation department. Prior bond funds will be used for the replacement of an engine ($645K) for the Fire department and 2 street sweepers ($620K). The City will strive to continue to implement a systematic vehicle replacement plan to eliminate costly repairs and to improve efficiency of operations

17. **Public Works Capital and Equipment Projects:** Included in this proposed FY19 is $495,000 in funding for Public Works projects and equipment and is summarized with funding sources on Page 31 of Section 8. These expenditures are described in detail on their individual CIP project sheets in Section 8 and include key items such as CIP 45-C0065 for Public Works Vehicles that includes two dump trucks $340,000; and CIP 45-C0326 City Hall improvements for painting of exterior stairwell and the expansion of the Human Resource Department for $80,000. A combination of CIP funds, General Fund transfers (pay-go), General Fund Balance and Bond Financing will fund all projects.

18. **Police Department Capital and Equipment Projects:** Included in this proposed FY19 is $1,162,600 in funding for Police Department projects and equipment and is summarized with funding sources on Page 30 of Section 8. These expenditures are described on their individual CIP project sheets in detail in Section 8 and include key items such as: CIP 45-C0128 radios for $544,600; CIP 45-C0129 Vehicles for $368,000; and CIP 45-C0130 Crime Cameras for $150,000. A combination of CIP funds, General Fund transfers (pay-go), Grants and Bond Financing will fund all projects.

19. **Fire Department Capital and Equipment Projects:** Included in this proposed FY19 is $4,728,900 in funding for Fire Department projects and equipment and is summarized with funding sources beginning on Page 28 of Section 8. These expenditures are described in detail on their individual CIP project sheets in Section 8 and include key items such as: CIP 45-C0010 Fire vehicles including replacement of two reserve pumpers and two fire marshal utility for $1.479,000; CIP 45-C0241 Training Center improvements $1,000,000; and CIP 45-C0687 Consolidation of Public Safety Assets for $2,100,000. A combination of CIP funds, General Fund transfers (pay-go), Contributions from others and Bond Financing will fund all projects.

20. **Pavement Preservation:** Relying on state highway user revenue (HUR), the City included CIP45-0025 for $1.2M in the FY19 budget for its pavement preservations program for city streets. The City utilizes a variety of methods to maintain streets including overlay, crack-sealing, slurry-sealing, pavement markers, and milling. While the FY19 budget includes a total of $1.2M, the City will only spend what is provided by the state for funding.

21. **Alley Reconstruction:** This project continues the City's efforts to replace deteriorated alleys as described in CIP 45-C0324. Staff is proposing to defer this work and use $173K in bond proceeds to complete work in FY20.

22. **New Sidewalks:** CIP 45-C0595 for New sidewalks is a proposed project that would utilize State Grants, CDBG Funds, and CIP Funds, for $650K to install sidewalks on Haven Road, Carr Street and Snyder Avenue.

23. **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. $480,000 is included in this proposed CIP for FY19 to construct stormwater retrofit facilities at Hagerstown Greens and other locations. Proposed funding would be $400,000 from a Federal Grant, $69,116 from CIP Funds and $10,884 in Prior Bond Proceeds. Also, CIP 45-C0064 Stormwater Vehicles $620,000, includes the two street sweepers from the prior FY18 private placement bond issue. The City issued an RFP for a Stormwater Rate Study in FY18 and we are currently working with the firm Amec Foster Wheeler for the initial phase of the rate study.

24. **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 involved 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. Construction of the bridge is slated to begin in late 2020, early 2021. 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 $2.5M in possible City bond financing beginning in FY20 at $1.25M. The City will apply for $500K of ARC grants to assist with the $2.5M price tag.

25. **Utility Rates:** The FY19 Proposed Budget represents the fifth 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 FY19 Proposed Budget and our five year financial projections. A new contract for wholesale energy was negotiated in FY17 and the rates are $52.70 per megawatt hour. For all three of our utilities, our customers enjoy some of the lowest service charges in our region.

26. **Wastewater Fund Capital Projects and Equipment:** $5,703,000 is included in FY19 for Wastewater Fund capital projects and equipment and is summarized on Page 38 of Section 8. Key purchases and projects include the following: CIP 54-C0004 vehicles for $375,000; CIP 54-C0299 Pump Station Improvements for $100,000; CIP 54-C0327 Collection System rehab for $400,000; CIP 54-C0712 Sludge Storage Improvements for $3,000,000; and CIP 54-C0800 City Wide Collection System rehab for $400,000. A combination of Wastewater Fund Revenue and Bond Financing will fund all projects.

27. **Water Fund Capital Projects and Equipment:** $8,420,000 is included in FY19 for Water Fund capital projects and equipment. These expenditures are summarized on Page 35 of Section 8. Key purchases and projects include the following: CIP 52-C0117 vehicles for $620,000; CIP 52-C0166 Willson Treatment Plant for $1,025,000; CIP 52-C0167 Willson Transmission Main Work for $750,000; CIP 52-C0168 Edgemont Reservoir Improvements for $1,900,000; CIP 52-C0405 Breichner WTP Improvements for $1,050,000; CIP 52-C0651 Pump Station improvements for $835,000; 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 $900,000. A combination of MDE Loans, Water Fund Revenue, and State Grants will fund all projects.

28. **Edgemont Reservoir:** To address regulatory requirements as mentioned above in CIP 52-C0168 $1,900,000 has been included in the FY19 proposed budget to continue to monitor reservoir seepage (Triad Engineering), make the required MDE improvements and also to complete the study and begin design in accordance with the direction by the Mayor and Council and as approved by MDE Dam Safety Division. Edgemont Reservoir (Warner Gap Hollow Dam). Originally constructed in 1902 and used to supplement the Potomac River supply during emergencies, Edgemont Reservoir must be repaired to remain a viable resource. Work will include extensive grouting at the ogee and emergency spillway and the 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).

29. **Electric Fund Projects and Equipment:** The capital projects and equipment purchases are summarized in Section 8 Page 33 and total $685K for the Electric Fund in FY19. Key purchases and projects include the following: CIP 50-C0090 vehicles for $250,000; CIP 50-C0540 Underground Primary Cable replacement for $25,000 and 50-C0591 A&E District Upgrades for $55,000; 50-C0776 Substation Breaker Replacement for $60,000 and 50-C0842 Circuit Upgrades for $70,000. Electric Fund Revenues will provide the funding for all projects.

30. **Community Development Block Grant Fund (CDBG):** 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 FY19 we anticipate our CDBG grant entitlement will be $575,000; we are projecting a 13.9% decrease from FY18. A history of the City's Entitlement Funding is shown on Page 6 of Section 5 and reflects a fairly steady allocation since FY14. Total CDBG expenditures are projected to be $1,272,677 in FY19, funded by a combination of new and carry over entitlement funds of $1,112,023 plus $220,884 in program income. These projected expenditures include: $540,000 for Public Facilities and Improvements; $105,000 to support Public Services; $371,160 in Housing Projects; and $156,517 for program administration. A summary of CDBG revenues and expenditures appears on Page 5 with more detailed information on Pages 6-9.

31. **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 FY19 we anticipate expenditures of $1,386,203 of which $900,000 is for a State funded pass thru for the Urban Improvement Project. Also included is $131,500 for PEP program rent payments; $207,500 for USMH student housing project rent guarantees (Catalyst #3 of Community City Center Plan); $50,000 for Invest Hagerstown program; $25,000 for a Citywide down payment program funded by the City and $30,000 for City Center down payment program funded with a State Community Legacy grant. Key properties for resale opportunities include 170 West Washington and 43-53 West Washington (contract final). 43-53 West Washington property was a significant opportunity for the City to continue in its partnership of the Urban Improvement Project and was sold in late 2017. More detailed information of this Fund is found on pages 11-13.

32. **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 FY19 Total Expenditures of $487,935 and Revenues of $388,892. Expenditures are projected to decrease by 17.9% or $106K largely due to payment in lieu of taxes in FY18 budget. Revenues are expected to increase by 11.0% or $38K largely due to expected rental income increases at 14 N Potomac Suite B-3, and the artist loft apartments rentals at 38 N. Potomac. Based on the assumptions outlined for revenues and expenditures our net increase (decrease) in retained earnings is projected to be a loss of ($99,043) for FY19. This reduction in retained earnings projected for FY 19 represents the fourth consecutive year with reductions as FY16 actual reduction was ($215,652), FY17 was ($433,577) and FY 18 with a projected possible increase of $55,348 due to a transfer from CDBG Fund. More detailed assumptions can be found in Section 7. Decisions about the continued viability of this fund and the properties held there will be needed as we are projecting a negative cash situation for FY19 and beyond, which would mean increased need for considering contributions from the General Fund. Staff looks forward to discussing this with Mayor and City Council during these budget deliberations.

COMBINED USES OF FUNDS
FY19 BUDGET BY FUND

The Proposed FY19 Budget includes $141,131,310 in expenditures for all of the City's funds. The City's largest operating fund, the General Fund, is projected at $45,408,195 for the coming year, a 3.3% increase over FY18. Our utility operations for next year include $25,225,890 for Electric, $20,941,950 for the Water Fund, and $19,353,455 for Wastewater. The City's General Capital Improvement Fund for next year is proposed at $14,797,337. Our Parking Fund's Budget is $916,644 and the Community Development Block Grant Fund totals $1,272,677. These represent Hagerstown's major operating and capital funds. Other Special Revenue funds totaling $1,968,263 along with Service and Trust Funds totaling $10,110,187 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.

	Revised Budget 2017/2018	Proposed Budget 2018/2019	Increase / (Decrease)	Percent Change
General Fund	$ 43,966,578	$ 45,408,195	$ 1,441,617	3.3%
Community Dev. Block Grant Fund	1,202,434	1,272,677	70,243	5.8%
Special Revenue Funds	1,310,907	1,968,263	657,356	50.1%
General/Capital Improvement Projects	13,040,230	14,797,337	1,757,107	13.5%
Total Government-type Funds	59,520,149	63,446,472	3,926,323	6.6%
Electric Fund	24,083,782	25,225,890	1,142,108	4.7%
Water Fund	17,567,493	20,941,950	3,374,457	19.2%
Wastewater Fund	16,604,655	19,353,455	2,748,800	16.6%
Parking Fund	1,381,288	916,644	(464,644)	-33.6%
Golf Fund	478,809	458,777	(20,032)	-4.2%
Property Management Fund	906,389	677,935	(228,454)	-25.2%
Total Enterprise-type Funds	61,022,416	67,574,651	6,552,235	10.7%
Service & Trust Funds	10,590,582	10,110,187	(480,395)	-4.5%
Total Combined Uses of Funds	**$ 131,133,147**	**$ 141,131,310**	**$ 9,998,163**	**7.6%**

COMBINED STATEMENT OF REVENUES AND EXPENDITURES

STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE (ALL FUNDS)
FISCAL YEAR 2018/2019

ACCOUNT DESCRIPTION	2016/17 ACTUAL	2017/18 BUDGET	2017/18 EST. ACTUAL	2018/19 PROPOSED	2018/19 ADOPTED	2018/19 % CHANGE
REVENUES BY TYPE						
Taxes-Property, Income & Other	$ 34,231,854	$ 33,870,889	$ 34,482,054	$ 35,571,960	$ 36,425,960	5.0%
Charges for Services	61,746,158	59,497,847	60,449,127	61,463,269	$ 61,463,269	3.3%
Licenses and Permits	1,922,814	2,055,610	2,154,450	2,174,672	$ 2,174,672	5.8%
Fines and Forfeitures	1,153,758	1,495,960	1,291,650	1,721,100	$ 1,721,100	15.0%
Other Governmental	2,862,410	5,435,970	3,369,743	6,032,319	$ 6,032,319	11.0%
Other / Transfers In	23,242,014	19,075,883	14,812,446	21,047,666	$ 21,047,666	10.3%
Total Current Revenues	**$ 125,159,008**	**$ 121,432,159**	**$ 116,559,470**	**$ 128,010,986**	**$ 128,864,986**	**5.4%**
EXPENDITURES BY DEPARTMENT						
General Government	$ 6,054,434	$ 6,312,981	$ 6,189,134	$ 6,430,101	$ 6,430,101	1.9%
Public Safety	22,294,624	23,703,760	23,916,467	24,574,417	24,574,417	3.7%
Highways & Streets	2,451,010	2,750,522	2,817,450	2,786,344	2,786,344	1.3%
Waste Collection & Disposal	2,022,219	2,115,019	2,321,498	2,575,924	2,575,924	21.8%
Parks and Recreation	2,503,353	2,624,851	2,648,327	2,638,055	2,638,055	0.5%
Community & Economic Development	571,893	584,653	568,990	593,818	1,397,818	1.6%
Community Development Block Grant	1,237,996	1,202,434	1,167,085	1,272,677	1,272,677	5.8%
Special Revenue Funds	1,377,512	1,310,907	810,239	1,968,263	1,968,263	50.1%
Enterprise Funds	55,769,775	61,022,416	58,431,937	67,574,651	67,574,651	10.7%
Capital Improvement Projects Fund	9,507,338	13,040,230	6,261,767	14,797,337	14,797,337	13.5%
Service and Trust Funds	8,651,178	10,590,582	9,564,491	10,110,187	10,110,187	-4.5%
Non-Departmental General Fund	6,148,614	5,874,792	5,431,347	5,809,536	5,859,536	-1.1%
Total Expenditures	**$ 118,589,946**	**$ 131,133,147**	**$ 120,128,732**	**$ 141,131,310**	**$ 141,985,310**	**7.6%**

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

COMBINED STATEMENT OF REVENUES AND EXPENDITURES
FISCAL YEAR 2018/19

	GOVERNMENTAL FUND TYPES	ENTERPRISE FUND TYPES	SERVICE AND TRUST FUNDS	COMBINED TOTALS
REVENUES				
Property Taxes	$ 30,642,725	$ -	$ -	$ 30,642,725
Income and Other Taxes	4,929,235	-	-	4,929,235
Licenses and Permits	2,174,672	-	-	2,174,672
Intergovernmental Revenues and Grants	5,132,319	-	-	5,132,319
Charges for Current Services	3,239,170	50,911,476	9,601,503	63,752,149
Fines and Forteitures	1,625,100	-	-	1,625,100
Administrative Allocation Revenues	1,997,500	-	-	1,997,500
Program Income	242,604	-		242,604
Reforestation Fees	8,000	-		8,000
State Funding Pass Thrus: Urban Improv Project	900,000			900,000
Miscellaneous/Other General Revenues	419,952	-	75,000	494,952
Premium on Bonds	-	21,246	-	21,246
Interest on Investments	41,225	173,740	14,600	229,565
TOTAL REVENUES	**$ 51,352,502**	**$ 51,106,462**	**$ 9,691,103**	**$ 112,150,067**
EXPENDITURES				
General Government	6,430,101	-	-	6,430,101
Public Safety	24,574,417	-	-	24,574,417
Highways and Streets	2,786,344	-	-	2,786,344
Waste Collection and Disposal	2,575,924	-	-	2,575,924
Parks and Recreation	2,638,055	-	-	2,638,055
Economic and Community Development	593,818	-	-	593,818
Unallocated General Expense	1,669,088	-	-	1,669,088
Debt Service - Principal and Interest	2,608,571	4,926,434	-	7,535,005
Operating Expenses	18,028,277	50,938,634	9,313,492	78,280,403
TOTAL EXPENDITURES	**61,904,595**	**55,865,068**	**9,313,492**	**127,083,155**
EXCESS(DEFICIENCY) OF REVENUES OVER EXPENDITURES	**(10,552,093)**	**(4,758,606)**	**377,611**	**(14,933,088)**
OTHER FINANCING SOURCES(USES)				
Add Back Depreciation	-	8,359,955	-	8,359,955
Bond Financing Proceeds	6,333,600	6,318,750	-	12,652,350
Bond Prior Proceeds	1,285,884	-	-	1,285,884
Benefit Charges	-	1,000,000	-	1,000,000
Operating Transfers (From)	741,975	518,357	-	1,260,332
Capital Transfers (From)	1,395,400	-	-	1,395,400
General Fund Balance Transfers (From) Capital Projects	240,000	-	-	240,000
General Fund Balance Transfers (From) Invest Hagerstowr	50,000	-	-	50,000
Grants in Aid of Construction	895,500	1,773,250	-	2,668,750
Appropriated Use of Fund Balance	1,206,953			1,206,953
General Fund Balance Transfers (to) Capital Projects	(240,000)	-	-	(240,000)
General Fund Balance Transfers (to) Invest Hagerstown	(50,000)	-	-	(50,000)
Capital Transfers (to)	(843,400)	(12,000)	-	(855,400)
Operating Transfers (to)	(408,477)	-	(796,695)	(1,205,172)
Capital Outlay	-	(15,592,500)	-	(15,592,500)
TOTAL OTHER FINANCING SOURCES (USES)	**10,607,435**	**2,365,812**	**(796,695)**	**12,176,552**
EXCESS(DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER USES	**$ 55,342**	**$ (2,392,794)**	**$ (419,084)**	**$ (2,756,536)**
Beginning Fund Balance	**$ 18,467,437**	**$ 170,619,808**	**$ 6,117,166**	**$ 195,204,411**
Less Appropriated Use of Fund Balance	(2,492,837)	-	-	(2,492,837)
Ending Fund Balance	**$ 16,029,942**	**$ 173,445,726**	**$ 5,698,082**	**$ 195,173,750**

(Cash Basis)

STAFFING CHARTS

STAFFING SCHEDULE
DETAIL OF UNFUNDED FULL-TIME POSITIONS
FISCAL YEAR 2018/19

Department / Description	Proposed Unfunded
Engineering & Parks	
Parks Maintenance Worker I-III	3.00
Department Total	**3.00**
Information Technology Department	
Network Engineer	1.00
Department Total	**1.00**
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	**15.00**
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
Senior Meter Repairer	1.00
Utility Servicepersonn/Building Maintenance	1.00
Lineworker	1.00
Department Total	**4.00**
TOTAL OTHER FUNDS	**10.00**
TOTAL ALL FUNDS	**25.00**

STAFFING SCHEDULE (FULL-TIME AND PART-TIME POSITIONS ONLY)
FIVE YEAR COMPARISON
FISCAL YEARS 2014/15 THROUGH 2018/19

DEPARTMENT	FISCAL YEARS 2014/15 FULL-TIME	2014/15 PART-TIME	2015/16 FULL-TIME	2015/16 PART-TIME	2016/17 FULL-TIME	2016/17 PART-TIME	2017/18 FULL-TIME	2017/18 PART-TIME	2018/19 FULL-TIME	2018/19 PART-TIME
Office of The Mayor	0.33	-	0.33	-	0.33	-	0.33	-	0.33	-
City Administrator	1.33	-	1.33	-	1.33	-	1.33	-	1.33	-
City Clerk	1.34	0.50	1.34	0.50	1.34	0.50	1.34	0.50	1.34	0.50
Community & Economic Development	23.80	5.50	28.84	5.50	6.75	2.00	6.75	2.00	6.75	2.00
Unfunded Positions	-	-	(1.00)	-	-	-	-	-	-	-
Total Funded Positions	23.80	5.50	27.84	5.50	6.75	2.00	6.75	2.00	6.75	2.00
Planning & Code Administration	-	-	-	-	20.00	2.00	20.00	1.00	20.00	1.00
Unfunded Positions	-	-	-	-	-	-	-	-	-	-
Total Funded Positions	-	-	-	-	20.00	2.00	20.00	1.00	20.00	1.00
Finance	8.50	-	8.50	-	8.50	-	8.50	-	8.50	-
Unfunded Positions	-	-	-	-	-	-	-	-	-	-
Total Funded Positions	8.50	-	8.50	-	8.50	-	8.50	-	8.50	-
IT, Communications, & Support Services	12.00	3.00	12.00	3.00	14.10	5.50	14.10	5.50	14.10	5.50
Unfunded Positions	-	-	-	-	-	-	-	-	(1.00)	-
Total Funded Positions	12.00	3.00	12.00	3.00	14.10	5.50	14.10	5.50	13.10	5.50
Human Resources	4.00	5.00	5.00	3.00	5.00	4.00	5.00	4.00	5.00	4.00
Engineering & Parks	29.63	5.00	30.64	6.00	30.65	6.00	30.92	9.00	30.92	7.00
Unfunded Positions	(3.00)	-	(3.00)	-	(3.00)	-	(3.00)	-	(3.00)	-
Total Funded Positions	26.63	5.00	27.64	6.00	27.65	6.00	27.92	9.00	27.92	7.00
Police Sworn	107.00	-	108.00	-	112.00	-	112.00	-	112.00	-
Police Administrative/Civilian	15.00	19.00	15.00	19.00	15.00	18.00	15.00	14.00	15.00	14.00
Unfunded Positions	(1.00)	-	(1.00)	-	(1.00)	-	(1.00)	-	(1.00)	-
Total Funded Positions	121.00	19.00	122.00	19.00	126.00	18.00	126.00	14.00	126.00	14.00
Fire	83.00	-	83.00	-	83.00	-	83.00	-	83.00	-
Unfunded Positions	(5.00)	-	(6.00)	-	(6.00)	-	(6.00)	-	(6.00)	-
Total Funded Positions	78.00	-	77.00	-	77.00	-	77.00	-	77.00	-
Public Works	32.90	-	32.50	-	32.90	-	32.90	-	32.90	-
Unfunded Positions	(5.00)	-	(5.00)	-	(4.00)	-	(4.00)	-	(4.00)	-
Total Funded Positions	27.90	-	27.50	-	28.90	-	28.90	-	28.90	-
Total General Fund	**318.83**	**38.00**	**326.48**	**37.00**	**330.90**	**36.00**	**331.17**	**35.00**	**331.17**	**33.00**
Unfunded Total - General Fund	**(14.00)**	**-**	**(16.00)**	**-**	**(14.00)**	**-**	**(14.00)**	**-**	**(15.00)**	**-**
Total Funded Positions-General Fund	**304.83**	**38.00**	**310.48**	**37.00**	**316.90**	**36.00**	**317.17**	**35.00**	**316.17**	**33.00**
Electric	35.55	-	35.55	-	35.55	-	35.55	-	35.55	-
Unfunded Positions	(5.00)	-	(5.00)	-	(5.00)	-	(6.00)	-	(4.00)	-
Total Funded Positions	30.55	-	30.55	-	30.55	-	29.55	-	31.55	-
Water	55.02	-	54.52		54.52		54.52	-	54.02	-
Unfunded Positions	(4.00)	-	(4.00)		(4.00)		(4.00)		(4.00)	
Total Funded Positions	51.02	-	50.52		50.52		50.52		50.02	
Wastewater	47.76	-	48.26	-	48.26	-	48.26	-	48.76	-
Unfunded Positions	(2.00)	-	(2.00)	-	(2.00)	-	(2.00)	-	(2.00)	-
Total Funded Positions	45.76	-	46.26	-	46.26	-	46.26	-	46.76	-
Golf Course	2.53	1.00	2.52	2.00	2.52	1.00	2.25	2.00	2.25	1.00
Parking	2.20	7.00	2.40	9.00	2.20	7.00	2.20	10.00	2.20	10.00
Property Management	0.90	1.00	1.10	1.00	0.90	1.00	0.90	1.00	0.90	1.00
Community Dev Block Grant	2.21	-	2.01	-	2.00	-	2.00	-	2.00	-
Business Revolving Loan Fund	-	-	0.16	-	0.15	-	0.15	-	0.15	-
City-wide Staffing Levels	**465.00**	**47.00**	**473.00**	**49.00**	**477.00**	**45.00**	**477.00**	**48.00**	**477.00**	**45.00**
Unfunded Total - City-wide	**(25.00)**	**-**	**(27.00)**	**-**	**(25.00)**	**-**	**(26.00)**	**-**	**(25.00)**	**-**
Total Funded Positions - City-wide	**440.00**	**47.00**	**446.00**	**49.00**	**452.00**	**45.00**	**451.00**	**48.00**	**452.00**	**45.00**
General Operations	**116.04**	**19.00**	**122.65**	**18.00**	**123.05**	**18.00**	**123.32**	**21.00**	**123.32**	**19.00**
Public Safety	**205.00**	**19.00**	**206.00**	**19.00**	**210.00**	**18.00**	**210.00**	**14.00**	**210.00**	**14.00**
Enterprise Funds	**143.96**	**9.00**	**144.35**	**12.00**	**143.95**	**9.00**	**143.68**	**13.00**	**143.68**	**12.00**

FY16 FT Changes: 5 new positions created in Comm & Econ Develop for Code Admin Rental Licensing & Vacant Structure program; 1 new positon 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
FY18 No changes in FT positions: PT positions reflect a shift of Parking Enforcement staffing from Police to Parking Fund
FY19 FT Changes: Unfund 1 full-time IT position in General Fund. Separtely funded a prior Electric Foreman position that was unfunded (approved by M&C 10/3/17)

SOURCES OF FY19 GENERAL FUND REVENUE

The Proposed General Fund revenue of $45,408,553 for FY19 represents a 3.2% increase over the FY18 budget. The primary reasons for this increase in General Fund revenue is: $1,719,892 growth in Property Tax Revenue as a result of an estimated 1.0% growth in assessed values, 0.8 cent tax rate adjustment to constant yield, and a potential tiered tax rate that is equivalent to an overall 3.0 cent tax rate increase; change in quarterly trash/recycling fees reflected in Charges for Current Services; and Speed Camera and Red Light programs in Fines & Forfeitures. There are offsetting decreases and the largest one is the utilization of accumulated fund balance reserve.

The following table illustrates the change in the sources of General Fund Revenues from Revised Budget FY18 to Proposed Budget FY19.

Sources of General Fund Revenue Growth			
FY 18/19 General Fund Budgeted Revenues	**$**	**45,408,553**	
FY 17/18 General Fund Budgeted Revenues	**$**	**44,007,577**	
Revenue Growth (Decrease)		**1,400,976**	**3.2% Increase**
Sources			
Property Tax Revenue		1,791,892	
Income & Other Taxes		1,209	
Licenses & Permits		119,062	
Intergovenmental Revenues		(65,526)	
Charges for Current Services		200,016	
Fine & Forfeitures		224,640	
Unallocated Revenues		(85,109)	
Transfers From Other Funds		30,990	
Appropriated Use of Fund Balance		(816,198)	
Total	**$**	**1,400,976**	

EXPENDITURES OF FY19 GENERAL FUND RESOURCES

The change in the Proposed General Fund Budget for expenditures in FY19 totals $1,441,617 representing a 3.3% increase in expenditures from the revised FY18 Budget of $43,966,578. The following table illustrates the changes in the use of General Fund budget resources by category of expenditure from FY18 to FY19. The total General Fund expenditure increase is primarily a result of the following: approved union contracts and potential salary enhancements for all employee groups, increased overtime costs in public safety, rising employer paid benefits costs for State of Maryland pension contributions, police & fire pension contributions, and employer related payroll costs associated with salary increases, increases in contractual services related to trash/recycling contract and legal and other professional fees, rising debt service costs, and transfers from general fund for capital related projects.

Uses of General Fund Revenue Growth			
FY 18/19 General Fund Budgeted Expenditures	**$**	**45,408,195**	
FY 17/18 General Fund Budgeted Expenditures		**43,966,578**	
Expenditure Growth (Decrease)		**1,441,617**	**3.3% Increase**

Uses		
Wage & Benefits		848,605
Wage & Overhead Allocations		63,441
Contracted Services		647,415
Materials, Supplies & Utilities		(135,444)
Insurance		(485)
Capital Expenditures		646,913
Debt Service		194,333
Transfers To Other Funds		53,477
Other Expenditures		139,560
Fund Balance Transfer		(1,016,198)
Total	**$**	**1,441,617**

ALLOCATION OF FY19 GENERAL FUND EXPENDITURES BY FUNCTION

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

	Allocation	Percent
Public Safety		
Police	$14,452,601	31.8%
Fire	8,090,265	17.8%
Highways, Streets, & Signal Department	3,243,835	7.1%
Engineering, Parks & Recreation	3,780,429	8.3%
Waste Collection & Disposal	2,575,924	5.7%
Planning & Code Administration	2,019,993	4.4%
Technology & Support Services	1,312,523	2.9%
Communications	288,758	0.6%
Economic & Community Development	1,248,933	2.8%
Finance	758,822	1.7%
Human Resources	686,790	1.5%
City Hall	295,806	0.7%
Legal Counsel	259,887	0.6%
City Administrator	214,468	0.5%
Mayor & Council	207,297	0.5%
City Clerk	162,328	0.4%
Retiree Benefits	1,471,037	3.2%
Contributions to Other Agencies	405,000	0.9%
Debt Service	2,608,571	5.7%
Capital Transfers to Other Funds	843,400	1.9%
Fund Balance Transfers	290,000	0.6%
Unallocated Expenses/Transfers *	191,528	0.4%
Total	**$45,408,195**	**100.0%**

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

GENERAL FUND CAPITAL INVESTMENT

The following table summarizes our history of General Fund capital investment since FY02.

Fiscal Year	Capital Outlay	Approriation To CIP Fund	GF Fund Balance Transfer to CIP	Total
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	532,343
2015/2016	248,127	822,655	103,869	1,174,651
2016/2017	235,928	1,042,752	-	1,278,680
Estimated Actual:				
2017/2018	195,950	152,171	797,387	1,145,508
Proposed Budget:				
2018/2019	172,624	843,400	240,000	1,256,024
2019/2020	174,624	1,590,450	-	1,765,074
2020/2021	199,624	1,400,375	-	1,599,999
2021/2022	204,624	1,528,375	-	1,732,999
2022/2023	214,624	1,367,250	-	1,581,874

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 FY19 above includes the use of General Fund Balance reserves to maintain levels needed for capital improvement projects. It is important to note that $1.05M in General Fund Balance reserves was approved during the FY18 budget. It is anticipated that not all of the of $1.05M will be utilized and completed in FY18 which will have a remaining balance of $240K that can be used in FY19 budget.

BONDED DEBT OUTSTANDING

In current FY18, the budget originally included a preliminary $5,965,600 General Fund bond issue. However at this time, it is projected that this bond issue will be $1,265,000 in the General Fund and represents only two of the projects approved in FY18 budget. This future 2018 bond issue is reflected in the chart below offset with current fiscal year debt service payments for a net decrease in outstanding bond balances from FY17 to estimated FY18.

In the FY19 proposed budget, we have included a general fund supported bond issue that totals $9,333,600 to General Fund ($6,333,600) and Wastewater Fund ($3,000,000). Also included in FY19 proposals is 2018/2019 MDE issued debt for the Water Fund in the amount of $2,900,000 and planned bond reimbursement draws from a future 2018 MDE loan for Travel Screens and Pump Stations of $318,750. 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 FY08. 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
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	70,939,759	16,621,899	54,317,860
2016/2017	73,754,525	20,398,887	53,355,638
2017/2018 Estimated Actual	71,051,199	19,902,350	51,148,849
2018/2019 Proposed Budget	77,390,965	24,268,279	53,122,686
12 Year Increase in Outstanding Debt	**$ 37,699,297**	**$ 9,432,845**	**$ 28,266,452**

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 to bondholders until December 2012 when the reimbursements were reduced. Per new federal government initiatives, this reimbursement amount may be restored temporarily for a two year period. For this reason, the FY19 proposed budget includes the full interest reimbursement. The chart below is a summary financial impact annually across all City funds since 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**

DEBT LEVELS AND AFFORDABILITY

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

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

TAX SUPPORTED GENERAL FUND OBLIGATION DEBT RATIOS

Fiscal Year	Total Taxable Assessed Value	Gov't Debt as Percentage of Total Taxable Assessed Value	Gov't Debt Per Capita	General Fund Debt Service as % of General Fund Operating Revenue
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	2,618,007	0.63%	411	4.85%
2016/2017	2,659,606	0.77%	504	5.15%
2017/2018 Estimated Actual	2,644,293	0.75%	492	5.49%
2018/2019 Proposed Budget	2,764,175	0.88%	600	5.81%
City Debt Policy		**10.00%**	**$ 1,000**	**10.00%**

GENERAL FUND

REVENUES

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

	Revised Budget 2017/18	Estimated Actual 2017/18	Proposed Budget 2018/19	Percent Change
Property Tax Revenue	$ 28,850,833	$ 29,485,103	$ 30,642,725	6.2%
Income & Other Taxes	3,763,026	3,739,921	3,764,235	0.0%
Licenses & Permits	2,055,610	2,154,450	2,174,672	5.8%
Intergovernmental Revenues	511,350	506,150	445,824	-12.8%
Charges for Current Services	3,039,154	3,027,031	3,239,170	6.6%
Fines & Forfeitures	1,400,460	1,246,150	1,625,100	16.0%
Administrative Allocation Revenues	2,031,000	1,997,500	1,997,500	-1.6%
Contributions & Donations	123,601	108,674	101,250	-18.1%
Interest on Investments	18,000	40,000	40,000	122.2%
Other Unallocated General Revenues	332,360	316,577	281,102	-15.4%
Transfers from Other Funds	575,985	575,985	606,975	5.4%
Appropriated Use of Fund Balance	1,306,198	-	490,000	-62.5%
Total Current Revenue	**$ 44,007,577**	**$ 43,197,541**	**$ 45,408,553**	**3.2%**

1. Overall Property Tax revenue is estimated to increase from FY18 budget to FY19 budget by $1.8M or 6.2% as a result of three primary factors. One factor is to adjust tax rate to constant yield from 94.1 cents per $100 of assessed value to 94.2 cents per $100 of assessed values based upon constant yield certification memo from SDAT. A second factor is a projected 1.0% growth in our assessed values given that this is year 2 of the City's triennial assessment cycle. The third factor is additional revenue of $776K for a potential tiered tax rate which is the equivalent of an overall 3.0 cent real estate tax rate increase. The total property tax revenue increase is needed to cover rising costs for approved union salary enhancements, employer benefits, capital infrastructure improvements and updates, and annual debt service requirements. Total Property Tax revenue is the primary source of revenue for the General Fund at 69.2% excluding Transfers from Other Funds and Appropriated Use of Fund Balance and 67.5% when including these other funding sources.

2. Intergovernmental Revenues is projected to decrease overall by $66K or 12.8%. The Police Department currently has three separate COPS Hiring grants for staffing. Each of these grants covers a three year period for each applicable position with a one year employment retention period to follow. The federal reimbursement for these grants is a declining percentage each year. It is anticipated that all final federal reimbursement will be received in FY19 related to these grants.

3. The Fines & Forfeitures increase by $225K or 16.0% over the FY18 budget is driven by slight growth in Safe Speed for Students program and the implementation of a Red Light Camera program.

4. Interest on Investments reflects an increase of $22K. The FY19 budget anticipates the continuation of current financial market trends.

5. Appropriated Use of Fund Balance reflects a total request of $490K to be utilized from prior years' General Fund balance. All of this Fund Balance reserve utilization was approved in prior years and is simply being spent in FY19 due to timing delays of infrastructure projects and economic incentive program.

COST BY FUNCTION

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

	Revised Budget 2017/18	Estimated Actual 2017/18	Proposed Budget 2018/19	Percent Change
Police	$ 14,020,274	$ 14,242,038	$ 14,452,601	3.1%
Fire	7,646,706	7,629,864	8,090,265	5.8%
Subtotal Public Safety	**21,666,980**	**21,871,902**	**22,542,866**	**4.0%**
Highways, Streets, & Signal Department	3,233,708	3,300,718	3,243,835	0.3%
Engineering, Parks & Recreation	3,689,463	3,745,527	3,780,429	2.5%
Waste Collection & Disposal	2,115,019	2,321,498	2,575,924	21.8%
Planning & Code Administration	1,973,738	1,957,668	2,019,993	2.3%
Technology & Support Services	1,331,359	1,292,643	1,312,523	-1.4%
Communications	283,406	276,426	288,758	1.9%
Economic & Community Development	1,302,959	1,212,895	1,248,933	-4.1%
Finance	709,795	695,865	758,822	6.9%
Human Resources	679,153	671,615	686,790	1.1%
City Hall	302,357	301,711	295,806	-2.2%
Legal Counsel	236,000	231,000	259,887	10.1%
City Administrator	215,236	215,214	214,468	-0.4%
Mayor & Council	190,873	205,656	207,297	8.6%
City Clerk	161,740	161,528	162,328	0.4%
Retiree Benefits	1,528,794	1,471,037	1,471,037	-3.8%
Contributions to Other Agencies	205,000	195,000	405,000	97.6%
Debt Service	2,414,238	2,370,178	2,608,571	8.0%
Capital Transfers to Other Funds	146,171	152,171	843,400	477.0%
Fund Balance Transfers	1,306,198	804,631	290,000	-77.8%
Unallocated Expenses/Transfers*	274,392	438,330	191,528	-30.2%
Total General Fund	**$ 43,966,579**	**$ 43,893,213**	**$ 45,408,195**	**3.3%**

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

1. The Police Department proposed FY19 budget reflects an overall increase of 3.1% or $432K. This growth reflects $571K related to approved AFSCME 3373 salary enhancements and employer paid benefit increases. All other operational expenses will decrease by a combined total of $139K including: $38K reduction in overtime costs; contractual services; vehicle related expenditures; and minor equipment purchases.

2. The Fire Department proposed FY19 budget reflects an increase of 5.8% or $444K. Primarily, this increase reflects a combined $346K total for potential salary and employer paid benefit increases, overtime, and pay-outs for possible retirements. Other operating categories anticipated to increase are building structure maintenance costs; bi-annual medical and physical testing; professional development; and miscellaneous tools and minor equipment purchases.

3. Waste Collections & Disposal is proposed to be 21.8% or $461K higher than FY18 budget as a result of the City's enhanced trash and recycling vendor contract agreement. This new agreement was effective in January 2018 for a portion of FY18.

4. The FY19 proposed budget for Contributions to Other Agencies is estimated to be $200K higher than FY18 budget. This growth includes a potential additional contribution to The Maryland Theatre for its expansion portion of the overall Urban Improvement Project (UIP) in downtown Hagerstown.

5. The FY19 proposed budget for Capital Transfers to Other Funds reflects an increase of $697K. It is anticipated that the City will not utilize additional Fund Balance reserve amounts for capital infrastructure projects beyond the total amount approved in FY18 budget. As a result, more money will be needed from pay-go or current year transfers.

EXPENDITURES BY TYPE

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

	Revised Budget 2017/18	Estimated Actual 2017/18	Proposed Budget 2018/19	Percent Change
Salaries and Wages	$ 19,656,863	$ 19,973,969	$ 20,293,660	3.2%
Employee Benefits	9,689,116	9,608,172	9,900,924	2.2%
Total Wages and Benefits	**29,345,979**	**29,582,141**	**30,194,584**	**2.9%**
Wage & Overhead Allocations	(906,009)	(802,958)	(842,568)	-7.0%
Contracted Services	4,392,790	4,676,781	5,040,205	14.7%
Materials, Supplies & Utilities	2,126,555	2,113,103	1,991,111	-6.4%
Insurance	290,053	276,208	289,568	-0.2%
Advertising & Printing	246,800	239,195	246,846	0.0%
Rentals	114,892	114,384	108,280	-5.8%
Maintenance & Repairs	955,872	991,837	1,081,563	13.1%
Vehicle Expenditures	973,635	931,029	783,895	-19.5%
Professional Development	203,792	176,717	168,168	-17.5%
Communication Expenses	354,108	370,016	374,803	5.8%
Other General Expenditures	843,564	693,500	858,668	1.8%
Unallocated General Expenditures	590,000	580,000	800,000	35.6%
Debt Service	2,414,238	2,370,178	2,608,571	8.0%
Capital Outlay - Non CIP	222,940	195,950	172,624	-22.6%
Operating Transfers to Other Funds	345,000	428,330	398,477	15.5%
Capital Transfers to Other Funds	146,171	152,171	843,400	477.0%
Fund Balance Transfer to CIP Fund	1,049,000	797,387	240,000	100.0%
Fund Balance Transfer for Invest Hag	257,198	7,244	50,000	-80.6%
Total All Expenditures	**$ 43,966,578**	**$ 43,893,213**	**$ 45,408,195**	**3.3%**

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

1. The $849K or 2.9% increase in Total Wages & Benefits reflects approved union salary enhancements and other potential salary enhancements for all employee groups, increased overtime in the Fire Department, growing employer paid benefit costs for both pension plans (State of Maryland and the City's Police & Fire Plan), and other direct payroll related benefits like FICA. There are no new full-time positions included in the FY19 proposed budget. At a combined total of $30.2M, General Fund Wages & Benefits represent 66.5% of the total annual operating expenditures for FY18 proposed budget.

2. Contracted Services is projected to increase $647K or 14.7% as a result of the increased trash and recycling services costs, legal fees, professional services for Phase I of Stormwater cost study and Sportsplex Feasibility study, and ground services costs in our City Parks and Public Works.

3. Unallocated General Expenditures are expected to increase by $210K or 35.6% which includes a potential additional contribution to The Maryland Theatre toward its expansion portion of the Urban Improvement Project. This funding would be reassigned General Fund Balance reserves from the City's First Third Grant program.

4. The $194K or 8.0% increase in Debt Service reflects rising annual debt service requirements with the addition of a pending 2018 bond issue plus a potential future 2019 bond issue for General Fund projects.

5. Capital Transfers to Other Funds are expected to increase by $697K and reflects the City's use of General Fund operating 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.

6. The $809K decrease in Fund Balance Transfer to CIP Fund reflects the utilization of previously approved fund balance reserves during FY18 budget that have not yet been spent due to timing issues and delays.

ENTERPRISE FUNDS

ELECTRIC FUND

	Revised Budget 2017/18	Estimated Actual 2017/18	Proposed Budget 2018/19	Percent Change
Operating Revenues	$ 23,041,317	$ 23,524,517	$ 23,894,783	3.7%
Operating Expenses	23,049,780	23,598,993	23,991,165	4.1%
Operating Income (Loss)	**(8,463)**	**(74,476)**	**(96,382)**	**1038.9%**
Non-Operating Revenues (Expenses)	55,096	72,714	61,250	11.2%
Transfers from (to) Other Funds	51,204	51,204	54,015	5.5%
Capital Contributions & Grants	50,000	50,000	50,000	0.0%
Increase (Decrease) in Retained Earnings	**147,837**	**99,442**	**68,883**	**-53.4%**
Add Back Depreciation	945,000	980,000	1,040,000	10.1%
Capital Outlay/Fixed Assets	(987,500)	(864,346)	(1,197,500)	21.3%
Repayment of Principal on Debt	(39,848)	(39,848)	(41,674)	4.6%
Non-Cash Developer Contributions	(50,000)	(50,000)	(50,000)	0.0%
Net Surplus (Deficit)	**$ 15,489**	**$ 125,248**	**$ (180,291)**	**-1264.0%**

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

1. No electric rate increases have been projected for FY19. The proposed budget reflects the power supply contract extensions through May 31, 2022 with First Energy Solutions.

2. Electric revenue shows an overall 3.7% increase which reflects the continuation of current FY18 customer trends and usage.

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

1. Purchased power costs are projected to be higher by 4.8% or $801K compared to FY18 budget and reflects the charge per megawatt hour (MWh) of $52.70 which was effective June 1, 2017 and higher utilization trends as experiencing in FY18.

2. Total personnel costs (salaries, overtime, and benefits) reflect a combined decrease of 7.4% or $231K which reflects approved salary enhancements offset including funding a Supervisor position. The current IBEW union contract is effective through June 2022.

3. Depreciation expense reflects an increase of 10.1% or $95K due to anticipated investments in new capital projects and assets.

4. Capital outlay totals for fixed assets are expected to grow by $210K to total $1.2M. The Capital Improvement Program, Section 8, provides details on all the Electric Fund projects anticipated for FY19 beginning on page 118.

5. Annual debt service expenditures are expected to increase by 4.6% or $2K which is reflected in the Repayment of Debt Principal line above. There are no new anticipated bond issues expected for the Electric Fund.

WATER FUND

	Revised Budget 2017/2018	Estimated Actual 2017/18	Proposed Budget 2018/19	Percent Change
Operating Revenues	$ 11,718,220	$ 11,797,520	$ 12,003,120	2.4%
Operating Expenses	11,656,307	11,592,163	11,967,370	2.7%
Operating Income (Loss)	**61,913**	**205,357**	**35,750**	**-42.3%**
Non-Operating Revenues (Expenses)	(558,610)	(508,314)	(507,214)	-9.2%
Gain (Loss) on Fixed Asset Disposal	15,000	10,000	10,000	-33.3%
Transfers from (to) Other Funds	74,433	74,433	81,553	9.6%
Capital Contributions & Grants	850,000	928,380	2,383,250	180.4%
Increase (Decrease) in Retained Earnings	**442,736**	**709,856**	**2,003,339**	**352.5%**
Add Back Depreciation	3,370,000	3,320,000	3,525,000	4.6%
Capital Outlay/Fixed Assets	(5,337,000)	(3,115,420)	(8,420,000)	57.8%
Repayment of Principal on Debt	(1,820,570)	(1,738,938)	(1,826,090)	0.3%
Non-Cash Developer Contributions	(350,000)	(350,000)	(350,000)	0.0%
Bond Proceeds	4,275,000	602,530	3,318,750	-22.4%
Net Surplus (Deficit)	**$ 580,166**	**$ (571,972)**	**$ (1,749,001)**	**-401.5%**

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, 2018 is an average of 2% for inside customers and 2% for outside customers and is reflected in the total operating revenue increase of 2.4%. 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 FY19 proposed budget includes an increase of 2.7% or $311K for total operating expenses. The FY19 budget includes approved salary enhancements. The current AFSCME 1540 union contract is effective through June 2022. The primary reasons for this total increase are: an increase in salaries, overtime, and benefits of $88K; a combined increase of $68K for contractual services, chemicals and minor equipment purchases like portable tools/equipment; and $155K increase in depreciation.

2. Capital outlay totals for fixed assets are estimated to increase by $3.1M or 57.8% as revised amounts are included in projects and improvements for Edgemont Reservoir, Breichner WTP Improvements, and Willson Plant traveling screens in the proposed FY19 budget figures. The Capital Improvement Program, Section 8, provides details on all the Water Fund projects anticipated for FY19 budget beginning on page 138.

3. Annual debt service expenditures are expected to increase slightly by 0.3% or $6K as reflected in the Repayment of Debt Principal line above. This includes pending 2018 MDE loan plus additional bond needs for FY19 planned improvements.

WASTEWATER FUND

	Revised Budget 2017/18	Estimated Actual 2017/18	Proposed Budget 2018/19	Percent Change
Operating Revenues	$ 13,000,585	$ 13,285,649	$ 13,543,771	4.2%
Operating Expenses	13,170,965	12,882,890	13,221,357	0.4%
Operating Income (Loss)	**(170,380)**	**402,759**	**322,414**	**-289.2%**
Non-Operating Revenues (Expenses)	(394,862)	(338,853)	(386,210)	-2.2%
Transfers from (to) Other Funds	74,431	74,431	72,312	-3%
Capital Contributions & Grants	940,000	894,668	740,000	-21.3%
Increase (Decrease) in Retained Earnings	**449,189**	**1,033,005**	**748,516**	**66.6%**
Add Back Depreciation	3,180,000	3,135,000	3,305,000	3.9%
Capital Outlay/Fixed Assets	(3,027,000)	(2,902,000)	(5,703,000)	88.4%
Repayment of Principal on Debt	(1,801,718)	(1,780,992)	(1,813,717)	0.7%
Bond Proceeds	1,312,000	-	3,000,000	128.7%
Net Surplus (Deficit)	**$ 112,471**	**$ (514,987)**	**$ (463,201)**	**-511.8%**

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, 2018 is 2%. The 2% rate increase for FY19 is reflected in the total operating revenues increase of 4.2% or $543K 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 FY19 budget includes an overall increase of 0.4% or $50K for total operating expenses. The FY19 budget includes approved salary enhancements. The current AFSCME 1540 union contract is effective through June 2022. The primary reasons for this total increase are: estimated decrease in salaries and benefits of <$34K> as a result of changes in more senior staff replacements with entry level staff from retirements combined with salary enhancements per approved union contract; a decrease of <$39K> in chemicals and supplies; and offsetting increase of $125K for depreciation expense.

2. Capital outlay totals for fixed assets are projected to increase by $2.7M or 88.4%. The Capital Improvement Program, Section 8, provides details on all the Wastewater Fund projects anticipated for FY19 budget beginning on page 150. The primary reason for this increase is the Synagro Facility Upgrade Improvements anticipated to be completed in FY19 for a total of $3.0M in the proposed FY19 budget.

3. The City is anticipating borrowing $3.0M for Wastewater Fund projects in proposed FY19 budget. Annual debt service expenditures are expected to increase by 0.7% or $12K as reflected in the Repayment of Debt Principal line above.

PARKING FUND

	Revised Budget 2017/18	Estimated Actual 2017/18	Proposed Budget 2018/19	Percent Change
Operating Revenues	$ 918,750	$ 956,110	$ 955,610	4.0%
Operating Expenses	824,021	793,329	828,457	0.5%
Operating Income (Loss)	**94,729**	**162,781**	**127,153**	**34.2%**
Non-Operating Revenues (Expenses)	(29,110)	(26,510)	(22,930)	-21.2%
Transfers from (to) Other Funds	(500)	(500)	-	-100.0%
Increase (Decrease) in Retained Earnings	**65,119**	**135,771**	**104,223**	**60.1%**
Add Back Depreciation	287,000	265,000	291,000	1.4%
Capital Outlay/Fixed Assets	(525,000)	(330,000)	(60,000)	-88.6%
Repayment of Principal on Debt	(181,991)	(181,991)	(218,351)	20.0%
Bond Proceeds	450,000	280,000	-	-100.0%
Net Surplus (Deficit)	**$ 95,128**	**$ 168,780**	**$ 116,872**	**22.9%**

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

1. No parking rate increases have been projected for proposed FY19 budget.

2. Operating revenues are anticipated to increase by 4.0% or $37K from FY18 budget to FY19 budget. This is primarily due to better permit and deck fee revenue in the new equipment upgraded University and A&E parking decks and an increase in total parking enforcement efforts.

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

1. Total operating expenses in the proposed FY19 budget reflects a slight overall increase of 0.5% or $4K. The primary reasons for this increase are: total personnel (salary, overtime, & benefit) increase of $10K as result of minimum wage adjustment effective July 1 and potential salary enhancements for full-time staff; and $26K increase for depreciation expense but lower regular operating expenses. The current AFSCME 1540 union contract is effective through June 2022.

2. Non-operating revenues (expenses) reflect a decrease of 21.2% in FY19 as debt is being paid down and less interest is due annually.

3. Depreciation expense from FY18 budget to proposed FY19 budget includes an increase of 1.4%, or $4K. This increase is a reflection of the infrastructure improvements in both parking decks in FY18.

4. Capital outlay totals for fixed assets are projected to decrease $465K for maintenance and repairs to the parking decks and lots since the planned deck upgrades and parking system improvements were accomplished in FY18. The Capital Improvement Program, Section 8, provides details on all the Parking Fund projects anticipated for FY19 beginning on page 165.

GOLF COURSE FUND

	Revised Budget 2017/18	Estimated Actual 2017/18	Proposed Budget 2018/19	Percent Change
Operating Revenues	$ 221,808	$ 157,800	$ 163,300	-26.4%
Operating Expenses	441,809	461,126	436,777	-1.1%
Operating Income (Loss)	**(220,001)**	**(303,326)**	**(273,477)**	**24.3%**
Transfers from (to) Other Funds	220,000	303,330	273,477	24.3%
Increase (Decrease) in Retained Earnings	**(1)**	**4**	**-**	**0.0%**
Add Back Depreciation	50,000	36,754	38,955	-22.1%
Capital Outlay/Fixed Assets	(37,000)	(29,995)	(22,000)	-40.5%
Net Surplus (Deficit)	**$ 12,999**	**$ 6,763**	**$ 16,955**	**30.4%**

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 26.4% or $58K from FY18 budget to proposed FY19 budget. While the current FY18 trends are behind the FY18 budget levels, it is anticipated that FY19 will improve as a result of increased promotion and advertising efforts while decreasing the amount of special rate programs and discounts given. The last rate adjustments for the Golf Course happened on July 1, 2012.

2. The operating expenses in the FY19 budget are 1.1% or $5K lower than FY18 budget. The FY19 budget does include salary enhancements for full-time employees as the current AFSCME 1540 union contract is effective through June 2022. The decrease in total operating expenses results from $24K increase in total personnel costs (salary, overtime, and benefits), $19K decrease in contracted services, and $11K decrease in depreciation expenses.

3. Depreciation expense is expected to decrease 22.1% or $11K from FY18 budget to FY19 proposed budget. This is as a result of no infrastructure and vehicles purchased from last year.

4. Capital outlay totals for fixed assets are expected to decrease by 40.5% or $15K as one piece of equipment is projected to be replaced in FY19 budget. The Capital Improvement Program, Section 8, provides details on the Golf Fund project anticipated for FY19 on page 170.

PROPERTY MANAGEMENT FUND

	Revised Budget 2017/18	Estimated Actual 2017/18	Proposed Budget 2018/19	Percent Change
Operating Revenues	$ 336,297	$ 358,343	$ 350,892	4.3%
Operating Expenses	591,186	517,029	483,508	-18.2%
Operating Income (Loss)	**(254,889)**	**(158,686)**	**(132,616)**	**-48.0%**
Non-Operating Revenues (Expenses)	10,797	8,418	8,573	-20.6%
Transfers from (to) Other Funds	-	200,000	25,000	0.0%
Capital Contributions & Grants	-	5,616	-	0.0%
Increase (Decrease) in Retained Earnings	**(244,092)**	**55,348**	**(99,043)**	**-59.4%**
Add Back Depreciation	138,000	150,000	160,000	15.9%
Capital Outlay/Fixed Assets	(312,000)	(296,361)	(190,000)	-39.1%
Repayment of Principal on Debt	(7,108)	(5,052)	(5,085)	-28.5%
Bond Proceeds	225,000	-	-	-100.0%
Net Surplus (Deficit)	**$ (200,200)**	**$ (96,065)**	**$ (134,128)**	**-33.0%**

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 4.3% or $14K primarily from rental income. This increase is a result of income increases for 14 N Potomac St Suite B-3 and increased occupancy for the artist loft apartments (38 N Potomac St).

2. Total operating expenses in the proposed FY19 budget reflect an overall decrease of 18.2% or $108K over the FY18 budget. This decrease is a result of less salary allocations for projects needing City staff time throughout all the properties and lower utility costs in several of the properties.

3. Total transfers in (out) to other funds are estimated to be $25K in FY19 budget which is an increase of $25K over FY18 budget. This increase is reflected in the Transfers in (out) line above and shows the amount of funding from CDBG Fund to Property Management toward the Roslyn Building Renovation project which is detailed in the Capital Improvement Program Section 8 on page 173.

4. Depreciation expense is projected to increase by 15.9% or $22K from FY18 budget to proposed FY19 budget as a result of the infrastructure improvements being completed and planned for the Roslyn Building in FY18.

5. Capital outlay totals for fixed assets are projected to decrease by $122K as a result improvements already completed for the Roslyn Building. The Capital Improvement Program, Section 8, provides details on the various Property Management Fund projects anticipated for FY19 budget beginning on page 172.

SPECIAL REVENUE FUNDS

COMMUNITY DEVELOPMENT BLOCK GRANT FUND

	Revised Budget 2017/18	Estimated Actual 2017/18	Proposed Budget 2018/19	Percent Change
CDBG Grant Revenues	$ 1,099,952	$ 984,000	$ 1,112,023	1.1%
State Community Legacy Grant	-	22,679	-	0.0%
Program Income	266,405	261,634	220,884	-17.1%
Total Operating Revenues	**1,366,357**	**1,268,313**	**1,332,907**	**-2.4%**
Commercial/Industrial Improvements	-	200,000	25,000	100.0%
Clearance & Demolition	-	-	75,000	100.0%
Public Facilities & Improvements	240,000	269,400	540,000	125.0%
Public Services	105,000	105,000	105,000	0.0%
Cost of Properties Held for Resale	-	124,138	-	0.0%
Housing Rehab	704,960	347,060	371,160	-47.4%
Administration	152,474	121,487	156,517	2.7%
Total Operating Expenditures	**1,202,434**	**1,167,085**	**1,272,677**	**5.8%**
Net Change in Fund Balance	**$ 163,923**	**$ 101,228**	**$ 60,230**	**-63.3%**

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

1. Total Revenues reflect an overall decrease of 2.4% or $33K from FY18 budget. This decrease results from program income decrease associated with not selling of properties and receiving less interest on loans provided. The FY19 Entitlement award is anticipated to be 13.9% less than the FY18 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. Public Facilities and Improvements are $300K or 125.0% higher in FY19 budget and reflect more funding for projects like the continuation of handicap accessibility ramps, sidewalk construction, and a traffic signal replacement at Mulberry & Antietam.

2. Public services expenditures are anticipated to remain flat as a result of the Entitlement revenue and program income cap limitation.

3. Total Housing expenses are estimated to decrease of 47.4% or $334K due to lower single family loan programs, residential rental rehab loan program, and lower homeownership program.

4. Overall Administration costs are projected to be $4K or 2.7% higher due to slightly higher salaries and benefits.

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:

December 13, 2017	First Public Hearing on Community Development funding needs held at the Washington County Free Library.
January 4 – January 23, 2018	Department budget requests and start of review meetings between Department Managers and Budget Committee.
February 6, 2018	FY19 working budget status review with Mayor and City Council
February 9, 2018	Began prioritizing department requests and developing City Administrator adjustments.
February 12, 2018	Began balancing and adjustment process by discussing proposed adjustments, obtaining further input and agreement on adjustments with departments.
March 29, 2018	City Administrator's Proposed Budget submitted to Mayor and City Council.
April 3 – May 22, 2018	Mayor and City Council review of Proposed Budget and Capital Improvement Program.
May 10, 2018	Second public hearing on Community Development Block Grant funding needs held at the Washington County Free Library
May 15, 2018	Public Hearing on Budget and Capital Improvement Program property tax rates
May 15, 2018	Introduction of Ordinances
May 22, 2018	Adoption of budgets and CIP for all funds; set tax rate.

DISTINGUISHED BUDGET PRESENTATION AWARD

This was the 14th 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, 2017. 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. The City's finance team was recognized publically at a Mayor and Council meeting March 20, 2018.

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. I wish to especially acknowledge Finance team members: Michelle Hepburn, Director of Finance; Jennifer Peterson, Accounting/Budget Manager; Jeff Lear, Senior Financial Accountant and Brooke Garver, Senior Accountant, who had key 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 Wendy Nussbaum provided oversight on personnel and fringe benefit budget issues. These contributions have resulted in this comprehensive presentation of the FY19 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

Valerie A. Means
City Administrator

Organizational Structure

City of Hagerstown Elected Officials

Mayor
Robert E.
Bruchey, II

Councilmember
Kristin B.
Aleshire

Councilmember
Austin
Heffernan

Councilmember
Emily
Keller

Councilmember
Shelley
McIntire

Councilmember
Lewis C.
Metzner

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.
    - **Catalyst Project #1** - Select a developer to construct new Class-A offices on the Central Parking Lot.
    - **Catalyst Project #2** - Work with public and private partners to support the expansion of Maryland Theatre programming and facilities.
    - **Catalyst Project #3** - Work in support of USMH to expand academic program offerings and facilities, including student housing.
    - **Catalyst Project #5** - Construct a multi-use trail linking the Arts & Entertainment District with City Park and the WCMFA.
    - **Catalyst Project #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.

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.

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.

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.

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.

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 2018

This Mayor and City Council took office in November 2016 and subsequently 2 have been replaced in November 2017 and February 2018. They are in the early stages of their strategic planning forming Goals and Priorities that will set the foundation to be built upon during the next four years of this Administration. Our current mission: *Providing the most efficient and highest quality services as the municipal location of choice for all customers* is our current focus and is carried on through the Departmental Goals of this section. The Community's City Center Plan is also instrumental in building a work plan as we move beyond 2018. You will find that some of the goals are multi-year and phases have been carried forward from 2017, 2018 and may be carried beyond 2019. We recognize that this is a working plan and that at times priorities may shift. We also understand that the plan is subject to fiscal constraints. In general, these goals as presented to you here solidify the team's commitment to the City's mission.

CITY CLERK

Update 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. Online training opportunities are being researched. The document retention schedule is being reviewed for implementation in 2018.

Documents. Continue updating the index of the documents retained in the City Clerk's office. This goal is on-going.

Review of the City Code. Identify outdated and irrelevant language within the Code pertinent to the City Clerk's office. This goal is on-going.

DEPARTMENT OF COMMUNITY & ECONOMIC DEVELOPMENT

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; Design; Business Relations; Clean, Safe and Green; and Organization. More than 50 volunteers are actively supporting the five work groups. A range of initiatives and activities are completed including a Main Street Hagerstown website, established monthly downtown business forums, and other initiatives underway through the Main Street Hagerstown Program, and reported as part of the Community's City Center Plan Action Reports.

Quality of Life in Our Neighborhoods. Continue "adopt-a-block" efforts in coordination with the Main Street Hagerstown Clean, Safe and Green Work Group. Main Street Hagerstown volunteer clean ups and plantings on Franklin Street occurred and will be on-going.

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. 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. Cooperative projects with the Department of Parks & Engineering are underway (National Road Park, Accessibility Ramp construction). Partnerships with Neighborhoods 1st groups resulted in multiple neighborhood-based events throughout the City (Day of Hope, Porchfest, Arts in the Park, Neighborhood Cleanups, Dumpster Days).

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.

- *Catalyst Project #1: Office Development and Recruitment*
- *Catalyst Project #2: Maryland Theatre Expansion of Programming and Facilities*
- *Catalyst Project #3: USMH Expansion Support*
- *Catalyst Project #4: Hotel/Conference Center and Heritage Center/Commemorative Park*
- *Catalyst Project #5: Linking City Park/WCMFA and the A&E District with Trail & New Housing*
- *Catalyst Project #6: Expanded Downtown Arts/Events Programming*
- *Catalyst Project #7: Expanded Operations of the City Farmer's Market*
- *Catalyst Project #8: Expanded and Targeted Home Ownership Support*

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. In cooperation with Communications staff, this effort will be on-going into 2018.

Character Counts! Incorporate pillars of the Character Counts! Program through visible branding in the City Center, neighborhoods, and parks. Example of efforts include support of "Let's Start a Conversation" community meetings and alignment with Maryland's "Time to Talk, Maryland" effort. The Department of Community and Economic Development will work cross-department with the Department of Technology and Support Services on these efforts. Staff continues to meet with Character Counts! representatives and efforts to incorporate Character Counts! through visible branding in 2018.

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. Faith Community Engagement meetings occur every other month and staff continues to explore additional community engagement opportunities.

Growing Volunteerism. Work cross department to continue to grow volunteer engagement to foster understanding of local government operations among the community.

Entrepreneurship and Business Resource Center at 60 W 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. Operations were launched in March 2017. There are multiple office tenants and monthly users. Memorandum Of Understanding (MOU) agreements were signed with SCORE and Frostburg State University's Business program to assist in providing programming for small businesses.

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). Actively marketing properties through the CNS process. The property at 43-53 West Washington Street was sold in 2017 and ongoing redevelopment will occur as part of the Urban Improvement Project.

Urban Improvement Project. 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. Participating in the community partnership working to realize the $30-$37 million Urban Improvement Project which includes expansion of the Maryland Theatre, Barbara Ingram School for the Arts and the University System of Maryland at Hagerstown as well as the creation of a plaza and possible parking deck. MOU with partnership was approved by City Council in January 2017.

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. In process and participating in cross-department team that is exploring opportunities in 2018.

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. CRIZ legislation is not being pursued in the 2018 Legislative Session. Reviewing opportunity to revisit efforts for future legislative sessions when the timing is more appropriate.

Public Art. In cooperation with the Parks and Engineering and the Planning and Code Administration Departments, identify additional locations for public art in neighborhoods throughout the City. A concentrated effort is being made in 2018 in conjunction with the community for public art along the Hagerstown Cultural Trail project including an interactive sculpture, wall art and exploring an annual temporary art exhibition.

NOPO Lofts and Engine Room Art Space at 36-40 North Potomac Street. Continue management and leasing of the NOPO (North Potomac) Lofts, 4 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. The Engine Room Art Space holds regular events and activities and programs with plans to continue in 2018.

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. In process for 2018.

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. Supported initial utilization at Wind Down Friday events in 2017 and ready to support other interested events in 2018.

FINANCE DEPARTMENT

Financial Software Enhancements. A new version of MUNIS is planned to be implemented in late 2018. Finance will work with the Department of Information Technology to ensure proper information mapping for the Finance department. 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. After the new MUNIS upgrade is complete, training and documentation on this Fixed Asset module will be provided to all departments since in 2018 the Finance Department is fully staffed. There are currently two employees within the department that are knowledgeable of this module. The second phase in 2018 is providing reports to departments on a monthly basis to ensure asset additions and disposals can be recorded timely. In the future and the final phase, probably in 2019, 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. In 2018, 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 in 2018.

Review Fiscal Policies. Staff will continue to review and recommend updates for fiscal policies in 2018 to present to Mayor and Council for approval. An updated Fund Balance Policy was adopted by Mayor and Council in November 2017. Finance will continue to review and recommend other fiscal policy changes in 2018 including Petty Cash and Purchasing Policy.

Issue Bond & Other Debt. In 2018, 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 FY18 and FY19 public improvements projects. Finally, Finance will continue to monitor unspent bond projects and funding to ensure timely compliance with bond covenants.

Customer Service. Another focus, in the Finance Department, is to continue to provide enhanced customer service internally and externally. Throughout 2018, 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.

Software Implementation. Finance has taken the lead to 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 Police and Fire. With weekly meetings with Fire, they should be implemented in Intellitime by mid 2018. Police implementation should be finalized by late 2019.

FIRE DEPARTMENT

Administrative.

- The below goals will require working with Human Resources and/or Finance to establish feasibility for further recommendations to the City Administration:

    - Develop a staffing plan and recommended sustainable revenue source to establish a three person minimum, four persons desired, staffing for all City companies engine and ladder. In progress via formal transition plan for CY18.

    - Continue to support the recruitment and retention of trained and certified volunteers. Centralize responsibility and authority for operationally certified volunteer personnel. During CY18, create an amendment to the City Charter to develop a volunteer division within the centralized authority of the HFD Chief.

    - Review the existing ordinances and policies governing the City Worker's Compensation Plan as it relates to HFD that leads to creation of two categories: contested and uncontested.

    - Conduct a classification and compensation audit for all management level positions. In progress with HR, City Administrator and Fire Chief. Estimated completion in accordance with term negotiations and an approved staffing plan in CY18.

    - Add a third Fire Marshal to enable a shift work configuration and Kelley relief for on-duty FM's. Requires a permanent staffing plan, resolution of the Deputy Fire Marshals positions and work schedules (non-exempt) and a request was submitted to fund the position in FY19.

    - Contract a part-time plans reviewer with specific job duties and was requested in FY19 for funding.

- A plan to grow management level training for Captain's and above is in process with specific candidates in different levels of the program with special courses taken and one year assignment in the command aide position.

- Train Command Staff in Washington County Department of Emergency Services (WCDES) Emergency Operations Center (EOC) Operations. On-going in 2018.

- Explore opportunities to fully utilize top tier candidates of the WCPS Fire-Rescue Academy for minimum staffing positions. Will require contract change via term negotiations within the current Local 1605 ongoing negotiations.

- Expand the role of certified EMS providers in the HFD. In process 2018, Mutual, joint negotiations beginning with CRS and WCDES to bring back to City for consideration.

Facilities.

- Request approved funding and continue legacy repairs on all City owned facilities (100 Eastern Blvd and 25 West Church St) which is in process for 2018. Significant and on-going progress with operating and CIP budgets to begin resolution of legacy issues. Cosmetic repairs and remodel of the HFD training room complete. Also, rear asphalt driveway and roof replacement have been completed as well at 100 Eastern Blvd.

- A grant funding request is submitted for replacing the existing infrastructure of an upgrade in existing fire station alerts and personnel alerting systems at the last 2 stations in 2018.

- 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 burn building. A significant increase in an existing CIP project for the Bowman Avenue site has been submitted for FY19 and beyond.

Vehicles, Tools & Equipment.

- Finalize a fleet vehicle, and portable fire-fighting, rescue and EMS equipment replacement plan and is ongoing for 2018.

Programs.

- Study the impact of funding the HFD to a current maintenance of services level. Each year progress is being made towards closing the gap via a combination of operating and CIP budget approvals.

- 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. On-going progress but not at the desired rate. Seven complete, four in progress.

- 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. This remains in process for 2018.

- 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. This remains in process for 2018.

- 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. This in process for 2018 with Code and FM's. Also, a request for a third Deputy Fire Marshall to fully implement this program is part of the FY 19 budget request.

- Develop an in-service plan to inspect, flow-test, color-code and maintain fire hydrants to ISO standards.

- Evaluate opportunities for consolidation of corporate, municipal, and county assets to maximize efficiency of public safety assets. This is in process for 2018 but there has been absent political direction.

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. All union contracts, except IAFF 1605 were executed for an end date to June 30, 2022. Negotiations with IAFF 1605 are currently ongoing since their current contract ends June 30, 2018.

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 and HEAL of Washington County initiatives by offering wellness programs to employees and expand programming to include family wellness. A Community Wellness initiative has been added for quarterly community outreach programs.

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. A separate benefits fair is being planned for Retirees and their dependents as well.

Technology. Staff will explore ways to automate or streamline routine clerical tasks in order to shift time and staff resources from transactional clerical work to more strategic focuses. Re-introduction of employee self service (ESS) within MUNIS to all employees to help streamline some employee HR changes.

Training. Human Resources will make customer service training a priority in 2018. Also in focus, will be providing tools to staff to develop their supervisory and coaching skills, specifically on areas related to performance management and succession planning. Training courses will be offered through Hagerstown Community College, SkillPath Training Seminars and other available resources. We will continue to utilize Avanoo for continued supervisory training and expand to customer service training. 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 including the re-introduction of the HIP Award Program.

Deferred Compensation. Empower will continue to offer employees investment training classes and will incorporate financial planning training for employees/spouses. HR has taken over the administrations of the Deferred Compensation Plan.

Risk Management. We will continue to work to minimize losses due to workers' compensation and liability incidents. Staff continues to work with other departments to ensure adequate risk management considerations are given to events, operations, and purchases.

INFORMATION TECHNOLOGY & SUPPORT SERVICES

INFORMATION TECHNOLOGY

Municipal Broadband Project. The City is working with Antietam Cable Television in implementing a >1Gb High Speed Internet service in the general City Center area. 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. Since it has been successful, the initiative will be expanded to include more areas (residential and commercial) in the City. Antietam Cable and New Frontier Internet Services have completed Phase I (Downtown area) of high-speed Internet in City Center and surrounding area. Phase 2 (North End) is still in process.

MUNIS Version 10.5 to 11.3 upgrade. A successful implementation of Version 11.3, the Internet browser based version of MUNIS, is planned for no later than April 2019 with the hiring of a replacement in February 2018 for this project's lead. Staff will be working with each department to make sure the implementation is a smooth transition to the new version.

Microsoft Exchange (email) upgrade Staff has purchased the hardware/software for the upgrade of our email services to allow for integration and use with the current Windows 10 operating system. This full upgrade should be complete by 2018.

Server Virtualization Staff in both City Hall and HPD have begun looking to move individual file servers into a "virtualized" environment to allow for the consolidation of hardware and save on maintenance and procurement costs as we move forward with technology. The City currently has three virtual servers in City Hall, and an additional two in HPD. This technology is faster than individual servers and more cost effective.

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. Staff will continue to work with the Fire Department and Police to produce a scheduler for them and should be complete by 2018.

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. On-going in 2018 with tablets/mobile devices are being tested with Internet hotspots.

Expansion of Video Surveillance System. Staff will be working with contractors for the expansion of the video system to include the new downtown fiber loop (Jonathan Street/Prospect Street) which is on going in 2018. The pedestrian trail video system was completed in 2017.

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. A video production studio for the Communications group in the Elizabeth Hager Center was completed in 2017. 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**.**

SUPPORT SERVICES

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: Continue to work on the required reforestation and support the Historical Society on their renovation of the Saylor House.

- Thomas Kennedy Park This park is currently being designed and funds are being raised.

- Hagerstown Cultural Trail This trail was officially opened in June 2017. This involved a lot of public/private coordination, selection of public art, and the significant efforts of all of the staff in the Parks and Engineering Divisions.

Potterfield Pool. Renewed contract with *Community Pools Services, Inc.* to manage the pool and provide lifeguards. We plan to continue the Dive-In Movie event and develop a Dash and Splash 5K and Fun Run plus installed the "Aqua Climb" climbing wall. Continue to sell sponsorships on the fencing to generate revenue. Working to replace diving board, hot water heater and chlorine containment tanks in the spring of 2018. Plan to continue to promote and develop swim lessons and the swim team.

202 Train Museum. Construct pavilion reminiscent of an old train station that will be used for events and birthday party rentals. Continue special events like Ride-Along Weekends with Tommy 202 and Railroad Heritage Days. Develop long term strategic plan for facility. We are selling two of our cabooses to help fund improvements.

Hager House. Continue special events like the Doll Tours, Ghost Tours and Easter Egg Hunt. Developing a User Agreement with non-profit volunteer group(s) to assist with maintenance of the gardens. Also, developing long term strategic plan.

Hagerstown Greens at Hamilton Run Golf Course. Recreation staff will continue to develop sponsorships and work to increase revenue and golf play at the Course through targeted advertising, monthly specials, and golf outings. We will be developing a survey to learn more from our customers on how to improve their golf experience. The golf course will be PGA rated for the first time in Spring 2018. Also selling tee marker and scorecard sponsors.

Recreation Initiatives.

- Strategic Planning: Continue strategic planning process:

    - Marketing Plan: Look at our programs, events and facilities and determine how best to spend our marketing resources -- What are the target audiences? Where should we advertise? After reviewed by Mayor and Council, the plan will begin to be implemented in 2018.

    - Strategic Plan: What are the goals of our programs, events and facilities? What improvements should we make? What are the national trends in Parks and Recreation

that we need to embrace? After reviewed by Mayor and Council, the plan will begin to be implemented in 2018.

- Fiscal Responsibility: Develop cost recovery policy, seek grants, and consider "Friends" group.

- Expand Active Lifestyle Recreation Programs: Continue our seasonal *Recreation "Fit For You" Program Guides*, develop partnerships with new instructors, and create new recreation programs throughout the year. Our goal is to have a full calendar of seasonal programs offered indoors and outdoors. The Fit Room is now available for private rental.

- Walking Plan: Implementing a grant received from the Washington County Health Department to develop a new Parks Fitness Challenge in the Spring and possibly in the Summer. Continue to develop the Hub City 100 Miler Program to increase business participation and registration from the community at-large.

Miscellaneous Parks Projects

- Emerald Ash Borer: Repeat bi-annual treatment of trees to be saved. Continued to remove other affected trees and re-plant new trees. Obtained a small grant for 2018 treatments.

- Fairgrounds Park Entrance Building: Will continue efforts to keep gatekeepers house stable and re-roof the stables in 2018. As directed by Mayor and Council, staff will be applying for a grant from MHT.

- Tennis and Pickleball Court: Recoated and restriped tennis court and added pickleball lines in City park and Pangborn park.

- Playground Inspection: Playgrounds in the City are being inspected. 12 of 17 have been audited based on the current requirements. A database of playground installation records and inspection reports that have been created. Our staff is actively addressing the issues.

ENGINEERING DIVISION

Pedestrian and Bike Projects.

- Hagerstown Cultural Trail: All Phase I work has been completed on the Trail. Begin design of section north of Antietam Street will happen in 2018.

- Safe Routes to School (SRTS) Signal Project: We received another SRTS Grant to build a sidewalk on the south side of Haven Road and add pedestrian pushbuttons at the intersection of Pennsylvania Avenue and Fairview Road. Received MOU and began design. Construction will begin summer of 2019. We received another SRTS Grant to replace the traffic signal at South Potomac Street and Howard Street.

- Marsh Run Trail: Use the $250,000 grant funds from MDOT for the final design of the 2,000-foot missing link of trail adjacent the Marsh Run aqueduct. 30% "TS&L" plans are now complete. Expression of Interest RFP is advertised in early 2018 for final design. Acquired the preliminary approval of CSX to install a tunnel under the rail spur across from the Public Works building.

Transportation Projects.

- Professional Boulevard: Working with the County to design the extension of Professional Court to Meritus Medical Center and Hagerstown Community College. We reviewed 90% complete Phase 1 drawings from the County and offered our comments. We also attended a public hearing on the project and met with most of the adjacent property owners.

- 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. Current work should be completed in the Spring of 2018.

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 has been notified that a new National Pollutant Discharge Elimination System (NDPES) General Permit for stormwater was issued in late 2017. This permit will include requirements to remove existing impervious surfaces, or to treat run-off from areas that are currently unmanaged. A grant is currently being used to develop an Action Plan for the Hamilton Run watershed, and to design a proposed relocation of the stream at the Greens at Hamilton Run golf course. We have signed an agreement with a consulting company that will develop a stormwater utility fee.

Surveying/GIS.

- Complete survey and/or construction stakeout for projects and continue to update GIS system layers including geo-referencing City drawings and plats**.** We have provided surveys, research, GIS services and Auto Cad drafting for Public Works, HPD, DCED, Fire Department, as well as the general public. Quality review off 74&75-000 series is complete and has been added to GIS. We plan to include 79-000 series as well. ADA Ramp map has been updated. Street overlay data has been added to CL layer. Topo contours and impervious data has been updated along with building footprint. Subdivision and City parcel layers have been continually updated. Address layer is continually updated. Annexation layer continually updated along with Corp Boundary.

- Updated ROW Map: Update is continual on consolidating GPS surveys that include curb locations and have calculated centerlines from these and then offset for ROW.

- Preservation of Archived Data*:* Update is continual on digitizing and integrating archival data into usable data/GIS layers including SHA plats and RR plats. We now have a procedure and schedule for collecting City transaction data and assimilating into our GIS.

Miscellaneous Engineering Projects.

- Traffic Calming and Neighborhood Safety: Received a Green Street Grant to install bump outs at Potomac/Baltimore and Mulberry/Pangborn. Designs are in process. Hope to construct in early summer 2018. Project provides the dual benefits of water quality enhancement and traffic calming.

- 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. The State will furnish and install signs but a schedule has not been finalized to date. Also working on downtown pedestrian signs.

- Other Miscellaneous Projects: Received a grant to add more bike pavement markings. Design of Prospect Avenue crosswalk. Design of signal replacement at Mulberry and Antietam Streets. Handicap-accessible sidewalk ramp contract. Design to widen Landgon Street to make two-way. Snyder Avenue sidewalks. Certified Stormwater inspector will be able to complete Stormwater Facility Inspections which are required by MDE every three years.

RECYCLING & TRASH COLLECTION DIVISION

Refuse and Recycling Initiatives.

- Collection Contract: A new current contract was awarded to Waste Management and went into effect 1/1/2018.

PLANNING & CODE ADMINISTRATION

Updates and Amendments of Codes, Plans and Guidelines. On-going review of codes and planning documents to bring them up to latest standards, priorities of the City, and needs of our neighborhoods. Goals for 2018 include:

- visionHagerstown 2035 – in-house update to the 2008 Comprehensive Plan. After modifying the Plan to reflect public input received in the Clearinghouse and the Hearing, the Planning Commission forwarded the Plan to the Mayor and City Council in December 2017. The Mayor and Council review will begin in early 2018.

- Update Design Review Guidelines for Historic District Commission

- Update Chapter 204, Signs – the off-premise signs or billboards ordinance – Update in 2018 after review with City Attorney.

- Update Property Maintenance Code in Chapter 64 – Staff will start work on this project in early 2018.

- Land Management Code – review 2018 package of amendments with Planning Commission. Two independent amendments were processed with Mayor and Council.

- 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's. Staff investigating Land Banks as possible alternative to tackle this goal.

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 2018 include:

- Non-bidded Properties at Tax Sales – work with County Treasurer on process to acquire non-bidded, nuisance properties at tax sales. On-going discussions with the City Attorney on determing how the process of moving properties from Tax Sale will occur.

- Nuisance paper rights-of-way – Will explore options to remove these paper rights-of-way on a case by case basis.

- Neighborhood Improvement Plans – work with neighborhood reps on plans to address priority issues in each neighborhood.

- Abatement of Nuisance Building Issues – work with neighborhood reps on priorities for City abatement of nuisance properties needing repairs or demolitions. Cases expected to come out of on-going enforcement cases and recommendations from Neighborhood Improvement Plans – Will implement as funds are available.

- 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 – On-going for 2018.

- Communication with Customers: Developed a number of new tools and practices to enhance customer service. Created on-line searches of business licenses, code violations, and permits. Created bilingual door hangers as soft first contact to inform citizens of minor exterior property maintenance violations. Sending out email alerts of violations as well. This will continue in 2018.

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 2018 include:

- Education materials – continue to develop brochures, web features or other programs on code solutions, preparing for Rental Licensing inspections, navigating the permit and inspections process, working with the Maryland Rehab Code, etc. Developed a brochure on what to expect when renovating a downtown building. Created a detailed inspection check-list for Rental Licensing Inspections for distribution to landlords. Web site modified to be more responsive to customer interest.

- On-line Trade Permits and Fence Permits - if a fix can be made in the upgraded MUNIS version 11.3, should roll out this service by 2019.

- Customer Service Training – PCAD staff will undergo a customer service training which will have an emphasis on building positive relationships with our customers and enhancement of our communication skills.

- Customer Input – PCAD staff have developed a customer service survey to monitor progress in achieving enhanced customer service with our processes, permitting and inspections. Input will also be gained through participation on the ad hoc Planning, Inspections, Review Committee.

- Road Map of What to Expect when Renovation Old Buildings – requested by realtors. Possible joint project with the Fire Marshal's Office and other stakeholders. Developed two brochures on what to expect when renovating a one-family and two-family dwelling and a commercial and/or multi family building. Based on feedback a booklet with pictures is being explored.

Pending Rezonings and Annexations. Work with Planning Commission and Mayor and Council on rezonings and annexations which may be proposed by property owners. Pending is the potential annexation of the proposed Mount Aetna Farm business park off Professional Court.

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 2018 include:

- Main Street Program – provide staff liaison support to the Business Relations Work Group and other assistance as needed to support Hagerstown's Main Street Program. Staff continues attending the monthly meetings of the Main Street Larger Monthly Group.

- Data Management – assist with update and maintenance of data necessary to support the City's community and economic development initiatives.

- Customer Service Enhancement – Promoting economic development facilitation services of pre purchase meetings, building walk throughs, construction progress meetings, etc.

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. Areas for discussion include updates of the City and County Comprehensive Plans, updates of the Washington County Water and Sewer Plan, 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 2018 include:

- Civil War Heritage Park – explore funding options to implement this component of Catalyst Project #4 in the Community's City Center Plan – In progress; working on Battlefield report for ABPP/NPS. A strategy document for moving forward is anticipated for discussion with current administration in the third quarter of 2018.

- Adopt-A-Marker Program – develop a program to ensure sufficient funds exist to maintain or replace markers as the need arises.

- Video Productions – secure funding to enable filming of the planned "Ransom of Hagerstown" video and continue development of the "Hagerstories" video series – Future (depending on funding).

- On-line Tours of Downtown Civil War/Rose Hill Cemetery Walking Tour Map – The downtown virtual tour is online. Staff will work with Rose Hill Cemetery to create a second tour.

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. We will be going with a new product that Lexis Nexis offers that will combine the predictive policing component that PredPol does with other systems we currently use and it not increase our budgeted funds.

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 2017, 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. This officer has worked closely with detectives and the other agencies in the recent juvenile gang situation that presented itself to our city.

Body Worn Cameras. As budget allows, the Department will implement and asses this program which will support a more transparent police department to our community members. The department has been able to roll out for all uniformed patrol officers. On going, to upgrade the devices so that they are automatically activated when deployed, i.e. Tasers, overhead lights on the cruisers, and when the officers' firearms are removed from the holsters.

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. Officers were selected and began receiving training required for the positions. Officers are also attending events and meetings to begin transitioning to the full time positions in early 2018.

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. Will be finalized by in mid 2018.

Crime Camera Replacement. Significant investments were made in 2015 to replace the aging crime cameras throughout the City. Infrastructure and camera replacements have been completed in the Jonathan Street area and the Cultural Trail area. This replacement continues to provide additional security measures to assist in the reduction of crime in this area. Goal for the downtown loop continues as funding becomes available through the budget or future Economic Development monies. Equipment has been purchased and the infrastructure component is still moving forward in 2018.

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. Red light cameras have been installed at 2 sites and the 30 day warning period begins in Feb 2018. More sites to follow in 2018. The department will continue to work with the State on the original intersections on state roads in our city for installation in 2018.

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. We will continue to develop this program with our community partners and conduct research into the effectiveness of the approach. We are continuing to send officers as trainings open up. Funding from the Washington County Mental Health Authority is still in place for reimbursing overtime pay for back filling and or officers to attend.

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. Achieving and enhancing through the COPS Hiring Grant involving our Community Guardianship Program, officers were selected and obtained training and start full time in early 2018.

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. Establishing a language training program with HCC utilizing their English as Second Language students to work on a one-on-one peer tutoring program with officers who wish to learn Spanish or another language. This program will also act as a community outreach bridge with members from the Latino community.

SAFE STREETS Initiative. This is a grant funded program through a new title in 2018, MCIN, Maryland Criminal Intelligence Network. The intent of this grant will be to target criminal networks and gangs in the respective MCIN areas and share said information throughout the state through the HIDTA, High Intensity Drug Trafficking Area database. This will help to reduce violent crime and repeated criminal behavior in Hagerstown. We were able to enhance our outreach by incorporating Police/Youth Dialogue Circles at Antietam Academy placing youths and police in discussions with other on difficult topics.

PUBLIC WORKS

BUILDING MAINTENANCE

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 install exhaust fans and vents to provide much needed ventilation. Our HVAC contractor, M S Johnston has been given this project to complete sometime in 2018.

Old City Ballet location. 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 in 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 the main reception area Studio A on the west side of the facility. Floor Project is placed on hold until a long term plan for the space has been established.

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. This work was put on hold in favor of using the bond money for other purposes and the possibility that the building was going to be sold. To date, there are no buyers for the property. The project of window replacement will be receiving funds from CDBG in FY18.

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. DLLR signed a new five year lease in late 2017. The state has requested additional work to the flooring replacement including paint and carpet. Work is tentatively scheduled in early 2018.

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. Work on hold, the future direction of the Market House is still being determined.

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. This is a project that continues from year-to-year. Sidewalk repairs are completed by staff and by contractors hired by the Engineering Department.

Storm Drain Repair 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. Staff continues to make repairs the numerous storm drains throughout the city. Emphasis is placed on repairs along the street overlay project. Coordination with the Engineering Department is critical.

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 2018 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. This will be budget dependent.

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 Code Administration Department indicated they were pleased with the work of Public Works including the timeliness of the work and invoicing. This is on-going for 2018.

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. Signal lights are 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. Autoscope was installed at the intersection of Frederick Street and Memorial Boulevard and Maryland Ave and Wilson Blvd. No additional intersections are scheduled for Auto Scope installation due to budget constraints.

Street Sign Installations. In 2018, 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.

PARKING SYSTEM

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 is 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. Asphalt repairs and new lighting were completed at the Market House Parking Lot. New lighting was also installed at the Rochester Parking Lot located on the corner of West Washington and South Prospect Streets. The lot behind 36-40 North Potomac Street was not replaced. This will be a project for the Spring 2018 Street Overlay Project.

Customer Oriented Parking. To work towards this goal in 2018, we need to explore approaches to incorporate new technologies. Staff worked with vendor ParkMobile in 2016 to provide parking options to the public including pay-by-phone. However, the deal was cost prohibitive to the operations. Staff is regrouping on this project for 2018.

Installation of New Parking Access and Revenue Control System (PARCS). The PARCS (Parking Access and Revenue Control System) equipment for both parking decks will be replaced. The project involves the replacement of the access gates, entry ticket spitters, the POF (Pay-On-Foot) machine, computers and software. Basically, everything that controls access to the decks and the devices and software that manages the revenue will be replaced. The manufacturer of the original equipment and software no longer exists causing issues with repairs or corrections. The bid specification is almost complete. The project is projected to cost upwards of $450,000. Estimated completion date is early 2018.

UTILITIES DEPARTMENT

ELECTRIC

Energy Storage System Projects. The City recently consummated lease agreements with Alevo and Mitsubishi Heavy Industries (MHI) 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 is composed of projects at three substations, is expected to be in service mid-2016. The MHI project at Snook Substation has been assumed by Alevo who will be providing all 12 MW of ESS to the HLD. The 2MW unit was installed. The 2MW unit continues to operate. Alevo filed Chapter 11 bankruptcy, restricted the company, and continues to operate under the bankruptcy terms.

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. Continuing process in 2018.

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. The final phase of the project will begin in Spring 2018.

WATER

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. Continuing process. Staff has forwarded our recent FY financial information for inclusion into the document.

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. Regarding funding for the R.C. Willson Treatment Plant Traveling Screen Replacement and Water Storage Tank Mixing project: Hazen is in the process of making the final amendments to the contract documents and drawings and we expect the project to be advertised during January of 2017. We expect a notice to proceed to construction in May of 2017. This project was submitted to MDE in April 2016 for review, comment, and approval with the intent to advertise in mid to late summer. The final comments were not received until November 15, 2016 and the City and Hazen staff have been working to finalize the contract documents and drawings since that time. The Mayor & Council approved the $1.249M contract with Carl Belt, Inc. MDE delayed final plan approval and in the interim, increased our grant from $691,250 to $767,080. Construction will proceed in spring 2018.

Edgemont Water Facilities. For 2018 continuing as previously reported. 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. Staff continues to work with Hazen & Sawyer, Triad Engineering and MDE as preliminary engineering and data are developed regarding the dam at the Edgemont Reservoir. In addition to seepage at the toe, cracking has occurred in the overflow raceway and subsidence beneath the raceway has been noted. Core testing is complete and the report is in the process of finalization. The reservoir continues to be operated in a dry state and the Breichner WTP is non-operable. Staff is awaiting the finalization of the reservoir report. Staff has requested the best from a project design, construction, and project management perspective to submit a new funding application that would allow us to incorporate all required improvements into one project. Engineering and design are still underway with a projected completion during FY18.

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 FY18. Continuing process utilizing our leak detection program and roadway rehab requests.

WASTEWATER

Synagro Operations. For 2017 continuing as previously reported. 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. Staff, Synagro and GHD Engineering continues to work on the upgrades which are slated over a five year period. The group continues to work on the third phase of the project which will include upgrades to the drum dryer, DAF and other associated operating equipment. Modifications to the DAF building and equipment will commence in the first quarter of 2018. Engineering and design for the pelletizing facility is nearing completion and the facility upgrade project will begin in FY19.

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. Continuing process. Staff has forwarded our recent FY financial information for inclusion into the document.

Wastewater Collection System. For 2018 continuing as previously reported**.** 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. The projects will be completed utilizing existing staff and equipment. This project will address the Inflow and Infiltration (I&I) of the system related flow in the wastewater collection system by replacing or relining existing defective pipe and other associated infrastructure. Mr. Rehab, Inc. has completed the I&I remediation project and staff will explore future grant opportunities with MDE. Staff has budgeted $400K for FY19.

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. The MDE and City continue to debate the reduction of our rating capacity from the permitted 10.5 MGD to the previous 8MGD permit parameters. Staff will be working with our consultants and legal counsel to determine our course of action as we move forward. City staff, Black &Veatch staff, and legal staff have met with MDE numerous as we attempt to work with MDE to prove our treatment plant is capable of operating at the previously permitted 10.5 MGD. The facility continues to operate without a permit violation for the past 105 consecutive months.

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 FY18. Continuing process.

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. Continuing process.

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 40,325 according to the most recent 2016 census estimate.

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

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

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

FUND ACCOUNTING

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

GOVERNMENTAL FUNDS:

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

Special Revenue Funds – These funds, such as the Community Development Block Grant Fund, 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 of Hagerstown
Governmental Funds
Enterprise Funds
Service and Trust Funds
General
CIP
CDBG
Economic Redevelopment
Business Revolving Loan
Flexible Spending
Excise Tax
Electric
Water
Wastewater
Parking
Golf Course
Property Management
Worker's Compensation
Health Care
Dental Care
Bloom-Carlile Trust

Explanation of Funds:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GOVERNMENTAL FUNDS
SECTION 2

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

GOVERNMENTAL FUNDS - COMBINED STATEMENT OF REVENUES AND EXPENDITURES
PROPOSED BUDGET
FISCAL YEAR 2018/2019

	GENERAL	SPECIAL REVENUE	CAPITAL IMPROVEMENT FUNDS	TOTAL
REVENUES				
Property Taxes	$ 30,642,725	$ -	$ -	$ 30,642,725
Income and Other Taxes	3,764,235	-	1,165,000	4,929,235
Licenses and Permits	2,174,672	-	-	2,174,672
Intergovernmental Revenues	445,824	1,931,495	2,755,000	5,132,319
Charges for Current Services	3,239,170	-	-	3,239,170
Fines and Forfeitures	1,625,100	-	-	1,625,100
Administrative Allocation Revenues	1,997,500	-	-	1,997,500
Program Income	-	242,604	-	242,604
Reforestation Fees	-	8,000	-	8,000
State Funding Pass Thrus: Urban Improv Project	-	900,000	-	900,000
Miscellaneous/Other General Revenues	382,352	37,600	-	419,952
Interest on Investments	40,000	1,225	-	41,225
TOTAL REVENUES	**44,311,578**	**3,120,924**	**3,920,000**	**51,352,502**
EXPENDITURES				
General Government	6,430,101	-	-	6,430,101
Public Safety	24,574,417	-	-	24,574,417
Highways and Streets	2,786,344	-	-	2,786,344
Waste Collection and Disposal	2,575,924	-	-	2,575,924
Parks and Recreation	2,638,055	-	-	2,638,055
Community and Economic Development	593,818	-	-	593,818
Unallocated General Expense	1,669,088	-	-	1,669,088
Debt Service - Principal and Interest	2,608,571	-	-	2,608,571
Operating Expenses	-	3,230,940	14,797,337	18,028,277
TOTAL EXPENDITURES	**43,876,318**	**3,230,940**	**14,797,337**	**61,904,595**
EXCESS(DEFICIENCY) OF REVENUES OVER EXPENDITURES	**435,260**	**(110,016)**	**(10,877,337)**	**(10,552,093)**
OTHER FINANCING SOURCES(USES)				
Operating Transfers From	606,975	125,000	10,000	741,975
Capital Transfers From	-	-	1,395,400	1,395,400
General Fund Balance Transfers From Capital Projects	-	-	240,000	240,000
General Fund Balance Transfers From Invest Hagerstown	-	50,000	-	50,000
Prior Bond Proceeds	-	-	1,285,884	1,285,884
Bond Financing Proceeds	-	-	6,333,600	6,333,600
Contributions by Others	-	-	895,500	895,500
Appropriated Use of Fund Balance	490,000	-	716,953	1,206,953
General Fund Balance Transfers (to) Capital Projects	(240,000)	-	-	(240,000)
General Fund Balance Transfers (to) Invest Hagerstown	(50,000)	-	-	(50,000)
Capital Transfers (to)	(843,400)	-	-	(843,400)
Operating Transfers (to)	(398,477)	(10,000)	-	(408,477)
TOTAL OTHER FINANCING SOURCES (USES)	**(434,902)**	**165,000**	**10,877,337**	**10,607,435**
EXCESS(DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER USES	$ 358	$ 54,984	$ -	$ 55,342
Beginning Fund Balance	**$ 9,734,938**	**$ 5,479,607**	**$ 3,252,892**	**$ 18,467,437**
Less Appropriated Use of Fund Balance	(490,000)	-	(2,002,837)	(2,492,837)
Ending Fund Balance	**$ 9,245,296**	**$ 5,534,591**	**$ 1,250,055**	**$ 16,029,942**
DETAIL OF ENDING FUND BALANCES:				
Nonspendable	$ 400,000	$ 2,300,000	$ -	2,700,000
Restricted	-	2,186,000	-	2,186,000
Assigned	529,541	611,382	1,250,055	2,390,978
Unassigned	8,315,755	437,209	-	8,752,964
Ending Fund Balance	**$ 9,245,296**	**$ 5,534,591**	**$ 1,250,055**	**$ 16,029,942**

GOVERNMENTAL FUNDS - COMBINED STATEMENT OF REVENUES AND EXPENDITURES
ADOPTED BUDGET
FISCAL YEAR 2018/2019

	GENERAL	SPECIAL REVENUE	CAPITAL IMPROVEMENT FUNDS	TOTAL
REVENUES				
Property Taxes	$ 31,496,725	$ -	$ -	$ 31,496,725
Income and Other Taxes	3,764,235	-	1,165,000	4,929,235
Licenses and Permits	2,174,672	-	-	2,174,672
Intergovernmental Revenues	445,824	1,931,495	2,755,000	5,132,319
Charges for Current Services	3,239,170	-	-	3,239,170
Fines and Forfeitures	1,625,100	-	-	1,625,100
Administrative Allocation Revenues	1,997,500	-	-	1,997,500
Program Income	-	242,604	-	242,604
Reforestation Fees	-	8,000	-	8,000
State Funding Pass Thrus: Urban Improv Project	-	900,000	-	900,000
Miscellaneous/Other General Revenues	382,352	37,600	-	419,952
Interest on Investments	40,000	1,225	-	41,225
TOTAL REVENUES	**45,165,578**	**3,120,924**	**3,920,000**	**52,206,502**
EXPENDITURES				
General Government	6,430,101	-	-	6,430,101
Public Safety	24,574,417	-	-	24,574,417
Highways and Streets	2,786,344	-	-	2,786,344
Waste Collection and Disposal	2,575,924	-	-	2,575,924
Parks and Recreation	2,638,055	-	-	2,638,055
Community and Economic Development	1,397,818	-	-	1,397,818
Unallocated General Expense	1,719,088	-	-	1,719,088
Debt Service - Principal and Interest	2,608,571	-	-	2,608,571
Operating Expenses	-	3,230,940	14,797,337	18,028,277
TOTAL EXPENDITURES	**44,730,318**	**3,230,940**	**14,797,337**	**62,758,595**
EXCESS(DEFICIENCY) OF REVENUES OVER EXPENDITURES	**435,260**	**(110,016)**	**(10,877,337)**	**(10,552,093)**
OTHER FINANCING SOURCES(USES)				
Operating Transfers From	606,975	125,000	10,000	741,975
Capital Transfers From	-	-	1,395,400	1,395,400
General Fund Balance Transfers From Capital Projects	-	-	240,000	240,000
General Fund Balance Transfers From Invest Hagerstown	-	50,000	-	50,000
Prior Bond Proceeds	-	-	1,285,884	1,285,884
Bond Financing Proceeds	-	-	6,333,600	6,333,600
Contributions by Others	-	-	895,500	895,500
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General Fund Balance Transfers (to) Capital Projects	(240,000)	-	-	(240,000)
General Fund Balance Transfers (to) Invest Hagerstown	(50,000)	-	-	(50,000)
Capital Transfers (to)	(843,400)	-	-	(843,400)
Operating Transfers (to)	(398,477)	(10,000)	-	(408,477)
TOTAL OTHER FINANCING SOURCES (USES)	**(434,902)**	**165,000**	**10,877,337**	**10,607,435**
EXCESS(DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER USES	$ 358	$ 54,984	$ -	$ 55,342
Beginning Fund Balance	**$ 9,734,938**	**$ 5,479,607**	**$ 3,252,892**	**$ 18,467,437**
Less Appropriated Use of Fund Balance	(490,000)	-	(2,002,837)	(2,492,837)
Ending Fund Balance	**$ 9,245,296**	**$ 5,534,591**	**$ 1,250,055**	**$ 16,029,942**
DETAIL OF ENDING FUND BALANCES:				
Nonspendable	$ 400,000	$ 2,300,000	$ -	2,700,000
Restricted	-	2,186,000	-	2,186,000
Assigned	1,333,541	611,382	1,250,055	3,194,978
Unassigned	7,511,755	437,209	-	7,948,964
Ending Fund Balance	**$ 9,245,296**	**$ 5,534,591**	**$ 1,250,055**	**$ 16,029,942**

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GENERAL FUND
SECTION 3

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STATEMENT OF REVENUE,EXPENDITURES AND CHANGES IN FUND BALANCE
FISCAL YEAR 2018/2019

ACCOUNT DESCRIPTION	2016/17 ACTUAL	2017/18 BUDGET	2017/18 EST. ACTUAL	2018/19 PROPOSED	2018/19 ADOPTED	2018/19 % CHANGE
REVENUES BY TYPE						
Property Taxes	$28,882,713	$ 28,850,833	$29,485,103	$ 30,642,725	$ 31,496,725	6.2%
Income and Other Taxes	4,143,015	3,763,026	3,739,921	3,764,235	3,764,235	0.0%
Licenses and Permits	1,922,814	2,055,610	2,154,450	2,174,672	2,174,672	5.8%
Intergovernmental Revenues	471,229	511,350	506,150	445,824	445,824	-12.8%
Charges for Current Services	2,813,967	3,039,154	3,027,031	3,239,170	3,239,170	6.6%
Fines and Forfeitures	1,162,730	1,400,460	1,246,150	1,625,100	1,625,100	16.0%
Unallocated General Revenues	2,492,549	2,504,961	2,462,751	2,419,852	2,419,852	-3.4%
Transfers from Other Funds	61,947	575,985	575,985	606,975	606,975	5.4%
Appropriated Use of Fund Balance	-	1,306,198	-	490,000	490,000	-62.5%
Total Current Revenues	**$41,950,964**	**$ 44,007,577**	**$43,197,541**	**$ 45,408,553**	**$ 46,262,553**	**3.2%**
EXPENDITURES BY DEPARTMENT						
0101001-Council	$ 116,464	$ 123,230	$ 138,946	$ 142,654	$ 142,654	15.8%
0101002-Mayor	66,866	67,643	66,710	64,643	64,643	-4.4%
0103001-City Administrator	211,554	215,236	215,214	214,468	214,468	-0.4%
0103002-City Clerk	159,838	161,740	161,528	162,328	162,328	0.4%
0103003-Community Affairs	145,879	173,037	165,497	-	-	-100.0%
0103004-Legal Counsel	259,266	236,000	231,000	259,887	259,887	10.1%
0103005-Public Functions	462,308	418,536	395,417	578,464	578,464	38.2%
0103006-Communications	270,959	283,406	276,426	288,758	288,758	1.9%
0107001-Finance & Accounting	581,671	701,807	695,865	758,822	758,822	8.1%
0107200-Information Technology	872,755	872,950	843,947	861,060	861,060	-1.4%
0107206/201-Support Services	451,269	452,832	448,696	451,463	451,463	-0.3%
0109001-Planning	442,172	403,010	392,271	437,133	437,133	8.5%
0109002-Annexation	1,212	8,800	4,100	8,800	8,800	0.0%
0109003-City Hall	304,059	302,357	301,711	295,806	295,806	-2.2%
0109004-Engineering & Construction	1,111,796	1,172,746	1,180,191	1,219,025	1,219,025	3.9%
0109005-Human Resources	596,366	679,153	671,615	686,790	686,790	1.1%
Total General Government	6,054,434	6,272,483	6,189,134	6,430,101	6,430,101	2.5%
0110XXX-Police Department	13,255,605	13,907,324	14,242,038	14,452,601	14,452,601	3.9%
0112001-Fire Department	7,187,360	7,643,953	7,629,864	8,090,265	8,090,265	5.8%
0114001-Code Administration	1,351,649	1,542,086	1,561,297	1,574,060	1,574,060	2.1%
0116XXX-Signal Department	500,010	469,519	483,268	457,491	457,491	-2.6%
Total Public Safety	22,294,624	23,562,882	23,916,467	24,574,417	24,574,417	4.3%
0120001-Street Lighting	601,993	622,000	622,000	601,993	601,993	-3.2%
0121001-Snow Removal	167,860	404,011	404,011	363,213	363,213	-10.1%
0122001-Street Cleaning	259,928	232,163	234,261	231,332	231,332	-0.4%
0123XXX-Gas Station & Maint Garage	476,582	437,132	451,864	455,030	455,030	4.1%
0124001-7-PW & Street Operations	834,257	932,346	971,299	939,482	939,482	0.8%
0124008-Central Equipment Building	110,390	111,945	114,015	95,294	95,294	-14.9%
0124009-Stormwater Management	-	40,000	20,000	100,000	100,000	150.0%
Total Highways & Streets	2,451,010	2,779,597	2,817,450	2,786,344	2,786,344	0.2%
0130001-Waste Collection & Disposal	2,022,219	2,115,019	2,321,498	2,575,924	2,575,924	21.8%
0140001-Department of Recreation	424,864	461,494	470,348	480,484	480,484	4.1%
0140202-Swimming Pools	188,954	163,346	184,548	166,974	166,974	2.2%
0140204-Farmers Market	95,473	78,134	82,991	76,651	76,651	-1.9%
0140401-Municipal Stadium	37,948	12,922	24,922	23,922	23,922	85.1%
0140402-Hager House	50,709	36,076	35,276	39,259	39,259	8.8%
0140403-Train Museum	24,407	19,638	56,858	22,025	22,025	12.2%
0145XXX-City Parks	1,680,998	1,846,772	1,793,384	1,828,740	1,828,740	-1.0%
Total Culture & Recreation	2,503,353	2,618,382	2,648,327	2,638,055	2,638,055	0.8%

STATEMENT OF REVENUE,EXPENDITURES AND CHANGES IN FUND BALANCE
FISCAL YEAR 2018/2019

ACCOUNT DESCRIPTION	2016/17 ACTUAL	2017/18 BUDGET	2017/18 EST. ACTUAL	2018/19 PROPOSED	2018/19 ADOPTED	2018/19 % CHANGE
0150001-Community & Economic Development	$ 372,756	$ 351,057	$ 365,838	$ 593,818	$ 1,397,818	69.2%
0150002-Neighborhoods First	58,646	76,886	52,811	-	-	-100.0%
0150004-Housing & Community Development	140,491	150,701	150,341	-	-	-100.0%
Total Community & Economic Development	571,893	578,644	568,990	593,818	1,397,818	2.6%
0160001-Retiree Benefits	1,515,793	1,471,038	1,471,037	1,471,037	1,471,037	0.0%
0166001-Contributions-Other Agencies	195,000	205,000	195,000	405,000	455,000	97.6%
0162001-Inventory Adjustments	12,969	10,000	10,000	10,000	10,000	0.0%
0168001-Contingency	-	18,000	-	(216,949)	(216,949)	-1305.3%
Total Unallocated General Expenses	1,723,762	1,704,038	1,676,037	1,669,088	1,719,088	-2.1%
0190001-Debt Service-Prin	1,504,498	1,816,482	1,726,852	1,932,986	1,932,986	6.4%
0191001-Debt Service- Interest & Issuance Costs	655,053	597,756	643,326	675,585	675,585	13.0%
Total Debt Service	2,159,551	2,414,238	2,370,178	2,608,571	2,608,571	8.0%
0195001-Operating Transfers to Other Funds	428,134	401,579	428,330	398,477	398,477	-0.8%
0195002-Capital Transfers to CIP & Other Funds	1,042,752	168,967	152,171	843,400	843,400	399.2%
0195002-Fund Balance Transfer for CIP Projects	-	1,049,000	797,387	240,000	240,000	-77.1%
0195002-Fund Balance Transfer for Invest Hag	794,415	257,198	7,244	50,000	50,000	-80.6%
Total Transfers to All Other Funds	2,265,301	1,876,744	1,385,132	1,531,877	1,531,877	-18.4%
Total Expenditures & Transfers	**$42,046,147**	**$ 43,922,027**	**$43,893,213**	**$ 45,408,195**	**$ 46,262,195**	**3.4%**
Excess (Deficiency) of Revenues over Expenditures	**$ (95,183)**	**$ 85,550**	**$ (695,672)**	**$ 358**	**$ 358**	
Beginning Fund Balance	**$10,525,793**	**$ 10,430,610**	**$10,430,610**	**$ 9,734,938**	**$ 9,734,938**	
Less Budgeted Use of Fund Balance	-	(1,306,198)	-	(490,000)	(490,000)	
Ending Fund Balance	**$10,430,610**	**$ 9,209,962**	**$ 9,734,938**	**$ 9,245,296**	**$ 9,245,296**	

Detail of Ending Fund Balance					
Nonspendable	$ 181,006	$ 400,000	$ 400,000	$ 400,000	$ 400,000
Restricted	-	465,000	-	-	-
Assigned	786,785	750,000	779,541	529,541	1,333,541
Unassigned	9,462,818	7,594,962	8,555,397	8,315,755	7,511,755
Ending Fund Balance	$10,430,610	$ 9,209,962	$ 9,734,938	$ 9,245,296	$ 9,245,296
Unassigned Fund Balances as: % of Operating Budget Less Transfers to All Other Funds	23.8%	18.1%	20.1%	19.0%	16.8%
Number of Months Expenditures	2.9	2.2	2.4	2.3	2.0

GENERAL FUND REVENUES
Property Taxes
29,485,103
30,642,725
Income and Other Taxes
3,739,921
3,764,235
Licenses and Permits
2,154,450
2,174,672
Intergovernmental Revenues
506,150
445,824
Charges for Current Services
3,027,031
3,239,170
Fines and Forfeitures
1,246,150
1,625,100
Unallocated General Revenues
2,462,751
2,419,852
Transfers from Other Funds
575,985
606,975
Appropriated Use of Fund Balance
0
490,000
Est Act FY17/18
Prop Bud FY18/19

GENERAL FUND EXPENDITURES
General Government
6,189,134
6,430,101
Public Safety
23,916,467
24,574,417
Highways & Streets
2,817,450
2,786,344
Waste Collection
2,321,498
2,575,924
Parks and Recreation
2,648,327
2,638,055
Comm & Econ Dev
568,990
593,818
Unallocated Expenses
1,676,037
1,669,088
Debt Service
2,370,178
2,608,571
Capital Transfers
152,171
843,400
Operating Transfers
428,330
398,477
Fund Balance...
804,631
290,000
Est Act FY17/18
Prop Bud FY18/19

TOTAL PROPOSED FY19 BUDGET EXPENDITURES $45,408,195

REVENUE SUMMARY

	2016/17 ACTUAL	2017/18 BUDGET	2017/18 EST. ACTUAL	2018/19 PROPOSED	2018/19 ADOPTED	2018/19 % CHANGE
CURRENT REVENUES						
Property Taxes	$ 28,882,713	$ 28,850,833	$ 29,485,103	$ 30,642,725	$ 31,496,725	6.2%
Income and Other Taxes	4,143,015	3,763,026	3,739,921	3,764,235	3,764,235	0.0%
Licenses and Permits	1,922,814	2,055,610	2,154,450	2,174,672	2,174,672	5.8%
Intergovernmental Revenues	471,229	511,350	506,150	445,824	445,824	-12.8%
Charges for Current Services	2,813,967	3,039,154	3,027,031	3,239,170	3,239,170	6.6%
Fines and Forfeitures	1,162,730	1,400,460	1,246,150	1,625,100	1,625,100	16.0%
Unallocated General Revenues	2,492,549	2,504,961	2,462,751	2,419,852	2,419,852	-3.4%
Total Current Revenues	**$ 41,889,017**	**$ 42,125,394**	**$ 42,621,556**	**$ 44,311,578**	**$ 45,165,578**	**5.2%**
OTHER FINANCING SOURCES						
Transfers from Other Funds	$ 61,947	$ 575,985	$ 575,985	$ 606,975	$ 606,975	5.4%
Appropriated Fund Balance to Econ Redevelopment:Invest Hagerstown	-	257,198	-	50,000	50,000	-80.6%
Appropriated Fund Balance to CIP Fund:Capital Expenditures	-	1,049,000	-	240,000	240,000	-77.1%
Appropriated Fund Balance to General Fund	-	-	-	200,000	200,000	0.0%
Total Other Financing Sources	**$ 61,947**	**$ 1,882,183**	**$ 575,985**	**$ 1,096,975**	**$ 1,096,975**	**-41.7%**
Total Ending Revenues and Other Financing Sources	**$ 41,950,964**	**$ 44,007,577**	**$ 43,197,541**	**$ 45,408,553**	**$ 46,262,553**	**3.2%**

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 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
Actual 2015/2016	2,618	3.0%	0.913	25,586	5.2%	0.913	0.823	0.112	1.848
Actual 2016/2017	2,660	1.6%	0.913	25,991	1.6%	0.913	0.823	0.112	1.848
Estimated 2017/2018	*2,644*	1.0%	*0.941*	*26,708*	*2.8%*	*0.941*	*0.823*	*0.112*	*1.876*
Proposed 2018/2019	*2,764*	*4.5%* **	*0.942*	*27,863* **	*4.3%*	*0.942*	*0.823*	*0.112*	*1.877*
Adopted 2018/2019:All	*2,682*	*1.4%*	*1.002*	*28,717*	*7.5%*	*1.002*	*0.823*	*0.112*	*1.937*
Adopted 2018/2019:Apts	*224*	*N/A*	*1.032*	*2,314*	*N/A*	*1.032*	*0.823*	*0.112*	*1.967*

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

**The assessable base value per the February 2018 Constant Yield Notice memo reflects an expected real property assessed value of 2,537 which is a decrease of 0.09% over current levels. The City chart above assumes a slightly higher average assessable base value which includes personal property values. In addition, the chart above reflects the average value for all of FY19 and not just the value estimated to be on July 1. It is further anticipated that a potential change will be made with existing tax tiers which is the equivalent of a $0.03 per $100 of real estate assessed values. The change in tax tiers represents revenue growth of $776K which is reflected in the chart above.

***The Adopted 2018/2019 reflect the tax rate tier as approved by Mayor and Council for Apartments separate from all other categories. The Adopted 2018/2019:All include total assessable base values and dollars.

Each penny on the overall real estate tax rate generates additional revenue of	**$ 259,000**
Each penny on the personal property tax rate generates additional revenue of	**$ 12,000**

PROPERTY TAXES - PROPOSED REVENUES
FISCAL YEAR 2018/2019

DESCRIPTION	2016/17 ACTUAL	2017/18 BUDGET	2017/18 EST. ACTUAL	2018/19 PROPOSED	2018/19 ADOPTED	2018/19 % CHANGE
Current Year Levy	$25,990,011	$25,977,333	$26,708,552	$ 27,863,125	$ 28,717,125	7.3%
Interest on Delinquent Taxes	176,450	150,000	150,000	150,000	150,000	0.0%
Prior Years' Levy-Net	(95,543)	(60,000)	(100,000)	(100,000)	(100,000)	66.7%
Payment in Lieu of Taxes	2,841,981	2,814,000	2,757,356	2,760,100	2,760,100	-1.9%
Tax Discounts & Credits Allowed	(30,186)	(30,500)	(30,805)	(30,500)	(30,500)	0.0%
Total Property Taxes	**$28,882,713**	**$28,850,833**	**$29,485,103**	**$ 30,642,725**	**$ 31,496,725**	**6.2%**

Revenues from property taxes are based on assessments established by the State Department of Assessment and Taxation. The real property tax rate for FY18 was $0.941 per $100 of assessed value.The business personal property rate was $2.353 per $100 of assessed value in FY18.

FY19 is the second year of the City's trienniel reassessment period. The February 2018 Constant Yield Tax Rate Certification memo reflects a decrease in assessed values of 0.9% which repesents a $20K reduction in real estate revenue for FY19 if no changes are made to the tax rate. The real property constant yield rate certified by the State for FY19 that would generate the same dollar amount of gross real tax revenues, (before local property tax credits) is $0.9418 per $100 of assessed value which is $0.0008 more than the City's current FY18 tax rate. The proposed budget for FY19 includes the following: an estimated growth of 1% increase in the assessable base from historical trends and an overall new total revenue of $776K which could potentially be implemented with a tiered tax rate (this is the equivalent of an overall $0.03 tax reate increase). This additional revenue will be utilized to offset increasing costs for wages and benefits and annual debt service requirements.

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 FY18 to Estimated Actual FY18

The estimated actual for FY18 when compared with the FY18 budget is expected be about 2.2% more than originally budgeted or $634K. Personal property tax related to business personal property is expected to be higher than originally budgeted for FY18. The original budget for business personal property tax revenue was $2.90 million and it is estimated that revenue for FY18 will be $3.04 million. Additionally, real estate tax revenue is estimated to increase over FY18 budget by $483K as a result of better than anticipated assessed values as reported in the February 2017 Constant Yield Tax Rate memo.

Adopted FY18 to Proposed FY19

Overall, the proposed property tax revenue for FY19 is expected to increase by $1.79M when compared to the FY18 budget. The FY19 proposed budget does include all the following: estimated growth of 1% in overall assessable base values based on historical trends and new real estate tax revenue from either a tiered tax rate or on overall tax rate increase of $0.03 per $100 of assessed values. Total property tax revenue continues to be the primary source of revenue in the General Fund or approximately 67.5% in FY19 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. FY19 is the second year of City's trienniel reassessment cycle.

INCOME AND OTHER TAXES - PROPOSED REVENUES
FISCAL YEAR 2018/2019

DESCRIPTION	2016/17 ACTUAL	2017/18 BUDGET	2017/18 EST. ACTUAL	2018/19 PROPOSED	2018/19 % CHANGE
Income Tax	$ 2,628,280	$ 2,445,200	$ 2,400,000	$ 2,400,000	-1.8%
Admissions & Amusement Tax	443,873	330,000	330,000	330,000	0.0%
Financial Corporations	34,214	34,214	34,214	34,214	0.0%
Enterprise Zone Tax Credits	30,485	20,612	27,707	12,123	-41.2%
Room Tax - Tourism Promotions	187,687	188,000	188,000	188,000	0.0%
Police Protection	739,779	690,000	690,000	729,898	5.8%
State Aid For Fire Service	78,697	55,000	70,000	70,000	27.3%
Total Income and Other Taxes	**$ 4,143,015**	**$ 3,763,026**	**$ 3,739,921**	**$ 3,764,235**	**0.0%**

BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY18 to Estimated Actual FY18

When compared to the FY18 adopted budget, FY18 estimated actual is anticipated to be 0.6% or $23K lower. Of the total $23K, $45K is attributable to declining state income tax receipts from the local share of State Income Tax. As a result of a State of Maryland audit, software mistakes were discovered in FY17 that incorrectly determined and allocated individual taxpayers' municipal and county boundary limits. Due to this mistake in allocation, the City of Hagerstown has experienced a slight decrease as the allocations are corrected by the State.

Adopted FY18 to Proposed FY19

Overall, the proposed budget for FY19 Income & Other Taxes Revenue is expected to remain flat or just $1K over the FY18 budget. The same trends occurring in FY18 are expected to continue into FY19. Primarily, this increase is driven by a combined increase in the Police Protection and State Aid for Fire Services for a total of $55K. Offseting decreases are anticipated to continue in State Income Tax ($45K) and Enterprise Zone tax credits ($8K) as current eligible properties phase out and become fully taxable.

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, 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 FY17 as a result of unknown Income State Tax income and Admissions & Amusement Tax. Overall revenues are expected to remain fairly flat from FY18 to FY19.

LICENSES & PERMITS - PROPOSED REVENUES
FISCAL YEAR 2018/2019

DESCRIPTION	2016/17 ACTUAL	2017/18 BUDGET	2017/18 EST. ACTUAL	2018/19 PROPOSED	2018/19 % CHANGE
Traders Licenses	$ 103,669	$ 90,000	$ 100,000	$ 100,000	11.1%
Distilled Spirits	-	6,000	-	-	-100.0%
Utility License Fee	500	22,500	-	-	-100.0%
Vendor Permits from City Clerk	2,825	5,000	3,500	3,500	-30.0%
Cable TV Franchise Fee	395,741	410,000	388,700	388,700	-5.2%
General Construction Permits	-	1,000	-	-	-100.0%
Street Digging Permits	76,155	65,000	60,000	60,000	-7.7%
Curbs, Sidewalks, & Driveways	2,360	2,000	3,000	3,000	50.0%
Storm Water Management Permits	5,094	3,000	3,000	3,000	0.0%
Grading Permits	9,496	8,000	8,000	8,000	0.0%
Right of Way Permits	3,667	4,000	4,000	4,000	0.0%
Building Permits (Fire)	51,291	50,000	55,000	66,757	33.5%
Fireworks Permits	1,500	1,750	750	1,750	0.0%
Blasting Permits	50	-	100	150	100.0%
Plumbing Dept-Licenses	10,470	4,500	8,200	10,500	133.3%
Contractor's Licenses	5,355	15,000	14,000	5,000	-66.7%
Electrical Licenses	28,085	6,000	6,000	28,000	366.7%
Residential Rental Licenses	696,570	675,000	725,000	700,000	3.7%
Uncollected- Residential Licenses	(61,511)	(40,000)	(40,000)	(40,000)	0.0%
Building Permits	141,669	125,000	200,000	230,325	84.3%
Plumbing Permits	77,119	75,000	77,000	75,000	0.0%
Electrical Permits	119,856	115,000	120,000	120,000	4.3%
Mechanical Permits	51,565	45,000	55,000	52,000	15.6%
Sewer Connection Inspection Fees	-	1,000	-	-	-100.0%
Pre-Sale Code Inspection	-	400	-	200	-50.0%
Re-Inspection Fee	1,150	2,000	1,000	1,000	-50.0%
Property Abatement Billings -Engineering	-	5,000	5,000	5,000	0.0%
Property Abatement Billings -Code	46,458	215,000	215,000	202,590	-5.8%
Vacant Residential Structure Fee	98,000	95,000	92,000	95,000	0.0%
Vacant Commercial Structure Fee	7,000	10,000	9,000	10,000	0.0%
Admin Fee for Excise Tax	1,506	2,500	2,500	2,500	0.0%
Secure Vacant Structure Fee	2,700	3,000	2,700	2,700	-10.0%
Technology Fee	43,474	32,000	35,000	35,000	9.4%
Unattended Donation Bin Fee	1,000	960	1,000	1,000	4.2%
Total Licenses and Permits	**$ 1,922,814**	**$ 2,055,610**	**$ 2,154,450**	**$ 2,174,672**	**5.8%**

BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY18 to Estimated Actual FY18

FY18 licenses and permit revenues are projected to be over budget by 4.8% or $98K. It is anticipated that Utility License Fees and Cable TV Franchise Fees will be below original budget expectations by $23K, and $21K respectively based on year-to-date activity. Offsetting this decreases, revenue projections for Traders License and Building Permits will be a combined $85K higher than original estimates.

Adoopted FY18 to Proposed FY19

Overall, the proposed FY19 budget is expected to be 5.8% or approximately $119K more than FY18 budget. This increase is a result of continuing trends reflected in FY18 estimated actuals for Utility License Fees, Cable TV Franchise Fees, Traders License, and Building Permits program activity. 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. Last, Residential Rental License revenue is expected to be $25K higher in FY19 budget.

INTERGOVERNMENTAL REVENUES - PROPOSED REVENUES
FISCAL YEAR 2018/2019

DESCRIPTION	2016/17 ACTUAL	2017/18 BUDGET	2017/18 EST. ACTUAL	2018/19 PROPOSED	2018/19 % CHANGE
County Grant: School Resource Officers	$ 140,776	$ 263,000	$ 263,000	$ 266,424	1.3%
State Grant: Blues Fest	19,487	15,000	15,000	15,000	0.0%
DEA/NTF Reimbursed OT Grants	58,609	55,000	55,000	55,000	0.0%
Federal Grants: Various COPS Hiring Grants	252,357	178,350	173,150	109,400	-38.7%
Total Intergovernmental	**$ 471,229**	**$ 511,350**	**$ 506,150**	**$ 445,824**	**-12.8%**

BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY18 to Estimated Actual FY18

The estimated actual for FY18 is expected to be 1.0% or $5K lower than originally budgeted in FY18 as a result of timing on reimbursement from the 2015 COPS Hiring grant awarded to the Police Department. This 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) years. Due to timing and retention of filling these grant funded positions, less federal reimbursement will be received in FY18.

Adopted FY18 to Proposed FY19

Overall, the proposed budget for FY19 is expected to be 12.8% or $66K less than FY18 budget. The Police Department currently has approval for three separate COPS Hiring grants. The federal reimbursement for these grants are over a three year period and have declining reimbursement percentage each year. It is anticipated that only the most recent 2015 grant will still be reimbursed in FY19 and is reflected with a 38.7% or $69K reduction over FY18 budget levels. The offsetting increase in revenue is due to the newest School Resource Officer being reimbursed for salary and benefits.

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 had 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. It is anticipated that the final reimbursement for these federal COPS Hiring Grants will occur in FY19.

CHARGES FOR CURRENT SERVICES - PROPOSED REVENUES
FISCAL YEAR 2018/2019

DESCRIPTION	2016/17 ACTUAL	2017/18 BUDGET	2017/18 EST. ACTUAL	2018/19 PROPOSED	2018/19 % CHANGE
Refuse Collection Fees	$ 2,258,122	$ 2,291,300	$ 2,531,350	$ 2,764,950	20.7%
Stormwater Management Fees	-	200,000	-	-	-100.0%
Potterfield Swimming Pool	68,763	67,050	60,050	64,700	-3.5%
Public Function Event Revenues	70,186	109,000	62,529	62,750	-42.4%
Other Service Charges	416,896	371,804	373,102	346,770	-6.7%
Total Charges for Current Services	**$ 2,813,967**	**$ 3,039,154**	**$ 3,027,031**	**$ 3,239,170**	**6.6%**

BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY18 to Estimated Actual FY18

Overall, estimated actual revenue for FY18 is anticipated to be below budget by 0.4% or $12K when compared with the FY18 budget. Based on actual to date trends, FY18 estimated projections for Refuse Collection Fees is anticipated to be $240K or 10.5% higher than FY18 budget.This is a result of enhancements and price modifications made with the new contract effective January 2018. Based on the increased costs, quarterly rates for customers went from $39.00 per quarter to $47.00 per quarter effective January. The anticipated decrease in revenues related to the Potterfield Swimming Pool are a reflection of the decline in use the City experienced in July-Sept 2017. Last, there are changes being planned for the City's BluesFest event including making the event only two (2) days in FY18. With the changes to the BluesFest event, there will be less revenue and less costs than originally included for the four (4) day event in the FY18 budget. Last, FY18 budget included $200K for Stormwater Management program implementation that has not yet happened.

Adopted FY18 to Proposed FY19

In total, Charges for Current Services in the FY19 budget are expected to be 6.6% or $200K higher than FY18 budget. This increase reflects the continuation of the trends actually experiencing and anticipating for FY18 projected actuals. It is estimated that Refuse Collection Fees will be $474K or 20.7% in FY19 based on the revised rates being in place for an entire fiscal year versus 1/2 year reflected in FY18 estimated actuals. Offsetting decreases will continue for the change to the City's BluesFest event. In addition, Zoning Certificate fees and Gasoline charges for CRS are the primary decreases included in the $25K revenue reduction in Other Service Charges category above. The change in the FY19 budget for these two items is based on actual historical trends. Last, there was $200K related to implementation of a Stormwater Management (SWM) Program included in the FY18 budget. The City is currently working on Phase I of a SWM study for future discussions but no funding has been included within the General Fund in FY19 budget for this initiative.

FINES & FORFEITURES - PROPOSED REVENUES
FISCAL YEAR 2018/2019

DESCRIPTION	2016/17 ACTUAL	2017/18 BUDGET	2017/18 EST. ACTUAL	2018/19 PROPOSED	2018/19 % CHANGE
Abatement Administrative Fees - Code Admin	$ 40,549	$ 40,600	$ 40,000	$ 40,000	-1.5%
Confiscated Revenue	6,837	7,500	5,000	7,500	0.0%
Excessive Use Fees	11,050	11,800	16,700	7,000	-40.7%
Fire Code Violations	3,250	2,000	7,000	2,000	0.0%
Municipal Infractions - Code Admin	111,415	110,000	-	110,000	0.0%
Municipal Infractions - Police Dept	50	100	100	100	0.0%
Municipal Infractions - Planning	-	300	300	300	0.0%
Parking Tickets and Late Fees	6,310	7,000	7,000	8,000	14.3%
Parking Tickets - Estimate for Uncollectible	5,155	-	-	-	0.0%
Red Light Violation Fine	-	120,960	20,000	200,000	65.3%
Safe Speed for Students Program	999,368	1,200,000	1,200,000	1,350,000	12.5%
Safe Speed for Students Program - Est Uncollect	(21,254)	(100,000)	(50,000)	(100,000)	0.0%
Tech Appeals Board Filing Fees	-	200	50	200	0.0%
Total Fines and Forfeitures	**$ 1,162,730**	**$ 1,400,460**	**$ 1,246,150**	**$ 1,625,100**	**16.0%**

BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY18 to Estimated Actual FY18

Estimated actual revenue for FY18 is expected to be under budget by 11.0% or $154K. There are two primary reasons for the decline: Code Administation Municipal Infractions and Red Light Camera program. The Municipal Infractions reflects current year activity and charges and offsetting prior years' final reconciliations and adjustments. While the City is actively working on implementing the Red Light Camera Program, there was a timing delay as well as less approved state intersections than originally anticipated during the FY18 budget process. To date, the City entered into an agreement with Howard County Consortium to participate in its established program which was approved in October 2016 and several cameras are in the process of going live in March 2018.

Adopted FY18 to Proposed FY19

The FY19 budget for total Fines and Forfeitures revenue sources are 16.0% or $225K less than FY18 budget. The anticipated increase in the Safe Speed for Students Program of 12.5% or $150K is a primary reason. While it is estimated that all twelve (12) cameras will continue to be operational in FY19, it is anticipated that revenue will remain flat in future years. Last with the implementation of a new Red Light Program in Spring 2018, the FY19 budget includes an increase of $79K over FY18 budget for a new Red Light Camera program being operational for a full year and anticipates that four (4) sites will be operational.

UNALLOCATED GENERAL REVENUES - PROPOSED REVENUES
FISCAL YEAR 2018/2019

DESCRIPTION	2016/17 ACTUAL	2017/18 BUDGET	2017/18 EST. ACTUAL	2018/19 PROPOSED	2018/19 % CHANGE
Administrative Allocation Revenues	$ 2,031,000	$ 2,031,000	$ 1,997,500	$ 1,997,500	-1.6%
Interest on Investments	47,124	18,000	40,000	40,000	122.2%
Rental Income	172,290	208,008	202,995	207,985	0.0%
Sale of Land & Other Assets	44,401	41,000	37,628	14,318	-65.1%
Contributions & Donations	104,775	123,601	108,674	101,250	-18.1%
Other General Revenue	92,959	83,352	75,954	58,799	-29.5%
Total Unallocated General Revenues	**$ 2,492,549**	**$ 2,504,961**	**$ 2,462,751**	**$ 2,419,852**	**-3.4%**

BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY18 to Estimated Actual FY18

The FY18 actual is projected to be $42K or 1.7% lower than FY18 budget. The main decreases are Administrative Allocation Revenues and Contributions & Donations categories. The decrease in Administrative Allocation Revenues is the temporary elimination of this charge to the City's Property Management Fund which can no longer cover these costs. Likewise, the decrease in Contributions & Donations is reflective of the change to the City's BluesFest event specifically within Sponsorship Donations. This decline reflects a change in the overall BluesFest event from a four (4) day event to a two (2) event. Conversely, Interest on Investments grew by $22K over FY18 budget which is a result of interest rate adjustments in the economy and is a continuation of the trends experienced in FY17.

Adopted FY18 to Proposed FY19

The proposed FY19 budget is anticipated to decrease over the FY18 budget by 3.4% or $85K in total. It is anticipated that the only growth over the FY18 budget will be in Interest on Investments as trends continue as experiencing in FY18. The decrease of $34K or 1.6% in Administrative Allocation Revenues is due to the temporary elimination of this charge to the City's Property Management Fund which can no longer cover these costs. The decrease of $22K or 18.1% in Contributions & Donations is primarily a result of less BluesFest Sponsorship Donations with the change in this event venue to two (2) days. Likewise, there are offsetting decreases in Sale of Land & Other Assets and Other General Revenue. There is a combined decrease of $51K in the FY19 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 variance from year to year in these categories.

TRANSFERS FROM OTHER FUNDS & OTHER FINANCING SOURCES - PROPOSED REVENUES
FISCAL YEAR 2018/2019

DESCRIPTION	2016/17 ACTUAL	2017/18 BUDGET	2017/18 EST. ACTUAL	2018/19 PROPOSED	2018/19 % CHANGE
Transfer from Health Insurance Fund	$ 35,660	$ 545,825	$ 545,825	$ 576,815	5.7%
Transfer from CDBG Fund	26,287	30,160	30,160	30,160	0.0%
Total Transfers from Other Funds & Other Financing Sources	**$ 61,947**	**$ 575,985**	**$ 575,985**	**$ 606,975**	**5.4%**

BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY18 to Estimated Actual FY18

Overall, estimated actual revenue for FY18 is expected to be on target with FY18 budget. The FY18 estimated actuals includes updated trends of annual spending for a part-time CDBG funded inspector.

Adopted FY18 to Proposed FY19

FY19 proposed budget is estimated to increase $31K from FY18 budget because there is a one-time transfer included in FY19. In FY19 budget, Transfers from Health Insurance Fund include the annual $40K toward the City's employee wellness program plus a one-time $536K payment. The Health Insurance Fund is a separate City Fund that accumulates and pays for all costs associated with active and retiree health insurance. Throughout the year, all other City Funds provide funding to the Health Insurance Fund based on an equivalent insurance premium determined annually by CBIZ. The Health Insurance Fund has had lower costs than anticipated and has accumulated a fund balance. As of July 2017, the fund balance in the Health Insurance Fund was all of the following: over $2.7M in total; approximately 37% of total annual operating expenses; and represented 4.4 months of total annual operating expenses. For all of the reasons stated, staff is recommending a one-time transfer of the FY17 actual total surplus of $757K to be allocated to the General Fund (70.9%); Electric Fund (7.7%); Water Fund (11.3%); and Wastewater Fund (10.1%). Further it is important to note that staff would not recommend this transfer if all three conditions were not met. After this transfer, the Health Insurance Fund Balance Reserve will still be in compliance with the City's revised Fund Balance/Retained Earnings Policy included in Section 10 of the budget book.

DEPARTMENT / PROGRAM OVERVIEW

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

DEPARTMENT / PROGRAM OBJECTIVES

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

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

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

• Represent the City at public events and functions.

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

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

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

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

PERFORMANCE INDICATORS

	2016/17	2017/18	2018/19
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**

EXPENDITURE AND REVENUE SUMMARY

	2016/17 ACTUAL	2017/18 BUDGET	2017/18 EST. ACTUAL	2018/19 PROPOSED	2018/19 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 48,055	$ 47,871	$ 47,871	$ 48,169	0.6%
Benefits	14,972	13,249	13,051	13,153	-0.7%
Personnel Subtotal	**63,028**	**61,120**	**60,922**	**61,322**	**0.3%**
Operating Expenditures	3,839	6,523	5,788	3,321	-49.1%
Operating Subtotal	**3,839**	**6,523**	**5,788**	**3,321**	**-49.1%**
Total Expenditures	**$ 66,866**	**$ 67,643**	**$ 66,710**	**$ 64,643**	**-4.4%**
REVENUES BY TYPE					
Departmental Revenue	$ -	$ -	$ -	$ -	0.0%
Total Revenues	**$ -**	**$ -**	**$ -**	**$ -**	**0.0%**
Expenditures, net of Revenues	**$ 66,866**	**$ 67,643**	**$ 66,710**	**$ 64,643**	**-4.4%**

BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY18 to Estimated Actual FY18

There are no significant changes from the Adopted FY18 budget to the estimated actual FY18 budget.

Adopted FY18 to Proposed FY19

There are no significant changes from FY18 budget to proposed FY19 budget.

STAFFING SUMMARY

	FY17	FY18 Budg	FY18 Est Act	FY19
Full time	0.33	0.33	0.33	0.33
Less: Unfunded	-	-	-	-
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.

DEPARTMENT / PROGRAM OVERVIEW

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

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

DEPARTMENT / PROGRAM OBJECTIVES

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

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

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

• Represent the City at public events and functions.

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

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

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

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

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

PERFORMANCE INDICATORS

	2016/17	2017/18	2018/19
Number of Mayor and Council meetings	**50**	**50**	**50**
Average number of meetings representing City (e.g. board/commission)	**30**	**30**	**30**
Average number of community functions attended representing the City	**25**	**25**	**25**

EXPENDITURE AND REVENUE SUMMARY

	2016/17 ACTUAL	2017/18 BUDGET	2017/18 EST. ACTUAL	2018/19 PROPOSED	2018/19 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 40,155	$ 40,000	$ 40,000	$ 40,000	0.0%
Benefits	38,024	37,676	55,105	64,005	69.9%
Personnel Subtotal	**78,179**	**77,676**	**95,105**	**104,005**	**33.9%**
Operating Expenditures	38,285	45,554	43,841	38,649	-15.2%
Operating Subtotal	**38,285**	**45,554**	**43,841**	**38,649**	**-15.2%**
Total Expenditures	**$ 116,464**	**$ 123,230**	**$ 138,946**	**$ 142,654**	**15.8%**
REVENUES BY TYPE					
Departmental Revenue	$ -	$ -	$ -	$ -	0.0%
Total Revenues	**$ -**	**$ -**	**$ -**	**$ -**	**0.0%**
Expenditures, net of Revenues	**$ 116,464**	**$ 123,230**	**$ 138,946**	**$ 142,654**	**15.8%**

BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY18 to Estimated Actual FY18

FY18 estimated actuals are anticipated to be higher than FY18 budget due to an increase in benefits.

Adopted FY18 to Proposed FY19

The proposed FY19 budget is anticipated to increase in comparison to FY18 budget levels due to benefit increases.

STAFFING SUMMARY

	FY17	FY18 Budg	FY18 Est Act	FY19
Full time	5.00	5.00	5.00	5.00
Less: Unfunded	-	-	-	-
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.

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 26, 2016 and the General Election was held on November 8, 2016. Five of the newly elected Mayor and Councilmembers took office on November 28, 2016. A recount was conducted for the fifth Council seat and that Councilmember took office on December 2, 2016. Hagerstown voter turnout in the General Election was 64%. Voter turnout in the previous General Election (2012) was 67%. In 2009, before the election schedule was changed, voter turnout was at 15%.

PERFORMANCE INDICATORS

	2009	2012	2016
Number of Candidates Filing	**25**	**15**	**15**
Number of Registered Voters at General Election	**20,969**	**20,898**	**23,251**
Number of Registered Voters at Primary Election	**16,814**	**15,504**	**22,560**
Number Voting in General Election	**3,173**	**14,095**	**14,797**
Number Voting in Primary Election	**1,988**	**4,062**	**7,404**

DEPARTMENT / PROGRAM OVERVIEW

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

DEPARTMENT / PROGRAM OBJECTIVES

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

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

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

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

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

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

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

PERFORMANCE INDICATORS

The City Administrator prepares and presents:

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

The City Administrator also supports:

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

EXPENDITURE AND REVENUE SUMMARY

	2016/17 ACTUAL	2017/18 BUDGET	2017/18 EST. ACTUAL	2018/19 PROPOSED	2018/19 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 155,466	$ 154,871	$ 154,871	$ 159,969	3.3%
Benefits	43,470	45,659	46,116	46,730	2.3%
Overtime	67	-	50	50	100.0%
Personnel Subtotal	**199,003**	**200,530**	**201,037**	**206,749**	**3.1%**
Operating Expenditures	12,386	14,456	14,177	7,719	-46.6%
Capital Outlay	165	250	-	-	-100.0%
Operating Subtotal	**12,551**	**14,706**	**14,177**	**7,719**	**-47.5%**
Total Expenditures	**$ 211,554**	**$ 215,236**	**$ 215,214**	**$ 214,468**	**-0.4%**
REVENUES BY TYPE					
Departmental Revenue	$ -	$ -	$ -	$ -	0.0%
Total Revenues	**$ -**	**$ -**	**$ -**	**$ -**	**0.0%**
Expenditures, net of Revenues	**$ 211,554**	**$ 215,236**	**$ 215,214**	**$ 214,468**	**-0.4%**

BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY18 to Estimated Actual FY18

In total, FY18 estimated actuals are expected to be flat with the adopted budget.

Adopted FY18 to Proposed FY19

There are no significant changes between the budget for FY18 and the proposed budget for FY19.

STAFFING SUMMARY

	FY17	FY18 Budg	FY18 Est Act	FY19
Full time	1.33	1.33	1.33	1.33
Less: Unfunded	-	-	-	-
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.

DEPARTMENT / PROGRAM OVERVIEW

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

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

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

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

DEPARTMENT / PROGRAM OBJECTIVES

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

• The City Clerk is the staff liaison for the City Ethics Commission. The Commission is responsible for ensuring the appropriate officials are following the guidelines of the City's Ethics Code. The Commission met twice in 2016 and provided the required certification to the State Ethics Commission by the October deadline.

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

PERFORMANCE INDICATORS

	2016/17	2017/18	2018/19
Number of Ordinances Processed	**25**	**30**	**21**
Number of Resolutions Processed	**48**	**49**	**73**
Number of Licenses and Permits Issued	**88**	**100**	**70**
Number of Mayor and Council meetings processed	**50**	**50**	**50**

EXPENDITURE AND REVENUE SUMMARY

	2016/17 ACTUAL	2017/18 BUDGET	2017/18 EST. ACTUAL	2018/19 PROPOSED	2018/19 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 108,218	$ 109,007	$ 108,785	$ 110,515	1.4%
Benefits	31,040	32,865	32,163	31,374	-4.5%
Personnel Subtotal	**139,259**	**141,872**	**140,948**	**141,889**	**0.0%**
Contractual Services	3,559	4,000	4,000	3,500	-12.5%
Operating Expenditures	17,021	14,868	15,581	16,938	13.9%
Capital Outlay	-	1,000	1,000	-	-100.0%
Operating Subtotal	**20,579**	**19,868**	**20,581**	**20,438**	**2.9%**
Total Expenditures	**$ 159,838**	**$ 161,740**	**$ 161,528**	**$ 162,328**	**0.4%**
REVENUES BY TYPE					
Departmental Revenue	$ 106,994	$ 123,500	$ 103,500	$ 103,500	-16.2%
Total Revenues	**$ 106,994**	**$ 123,500**	**$ 103,500**	**$ 103,500**	**-16.2%**
Expenditures, net of Revenues	**$ 52,844**	**$ 38,240**	**$ 58,028**	**$ 58,828**	**53.8%**

BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY18 to Estimated Actual FY18

In total, expenditures are expected to be at budgeted levels. The revenue is expected to be $20K or 16.2% under budget as a result of Utility License Fees being adjusted to current trends. In addition, the City has not received any Liquor License Renewal revenue since FY15.

Adopted FY18 to Proposed FY19

In total, FY19 budget revenues are projected to be $20K or 16.2% under FY18 budget levels as a result of the continued trends for Utility License Fees and no Liquor License Renewal revenue. In contrast, the total expenditures are expected to remain fairly flat from FY19 budget to FY18 budget amounts.

STAFFING SUMMARY

	FY17	FY18 Budg	FY18 Est Act	FY19
Full time	1.34	1.34	1.34	1.34
Less: Unfunded	-	-	-	-
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 the Communications Department.

DEPARTMENT / PROGRAM OVERVIEW

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

DEPARTMENT / PROGRAM OBJECTIVES

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

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

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

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

PERFORMANCE INDICATORS

	2016/17	2017/18	2018/19
Number of Ordinances Processed	**25**	**30**	**21**
Number of Resolutions Processed	**48**	**49**	**73**
Number of Approved Contracts and Agreements	**70**	**70**	**70**

EXPENDITURE AND REVENUE SUMMARY

	2016/17 ACTUAL	2017/18 BUDGET	2017/18 EST. ACTUAL	2018/19 PROPOSED	2018/19 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ -	$ -	$ -	$ -	0.0%
Personnel Subtotal	**-**	**-**	**-**	**-**	**0.0%**
Contractual Services	251,380	230,000	225,000	252,000	9.6%
Operating Expenditures	7,887	6,000	6,000	7,887	31.5%
Operating Subtotal	**259,266**	**236,000**	**231,000**	**259,887**	**10.1%**
Total Expenditures	**$ 259,266**	**$ 236,000**	**$ 231,000**	**$ 259,887**	**10.1%**
REVENUES BY TYPE					
Departmental Revenue	$ -	$ -	$ -	$ -	0.0%
Total Revenues	**$ -**	**$ -**	**$ -**	**$ -**	**0.0%**
Expenditures, net of Revenues	**$ 259,266**	**$ 236,000**	**$ 231,000**	**$ 259,887**	**10.1%**

BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY18 to Estimated Actual FY18

In total, FY18 estimated actuals are expected to be 2.1% or $5K lower than FY18 budget.

Adopted FY18 to Proposed FY19

Proposed FY19 budget is 10.1% or $24K higher than adopted FY18 budget due to an updated contract and to reinstate FY17 trends.

STAFFING SUMMARY

	FY17	FY18 Budg	FY18 Est Act	FY19
Full time	-	-	-	-
Less: Unfunded	-	-	-	-
Staffing Total	**-**	**-**	**-**	**-**

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

DEPARTMENT / PROGRAM OVERVIEW

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

Accounting Function

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

Budget Function

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

DEPARTMENT / PROGRAM OBJECTIVES

• **Financial 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.

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

• **Software Implementation**: Finance and IT staff will continue to work with our time and attendance software vendor (Intellitime) to get all City departments "live" in the system.

PERFORMANCE INDICATORS

	2016/17	2017/18	2018/19
Performance Measures			
Maintain the City's bond rating:			
Standard and Poor's AA-	AA	AA	AA
Moody's Investors Service A2 or higher	Aa3	Aa3	Aa3
Receive GFOA distinguished Budget Presentation award	Yes/ 12 yrs	Yes/ 13 yrs	Yes/ 14yrs
Receive GFOA Comprehensive Annual Financial Reporting award	Yes/ 22 yrs	Yes/ 23 yrs	Yes/ 24yrs
Workload Measures			
Bond sales executed	1	2	2
Number of individual employee payrolls processed	27,108	27,200	27,600
Number of vendor invoices processed	10,961	11,000	11,000
Number of Pcard transactions processed	8,287	8,300	8,300
Number of Purchase Orders issued	1,161	1,200	1,200

EXPENDITURE AND REVENUE SUMMARY

	2016/17 ACTUAL	2017/18 BUDGET	2017/18 EST. ACTUAL	2018/19 PROPOSED	2018/19 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 407,232	$ 490,166	$ 484,371	$ 535,210	9.2%
Benefits	118,731	151,508	139,690	153,175	1.1%
Overtime	230	100	230	200	100.0%
Personnel Subtotal	**526,192**	**641,774**	**624,291**	**688,585**	**7.3%**
Contractual Services	26,208	28,585	27,335	29,872	4.5%
Operating Expenditures	27,467	36,636	39,939	37,865	3.4%
Capital Outlay	1,804	2,800	4,300	2,500	-10.7%
Operating Subtotal	**55,479**	**68,021**	**71,574**	**70,237**	**3.3%**
Total Expenditures	**$ 581,671**	**$ 709,795**	**$ 695,865**	**$ 758,822**	**6.9%**
REVENUES BY TYPE					
Departmental Revenue	$ 34,342,901	$ 35,526,745	$ 34,577,367	$ 36,224,989	2.0%
Total Revenues	**$ 34,342,901**	**$ 35,526,745**	**$ 34,577,367**	**$ 36,224,989**	**2.0%**
Expenditures, net of Revenues	**$ (33,761,230)**	**$ (34,816,950)**	**$ (33,881,502)**	**$ (35,466,167)**	**1.9%**

BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY18 to Estimated Actual FY18

It is projected that total expenditures for the department will be 2.0% or $14K lower than FY18 budget. Total personnel costs are expected to be 2.7% under budget. This decrease is a result of several vacant postions within the department. The department is approved for 8.5 full-time staff but at one point in FY18 the department was down to 6.5 full-time positions filled. Likewise, contractual services is under budget by 4.4% or $1K as a result of extending the audit contract with our existing vendor SB&Company. Additionally, departmental revenue is anticipated to be $949K or 2.7% lower than budget. This decline is a result of: no stormwater management program yet ($200K); temporary elimination of administrative allocation to Property Management ($34K); and fund balance reserves only reflected as a budget revenue source.

Adopted FY18 to Proposed FY19

From the FY18 budget to the FY19 proposed budget, overall total personnel expenditures are anticipated to increase by 7.3% or $46K and operating expenditures to increase by 3.3% or $2K. The $45K increase in salary expenditures is due to fully staffing the department and potential salary enhancements. There is a 1.1% or $1.7 increase in all benefits as all positions are filled. Also, contractual services is estimated to be 4.5% or $1K higher in proposed FY19 budget compared to FY18 budget levels. This increase is primarily in Auditing Fees and Services. The operating expenditures category is higher than FY18 budget levels for inflation on advertising and printing costs. Last, departmental revenue is anticipated to be 2% or $7K more than FY18 budget as a result of higher total property tax revenue but a decreased use of appropriated fund balance.

STAFFING SUMMARY

	FY17	FY18 Budg	FY18 Est Act	FY19
Full time	8.50	8.50	8.50	8.50
Less: Unfunded	-	-	-	-
Staffing Total	8.50	8.50	8.50	8.50

There was no change in full time staffing from FY17 to FY19; and, 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:

• **MUNIS Version 10.5 to 11.3 upgrade**: Staff will resume working on the upgrade from our current MUNIS Version 10.5 to the Internet browser based Version following the hiring of a replacement for this project's lead. MUNIS has lengthened the date for implementation by one year (April 2019) due to problems being experienced by several municipality customers (including ourselves). Staff will also begin process flow analysis and independent module utilization to identify potential areas of workflow improvements in the user community.

• **Microsoft Exchange (EMAIL) upgrade**: Staff have purchased the hardware/software for the upgrade of our email services to allow for integration and use with the current Windows 10 operating system. Currently, all new PC's received have Windows 10, and must be downgraded to allow for email access. This upgrade should be complete by end of 2nd quarter 2018.

• **Intellitime Dynamic Scheduler Implemenation in HPD**: Staff will begin implementaton of the Intellitime TIme & Attendance Dynamic Scheduler process in the police department.

• **Server Virtualization**: Staff in both City Hall and HPD have begun looking to move individual file servers into a "virtualized" environment to allow for the consolidation of hardware and save on maintenance and procurement costs as we move forward with technology. The City currently has 3 virtual servers in City Hall, and an additional 2 in HPD. This technology is faster than individual servers, and more cost effective.

• **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) as well as increase presence on the Cultural Arts Trail.

• **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. Tablets/mobile devices are being tested with Internet hotspots, with mobile units being deployed in HFD for continued process testing.

PERFORMANCE INDICATORS

	2016/17	2017/18	2018/19
Number of City-wide personal computers	**250**	**255**	**270**
Number of PC Software programs supported	**27**	**30**	**31**
Number of Help Desk tickets	**1,823**	**2,171**	**2,231**
# of SPAM e-mails blocked daily	**16,366**	**23,344**	**31,000**
Phone calls managed through our central switch	**386,021**	**391,241**	**394,000**

EXPENDITURE AND REVENUE SUMMARY

	2016/17 ACTUAL	2017/18 BUDGET	2017/18 EST. ACTUAL	2018/19 PROPOSED	2018/19 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 370,075	$ 362,935	$ 339,885	$ 314,039	-13.5%
Benefits	128,007	122,921	122,536	129,793	5.6%
Overtime	6,642	3,000	5,400	3,400	13.3%
Personnel Subtotal	**504,724**	**488,856**	**467,821**	**447,232**	**-8.5%**
Contractual Services	585	3,000	3,000	2,500	-16.7%
Operating Expenditures	361,225	383,271	369,726	408,178	6.5%
Capital Outlay	6,221	3,400	3,400	3,150	-7.4%
Operating Subtotal	**368,031**	**389,671**	**376,126**	**413,828**	**6.2%**
Total Expenditures	**$ 872,755**	**$ 878,527**	**$ 843,947**	**$ 861,060**	**-2.0%**
REVENUES BY TYPE					
Departmental Revenue	$ 12,291	$ 17,000	$ 9,500	$ 9,500	-44.1%
Total Revenues	**$ 12,291**	**$ 17,000**	**$ 9,500**	**$ 9,500**	**-44.1%**
Expenditures, net of Revenues	**$ 860,464**	**$ 861,527**	**$ 834,447**	**$ 851,560**	**-1.2%**

BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY18 to Estimated Actual FY18

In total, FY18 actual expenditures are projected to be under FY18 budget by 3.9% or $34.5K. Total personnel expenditures are expected to be 4.3% or $21K lower due to a staff vacancy that occurred in FY18. Other expenditures are forecasted to remain level to actual.

Adopted FY18 to Proposed FY19

Increases in FY19 budget are predominantly due to a generalized 8.0% increase in hardware/software maintenance contract renewals. One personnel position will be allocated as unfunded due to retirement. All other expense categories remained flat or were decreased.

STAFFING SUMMARY

	FY17	FY18 Budg	FY18 Est Act	FY19
Full time	6.34	6.34	6.34	6.34
Less: Unfunded	-	-	-	(1.00)
Staffing Total	6.34	6.34	6.34	5.34
Part time	-	-	-	-
Total Part time	-	-	-	-

One FT position in IT will be vacant as of 2/28 for FY18, and remain unfunded in FY19.

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 with our internal and external customers.

DEPARTMENT / PROGRAM OBJECTIVES

• **Credit Bureau Reporting:** Staff will look to increase our collection efforts by partnering with a credit bureau agency to report delinquent customer balances.

• **Digital Documentation for Utility Accounts:** Staff will be equipped with portable scanning units to allow for the attachment of all application / account information provided by customers to the account in MUNIS for all staff to review without the need for paper files. Each station will be outfitted with chip credit card machines in 2018 to comply with federal law.

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

• **Support Services Strategic Plan:** The changes in our capabilities to provide effective customer service and cash processing require a revisiting of how the department does business both with internal City departments as well as our external customers. Reviews of our utility collection process, cash management operation, tax collection and reporting processes will all be documented and reviewed by staff, with recommendations on implementation.

PERFORMANCE INDICATORS

	2016/17	2017/18	2018/19
Number of calls offered into Support Services queue	**58,416**	**54,247**	**57,000**
Number of calls serviced in Support Services	**49,499**	**45,266**	**50,000**
Average hold time (in Seconds)	**207**	**203**	**190**
Number of counter transactions handled in City Hall	**73,534**	**74,651**	**75,000**
Total customers served	**123,033**	**119,917**	**120,000**
Dollar amount of transactions processed in City Hall	**$ 51,498,640**	**$ 52,789,101**	**$ 53,500,000**

EXPENDITURE AND REVENUE SUMMARY

	2016/17 ACTUAL	2017/18 BUDGET	2017/18 EST. ACTUAL	2018/19 PROPOSED	2018/19 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 374,443	$ 387,163	$ 392,156	$ 397,108	2.6%
Benefits	135,723	132,608	135,749	136,445	2.9%
Overtime	6,413	3,500	4,000	2,000	-42.9%
Personnel Subtotal	**516,580**	**523,271**	**531,905**	**535,553**	**2.3%**
Contractual Services	242,909	227,800	225,300	224,800	-1.3%
Operating Expenditures	(309,641)	(303,539)	(313,809)	(313,939)	3.4%
Capital Outlay	1,421	5,300	5,300	5,050	-4.7%
Operating Subtotal	**(65,311)**	**(70,439)**	**(83,209)**	**(84,090)**	**19.4%**
Total Expenditures	**$ 451,269**	**$ 452,832**	**$ 448,696**	**$ 451,463**	**-0.3%**
REVENUES BY TYPE					
Departmental Revenue	$ 32,823	$ 32,139	$ 32,000	$ 32,000	-0.4%
Total Revenues	**$ 32,823**	**$ 32,139**	**$ 32,000**	**$ 32,000**	**-0.4%**
Expenditures, net of Revenues	**$ 418,446**	**$ 420,693**	**$ 416,696**	**$ 419,463**	**-0.3%**

BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY18 to Estimated Actual FY18

FY18 estimated actuals are projected to be slightly lower than FY18 budget by 1.0% or $4K. Personnel expenses are estimated to be over budget by 1.7% or $8.6K. In total, departmental revenue projections are expected to be within budget.

Adopted FY18 to Proposed FY19

The proposed FY19 budget for personnel expenses is expected to be slightly higher due to approved union contract salary enhancements. Department revenue is expected to remain level with FY18 budget.

STAFFING SUMMARY

	FY17	FY18 Budg	FY18 Est Act	FY19
Full time	5.66	5.66	5.66	5.66
Less: Unfunded	-	-	-	-
Staffing Total	5.66	5.66	5.66	5.66
Part time	3.00	3.00	3.00	3.00
Part time Seasonal	-	-	-	-
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.

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

	2016/17	2017/18	2018/19
Bargaining Unit Contracts	4	4	4
Per Employee Health Plan Costs	$ 12,019	$ 12,787	$ 13,500
Per Retiree Health Plan Costs	$ 5,899	$ 4,934	$ 5,180
Number of Employment Applications Received	1,720	1,363	1,540
Number of Regular FT employees hired	40	35	45
Number of non-regular employees hired	35	28	25
Retirements	12	10	15
Voluntary Separations	25	50	40
Involuntary Separations	4	4	4
Number of Injury Reports	80	75	80
Number of Property Claims	40	40	36
Number of General Liability Claims	25	18	22
Number of Police Liability Claims	4	4	4
Number of Auto Claims	70	60	58

EXPENDITURE AND REVENUE SUMMARY

	2016/17 ACTUAL	2017/18 BUDGET	2017/18 EST. ACTUAL	2018/19 PROPOSED	2018/19 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 370,663	$ 398,475	$ 383,820	$ 406,447	2.0%
Benefits	130,491	131,628	128,844	121,646	-7.6%
Overtime	126	75	100	126	68.0%
Personnel Subtotal	**501,280**	**530,178**	**512,764**	**528,219**	**-0.4%**
Contractual Services	73,131	97,520	107,520	107,935	10.7%
Operating Expenditures	16,491	49,855	49,731	45,360	-9.0%
Capital Outlay	5,464	1,600	1,600	5,276	229.8%
Operating Subtotal	**95,086**	**148,975**	**158,851**	**158,571**	**6.4%**
Total Expenditures	**$ 596,366**	**$ 679,153**	**$ 671,615**	**$ 686,790**	**1.1%**
REVENUES BY TYPE					
Departmental Revenue	$ -	$ -	$ -	$ -	0.0%
Total Revenues	**$ -**	**$ -**	**$ -**	**$ -**	**0.0%**
Expenditures, net of Revenues	**$ 596,366**	**$ 679,153**	**$ 671,615**	**$ 686,790**	**1.1%**

BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY18 to Estimated Actual FY18

In total, FY18 estimated actual is expected to be 1.1% or $7.5K under FY18 budget. Personnel costs are the primary reason for the budget variance at 3.3% or $17K less. This savings has occurred from a shift in type of health insurance selected by employees in this department. Contractual services are anticipated to be $10K over the FY18 budget amounts.

Adopted FY18 to Proposed FY19

In total, FY19 expenses are estimated to be 1.1% or $7.6K more than FY18 budget levels. Total personnel costs are estimated to be 0.4% or $2K lower. While contractual services are projected to be $10K higher, operating expenditure savings will help to offset this with a $4.5K reduction over FY18 budget amounts. In FY19 budget, contractual services includes the potential for an independent salary study review.

STAFFING SUMMARY

	FY17	FY18 Budg	FY18 Est Act	FY19
Full time	5.00	5.00	5.00	5.00
Less: Unfunded	-	-	-	-
Staffing Total	5.00	5.00	5.00	5.00
Part time	4.00	4.00	4.00	4.00
Part time Seasonal	2.00	2.00	1.00	1.00
Total Part time	6.00	6.00	5.00	5.00

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

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. In 2016, Communications staff re-branded all video production work on YouTube and the cable channel as "Hub City Now", reinforcing our efforts and goals to keep the community informed and up-to-date on what's happening in their local government.

DEPARTMENT / PROGRAM OBJECTIVES

• **Hub City Now Programming:** The video production studio was constructed in the second quarter of FY17 for the Communications department in the Elizabeth Hager Center. The studio allows for increased opportunities for community outreach and information by providing a production facility for more discussion-based information programming. Staff will coordinate recurring programming to include Mayor & Council updates, promotions for upcoming events, and features on community success stories.

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

• **Enhancing the City Website:** Staff will work with our site vendor, CivicPlus, as well as department representatives, to identify ways of utilizing the website to enhance customer service and information-delivering methods. This includes exploring various modules and revising page layouts to more effectively present information.

• **Resident x311 Notifications:** Staff will distribute an RFP to identify a vendor for implementation of a RESIDENT x311 service to provide City residents non-emergency alerts via text message and email. Alert topics will range from interruptions in service to follow-up messaging after a large public safety event. Information will be distributed both City-wide or specifically to an immediate neighborhood area.

PERFORMANCE INDICATORS

	2016/17	2017/18	2018/19
YouTube Lifetime video views	**106,713**	**143,061**	**200,000**
YouTube subscribers	**372**	**486**	**575**
Website visits	**506,200**	**444,300**	**500,000**
Facebook likes	**9,656**	**11,754**	**13,000**
Twitter followers	**1,378**	**1,843**	**2,200**

EXPENDITURE AND REVENUE SUMMARY

	2016/17 ACTUAL	2017/18 BUDGET	2017/18 EST. ACTUAL	2018/19 PROPOSED	2018/19 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 141,565	$ 152,687	$ 146,036	$ 157,103	2.9%
Benefits	34,931	34,969	35,090	36,355	4.0%
Personnel Subtotal	**176,497**	**187,656**	**181,126**	**193,458**	**3.1%**
Operating Expenditures	94,063	94,750	94,300	94,300	-0.5%
Capital Outlay	400	1,000	1,000	1,000	0.0%
Operating Subtotal	**94,463**	**95,750**	**95,300**	**95,300**	**-0.5%**
Total Expenditures	**$ 270,959**	**$ 283,406**	**$ 276,426**	**$ 288,758**	**1.9%**
REVENUES BY TYPE					
Departmental Revenue	$ 22	$ -	$ 75	$ -	0.0%
Total Revenues	**$ 22**	**$ -**	**$ 75**	**$ -**	**0.0%**
Expenditures, net of Revenues	**$ 270,938**	**$ 283,406**	**$ 276,351**	**$ 288,758**	**1.9%**

BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY18 to Estimated Actual FY18

FY18 estimated projections are under FY18 budget levels by a total of 2.5% or $7K. It is anticipated that personnel costs will be under budget by 3.5% or $6.5K due to part-time salary savings due to vacancy throughout FY18. The Communications department includes a part-time position shared with the City Clerk as well as videographers. The videographers' work schedule can fluctuate which contributes in part to the decrease over FY18 budget amounts.

Adopted FY18 to Proposed FY19

FY19 budget expenditures are 1.9% or $5K higher compared to FY18 budget amounts. The only increases are a result of salaries and benfits with the anticipation that a part-time position will be filled for all of FY19 plus potential salary enhancements.

STAFFING SUMMARY

	FY17	FY18 Budg	FY18 Est Act	FY19
Full time	2.10	2.10	2.10	2.10
Less: Unfunded	-	-	-	-
Staffing Total	2.10	2.10	2.10	2.10
Part time	2.50	2.50	2.50	2.50
Part time Seasonal	-	-	-	-
Total Part time	2.50	2.50	2.50	2.50

The Communications Department was split out as a stand alone department in the middle of FY16 after budget completion. Prior to this time, the employees were part of Community and Economic Development budget and included in its staffing summary numbers. 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. Customer service and permitting enhancements are ongoing to make Hagerstown a location of choice for investors. In FY19 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 enhancing the development review and inspections process, 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

	2016/17	2017/18	2018/19
Value of Commercial Investment (in thousands)	$ 17,389	$ 28,000	$ 33,000
Value of Residential Investment (in thousands)	$ 13,543	$ 15,000	$ 20,550
Assessed Value of Newly Annexed Land (in thousands)	$ 1,229	-	$ 1,000
Number of New Home Starts	31	45	60
Percent of HDC applicant affirmed cases	98%	98%	98%
Number of Site Plans Reviewed	18	20	22
Volume of Inspections Performed	19,823	19,500	19,500
Number of Inspections Appealed	2	2	2
Number of Zoning Certificates issued of new businesses*	50	35	40
Number of Rental Units Licensed	9,345	9,500	9,500
Number of Vacant Residential Properties Licensed	498	500	500
Number of Vacant Non-Residential Properties Licensed	23	25	25
Value of Abatements performed by the City	$ 108,385	$ 290,000	$ 290,000

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

EXPENDITURE AND REVENUE SUMMARY

	2016/17 ACTUAL	2017/18 BUDGET	2017/18 EST. ACTUAL	2018/19 PROPOSED	2018/19 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 1,169,828	$ 1,173,878	$ 1,170,527	$ 1,233,991	5.1%
Benefits	458,324	473,418	459,800	462,843	-2.2%
Overtime	3,906	4,622	5,036	3,905	-15.5%
Personnel Subtotal	**1,632,057**	**1,651,918**	**1,635,363**	**1,700,739**	**3.0%**
Contractual Services	1,520	5,800	3,990	6,290	8.4%
Operating Expenditures	159,644	315,795	318,090	308,687	-2.3%
Capital Outlay	1,812	225	225	4,277	1800.9%
Operating Subtotal	**162,976**	**321,820**	**322,305**	**319,254**	**-0.8%**
Total Expenditures	**$ 1,795,033**	**$ 1,973,738**	**$ 1,957,668**	**$ 2,019,993**	**2.3%**
REVENUES BY TYPE					
Departmental Revenue	$ 1,484,725	$ 1,622,181	$ 1,650,097	$ 1,758,041	8.4%
Total Revenues	**$ 1,484,725**	**$ 1,622,181**	**$ 1,650,097**	**$ 1,758,041**	**8.4%**
Expenditures, net of Revenues	**$ 310,309**	**$ 351,557**	**$ 307,571**	**$ 261,952**	**-25.5%**

BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY18 to Estimated Actual FY18

Overall, personnel costs are expected to be 1.0% less than budgeted in FY18 due to vacancy savings in one inspector position, salary savings with new hire and overall health insurance cost reductions. Total operating expenditures are expected to be 0.2% more than budgeted. Additional funds budgeted for abatement of nuisance properties will be utilitized to eradicate larger blight issues in our neighborhoods. Overall revenues are expected to be up 1.7% mainly due to the liening of abatement and licensing costs for many vacant properties.

Adopted FY18 to Proposed FY19

Overall, personnel costs are anticipated to increase by 3.0% or $49K from FY18 budget to FY19 budget for potential salary enhancements. Total operating expenditures are anticipated to remain relatively the same as FY18 budget amounts. The budget for contractual services will remain flat. Revenues are anticipated to increase for continued liening of abatement and licensing costs for many vacant properties. Explorations continue on potential to transfer perpetual tax lien properties to new owners, which would reduce abatement costs and increase property tax revenues. Recruitment and facilitation of annexations are another potential means of increasing property tax revenues.

STAFFING SUMMARY

	FY17	FY18 Budg	FY18 Est Act	FY19
Full time	20.00	20.00	20.00	20.00
Less: Unfunded	-	-	-	-
Staffing Total	20.00	20.00	20.00	20.00
Part time	2.00	1.00	1.00	1.00
Part time Seasonal	3.00	3.00	3.00	3.00
Total Part time	5.00	4.00	4.00	4.00

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 reflected in the DCED budget until FY17. However, no additional employees were added.

EXPENDITURES BY PROGRAM

	2016/17	2017/18		2018/19	2018/19
	ACTUAL	BUDGET	EST. ACTUAL	PROPOSED	% CHANGE
EXPENDITURES					
Planning	$ 442,172	$ 411,344	$ 392,271	$ 437,133	6.3%
Annexation	1,212	8,800	4,100	8,800	0.0%
Code Administration	1,351,649	1,553,594	1,561,297	1,574,060	1.3%
Total Expenditures	**$ 1,795,033**	**$ 1,973,738**	**$ 1,957,668**	**$ 2,019,993**	**2.3%**
REVENUES					
Departmental Revenue	$ 1,484,725	$ 1,622,181	$ 1,650,097	$ 1,758,041	8.4%
Total Revenues	**$ 1,484,725**	**$ 1,622,181**	**$ 1,650,097**	**$ 1,758,041**	**8.4%**
Expenditures, net of Revenues	**$ 310,309**	**$ 351,557**	**$ 307,571**	**$ 261,952**	**-25.5%**

DEPARTMENT / PROGRAM OVERVIEW

The Department of Community and Economic Development (DCED) works in collaboration with all City Departments, our residents, businesses, current and prospective investors and visitors to advance the economy, image and quality of life in Hagerstown.

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

DEPARTMENT / PROGRAM OBJECTIVES

• **Community's City Center Plan:** DCED will work cross-department to implement eight catalyst projects identified in the 10-year Community's City Center Plan.

Catalyst Project #1: Office Development and Recruitment
Catalyst Project #2: Maryland Theatre Expansion of Programming and Facilities
Catalyst Project #3: USMH Expansion Support
Catalyst Project #4: Hotel/Conference Center and Heritage Center/Commemorative Park
Catalyst Project #5: Linking City Park/WCMFA and the A&E District with Trail & New Housing
Catalyst Project #6: Expanded Downtown Arts/Events Programming
Catalyst Project #7: Expanded Operations of the City Farmer's Market
Catalyst Project #8: Expanded and Targeted Home Ownership Support

• **Urban Improvement Project:** The Urban Improvement Project includes expansion of the Maryland Theatre, Barbara Ingram School for the Arts (BISFA) and the University System of Maryland at Hagerstown (USMH) as well as the creation of a plaza. DCED will support the Mayor and City Council as the City works with project partners to expand academic opportunities in City Center.

• **Grants Management:** Staff will administer multiple grants through the State of Maryland Community Legacy Program and Strategic Demolition Fund to support redevelopment projects and incentive programs.

COMMUNITY DEVELOPMENT

• **Community Development Block Grant & Supported Programs**: Staff will manage the Community Development Block Grant (CDBG) Program, which provides funding to Public Service Programs, Homeowner Rehabilitation Programs, Capital Improvement Projects as well as additional programs. (see also Special Revenue Section 5).

• **Neighborhoods 1st Program:** The Neighborhoods 1st program creates a venue for neighborhood-based citizen groups to engage and collaborate with local government in community building and placemaking. Volunteers and staff will plan and implement neighborhood events and projects which contribute to the livability and sustainability of their unique communities.

• **Faith Community and Social Service Community Engagement:** DCED will lead 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.

ECONOMIC DEVELOPMENT

• **Business Retention, Expansion and Attraction:** DCED will work with existing and prospective business owners and investors to retain, expand and attract investment in Hagerstown. These efforts include the administration of a range of incentives and programs as well as services such as grand opening and anniversary events.

• **Hagerstown Revolving Loan Fund:** DCED will manage a business revolving loan program designed to provide financing for new and expanding businesses for working capital, equipment, property acquisition and property rehabilitation. (see also Special Revenue Section 5)

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

• **Property Management:** Staff will work to lease available space in City-owned properties including attracting tenants and managing lease renewals.

• **Annexation Opportunities:** Staff will work cross department to explore opportunities to facilitate annexation as a means of enhancing the tax base of the City and facilitating provision of services.

• **Entrepreneurship and Business Resource Center:** DCED will continue to operate and manage the BuroBox, an entrepreneurship and business resource center at 60 West Washington Street, with the goal of growing and assisting small businesses in the City Center.

• **NOPO Lofts and Engine Room Art Space at 36-40 N. Potomac Street:** DCED will lease and manage the NOPO (North Potomac) Lofts, four (4) live-work studio units for artists. Staff will also operate 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.

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

• **Main Street Hagerstown:** Staff will maintain the City's designation as a Main Street Community and will manage volunteer opportunities and programs using the 5-point Main Street Maryland model. The 5-point model includes volunteer work groups in areas of 1. Promotions, 2. Design 3. Business Relations 4. Clean, Safe and Green and 5. Organization.

SPECIAL EVENTS AND FESTIVALS

• **City Organized, Partnered and Supported Events:** Staff will plan and implement a range of special events and festivals delivered by the City of Hagerstown and/or in partnership. DCED also provides support through sponsorship of additional events. Events include, but are not limited to: The Western Maryland Blues Fest, AugustoberFest, The Maryland Theatre's Wind Down Friday Series, Thunder in the Square, the Mummer's Parade, the Tour of Washington County Downtown Criterium, the USA Cycling Downtown Criterium, the Tree Lighting event, HollyFest, the Donut Drop and more.

• **Support for Downtown Events:** Staff will encourage and provide support to organizations that select Downtown Hagerstown as the venue for their events. The event experience of the City staff will provide guidance to outside event planners with the goal of increasing the number of events held annually downtown.

• **City Farmers' Market:** Staff will operate and manage the City Farmers' Market.

PERFORMANCE INDICATORS

	2016/17	2017/18	2018/19
Number of event attendees*	**148,000**	**151,000**	**154,000**
Number of volunteer hours	**3,200**	**3,500**	**3,500**
Number of business grand openings/anniversary celebrations	**27**	**25**	**25**
Number of new/retained jobs tied to incentive agreements	**80**	**90**	**90**
New investment tied to incentive agreements**	**$ 175,000**	**$ 30,200,000**	**$ 3,000,000**

*Includes 80,000 for the Alsatia Parade
**2017/2018 Includes $30 million investment by Pinnacle Foods

EXPENDITURE AND REVENUE SUMMARY

	2016/17 ACTUAL	2017/18 BUDGET	2017/18 EST. ACTUAL	2018/19 PROPOSED	2018/19 ADOPTED	2018/19 % CHANGE
EXPENDITURES BY TYPE						
Salary and Wages	$ 412,093	$ 429,419	$ 423,762	$ 457,887	$ 457,887	6.6%
Benefits	143,640	151,934	148,943	151,674	151,674	-0.2%
Overtime	1,810	5,500	1,000	-	-	-100.0%
Personnel Subtotal	**557,543**	**586,853**	**573,705**	**609,561**	**609,561**	**3.9%**
Contractual Services	206,447	152,470	155,970	155,970	155,970	2.3%
Operating Expenditures	506,452	504,528	478,721	478,151	1,282,151	-5.2%
Capital Outlay	5,111	4,500	4,500	5,250	5,250	16.7%
Operating Subtotal	**718,010**	**661,498**	**639,191**	**639,371**	**1,443,371**	**-3.3%**
Total Expenditures	**$ 1,275,553**	**$ 1,248,351**	**$ 1,212,895**	**$ 1,248,933**	**$ 2,052,933**	**0.0%**
REVENUES BY TYPE						
Departmental Revenue	$ 429,542	$ 427,952	$ 413,737	$ 397,343	$ 397,343	-7.2%
Total Revenues	**$ 429,542**	**$ 427,952**	**$ 413,737**	**$ 397,343**	**$ 397,343**	**-7.2%**
Expenditures, net of Revenues	**$ 846,011**	**$ 820,399**	**$ 799,158**	**$ 851,590**	**$ 1,655,590**	**3.8%**

BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY18 to Estimated Actual FY18

Total personnel costs are anticipated to be lower than FY18 budget by 3.9% or $23K due to vacancy savings with staff transitions and unfilled positions throughout FY18. Additionally, operating expenditures are 9.5% or $67K lower than budget and departmental revenue amounts are expected to be under budget by 12% or $56K, both due primarily, in part to budget modifications to the Western Maryland Blues Festival. The estimated actual for FY18 reflects modifications made to the Western Maryland Blues Festival budget with the goal of budgeting more realistic revenue and more controlled expenditures for this event and by decreasing the event from four (4) days to two (2) days.

Adopted FY18 to Proposed FY19

In total, personnel costs are projected to be 2.1% or $13K higher in proposed FY19 budget compared to current FY18 budget. This represents the potential for salary enhancements and anticipation that all positions will remain filled all year. Proposed FY19 budget for operating expenditures are 9.4% or $67K lower than FY18 budget amounts and revenue amounts are projected to be under FY18 budget amounts by 15.5% or $73K both due primarily, in part to budget modifications to the Western Maryland Blues Festival. The proposed FY19 budget reflects modifications made to the Western Maryand Blues Festival budget within Public Functions. The same figures for the modified event are used for both FY18 estimated actual and the FY19 proposed budget.

STAFFING SUMMARY

	FY17	FY18 Budg	FY18 Est Act	FY19
Full time	6.75	6.75	6.75	6.75
Less: Unfunded	-	-	-	-
Staffing Total	6.75	6.75	6.75	6.75
Part time	2.00	2.00	2.00	2.00
Part time Seasonal	-	-	-	-
Total Part time	2.00	2.00	2.00	2.00

Originally, this department included Planning & Code Administration and Communication employees which are now reflected separately beginning with FY17 data.

EXPENDITURES BY PROGRAM

	2016/17	2017/18		2018/19	2018/19	2018/19
		BUDGET	EST. ACTUAL	PROPOSED	ADOPTED	% CHANGE
EXPENDITURES						
Community Affairs	$ 145,879	$ 173,037	$ 165,497	$ -	$ -	-100.0%
Public Functions	462,308	418,536	395,417	578,464	578,464	38.2%
Farmers Market	95,473	78,134	82,991	76,651	76,651	-1.9%
Community & Economic Dev	372,756	351,057	365,838	593,818	1,397,818	69.2%
Neighborhoods First	58,646	76,886	52,811	-	-	-100.0%
Housing & Community Dev	140,491	150,701	150,341	-	-	-100.0%
Total Expenditures	**$ 1,275,553**	**$ 1,248,351**	**$ 1,212,895**	**$ 1,248,933**	**$ 2,052,933**	**0.0%**
REVENUES						
Departmental Revenue	$ 429,542	$ 427,952	$ 413,737	$ 397,343	$ 397,343	-7.2%
Total Revenues	**$ 429,542**	**$ 427,952**	**$ 413,737**	**$ 397,343**	**$ 397,343**	**-7.2%**
Expenditures, net of Revenues	**$ 846,011**	**$ 820,399**	**$ 799,158**	**$ 851,590**	**$ 1,655,590**	**3.8%**

The department is consolidating department numbers and accounts in FY19 for efficiency. The figures in "Community and Economic Development" include in total Economic Development, Community Development and Neighborhoods First. The figures in "Public Functions" include in total Public Functions and Community Affairs. Figures are relatively the same in support of the same programs, but are displayed differently. The total expenditures, net of revenue for the department shows an overall increase of 2.3%.

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 FY18/19, Parks & Engineering staff will complete the following:

Engineering Division

• Staff will continue to monitor the MDE requirements for pollution reduction from storm water runoff and develop a Stormwater Utility.

• Transportation initiatives in FY18/19 include pavement preservation, assisting the County with Professional Blvd design, bridge improvements based on recent inspections, and alley reconstruction.

• Other miscellaneous projects would be the design of phase II of the Cultural Trail (and Urban Improvement Project plaza), Safe Routes to School projects, design of the Marsh Run Trail, finalizing design of repairs to Pangborn Park lake and sidewalk and traffic signal upgrades at Mulberry Street at Antietam Street.

Parks and Recreation Division

• Continue to implement Parks and Recreation Strategic Plan

• Publish biannual Recreation Program Guide and add new recreation programs such as fitness programs, dance classes, cycling, and outdoor recreation. Provide quality events to the public including 100-Miler, Hoedown, City Park Lighting and possibly a Dash and Splash at the Potterfield Pool.

• Other goals for 2018/19 include improvements to the Potterfield Pool, creation of Kennedy Park, completion of the Train pavilion, installation of lake fountain in City Park, installation of new play systems in City Park, completion of bathroom upgrades and improvements at the stadium.

Solid Waste Collection and Disposal

• Implement new contract with Waste Management. Continue electronics recycling event.

PERFORMANCE INDICATORS - ENGINEERING

	2016/17	2017/18	2018/19
Number of Contracts and RFP's	28	17	15
Curb and Sidewalk Permits Issued	170	88	100
Traffic Complaints Resolved	173	150	150
Work Orders issued to Public Works	111	100	100

PERFORMANCE INDICATORS - PARKS

	2016/17	2017/18	2018/19
Number of Public Parks	20	21	22
Acres of Park Land	302	303	304
Number of Pavilion Reservations	339	350	370
City Park Bandshell Reservations	52	55	60
Municipal Stadium: Number of Suns Spectators (in 000s)	82	84	85
Miles of Bike Lanes and Paths	35	54	56
Hager House Visitors	3,337	4,063	4,000
Hager House Promotions/Events	11	12	12
Hagerstown 202 Railroad Museum Promotions/Events	7	9	9
202 Railroad Visitors	1,940	2,355	2,500

PERFORMANCE INDICATORS - GENERAL RECREATION

	2016/17	2017/18	2018/19
Number of Events	22	22	24
Number of Recreation Programs	63	70	75

PERFORMANCE INDICATORS - POTTERFIELD POOL

	2016/17	2017/18	2018/19
Number of Days in Full Operation	94	101	100
Number of Private Rentals	40	22	30
Number of Season Passes (all types)	45	38	40
Daily Paid Attendance (non camp)	11,365	13,271	13,500
Total Attendance	15,151	16,382	16,800

PERFORMANCE INDICATORS - WASTE COLLECTION

	2016/17	2017/18	2018/19
Tons of Garbage Collected Curbside	10,810	11,179	11,500
Tons of Yard Waste Collected	1,025	1,080	1,050
Tons of Recyclables Collected	2,523	2,631	2,500
Residential Units Served	14,425	14,593	14,600
Commercial Units served	69	67	70

EXPENDITURE AND REVENUE SUMMARY

	2016/17 ACTUAL	2017/18 BUDGET	2017/18 EST. ACTUAL	2018/19 PROPOSED	2018/19 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 1,762,696	$ 1,887,109	$ 1,837,496	$ 1,914,479	1.5%
Benefits	684,453	683,855	695,365	723,318	5.8%
Overtime	19,063	25,740	23,605	17,600	-31.6%
Personnel Subtotal	**2,466,212**	**2,596,704**	**2,556,466**	**2,655,397**	**2.3%**
Contractual Services	2,396,283	2,387,974	2,687,600	2,929,346	22.7%
Operating Expenditures	669,187	812,154	813,508	764,910	-5.8%
Capital Outlay	10,212	7,650	9,450	6,700	-12.4%
Operating Subtotal	**3,075,682**	**3,207,778**	**3,510,558**	**3,700,956**	**15.4%**
Total Expenditures	**$ 5,541,894**	**$ 5,804,482**	**$ 6,067,025**	**$ 6,356,353**	**9.5%**
REVENUES BY TYPE					
Departmental Revenue	$ 2,690,378	$ 2,749,439	$ 2,968,920	$ 3,181,865	15.7%
Total Revenues	**$ 2,690,378**	**$ 2,749,439**	**$ 2,968,920**	**$ 3,181,865**	**15.7%**
Expenditures, net of Revenues	**$ 2,851,516**	**$ 3,055,043**	**$ 3,098,105**	**$ 3,174,488**	**3.9%**

BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY18 to Estimated Actual FY18

Total personnel costs are expected to be 1.5% or $40K lower than FY18 budget. In FY17, some long time Parks & Recreation staff retired which provided opportunities for transition among staff and also created periods of vacancy savings and an which resulted in net savings. Offsetting these decreases, total operating expenses are projected to be over budget by 9.4% or $302K driven primarily by contractual services due to: price increases for new and enhanced trash/recycling contract effective January 2018, and contract management and related maintenance at Potterfield Pool. Capital outlay is projected to be only slightly over FY18 budget by $2K due to a computer replacement in Engineering. Last, total departmental revenue is expected to be $220K over the FY18 budget amounts. This growth in revenue is a reflection of the change in quarterly rates for trash/recycling customers from $39.00 per quarter to $47.00 per quarter effective in January 2018 with the enhanced changes made in the City's contract agreement with its vendor.

Adopted FY18 to Proposed FY19

In total, personnel costs are projected to be 2.3% or $59K higher in proposed FY19 budget compared to FY18 budget amounts. Salary increases are anticipated to be $28K of this increase due to potential salary enhancements for all employees including the employees under contract with the 1540 AFSCME union group. Overall benefits include a total 5.8% or $40K increase which results from the salary changes. Total operating expenditures are anticipated to be 15.4% or $493K higher in FY19 and includes increases for contractual services related to trash/recycling services for an entire year. Finally, departmental revenue amounts are projected to be 15.7% or $432K higher in FY19 budget associated with the quarterly rate changes for trash/recycling customers being in effect for an entire year.

STAFFING SUMMARY

	FY17	FY18 Budg	FY18 Est Act	FY19
Full time	30.65	30.92	30.92	30.92
Less: Unfunded	(3.00)	(3.00)	(3.00)	(3.00)
Staffing Total	27.65	27.92	27.92	27.92
Part time	6.00	9.00	9.00	7.00
Part time Seasonal	19.00	21.00	21.00	24.00
Total Part time	25.00	30.00	30.00	31.00

Three vacant positions will remain unfunded in FY19. The Department has 24 part-time seasonal employees for grounds maintenance, park attendants, Potterfield Pool cashiers, Hager House guides, the train museum attendants, and Sanitation/recycling inspector.

EXPENDITURES BY PROGRAM

	2016/17 ACTUAL	2017/18 BUDGET	2017/18 EST. ACTUAL	2018/19 PROPOSED	2018/19 % CHANGE
EXPENDITURES					
Engineering	$ 1,111,796	$ 1,142,746	$ 1,180,191	$ 1,219,025	6.7%
Waste Collection and Disposal	2,022,219	2,115,019	2,321,498	2,575,924	21.8%
Recreation	424,864	461,494	470,348	480,484	4.1%
Swimming Pool	188,954	163,346	184,548	166,974	2.2%
Municipal Stadium	37,948	12,922	24,922	23,922	85.1%
Hager House	50,709	36,076	35,276	39,259	8.8%
Train Museum	24,406	19,638	56,858	22,025	12.2%
Parks Division	1,680,998	1,853,241	1,793,384	1,828,740	-1.3%
Total Expenditures	**$ 5,541,894**	**$ 5,804,482**	**$ 6,067,025**	**$ 6,356,353**	**9.5%**
REVENUES					
Departmental Revenue	$ 2,690,378	$ 2,749,439	$ 2,968,920	$ 3,181,865	15.7%
Total Revenues	**$ 2,690,378**	**$ 2,749,439**	**$ 2,968,920**	**$ 3,181,865**	**15.7%**
Expenditures, net of Revenues	**$ 2,851,516**	**$ 3,055,043**	**$ 3,098,105**	**$ 3,174,488**	**3.9%**

DEPARTMENT / PROGRAM OVERVIEW

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

In 2019, the Hagerstown Police Department will continue to focus resources in the areas of Intelligence-Led Policing and Community Oriented Policing. Through the use of analytical software, the department will continue to refine the use of its Predictive Policing program. A more traditional style of evidence-based policing, known as Problem-Solving Policing, will also continue through the city-wide Neighborhood Policing program. These two initiatives of Intelligence-Led Policing and Community Oriented Policing, will serve as the basis for the department's goals and objectives for 2018-2019.

DEPARTMENT / PROGRAM OBJECTIVES

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

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

CRIMINAL INVESTIGATIONS: Primary responsibilities are to conduct follow-up investigations originating in the Patrol Division, provide the initial response to more complex investigations, and assist the State Attorney's Office with the prosecution of violators. A civilian coordinator along with two detectives are also assigned to oversee the department's 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 investigation.

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

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

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

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

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

TRAINING: 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.

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

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

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

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

RED LIGHT CAMERAS: The department will be completing the preliminary steps required for implementation. In 2018, two (2) two red light cameras were installed at intersections where red light violations are prevalent.

DEPARTMENT / PROGRAM OBJECTIVES (continued)

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

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

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

JUVENILE OFFICER/COORDINATOR: The Department has established a dedicated police officer position to manage juvenile related offenses. The Juvenile coordinator conducts follow up visits on repeat juvenile offenders and works closely with school resource officers, patrol, investigations, parole and probation, the courts, the department of juvenile services and the police department's 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 PRESENCE: Maintaining a strong police presence in our downtown will continue to be a primary objective. In FY17 the department revised its staffing strategy and began assigning officers from each patrol squad to maintain a proactive downtown police presence. This will continue into 2019, with the goal of maintaining 24/7 coverage.

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

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

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

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

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

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

PERFORMANCE INDICATORS

	2016/17	2017/18	2018/19
Total calls for service	**55,519**	**52,235**	**54,000**
Criminal arrests	**2,182**	**2,494**	**2,500**
Juvenile arrests	**399**	**406**	**400**
CDS arrests	**194**	**204**	**200**
Domestic Violence Calls for Service	**1,177**	**1,250**	**1,250**
Mental Health Related Emergency Petitions	**747**	**796**	**775**
Accidents with injuries	**249**	**248**	**250**
Total Crime Rate*	**0.036**	**0.046**	**0.046**
Violent Crime Rate*	**0.006**	**0.007**	**0.007**
Property Crime Rate*	**0.030**	**0.039**	**0.039**
Volunteer response hours	**8,508**	**9,500**	**9,500**
Automated Speed Enforcement Citations	**26,665**	**31,182**	**32,000**
Funded Full-time Sworn Personnel	**112**	**112**	**112**
Funded Full-time Civilian Personnel	**14**	**14**	**14**

*= number of crimes per resident

EXPENDITURE AND REVENUE SUMMARY

	2016/17	2017/18		2018/19	2018/19
	ACTUAL	BUDGET	EST. ACTUAL	PROPOSED	% CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 6,458,460	$ 6,899,333	$ 7,147,394	$ 7,399,137	7.2%
Benefits	3,211,988	3,368,977	3,356,512	3,439,924	2.1%
Overtime	802,597	765,150	832,150	727,000	-5.0%
Personnel Subtotal	**10,473,045**	**11,033,460**	**11,336,056**	**11,566,061**	**4.8%**
Contractual Services	972,237	984,631	973,106	970,531	-1.4%
Operating Expenditures	1,633,242	1,849,333	1,809,026	1,807,109	-2.3%
Capital Outlay	177,081	152,850	123,850	108,900	-28.8%
Operating Subtotal	**2,782,560**	**2,986,814**	**2,905,982**	**2,886,540**	**-3.4%**
Total Expenditures	**$ 13,255,605**	**$ 14,020,274**	**$ 14,242,038**	**$ 14,452,601**	**3.1%**
REVENUES BY TYPE					
Departmental Revenue	$ 2,417,344	$ 2,620,661	$ 2,562,846	$ 2,817,422	7.5%
Total Revenues	**$ 2,417,344**	**$ 2,620,661**	**$ 2,562,846**	**$ 2,817,422**	**7.5%**
Expenditures, net of Revenues	**$ 10,838,261**	**$ 11,399,613**	**$ 11,679,192**	**$ 11,635,179**	**2.1%**

BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY18 to Estimated Actual FY18

Overall personnel costs are anticipated to be 2.7% or $302K over budget. Overtime totals are expected to be 8.8% or $67K over FY18 budget as a result of increased cases and trends to date. The operating expenditures category above reflect $81K in reductions over FY18 budget levels. This decrease is related to two primary trends year to date: less patrol vehicle maintenance costs and lower electric costs at the Police Station. Overall, departmental revenue is estimated to be 2.2% or $58K lower than budget primarily as a result of the red light violation fines. The first two (2) red light cameras were installed in January 2018 and not operationally implemented until March 2018.

Adopted FY18 to Proposed FY19

In total, personnel costs are projected to be 4.8% or $533K more for proposed FY19 budget compared to FY18 budget levels. The increase in wages reflect salary enhancements per the effective AFSCME 3373 union contract. Total benefit costs are 2.1% or $71K more than FY18 as a result of anticipated salary enhancements. Operating expenditures reflect a decrease of 2.3% or $42K less in FY19 budget. Some of the decreases in this category can be contributed to decreases in the police canine budget (no need to purchase a new canine in FY19), reductions in the police auxiliary budget, and a decrease in vehicle related expenditures. Capital outlay expenses are estimated to be 28.8% or $44K less than FY18 budget levels. Departmental revenue is expected to increase by 7.5% or $197K. It is estimated that all twelve (12) Safe Speed cameras will be operational in FY19 and will be $150K higher than FY18 budget and then flatten in future years. In addtion, revenue from the red light camera program is anticipated to be fully implemented. Offsetting these revenue increases is the decline in federal grant revenue for the COPS Hiring grants.

EXPENDITURES BY PROGRAM

	2016/17 ACTUAL	2017/18 BUDGET	2017/18 EST. ACTUAL	2018/19 PROPOSED	2018/19 % CHANGE
EXPENDITURES					
Police Administration	$ 832,310	$ 837,803	$ 938,936	$ 856,006	2.2%
HPD Information Technology	228,876	280,956	280,956	334,440	19.0%
Community Programs	40,272	40,321	40,321	40,321	0.0%
Police Records	185,487	208,790	202,183	196,058	-6.1%
Communication / Dispatch	459,059	463,811	460,651	464,107	0.1%
Professional Services	345,908	358,873	340,033	433,526	20.8%
HPD Building	161,552	185,180	184,408	179,737	-2.9%
Western Maryland Laboratory	347,981	374,121	370,988	372,463	-0.4%
Police K-9	13,304	41,580	24,675	10,600	-74.5%
Evidence & Property	87,369	87,389	87,379	88,291	1.0%
Patrol	7,116,721	7,460,782	7,291,451	7,628,060	2.2%
Criminal Investigation Division	1,473,802	1,583,567	1,961,610	1,846,538	16.6%
Patrol Vehicles	378,634	456,196	439,538	399,092	-12.5%
Narcotics Task Force	976,616	1,029,382	1,007,122	969,433	-5.8%
Police Auxiliary	10,443	18,870	18,870	12,800	-32.2%
Speed Camera Enforcement	597,271	592,653	592,917	621,129	4.8%
Total Expenditures	**$ 13,255,605**	**$ 14,020,274**	**$ 14,242,038**	**$ 14,452,601**	**3.1%**
REVENUES					
Departmental Revenue	$ 2,417,344	$ 2,620,661	$ 2,562,846	$ 2,817,422	7.5%
Total Revenues	**$ 2,417,344**	**$ 2,620,661**	**$ 2,562,846**	**$ 2,817,422**	**7.5%**
Expenditures, net of Revenues	**$ 10,838,261**	**$ 11,399,613**	**$ 11,679,192**	**$ 11,635,179**	**2.1%**

STAFFING SUMMARY

	FY17	FY18 Budg	FY18 Est Act	FY19
Full time	127.00	127.00	127.00	127.00
Less: Unfunded	(1.00)	(1.00)	(1.00)	(1.00)
Staffing Total	126.00	126.00	126.00	126.00
Part time	18.00	14.00	14.00	14.00
Total Part time	18.00	14.00	14.00	14.00

HPD currently has 1 vacant civilian position (Bookkeeping/ Clerk Typist) that is scheduled to remain unfunded for FY19. 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

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

	2016/17	2017/18	2018/19
Number of emergency incidents within City limits	13,010	11,599	12,178
Number of HFD Responses	3,430	3,768	3,956
EMS Events	11,189	10,245	10,757
Fire Events	1,821	1,912	2,007
Civilian Fire Injuries	N/A	17	0
Civilian Fire Deaths	N/A	3	0
# of Incidents with Recorded Fire Loss	118	N/A	0
Annual $ Fire Loss	N/A	$837,360	$879,228
Average response time to emergencies in minutes	4.1	3.45	3.4
Percent of structure fire causes identified	100.0%	100.00%	100.00%
Ratio of arrests to convictions by Fire Marshall Office	N/A	N/A	N/A
Number of Inspections	2,991	2904	3049
Number of free smoke detectors installed	601	611	641
Number of educational programs presented	906	626	652
Number of people attending educational programs	7,677	6123	6429
Average number of firefighters responding per incident	5	5	5
# of active volunteer firefighters/officers	29	37	37
# of volunteers firefighters that received LOSAP benefits	N/A	N/A	N/A

EXPENDITURE AND REVENUE SUMMARY

	2016/17 ACTUAL	2017/18 BUDGET	2017/18 EST. ACTUAL	2018/19 PROPOSED	2018/19 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 4,339,509	$ 4,564,562	$ 4,625,001	$ 4,785,841	4.8%
Benefits	2,067,778	2,221,270	2,125,938	2,271,451	2.3%
Overtime	250,077	250,000	250,084	325,000	30.0%
Personnel Subtotal	**6,657,363**	**7,035,832**	**7,001,023**	**7,382,292**	**4.9%**
Contractual Services	59,421	32,500	44,200	76,100	134.2%
Operating Expenditures	460,238	557,774	564,541	620,974	11.3%
Capital Outlay	10,338	20,600	20,100	10,900	-47.1%
Operating Subtotal	**529,997**	**610,874**	**628,841**	**707,974**	**15.9%**
Total Expenditures	**$ 7,187,360**	**$ 7,646,706**	**$ 7,629,864**	**$ 8,090,265**	**5.8%**
REVENUES BY TYPE					
Departmental Revenue	$ 138,490	$ 116,450	$ 136,000	$ 150,107	28.9%
Total Revenues	**$ 138,490**	**$ 116,450**	**$ 136,000**	**$ 150,107**	**28.9%**
Expenditures, Net of Revenues	**$ 7,048,870**	**$ 7,530,256**	**$ 7,493,864**	**$ 7,940,158**	**5.4%**

BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY18 to Estimated Actual FY18

Total personnel cost for estimated actual FY18 are expected to be slightly under budget by 0.5% or $35K. Even with the unprecedented turnover of personnel, 4 resignations and 1 retirement, the FY18 acutal amounts should be within budget parameters due to planning for tenured employees retirements. Historically, the overtime budget has been over budgeted amounts. While the overtime budget was less than $100 over budgeted amounts for FY17, an increase is expected for FY18 due to back filling positions left vacant by medically influenced duty status, resignations and retirements. Funds needed for maintenance of buildings, structures and the Bowman Ave. training center, vehicle maintenance and professional development had been increased from the previous budget years to help achieve the maintenance of efforts initiative to address the need for continued service delivery. It is anticipated that total expenditures will be 0.2% or $17 under budget in FY18.

Adopted FY18 to Proposed FY19

In total, personnel costs are projected to be 4.9% or $346K over FY18 budget amounts. This increase reflects potential salary enhancement for all HFD personnel. The current 1605 union contract expires June 2018 and negotiations have started. FY19 budget reflects an increase on termination pay-outs that occur when staff retires or leaves employment, as there are 7 employees eligible for retirement. Contractual services are projected to be 134% or $434 higher than FY18 due to stress tests changing every year, alternating with physicals. Operating expenditures are estimated to be slightly higher than FY18 budget related to the following: maintenance costs for buildings, structures, & training tower; vehicle maintenance and repair costs; miscellaneous tools, clothing, uniforms and safety apparel; professional development; and other general expense items.

STAFFING SUMMARY

	FY17	FY18 Budg	FY18 Est Act	FY19
Full time	83.00	83.00	83.00	83.00
Less: Unfunded	(6.00)	(6.00)	(6.00)	(6.00)
Staffing Total	77.00	77.00	77.00	77.00

The Fire Department has six (6) vacant full time positions, which will remain unfunded during FY19.

DEPARTMENT / PROGRAM OVERVIEW

The Public Works Department provides for the maintenance of streets, traffic control devices, building facilities and the city's fleet of vehicles and equipment. Street maintenance includes repairs (potholes, storm drains), street cleaning and snow operations of approximately 153 miles of streets and alleys within the city. Traffic control works closely with the Engineering Department to maintain and coordinate the 136 signaled intersections. Thousands of traffic signs also fall under this division. Facilities maintenance includes multiple buildings including City Hall, Elizabeth Hager Center, Roslyn Building, 60 W. Washington St., the Central Equipment Building, 36 - 40 North Potomac St., Market House and the parking decks. Fleet maintenance involves the repairs of vehicles and equipment for every city department including all utilities, parks, public works, fire and police.

DEPARTMENT / PROGRAM OBJECTIVES

• A focus on street maintenance will continue to be a priority for the department. Activities include reconstruction and cleaning many of the over 4,000 storm drains. Street trees (those planted between the curb and sidewalk) require pruning and sometimes removal. Efforts will focus on maintaining a healthy and vibrant tree canopy. These trees also create issues of sidewalk damage due to root growth. Sidewalk repairs and replacement due to tree roots will also be a focus for the budget year.

• Two new street sweepers will be placed into service replacing the existing units. The new sweepers will help with the city's efforts in the Watershed Implementation Plan (WIP) required by the Maryland Dept. of the Environment per the National Polluntant Discharge Elimination System (NPDES). The sweeper function will be to clean the streets but to also clean out the 4,000 plus storm drains.

• Building facilities projects include repair and partial replacement of the 63 windows in the Roslyn Building. The remodeling of the Human Resources office at City Hall. A major tenant is relocating by the end of 2018 which could result in remodeling work for this space in the Elizabeth Hager Center and/or relocation of some city offices.

• Public Works works closely with the Department of Code Enforcement with the abatement of trash, debris and yard work on private properties throughout the city. This cooperative effort began in April of 2016 with the use of internal staff in lieu of contracted services. Abatements transpire throughout the year with the busiest times occuring from May through September. In calendar year 2017, 319 abatements were completed. This is a 17% increase in the number of abatements as compared to calendar year 2016.

PERFORMANCE INDICATORS

	2016/17	2017/18	2018/19
Number of lane miles swept	13,603	12,000	12,000
Snow storm costs	$ 167,860	$ 404,011	$ 363,213
Tons of Salt Used	1,200	1,500	2,000
Bulk Trash Collections	277	275	275
Traffic Islands Maintained	180	180	180
Public Trash Cans Maintained	170	175	175
Signaled Intersections	136	136	136
Sign Work Orders	120	120	120
Vehicles & Equipment Maintained	379	381	381
Property Abatements	310	320	320

EXPENDITURE AND REVENUE SUMMARY

	2016/17 ACTUAL	2017/18 BUDGET	2017/18 EST. ACTUAL	2018/19 PROPOSED	2018/19 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 1,506,051	$ 1,527,440	$ 1,501,338	$ 1,568,513	2.7%
Benefits	635,787	653,596	642,233	648,000	-0.9%
Overtime	37,363	49,000	49,000	35,971	-26.6%
Personnel Subtotal	**2,179,201**	**2,230,036**	**2,192,571**	**2,252,484**	**1.0%**
Contractual Services	182,119	196,260	219,760	281,361	43.4%
Operating Expenditures	879,771	1,088,004	1,168,873	986,975	-9.3%
Capital Outlay	13,988	21,765	21,225	18,821	-13.5%
Operating Subtotal	**1,075,878**	**1,306,029**	**1,409,858**	**1,287,157**	**-1.4%**
Total Expenditures	**$ 3,255,079**	**$ 3,536,065**	**$ 3,602,429**	**$ 3,539,641**	**0.1%**
REVENUES BY TYPE					
Departmental Revenue	$ 233,508	$ 153,275	$ 167,514	$ 126,811	-17.3%
Total Revenues	**$ 233,508**	**$ 153,275**	**$ 167,514**	**$ 126,811**	**-17.3%**
Expenditures, net of Revenues	**$ 3,021,571**	**$ 3,382,790**	**$ 3,434,915**	**$ 3,412,830**	**0.9%**

BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY18 to Estimated Actual FY18

Total personnel expenditures from the FY18 budget to the FY18 estimated actual reflect a decrease of 1.7% or $37K. This reduction is a result and combination of employee contract changes and vacant position savings in FY18. In total, operating expenses are anticipated to be 7.9% or $104K over budget due to contracting for weed and landscaping in traffic islands, gasoline, and more staff time charged within Public Works and less time charged out to other areas for garage/vehicle work and maintenance type of projects in other buildings and areas. Departmental revenue is expected to be $14K higher than budget due to reimbursement from the County to use the City's fuel island station for its fleet of vehicles while upgrades were being completed and from sale of assets that is periodic and difficult to predict.

Adopted FY18 to Proposed FY19

In total, personnel expenditures are projected to be 1.0% or $22K higher in proposed FY19 budget compared to FY18. This increase is a reslt of salary enhancements per the approved 1540 AFSCME union contract. Overall, operating expenses are projected to decrease by 1.4% or $19K as a result of the current trends and changes 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. Departmental revenue is expected to be 17.3% or $26K under FY18 budget levels as the County will not continue to utilize and reimburse the City's fuel pumps in FY19.

STAFFING SUMMARY

	FY17	FY18 Budg	FY18 Est Act	FY19
Full time	32.90	32.90	32.90	32.90
Less: Unfunded	(4.00)	(4.00)	(4.00)	(4.00)
Staffing Total	28.90	28.90	28.90	28.90
Part time Seasonal	9.00	7.00	7.00	7.00
Total Part time	9.00	7.00	7.00	7.00

In response to revenue reductions in FY09, the Public Works Department staff was reduced and positions were unfunded. The FY19 budget reflects maintaining the current four (4) full-time position as unfunded.

EXPENDITURES BY PROGRAM

	2016/17 ACTUAL	2017/18 BUDGET	2017/18 EST. ACTUAL	2018/19 PROPOSED	2018/19 % CHANGE
EXPENDITURES					
City Hall	$ 304,059	$ 302,357	$ 301,711	$ 295,806	-2.2%
Signal Department	500,010	483,186	483,268	457,491	-5.3%
Street Lighting	601,993	622,000	622,000	601,993	-3.2%
Snow Removal	167,860	404,011	404,011	363,213	-10.1%
Street Cleaning	259,928	232,163	234,261	231,332	-0.4%
Gas Station & Maintenance Garage	476,582	437,132	451,864	455,030	4.1%
Public Works & Streets Operations	834,257	943,271	971,299	939,482	-0.4%
Central Equipment Building	110,390	111,945	114,015	95,294	-14.9%
Stormwater Management	-	-	20,000	100,000	100.0%
Total Expenditures	**$ 3,255,079**	**$ 3,536,065**	**$ 3,602,429**	**$ 3,539,641**	**0.1%**
REVENUES					
Departmental Revenue	$ 233,508	$ 153,275	$ 167,514	$ 126,811	-17.3%
Total Revenues	**$ 233,508**	**$ 153,275**	**$ 167,514**	**$ 126,811**	**-17.3%**
Expenditures, net of Revenues	**$ 3,021,571**	**$ 3,382,790**	**$ 3,434,915**	**$ 3,412,830**	**0.9%**

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 FY19 proposed budget include the following current issues: 2004, 2005, 2006, 2009A, 2009B, 2014, 2015A, 2015B, 2017A, and 2017B public improvement bond issues, and a 2012 loan issuance for financing of recycling totes. In addition, the following anticipated bond issues are included: 2018A and 2019A 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 with bond financing are included in this section. Currently, the City has no lease financing.

RETIREE HEALTH COSTS

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

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

INVENTORY ADJUSTMENTS

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

CAPITAL IMPROVEMENTS PROGRAM AND FUND BALANCE APPROPRIATIONS

The current year portion of the general governmental capital improvements from the five-year CIP Program are accounted for in a separate Capital Improvements Program (CIP) Fund. The Capital Improvements Program transfer represents the General Fund's current funding requirements for capital projects anticipated to begin during each year. In addition, the City committed a combined total of $50K 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 FY19 budget includes a $125,000 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 FY19 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 FY19, there is a reserve of $350,000 for savings associated with the management of future vacancies in various departments and $133,051 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 - ADOPTED EXPENSES
FISCAL YEAR 2018/2019

ACCOUNT DESCRIPTION	2016/17 ACTUAL	2017/18 BUDGET	2017/18 EST. ACTUAL	2018/19 ADOPTED	2018/19 % CHANGE
DEBT SERVICE-PRINCIPAL AND INTEREST					
2004 General Obligation Bonds	$ 122,195	$ 122,733	$ 122,733	$ 122,979	0.2%
2005 Public Facilities Bonds	325,441	330,372	330,372	329,817	-0.2%
2006 Public Facilities Bonds	647,771	647,206	647,206	649,266	0.3%
2009-A Public Facilities Bonds	395,707	404,847	404,847	412,176	1.8%
2009-B Public Facilities Bonds (Build America Bond)	188,262	189,365	189,365	181,531	-4.1%
2012 Tote Loan	73,101	73,101	73,101	73,101	0.0%
2014 Public Improvements Bond	36,133	36,125	36,125	36,124	0.0%
2015-A Public Facilities Bond	209,909	215,046	215,046	218,075	1.4%
2015-B Public Facilities Bond	49,175	45,343	45,343	46,607	2.8%
2017-A Public Facilities Bond	97,984	313,300	270,597	273,950	-12.6%
2017-B Public Facilities Bond	13,873	36,800	35,443	34,887	-5.2%
2018-A Future Public Facilities Bond	-	-	-	158,248	0.0%
2019-A Future Public Facilities Bond	-	-	-	71,810	0.0%
Total Expenses	$ 2,159,551	$ 2,414,238	$ 2,370,178	$ 2,608,571	8.0%
RETIREE HEALTH COSTS					
Health Insurance	$ 1,468,465	$ 1,481,251	$ 1,423,495	$ 1,423,495	-3.9%
Dental Insurance	47,328	47,543	47,542	47,542	0.0%
Total Expenses	$ 1,515,793	$ 1,528,794	$ 1,471,037	$ 1,471,037	-3.8%
INVENTORY ADJUSTMENTS					
Physical Inventory Adjustments	$ 12,185	$ 5,000	$ 5,000	$ 5,000	0.0%
E&O Inventory Write-offs	784	5,000	5,000	5,000	0.0%
Total Expenses	$ 12,969	$ 10,000	$ 10,000	$ 10,000	0.0%
CIP, FUND BALANCE APPROPRIATIONS, AND OTHER TRANSFERS					
Capital Transfers to - CIP Fund	$ 1,042,752	$ 146,171	$ 152,171	$ 843,400	477.0%
GF Fund Balance to - CIP Fund	-	1,049,000	797,387	240,000	-77.1%
GF Fund Balance to - Economic Redevelopment for Invest Hagerstown Program	794,415	257,198	7,244	50,000	-80.6%
Total Expenses	$ 1,837,168	$ 1,452,369	$ 956,802	$ 1,133,400	-22.0%
OPERATING TRANSFERS TO OTHER FUNDS					
Golf Course Fund	$ 319,180	$ 220,000	$ 303,330	$ 273,477	24.3%
Economic Redevelopment Fund	100,000	125,000	125,000	125,000	0.0%
Grant Fund	8,954	-	-	-	0.0%
Total Expenses	$ 428,134	$ 345,000	$ 428,330	$ 398,477	15.5%
CONTINGENCY RESERVES					
Vacancy Savings	$ -	$ (84,798)	$ -	$ (350,000)	312.7%
General Contingency	-	100,000	-	133,051	33.1%
Health Insurance	-	(95,811)	-	-	-100.0%
Total Expenses	$ -	$ (80,609)	$ -	$ (216,949)	169.1%
CONTRIBUTIONS TO OTHER AGENCIES					
Art Museum	$ 40,500	$ 40,500	$ 40,500	$ 50,500	24.7%
Community Rescue Service	45,000	45,000	45,000	45,000	0.0%
Hagerstown Municipal Band	18,000	18,000	18,000	18,000	0.0%
Hagerstown Neighborhood Develop Partnership	28,450	28,450	28,450	28,450	0.0%
Maryland Symphony Orchestra	17,550	17,550	17,550	17,550	0.0%
Maryland Theatre	9,000	9,000	9,000	209,000	2222.2%
Washington County Free Library	31,500	31,500	31,500	31,500	0.0%
Washington County Historical Society	5,000	5,000	5,000	5,000	0.0%
Unspecified Agency Contributions	-	10,000	-	50,000	400.0%
Total Contributions to Other Agencies	$ 195,000	$ 205,000	$ 195,000	$ 455,000	122.0%

SCHEDULE OF PUBLIC FUNCTIONS
FISCAL YEAR 2018/2019

FUNCTION DESCRIPTION	2016/17 ACTUAL	2017/18 BUDGET	2017/18 EST. ACTUAL	2018/19 PROPOSED	2018/19 % CHANGE
Augustoberfest (City Services)	$ 18,946	$ 20,000	$ 20,000	$ 20,000	0.0%
A&E District Event	5,063	6,000	6,000	-	0.0%
BISFA Gala and Auction	3,000	3,000	3,000	3,000	0.0%
Blues Festival (City Services)	37,515	52,000	52,000	52,000	0.0%
Blues Festival	250,665	229,300	184,750	184,750	-19.4%
Christmas Decorating	17,345	18,000	18,000	18,000	0.0%
Fairgrounds Country Fest	4,462	-	-	-	100.0%
Fairgrounds July 4th Fireworks	48,865	43,500	30,000	30,000	-31.0%
Film Festival	1,548	1,500	1,500	1,500	0.0%
Hagerstown Official Commemorations	518	-	-	-	100.0%
Hollyfest/Tree Lighting	2,238	3,500	3,500	3,500	0.0%
Housing Summit	15,718	-	-	-	100.0%
Library Events	3,000	3,500	3,500	-	0.0%
Maryland Theatre Wind Downs	2,000	4,000	4,000	4,000	0.0%
Miscellaneous Downtown Events	13,382	16,000	16,000	30,500	90.6%
Miss Maryland Pageant	11,199	9,000	9,000	9,000	0.0%
Mummers Parade	19,280	31,000	20,000	20,000	-35.5%
University of MD Systems Gala	-	1,000	1,000	1,000	0.0%
University Plaza Events	433	5,000	5,000	-	0.0%
Utility Benefit Concert	-	1,000	-	-	0.0%
Velo Club Bike Race	-	3,200	3,200	3,200	0.0%
Veterans WWII Trip	-	800	-	-	0.0%
Wesel Official's Visit to Hagerstown	-	3,000	3,000	3,000	0.0%
Subtotal Public Function Events	**$ 455,178**	**$ 454,300**	**$ 383,450**	**$ 383,450**	**-15.6%**
Christmas In The Park	18,176	13,000	18,422	15,000	15.4%
City Park Festival	6,914	7,000	7,000	7,000	0.0%
Fairgrounds Harvest Hoedown	7,300	8,200	9,649	8,500	3.7%
Fishing Tournament-Pangborn	1,368	1,000	1,000	1,000	0.0%
Music by the Lake	5,704	7,500	5,500	5,500	-26.7%
Subtotal Recreation Events	**39,461**	**36,700**	**41,571**	**37,000**	**0.8%**
Total Recreation Events	**$ 494,639**	**$ 491,000**	**$ 425,021**	**$ 420,450**	**-14.4%**

GENERAL FUND CAPITAL EXPENSES
FISCAL YEAR 2018/2019

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
CITY COUNCIL 0101001-5865 Computer Equipment	Replace Computer	Replace As Needed	800
COMMUNICATIONS 0103006-5865 Computer Equipment	Replace Computer	Replace As Needed	1,000
FINANCE & ACCOUNTING 0107001-5861 Desks, Chairs & Tables	Replace Furniture	Replace As Needed	500
0107001-5865 Computer Equipment	Upgrade Hardware And Software	Improve Quality Of Service	2,000
TOTAL FINANCE & ACCOUNTING			**2,500**
INFORMATION TECHNOLOGY 0107200-5861 Desks, Chairs & Tables	Replace Furniture	Replace As Needed	750
0107200-5865 Computer Equipment	Replace Computers	Replace As Needed	2,400
TOTAL INFORMATION TECHNOLOGY			**3,150**
SUPPORT SERVICES 0107201-5861 Desks, Chairs & Tables	Replace Furniture	Replace As Needed	1,000
0107201-5865 Computer Equipment	Replace Computers	Replace As Needed	1,400
0107201-5867 Communication Equipment	Phone Parts Not Under Maintenance	Replace As Needed	400
TOTAL SUPPORT SERVICES			**2,800**
CASHIERING 0107206-5861 Desks, Chairs & Tables	Replace Furniture	Replace As Needed	1,000
0107206-5864 Calculators & Typewriters	Replace Calculators	Replace As Needed	250
0107206- 5865 Computer Equipment	Replace Computer	Improve Quality Of Service	1,000
TOTAL CASHIERING			**2,250**

GENERAL FUND CAPITAL EXPENSES
FISCAL YEAR 2018/2019

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
PLANNING 0109001-5865 Computer Equipment	Replace Computer	Replace As Needed	2,682
CITY HALL BUILDING 0109003-5821 Office Buildings	Replace A/C Units	Replace As Needed	2,197
0109003-5839 Portable Tools/Equipment	Replace Tools	Replace As Needed	646
0109003-5863 Decorative & Lighting	Replace Carpets, Furniture, And Remodel City Administrator's Office	Replace As Needed	5,000
TOTAL CITY HALL BUILDING			**7,843**
CITY ENGINEER 0109004-5861 Desks, Chairs & Tables	Replace Furniture	Replace As Needed	200
0109004-5865 Computer Equipment	Replace Computers	Replace As Needed	2,000
TOTAL CITY ENGINEER			**2,200**
HUMAN RESOURCES 0109005-5861 Desks, Chairs & Tables	Replace Furniture	Replace As Needed	3,538
0109005-5865 Computer Equipment	Replace Computer	Replace As Needed	1,738
TOTAL HUMAN RESOURCES			**5,276**
POLICE ADMINISTRATION 0110001-5855 Portable Equipment	ID Printer And Accessories	Replace As Needed	500
0110001-5861 Desks, Chairs & Tables	Conference Table and Chairs	Replace As Needed	500
TOTAL POLICE ADMINISTRATION			**1,000**
POLICE INFORMATION TECHNOLOGY 0110003-5865 Computer Equipment	Replace Notebooks, Desktops, Monitors, Servers, Tablets	Replace As Needed	68,000

GENERAL FUND CAPITAL EXPENSES
FISCAL YEAR 2018/2019

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
POLICE BUILDING			
0110204-5830 Non-Portable Equipment	Replace Equipment	Replace As Needed	1,000
0110204-5839 Portable Tools/Equipment	Replace Tools & Equipment	Replace As Needed	300
TOTAL POLICE BUILDING			**1,300**
WESTERN MARYLAND LAB			
0110205-5832 Photography Equipment	Maintenance and Purchase Photographic Equipment	Required For Forensic Documentation	1,000
0110205-5833 Laboratory Equipment	Purchase Lab Equipment	Replace Aging And Outdated	1,500
TOTAL WESTERN MARYLAND LAB			**2,500**
POLICE K9 PROGRAM			
0110206-5839 Portable Tools/Equipment	Purchase Of K-9 Equip (Sleeves, Leashes, Etc.)	Replace Worn Equipment	800
POLICE PATROL			
0110401-5834 Firearms, Body Armor	Police Officer Use / Safety Equipment - Ballistic Vests	Replacement Of Expired Vests & Purchase Of New Vests	20,000
0110401-5839 Portable Tools & Other Equipment -	Purchase Moving Radar Units - LIDAR Speed Measuring Device	New Equipment Needed	10,000
0110401-5848 Bicycles-Repair (& In-Line Skates)	Police Officer Use	Repair And Maintenance	300
0110401-5867 Communication Equipment	Portable Radios	Replace As Needed	5,000
TOTAL POLICE PATROL			**35,300**
FIRE DEPARTMENT			
0112001-5861 Desks, Chairs & Tables	Purchase Office Furniture	Replace As Needed	2,100
0112001-5865 Computer Equipment	Purchase Computers	Replace As Needed	7,800
0112001-5867 Communication Equipment	Portable Radios	Replace As Needed	1,000
TOTAL FIRE DEPARTMENT			**10,900**

GENERAL FUND CAPITAL EXPENSES
FISCAL YEAR 2018/2019

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
CODE ADMINISTRATION			
0114001- 5861 Desks, Chairs & Tables	Filing Cabinets, Desks, Chairs	Replace As Needed	600
0114001-5865 Computer Equipment	Purchase Computers	Replace As Needed	995
TOTAL CODE ADMINISTRATION			**1,595**
SIGNAL SUPERVISION 0116001-5865 Computer Equipment	Replace Computer	Replace As Needed	2,500
TRAFFIC CONTROL 0116003-5839 Portable Tools & Other Equipment	Replace Power Tools	Replace As Needed	533
TRAFFIC SIGNS/LINES 0116004-5839 Portable Tools & Other Equipment	Replace Power Tools	Replace As Needed	324
CENTRAL MAINTENANCE GARAGE			
0123003-5839 Portable Tools & Other Equipment	Tools Needed For Garage	Replace As Needed	4,994
0123003- 5861 Desks, Chairs & Tables	Replace Table And Chairs	Replace As Needed	60
0123003-5865 Computer Equipment	Replace Computer	Replace As Needed	1,000
TOTAL CENTRAL MAINTENANCE GARAGE			**6,054**
STREET GROUNDS MAINTENANCE 0124007-5839 Portable Tools & Other Equipment	Weed Whips & Blowers	Replace As Needed	567
CENTRAL EQUIPMENT BUILDING 0124008-5861 Desks, Chairs & Tables	Replacement A/C Units	Replace As Needed	1,000
RECREATION ADMINISTRATION 0140001-5865 Computer Equipment	Replace Computers	Replace As Needed	500

GENERAL FUND CAPITAL EXPENSES
FISCAL YEAR 2018/2019

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
PARKS AND EQUIPMENT DEPARTMENT			
0145000-5837 Playground & Parks Equipment	Benches	Memorial Bench Program	2,500
0145000-5865 Computer Equipment	Replace Computer	Replace As Needed	1,500
TOTAL PARKS AND EQUIPMENT DEPARTMENT			**4,000**
ECONOMIC DEVELOPMENT & ADMIN			
0150001-5865 Computer Equipment	Replace Computer	Replace As Needed	4,500
0150001-5867 Communication Equipment			750
TOTAL ECONOMIC DEVELOPMENT & ADMIN			**5,250**
TOTAL CAPITAL OUTLAY			**$ 172,624**

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ENTERPRISE FUNDS
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Plant
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Admin
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ENTERPRISE FUNDS - COMBINING STATEMENT
FISCAL YEAR 2018/2019

ACCOUNT DESCRIPTION	ELECTRIC	WATER	WASTEWATER	PARKING	GOLF COURSE	PROPERTY MANAGEMENT	TOTAL
OPERATING REVENUES							
Service Charges	$23,142,000	$11,134,700	$ 13,218,186	$ 955,610	$141,000	$ 344,492	$ 48,935,988
Other Revenues	752,783	868,420	325,585	-	22,300	6,400	1,975,488
Total Operating Revenues	**23,894,783**	**12,003,120**	**13,543,771**	**955,610**	**163,300**	**350,892**	**50,911,476**
OPERATING EXPENSES							
Production and Treatment	17,356,500	3,861,007	4,886,299	-	-	-	26,103,806
Transmission, Distribution & Collection	2,472,276	1,989,354	1,693,890	-	-	-	6,155,520
Selling, General & Administrative	3,122,389	2,592,009	3,336,168	537,457	397,822	323,508	10,309,353
Depreciation	1,040,000	3,525,000	3,305,000	291,000	38,955	160,000	8,359,955
Total Operating Expenses	**23,991,165**	**11,967,370**	**13,221,357**	**828,457**	**436,777**	**483,508**	**50,928,634**
Operating Income (Loss)	**(96,382)**	**35,750**	**322,414**	**127,153**	**(273,477)**	**(132,616)**	**(17,158)**
NON-OPERATING REVENUES (EXPENSES)							
Interest Earned	94,475	32,765	30,000	3,500	-	13,000	173,740
Premium on Bonds	-	10,601	8,888	1,757	-	-	21,246
Interest/Bond Issuance Expense	(13,225)	(550,580)	(425,098)	(28,187)	-	(4,427)	(1,021,517)
Gain (Loss) on Capital Assets	(20,000)	10,000	-	-	-	-	(10,000)
Total Other Income (Expense)	**61,250**	**(497,214)**	**(386,210)**	**(22,930)**	**-**	**8,573**	**(836,531)**
Net Income before Contributions & Transfers	**(35,132)**	**(461,464)**	**(63,796)**	**104,223**	**(273,477)**	**(124,043)**	**(853,689)**
OTHER FINANCING SOURCES (USES)							
Benefit Charges	-	500,000	500,000	-	-	-	1,000,000
Grants in Aid of Construction	-	1,533,250	240,000	-	-	-	1,773,250
Non-Cash Developer Contributions	50,000	350,000	-	-	-	-	400,000
Operating & Capital Transfers from Other Funds	58,015	85,553	76,312	-	273,477	25,000	518,357
Operating & Capital Transfers to Other Funds	(4,000)	(4,000)	(4,000)	-	-	-	(12,000)
Increase (Decrease) in Retained Earnings	**68,883**	**2,003,339**	**748,516**	**104,223**	**-**	**(99,043)**	**2,825,918**
ADJUST RETAINED EARNINGS TO A UNRESTRICTED CASH FLOW BASIS							
Add Back Depreciation	1,040,000	3,525,000	3,305,000	291,000	38,955	160,000	8,359,955
Capital Outlay/Fixed Assets	(1,197,500)	(8,420,000)	(5,703,000)	(60,000)	(22,000)	(190,000)	(15,592,500)
Repayment of Principal on Debt	(41,674)	(1,826,090)	(1,813,717)	(218,351)	-	(5,085)	(3,904,917)
Non-Cash Developer Contributions	(50,000)	(350,000)	-	-	-	-	(400,000)
Bond Proceeds	-	3,318,750	3,000,000	-	-	-	6,318,750
Net Sources (Uses) of Cash	**$ (180,291)**	**$ (1,749,001)**	**$ (463,201)**	**$ 116,872**	**$ 16,955**	**$ (134,128)**	**$ (2,392,794)**
Beginning Fund Balance	**$18,061,514**	**$88,065,279**	**$ 52,238,476**	**$ 7,045,466**	**$534,921**	**$ 4,674,152**	**$ 170,619,808**
Ending Fund Balance	**$18,130,397**	**$90,068,618**	**$ 52,986,992**	**$ 7,149,689**	**$534,921**	**$ 4,575,109**	**$ 173,445,726**

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 challenging to project.

• 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 land lease agreements with 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 is primarily used to correct distortions in the 60 Hz frequency sometimes caused 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 FY19 is $125,000.

• The Hagerstown Light Department is in the first year of a five year wholesale power purchase agreement with First Energy Solutions. With this HLD customers can expect a steady electric rate through the contract ending on May 31, 2022.

PERFORMANCE INDICATORS

	2016/17	2017/18	2018/19
Number of Residential Customers	**14,509**	**14,570**	**14,570**
Number of Commercial Customers	**2,576**	**2,580**	**2,580**
Million Kilowatt-hours Purchased	**305**	**303**	**303**
Million Kilowatt-hours Sold	**297**	**294**	**294**
Customer Average Interruption Duration Index (Hours/customer)	**1**	**1**	**1**
Number of Employees	**30**	**31**	**31**
Number of Customers Served per Employee	**570**	**553**	**553**

EXPENDITURE AND REVENUE SUMMARY

	2016/17 ACTUAL	2017/18 BUDGET	2017/18 EST. ACTUAL	2018/19 PROPOSED	2018/19 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 1,831,608	$ 1,853,632	$ 1,913,430	$ 2,058,840	11.1%
Benefits	1,127,642	1,140,773	1,127,103	1,183,141	3.7%
Overtime	74,316	114,250	91,327	97,750	-14.4%
Personnel Subtotal	**3,033,566**	**3,108,655**	**3,131,860**	**3,339,731**	**7.4%**
Contractual Services	468,086	405,338	462,309	418,363	3.2%
Operating Expenditures	18,885,709	18,549,787	18,991,824	19,160,071	3.3%
Operating Cap Exp (Cap Outlay)	110	-	-	-	0.0%
Other General Expenses	950,152	1,032,502	1,049,502	1,110,225	7.5%
Operating Subtotal	**20,304,057**	**19,987,627**	**20,503,635**	**20,688,659**	**3.5%**
Total Expenditures	**$ 23,337,623**	**$ 23,096,282**	**$ 23,635,495**	**$ 24,028,390**	**4.0%**
REVENUES BY TYPE					
Departmental Revenue	23,075,988	23,244,119	23,734,937	24,097,273	3.7%
Total Revenues	**$ 23,075,988**	**$ 23,244,119**	**$ 23,734,937**	**$ 24,097,273**	**3.7%**
Revenues, excess of Expenditures	**$ 261,635**	**$ (147,837)**	**$ (99,442)**	**$ (68,883)**	**-53.4%**

BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY18 to Estimated Actual FY18

The Hagerstown Light Department maintains reduced staff levels with 5 unfilled positions. In addition, all external seminars and non-certification training continues to be monitored. Total personnel costs are expected to be $23K or 0.7% over FY18 budget amounts as a result of approved IBEW union contract and filling one of the unfunded supervisory positions. Total operating expenditures are projected to be $516K or 2.6% over FY18 budget due to increased purchased power expenses. This cost is offset with increased customer and departmental revenue as a result of new high usage commercial customer.

Adopted FY18 to Proposed FY19

The same operational trends in expenditures and revenue are expected to continue as reflected in FY18 estimated actuals and are included in the proposed FY19 budget. In addition, 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. Separately, land lease payments are being received for the Energy Storage System site located at the Frederick Street Substation. This facility has been in operation since February 2017. Further, planned Capital Improvement projects that have been deferred for the last several years will begin. These projects, when complete, should enhance system reliability by adding capacity in areas deprived of adequate transfer capability.

STAFFING SUMMARY

	FY17	FY18 Budg	FY18 Est Act	FY19
Full time	35.55	35.55	35.55	35.55
Less: Unfunded	(5.00)	(6.00)	(6.00)	(4.00)
Staffing Total	30.55	29.55	29.55	31.55

The Division will continue to maintain operational costs within levels at or below revenues generated through FY19 and beyond.

ELECTRIC FUND - COMPARATIVE INCOME STATEMENT
FISCAL YEAR 2018/2019

ACCOUNT DESCRIPTION	2016/17 ACTUAL	2017/18 BUDGET	2017/18 EST. ACTUAL	2018/19 PROPOSED	2018/19 % CHANGE
OPERATING REVENUES					
Service Charges	$ 22,173,443	$ 22,296,900	$22,754,600	$ 23,142,000	3.8%
Other Revenues	756,220	744,417	769,917	752,783	1.1%
Total Operating Revenues	**22,929,663**	**23,041,317**	**23,524,517**	**23,894,783**	**3.7%**
OPERATING EXPENSES					
Purchased Power	17,010,761	16,555,449	17,065,950	17,356,500	4.8%
Distribution Expenses	2,208,912	2,358,078	2,385,283	2,472,276	4.8%
Customer Accounts Expenses	853,827	990,318	916,389	897,505	-9.4%
Selling, General & Administrative	2,344,045	2,200,935	2,251,371	2,224,884	1.1%
Depreciation	887,764	945,000	980,000	1,040,000	10.1%
Total Operating Expenses	**23,305,309**	**23,049,780**	**23,598,993**	**23,991,165**	**4.1%**
Operating Income (Loss)	**(375,646)**	**(8,463)**	**(74,476)**	**(96,382)**	**1038.9%**
NON-OPERATING REVENUES (EXPENSES)					
Interest Earned	119,693	99,723	107,341	94,475	-5.3%
Interest/Bond Issuance Expense	(18,852)	(14,627)	(14,627)	(13,225)	-9.6%
Gain (Loss) on Capital Assets	(9,962)	(30,000)	(20,000)	(20,000)	-33.3%
Total Other Income (Expense)	**90,879**	**55,096**	**72,714**	**61,250**	**11.2%**
Net Income before Operating Transfers	**(284,767)**	**46,633**	**(1,762)**	**(35,132)**	**-175.3%**
TRANSFERS FROM (TO) OTHER FUNDS					
Transfers to Capital Improvements Fund	(3,500)	(1,875)	(1,875)	(4,000)	113.3%
Transfers from Health Insurance Fund	-	53,079	53,079	58,015	9.3%
Total Transfers From (To) Funds	**(3,500)**	**51,204**	**51,204**	**54,015**	**5.5%**
CAPITAL CONTRIBUTIONS					
Non-Cash Developer Contributions	26,632	50,000	50,000	50,000	0.0%
Total Capital Contributions	**26,632**	**50,000**	**50,000**	**50,000**	**0.0%**
Increase (Decrease) in Retained Earnings	**(261,635)**	**147,837**	**99,442**	**68,883**	**-53.4%**
Add Back Depreciation	887,764	945,000	980,000	1,040,000	10.1%
Capital Outlay/Fixed Assets	(859,317)	(987,500)	(864,346)	(1,197,500)	21.3%
Repayment of Principal	(38,454)	(39,848)	(39,848)	(41,674)	4.6%
Non-Cash Developer Contributions	(26,632)	(50,000)	(50,000)	(50,000)	0.0%
Changes in Working Capital	3,620,275	-	-	-	0.0%
Bond Proceeds	(234,992)	-	-	-	0.0%
Net Sources (Uses) of Cash	**$ 3,087,009**	**$ 15,489**	**$ 125,248**	**$ (180,291)**	**-1264.0%**
Beginning Fund Balance	**$ 18,223,707**	**$ 17,962,072**	**$17,962,072**	**$ 18,061,514**	**0.6%**
Ending Fund Balance	**$ 17,962,072**	**$ 18,109,909**	**$18,061,514**	**$ 18,130,397**	**0.1%**

SERVICE CHARGE COMPARISON AS OF FEBRUARY 2018

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

ELECTRIC CONSUMPTION FROM 2014 - 2019

Per 1,000,000 KWH

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

ELECTRIC FUND - PROPOSED OPERATING REVENUES
FISCAL YEAR 2018/2019

ACCOUNT DESCRIPTION	2016/17 ACTUAL	2017/18 BUDGET	2017/18 EST. ACTUAL	2018/19 PROPOSED	2018/19 % CHANGE
ELECTRIC REVENUES					
Sales of Electric-Unbilled Readings	$ (79,167)	$ -	$ -	$ -	0.0%
Residential Lighting	11,614,231	11,737,200	11,556,000	11,555,900	-1.5%
Residential Metering	2,514	2,000	2,000	2,000	0.0%
Commercial Lighting	4,797,178	4,846,900	4,799,000	4,799,000	-1.0%
Commercial Metering	6,585	6,800	6,600	6,600	-2.9%
Power Pl(09)	1,904,142	1,938,200	1,912,000	1,911,500	-1.4%
Power Ph(10)	3,162,654	2,977,850	3,714,000	4,102,000	37.8%
High Voltage-Newstech	118,987	122,000	119,000	119,000	-2.5%
Dusk to Dawn	20,248	20,460	20,000	20,000	-2.2%
Street Lighting	605,339	623,810	605,000	605,000	-3.0%
Traffic Lighting	20,732	21,680	21,000	21,000	-3.1%
Total Electric Revenues	**22,173,443**	**22,296,900**	**22,754,600**	**23,142,000**	**3.8%**
OTHER REVENUES					
Pole Rental/Attachment Fees	25,172	25,000	28,000	28,000	12.0%
Rents from Electric Properties	43,000	50,000	18,000	18,000	-64.0%
Building Rental-CMG	39,000	40,200	40,200	40,200	0.0%
Rent Income - Sub-Station	3,101	3,101	3,101	3,101	0.0%
Late Fees	158,029	200,000	200,000	200,000	0.0%
Miscellaneous Electric Revenue	78,543	40,000	40,000	40,000	0.0%
Reconnection Charges	96,311	100,000	100,000	100,000	0.0%
Customer Reimbursed Overtime	42,739	15,000	15,000	15,000	0.0%
Scrap Sales	7,601	10,000	10,000	10,000	0.0%
Recovery of Inventory	40,479	40,000	40,000	40,000	0.0%
Interconnection Application Fee	1,500	-	500	500	100.0%
Insurance Reimbursements	37,500	25,000	80,000	50,000	100.0%
Recovery of Notes Receivable-F.U.F.	180,057	192,116	192,116	204,982	6.7%
Bad Check Charges	3,188	4,000	3,000	3,000	-25.0%
Total Other Revenues	**756,220**	**744,417**	**769,917**	**752,783**	**1.1%**
Total Operating Revenues	**$ 22,929,663**	**$ 23,041,317**	**$ 23,524,517**	**$ 23,894,783**	**3.7%**

ELECTRIC FUND CAPITAL EXPENSES
FISCAL YEAR 2018/2019

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	25,000
Building Security Improvements-C0178 Upgrade the aged building and site security systems.	Video Surveillance	Deter theft and/or vandalism of electric utility assets	25,000
System Reconductoring-C0259 Upgrade power in distribution lines.	Poles, Towers & Fixtures, Overhead Devices	Improve service and reliability	50,000
SCADA System- C0441 Upgrade Current SCADA software and hardware.	Communication Equipment	Improve load monitoring and outage restoration	10,000
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	25,000
Building & Site Improvements-C0542 Improvements to HLD facility on East Baltimore Street.	Replace interior lighting in garage and stock room areas.	Cost avoidance, planned improvement, and improved service	25,000
Streetlight Replacement-C0546 Replace direct buried streetlight circuit, obsolete fixtures, and non-standard poles. FY18 - Noland Drive	Street Lighting	Unable to provide for replacement materials for uniformity. Existing cable is in poor condition	10,000
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	55,000
Test Equipment-C0609 Procure/repair test equipment to improve maintenance programs and power quality for customers.	Station Equipment	Improve reliability of service	20,000
Substation Breaker Replacement-C0776 Replace Aging Breakers in Substation to Maintain Reliability	Replace Substation Breakers on maintenance cycle to reduce equipment failure	Increase Reliability of Service	60,000
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 2018/2019

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	20,000
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	20,000
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	70,000
SUBTOTAL PROJECT EXPENSES			**$ 685,000**
5085001-581001 General Plant - Structure	Administrative Building	Replace worn office furniture and computer equipment	5,000
5085001-583002 Dist-Station Equipment	Costs of installation of station 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	40,000
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	90,000
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 2018/2019

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	125,000
5085001-583009 Dist-Services	Costs of installation of overhead & underground conductors leading from a point where wires leave the last pole of an overhead system, or if an underground system, the distribution box of manholes.	To meet the needs of electrical customers who are upgrading their services and building new homes	50,000
5085001-583010 Dist-Meters	Costs of installation of meters or devices for use in measuring the electricity delivered to users.	To meet the needs of electrical customers who are upgrading their services and building new homes and to replace obsolete meters currently in the system, as required by the Maryland Public Service Commission	20,000
5085001-583013 Dist-Street & Signal Lighting	Costs of installation of equipment used wholly for public streets.	To provide adequate street lighting for City residents	80,000
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	10,000
5085001-5860 General Plant - Office Furniture, Fixtures, & Equip	Administrative Building	Replace worn office furniture and computer equipment	10,000
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
TOTAL CAPITAL OUTLAY			**$ 1,197,500**

DEPARTMENT / PROGRAM OVERVIEW

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

DEPARTMENT / PROGRAM OBJECTIVES

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

• The Water Division is responsible for the treatment and distribution of 10.8 MGD (2017 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 which include the improvements to system potable water storage, electrical and treatment, and piping upgrades at R.C. Willson and numerous water distribution main replacements. These improvements help ensure a reliable cost effective water supply to all customers served by the City of Hagerstown.

• To further assist in our financial commitment to our customers, the Division applied for and has been awarded grants for planned projects to include the replacement of the Traveling Screens at R.C. Willson Water Treatment Plant, storage tank mixing systems, and new pumps at two pump stations. The Water Fund has submitted a request for additional MDE funding for repairs to the Edgemont Reservoir to address ongoing seepage concerns. Funding will be requested for the W.M. Breichner Plant for compliance with the LT2ESWTR and Stage 2 DBPR once work is underway at Edgemont. Water Distribution will begin the fire Line Meter Program in FY18 to meet MDE water loss reduction plan requirements. The Department will continue to test all large commercial/industrial meters annually. The Water Division will continue with system rehabilitation and main replacement projects through the leak detection program, hydrant and valve program, and through coordinated efforts with the City/County/State roadway rehabilitation projects. Capital Project Improvement Planning assists greatly in reducing system operational issues related to water main and equipment failures.

PERFORMANCE INDICATORS

	2016/17	2017/18	2018/19
Number of Inside City Customers	**13,324**	**13,300**	**13,367**
Number of Outside City Customers	**15,967**	**16,000**	**16,080**
Million Gallons Produced	**4,022**	**3,885**	**3,904**
Million Gallons Accounted For	**3,599**	**3,646**	**3,553**
Percentage of Unaccounted for Water	**10.5%**	**9.1%**	**9.0%**
Number of Employees	**51.0**	**51.0**	**51.0**
Number of Customers Served per Employee	**574**	**575**	**577**

EXPENDITURE AND REVENUE SUMMARY

	2016/17 ACTUAL	2017/18 BUDGET	2017/18 EST. ACTUAL	2018/19 PROPOSED	2018/19 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 2,792,317	$ 2,856,137	$ 2,968,700	$ 2,940,556	3.0%
Benefits	1,516,119	1,373,361	1,374,463	1,372,166	-0.1%
Overtime	106,262	111,000	111,000	116,000	4.5%
Personnel Subtotal	**4,414,698**	**4,340,498**	**4,454,163**	**4,428,722**	**2.0%**
Contractual Services	480,484	625,538	585,988	639,513	2.2%
Operating Expenditures	2,829,844	3,275,321	3,163,812	3,313,185	1.2%
Operating Cap Exp (Cap Outlay)	35,774	44,500	67,750	60,500	36.0%
Other General Expenses	3,730,575	3,944,636	3,874,185	4,080,030	3.4%
Operating Subtotal	**7,076,677**	**7,889,995**	**7,691,735**	**8,093,228**	**2.6%**
Total Expenditures	**$ 11,491,375**	**$ 12,230,493**	**$ 12,145,898**	**$ 12,521,950**	**2.4%**
REVENUES BY TYPE					
Departmental Revenue	12,923,045	12,673,229	12,855,754	14,525,289	14.6%
Total Revenues	**$ 12,923,045**	**$ 12,673,229**	**$ 12,855,754**	**$ 14,525,289**	**14.6%**
Expenditures, net of Revenues	**$ (1,431,670)**	**$ (442,736)**	**$ (709,856)**	**$ (2,003,339)**	**352.5%**

BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY18 to Estimated Actual FY18

The Water Division has reduced staff and currently has 4 positions unfunded in FY18. Vehicle replacement purchases are limited and based on repair cost versus replacement cost. All external seminars and non-certification training are monitored for consistency with programmatic needs. Capital Improvement Projects are anticipated to be $3.1M in FY18 compared to the original $5.3M in FY18 budget due to timing delays with several projects. Total operating revenues for FY18 estimated actual is anticipated to be $182K or 1.4% better than FY18 budget. The Water Division utilizes common sense approaches related to energy consumption, chemical usage, and employee sharing in an effort to realize growth in retained earnings.

Adopted FY18 to Proposed FY19

In total, personnel costs for FY19 budget are expected to be $88K or 2.0% more than FY18 budget as a result of approved AFSCME 1540 union contracts and potential salary enhancements for other staff. Total operating expenditures are projected to increase by $203K or 2.6% as a result of an increase in some contractual services, capital outlay items such as portable tools/equipment, and depreciation expense based on current trends.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. Finally, FY19 revenue reflects the fifth 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. FY19 proposed budget includes $1.5M in estimated grant funding for capital projects.

STAFFING SUMMARY

	FY17	FY18 Budget	FY18 Est Act	FY19
Full time	54.52	54.52	54.52	54.02
Less: Unfunded	(4.00)	(4.00)	(4.00)	(4.00)
Staffing Total	50.52	50.52	50.52	50.02
Part time Seasonal	3.00	3.00	3.00	3.00
Total Part time	3.00	3.00	3.00	3.00

The Division will continue to monitor operational costs and revenue through FY19 and beyond by the managing of the financial operations and insuring that our recently updated rate model is followed.

WATER FUND - COMPARATIVE INCOME STATEMENT
FISCAL YEAR 2018/2019

ACCOUNT DESCRIPTION	2016/17 ACTUAL	2017/18 BUDGET	2017/18 EST. ACTUAL	2018/19 PROPOSED	2018/19 PROPOSED
OPERATING REVENUES					
Service Charges	$ 10,612,363	$ 10,888,000	$ 10,916,300	$ 11,134,700	2.3%
Other Revenues	1,006,059	830,220	881,220	868,420	4.6%
Total Operating Revenues	**11,618,422**	**11,718,220**	**11,797,520**	**12,003,120**	**2.4%**
OPERATING EXPENSES					
Source of Supply	47,352	44,700	51,200	58,200	30.2%
Pumping & Water Treatment	3,489,948	3,712,679	3,611,760	3,802,807	2.4%
Transmission & Distribution	1,478,971	1,873,269	1,986,080	1,989,354	6.2%
Selling,General & Administrative	2,745,097	2,655,659	2,623,123	2,592,009	-2.4%
Depreciation	3,166,915	3,370,000	3,320,000	3,525,000	4.6%
Total Operating Expenses	**10,928,283**	**11,656,307**	**11,592,163**	**11,967,370**	**2.7%**
Operating Income (Loss)	**690,139**	**61,913**	**205,357**	**35,750**	**-42.3%**
NON-OPERATING REVENUES (EXPENSES)					
Interest Earned	30,605	3,100	32,945	32,765	956.9%
Premium on Bonds	10,602	10,601	10,601	10,601	0.0%
Interest/Bond Issuance Expense	(559,592)	(572,311)	(551,860)	(550,580)	-3.8%
Gain (Loss) on Capital Assets	22,279	15,000	10,000	10,000	-33.3%
Total Other Income (Expense)	**(496,106)**	**(543,610)**	**(498,314)**	**(497,214)**	**-8.5%**
Income Before Contribs. & Transfers	**194,033**	**(481,697)**	**(292,957)**	**(461,464)**	**-4.2%**
TRANSFERS FROM (TO) OTHER FUNDS					
Transfers to Capital Improvements Fund	(3,500)	(1,875)	(1,875)	(4,000)	113.3%
Transfers from Health Insurance Fund	-	76,308	76,308	85,553	12.1%
Total Transfers From (To) Funds	**(3,500)**	**74,433**	**74,433**	**81,553**	**9.6%**
CAPITAL CONTRIBUTIONS					
Water Benefit Charges	584,740	500,000	501,610	500,000	0.0%
Grants in Aid of Construction	-	-	76,770	1,533,250	100.0%
Non-Cash Developer Contributions	656,397	350,000	350,000	350,000	0.0%
Total Capital Contributions	**1,241,137**	**850,000**	**928,380**	**2,383,250**	**180.4%**
Increase (Decrease) in Retained Earnings	**1,431,670**	**442,736**	**709,856**	**2,003,339**	**352.5%**
Add Back Depreciation	3,166,915	3,370,000	3,320,000	3,525,000	4.6%
Capital Outlay/Fixed Assets	(3,155,330)	(5,337,000)	(3,115,420)	(8,420,000)	57.8%
Repayment of Principal on Debt	(1,670,382)	(1,820,570)	(1,738,938)	(1,826,090)	0.3%
Non-Cash Developer Contributions	(656,397)	(350,000)	(350,000)	(350,000)	0.0%
Changes in Working Capital	1,227,465	-	-	-	0.0%
Bond Proceeds	1,517,535	4,275,000	602,530	3,318,750	-22.4%
Net Sources (Uses) of Cash	**$ 1,861,476**	**$ 580,166**	**$ (571,972)**	**$ (1,749,001)**	**-401.5%**
Beginning Fund Balance	**$ 85,923,753**	**$ 87,355,423**	**$ 87,355,423**	**$ 88,065,279**	**0.8%**
Ending Fund Balance	**$ 87,355,423**	**$ 87,798,159**	**$ 88,065,279**	**$ 90,068,618**	**2.6%**

SERVICE CHARGE COMPARISON AS OF FEBRUARY 2018
(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 2014 - 2019

The water consumption comparison reflects a similar usage rate among City and County Residential consumers. For Non-Residential consumers, the chart reflects that County Non-Residential customers consume a significant amount more than City Non-Residential consumers.

WATER FUND - PROPOSED OPERATING REVENUES
FISCAL YEAR 2018/2019

ACCOUNT DESCRIPTION	2016/17 ACTUAL	2017/18 BUDGET	2017/18 EST. ACTUAL	2018/19 PROPOSED	2018/19 % CHANGE
WATER SERVICES					
Metered Sales-Unbilled	$ (68,358)	$ -	$ -	$ -	0.0%
Water Fixed Charge - City	521,061	528,000	537,000	548,000	3.8%
Water Fixed Charge - County	1,945,314	1,968,000	2,011,000	2,051,000	4.2%
Metered City Water	1,673,274	1,671,000	1,700,000	1,734,000	3.8%
Metered County Water	6,541,072	6,721,000	6,668,300	6,801,700	1.2%
Total Service Charges	**10,612,363**	**10,888,000**	**10,916,300**	**11,134,700**	**2.3%**
OTHER REVENUES					
Contracted Services	37,459	15,000	40,000	40,000	166.7%
Reconnection Charges	85,206	70,000	50,000	50,000	-28.6%
Water Service Application Fee	27,323	18,000	20,000	20,000	11.1%
Water Transfer Fee	50,195	35,000	45,000	45,000	28.6%
W.C.S.D. Consumption Data Service	63,025	63,500	60,000	60,000	-5.5%
Review/Inspection Fee	10,150	10,000	20,000	20,000	100.0%
Insurance Reimbursements	12,563	3,300	20,000	2,500	-24.2%
Rent-City Employees	26,400	20,620	20,620	20,620	0.0%
Late Fees	101,974	150,000	125,000	125,000	-16.7%
Miscellaneous Other Revenues	44,707	42,000	32,000	32,000	-23.8%
County Debt Service Surcharge	21,360	21,300	21,500	21,200	-0.5%
Cell Tower Rent	10,285	10,000	10,000	10,000	0.0%
Fire Protection	155,296	160,000	160,000	165,000	3.1%
Plumbing	348,990	200,000	250,000	250,000	25.0%
Interest Penalty	(1,112)	-	-	-	0.0%
Net Gain/Loss-Scrap Sales	10,138	10,000	5,000	5,000	-50.0%
Bad Check Charges	2,100	1,500	2,100	2,100	40.0%
Total Other Revenues	**1,006,059**	**830,220**	**881,220**	**868,420**	**4.6%**
Total Operating Revenues	**$ 11,618,422**	**$ 11,718,220**	**$ 11,797,520**	**$ 12,003,120**	**2.4%**

WATER FUND CAPITAL EXPENSES
FISCAL YEAR 2018/2019

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
Water Fund Vehicles-C0117 Replace fleet vehicles.	Unit 208, Unit 211, Unit 218, Unit 228, Unit 257, Unit 214, Unit 227, Unit 238	Replace Water Division vehicles	620,000
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	1,025,000
Willson Transmission Mains-C0167 Begin Engineering design to extend the 36" transmission mains from Bottom Rd to the Conococheague Creek.	Transmission/ Distribution	Replace deteriorated infrastructure - reliability	750,000
Edgemont Reservoir Improvements-C0168 Continue to monitor reservoir and make required MDE Improvements, Complete study and begin design.	Land Improvements	Improve system and increase reliability	1,900,000
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	1,050,000
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, Replacement of critical equipment.	Infrastructure	Replace and/or upgrade deteriorating infrastructure reliability	835,000
Distribution Services-C0653 Continue the fire line metering program which will include the evaluation of unmetered fire lines and installation of a fire meter.	Meter Replacement	Replace aging equipment to ensure water and sewer rates are an accurate reflection of the required revenue	330,000
Distribution System Rehabilitation-C0709 Continue the leak detection program and replace aging infrastructure throughout the Distribution System.	Infrastructure	Replace deteriorating infrastructure, improve safety for workers, and improve customer service	550,000

WATER FUND CAPITAL EXPENSES
FISCAL YEAR 2018/2019

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	450,000
RC Willson-Traveling Screen Replacement-C0863 Complete construction to replace existing Traveling Screens.	Equipment	Replacement of deteriorating equipment. Improve system reliability and reduce short term maintenance expenses	900,000
SUBTOTAL PROJECT EXPENSES			**$ 8,420,000**
5270501-5833 Laboratory Equipment-Willson	Laboratory Equipment	Maintain laboratory equipment	4,000
5270501-5839 Portable Tools/Equipment-Willson	Portable Tools and Equipment	Replace portable tools and equipment as needed	3,000
5270501-5861 Desks-Chairs-and Tables-Willson	Desks, Chairs, Tables	To replace office furniture as needed	500
5270501-5865 Computer Equipment-Willson	Computer Equipment	Replace worn equipment as needed	2,500
5270501-5867 Communication Equipment-Willson	Communication Equipment	To replace communication equipment as needed	4,000
5270502-5825 Residential Buildings-Pump Stations	Park Ave. Office - Facility Maintenance	Routine facility maintenance required	1,000
5270502-5861 Desks-Chairs-Tables-Pump Stations	Desks, Chairs, Tables	To replace office furniture as needed	500
5270502-5865 Computer Equipment-Pump Stations	Computer Equipment	Replace worn equipment as needed	2,000

WATER FUND CAPITAL EXPENSES
FISCAL YEAR 2018/2019

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
5270502-5867 Communication Equipment-Pump Stations	Communication Equipment	To replace communication equipment as needed	3,000
5270503-5861 Desks-Chairs-and Tables-Laboratory	Desks, Chairs, Tables	To replace office furniture as needed	500
5270503-5865 Computer Equipment-Laboratory	Computer Equipment	Replace worn equipment as needed	1,000
5271001-5825 Residential Buildings-Source of Supply	Maintain Residential/ Rental Properties	Rental property maintenance (3 properties)	10,000
5271001-5865 Computer Equipment-Source of Supply	Computer Equipment	Replace worn equipment as needed	1,500
5272501-5836 Traffic Lights-Signs-Etc.-Distribution	Traffic Control Equipment	Replace traffic control equip (signs, light bar, etc.)	2,500
5272501-5839 Portable Tools/Equipment-Distribution	Portable Tools and Equipment	Replace portable tools and equipment as needed	10,000
5272501-5855 Portable Equipment-Distribution	Portable Tools and Equipment	Replace portable tools and equipment as needed	2,500

WATER FUND CAPITAL EXPENSES
FISCAL YEAR 2018/2019

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	500
5274001-5861 Desks-Chairs and Tables-Admin & General	Desks, Chairs, Tables	To replace office furniture as needed	500
5274001-5865 Computer Equipment-Admin & General	Computer Equipment	Replace worn equipment as needed	3,000
5274502-5861 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			**$ 8,480,500**

DEPARTMENT / PROGRAM OVERVIEW

The Mission of the Utilities Department is to enhance the quality of life in our community by providing reliable, competitively priced utility services through skilled, safety-oriented and customer focused employees. The success of our organization depends on teamwork, professionalism and overall excellence achieved through our commitment to our core values. Customer and employee communication, cooperation, innovation, and integrity in each process we perform are keystones to the success of the department. The Utilities Department is responsible for the management of public utilities (Electric, Wastewater, and Water) collectively serving a population of nearly 88,000 customers. The Department is responsible for 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 6.50 MG per day of wastewater for calendar year 2017. 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 adress 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 sevice 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 2017 Operations and Maintenance Grant submission.

• The City will invest approximately $4 million over the next 2 years (FY18 though FY19) to upgrade the sludge 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 the contract term. In FY17 the City completed over $600,000 of improvements to reduce and eliminate Inflow and Infiltration (I&I) from our wastewater collection systems which included $300,000 of matching grant funds from the MDE. 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

	2016/17	2017/18	2018/19
Number of Inside City Customers	**13,060**	**13,100**	**13,100**
Number of Outside City Customers	**6,646**	**6,650**	**6,650**
Annual Million Gallons/Day Treated	**7.00**	**6.70**	**6.50**
Inflow/Infiltration Million Gallons/Day Treated	**2.80**	**2.60**	**2.31**
Available Allocation in Thousand Gallons (carryover)	**798**	**798**	**798**
Number of Employees	**46.26**	**46.26**	**46.76**
Number of Customers Served per Employee	**419**	**425**	**426**

EXPENDITURE AND REVENUE SUMMARY

	2016/17 ACTUAL	2017/18 BUDGET	2017/18 EST. ACTUAL	2018/19 PROPOSED	2018/19 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 2,657,118	$ 2,738,192	$ 2,689,020	$ 2,733,147	-0.2%
Benefits	1,445,616	1,398,497	1,338,857	1,364,567	-2.4%
Overtime	99,230	68,000	68,000	73,000	7.4%
Personnel Subtotal	**4,201,964**	**4,204,689**	**4,095,877**	**4,170,714**	**-0.8%**
Contractual Services	1,597,794	1,674,238	1,603,888	1,681,614	0.4%
Operating Expenditures	3,943,129	4,097,638	4,037,725	4,049,030	-1.2%
Operating Cap Exp (Cap Outlay)	13,099	14,400	10,400	15,000	4.2%
Other General Expenses	3,572,716	3,586,690	3,556,199	3,734,097	4.1%
Operating Subtotal	**9,126,738**	**9,372,966**	**9,208,212**	**9,479,741**	**1.1%**
Total Expenditures	**$ 13,328,702**	**$ 13,577,655**	**$ 13,304,089**	**$ 13,650,455**	**0.5%**
REVENUES BY TYPE					
Departmental Revenue	14,019,931	14,026,844	14,337,094	14,398,971	2.7%
Total Revenues	**$ 14,019,931**	**$ 14,026,844**	**$ 14,337,094**	**$ 14,398,971**	**2.7%**
Expenditures, net of Revenues	**$ (691,229)**	**$ (449,189)**	**$ (1,033,005)**	**$ (748,516)**	**66.6%**

BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY18 to Estimated Actual FY18

The Wastewater Division continues to carry 2 positions unfunded in the Collection System for FY18. All external seminars and non-certification training continue to be monitored. Capital improvement projects have decreased from $3.02M budgeted in FY18 to $2.9M estimated in FY18 (a 4.1% reduction). From FY14 to FY18 our total revenues have increased from $11.6M to a projected $14.3M ($2.7M 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 FY18 to Proposed FY19

Total personnel expenditures reflect a decrease of approximately $34K or 0.8% from FY18 budget to FY19 budget as a net result of change in staff and potential salary enhancements and related employer payroll costs. In total, operating expenses are projected to increase by just 1.1% or $107K for increased depreciation as a result of infrastructure improvements made. Staff submitted our annual funding request to the MDE for the ENR Operation and Maintenance Grant which has been awarded for the last 6 years to POTW's that have been upgraded to provide Enhanced Nutrient Removal. The CIP for the Wastewater Division began upgrading the Sludge Handling Facilities in 2015 and has budgeted $4 Million to complete the upgrade of the Sludge Pelletizing Facility over the next 2 years.

STAFFING SUMMARY

	FY17	FY18 Budg	FY18 Est Act	FY19
Full time	48.26	48.26	48.26	48.76
Less: Unfunded	(2.00)	(2.00)	(2.00)	(2.00)
Staffing Total	46.26	46.26	46.26	46.76

In order to respond to the projection of the customer base, the Division will continue to monitor operational costs through any and all means available through FY19 and beyond.

WASTEWATER FUND - COMPARATIVE INCOME STATEMENT
FISCAL YEAR 2018/2019

ACCOUNT DESCRIPTION	2016/17 ACTUAL	2017/18 BUDGET	2017/18 EST. ACTUAL	2018/19 PROPOSED	2018/19 % CHANGE
OPERATING REVENUES					
Service Charges	$ 12,621,501	$ 12,713,000	$12,959,586	$ 13,218,186	4.0%
Other Revenues	346,747	287,585	326,063	325,585	13.2%
Operating Revenues	**12,968,248**	**13,000,585**	**13,285,649**	**13,543,771**	**4.2%**
OPERATING EXPENSES					
Plant Expenses	4,681,361	4,893,055	4,749,004	4,886,299	-0.1%
Laboratory Expenses	287,534	300,875	293,345	301,121	0.1%
Collections	1,444,371	1,518,585	1,446,772	1,392,769	-8.3%
Selling, General & Administrative	3,410,923	3,278,450	3,258,769	3,336,168	1.8%
Depreciation	3,036,751	3,180,000	3,135,000	3,305,000	3.9%
Total Operating Expenses	**12,860,940**	**13,170,965**	**12,882,890**	**13,221,357**	**0.4%**
Operating Income (Loss)	**107,308**	**(170,380)**	**402,759**	**322,414**	**-289.2%**
NON-OPERATING REVENUES (EXPENSES)					
Interest Earned	29,573	2,000	40,423	30,000	1400.0%
Premium on Bonds	8,031	7,953	8,888	8,888	11.8%
Interest/Bond Issuance Expense	(397,460)	(404,815)	(419,324)	(425,098)	5.0%
Gain (Loss) on Sale of Capital Assets	(66,802)	-	31,160	-	0.0%
Total Other Income (Expense)	**(426,658)**	**(394,862)**	**(338,853)**	**(386,210)**	**-2.2%**
Income before Contribs. & Transfers	**(319,350)**	**(565,242)**	**63,906**	**(63,796)**	**-88.7%**
TRANSFERS FROM (TO) OTHER FUNDS					
Transfers to Capital Improvements Fund	(3,500)	(1,875)	(1,875)	(4,000)	113.3%
Transfers from Health Insurance Fund	-	76,306	76,306	76,312	0.0%
Total Transfers From (To) Funds	**(3,500)**	**74,431**	**74,431**	**72,312**	**-2.8%**
CAPITAL CONTRIBUTIONS					
Benefit Charges	628,747	500,000	500,000	500,000	0.0%
Grants in Aid of Construction	385,332	440,000	394,668	240,000	-45.5%
Total Capital Contributions	**1,014,079**	**940,000**	**894,668**	**740,000**	**-21.3%**
Increase (Decrease) in Retained Earnings	**691,229**	**449,189**	**1,033,005**	**748,516**	**66.6%**
Add Back Depreciation	3,036,751	3,180,000	3,135,000	3,305,000	3.9%
Capital Outlay/Fixed Assets	(1,333,445)	(3,027,000)	(2,902,000)	(5,703,000)	88.4%
Repayment of Principal on Debt	(1,704,500)	(1,801,718)	(1,780,992)	(1,813,717)	0.7%
Changes in Working Capital	761,665	-	-	-	0.0%
Bond Proceeds	1,300,000	1,312,000	-	3,000,000	128.7%
Net Sources (Uses) of Cash	**$ 2,751,700**	**$ 112,471**	**$ (514,987)**	**$ (463,201)**	**-511.8%**
Beginning Fund Balance	**$ 50,514,242**	**$ 51,205,471**	**$51,205,471**	**$ 52,238,476**	**2.0%**
Ending Fund Balance	**$ 51,205,471**	**$ 51,654,660**	**$52,238,476**	**$ 52,986,992**	**2.6%**

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.

The chart reflects a slight decline in Residential City customers since 2014.

WASTEWATER FUND - PROPOSED OPERATING REVENUES
FISCAL YEAR 2018/2019

ACCOUNT DESCRIPTION	2016/17 ACTUAL	2017/18 BUDGET	2017/18 EST. ACTUAL	2018/19 PROPOSED	2018/19 % CHANGE
WASTEWATER SERVICES					
Fixed Service Charge - City	$ 1,600,344	$ 1,623,000	$ 1,640,000	$ 1,672,000	3.0%
Fixed Service Charge - County	703,775	707,000	718,000	732,000	3.5%
Fixed Service Charge - Joint Service	686,514	682,000	702,000	716,000	5.0%
Service Charges-Unbilled	(87,108)	-	-	-	0.0%
Metered City Wastewater	5,244,373	5,279,000	5,373,800	5,483,500	3.9%
Metered County Wastewater	2,566,753	2,529,000	2,600,600	2,652,500	4.9%
Metered Joint Service Wastewater	1,800,664	1,788,000	1,819,000	1,856,000	3.8%
Low-Pressure System Charge	106,186	105,000	106,186	106,186	1.1%
Total Service Charges	**12,621,501**	**12,713,000**	**12,959,586**	**13,218,186**	**4.0%**
OTHER REVENUES					
Wastwater Application Fees	2,150	2,000	2,000	2,000	0.0%
Wastewater Connection Charges	2,400	2,500	1,000	2,000	-20.0%
Review/Inspection Fee	18,956	15,000	10,000	10,000	-33.3%
Industrial Permit Maintenance Fee	5,250	5,500	5,500	5,500	0.0%
Reimbursements	6,914	2,000	6,914	6,914	245.7%
Insurance Reimbursements	1,346	-	2,278	-	0.0%
Lab Testing	746	1,000	700	700	-30.0%
Industrial Surcharges	74,233	75,000	74,200	75,000	0.0%
Rental Income	12,756	13,085	13,871	13,871	6.0%
Late Fees	199,362	165,000	200,000	200,000	21.2%
Miscellaneous Revenue	20,016	6,000	5,600	5,600	-6.7%
Net Gain/Loss-Scrap Sales	2,618	500	4,000	4,000	700.0%
Total Other Revenues	**346,747**	**287,585**	**326,063**	**325,585**	**13.2%**
Total Operating Revenues	**$ 12,968,248**	**$ 13,000,585**	**$ 13,285,649**	**$ 13,543,771**	**4.2%**

WASTEWATER FUND CAPITAL EXPENSES
FISCAL YEAR 2018/2019

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
Vehicle Replacement Program-C0004 Replace 1989 #519 Vacuum Truck ($105,000), 2005 #535 New Holland Tractor ($25,000), and 1993 #513 Kohler Generator ($65,000); 2002 Dump Truck ($180,000)	Vehicle Replacement	Replacement units - reduced maintenance costs anticipated	375,000
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 Replace-ment	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 Waste-water to Wastewater Treatment Plant from low lying areas.	Pump Station Rehabilitation Project	Reduce maintenance and increase safety and security of stations	100,000
Collection System Rehabilitation-C0327 Collection System personnel to continue point repairs throughout the system, service connection & main rehabilitation, and manhole rehabilitation.	Construction	Reducing the inflow and infiltration will provide future recapturing of allocation for the WWTP	400,000
WWTP Equipment-C0584 Replaces various aging equipment or adds additional new equipment to maintain efficient operations and permit compliance.	Equipment	Deteriorating Equipment that has reached the end of its use-ful life cycle requires replace-ment to maintain reliable and continuous operations	215,000
Buildings and Structures-C0585 Modify garage building adjacent to headworks and relocate the Thiogard tank and pumps, Replace boiler system in Operations Building, Replace roofing systems on Digester Building, construct 3 sided shed to park vehicles in the Administration Building.	Construction	Aging structures that require repairs and improvements	210,000
Oxygen System Improvements-C0657 Begin replacement of acuators and valves on oxygen distribution system at OAB deck.	Equipment	Improve reliability, efficiencies, and maintain MDE compliance	50,000
Solids Processing Pelletizer & WWTP Improvements-C0711 Upgrade or replace equipment in the Sludge Pelletizing facility (Synagro).	Equipment	Improve reliability and maintain MDE compliance	500,000

WASTEWATER FUND CAPITAL EXPENSES
FISCAL YEAR 2018/2019

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
Synagro Facility Upgrade Improvements-C0712 Phase 2: Synagro will upgrade the pelletizing facility as part of their extended contract.	Equipment Upgrades	Improve reliability and maintain MDE compliance	3,000,000
Collection System Equipment-C0713 Replaces various aging equipment or adds additional new equipment. New 80kVA trailer mounted, portable emergency generator for Pump Stations.	Equipment	Reduce annual maintenance costs, and long-term CIP planning	80,000
Laboratory Equipment-C0745 Replaces various aging equipment or adds additional new equipment.	Equipment	Improve reliability of existing equipment	10,000
Grinder Pump Replacement Program-C0767 Replace 20 Grinder Pumps.	Equipment	Replace deteriorating equipment	112,000
SSES City-Wide-CS Rehab-C0800 Correct infiltration & inflow into the Wastewater Collection System by replacement or re-lining defective piping.	Piping	Reducing the inflow & infiltration will provide future recapturing of allocation for the WWTP	400,000
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	200,000
Truck Lines and Laterals-C0834 Purchase or transfer of Infrastructure.	Infrastructure	Provide efficient use of Wastewater Infrastructure throughout system	15,000
SUBTOTAL PROJECT EXPENSES			**$ 5,703,000**
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 2018/2019

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
5472601-5861 Office Furniture and Equipment	Office Furniture and Equipment	Normal replacement of worn equipment	600
5472601-5865 Computer Equipment	Computer Equipment	Replace worn equipment	2,500
5472601-5867 Communication Equipment	Radios and SCADA System Upgrades	Normal replacement of worn equipment	500
5472701-5833 Lab Equipment	WW Lab Equipment	Replace worn equipment	5,000
5472701-5861 Office Furniture and Equipment	Office Furniture and Equipment	Normal replacement of worn office furniture and equipment	200
5472701-5865 Computer Equipment	Computer Equipment	Replace worn equipment	1,500
5474001-5861 Office Furniture and Equipment	Office Furniture and Equipment	Normal replacement of worn office furniture and equipment	500
5474001-5865 Computer Equipment	Computer Equipment	Replace worn equipment	1,500
TOTAL CAPITAL OUTLAY			**$ 5,718,000**

DEPARTMENT / PROGRAM OVERVIEW

The mission of the Parking System is to provide convenient and safe parking options at affordable rates for the residents, businesses and visitors to downtown Hagerstown. This is accomplished with 625 spaces in 2 parking decks, over 360 spaces on the streets and 750 spaces in 12 parking lots around the city. Half of the lots are neighborhood lots that provide additional parking for residents. A systems supervisor oversees full time and part time employees to collect money from the meters, invoice permit customers and maintain the facilities Parking enforcement responsibilites were transferred from Police to Parking effective 1/8/2018.

Total parking spaces dropped during calendar year 2018 with the removal of multiple parking meters on North and South Potomac Street. Metered parking was no longer warranted on N. Potomac north of Church St. On the 100 block of S. Potomac, a number of meters were removed south of the library to open parking spaces to the residents in that block.

DEPARTMENT / PROGRAM OBJECTIVES

• The responsibility of parking enforcement were transferreed from the Hagerstown Police Department to the Parking System on January 8, 2018. Staff will continue to work with the PEOs (Parking Enforcement Officers) on training, scheduling and enhancements for parking enforcement.

• Staff will revisit the pay-by-cell technology for parking meters. The program allows drivers to pay for parking via a phone application or by calling an 800 number. No cash is exchanged or required. Customers register a credit card online and the system accesses this information to pay for parking. Rates will have to be raised to make this a financially viable method of payment. Other parking enhancements such as kiosks and meter heads that accept credit cards will also be investigated as possible options.

• Work will continue on making improvements to multiple parking lots. This includes repairs to the paving, sidewalks and lighting. Paving work will be included with the street overlay project to take advantage of the bid prices. The City Light Department has been and will continue to be instrumental in replacing the parking lot lights.

PERFORMANCE INDICATORS

	2016/17	2017/18	2018/19
Parking Decks			
No. of Parking Spaces	**625**	**625**	**625**
No.of Permit Holders	**670**	**605**	**604**
Revenue			
Meters: Fees & Permits	**$365,394**	**$355,470**	**$355,470**
Decks: Fees & Permits	**$500,677**	**$476,140**	**$476,140**
Parking Enforcement	**$127,708**	**$124,500**	**$124,000**
Number of Parking Lots	**12**	**12**	**12**
Number of Parking Lot Permit Holders	**430**	**320**	**352**
Total Parking Spaces (Lots & Street)	**1,113**	**1,091**	**1,091**

EXPENDITURE AND REVENUE SUMMARY

	2016/17 ACTUAL	2017/18 BUDGET	2017/18 EST. ACTUAL	2018/19 PROPOSED	2018/19 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 253,114	$ 271,017	$ 271,651	$ 279,555	3.2%
Benefits	92,963	104,655	100,603	103,005	-1.6%
Overtime	1,222	1,200	1,200	1,233	2.8%
Personnel Subtotal	**347,299**	**376,872**	**373,454**	**383,793**	**1.8%**
Contractual Services	8,027	13,338	13,338	13,363	0.2%
Operating Expenditures	104,678	145,811	139,500	139,300	-4.5%
Operating Cap Exp (Cap Outlay)	-	1,000	2,036	1,000	0.0%
Other General Expenses	280,607	319,267	297,268	319,188	0.0%
Operating Subtotal	**393,312**	**479,416**	**452,142**	**472,851**	**-1.4%**
Total Expenditures	**$ 740,612**	**$ 856,288**	**$ 825,596**	**$ 856,644**	**0.0%**
REVENUES BY TYPE					
Departmental Revenue	999,049	921,407	961,367	960,867	4.3%
Total Revenues	**$ 999,049**	**$ 921,407**	**$ 961,367**	**$ 960,867**	**4.3%**
Expenditures, net of Revenues	**$ (258,437)**	**$ (65,119)**	**$ (135,771)**	**$ (104,223)**	**60.1%**

BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY18 to Estimated Actual FY18

Total personnel expenditures for FY18 estimated actual are anticipated to slightly lower than budget by $3K. In total, operating expenses are expected to be 1.4% or $6K lower than budget primarily due to updated depreciation trends being lower than orginally anticipated. Departmental revenues are expected to be 4.3% or $39K higher than budget due to higher parking deck fees and less parking discounts given at the University District Parking Deck and more parking enforcement revenue.

Adopted FY18 to Proposed FY19

Total personnel expenditures for FY19 proposed budget are 1.8% or $7K higher than FY18 budget and reflect the minimum wage increase effective 7/1/2018. Operating expenditures are anticipated to decrease by $6K or 1.4% as a result of budgeting for slightly lower operating expenditures due to the new parking deck equipment being installed in FY18. Depreciation expense is expected to be in line with the FY18 budget. Departmental revenues are expected to increase the same trend experiencing in current year. As a result, departmental revenue is $39K, or 4.3% higher than the FY18 budget.

STAFFING SUMMARY

	FY17	FY18 Budg	FY18 Est Act	FY19
Full time	2.20	2.20	2.20	2.20
Less: Unfunded	0.00	0.00	0.00	0.00
Staffing Total	2.20	2.20	2.20	2.20
Part time	7.00	10.00	10.00	10.00

The increase in part-time positions from FY17 actual to FY18 budget reflects the shift of 3 part-time enforcement staff from HPD (Hagerstown Police Department) to Parking.

PARKING FUND - COMPARATIVE INCOME STATEMENT
FISCAL YEAR 2018/2019

ACCOUNT DESCRIPTION	2016/17 ACTUAL	2017/18 BUDGET	2017/18 EST. ACTUAL	2018/19 PROPOSED	2018/19 % CHANGE
OPERATING REVENUES					
University District Parking Deck	$ 291,438	$ 255,500	$ 278,000	$ 278,000	8.8%
A & E Parking Deck	209,239	196,280	198,140	198,140	0.9%
Parking Lot Fees	365,394	344,470	355,470	355,470	3.2%
Net Parking Fines	127,708	120,500	122,500	124,000	2.9%
Other Revenue	-	2,000	2,000	-	-100.0%
Total Operating Revenues	**993,779**	**918,750**	**956,110**	**955,610**	**4.0%**
OPERATING EXPENSES					
University District Parking Deck	126,776	140,088	137,692	135,810	-3.1%
A & E Parking Deck	157,003	159,396	154,620	155,907	-2.2%
Other Parking Facilities	135,464	168,098	166,627	164,667	-2.0%
Parking Enforcement Expenses	40,762	69,439	69,390	81,073	16.8%
Depreciation	239,319	287,000	265,000	291,000	1.4%
Total Operating Expenses	**699,324**	**824,021**	**793,329**	**828,457**	**0.5%**
Operating Income (Loss)	**294,455**	**94,729**	**162,781**	**127,153**	**34.2%**
NON-OPERATING REVENUES (EXPENSES)					
Interest Earned	3,513	900	3,500	3,500	288.9%
Premium on Bonds	1,757	1,757	1,757	1,757	0.0%
Interest/Bond Issuance Expense	(39,288)	(31,767)	(31,767)	(28,187)	-11.3%
Total Other Income (Expense)	**(34,018)**	**(29,110)**	**(26,510)**	**(22,930)**	**-21.2%**
Income Before Contribs. & Transfers	**260,437**	**65,619**	**136,271**	**104,223**	**58.8%**
TRANSFERS FROM (TO) OTHER FUNDS					
Transfers to Capital Improvements Fund	(2,000)	(500)	(500)	-	-100.0%
Total Transfers From (To) Funds	**(2,000)**	**(500)**	**(500)**	**-**	**-100.0%**
Increase (Decrease) in Retained Earnings	**258,437**	**65,119**	**135,771**	**104,223**	**60.1%**
Add Back Depreciation	239,319	287,000	265,000	291,000	1.4%
Capital Outlay/Fixed Assets	(38,359)	(525,000)	(330,000)	(60,000)	-88.6%
Repayment of Principal on Debt	(169,611)	(181,991)	(181,991)	(218,351)	20.0%
Changes in Working Capital	(49,365)	-	-	-	0.0%
Bond Proceeds	-	450,000	280,000	-	-100.0%
Net Sources/(Uses)of Cash	**$ 240,421**	**$ 95,128**	**$ 168,780**	**$ 116,872**	**22.9%**
Beginning Fund Balance	**$ 6,651,258**	**$ 6,909,695**	**$ 6,909,695**	**$ 7,045,466**	**2.0%**
Ending Fund Balance	**$ 6,909,695**	**$ 6,974,814**	**$ 7,045,466**	**$ 7,149,689**	**2.5%**

PARKING FUND - PROPOSED OPERATING REVENUES
FISCAL YEAR 2018/2019

ACCOUNT DESCRIPTION	2016/17 ACTUAL	2017/18 BUDGET	2017/18 EST. ACTUAL	2018/19 PROPOSED	2018/19 % CHANGE
UNIVERSITY DISTRICT PARKING DECK					
Parking Deck Permits	$ 241,600	$ 210,000	$ 230,000	$ 230,000	9.5%
Parking Deck Fees	44,795	40,000	40,000	40,000	0.0%
Downtown Promotions	6,755	7,000	7,000	7,000	0.0%
Parking Deck Coupons	1,401	1,500	1,500	1,500	0.0%
Validation Fees	22,941	22,000	22,000	22,000	0.0%
Park N Shop	(4,476)	(5,000)	(2,500)	(2,500)	-50.0%
Volume Parking Discount	(21,578)	(20,000)	(20,000)	(20,000)	0.0%
Total University District Deck Revenues	**291,438**	**255,500**	**278,000**	**278,000**	**8.8%**
A&E PARKING DECK					
Parking Deck Permits	159,762	150,000	150,000	150,000	0.0%
Parking Deck Fees	51,326	50,000	50,000	50,000	0.0%
Downtown Promotions	-	-	-	-	0.0%
PEP Discounts	(1,849)	(3,720)	(1,860)	(1,860)	-50.0%
Total A&E Parking Deck Revenues	**209,239**	**196,280**	**198,140**	**198,140**	**0.9%**
PARKING LOT REVENUES					
Street Meters	108,601	110,000	110,000	110,000	0.0%
Antietam Street Lot Meters	23,430	25,000	25,000	25,000	0.0%
Bryan Center Lot Meters	266	350	350	350	0.0%
Central Lot Meters	35,592	40,000	40,000	40,000	0.0%
Market House Lot Meters	2,259	2,500	2,500	2,500	0.0%
Rochester Lot Meters	851	500	500	500	0.0%
Central Lot Permits	52,300	45,000	45,000	45,000	0.0%
Church Street Lot Permits	54,405	50,000	50,000	50,000	0.0%
Market House Lot Permits	49,627	32,000	43,000	43,000	34.4%
Rochester Lot Permits	6,221	7,000	7,000	7,000	0.0%
Departmental Charges-Parking Permits	34,578	35,000	35,000	35,000	0.0%
Free Parking - 41 E Franklin Street	(1,152)	(1,152)	(1,152)	(1,152)	0.0%
Free Parking - 39 E Franklin Street	(1,584)	(1,728)	(1,728)	(1,728)	0.0%
Total Parking Lot Revenues	**365,394**	**344,470**	**355,470**	**355,470**	**3.2%**
PARKING TICKET REVENUES					
Fines-Traffic Violations	1,080	2,500	2,500	4,000	60.0%
Original Issuance	110,495	93,000	100,000	100,000	7.5%
Late fees	84,862	75,000	80,000	80,000	6.7%
Uncollectable Parking Tickets	(68,729)	(50,000)	(60,000)	(60,000)	20.0%
Total Parking Ticket Revenues	**127,708**	**120,500**	**122,500**	**124,000**	**2.9%**
Insurance Reimbursements	-	2,000	2,000	-	-100.0%
Sale of Assets	-	-	-	-	0.0%
Total Other Revenues	**-**	**2,000**	**2,000**	**-**	**-100.0%**
Total Operating Revenues	**$ 993,779**	**$ 918,750**	**$ 956,110**	**$ 955,610**	**4.0%**

PARKING FUND CAPITAL EXPENSES
FISCAL YEAR 2018/2019

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
Upgrades to Parking Decks-C0749 General repairs and improvements to both decks.	General Repairs and Improvements	Continued refurbishments to prevent deterioration of the facility.	30,000
Parking Lot Improvements-C0857 Improve the overall condition of surface parking lots: Elizabeth Hager 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.	30,000
SUBTOTAL PROJECT EXPENSES			**$ 60,000**
5674013-5861 Desks-Chairs-Tables	Office Equipment	Replace as needed	1,000
TOTAL CAPITAL OUTLAY			**$ 61,000**

DEPARTMENT / PROGRAM OVERVIEW

Constructed in 1932 by private individuals, the Greens at Hamilton Run has a mature course layout that new courses cannot equal. The City of Hagerstown has operated the golf course since 1947. We pride ourselves on beautiful greens, beautiful views, and well maintained fairways. The course is a 9-hole par 35 course featuring all the amenities of more expensive courses. Our rates are very economical, the location is convenient off of Route 40, and the course provides for a quick round of golf.

Standard green fee rates were last updated in 2012. In the last few years we have replaced all tee markers, installed yardage markers, installed new bridges over Hamilton Run and made general improvements to the course. All carts are leased in a piggyback on a Washington County contract and are new starting in 2018. The course itself is in very good condition and the clubhouse was completely renovated in 2012 to provide an area for players to relax and enjoy food and beverages before and after their rounds.

DEPARTMENT / PROGRAM OBJECTIVES

• Recreation staff will strive to decrease costs during FY19 by implementing several new ideas such as eliminating maintenance staff overtime, eliminating contracted mowing, obtaining more prices on merchandise to sell to get better margins, cut back the number of carts from 25 to 20, defer any equipment replacements, attempt to reduce water usage by 10%, and get ARC to maintain landscaping around the club house and at the main sign.

• We will strive to increase revenue by installing an “honor system” box to get funds from golfers who play in the winter when the course is closed, increase concession prices, attempt to get more tee marker sponsors (currently have 9), advertise to host more tournaments, attempt to get cart sponsors, target slower times for a special (such as afternoons between noon and 4:00PM), and encourage play by ‘friend groups’ from other courses like Beaver Creek.

• In 2018, we plan to add sand traps, continue to strive for increased professionalism of the clubhouse operations, and will continue to seek grants to relocate the stream on Holes #2 and #6.

PERFORMANCE INDICATORS

	2016/17	2017/18	2018/19
Number of 9-hole Rounds started	**12,981**	**11,180**	**11,000**
Number of Rounds started	**10,498**	**9,458**	**9,200**
Average daily rounds of golf	**46**	**43**	**42**
Number of cart rentals	**5,264**	**5,200**	**5,100**
Number of golf leagues	**2**	**1**	**2**
Number of golf tournaments	**5**	**8**	**9**
Pro Shop Sales (in $)	**$ 16,200**	**$18,500**	**$20,500**

EXPENDITURE AND REVENUE SUMMARY

	2016/17 ACTUAL	2017/18 BUDGET	2017/18 EST. ACTUAL	2018/19 PROPOSED	2018/19 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 163,983	$ 155,718	$ 171,509	$ 171,924	10.4%
Benefits	94,099	90,593	99,092	96,889	6.9%
Overtime	13,619	7,000	7,082	2,000	-71.4%
Personnel Subtotal	**271,701**	**253,311**	**277,683**	**270,813**	**6.9%**
Contractual Services	33,474	38,945	30,858	20,458	-47.5%
Operating Expenditures	147,296	99,553	115,831	106,551	7.0%
Other General Expenses	40,744	50,000	36,754	38,955	-22.1%
Operating Subtotal	**221,514**	**188,498**	**183,443**	**165,964**	**-12.0%**
Total Expenditures	**$ 493,215**	**$ 441,809**	**$ 461,126**	**$ 436,777**	**-1.1%**
REVENUES BY TYPE					
Departmental Revenue	493,215	441,808	461,130	436,777	-1.1%
Total Revenues	**$ 493,215**	**$ 441,808**	**$ 461,130**	**$ 436,777**	**-1.1%**
Expenditures, net of Revenues	**$ -**	**$ 1**	**$ (4)**	**$ -**	**-100.0%**

BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY18 to Estimated Actual FY18

Total Expenditures reflect a 4.4% or a $19K increase from the adopted budget to estimated actual for FY18. Operating revenue is projected to be higher $19K or 4.4% with FY18 adopted budget and estimated actual. However, FY18 estimated departmental revenue is expected to be $32K or 6.5% lower than FY17 actual due to less general fund stipend being utilized in FY18 than in FY17.

Adopted FY18 to Proposed FY19

In total, personnel expenditures are planned to increase by 6.9% or $17K. Of this total, benefit expenses include an increase of 6.9% or $6K. Other general expenses are expected to decrease by $11K or 22.1%. This decrease is a result of the assets with the Golf Course getting older and not making capital improvements which decreases the associated depreciation expense. Total departmental revenue reflects a total decrease of 1.1% or $5K. The decrease in revenue results from needing $5K less in FY19 from the general fund as a stipend. The total anticipated stipend needed in FY19 from the general fund is $273K.

STAFFING SUMMARY

	FY17	FY18 Budg	FY18 Est Act	FY19
Full time	2.52	2.25	2.25	2.25
Less: Unfunded	0.00	0.00	0.00	0.00
Staffing Total	2.52	2.25	2.25	2.25
Part time	1.00	2.00	2.00	1.00
Seasonal	3.00	2.00	2.00	3.00
Total Part time	4.00	4.00	4.00	4.00

Overall, staffing for the Golf Course will remain steady with the same number of employees. However, some staff will be allocated for additional time spent in other areas in FY18 and FY19 which is reflected in the slight decrease in full-time staffing above.

GOLF COURSE FUND - COMPARATIVE INCOME STATEMENT
FISCAL YEAR 2018/2019

ACCOUNT DESCRIPTION	2016/17 ACTUAL	2017/18 BUDGET	2017/18 EST. ACTUAL	2018/19 PROPOSED	2018/19 % CHANGE
OPERATING REVENUES					
Green Fees	$ 77,673	$ 81,258	$ 80,000	$ 80,000	-1.5%
Cart Rentals	38,348	35,000	45,000	53,000	51.4%
Tournaments and Specials	41,515	84,500	8,000	8,000	-90.5%
Other Revenues	16,499	21,050	24,800	22,300	5.9%
Total Operating Revenues	**174,035**	**221,808**	**157,800**	**163,300**	**-26.4%**
OPERATING EXPENSES					
Operating Expenses	452,471	391,809	424,372	397,822	1.5%
Depreciation	40,744	50,000	36,754	38,955	-22.1%
Total Operating Expenses	**493,215**	**441,809**	**461,126**	**436,777**	**-1.1%**
Operating Income (Loss)	**(319,180)**	**(220,001)**	**(303,326)**	**(273,477)**	**24.3%**
NONOPERATING REVENUES (EXPENSES)					
Interest Earned	-	-	-	-	0.0%
Total Other Income (Expense)	**-**	**-**	**-**	**-**	**0.0%**
TRANSFERS FROM (TO) OTHER FUNDS					
Transfers from General Fund	319,180	220,000	303,330	273,477	24.3%
Total Transfers From (To) Funds	**319,180**	**220,000**	**303,330**	**273,477**	**24.3%**
CAPITAL CONTRIBUTIONS					
Capital Contributions	-	-	-	-	0.0%
Total Capital Contributions	**-**	**-**	**-**	**-**	**0.0%**
Increase (Decrease) in Retained Earnings	**-**	**(1)**	**4**	**-**	**-100.0%**
Add Back Depreciation	40,744	50,000	36,754	38,955	-22.1%
Capital Outlay/Fixed Assets	-	(37,000)	(29,995)	(22,000)	-40.5%
Changes in Working Capital	(28,775)	-	-	-	0.0%
Net Sources (Uses) of Cash	**$ 11,969**	**$ 12,999**	**$ 6,763**	**$ 16,955**	**30.4%**
Beginning Fund Balance	**$ 534,917**	**$ 534,917**	**$ 534,917**	**$ 534,921**	**0.0%**
Ending Fund Balance	**$ 534,917**	**$ 534,916**	**$ 534,921**	**$ 534,921**	**0.0%**

GOLF COURSE FUND - PROPOSED OPERATING REVENUES
FISCAL YEAR 2018/2019

ACCOUNT DESCRIPTION	2016/17 ACTUAL	2017/18 BUDGET	2017/18 EST. ACTUAL	2018/19 PROPOSED	2018/19 % CHANGE
GREENS REVENUES					
Greens Fees-Weekday,Regular,9-Hole	73,905	81,258	80,000	80,000	-1.5%
Season Pass- Regular Individual	3,768	-	-	-	0.0%
Total Greens Revenues	**77,673**	**81,258**	**80,000**	**80,000**	**-1.5%**
GOLF CART REVENUES					
Cart Rentals-Regular, 9-Holes	38,348	35,000	45,000	53,000	51.4%
Total Golf Cart Revenues	**38,348**	**35,000**	**45,000**	**53,000**	**51.4%**
TOURNAMENTS & SPECIALS	**41,515**	**84,500**	**8,000**	**8,000**	**-90.5%**
OTHER REVENUES					
Rental of Golf Clubs	207	200	400	400	100.0%
Contributions/Other Sponsorships	50	250	800	800	220.0%
Tee Marker/Scorecard Sponsorship	-	2,000	5,000	500	-75.0%
Golf Course Concession Revenues	3,856	4,000	4,000	4,000	0.0%
Golf Course Vending Revenues	5,695	6,000	6,000	8,000	33.3%
Golf Course Alcohol Revenues	6,649	8,500	8,500	8,500	0.0%
Miscellaneous Golf Revenues	42	100	100	100	0.0%
Total Other Revenues	**16,499**	**21,050**	**24,800**	**22,300**	**5.9%**
Total Operating Revenues	**$ 174,035**	**$ 221,808**	**$ 157,800**	**$ 163,300**	**-26.4%**

GOLF COURSE FUND CAPITAL EXPENSES
FISCAL YEAR 2018/2019

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
Golf Course -Vehicles/Equipment-C0395 Replace Cushman Turf used for Aeration #373A	Vehicle and Equipment Replacement Schedule	Replace deteriorated equipment. Maintain reliable and efficient equipment necessary to operate and maintain golf course.	22,000
TOTAL CAPITAL OUTLAY			**$ 22,000**

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 building is now fully renovated. Utilizing funds from a USDA RBEG Grant, furnishing and fit out of the business incubator space has been completed. This space will be used as a business resource center for entrepreneurs and growing businesses. Program planning has been completed and BuroBox operations are now underway. The name "BuroBox" is German which translates to "OfficeBox" and is representative of Hagerstown's German heritage. The front retail space is currently available for lease. 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 with rotating art exhibits throughout the year.

• Planned repairs for FY19 and future fiscal years include:
40 N Potomac Street - improvements to the rear parking lot and replacement of the deck behind the restaurant space
60 West Washington Street - replacement of roof
17-25 East Franklin Street - replacement of roof and replacement of windows

PERFORMANCE INDICATORS

	2016/17	2017/18	2018/19
Number of leases -			
Elizabeth-Hager Center	**7**	**7**	**7**
Roslyn Building	**2**	**3**	**3**
Fire Police Headquarters	**1**	**1**	**1**
Small Business Incubator (60 W. Washington St)	**1**	**8**	**8**
36-40 North Potomac Street	**3**	**5**	**5**
Alms House	**0**	**0**	**0**

EXPENDITURE AND REVENUE SUMMARY

	2016/17 ACTUAL	2017/18 BUDGET	2017/18 EST. ACTUAL	2018/19 PROPOSED	2018/19 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 83,331	$ 84,694	$ 77,444	$ 83,857	-1.0%
Benefits	25,594	27,286	25,299	25,119	-7.9%
Overtime	-	-	-	-	0.0%
Personnel Subtotal	**108,925**	**111,980**	**102,743**	**108,976**	**-2.7%**
Contractual Services	32,773	27,395	29,745	30,262	10.5%
Operating Expenditures	339,783	313,811	234,541	183,670	-41.5%
Operating Cap Exp (Cap Outlay)	600	-	-	600	0.0%
Other General Expenses	326,345	141,203	154,582	164,427	16.4%
Operating Subtotal	**699,501**	**482,409**	**418,868**	**378,959**	**-21.4%**
Total Expenditures	**$ 808,426**	**$ 594,389**	**$ 521,611**	**$ 487,935**	**-17.9%**
REVENUES BY TYPE					
Departmental Revenue	374,849	350,297	576,959	388,892	11.0%
Total Revenues	**$ 374,849**	**$ 350,297**	**$ 576,959**	**$ 388,892**	**11.0%**
Expenditures, net of Revenues	**$ 433,577**	**$ 244,092**	**$ (55,348)**	**$ 99,043**	**-59.4%**

BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY18 to Estimated Actual FY18

Salaries and Wages are expected to be lower in FY18 that the FY 18 budget by $7K. Additionally, overall personnel expenditures are expected to be under budget by $9K or 8.2% due to lower the lower salaries and wages. Operating expenditures are anticipated to be lower than budget by $63K or 12.2%. In total, revenues projected to come in higher than budget by $226K due to a $200K transfer in from CDBG fund and rental income higher by $24K.

Adopted FY18 to Proposed FY19

Salaries and Wages are projected to remain flat to FY 18 budget. Operating expenditures are planned to decrease by $103K, or 21.4%, due to a payment in lieu of taxes of $57K in FY18 budget. In addition, departmental revenues are expected to increase by 11% or $38K, largely due to DLLR at 2-6 N Potomac Street 1st Floor of $5K, Dept Labor-MOSH at 14 N Potomac Street Suite B-3 of $3K, and the artist loft apartments rentals at 38 N Potomac Street of $4K.

STAFFING SUMMARY

	FY17	FY18 Budget	FY18 Est Act	FY19
Full time	0.90	0.90	0.90	0.90
Less: Unfunded	-	-	-	-
Staffing Total	0.90	0.90	0.90	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 2018/2019

ACCOUNT DESCRIPTION	2016/17 ACTUAL	2017/18 BUDGET	2017/18 EST. ACTUAL	2018/19 PROPOSED	2018/19 % CHANGE
OPERATING REVENUES					
Rent from Tenants	$ 309,414	$ 330,297	$ 354,743	$ 344,492	4.3%
Other Revenues	3,046	6,000	3,600	6,400	6.7%
Total Operating Revenues	**312,460**	**336,297**	**358,343**	**350,892**	**4.3%**
OPERATING EXPENSES					
Selling, General and Administrative Expenses	482,083	453,186	367,029	323,508	-28.6%
Depreciation	128,610	138,000	150,000	160,000	15.9%
Total Operating Expenses	**610,693**	**591,186**	**517,029**	**483,508**	**-18.2%**
Operating Income (Loss)	**(298,233)**	**(254,889)**	**(158,686)**	**(132,616)**	**-48.0%**
NON-OPERATING REVENUES (EXPENSES)					
Interest Earned	17,887	14,000	13,000	13,000	-7.1%
Interest/Bond Issuance Expense	(5,222)	(3,203)	(4,582)	(4,427)	38.2%
Gain (Loss) on Capital Assets	(3,813)	-	-	-	0.0%
Total Other Income (Expense)	**8,852**	**10,797**	**8,418**	**8,573**	**-20.6%**
Net Income (Loss) Before Transfers	**(289,381)**	**(244,092)**	**(150,268)**	**(124,043)**	**-49.2%**
TRANSFERS FROM (TO) OTHER FUNDS					
Transfers from CDBG Fund	-		200,000	25,000	100.0%
Transfers to Capital Improvements Fund	(188,697)	-	-	-	0.0%
Total Transfers From (To) Funds	**(188,697)**	**-**	**200,000**	**25,000**	**100.0%**
CAPITAL CONTRIBUTIONS					
Grants in Aid of Construction	44,502	-	5,616	-	0.0%
Total Capital Contributions	**44,502**	**-**	**5,616**	**-**	**0.0%**
Increase (Decrease) in Retained Earnings	**(433,577)**	**(244,092)**	**55,348**	**(99,043)**	**-59.4%**
Add Back Depreciation	128,610	138,000	150,000	160,000	15.9%
Capital Outlay/Fixed Assets	(187,185)	(312,000)	(296,361)	(190,000)	-39.1%
Repayment of Principal on Debt	(586)	(7,108)	(5,052)	(5,085)	-28.5%
Changes in Working Capital	10,840	-		-	0.0%
Bond Proceeds	40,454	225,000	-	-	-100.0%
Net Sources (Uses) of Cash	**$ (441,444)**	**$ (200,200)**	**$ (96,065)**	**$ (134,128)**	**-33.0%**
Beginning Fund Balance	**$ 5,052,381**	**$ 4,618,804**	**$ 4,618,804**	**$ 4,674,152**	**1.2%**
Ending Fund Balance	**$ 4,618,804**	**$ 4,374,712**	**$ 4,674,152**	**$ 4,575,109**	**4.6%**

PROPERTY MANAGEMENT FUND - PROPOSED OPERATING REVENUES
FISCAL YEAR 2018/2019

ACCOUNT DESCRIPTION	2016/17 ACTUAL	2017/18 BUDGET	2017/18 EST. ACTUAL	2018/19 PROPOSED	2018/19 % CHANGE
Rent - 2-6 N Potomac Street, 1st Floor	$ 148,368	161,530	166,636	167,100	3.4%
Rent - 14 N Potomac Street, Suite 200A/B	21,974	33,884	36,582	34,248	1.1%
Rent - 14 N Potomac Street, Suite B-2	-	-	(74)	-	0.0%
Rent - 6 N Potomac Street	19,306	19,306	19,306	19,306	0.0%
Rent - 14 N Potomac Street, Suite B-3	26,787	14,611	29,222	18,000	23.2%
Rent - 17 E Franklin Street	9,188	9,451	9,406	9,713	2.8%
Rent - 25 E Franklin Street	-	7,200	5,550	7,400	2.8%
Rent - 14 N Potomac Suite 200B Rm 59	2,334	2,334	2,334	2,334	0.0%
Rent - 790-800 Potomac Avenue	13,319	13,000	13,000	13,000	0.0%
Rent - 40 N Potomac Street	19,748	20,291	20,291	20,901	3.0%
Rent - 60 W Washington St Rear	30,240	31,590	31,590	31,590	0.0%
Rent - 38 N Potomac Street	18,150	17,100	20,900	20,900	22.2%
Total Rent from Tenants	**309,414**	**330,297**	**354,743**	**344,492**	**4.3%**
Contributions/Donations	-	-	-	-	0.0%
Membership Dues	1,450	6,000	3,600	6,400	6.7%
Other Revenues	1,596	-	-	-	0.0%
Total Other Revenues	**3,046**	**6,000**	**3,600**	**6,400**	**6.7%**
Total Operating Revenues	**$ 312,460**	**$ 336,297**	**$ 358,343**	**$ 350,892**	**4.3%**

BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY18 to Estimated Actual FY18

Rental income from tenants is anticipated to be slightly higher by $5K over FY18 budget primarily due to a small increase in rental income of lease renewals including NIST and the artist loft apartments. Other revenues for FY18 budget and FY18 estimated actual are lower by $2K in membership dues from the delay in opening the BuroBox.

Adopted FY18 to Proposed FY19

The total rents from tenants for FY19 will increase by 4.3% or $14K largely due to projected rental income increases for DLLR at 2-6 N Potomac Street 1st Floor of $5K, for Dept. of Labor-MOSH at 14 N Potomac Street Suite B-3 of $3K, and the artist loft apartments rentals at 38 N.Potomac of $4K.

PROPERTY MANAGEMENT FUND CAPITAL EXPENSES
FISCAL YEAR 2018/2019

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
Alms House Repairs-C0775 Building Stabilization and Exterior Code Compliance	Building Renovation	Bring building up to current property codes with regard to the exterior.	5,000
Roslyn Building Renovation-C0779 Roof and Window Replacement. Total project estimate ($225,000) to begin in FY18 with remaining portion ($25,000) to be completed in FY19.	Building Renovation	Roof is original to renovation over 15 years ago. Useful life has been met or exceeded. Wood windows have deteriorated. Need is immediate.	25,000
Elizabeth Hager Center-C0803 Painting, Various Leasehold Improvements, Replacement of HVAC Units, Replace tile and subfloor in DLLR main lobby ($20,000), Replace windows on second floor of DLLR building ($25,000)	Office Use for City's Tenants	New HVAC should be more efficient, possibly saving on heating and cooling costs. Replace floor and windows in accordance with DLLR lease extension.	45,000
Hagerstown Small Business Center-C0828 Total building roof replacement ($90,000) Painting USMH space ($10,000)	Building Renovation	Provide space for new and existing downtown businesses.	100,000
36-40 North Potomac Street-C0836 Reconstruct rear wall at restaurant	Building Renovation	Building located at 36-40 N Potomac was acquired in order to create artist housing in the A&E District.	15,000
TOTAL CAPITAL OUTLAY			**$ 190,000**

SPECIAL REVENUE FUNDS
SECTION 5

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

SPECIAL REVENUE FUNDS -COMBINED STATEMENT OF REVENUES AND EXPENDITURES
FISCAL YEAR 2018/2019

ACCOUNT DESCRIPTION	CDBG	ECONOMIC REDEV	BUS. REVOLV LOAN FUND	FOREST CONSERV FUND	UPPER FL REDEVLOP FUND	FLEXIBLE SPENDING	EXCISE TAX	GRANT	TOTAL
REVENUES									
Grant Revenues	$ 1,112,023	$ 390,000	-	$ -	$ -	$ -	$ -	$ 429,472	$ 1,931,495
Program Income	220,884	-	21,720	-	-	-	-	-	242,604
Interest on Investments	-	700	450	-	-	25	50	-	1,225
Reforestation Fees	-	-	-	8,000	-	-	-	-	8,000
State Funding Pass Thrus: Urban Improv Proj	-	900,000	-	-	-	-	-	-	900,000
Other Revenues	-	32,400	1,200	-	-	4,000	-	-	37,600
Total Revenues	**1,332,907**	**1,323,100**	**23,370**	**8,000**	**-**	**4,025**	**50**	**429,472**	**3,120,924**
EXPENDITURES									
New Loan Expenditures	-	-	125,000	-	-	-	-	-	125,000
Commercial/Industrial Improvements	25,000	15,000	-	-	-	-	-	-	40,000
Clearance/Demolition	75,000	-	-	-	-	-	-	-	75,000
Public Facilities and Improvements	540,000	-	-	-	-	-	-	27,000	567,000
Public Services	105,000	-	-	-	-	-	-	-	105,000
Housing	371,160	-	-	-	-	-	-	-	371,160
Administration	156,517	27,203	13,688	-	-	3,900	-	-	201,308
Public Safety	-	-	-	-	-	-	-	402,472	402,472
Comm First Third Grant:Invest Hagerstown	-	50,000	-	-	-	-	-	-	50,000
Citywide Down Payment	-	25,000	-	-	-	-	-	-	25,000
City Center Down Payment	-	30,000	-	-	-	-	-	-	30,000
PEP Subsidized Rent Payments	-	131,500	-	-	-	-	-	-	131,500
USMH Housing Catalyst #3	-	207,500	-	-	-	-	-	-	207,500
State Funding Pass Thrus: Urban Improv Proj	-	900,000	-	-	-	-	-	-	900,000
Total Expenditures	**1,272,677**	**1,386,203**	**138,688**	**-**	**-**	**3,900**	**-**	**429,472**	**3,230,940**
Excess of Revenues Over (under) Expenditures	**60,230**	**(63,103)**	**(115,318)**	**8,000**	**-**	**125**	**50**	**-**	**(110,016)**
OTHER FINANCING USES									
Operating Transfers From Other Funds	-	125,000	-	-	-	-	-	-	125,000
Operating Transfers (to) Other Funds	-	-	-	(10,000)	-	-	-	-	(10,000)
General FB Transfers From Invest Hagerstown	-	50,000	-	-	-	-	-	-	50,000
Total Other Financing Uses	**-**	**175,000**	**-**	**(10,000)**	**-**	**-**	**-**	**-**	**165,000**
Net Change in Fund Balance	**60,230**	**111,897**	**(115,318)**	**(2,000)**	**-**	**125**	**50**	**-**	**54,984**
Beginning Fund Balance	**2,544,979**	**1,818,947**	**897,455**	**32,180**	**-**	**5,278**	**6,847**	**173,921**	**5,479,607**
Ending Fund Balance	**$ 2,605,209**	**$ 1,930,844**	**$ 782,137**	**$ 30,180**	**$ -**	**$ 5,403**	**$ 6,897**	**$ 173,921**	**$ 5,534,591**
DETAIL OF ENDING FUND BALANCE									
Nonspendable	$ -	1,600,000	$ 700,000	$ -	$ -	$ -	$ -	$ -	$ 2,300,000
Restricted	2,148,000	-	-	-	-	-	-	38,000	2,186,000
Assigned	20,000	330,844	82,137	30,180	-	5,403	6,897	135,921	611,382
Unassigned	437,209	-	-	-	-	-	-	-	437,209
Ending Fund Balance	**$ 2,605,209**	**$ 1,930,844**	**$ 782,137**	**$ 30,180**	**$ -**	**$ 5,403**	**$ 6,897**	**$ 173,921**	**$ 5,534,591**

COMMUNITY DEVELOPMENT BLOCK GRANT - PROGRAM DESCRIPTION
FISCAL YEAR 2018/2019

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 prior to FY13. The entitlement amount for FY19 is estimated to be $575,000. This amount is approximately $92,000 less than the FY18 entitlement amount and continues the trend of reduced entitlements to the CDBG program. The exact entitlement amount for FY19 will be determined once the Federal HUD budget is finalized.

DEPARTMENT / PROGRAM OBJECTIVES

- Consistent with the National Objectives and Hagerstown's Five Year CDBG Consolidated Plan, the FY19 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 FY19 include crosswalk and street signal enhancements, new sidewalk construction, and sidewalk accessibility ramp construction.

- The FY19 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

	2016/17	2017/18	2018/19
Number of Active Loans Outstanding	**26**	**24**	**28**
Value of Active Loans Portfolio ($000)	**$ 1,357**	**$ 1,313**	**$ 1,425**
Down Payment Assistance Cases	**0**	**10**	**3**
CDBG Single Family Rehabilitation Projects	**9**	**20**	**20**
Citizens Assisted Through Public Services	**898**	**800**	**800**
Overall Low/Moderate Benefit Ratio (%)	**88%**	**85%**	**85%**
Total Administrative Costs as Percent of Total Expenditures	**19%**	**20%**	**20%**

EXPENDITURE SUMMARY

	2016/17 ACTUAL	2017/18 BUDGET	2017/18 EST. ACTUAL	2018/19 PROPOSED	2018/19 % CHANGE
Commercial/Industrial Improvements	$ 6,697	$ -	$ 200,000	$ 25,000	100.0%
Clearance and Demolition	-	-	-	75,000	100.0%
Public Facilities and Improvements	395,325	240,000	269,400	540,000	125.0%
Public Services	105,000	105,000	105,000	105,000	0.0%
Cost of Properties Held for Resale	102,722	-	124,138	-	0.0%
Housing Rehab	83,352	704,960	347,060	371,160	-47.4%
Administration	544,900	152,474	121,487	156,517	2.7%
Total Expenditures	**$ 1,237,996**	**$ 1,202,434**	**$ 1,167,085**	**$ 1,272,677**	**5.8%**

BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY18 to Estimated Actual FY18

CDBG funded Homeownership projects will span multiple fiscal years resulting in some expenditures carrying over to FY19.

In FY18, funding was provided for a part-time code inspector position focused on improving the quality of life in City neighborhoods. Funding for this position is also included in the FY19 budget.

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

A cooperative effort with the Parks & Engineering Department lead to the following neighborhood based projects in FY18:

- Accessibility Ramp Improvements
- Construction of National Road Park
- Prospect Avenue/Forest Drive Crosswalk
- New Sidewalk Construction

Adopted FY18 to Proposed FY19

The City is anticipating a slight increase in annual FY18 CDBG entitlement funds from HUD. With the increased entitlement amount, FY19 expenditures will be higher compared to FY18 due to the receipt of unanticipated program income and carry over funding for multi-year projects. Projects that span multiple fiscal years and fluctuations in program income typically impact CDBG spending levels each year.

The FY19 budget includes funds for moving forward with several initiatives in the Strategic Plan and the Community's City Center Plan including neighborhood sidewalk improvements, crosswalk improvements, homeownership support, and various neighborhood 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.

STAFFING SUMMARY

	FY17	FY18 Budget	FY18 Est Act	FY19
Full time	2.00	2.00	2.00	2.00
Less: Unfunded	0.0	0.0	0.0	0.0
Staffing Total	2.00	2.00	2.00	2.00

Full time employee count will remain flat for FY19.

COMMUNITY DEVELOPMENT BLOCK GRANT - COMPARATIVE INCOME STATEMENT
FISCAL YEAR 2018/2019

ACCOUNT DESCRIPTION	2016/17 ACTUAL	2017/18 BUDGET	2017/18 EST. ACTUAL	2018/19 PROPOSED	2018/19 % CHANGE
REVENUES					
CDBG Grant Entitlements	$ 740,310	$ 1,099,952	$ 984,000	$ 1,112,023	1.1%
State Community Legacy Grant	-	-	22,679	-	0.0%
Program Income	130,896	266,405	261,634	220,884	-17.1%
Other Revenues	46,250	-	-	-	0.0%
Total Operating Revenues	**917,456**	**1,366,357**	**1,268,313**	**1,332,907**	**-2.4%**
EXPENDITURES					
Commercial/Industrial Improvements	$ 6,697	$ -	$ 200,000	$ 25,000	100.0%
Clearance and Demolition	-	-	-	75,000	100.0%
Public Facilities and Improvements	395,325	240,000	269,400	540,000	125.0%
Public Services	105,000	105,000	105,000	105,000	0.0%
Cost of Properties Held for Resale	102,722	-	124,138	-	0.0%
Housing Rehab	83,352	704,960	347,060	371,160	-47.4%
Administration	544,900	152,474	121,487	156,517	2.7%
Total Operating Expenditures	**1,237,996**	**1,202,434**	**1,167,085**	**1,272,677**	**5.8%**
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER USES	**$ (320,540)**	**$ 163,923**	**$ 101,228**	**$ 60,230**	**-63.3%**
Beginning Fund Balance	**2,764,291**	**2,443,751**	**2,443,751**	**2,544,979**	**4.1%**
Ending Fund Balance	**$ 2,443,751**	**$ 2,607,674**	**$ 2,544,979**	**$ 2,605,209**	**-0.1%**

COMMUNITY DEVELOPMENT BLOCK GRANT - PROPOSED OPERATING REVENUES
FISCAL YEAR 2018/2019

ACCOUNT DESCRIPTION	2016/17 ACTUAL	2017/18 BUDGET	2017/18 EST. ACTUAL	2018/19 PROPOSED	2018/19 % CHANGE
GRANTS					
CDBG GRANT ENTITLEMENTS					
B14 Entitlement	277,106	130,584	260,652	-	-100.0%
B15 Entitlement	150,377	14,510	250,499	-	-100.0%
B16 Entitlement	312,827	379,858	314,616	27,499	-92.8%
B17 Entitlement	-	575,000	158,233	509,524	-11.4%
B18 Entitlement	-	-	-	575,000	100.0%
State Community Legacy Grant	-	-	22,679	-	0.0%
Total Grants	740,310	1,099,952	1,006,679	1,112,023	1.1%
PROGRAM INCOME					
Sale of Properties	-	150,000	81,000	110,000	-26.7%
Principal Repayments on Loans	102,722	76,401	145,630	72,524	-5.1%
Interest Income on Loans	28,174	40,004	35,004	38,360	-4.1%
Total Program Income	130,896	266,405	261,634	220,884	-17.1%
OTHER REVENUES					
Miscellaneous Revenues	46,250	-	-	-	0.0%
Total Other Revenues	46,250	-	-	-	0.0%
Total Operating Revenues	**$ 917,456**	**$ 1,366,357**	**$ 1,268,313**	**$ 1,332,907**	**-2.4%**

The CDBG Entitlement Funding History graph and chart below illustrate the CDBG Entitlement current year amounts awarded to the City for FY14–FY18, and the CDBG Entitlement amount estimated to be awarded to the City for FY19. 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 remained relatively steady overall from FY14 through FY18 with reductions in funding in FY15 and FY16 before 2.1% and 2.0% increases in FY17 and FY18 to bring the entitlement to slightly above the FY14 level. In FY19, the City expects a 13.9% decrease in funding.

CDBG Entitlement Funding History

	FY14	FY15	FY16	FY17	FY18	FY19 Estimated
Percent Change	0.7%	-3.0%	-0.7%	2.1%	2.0%	-13.9%
CDBG Entitlement	$666,490	$646,183	$641,604	$654,941	$667,757	$575,000

COMMUNITY DEVELOPMENT BLOCK GRANT - PROPOSED OPERATING EXPENSES
FISCAL YEAR 2018/2019

ACCOUNT DESCRIPTION	2016/17 ACTUAL	2017/18 BUDGET	2017/18 EST. ACTUAL	2018/19 PROPOSED	2018/19 % CHANGE
COMMERCIAL/INDUSTRIAL IMPROVEMENTS					
Commercial Rehab-Cellar Doors	6,697	-	-	-	0.0%
Commercial Rehab-City Owned Property	-	-	200,000	25,000	100.0%
Total Commercial/Industrial Improvements	6,697	-	200,000	25,000	100.0%
CLEARANCE & DEMOLITION					
City - Downtown Buildings	-	-	-	75,000	100.0%
Total Clearance & Demolition	-	-	-	75,000	100.0%
COST OF PROPERTIES HELD FOR RESALE	102,722	-	124,138	-	0.0%
PUBLIC FACILITIES & IMPROVEMENTS					
Handicap Ramps	170,000	80,000	80,000	90,000	12.5%
City Sidewalk Construction	-	75,000	70,000	100,000	33.3%
Downtown Surveillance Cameras	35,000	-	-	20,000	100.0%
Traffic Signal Replacement	-	-	-	300,000	100.0%
Neighborhood Parks	190,325	-	40,000	-	0.0%
Prospect Ave Cwalk - Traf Beacon	-	85,000	79,400	-	-100.0%
Crosswalk Construction/Improvements	-	-	-	30,000	100.0%
Total Public Facilities & Improvements	395,325	240,000	269,400	540,000	125.0%
PUBLIC SERVICES					
Community Free Clinic	39,000	39,000	39,000	39,000	0.0%
Girl's Inc Supper Program	8,300	8,300	8,300	8,300	0.0%
Children in Need	4,900	4,900	4,900	4,900	0.0%
Senior Living Alternative Meals	42,500	42,500	42,500	42,500	0.0%
CAC Financial Literacy	4,600	4,600	4,600	4,600	0.0%
Together With Families	5,700	5,700	5,700	5,700	0.0%
Total Public Services	105,000	105,000	105,000	105,000	0.0%
HOUSING REHAB					
Res Single Fam Emergency Repair	20,497	25,000	25,000	25,000	0.0%
Homeownership Program	13,184	10,000	11,000	-	-100.0%
Habitat Repair Program	-	18,000	30,000	18,000	0.0%
Commission on Aging	3,100	18,000	30,000	18,000	0.0%
HNDP Downpayment & Settlement	21,000	28,000	28,000	24,500	-12.5%
Single Family Loan Program	3,200	160,000	100,000	100,000	-37.5%
Contra Expense - Single Family Loan Program	(129,389)	-	-	-	0.0%
Residential Rental Rehabilitation Loan	124,865	190,000	75,000	130,000	-31.6%
CDBG Administration (Residential Rental)	-	8,333	5,000	8,000	-4.0%
CDBG Administration (Home Ownership)	-	8,334	5,000	8,000	-4.0%
CDBG Administration (Single Family)	-	8,333	5,000	8,000	-4.0%
Code Admin PT Inspector	26,287	30,160	30,160	30,160	0.0%
Home Ownership Acq. Resale	117,007	200,000	325,000	75,000	-62.5%
Contra Expense - Home Ownership Acq. Resale	(117,007)	-	(325,000)	(75,000)	100.0%
Residential Rental Rehabilitation	408	400	400	750	87.5%
Residential Single Family Rehabilitation	200	400	2,500	750	87.5%
Total Housing Rehab	83,352	704,960	347,060	371,160	-47.4%

COMMUNITY DEVELOPMENT BLOCK GRANT - PROPOSED OPERATING EXPENSES
FISCAL YEAR 2018/2019

ACCOUNT DESCRIPTION	2016/17 ACTUAL	2017/18 BUDGET	2017/18 EST. ACTUAL	2018/19 PROPOSED	2018/19 % CHANGE
ADMINISTRATION					
Salary and Wages	82,729	106,484	69,870	105,081	-1.3%
Allocated Labor - Salaried	-	(25,000)	(15,000)	(24,000)	-4.0%
Office Supplies	50	450	100	400	-11.1%
Computer Software & Supplies	1,681	300	200	275	-8.3%
Dues, Subscriptions & Periodicals	-	450	200	450	0.0%
Central Maintenance Garage	(197)	-	-	-	0.0%
Advertising & Printing	1,970	1,500	1,750	1,750	16.7%
Legal Fees	2,840	3,000	2,750	3,000	0.0%
Auditing Fees	2,022	2,048	2,048	2,074	1.3%
Medical Services	30	-	30	-	0.0%
Public Transportation Expenses	-	100	-	100	0.0%
Lodging & Meals	-	1,000	600	1,000	0.0%
Conference & Seminar Fees	-	1,000	350	600	-40.0%
Postage Expenses	14	100	40	75	-25.0%
Other General Expenses	394,036	-	5,000	5,000	100.0%
Photocopy Expenses	-	200	25	200	0.0%
Retirement Deficit Payment	10,840	11,382	11,382	11,951	5.0%
Retirement Contribution - State	10,781	9,063	9,063	9,402	3.7%
FICA Taxes	6,272	7,992	6,090	7,931	-0.8%
Life Insurance	136	172	146	177	2.9%
Workers Compensation	2,051	3,610	3,610	3,675	1.8%
Buildings & Contents Insurance	1,781	1,991	1,844	1,991	0.0%
Public Officials	299	903	783	903	0.0%
Health Insurance	10,389	12,077	8,392	11,235	-7.0%
Health Insurance-Retiree	9,600	9,970	8,400	8,400	-15.7%
Dental Insurance	266	395	268	385	-2.5%
Dental Insurance-Retiree	296	247	296	296	19.8%
Sick Pay on Termination	2,207	-	-	-	0.0%
General Liability Insurance	135	140	116	140	0.0%
Employee Discounted Parking	1,476	-	1,476	1,476	100.0%
Interest Exp. - Escrowed Taxes	251	-	33	200	100.0%
Communication Expense	2,057	1,900	1,525	1,850	-2.6%
Capital Outlay - Office Furniture	888	1,000	100	500	-50.0%
Total Administration	544,900	152,474	121,487	156,517	2.7%
Total Expenditures	**$ 1,237,996**	**$ 1,202,434**	**$ 1,167,085**	**$ 1,272,677**	**5.8%**

COMMUNITY DEVELOPMENT BLOCK GRANT FUND CAPITAL EXPENSES
FISCAL YEAR 2018/2019

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	250
TOTAL CAPITAL OUTLAY			**$ 500**

ECONOMIC REDEVELOPMENT FUND

This fund was established to promote the revitalization of the City's downtown and older neighborhood areas. Currently the fund is being used to promote businesses and home ownership in the City Center. Additionally, this fund is used for the Partners in Economic Progress (PEP) Program, holding real property for resale, and related development activities. Revenues in this fund consist of periodic transfers from other funds, State Grant funds (when available), and a proposal to transfer funds from the General Fund to assist in carrying out strategic revitalization efforts.

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 (now Maryland Commerce Department) and City Community Betterment Funds. This program provides financing for new and expanding businesses for working capital, equipment, and rehabilitation. In order to expand loan opportunities, the City continues to seek additional funding for the Revolving Loan Fund through partnership with the State of Maryland. For FY19, it is anticipated that program income will allow $125,000 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 recent fiscal years, Upper Floor funds have been utilized to match State Grant funds that replenished the Business Revolving Loan Fund. Since the original purpose of the Upper Floors fund can be carried out through other existing incentive programs, all remaining Upper Floor funds have been transferred to the Economic Redevelopment fund.

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.

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.

DEPARTMENT / PROGRAM OVERVIEW

The Economic Redevelopment Fund includes several major initiatives in the budget. The two highlighted 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	FY13,14,15	FY16	FY17	FY18	FY19	Total
Acquisition	$ 28,140					$ 28,140
Demolition/Construction/Rehabilitation	$ 175,878	$ 160,166	$ 11,517			$ 347,561

Funding Sources	FY13,14,15	FY16	FY17	FY18	FY19	Total
Economic Redevelopment	$ 130,870	$ 58,315	$ 11,517			$ 200,701
Community Legacy	$ 73,148	$ 76,852				$ 150,000
Proceeds - Sale of 11-16 Public Square		$ 25,000				$ 25,000

43-53 West Washington Street:

Two neglected and deteriorating properties located across the street from the University System of Maryland at Hagerstown were purchased to stimulate investment 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. 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 was sold in October of 2017 to a private developer, Hager5, LLC. As part of the Urban Improvement Project, Hager5, LLC plans include complete rehabilitation of the 49-53 West Washington Street building. The developer also plans to demolish the building at 43-47 West Washington Street, with the potential for extension of the Hagerstown Cultural Trail through the 43-47 West Washington Street property. The project will result in mixed-use development to include commercial space and student housing.

43-53 West Washington Street Funding Sources and Uses

Expenditures	FY13,14,15	FY16	FY17	FY18	FY19	Total
Acquisition	$ 320,000					$ 320,000
Demolition/Construction/Rehabilitation	$ 356,202	$ 222	$ 113,498	$ 93,537		$ 563,460

Funding Sources	FY13,14,15	FY16	FY17	FY18	FY19	Total
Economic Redevelopment	$ 34,777	$ 222				$ 34,999
Community Legacy	$ 100,000		$ 114,777	$ 92,259		$ 307,036
CDBG	$ 418,579					$ 418,579
Proceeds - Sale of 11-16 Public Square	$ 122,846					$ 122,846

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 $4,173,000. By the end of FY18, all of the funding will be expended or committed 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. Through calendar year 2016, this impactful program has assisted twenty-four (24) homeowners with transforming a vacant home into an owner-occupied residence. All program funding is now committed or expended.

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. All program funding has now been expended.

Invest Hagerstown Program Incentives		**2013/14 & 2014/15**	**2015/16**	**2016/17**	**2017/18**	**2018/19**
Expenditures	**Designated**	**Actual**	**Actual**	**Actual**	**Est. Actual**	**Committed**
Community First Third Grant	$ 1,200,000	$ 300,000	$ 330,000	$ 320,077	$ (77)	$ 50,000
Downtown Rental Program	$ 50,000	$ 16,950	$ 33,484	$ (434)	$ -	$ -
Downtown Residency Program	$ 70,000	$ 52,550	$ 17,450	$ -	$ -	$ -
City-Wide Residency Program	$ 180,000	$ 156,997	$ 8,805	$ 6,877	$ 7,321	$ -
Total Expenditures per Year	**$ 1,500,000**	**$ 526,497**	**$ 389,739**	**$ 326,520**	**$ 7,244**	**$ 50,000**

ECONOMIC REDEVELOPMENT FUND - PROPOSED EXPENSES AND REVENUES
FISCAL YEAR 2018/2019

ACCOUNT DESCRIPTION	2016/17 ACTUAL	2017/18 BUDGET	2017/18 EST. ACTUAL	2018/19 PROPOSED	2018/19 % CHANGE
REVENUES					
Interest on Investments	$ 500	$ 160	$ 700	$ 700	337.5%
State Community Legacy Grant	-	210,000	128,537	390,000	85.7%
State Funding Pass Thrus: Urban Improv Project	-	-	-	900,000	100.0%
Other Revenues	22,046	-	15,520	32,400	100.0%
Total Revenues	**22,546**	**210,160**	**144,757**	**1,323,100**	**529.6%**
EXPENDITURES					
Administrative Expenditures	24,480	4,722	20,459	20,000	323.5%
Comm First Third Grant: Invest Hagerstown	320,077	250,000	(77)	50,000	-80.0%
City Center Rental:Invest Hagerstown	(434)	-	-	-	0.0%
City Center Rental	5,384	-	-	-	0.0%
City-Wide Residency Prog:Invest Hagerstown	6,877	7,198	7,321	-	-100.0%
PEP Subsidized Rent Payments	89,704	131,500	131,500	131,500	0.0%
Sign and Facade Grants	1,000	20,000	10,000	15,000	-25.0%
USMH Housing Catalyst #3	138	10,000	1,500	207,500	1975.0%
Citywide Down Payment	-	38,473	25,000	25,000	-35.0%
City Center Down Payment	-	25,000	20,000	30,000	20.0%
Current Property Expenditures	35,620	6,303	12,640	7,203	14.3%
State Funding Pass Thrus: Urban Improv Project	-	-	-	900,000	100.0%
Total Expenditures	**482,846**	**493,196**	**228,343**	**1,386,203**	**181.1%**
OTHER FINANCING SOURCES (USES)					
Transfers from General Fund	100,000	125,000	125,000	125,000	0.0%
Transfers from GF Fund Bal:Invest Hagerstown	794,415	257,198	7,244	50,000	-80.6%
Transfers from Upper Floors Fund	21,000	50,838	29,953	-	-100.0%
Total Other Financing Sources	915,415	433,036	162,197	175,000	-59.6%
Net Change in Fund Balance	**455,115**	**150,000**	**78,611**	**111,897**	**-25.4%**
Beginning Fund Balance	**1,285,221**	**1,740,336**	**1,740,336**	**1,818,947**	**4.5%**
Ending Fund Balance	**$ 1,740,336**	**$ 1,890,336**	**$ 1,818,947**	**$ 1,930,844**	**2.1%**

BUSINESS REVOLVING LOAN FUND - PROPOSED EXPENSES AND REVENUES
FISCAL YEAR 2018/2019

ACCOUNT DESCRIPTION	2016/17 ACTUAL	2017/18 BUDGET	2017/18 EST. ACTUAL	2018/19 PROPOSED	2018/19 % CHANGE
REVENUES & LOAN REPAYMENTS					
Program Income:					
Interest from Loans	22,714	28,186	25,862	21,720	-22.9%
Interest on Investments	333	120	330	450	275.0%
Miscellaneous Revenues	1,398	-	1,200	1,200	100.0%
Total Revenues	**24,445**	**28,306**	**27,392**	**23,370**	**-17.4%**
EXPENDITURES, NEW LOANS & OTHER WORKING CAPITAL					
Salary, Wages and Benefits	7,728	10,821	10,176	11,180	3.3%
Contractual Services	3,929	2,495	2,495	2,508	0.5%
Capital Outlay	-	-	-	-	0.0%
New Loan Expenditures	2,774	75,000	100,000	125,000	66.7%
Allowance for Uncollectible Loans	-	-	-	-	0.0%
Total Expenditures	**14,431**	**88,316**	**112,671**	**138,688**	**57.0%**
Net Change in Fund Balance	**10,014**	**(60,010)**	**(85,279)**	**(115,318)**	**92.2%**
Beginning Fund Balance	**972,720**	**982,734**	**982,734**	**897,455**	**-8.7%**
Ending Fund Balance	**$ 982,734**	**$ 922,724**	**$ 897,455**	**$ 782,137**	**-15.2%**

STAFFING SUMMARY

	FY17 Actual	FY18 Est Act	FY18 Budg	FY19 Budget
Full time	0.15	0.15	0.15	0.15
Less: Unfunded	0.00	0.00	0.00	0.00
Staffing Total	0.15	0.15	0.15	0.15

UPPER FLOORS REDEVELOPMENT FUND - PROPOSED EXPENSES AND REVENUES
FISCAL YEAR 2018/2019

ACCOUNT DESCRIPTION	2016/17 ACTUAL	2017/18 BUDGET	2017/18 EST. ACTUAL	2018/19 PROPOSED	2018/19 % CHANGE
REVENUES					
Interest on Investments	$ 103	$ -	$ 89	$ -	0.0%
Total Revenues	**103**	**-**	**89**	**-**	**0.0%**
OTHER FINANCING SOURCES (USES)					
Transfers (to) Bus Revolving Loan Fund	-	-	-	-	0.0%
Transfers (to) Econ. Redevelopment Fund	(21,000)	(50,838)	(29,953)	-	-100.0%
Total Other Financing Sources	**(21,000)**	**(50,838)**	**(29,953)**	**-**	**-100.0%**
Net Change in Fund Balance	**(20,897)**	**(50,838)**	**(29,864)**	**-**	**-100.0%**
Beginning Fund Balance	**50,761**	**29,864**	**29,864**	**-**	**-100.0%**
Ending Fund Balance	**$ 29,864**	**$ (20,974)**	**$ -**	**$ -**	**-100.0%**

*As of February 2018, all remaining funds in the Upper Floors Redevelopment Fund will be transferred to the Economic Redevelopment Fund.

FOREST CONSERVATION FUND - PROPOSED EXPENSES AND REVENUES
FISCAL YEAR 2018/2019

ACCOUNT DESCRIPTION	2016/17 ACTUAL	2017/18 BUDGET	2017/18 EST. ACTUAL	2018/19 BUDGET	2018/19 % CHANGE
REVENUES					
Reforestation Fees	$ 41,543	$ 20,000	$ 8,000	$ 8,000	-60.0%
Interest on Investments	77	-	-	-	0.0%
Total Revenues	**41,620**	**20,000**	**8,000**	**8,000**	**-60.0%**
OTHER FINANCING SOURCES (USES)					
Transfers (to) CIP Fund	-	(20,000)	(20,000)	(10,000)	-50.0%
Total Other Financing Sources	**-**	**(20,000)**	**(20,000)**	**(10,000)**	**-50.0%**
Net Change in Fund Balance	**41,620**	**-**	**(12,000)**	**(2,000)**	**100.0%**
Beginning Fund Balance	**2,560**	**44,180**	**44,180**	**32,180**	**-27.2%**
Ending Fund Balance	**$ 44,180**	**$ 44,180**	**$ 32,180**	**$ 30,180**	**-31.7%**

EMPLOYEE FLEXIBLE SPENDING FUND - PROPOSED EXPENSES AND REVENUES
FISCAL YEAR 2018/2019

ACCOUNT DESCRIPTION	2016/17 ACTUAL	2017/18 BUDGET	2017/18 EST. ACTUAL	2018/19 PROPOSED	2018/19 % CHANGE
REVENUES					
Interest on Investments	$ 19	$ 10	$ 95	$ 25	150.0%
Employer FICA Savings	-	5,300	-	-	-100.0%
Unreimbursed Employee Deductions	2,413	1,000	5,000	4,000	300.0%
Total Revenues	**2,432**	**6,310**	**5,095**	**4,025**	**-36.2%**
EXPENDITURES					
Contractual Services	8,622	8,700	3,876	3,900	-55.2%
Other General Expense	982	995	995	-	-100.0%
Total Expenditures	**9,604**	**9,695**	**4,871**	**3,900**	**-59.8%**
Net Change in Fund Balance	**(7,172)**	**(3,385)**	**224**	**125**	**-103.7%**
Beginning Fund Balance	**12,226**	**5,054**	**5,054**	**5,278**	**4.4%**
Ending Fund Balance	**$ 5,054**	**$ 1,669**	**$ 5,278**	**$ 5,403**	**223.7%**

EXCISE TAX FUND - PROPOSED EXPENSES AND REVENUES
FISCAL YEAR 2018/2019

ACCOUNT DESCRIPTION	2016/17 ACTUAL	2017/18 BUDGET	2017/18 EST. ACTUAL	2018/19 PROPOSED	2018/19 % CHANGE
REVENUES					
Interest on Investments	$ 691	$ 75	$ 180	$ 50	-33.3%
Total Revenues	**691**	**75**	**180**	**50**	**-33.3%**
OTHER FINANCING SOURCES (USES)					
Transfers (to) CIP Fund	(395,000)	(15,168)	(15,168)	-	-100.0%
Total Other Financing Sources	**(395,000)**	**(15,168)**	**(15,168)**	**-**	**-100.0%**
Net Change in Fund Balance	**(394,309)**	**(15,093)**	**(14,988)**	**50**	**-100.3%**
Beginning Fund Balance	**416,144**	**21,835**	**21,835**	**6,847**	**-68.6%**
Ending Fund Balance	**$ 21,835**	**$ 6,742**	**$ 6,847**	**$ 6,897**	**2.3%**

GRANT FUND - PROPOSED EXPENSES AND REVENUES
FISCAL YEAR 2018/2019

ACCOUNT DESCRIPTION	2016/17 ACTUAL	2017/18 BUDGET	2017/18 EST. ACTUAL	2018/19 PROPOSED	2018/19 % CHANGE
REVENUES:					
Interest on Investments	$ 1	$ -	$ -	$ -	0.0%
Federal Grants	147,530	79,454	87,656	109,256	37.5%
State Grants	313,458	554,240	312,216	320,216	-42.2%
County Grants	7,500	-	-	-	0.0%
Total Revenues	**468,489**	**633,694**	**399,872**	**429,472**	**-32.2%**
EXPENDITURES:					
Salary and Wages	126,943	201,353	93,236	97,190	-51.7%
Benefits	21,438	36,579	127	10,318	-71.8%
Overtime	81,710	223,495	161,993	165,398	-26.0%
Personnel Subtotal	**230,091**	**461,427**	**255,356**	**272,906**	**-40.9%**
Contractual Services	102,407	104,467	83,711	83,607	-20.0%
Commercial Rehab	1,410	-	-	-	0.0%
Operating Expenditures	89,828	-	6,744	-	0.0%
Capital Outlay	23,895	27,800	35,900	27,800	0.0%
Other General Expenses	7,000	40,000	17,522	45,159	12.9%
Operating Subtotal	**224,540**	**172,267**	**143,877**	**156,566**	**-9.1%**
TOTAL EXPENDITURES	**454,631**	**633,694**	**399,233**	**429,472**	**-32.2%**
OTHER FINANCING SOURCES (USES)					
Transfer from General Fund	8,954	-	-	-	0.0%
Transfer (to) Capital Improvement Projects	(13,829)	-	-	-	0.0%
Total Other Financing Sources	**(4,875)**	**-**	**-**	**-**	**0.0%**
Net Change in Fund Balance	**8,983**	**-**	**639**	**-**	**0.0%**
Beginning Fund Balance	**164,299**	**173,282**	**173,282**	**173,921**	**0.4%**
Ending Fund Balance	**$ 173,282**	**$ 173,282**	**$ 173,921**	**$ 173,921**	**0.4%**

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

			2018/19 PROPOSED
Police Department	FY19 HPD New Body Armor	5,000	
	FY18 Bulletproof Vest Partnership Program	22,800	
	FY18 Coverdell Forensic Science Improvement Program	18,159	
	FY19 GVRG Cease Fire	60,000	
	FY19 Safe Streets	159,624	
	FY17 JAG Program	33,661	
	FY18 Hagerstown PD MHSO Traffic Safety Program	4,375	
	FY19 Hagerstown PD MHSO Traffic Safety Program	13,125	
	FY18 Lethality Assessment Coordinator	17,136	
	FY19 Community Program Fund	57,600	
	FY18 Domestic Violence Data Entry Program	10,992	
Total Police Department			**402,472**
Community Development	FY18 Community Legacy Façade Program	27,000	
Total Community Development			**27,000**
Total Grant Revenues			**$ 429,472**

GRANT FUND CAPITAL EXPENSES
FISCAL YEAR 2018/2019

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
Future State Body Armor Grant 1610000-5834 Fire Arms, Body Armor	Police Use	Purchase of new body armor and bulletproof vest	5,000
Future Bulletproof Vest Partnership 1610000-5834 Fire Arms, Body Armor	Police Use	Purchase of new body armor and bulletproof vest	22,800
Total Bulletproof Vest Partnership			**27,800**
TOTAL CAPITAL OUTLAY			**$ 27,800**

SERVICE AND TRUST FUNDS
SECTION 6

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SERVICE & TRUST FUND - COMBINING STATEMENT
FISCAL YEAR 2018/2019

ACCOUNT DESCRIPTION	WORKERS COMPENSATION	HEALTH CARE	DENTAL CARE	BLOOM-CARLILE	TOTAL
OPERATING REVENUES					
Premium Revenues	$ 1,149,538	$ 8,007,202	$ 444,763	$ -	$ 9,601,503
Prescription Rebates	-	75,000	-	-	75,000
Total Operating Revenues	**$ 1,149,538**	**8,082,202**	**444,763**	**-**	**9,676,503**
OPERATING EXPENSES					
Medical Loss Reimbursement, Stop Loss Reinsurance, & Excess Insurance	1,057,945	6,672,871	354,789	-	8,085,605
OPEB Trust Contributions	-	650,000	-	-	650,000
Legal Fees, Claims Administrative Expenses & Injury and Damage Awards	139,976	338,722	40,131	-	518,829
Health Savings Acct Contributions	-	53,250	-	-	53,250
Audit Fees	336	336	336	-	1,008
Community Assistance Expenditures	-	-	-	4,800	4,800
Total Operating Expenses	**$ 1,198,257**	**7,715,179**	**395,256**	**4,800**	**9,313,492**
Operating Income (Loss)	**$ (48,719)**	**367,023**	**49,507**	**(4,800)**	**363,011**
NON OPERATING REVENUES (EXPENSES)					
Investment Earnings	(50)	13,300	1,150	200	14,600
Total Other Income (Expense)	**$ (50)**	**13,300**	**1,150**	**200**	**14,600**
Net Income before Operating Transfers	**$ (48,769)**	**380,323**	**50,657**	**(4,600)**	**377,611**
TRANSFERS FROM (TO) OTHER FUNDS					
Transfers (to) - General Fund	-	(576,815)	-	-	(576,815)
Transfers (to) -Electric Fund	-	(58,015)	-	-	(58,015)
Transfers (to)- Water Fund	-	(85,553)	-	-	(85,553)
Transfers (to) -Wastewater Fund	-	(76,312)	-	-	(76,312)
Total Transfers From (To) Funds	**-**	**(796,695)**	**-**	**-**	**(796,695)**
Increase (Decrease) in Retained Earnings	**$ (48,769)**	**$ (416,372)**	**$ 50,657**	**$ (4,600)**	**$ (419,084)**
Beginning Fund Balance	**1,314,836**	**4,265,720**	**439,779**	**96,831**	**6,117,166**
Ending Fund Balance	**$ 1,266,067**	**$ 3,849,348**	**$ 490,436**	**$ 92,231**	**$ 5,698,082**

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 used 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 as determined by our actuarial consultants, CBIZ. These billings represent funding sources for the Health Care Fund from which all health care related administrative and medical reimbursement costs are paid.

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

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

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

WORKERS COMPENSATION FUND - PROGRAM FINANCIAL SUMMARY
FISCAL YEAR 2018/2019

EXPENDITURE AND REVENUE SUMMARY

	2016/17	2017/18		2018/19	2018/19
	ACTUAL	BUDGET	EST. ACTUAL	PROPOSED	% CHANGE
REVENUES BY TYPE					
Premium Revenues	$ 1,108,264	$ 1,129,042	$ 1,129,042	$ 1,149,538	1.8%
Interest Income from Investments	(65)	(125)	(50)	(50)	-60.0%
Total Revenues	**$ 1,108,199**	**$ 1,128,917**	**$ 1,128,992**	**$ 1,149,488**	**1.8%**
EXPENDITURES BY TYPE					
Excess Insurance	190,337	187,000	187,000	174,681	-6.6%
Claims Expense	652,167	865,946	865,946	883,264	2.0%
Administrative Expenses	48,040	61,039	61,039	56,039	-8.2%
Audit Fees	327	332	332	336	1.2%
Legal Fees	24,007	40,503	40,503	40,503	0.0%
Other Professional Services Fees	43,899	43,434	43,434	43,434	0.0%
Total Expenditures & Transfers	**$ 958,777**	**$ 1,198,254**	**$ 1,198,254**	**$ 1,198,257**	**0.0%**
Expenditures, net of Revenues	**$ (149,422)**	**$ 69,337**	**$ 69,262**	**$ 48,769**	**-29.7%**
Beginning Fund Balance	1,234,676	1,384,098	1,384,098	1,314,836	-5.0%
Ending Fund Balance	**$ 1,384,098**	**$ 1,314,761**	**$ 1,314,836**	**$ 1,266,067**	**-3.7%**

BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY18 to Estimated Actual FY18

Total expenditures for FY18 estimated actual are anticipated to be in line with the FY18 budget. In addition, the revenue is anticipated to remain flat for the adopted budget FY18 compared to the estimated actual for FY18. The premium revenues reflect amounts charged to all other City funds and were established with slightly higher rates based on anticipated expenses.

Adopted FY18 to Proposed FY19

Total expenditures for FY19 are projected to be in line with the FY18 budget . In addition, revenue will increase slightly by 1.8% or $21K.

HEALTH CARE FUND - PROGRAM FINANCIAL SUMMARY
FISCAL YEAR 2018/2019

EXPENDITURE AND REVENUE SUMMARY

	2016/17 ACTUAL	2017/18 BUDGET	2017/18 EST. ACTUAL	2018/19 PROPOSED	2018/19 % CHANGE
REVENUES BY TYPE					
Premium Revenues-City	$ 6,622,685	$ 6,626,652	$ 6,677,577	$ 6,659,987	0.5%
Premium Revenues-Employees	1,104,232	1,148,243	1,104,942	1,104,942	-3.8%
Premium Revenues-Retirees	255,790	242,273	242,273	242,273	0.0%
Stop Loss Reimbursement	14,331	-	-	-	0.0%
Prescription Rebates	101,108	75,000	98,519	75,000	0.0%
Interest from Investments	12,782	5,825	13,300	13,300	128.3%
Total Revenues	**$ 8,110,928**	**$ 8,097,993**	**$ 8,136,611**	**$ 8,095,502**	**0.0%**
EXPENDITURES BY TYPE					
Medical Loss Reimbursements	5,886,599	6,768,325	5,886,598	6,341,975	-6.3%
Claims Reserve Expense	52,050	75,000	75,000	75,000	0.0%
Health Savings Acct Contributions	36,750	41,000	48,250	53,250	29.9%
Administrative Expenses	471,371	360,985	387,287	338,722	-6.2%
Audit Fees	327	332	332	336	1.2%
Stop Loss Reinsurance Expense	221,477	359,430	217,518	255,896	-28.8%
OPEB Trust Contributions	650,000	350,000	650,000	650,000	85.7%
OPEB Reimbursement - City	-	300,000	-	-	-100.0%
Transfers to General Fund	35,660	545,825	545,825	576,815	5.7%
Transfers to Electric Fund	-	53,079	53,079	58,015	9.3%
Transfers to Water Fund	-	76,308	76,308	85,553	12.1%
Transfers to Wastewater Fund	-	76,306	76,306	76,312	0.0%
Total Expenditures & Transfers	**$ 7,354,234**	**$ 9,006,590**	**$ 8,016,503**	**$ 8,511,874**	**-5.5%**
Expenditures, net of Revenues	**$ (756,694)**	**$ 908,597**	**$ (120,108)**	**$ 416,372**	**-54.2%**
Beginning Fund Balance	3,388,918	4,145,612	4,145,612	4,265,720	2.9%
Ending Fund Balance	**$ 4,145,612**	**$ 3,237,015**	**$ 4,265,720**	**$ 3,849,348**	**18.9%**

BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY18 to Estimated Actual FY18

As a result of a decrease in medical claim costs and stop loss reinsurance expense, total expenditures are projected to be approximately 11.0% or $990K less than originally included in the budget. In the current year to date, the City has experienced lower actual paid claims than was anticipated when preparing the FY18 budget. The associated premium revenues charged and paid by the City remained in line with the FY18 budget.

Adopted FY18 to Proposed FY19

As a result of a current trends for medical expense claims and administrative expenses, the expenditures for proposed FY19 are projected to be 6.5% or $540K lower than FY18 budget, excluding transfers to other funds. As a result of the projected decrease in medical expenses, the revenues charged across all City funds in FY19 budget will remain in line with the FY18 budget. In FY19, the City will be including a transfer back to other funds as also budgeted in FY18. This transfer represents an additional FY17 actual surplus of $757K in the Health Insurance Fund plus an additional $40K.

EXPENDITURE AND REVENUE SUMMARY

	2016/17 ACTUAL	2017/18 BUDGET	2017/18 EST. ACTUAL	2018/19 PROPOSED	2018/19 % CHANGE
REVENUES BY TYPE					
Premium Revenues-City	$ 185,722	$ 199,692	$ 193,207	$ 195,497	-2.1%
Premium Revenues-Employees	166,860	149,306	170,989	170,989	14.5%
Premium Revenues-Retirees	64,419	78,277	78,277	78,277	0.0%
Interest from Investments	740	338	1,150	1,150	240.2%
Total Revenues	**$ 417,741**	**$ 427,613**	**$ 443,623**	**$ 445,913**	**4.3%**
EXPENDITURES BY TYPE					
Medical Claims Expense	300,805	336,087	300,000	349,789	4.1%
Administrative Expenses	27,857	38,220	38,303	40,131	5.0%
Claims Reserve Expense	2,691	5,000	5,000	5,000	0.0%
Audit Fees	328	331	331	336	1.5%
Total Expenditures & Transfers	**$ 331,681**	**$ 379,638**	**$ 343,634**	**$ 395,256**	**4.1%**
Expenditures, net of Revenues	**$ (86,060)**	**$ (47,975)**	**$ (99,989)**	**$ (50,657)**	**5.6%**
Beginning Fund Balance	253,730	339,790	339,790	439,779	29.4%
Ending Fund Balance	**$ 339,790**	**$ 387,765**	**$ 439,779**	**$ 490,436**	**26.5%**

BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY18 to Estimated Actual FY18

Total expenditures for FY18 estimated actual compared to FY18 budget are lower by 9.5% or $36K as a result of lower actual dental claims paid. Revenues have increased, however, over FY18 budget by 3.6% or $15.2K primarily due to higher premium contributions by employees than budgeted.

Adopted FY18 to Proposed FY19

As a result of current trends in dental claims for FY18 and historical data provided by our consultant CBIZ, the medical claims expense expenditures for proposed FY19 are expected to increase by 4.1% or $13.7K. Administrative expenses are expected to increase by $1.9K or 5.0% for consulting fees. Additionally, the revenues are expected to increase by 4.3% or $18.3K.

BLOOM-CARLILE TRUST FUND - PROGRAM FINANCIAL SUMMARY
FISCAL YEAR 2018/2019

EXPENDITURE AND REVENUE SUMMARY

	2016/17 ACTUAL	2017/18 BUDGET	2017/18 EST. ACTUAL	2018/19 PROPOSED	2018/19 % CHANGE
REVENUES BY TYPE					
Interest Earned	$ 148	$ 75	$ 200	$ 200	166.7%
Total Revenues	**$ 148**	**$ 75**	**$ 200**	**$ 200**	**166.7%**
EXPENDITURES BY TYPE					
Utilities	4,560	2,500	2,500	2,400	-4.0%
Shelter	1,601	3,600	3,600	2,400	-33.3%
Community Action Council Award	325	-	-		0.0%
Total Expenditures & Transfers	**$ 6,486**	**$ 6,100**	**$ 6,100**	**$ 4,800**	**-21.3%**
Expenditures, net of Revenues	**$ 6,338**	**$ 6,025**	**$ 5,900**	**$ 4,600**	**-23.7%**
Beginning Fund Balance	109,069	102,731	102,731	96,831	-5.7%
Ending Fund Balance	**$ 102,731**	**$ 96,706**	**$ 96,831**	**$ 92,231**	**-4.6%**

BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY18 to Estimated Actual FY18

It is anticipated that we will need to appropriate about $6K from accumulated prior years earnings to cover the shortfall between FY18 interest earnings and FY18 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 FY18 to Proposed FY19

For many years, the budget limited the pledge to the Community Action Council to the next year's anticipated interest earnings. This limitation withheld assistance to the poor and needy of Hagerstown in economic slumps when the need was the greatest. In addition, interest rates had declined over this same period of time which led to even less interest revenue being generate. Our FY19 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 2019/2023
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 FY2018/19 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, 2018. 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 have slight growth for FY2018/19 and future years as a result of current market rates, interest rates adjustments made by the Federal Reserve System, and available cash balances.
- The Wage & Benefits projections contain potential salary enhancements for FY2018/19. (See Section 1 for specific wage history trends by employee group). The projections include a combination of salary enhancements annually from FY2018/19 through FY2022/23. Additionally, the projection includes savings associated with unfunded vacant positions; and funding is included for the restoration of only one of these unfunded vacant positions through FY2022/23. The City has four collective bargaining union groups and three of the groups have contracts that expire on June 30, 2022 and one group that expires on June 30, 2018.
- The overall average projected increase in employee benefits range from 3.6% to 4.7% 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 FY2018/19 includes a one-time potential distribution of the Health Insurance's surplus from FY2016/17.
- 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% through 4.75% interest rate range over a 20, 25, or 30 year term and includes both City issued bonds and MDE issued bonds/loans.
- In addition to covering 100% of the claims and cost incurred for retired employees, the City makes annual contributions to a separate trust account for Other Post-Employment Benefits (OPEB). The annual amount to be contributed in FY2018/19 and all future projections through FY2022/23 is $650K.
- 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 since FY2014/15.

- In general, total revenue growth (excluding the "NEEDED REVENUE SOURCE" amount) is projected to increase from 0.5% in FY2019/20 to 2.5% in FY2020/21 dependent on property assessed values. Due to several contributing factors, new and / or increased revenue sources are needed beginning in FY2019/20 to help offset estimates for future periods. The primary factors that impact the projections for FY2019/20 include:
    - Funding equipment and Capital Improvement Program with annual operating revenue
    - Minimal growth anticipated in existing City revenue sources
    - Preliminary projection of 3.9% increase for all salary and related benefits costs
    - Increasing annual debt service requirements to fund priority projects
    - Preliminary overall inflation factors on insurance, supplies, and maintenance contracts

- In Fiscal Year 2018/19, the property tax rate is proposed to increase by $0.008 from current FY2017/18 level of $0.941 per $100 of assessed value to $0.942 per $100 of assessed value. The proposed adjustment is based on the annual Constant Yield certification from the State Department of Assessments & Taxation received in February 2018 which reflected declining assessed property values within the City of 0.09% (see Section 7 page 6 for details). Fiscal Year 2018/19 will be the second year of the City's most recent triennial assessment period. The City is currently exploring a potential tiered real estate tax rate as a way to enhance revenue and have more equality in payment for city services between owner occupied and non-owner occupied properties. In addition, the proposed tax revenue will continue to cover rising employer payroll costs (including benefits like health insurance, dental insurance, pension contributions) and annual debt service requirements. For future years, the projections include slight growth in property tax revenue in FY2019/20 through FY2022/23 based on overall trends experienced after the prior triennial assessment period in December 2013.

- 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 2018/19 and future years.

- From FY2017/18 to FY2018/19 budget, the overall City portion of Income & Other Taxes is expected to remain flat. It is projected for overall annual growth to remain minimal at 1.5% to 2.0% increases through FY2022/23. The projections include modest continued growth in income tax, admission and amusement tax, and hotel/motel room tax based on the current economy and trends.

- Most operating grant revenues and related expenditures are separately reflected in the Grants Fund except three federal COPS Hiring Grants (2012, 2013, and 2015) secured by the Hagerstown Police Department. In FY2018/19 budget and FY2019/20, grant reimbursements remain for only one of the grants (2015 COPS Hiring Grant). Each of the grants reimbursed a portion of 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 had a declining federal reimbursement percentage annually which is reflected in the decreasing amounts in the Grants revenue line item reflected with FY2019/20 being the final year of reimbursement.

- The Safe Speed for Students Program (an automated speed camera program) began in phases in April 2012. This revenue is included in Fines and Forfeitures and is used exclusively to support public safety activities. In FY2018/19 budget, Safe Speed revenue represents 2.8% or $1.25 million of total operating revenue. Future projections include flat revenue trends of $1.25 million through FY2022/23.

- Beginning in FY2017/18, there is a new revenue source included for the implementation of Red Light Cameras. To date, the City has entered into an agreement with Howard County Consortium to participate in its established program which was approved on October 18, 2016. In addition, a few camera locations will go live effective March 2018.

- A municipality has the authority to implement a Stormwater management fee. The City is currently in the preliminary stages of a Phase I study to assess a cost rate model and identify applicable properties for future presentations and discussions. At this time, our projections do not include any revenue from a Stormwater management fee or a separate Stormwater fund. Due to legislative mandates, the CIP budget does include project expenditures over the next five years. The funding for these specific projects will be funded with grants, general fund supported debt, and a potential future Stormwater fee revenue source.

- Wage & Benefit projections include four collective bargaining union contracts and non-union employees. Three collective bargaining contracts currently expire on June 30, 2022 with wage re-openers. One of the collective bargaining contracts will expire on June 30, 2018 and negotiations for a new contract have started. As a result, the projections include a continuation of combined salary enhancements annually through FY2022/23. The projection includes savings associated with 15 unfunded vacant positions in FY2018/19 and 14 unfunded positions in FY2019/20 and thereafter.

- The overall average projected changes in employee benefits range from 3.6% to 4.7% 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 5.7% of all general fund expenditures in FY2018/19 budget, or $2.6 million. As reflected on the debt service schedule on page 12, annual debt service requirements are expected to increase annually from FY2019/20 through FY2021/22 respectively by 18.1%, 0.6%, and 11.1%. 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 2019/2023
INCOME STATEMENT
(IN THOUSANDS)

	2015/16 ACTUAL	2016/17 ACTUAL	2017/18 REVISED BUDGET	2017/18 EST. ACTUAL	2018/19 PROPOSED BUDGET	2018/19 ADOPTED BUDGET	PROJ. CHG%	2019/20 PROJ.	2020/21 PROJ.	2021/22 PROJ.	2022/23 PROJ.
REVENUES											
Property Taxes	$ 25,690	$ 26,041	$ 26,037	$ 26,727	$ 27,882	$ 28,736	S	$ 28,414	$ 29,268	$ 29,853	$ 30,450
Payments in Lieu of Taxes	2,773	2,841	2,814	2,758	2,761	2,761	S	2,763	2,765	2,768	2,770
Total property taxes	**28,463**	**28,882**	**28,851**	**29,485**	**30,643**	**31,497**		**31,177**	**32,033**	**32,620**	**33,220**
	4.6%	*1.5%*	*-0.1%*	*2.2%*	*6.2%*	*9.2%*		*1.7%*	*2.7%*	*1.8%*	*1.8%*
Income Tax	2,428	2,628	2,445	2,400	2,400	2,400	2.0%	2,448	2,497	2,547	2,598
Police / Fire Protection	757	818	745	760	800	800	0.5%	804	808	812	816
Admission Tax	329	444	330	330	330	330	0.5%	332	333	335	337
Financial Corporations	34	34	34	34	34	34		34	34	34	34
Room Tax - Tourism Promotion	194	188	188	188	188	188	2.5%	193	198	202	208
Enterprise Zone Tax Credits	48	31	21	28	12	12		30	30	30	30
Total Income & Other Taxes	**3,790**	**4,143**	**3,763**	**3,740**	**3,764**	**3,764**		**3,841**	**3,900**	**3,961**	**4,022**
	-1.6%	*9.3%*	*-9.2%*	*-0.6%*	*0.0%*	*0.0%*		*2.0%*	*1.5%*	*1.6%*	*1.6%*
Total Tax & Shared Revenues	**32,253**	**33,025**	**32,614**	**33,225**	**34,407**	**35,261**		**35,018**	**35,933**	**36,581**	**37,242**
	3.8%	*2.4%*	*-1.2%*	*1.9%*	*5.5%*	*8.1%*		*1.8%*	*2.6%*	*1.8%*	*1.8%*
Refuse Service Fees	2,252	2,258	2,291	2,531	2,765	2,765	2.5%	2,834	2,905	2,978	3,052
Other Service Charges	510	557	548	497	474	474	2.0%	483	493	503	513
Residential Rental Licenses & Vacant Structures	776	740	740	786	765	765	2.0%	780	796	812	828
Cable TV Franchise	416	396	410	389	389	389	2.0%	397	405	413	421
Other Licenses & Permits	718	787	906	979	1,021	1,021	1.0%	1,031	1,042	1,052	1,062
Safe Speed for School Fines	1,222	978	1,100	1,150	1,250	1,250		1,250	1,250	1,250	1,250
*Red Light Camera Citations**	-	-	*121*	*20*	*200*	*200*		*250*	*300*	*350*	*400*
Other Fines & Forfeitures	217	185	180	76	175	175	3.0%	180	186	191	197
Stormwater Management Fees	-	-	*200*	-	-	-		-	-	-	-
Admin Allocation	2,031	2,031	2,031	1,998	1,998	1,998	2.0%	2,038	2,079	2,120	2,163
Interest	26	47	18	40	40	40	3.0%	41	42	44	45
Rental Income	183	172	208	203	208	208		208	218	219	220
Grants	657	471	511	506	445	445	S	340	321	321	321
Other Revenues	490	304	824	798	782	782	S	308	308	308	308
NEEDED REVENUE SOURCE	-	-	-	-	-	-		***2,228***	***2,210***	***3,015***	***2,720***
Total Other Revenues	**9,498**	**8,926**	**10,088**	**9,973**	**10,512**	**10,512**		**12,370**	**12,554**	**13,575**	**13,500**
Total Revenues	**41,751**	**41,951**	**42,702**	**43,198**	**44,919**	**45,773**		**47,387**	**48,487**	**50,156**	**50,742**
% Revenue Growth	*1.4%*	*0.5%*	*1.8%*	*1.2%*	*5.2%*	*7.2%*		*5.5%*	*2.3%*	*3.4%*	*1.2%*
Appropriated Fund Balance to Econ Redevelopment:Invest Hagerstown	-	-	257	-	50	50		-	-	-	-
Appropriated Fund Balance to CIP Fund:Capital Expenditures	-	-	1,049	-	240	240		-	-	-	-
Appropriated Fund Balance:General Fund	-	-	-	-	200	200		-	-	-	-
Total Other Funding Sources	**-**	**-**	**1,306**	**-**	**490**	**490**		**-**	**-**	**-**	**-**
Total Funding Sources	**$ 41,751**	**$ 41,951**	**$ 44,008**	**$ 43,198**	**$ 45,409**	**$ 46,263**		**$ 47,387**	**$ 48,487**	**$ 50,156**	**$ 50,742**

FY19 budget included a potential new revenue source for a Red Light Cameras program. It is now anticipated that this new program will begin in Spring FY18.

****FY20 projections currently estimate additional $2.2M in changes needed. This $2.2M reflects funding equipment and CIP transfers with annual operations, combined 0.5% growth in current revenue sources, an overall preliminary estimate of 4.4% 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 2019/2023
INCOME STATEMENT
(IN THOUSANDS)

	2015/16 ACTUAL	2016/17 ACTUAL	2017/18 REVISED BUDGET	2017/18 EST. ACTUAL	2018/19 PROPOSED BUDGET	2018/19 ADOPTED BUDGET	PROJ. CHG%	2019/20 PROJ.	2020/21 PROJ.	2021/22 PROJ.	2022/23 PROJ.
EXPENDITURES											
Salaries and Wages	$ 18,809	$ 18,793	$ 19,657	$ 19,974	$ 20,293	$ 20,293	S	$ 21,007	$ 21,532	$ 22,173	$ 22,727
Fringe Benefits -											
Active Employees	7,820	7,878	8,160	8,137	8,430	8,430	S	8,822	9,119	9,443	9,760
Retirees	1,457	1,515	1,529	1,471	1,471	1,471	S	1,543	1,618	1,697	1,781
Total Wages & Benefits	**28,086**	**28,186**	**29,346**	**29,582**	**30,194**	**30,194**		**31,372**	**32,270**	**33,313**	**34,267**
	1.6%	*0.4%*	*4.1%*	*0.8%*	*2.9%*	*2.9%*		*3.9%*	*2.9%*	*3.2%*	*2.9%*
Contracted Services	4,306	4,416	4,393	4,677	5,040	5,040	S	5,156	5,271	5,388	5,509
Advertising & Printing	212	245	247	239	247	247	2.0%	252	257	262	267
Rentals	109	99	115	114	108	108		110	110	110	110
Maintenance & Repairs	807	905	956	992	1,082	1,082		925	925	925	925
Vehicle Expenses	848	824	974	931	784	784	2.0%	800	816	832	849
Materials, Supplies & Utilities	1,911	1,806	2,126	2,114	1,991	1,991	3.0%	2,051	2,112	2,176	2,241
Professional Development	124	129	204	177	168	168		170	175	180	185
Communication	348	375	354	370	375	375		370	372	374	376
Wage & Overhead Allocation	(937)	(974)	(906)	(803)	(843)	(843)		(876)	(901)	(930)	(957)
Other General Expenditures	661	571	844	694	859	1,663		864	869	874	879
Insurance	182	209	290	276	290	290	5.0%	305	320	336	352
Unallocated Gen'l Expenditures	570	594	590	580	800	850		602	602	604	606
Capital Outlay - Non-CIP	248	236	223	196	173	173		175	200	205	215
Debt Service	2,026	2,160	2,414	2,370	2,609	2,609	S	3,082	3,102	3,447	3,012
Operating Transfers to Other Funds	374	428	345	428	398	398	S	440	588	533	538
Capital Transfers to CIP Fund	823	1,043	146	152	843	843		1,590	1,400	1,528	1,367
Fund Balance Transfers to CIP Fund	104	-	1,049	797	240	240		-	-	-	-
Fund Balance Trans for Invest Hag	387	794	257	7	50	50		-	-	-	-
Total Expenditures	**41,189**	**42,046**	**43,967**	**43,893**	**45,408**	**46,262**		**47,387**	**48,487**	**50,156**	**50,742**
% Expenditures Growth	*0.2%*	*2.1%*	*4.6%*	*-0.2%*	*3.3%*	*5.2%*		*4.4%*	*2.3%*	*3.4%*	*1.2%*
Surplus / (Deficit)	**$ 562**	**$ (95)**	**$ 41**	**$ (695)**	**$ 1**	**$ 1**		**$ 0**	**$ 0**	**$ (0)**	**$ 0**
Real Estate Tax Rates	**$ 0.913**	**$ 0.913**	**$ 0.941**	**$ 0.941**	**$ 0.942**	**$ 1.002**		**$ 0.942**	**$ 0.942**	**$ 0.942**	**$ 0.942**
Change in Tax Rates	**$ 0.015**	**$ -**	**$ 0.028**	**$ 0.028**	**$ 0.001**	**$ 0.061**		**$ -**	**$ -**	**$ -**	**$ -**
Each penny on the real estate tax rate generates additional revenue of	**$ 253**	**$ 257**	**$ 249**	**$ 254**	**$ 266**	**$ 259**		**$ 272**	**$ 281**	**$ 287**	**$ 293**
Personal Property Tax Rates	**$ 2.283**	**$ 2.283**	**$ 2.353**	**$ 2.353**	**$ 2.355**	**$ 2.505**		**$ 2.355**	**$ 2.355**	**$ 2.355**	**$ 2.355**
Change in Tax Rates	**$ 0.038**	**$ -**	**$ 0.070**	**$ 0.070**	**$ 0.002**	**$ 0.153**		**$ -**	**$ -**	**$ -**	**$ -**
Each penny on the personal property tax rate generates additional revenue of	**$ 12**	**$ 12**	**$ 12**	**$ 13**	**$ 13**	**$ 12**		**$ 13**	**$ 13**	**$ 13**	**$ 13**

GENERAL FUND FINANCIAL PROJECTIONS
FISCAL YEAR 2019/2023
PROPERTY TAXES
(IN THOUSANDS)

	2015/16 ACTUAL	2016/17 ACTUAL	2017/18 REVISED BUDGET	2017/18 EST. ACTUAL	2018/19 PROPOSED BUDGET	2018/19 ADOPTED BUDGET	PROJ. CHG% *	2019/20 PROJ.	2020/21 PROJ.	2021/22 PROJ.	2022/23 PROJ.
Real Estate - Full Year Levy	**$ 23,107**	**$ 23,397**	**$ 23,373**	**$ 24,190**	**$ 25,207**	**$ 26,031**		**$ 25,757**	**$ 26,560**	**$ 27,107**	**$ 27,686**
% Increase	***3.7%***	***1.3%***	***-0.1%***	***3.5%***	***7.8%***	***11.4%***		***2.2%***	***3.1%***	***2.1%***	***2.1%***
Personal Property - UnInc	36	65	41	67	50	50	0.5%	50	51	51	51
Personal Property - Corp	2,770	2,783	2,850	2,975	3,000	3,030	0.5%	3,015	3,030	3,045	3,060
Homestead Tax Credit	(91)	(73)	(95)	(91)	(95)	(95)		(100)	(100)	(100)	(100)
Enterprise Zone Tax Credit Progra	(97)	(64)	(41)	(53)	(24)	(24)		(75)	(75)	(75)	(75)
Tax Exemption - Real Estate	(139)	(117)	(150)	(380)	(275)	(275)		(255)	(223)	(203)	(203)
Total Current Year's Levy	**25,586**	**25,991**	**25,978**	**26,708**	**27,863**	**28,717**		**28,392**	**29,243**	**29,825**	**30,419**
Reserve for Uncollect Taxes	(68)	(96)	(60)	(100)	(100)	(100)		(100)	(100)	(100)	(100)
Total Adj - Prior Yrs Levies	**(68)**	**(96)**	**(60)**	**(100)**	**(100)**	**(100)**		**(100)**	**(100)**	**(100)**	**(100)**
Current Years Levy	202	176	150	150	150	150		153	158	161	165
Total Interest on Delinq Tax	**202**	**176**	**150**	**150**	**150**	**150**		**153**	**158**	**161**	**165**
Tax Discounts/Allows - C/Yr	(30)	(30)	(31)	(31)	(31)	(31)		(32)	(33)	(33)	(34)
Total Tax Discounts/Allows	**(30)**	**(30)**	**(31)**	**(31)**	**(31)**	**(31)**		**(32)**	**(33)**	**(33)**	**(34)**
Total Property Taxes	**25,690**	**26,041**	**26,037**	**26,727**	**27,882**	**28,736**		**28,414**	**29,268**	**29,853**	**30,450**
% Increase	*5.0%*	*1.4%*	*0.0%*	*2.7%*	*7.1%*	*10.4%*		*1.9%*	*3.0%*	*2.0%*	*2.0%*
Hag Housing Authority	110	111	87	100	100	100	0.8%	101	102	102	103
Bethel Gardens	12	22	12	13	13	12	0.8%	13	13	13	13
Liberty Property	93	153	160	147	150	150	0.8%	151	152	154	155
CW Brooks Mid-Rise	10	8	8	8	8	8	0.8%	8	8	8	8
Electric Fund	532	532	532	532	532	532	0.0%	532	532	532	532
Water Fund	660	660	660	660	660	660	0.0%	660	660	660	660
Wastewater Fund	1,298	1,298	1,298	1,298	1,298	1,298	0.0%	1,298	1,298	1,298	1,298
Property Management Fund	58	57	57	-	-	1	0.0%	-	-	-	-
Total Pymts in Lieu of Taxes	**2,773**	**2,841**	**2,814**	**2,758**	**2,761**	**2,761**		**2,763**	**2,765**	**2,768**	**2,770**
% Increase	*1.5%*	*2.5%*	*-1.0%*	*-2.0%*	*-1.9%*	*-1.9%*		*0.1%*	*0.1%*	*0.1%*	*0.1%*
Total Property Taxes	**$ 28,463**	**$ 28,882**	**$ 28,851**	**$ 29,485**	**$ 30,643**	**$ 31,497**		**$ 31,177**	**$ 32,033**	**$ 32,620**	**$ 33,220**
% Increase	*4.6%*	*1.5%*	*-0.1%*	*2.2%*	*6.2%*	*9.2%*		*1.7%*	*2.7%*	*1.8%*	*1.8%*

GENERAL FUND FINANCIAL PROJECTIONS
FISCAL YEAR 2019/2023
ASESSABLE 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 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%
Actual 2015/2016	2,618	3.0%	0.913	1.7%	25,586	5.2%
Actual 2016/2017	2,660	1.6%	0.913	0.0%	25,991	1.6%
Estimated 2017/2018	2,644	-0.6%	0.941	3.1%	26,708	2.8%
Proposed 2018/2019	2,764	4.5% **	0.942	0.1%	27,863 **	4.3%
Adopted 2018/2019:All	**2,682**	**1.4%**	**1.002**	**6.5%**	**28,717**	**7.5%**
Adopted 2018/2019:Apts	***224***	***N/A***	***1.032***	***9.7%***	***2,314***	***N/A***
Projected 2019/2020	2,819	2.0%	0.942	0.0%	28,392	1.9%
Projected 2020/2021	2,909	3.2%	0.942	0.0%	29,242	3.0%
Projected 2021/2022	2,970	2.1%	0.942	0.0%	29,824	2.0%
Projected 2022/2023	3,032	2.1%	0.942	0.0%	30,420	2.0%

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

**The assessable base value per the February 2018 Constant Yield Notice memo reflects an expected real property assessed value of 2,537 which is a decrease of 0.09% over current levels. The City chart above assumes a slightly higher average assessable base value which includes personal property values. In addition, the chart above reflects the average value for all of FY19 and not just the value estimated to be on July 1. It is further anticipated that a potential change will be made with existing tax tiers which is the equivalent of a $0.03 per $100 of real estate assessed values. The change in tax tiers represents revenue growth of $776K which is reflected in the chart above.

***The Adopted 2018/2019 reflect the tax rate tier as approved by Mayor and Council for Apratments separate from all other categories. The Adopted 2018/2019: All include total assessable base values and dollars.

GENERAL FUND FINANCIAL PROJECTIONS
FISCAL YEAR 2019/2023
ASESSABLE BASE TABLE
(IN THOUSANDS)

	ACTUAL 2015/16	ACTUAL 2016/17	EST. ACTUAL 2017/18	PROPOSED BUDGET 2018/19	ADOPTED BUDGET 2018/19	PROJECTED 2019/20
For Full Year Levy	$ 23,107	$ 23,397	$ 24,190	$ 25,207	$ 26,031	$ 25,757
Enterprise Zone Tax Credit Program	(97)	(64)	(53)	(24)	(24)	(75)
Tax Exemption - Real Estate	(139)	(117)	(380)	(275)	(275)	(255)
Homestead Tax Credit Cap	(91)	(73)	(91)	(95)	(95)	(100)
Net Real Estate Taxes	**22,780**	**23,143**	**23,666**	**24,813**	**25,637**	**25,327**
	4.4%	1.6%	2.3%	4.8%	8.3%	2.1%
Unincorporated Personal Property	36	65	67	50	50	50
Corporate Personal Property	2,770	2,783	2,975	3,000	3,030	3,015
Total Personal Property	**2,806**	**2,848**	**3,042**	**3,050**	**3,080**	**3,065**
	12.4%	1.5%	6.8%	0.3%	1.2%	0.5%
Current Year's Levy	**$ 25,586**	**$ 25,991**	**$ 26,708**	**$ 27,863**	**$ 28,717**	**$ 28,392**
	5.2%	1.6%	2.8%	4.3%	7.5%	1.9%
Real EstateTax Rate	**$ 0.913**	**$ 0.913**	**$ 0.941**	**$ 0.942**	**$ 1.002**	**$ 0.942**
Real EstateTax Rate - Apartments Only	*$ 0.913*	*$ 0.913*	*$ 0.941*	*$ 0.942*	*$ 1.032*	*$ 0.942*
Business Property Tax Rate	**$ 2.283**	**$ 2.283**	**$ 2.353**	**$ 2.355**	**$ 2.505**	**$ 2.355**
Assessable Base						
Real Property	$ 2,495,071	$ 2,534,830	$ 2,514,984	$ 2,634,636	$ 2,558,583	$ 2,689,224
	-2.0%	1.6%	-0.8%	4.8%	1.7%	2.1%
[(Net Real Estate Taxes / Tax Rate)/10)]						
Business Personal Property	122,935	124,775	129,309	129,539	122,954	130,176
	4.0%	1.5%	3.6%	0.2%	-4.9%	0.5%
[Total Personal Property / Tax Rate]						
Total Assessable Base	**$ 2,618,007**	**$ 2,659,606**	**$ 2,644,293**	**$ 2,764,175**	**$ 2,681,537**	**$ 2,819,401**
	3.0%	1.6%	-0.6%	4.5%	1.4%	2.0%

GENERAL FUND FINANCIAL PROJECTIONS
FISCAL YEAR 2019/2023
GRANT AND OTHER REVENUES
(IN THOUSANDS)

GRANT REVENUES

	2015/16 ACTUAL	2016/17 ACTUAL	2017/18 REVISED BUDGET	2017/18 EST. ACTUAL	2018/19 PROPOSED BUDGET	PROJ. CHG%	2019/20 PROJ.	2020/21 PROJ.	2021/22 PROJ.	2022/23 PROJ.
Planning Dept. Grants										
Heritage Area Planning Grant	$ -	$ -	$ -	$ -	$ -		$ -	$ -	$ -	$ -
Various Dept. Grants										
Reimbursement FEMA Grants	84	-	-	-	-		-	-	-	-
All Other Departmental Grants	30	19	15	15	15		-	-	-	-
Police Dept. Grants										
DEA Reimbursed Overtime	62	59	55	55	55		55	55	55	55
COPS Hiring Grants - 2012, 2014, and 2016	293	252	178	173	109		19	-	-	-
School Resource Officers Grant	188	141	263	263	266		266	266	266	266
Total Grant Revenues	**$ 657**	**$ 471**	**$ 511**	**$ 506**	**$ 445**		**$ 340**	**$ 321**	**$ 321**	**$ 321**

OTHER REVENUES

	2015/16 ACTUAL	2016/17 ACTUAL	2017/18 REVISED BUDGET	2017/18 EST. ACTUAL	2018/19 PROPOSED BUDGET	PROJ. CHG%	2019/20 PROJ.	2020/21 PROJ.	2021/22 PROJ.	2022/23 PROJ.
Sale of Land & Other Property										
Fire & Police Dept Equipment	8	12	4	5	6		6	6	6	6
Other	24	32	37	32	9		7	7	7	7
Total Land Sale/Other	**32**	**44**	**41**	**37**	**15**		**13**	**13**	**13**	**13**
Contributions & Donations	142	105	124	109	101		125	125	125	125
Miscellaneous Revenues	185	93	83	76	59		85	85	85	85
Other Revenues	**327**	**198**	**207**	**185**	**160**		**210**	**210**	**210**	**210**
Transfers from Economic Redevelopment Fund	70	-	-	-	-		-	-	-	-
Transfers from CDBG Fund	12	26	30	30	30		30	30	30	30
Transfers from Health Ins Fund	49	36	546	546	577		55	55	55	55
Transfers from Capital Improvements Fund	-	-	-	-	-		-	-	-	-
Transfers from Property Management Fund	-	-	-	-	-		-	-	-	-
Total Transfers from Other Funds	**131**	**62**	**576**	**576**	**607**		**85**	**85**	**85**	**85**
Total Other Revenues	**$ 490**	**$ 304**	**$ 824**	**$ 798**	**$ 782**		**$ 308**	**$ 308**	**$ 308**	**$ 308**

GENERAL FUND FINANCIAL PROJECTIONS
FISCAL YEAR 2019/2023
SALARIES AND FRINGE BENEFITS
(IN THOUSANDS)

SALARIES AND WAGES

	2015/16 ACTUAL	2016/17 ACTUAL	2017/18 REVISED BUDGET	2017/18 EST. ACTUAL	2018/19 PROPOSED BUDGET	PROJ. CHG%	2019/20 PROJ. *3.000%*	2020/21 PROJ. *2.500%*	2021/22 PROJ. *3.000%*	2022/23 PROJ. *2.500%*
BASE WAGES										
Regular Wages-Salaried	$ 6,408	$ 4,345	$ 5,366	$ 5,242	$ 8,158		$ 8,403	$ 8,613	$ 8,871	$ 9,093
Regular Wages-Hourly	7,776	9,739	13,293	12,762	11,222		11,559	11,848	12,203	12,508
Sick Leave Pay	422	445	-	-	-		-	-	-	-
Holiday Pay	801	837	-	-	-		-	-	-	-
Vacation Pay	1,138	1,189	-	-	-		-	-	-	-
Compensatory Time Used	224	225	-	5	4		-	-	-	-
Personal Leave	245	200	-	-	-		-	-	-	-
Temporary & Seasonal	653	633	764	689	717	0.50%	721	724	728	731
Vacation Pay on Termination	37	52	61	105	166		80	80	80	80
Unfunded Positions Savings	-	-	(634)	-	(739)		(634)	(634)	(634)	(634)
Additional Vacancy Savings	-	-	(300)	-	(350)		(250)	(250)	(250)	(250)
Total Base Wages	**17,704**	**17,665**	**18,550**	**18,803**	**19,178**		**19,878**	**20,381**	**20,998**	**21,529**
% Increase	*2.3%*	*-0.2%*	*5.0%*	*1.4%*	*3.4%*		*3.6%*	*2.5%*	*3.0%*	*2.5%*
ADDITIONAL WAGES										
Overtime Pay	1,071	1,081	1,104	1,168	1,107	2.00%	1,129	1,152	1,175	1,198
Comp Time Earned	34	47	3	3	8		-	-	-	-
Total Additional Wages	**1,105**	**1,128**	**1,107**	**1,171**	**1,115**		**1,129**	**1,152**	**1,175**	**1,198**
% Increase	*-4.3%*	*2.1%*	*-1.9%*	*5.8%*	*0.7%*		*1.3%*	*2.0%*	*2.0%*	*2.0%*
Total Wages	**$ 18,809**	**$ 18,793**	**$ 19,657**	**$ 19,974**	**$ 20,293**		**$ 21,007**	**$ 21,532**	**$ 22,173**	**$ 22,727**
% Increase	*1.9%*	*-0.1%*	*4.6%*	*1.6%*	*3.2%*		*3.5%*	*2.5%*	*3.0%*	*2.5%*

FRINGE BENEFITS

	2015/16 ACTUAL	2016/17 ACTUAL	2017/18 REVISED BUDGET	2017/18 EST. ACTUAL	2018/19 PROPOSED BUDGET	PROJ. CHG%	2019/20 PROJ.	2020/21 PROJ.	2021/22 PROJ.	2022/23 PROJ.
Active Employees										
Holiday/Vacation Buy Back	$ 19	$ 12	$ -	$ -	$ -		$ -	$ -	$ -	$ -
Sick Pay on Termination	132	41	95	81	180		130	130	130	130
Pension - Police & Fire	1,326	1,333	1,495	1,425	1,564		1,621	1,662	1,712	1,756
Pension - MD State	680	670	735	735	768		812	832	858	879
MD State Deficit Payment	168	176	185	185	194		204	214	225	236
Pension - 401(a) Plan	2	2	2	2	2		2	2	2	2
F.I.C.A. Taxes (7.65%)	1,412	1,376	1,410	1,460	1,457		1,607	1,647	1,696	1,739
Health Insurance	3,059	3,162	3,194	3,170	3,164	5.0%	3,322	3,488	3,663	3,846
Dental Insurance	85	86	91	85	88	1.5%	89	91	92	93
Life Insurance	28	29	31	31	32		33	34	35	36
Long-Term Disability	10	5	6	6	6		8	8	8	8
Workmans Compensation	742	800	781	781	796		812	827	842	859
Emply Discounted Parking	61	60	54	60	61		60	60	60	60
Unemployment Taxes	64	83	51	81	81		85	85	80	75
Employee Assistance Prog	10	13	11	11	13		13	13	14	14
HPD Housing Allowance	16	13	13	18	18		18	20	21	22
Employee Longevity	6	6	6	6	6		6	6	6	6
Total	**7,820**	**7,878**	**8,160**	**8,137**	**8,430**		**8,822**	**9,119**	**9,443**	**9,760**
% Increase	*0.4%*	*0.7%*	*3.6%*	*-0.3%*	*3.3%*		*4.7%*	*3.4%*	*3.5%*	*3.4%*
Retirees										
Health Insurance	1,410	1,468	1,481	1,423	1,423	5.0%	1,494	1,569	1,647	1,730
Dental Insurance	47	47	48	48	48	1.5%	49	49	50	51
Total	**1,457**	**1,515**	**1,529**	**1,471**	**1,471**		**1,543**	**1,618**	**1,697**	**1,781**
% Increase	*3.8%*	*4.0%*	*0.9%*	*-3.8%*	*-3.8%*		*4.9%*	*4.9%*	*4.9%*	*4.9%*
Total Fringe Benefits	**$ 9,277**	**$ 9,393**	**$ 9,689**	**$ 9,608**	**$ 9,901**		**$ 10,365**	**$ 10,737**	**$ 11,140**	**$ 11,541**
% Increase	*0.9%*	*1.3%*	*3.2%*	*-0.8%*	*2.2%*		*4.7%*	*3.6%*	*3.8%*	*3.6%*

GENERAL FUND HISTORICAL TRENDS
FISCAL YEAR 2019/2023
EMPLOYER SHARE OF INSURANCE AND PENSION COSTS
(IN THOUSANDS)

	2014/15 Actual	2015/16 Actual	2016/17 Actual	2017/18 Budget	2017/18 Est. Actual	2018/19 Prop Budget
Health & Dental Insurance - Active Employees	2,889	3,144	3,248	3,285	3,255	3,252
Health & Dental Insurance - Retirees	1,404	1,457	1,515	1,529	1,471	1,471
Pension - MD State Retirement System	724	680	670	735	735	768
Pension - Police & Fire	1,261	1,326	1,333	1,495	1,425	1,564
	6,278	6,607	6,766	7,044	6,886	7,055
	11%	5%	2%	4%	-2%	0%

GENERAL FUND HISTORICAL TRENDS
FISCAL YEAR 2015 THROUGH FISCAL YEAR 2019
PENSIONS COSTS AS PERCENT OF SALARY

	2014/15 Actual	2015/16 Actual	2016/17 Actual	2017/18 Budget	2017/18 Est. Actual	2018/19 Prop Budget
Retirement - State of MD Fund Employer	9.73%	8.53%	8.53%	8.56%	8.56%	9.00%
Retirement - State of MD Fund Employee	7.00%	7.00%	7.00%	N/A	7.00%	N/A
Retirement - Police/Fire Employer	13.50%	13.71%	14.00%	14.00%	14.00%	14.00%
Retirement - Police/Fire Employee	7.00%	7.00%	7.00%	N/A	7.00%	N/A

GENERAL FUND FINANCIAL PROJECTIONS
FISCAL YEAR 2019/2023
CONTRACTED SERVICES AND OPERATING TRANSFERS
(IN THOUSANDS)

CONTRACTED SERVICEES

	2015/16 ACTUAL	2016/17 ACTUAL	2017/18 REVISED BUDGET	2017/18 EST. ACTUAL	2018/19 PROPOSED BUDGET	PROJ. CHG%	2019/20 PROJ.	2020/21 PROJ.	2021/22 PROJ.	2022/23 PROJ.
Medical Services	$ 29	$ 42	$ 28	$ 29	$ 43	2.0%	$ 44	$ 45	$ 46	$ 47
Grounds Services	166	222	198	216	216	2.0%	220	224	228	233
Miss Utility	4	5	4	4	5	0.0%	5	5	5	5
Contracted Staffing	25	18	25	10	26	2.0%	27	28	29	30
Other Contracted Services	1,542	1,601	1,521	1,606	1,577		1,597	1,629	1,662	1,695
Trash Collection	1,952	1,973	2,056	2,274	2,519	2.5%	2,582	2,647	2,713	2,781
Legal Fees	339	303	265	265	300	2.0%	306	312	318	324
Auditing	23	24	24	24	25	2.0%	26	27	28	29
Consulting	-	3	15	10	18	2.0%	18	18	18	18
Engineering	23	37	21	35	35	2.0%	36	37	38	39
Building Services	15	13	17	15	15	2.0%	15	15	15	15
Wellness Program	49	36	55	55	40		55	55	55	55
Safety Program	5	6	6	6	6	2.0%	6	6	6	6
Other Professional Services	134	133	158	128	215	2.0%	219	223	227	232
Total Contracted Services	**$ 4,306**	**$ 4,416**	**$ 4,393**	**$ 4,677**	**$ 5,040**		**$ 5,156**	**$ 5,271**	**$ 5,388**	**$ 5,509**
% Increase	*-0.8%*	*2.6%*	*-0.5%*	*6.5%*	*14.7%*		*2.3%*	*2.2%*	*2.2%*	*2.2%*

OPERATING TRANSFERS TO OTHER CITY FUNDS

	2015/16 ACTUAL	2016/17 ACTUAL	2017/18 REVISED BUDGET	2017/18 EST. ACTUAL	2018/19 PROPOSED BUDGET	PROJ. CHG%	2019/20 PROJ.	2020/21 PROJ.	2021/22 PROJ.	2022/23 PROJ.
Economic Redevelopment Fund	$ 100	$ 100	$ 125	$ 125	$ 125		$ 175	$ 175	$ 200	$ 200
Golf Course Fund	233	319	220	303	273		240	388	308	313
Grant Fund	41	9	-	-	-		25	25	25	25
Total Operating Transfers	**$ 374**	**$ 428**	**$ 345**	**$ 428**	**$ 398**		**$ 440**	**$ 588**	**$ 533**	**$ 538**

GENERAL FUND FINANCIAL PROJECTIONS
FISCAL YEAR 2019/2023
ANNUAL DEBT SERVICE REQUIREMENTS
(IN THOUSANDS)

	2015/16 ACTUAL	2016/17 ACTUAL	2017/18 REVISED BUDGET	2017/18 EST. ACTUAL	2018/19 PROPOSED BUDGET	2019/20 PROJ.	2020/21 PROJ.	2021/22 PROJ.	2022/23 PROJ.
2003/04 Pub Imprv Bonds									
Interest	$ 21	$ 17	$ 12	$ 12	$ 8	$ 3	$ -	$ -	$ -
Principal ($1,395,000)	100	105	110	110	115	120	-	-	-
Deferred Costs	-	-	1	1	1	1	-	-	-
2004/2005 Public Fac Bonds									
Interest	50	40	31	31	21	11	-	-	-
Principal ($3,800,000)	276	285	299	299	309	318	-	-	-
2005/06 Pub Facilities Bonds									
Interest	137	118	98	98	78	57	35	12	-
Principal ($7,490,666)	511	530	549	549	571	594	613	640	-
2008/09 Pub Imprv Bonds									
Interest	49	40	30	30	18	6	-	-	-
Principal ($3,407,810)	339	356	375	375	393	412	-	-	-
2008/09 Pub Imprv BAB									
Interest	188	188	189	189	181	181	268	246	223
Principal ($5,074,007)	-	-	-	-	-	-	427	443	459
2012 Tote Loan									
Interest	16	14	13	13	9	5	4	1	-
Principal ($600,000)	58	59	61	61	64	66	68	53	-
2014 Pub Imprv Bonds									
Interest (2.50% over 15 years)	11	10	9	9	9	8	7	7	6
Principal ($428,427)	26	26	27	27	28	28	30	30	30
2015A Pub Imprv Bonds									
Interest (3.06% over 20 years)	86	91	91	91	88	84	80	75	71
Principal ($3,599,066 after reprogram)	112	119	123	123	130	135	141	150	157
Deferred Costs	-	-	-	-	-	-	-	-	-
2015B Pub Imprv Bonds									
Interest (3.89% over 20 years)	20	21	20	20	20	19	19	18	18
Principal ($650,000)	26	25	25	25	26	26	26	28	28
Deferred Costs	-	4	-	-	-	-	-	-	-
2017A Pub Imprv Bonds									
Interest (2.52% 20Yr)	-	-	92	131	127	122	116	110	103
Principal ($4,293,526)	-	-	222	139	147	151	162	169	177
Deferred Costs	-	98	-	1	1	1	1	1	1
2017B Pub Imprv Bonds									
Interest (3.35% 20Yr)	-	-	11	17	16	16	15	14	14
Principal ($500,000)	-	-	26	19	19	19	20	20	22
Deferred Costs	-	14	-	-	-	-	-	-	-
Subtotal Current Debt Service Issues									
Interest & Deferred Costs	**578**	**655**	**597**	**643**	**577**	**514**	**545**	**484**	**436**
Principal	**1,448**	**1,505**	**1,817**	**1,727**	**1,802**	**1,869**	**1,487**	**1,533**	**873**
Subtotal Current Debt Service Issues	**$ 2,026**	**$ 2,160**	**$ 2,414**	**$ 2,370**	**$ 2,379**	**$ 2,383**	**$ 2,032**	**$ 2,017**	**$ 1,309**
2018B Pub Imprv Bonds (Future)									
Interest (4.00% over 20 years)	-	-	-	-	*27*	*27*	*27*	*27*	*27*
Principal ($1,265,000)	-	-	-	-	*131*	*131*	*131*	*131*	*131*
2019 Pub Imprv Bonds (Future)									
Interest (4.25% over 20 years)	-	-	-	-	*72*	*144*	*144*	*144*	*144*
Principal ($6,333,600)	-	-	-	-	-	*327*	*327*	*327*	*327*
2020 Pub Imprv Bonds (Future)									
Interest (4.50% over 25 years)	-	-	-	-	-	*70*	*140*	*140*	*140*
Principal ($5,847,800)	-	-	-	-	-	-	*241*	*241*	*241*
2021 Pub Imprv Bonds (Future)									
Interest (4.75% over 20 years)	-	-	-	-	-	-	*60*	*121*	*121*
Principal ($4,774,600)	-	-	-	-	-	-	-	*246*	*246*
2022 Pub Imprv Bonds (Future)									
Interest (4.75% over 20 years)	-	-	-	-	-	-	-	*53*	*105*
Principal ($4,145,000)	-	-	-	-	-	-	-	-	*214*
2023 Future Pub Imprv Bonds									
Interest (4.75% 20Yr)	-	-	-	-	-	-	-	-	*7*
Principal ($540,000)	-	-	-	-	-	-	-	-	-
Total All Debt Service Issues									
Interest & Deferred Costs	**578**	**655**	**597**	**643**	**676**	**755**	**916**	**969**	**980**
Principal	**1,448**	**1,505**	**1,817**	**1,727**	**1,933**	**2,327**	**2,186**	**2,478**	**2,032**
Total All Debt Service Issues	**$ 2,026**	**$ 2,160**	**$ 2,414**	**$ 2,370**	**$ 2,609**	**$ 3,082**	**$ 3,102**	**$ 3,447**	**$ 3,012**
	10.8%	*6.6%*	*11.8%*	*-1.8%*	*8.1%*	*18.1%*	*0.6%*	*11.1%*	*-12.6%*

Note: It is anticipated that the 2018 bond issue on the chart above will be completed in May 2018 for a few approved FY18 capital bond projects.

GENERAL FUND FINANCIAL PROJECTIONS
FISCAL YEAR 2019/2023
DEBT AFFORADABILITY

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
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	4.44%
2016	2,618,007	40	16,622	0.63%	411	4.85%
2017	2,659,606	40	20,399	0.77%	504	5.15%
Estimated 2017/18	2,644,293	40	19,902	0.75%	492	5.49%
Proposed 2018/19	2,764,175	40	24,268	0.88%	600	5.81%
Projected 2019/20	2,819,401	40	27,764	0.98%	686	6.50%
Projected 2020/21	2,908,704	40	30,329	1.04%	750	6.40%
Projected 2021/22	2,969,524	40	31,971	1.08%	790	6.87%
Projected 2022/23	3,031,648	40	30,455	1.00%	753	5.94%
City Debt Policy Guidelines				**10.00%**	**1,000**	**10.00%**

General Fund Financial Projections
Fiscal Year 2019/2023
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							
	2016/17	2,659,606	20,399	40	504	-	-
	Estimated 2017/18	2,644,293	19,902	40	492	1,265	1,762
	Proposed Bud 2018/19	2,764,175	24,268	40	600	6,334	1,968
	Projected 2019/20	2,819,401	27,764	40	686	5,848	2,352
	Projected 2020/21	2,908,704	30,329	40	750	4,775	2,210
	Projected 2021/22	2,969,524	31,971	40	790	4,145	2,502
	Projected 2022/23	3,031,648	30,455	40	753	540	2,057
Subtotal Future Issuances						**22,906**	**12,850**
City Debt Policy Limit			**40,452**	**40**	**1,000**		

Additional General Fund Debt Issue Capacity

Over FY 2016/17 level	20,053
Beyond 5 year proposed projections	9,997

- 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, Wastewater, and Parking Funds. Most of the other revenue increases included in the projections are based on increased utilization or increased customer base.

- Total operating expenses (excluding depreciation) are expected to increase for Electric, Water, Parking and Golf funds based on actual year to date trends occurring while the operating expenses are decreasing for the Wastewater and Property Management funds from the FY2017/18 budget to the proposed budget in FY2018/19. The overall operating expense increases range from a low of 0.1% through a high of 3.8% across Electric, Water, Parking and Golf funds and the decrease for Wastewater and Property Management is 0.7% and 28.6% which is specifically notated within each individual fund's assumption section that follows. The increases included for future periods through FY2022/23 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 FY2022/23 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 grow slightly beginning in FY2018/19 and future periods based on current market interest rates. Specifics on each individual fund are notated in the pages that follow and include a combination of current market conditions and cash balances within each fund.

- The debt service requirements vary by fund and are reflected in Interest Expense and Prinicipal Payments in all applicable funds. The future bond issue interest costs vary as some are City issued bonds and some are financed through Maryland Department of the Environment (MDE). Each issue may have different terms as well. In general, the projections for City issued governmental bonds are based on interest rates of 4.25% through 4.75% primarily for 20 year terms. Typically, MDE bond issues are low interest rates at 2.0% over primarily 20 year terms.

- Capital expenditures are taken directly from Section 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.

- The HLD approved a wholesale power contract extension in November 2016 with First Energy Solutions at a rate of $52.70/MWh that is in effect from June 1, 2017 through May 31, 2022. The result of the current agreement in place was an increase of 2.5% over the prior rate of $51.50/MWh. This rate is locked in through the end of the contract extension period.

- The increase in service charge revenue from FY2017/18 budget compared to FY2018/19 proposed budget is 3.8% or $845K. The majority of the increase can be associated with adding a new high usage industrial customer. Service charge revenue in the Industrial category shows a $1.1M increase in the FY2018/19 proposed budget or a 22.3% increase over the FY2017/18 budget. Going forward, the projections for revenue from FY2019/20 through FY2022/23 will remain flat with no change as a result of the Purchase Power agreement in place and Public Service Commission regulations.

- Operating expenses, excluding depreciation, increased as well by 3.8% or $846K from the FY2017/18 budget compared to the proposed budget for FY2018/19. This increase is driven by purchased power costs paid to First Energy Solutions for overall usage. In addition, there is a new large industrial customer with high usage. Based on historical data, the projections reflect annual increases of 0.5% from FY2019/20 through FY2022/23 in distribution and administrative costs.

- The purchased power expense for FY2018/19 budget represents approximately 75% of total service revenue charges. The projections for the purchase power expenses have increased slightly from FY2017/18 estimated actuals to proposed FY2018/19 budget. Just like the revenue projections for future years, the purchase power expense category remains flat beginning in FY2018/19 through FY2022/23.

- Depreciation expense for proposed FY2018/19 budget is 10.1% higher than current FY2017/18 budget. This increase is a result of higher investments in new capital projects and assets. Beginning in FY2019/20 through FY2022/23, it is anticipated that more capital equipment and infrastructure investments will be made which causes the following annual increases in the depreciation expenses: 0.6%, 1.2%, 1.2% and 1.2%.

- The investment interest rate is assumed to increase slightly as a result of current economic conditions. Additionally, 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 slight growth of total interest earned beginning in FY2019/20 through FY2022/23.

- As reflected in our projections, all capital improvement projects and capital outlay expenditures will be covered by fund balance in the Electric Fund with the exception of the A&E District upgrades which will be funded by contributions from developers. There are no future debt issues in projections through FY2022/23.

- 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 $69K in FY2018/19 to a loss of <$20K> in FY2019/20.

- 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 FY2017/18 is closed and audited to determine if any transfer is possible.

ELECTRIC FUND PROJECTIONS
FISCAL YEAR 2019/23
INCOME STATEMENT
(IN THOUSANDS)

	2015/16 ACTUAL	2016/17 ACTUAL	2017/18 REVISED BUDGET	2017/18 ESTIMATED ACTUAL	2018/19 PROPOSED BUDGET	PROJ. CHG %	2019/20 PROJ.	2020/21 PROJ.	2021/22 PROJ.	2022/23 PROJ.
Operating Revenues										
Service Charges:										
Residential	$11,482	$11,617	$ 11,739	$ 11,558	$ 11,558	0.0%	$ 11,558	$ 11,558	$ 11,558	$ 11,558
Commercial	4,837	4,804	4,854	4,806	4,806	0.0%	4,806	4,806	4,806	4,806
Industrial	4,859	5,067	4,916	5,626	6,014	0.0%	6,014	6,014	6,014	6,014
Other Rates	734	686	788	765	765	0.0%	765	765	765	765
Total Service Charges	**21,912**	**22,173**	**22,297**	**22,755**	**23,142**		**23,142**	**23,142**	**23,142**	**23,142**
Other Operating Revenues	629	756	744	770	753		753	753	753	753
Total Operating Revenue	**22,540**	**22,930**	**23,041**	**23,525**	**23,895**		**23,895**	**23,895**	**23,895**	**23,895**
Operating Expenses										
Purchased Power	16,569	17,011	16,555	17,066	17,357	0.0%	17,357	17,357	17,357	17,357
Distribution	2,169	2,209	2,358	2,385	2,472	0.5%	2,485	2,497	2,510	2,522
General & Administration	3,391	3,198	3,191	3,168	3,122	0.5%	3,138	3,154	3,169	3,185
Depreciation	867	888	945	980	1,040		1,046	1,059	1,071	1,084
Total Operating Expenses	**22,996**	**23,305**	**23,050**	**23,599**	**23,991**		**24,025**	**24,066**	**24,107**	**24,148**
Operating Income (Loss)	**(456)**	**(376)**	**(8)**	**(74)**	**(96)**		**(131)**	**(171)**	**(212)**	**(253)**
Non-Operating Revenues (Expenses)										
Interest Earned	122	120	100	107	94		96	98	100	102
Interest/Bond Issuance Expense	(24)	(19)	(15)	(15)	(13)		(12)	(10)	(9)	(8)
Gain (loss) on Sale of Capital Assets	(8)	(10)	(30)	(20)	(20)		10	10	10	10
Total Non-Operating Revenue (Expense)	**91**	**91**	**55**	**73**	**61**		**95**	**98**	**102**	**105**
Net Income (Loss) Before Operating Transfers	**(365)**	**(285)**	**47**	**(2)**	**(35)**		**(36)**	**(73)**	**(110)**	**(148)**
Transfers From (To) Other Funds										
Transfers (to) Capital Improvements Fund	-	(4)	(2)	(2)	(4)		(34)	(31)	(36)	(38)
Transfers from Health Insurance Fund	-	-	53	53	58		-	-	-	-
Total Transfers From (To) Funds	-	(4)	51	51	54		(34)	(31)	(36)	(38)
Capital Contributions										
Non-Cash Developer Contributions	38	27	50	50	50		50	50	50	50
Capital Contributions	**38**	**27**	**50**	**50**	**50**		**50**	**50**	**50**	**50**
Increase (Decrease) in Retained Earnings	**(327)**	**(262)**	**148**	**99**	**69**		**(20)**	**(54)**	**(96)**	**(136)**
Adjust to a Cash Flow Basis										
Depreciation	867	888	945	980	1,040		1,046	1,059	1,071	1,084
Current Principal Payments on Debt	(46)	(38)	(40)	(40)	(42)		(43)	(45)	(47)	(18)
Non-Cash Developer Contributions	(38)	(27)	(50)	(50)	(50)		(50)	(50)	(50)	(50)
Changes in Working Capital	821	3,620	-	-	-		-	-	-	-
Total Adjustments to Retained Earnings	**1,604**	**4,443**	**855**	**890**	**948**		**953**	**964**	**974**	**1,016**
Funds Available for Capital Outlay	1,277	4,181	1,003	990	1,017		933	910	878	880
Capital Outlay	998	859	988	864	1,198		1,439	1,614	1,779	1,454
Cash After Capital Outlay	**$ 279**	**$ 3,322**	**$ 15**	**$ 125**	**$ (180)**		**$ (505)**	**$ (704)**	**$ (901)**	**$ (574)**
Additional Funding:										
City Bond Financing	-	(235)	-	-	-		-	-	-	-
Net Surplus (Deficit)	279	3,087	15	125	(180)		(505)	(704)	(901)	(574)
Beginning Cash Balance	$ 6,492	$ 6,771	$ 9,858	$ 9,858	$ 9,983		$ 9,803	$ 9,297	$ 8,594	$ 7,693
Ending Cash Balance	$ 6,771	$ 9,858	$ 9,873	$ 9,983	$ 9,803		$ 9,297	$ 8,594	$ 7,693	$ 7,119
Unrestricted Cash Balance, Beginning	$ 6,492	$ 6,771	$ 6,314	$ 6,314	$ 6,439		$ 6,259	$ 5,753	$ 5,050	$ 4,149
Unrestricted Cash Balance, Ending	$ 6,771	$ 6,314	$ 6,329	$ 6,439	$ 6,259		$ 5,753	$ 5,050	$ 4,149	$ 3,575
Restricted Cash Balance, Beginning	$ -	$ -	$ 3,544	$ 3,544	$ 3,544		$ 3,545	$ 3,545	$ 3,546	$ 3,546
Restricted Cash Balance, Ending	$ -	$ 3,544	$ 3,544	$ 3,544	$ 3,545		$ 3,545	$ 3,546	$ 3,546	$ 3,547
Dividend Affordability Formula										
Operating & Maintenance Expenses	$22,129	$22,418	$ 22,105	$ 22,619	$ 22,951		$ 22,979	$ 23,007	$ 23,036	$ 23,064
Reserved Retained Earnings (2 Months)	$ 3,688	$ 3,736	$ 3,684	$ 3,770	$ 3,825		$ 3,830	$ 3,835	$ 3,839	$ 3,844
Cash in Excess of Reserve after Dividend	$ 3,083	$ 2,577	$ 2,645	$ 2,669	$ 2,433		$ 1,923	$ 1,215	$ 310	$ (269)

ELECTRIC FUND PROJECTIONS
FISCAL YEAR 2019/23
INCOME STATEMENT
(IN THOUSANDS)

	2015/16 ACTUAL	2016/17 ACTUAL	2017/18 REVISED BUDGET	2017/18 ESTIMATED ACTUAL	2018/19 PROPOSED BUDGET	PROJ. CHG %	2019/20 PROJ.	2020/21 PROJ.	2021/22 PROJ.	2022/23 PROJ.
Schedule A - Capital Outlay										
Capital Outlay										
Vehicles-C0090	$ 77	$ 248	$ 225	$ 200	$ 250		$ 250	$ 230	$ 215	$ 250
Telemetry Equipment-C0111	27	6	25	14	25		10	10	10	10
Central Substation-C0118	-	-	-	-	-		-	200	500	200
Buildgin Security Improvements - C0178	-	-	-	-	25		25	-	-	-
Wesel Boulevard-C0220	-	-	-	-	-		50	50	50	50
System Reconductoring-C0259	-	0	20	9	50		50	50	50	20
Pedestrian Lights-C0388	-	-	-	-	-		100	100	100	100
SCADA System-C0441	-	27	-	-	10		10	10	10	10
Underground Replacement-C0540	36	22	30	-	25		25	15	15	15
Building & Site Improvements-C0542	423	63	50	50	25		25	25	25	25
Bulldog Substation- C0544	-	-	-	-	-		-	-	20	20
Street Light Replacement-C0546	-	-	25	2	10		10	-	-	-
A&E District Upgrades-C0591	-	-	25	-	55		75	75	55	25
Test Equipment-C0609	3	2	18	10	20		20	20	20	20
Substation Breaker Replacement-776	-	-	50	60	60		60	60	60	60
Mitchell Substation Third Bay-C0778	-	-	-	-	-		60	100	-	-
Spare Regulators-C0797	-	10	20	15	20		20	20	-	-
Wildlife Protection-C0802	4	14	20	10	20		20	20	20	20
Hamilton Hotel-C0819	1	-	-	-	-		-	-	-	-
Feeder Coordination-C0833	20	18	25	10	20		20	20	20	20
Circuit Upgrades-C0842	21	-	20	-	70		150	150	150	150
Washington County Senior Center-C0869	5	-	-	-	-		-	-	-	-
Other - Non-Specific	381	450	435	485	513		459	459	459	459
Total Capital Outlay	**$ 998**	**$ 859**	**$ 988**	**$ 864**	**$ 1,198**		**$ 1,439**	**$ 1,614**	**$ 1,779**	**$ 1,454**

- Mayor and City Council adopted a five-year rate schedule on March 27, 2014. Water service rates were approved to increase an average of 2.0% annually for services provided in the City and an average of 2.0% per year for services provided outside the City during this time. The five-year rate schedule was based on a cost of service study; and, the rate schedule is effective from July 1, 2014 through June 30, 2019. The projections reflect these average increases through FY2018/19. Additionally, the projections from FY2019/20 for all future periods include preliminary annual rate increase of 2.0% based on trends. The new cost of service study may include any necessary rate adjustments to continue to meet the Water revenue requirements and enable the fund to be self-supporting.

- Total operating expenses (excluding depreciation) increased by 1.9% from the FY2017/18 budget compared to the proposed budget for FY2018/19. This increase is a reflection of approved 1540 AFSCME union contract and potential salary enhancements, employer related benefit costs, vehicle maintenance costs, chemicals, minor portable tools/equipment, and depreciation. Based on historical trends, the projections include increases in future periods as well, and the overall estimated increase for each period from FY2019/20 through FY2022/23 is 2.0%.

- Depreciation expense has increased from FY2017/18 budget to FY2018/19 budget by 4.6%. It is anticipated that depreciation will continue to increase in future years as investment in significant capital projects continue throughout the Water Division of the City. This trend will continue to increase over the future four years that follow based upon current anticipated new projects. In the four years from FY2019/20 through FY2022/23 the increase in expense is projected to be 5.0%, 8.1%, 5.0%, and 2.4%.

- The investment interest rate is assumed to increase over proposed FY2017/18 budget amounts due to growth in cash balance and better interest rates in the market. It is projected to remain flat in future periods as a result of continuing current market trends before declining in FY2021/22 and FY2022/23 as result of utilizing some existing cash balances.

- 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 and timing of new development. From our current FY2017/18 budget to proposed FY2018/19 budget, benefit charges are estimated to remain flat at $500K. Likewise, all of the projections from FY2019/20 through FY2022/23 are anticipated to remain at same rate of $500K annually.

- The projections for Maryland Department of the Environment (MDE) Loan Program Bond financing include low interest rates at 2.0% for twenty and 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 4.25% to 4.75% over 20 and 25 years. The prior MDE bond financing for the R.C. Willson Plant upgrades includes loan forgiveness of $1.5 million which will occur in FY2022/23.

- Based on the assumptions outlined above for both revenues and increasing expenses, our net increase (decrease) in retained earnings is estimated to decline from an anticipated gain of $2.0M in FY2018/19 to a gain of $134K in FY2019/20.

- Due to current projections for benefit charges, the cost of service rate study recommends that an allocation of cash be reserved as restricted cash for use in future years. This allocation would cover a portion of annual service charges for future system repairs, renewal, and replacement.

- The ending total cash balance projection will decrease from $10.2M in FY2018/19 to $6.9M in FY2022/23 primarily as a result of significant capital projects and annual debt service requirements scheduled in future periods.

WATER FUND PROJECTIONS
FISCAL YEAR 2019/23
INCOME STATEMENT
(IN THOUSANDS)

	2015/16 ACTUAL	2016/17 ACTUAL	2017/18 REVISED BUDGET	2017/18 EST. ACTUAL	2018/19 PROPOSED BUDGET	PROJ. CHG%	2019/20 PROJ.	2020/21 PROJ.	2021/22 PROJ.	2022/23 PROJ.
Operating Revenues										
Service Charges										
Metered City Water	$ 2,109	$ 2,194	$ 2,199	$ 2,237	$ 2,282	2%	$ 2,328	$ 2,374	$ 2,422	$ 2,470
Metered County Water	8,347	8,418	8,689	8,679	8,853	2%	9,030	9,210	9,395	9,582
Total Service Charges	**10,457**	**10,612**	**10,888**	**10,916**	**11,135**		**11,357**	**11,585**	**11,816**	**12,053**
Other Operating Revenues	988	1,006	830	881	868		800	800	800	800
Total Operating Revenue	**11,445**	**11,618**	**11,718**	**11,798**	**12,003**		**12,157**	**12,385**	**12,616**	**12,853**
Operating Expenses										
Source of Supply	114	47	45	51	58	2%	59	61	62	63
Pumping & Water Treatment	3,527	3,490	3,713	3,612	3,803	2%	3,879	3,956	4,036	4,116
Transmission & Distribution	1,392	1,479	1,873	1,986	1,989	2%	2,029	2,070	2,111	2,153
Selling, General & Administration	3,023	2,745	2,656	2,623	2,592	2%	2,644	2,697	2,751	2,806
Total Operating Expenses	**8,057**	**7,761**	**8,286**	**8,272**	**8,442**		**8,611**	**8,783**	**8,959**	**9,138**
Cash Operating Income (Loss)	**3,389**	**3,857**	**3,432**	**3,525**	**3,561**		**3,546**	**3,601**	**3,657**	**3,714**
Depreciation	3,079	3,167	3,370	3,320	3,525		3,700	4,000	4,200	4,300
Operating Income (Loss)	**310**	**690**	**62**	**205**	**36**		**(154)**	**(399)**	**(543)**	**(586)**
Non-Operating Revenues (Expenses)										
Interest Earned	8	31	3	33	33		30	30	20	20
Premium on Bonds	11	11	11	11	11		4	4	4	4
Interest/Bond Issuance Expense	(502)	(560)	(572)	(552)	(551)		(571)	(635)	(663)	(684)
Gain (Loss) on Sale of Capital Assets	10	22	15	10	10		8	8	8	8
Total Non-Operating Revenue (Expense)	**(473)**	**(496)**	**(544)**	**(498)**	**(497)**		**(528)**	**(592)**	**(631)**	**(652)**
Net Income (Loss) Before Operating Transfers	**(163)**	**194**	**(482)**	**(293)**	**(461)**		**(682)**	**(991)**	**(1,174)**	**(1,238)**
Transfers From (To) Other Funds										
Transfers (to) Capital Improvements Fund	-	(4)	(2)	(2)	(4)		(34)	(31)	(36)	(38)
Transfers from Health Insurance Fund	-	-	76	76	86		-	-	-	-
Total Transfers From (To) Other Funds	**0**	**(4)**	**74**	**74**	**82**		**(34)**	**(31)**	**(36)**	**(38)**
Capital Contributions										
Benefits Charges	518	585	500	502	500		500	500	500	500
Grants in Aid of Construction/Cash Contributions	-		-	77	1,533		-	150	550	2,000
MDE Loan Forgiveness	-	-	-	-	-		-	-	-	1,500
Non Cash Developer Contributions	826	656	350	350	350		350	350	350	350
Capital Contributions	**1,344**	**1,241**	**850**	**928**	**2,383**		**850**	**1,000**	**1,400**	**4,350**
Increase (Decrease) in Retained Earnings	**1,181**	**1,432**	**443**	**710**	**2,003**		**134**	**(22)**	**190**	**3,074**
Adjust to a Cash Flow Basis										
Add Back Depreciation	3,079	3,167	3,370	3,320	3,525		3,700	4,000	4,200	4,300
Changes in Working Capital	1,042	1,227	-	-	-		-	-	-	-
Principal Payments on Long-term Debt	(1,649)	(1,670)	(1,821)	(1,739)	(1,826)		(1,923)	(2,308)	(2,539)	(4,115)
Non-Cash Developer Contributions	(826)	(656)	(350)	(350)	(350)		(350)	(350)	(350)	(350)
Total Adjustments to Retained Earnings	**1,647**	**2,067**	**1,199**	**1,231**	**1,349**		**1,427**	**1,342**	**1,311**	**(165)**
Cash Available for Capital Outlay	**2,828**	**3,499**	**1,642**	**1,941**	**3,352**		**1,561**	**1,320**	**1,501**	**2,909**
Capital Outlay										
Non-Growth Related	2,248	3,097	5,149	2,904	7,922		8,618	9,787	2,938	6,718
Growth Related	998	59	188	211	498		817	1,528	712	3,182
Total Capital Outlay	**3,246**	**3,155**	**5,337**	**3,115**	**8,420**		**9,435**	**11,315**	**3,650**	**9,900**
Cash After Capital Outlay	**(418)**	**343**	**(3,695)**	**(1,175)**	**(5,068)**		**(7,874)**	**(9,995)**	**(2,149)**	**(6,991)**
Additional Funding										
MDE Bond Financing	557	411	3,050	603	3,319		6,850	8,450	750	5,500
City Bond Financing	-	1,106	1,225	0	0		0	725	735	745
Total Additional Funding	**557**	**1,518**	**4,275**	**603**	**3,319**		**6,850**	**9,175**	**1,485**	**6,245**
Net Surplus (Deficit)	**$ 138**	**$ 1,861**	**$ 580**	**$ (572)**	**$ (1,749)**		**$ (1,024)**	**$ (820)**	**$ (664)**	**$ (746)**
Beginning Cash Balance	$ 10,558	$ 10,697	$ 12,558	$ 12,558	$ 11,986		$ 10,237	$ 9,213	$ 8,393	$ 7,728
Ending Cash Balance	$ 10,697	$ 12,558	$ 13,138	$ 11,986	$ 10,237		$ 9,213	$ 8,393	$ 7,728	$ 6,982
Unrestricted Cash Balance - Beginning	$ 6,611	$ 6,664	$ 8,272	$ 8,272	$ 7,648		$ 5,824	$ 4,721	$ 3,706	$ 2,857
Unrestricted Cash Balance - Ending	$ 6,664	$ 8,272	$ 9,105	$ 7,648	$ 5,824		$ 4,721	$ 3,706	$ 2,857	$ 2,206
Restricted Cash Balance - Beginning	$ 3,947	$ 4,033	$ 4,286	$ 4,286	$ 4,337		$ 4,413	$ 4,492	$ 4,687	$ 4,871
Restricted Cash Balance - Ending	$ 4,033	$ 4,286	$ 4,033	$ 4,337	$ 4,413		$ 4,492	$ 4,687	$ 4,871	$ 4,777
Dividend Affordability Formula:										
Operating & Maintenance Expenses	$ 8,057	$ 7,761	$ 8,286	$ 8,272	$ 8,442		$ 8,611	$ 8,783	$ 8,959	$ 9,138
Reserved Retained Earnings (2 Months)	$ 1,343	$ 1,294	$ 1,381	$ 1,379	$ 1,407		$ 1,435	$ 1,464	$ 1,493	$ 1,523
Cash in Excess of Reserve after Dividend	$ 5,321	$ 6,978	$ 7,724	$ 6,270	$ 4,417		$ 3,286	$ 2,242	$ 1,364	$ 683

WATER FUND PROJECTIONS
FISCAL YEAR 2019/23
INCOME STATEMENT
(IN THOUSANDS)

	2015/16 ACTUAL	2016/17 ACTUAL	2017/18 REVISED BUDGET	2017/18 EST. ACTUAL	2018/19 PROPOSED BUDGET	PROJ. CHG%	2019/20 PROJ.	2020/21 PROJ.	2021/22 PROJ.	2022/23 PROJ.
Schedule A - Capital Outlay										
Capital Outlay										
Water Vehicles-C0117	$ 23	$ 343	$ 412	$ 479	$ 620		$ 230	$ 305	$ 325	$ 280
R.C. Willson Plant Improvements-C0166	186	199	225	775	1,025		200	200	200	200
Willson Transmission Main-C0167	-	-	500	-	750		3,300	6,480	400	5,500
Edgemont Reservoir Improvements-C0168	-	332	1,900	150	1,900		1,800	1,230	960	690
Zone 3 Standpipe-C0323	-	-	-	-	-		-	-	-	100
Breichner WTP Improvements-C0405	-	-	100	-	1,050		2,400	1,800	50	50
Administrative/Engineering Equip.-C0648	-	-	10	5	10		10	10	10	10
Pump Station Improvements-C0651	56	111	615	225	835		75	225	625	1,975
DIstribution Services-C0653	1,709	1,504	330	400	330		330	330	330	330
Distribution System Rehabilitation-C0709	664	537	550	400	550		565	585	600	615
R.C. Willson Plant - Phase IV-C0740	428	2	-	6	-		-	-	-	-
Water System SCADA Improvements-C0820	91	42	150	75	450		525	150	150	150
R.C.Willson Traveling Screen ReplacementC0863	87	86	545	600	900		-	-	-	-
Total Capital Outlay	**3,246**	**3,155**	**5,337**	**3,115**	**8,420**		**9,435**	**11,315**	**3,650**	**9,900**
Schedule B - Capital Outlay Detail										
Capital Outlay										
Non-Growth Related										
Cash Funded										
Water Vehicles-C0117	$ 23	$ 343	$ 412	$ 479	$ 620		$ 230	$ 305	$ 325	$ 280
R.C. Willson Plant Improvements-C0166	23	56	30	581	319		150	38	38	38
Willson Transmission Main-C0167					200		240	384	320	400
Edgemont Reservoir Improvements-C0168	-	-	150	125	400		300	230	210	190
Breichner WTP Improvements-C0405	-	-	-	-	550		400	300	-	-
Administrative/Engineering Equip.-C0648	-	-	8	4	8		8	8	8	8
Pump Station Improvements-C0651	56	111	75	146	282		75	75	75	75
DIstribution Services-C0653	-	1,504	330	400	330		330	330	330	330
Distribution System Rehabilitation-C0709	229	-	-	387	550		565	210	215	220
R.C. Willson Plant - Phase IV-C0740	-	1	-	5	-		-	-	-	-
Water System SCADA Improvements-C0820	-	-	-	33	40		140	-	-	-
R.C.Willson Traveling Screen Rep -C0863	87	86	45	-	101		-	-	-	-
Total Cash Funding	**419**	**2,102**	**1,050**	**2,159**	**3,400**		**2,438**	**1,880**	**1,521**	**1,541**
Grants - State MDE										
R.C. Willson Plant Improvements-C0166				-	450					
Pump Station Improvements-C0651				32	243					
R.C.Willson Traveling Screen Rep -C0863				45	690					
R.C. Willson Plant - Phase IV-C0740	-		-	-	-		-	-	-	-
Total Grants in Aid of Construction	**0**		**0**	**77**	**1,383**		**0**	**0**	**0**	**0**
MDE Bond Funded										
Willson Transmission Main-C0167		-	400	-	400		2,400	4,800	-	4,000
Edgemont Reservoir Improvements-C0168	-	-	-	-	1,500		1,500	1,000	750	500
Breichner WTP Improvements-C0405	-	-	50	-	500		2,000	1,450	-	-
Pump Station Improvements-C0651	-	-	500	48	310		-	-	-	-
R.C. Willson Plant - Phase IV-C0740	321	-	-	-	-		-	-	-	-
Water System SCADA Improvements-C0820	73	-	-	-	320		280	-	-	-
R.C.Willson Traveling Screen Rep-C0863	-	-	500	555	109		-	-	-	-
Total MDE Bond Funding	**394**	**0**	**1,450**	**603**	**3,139**		**6,180**	**7,250**	**750**	**4,500**
Benefit Charge Advance(MDE Bond Funding)										
Water System SCADA Improvements-C0820	-		-	-	-		-	-	-	-
Total Benefit Charge Advance(MDE Funding)	**0**	**0**	**0**	**0**	**0**		**0**	**0**	**0**	**0**
City Bond Funded (Benefit Charge Advance)										
R.C. Willson Plant Improvements-C0166	117	93	139	-	-		-	113	113	113
Edgemont Reservoir Improvements-C0168	-	332	1,750	25	-		-	-	-	-
Breichner WTP Improvements-C0405	-	-	50	-	-		-	50	50	50
Pump Station Improvements-C0651	-	-	40	-	-		-	-	-	-
DIstribution Services-C0653	884	-	-	-	-		-	-	-	-
Distribution System Rehabilitation-C0709	435	537	550	13	-		-	375	385	395
Water System SCADA Improvements-C0820	-	33	120	27	-		-	120	120	120
Total City Bond Funding	**1,436**	**995**	**2,649**	**65**	**0**		**0**	**658**	**668**	**678**
Total Non-Growth Related Capital Outlay	**$ 2,248**	**$ 3,097**	**$ 5,149**	**$ 2,904**	**$ 7,922**		**$ 8,618**	**$ 9,787**	**$ 2,938**	**$ 6,718**

WATER FUND PROJECTIONS
FISCAL YEAR 2019/23
INCOME STATEMENT
(IN THOUSANDS)

	2015/16 ACTUAL	2016/17 ACTUAL	2017/18 REVISED BUDGET	2017/18 EST. ACTUAL	2018/19 PROPOSED BUDGET	PROJ. CHG%	2019/20 PROJ.	2020/21 PROJ.	2021/22 PROJ.	2022/23 PROJ.
Growth Related										
Grants - State MDE										
R.C. Willson Plant Improvements-C0166					150					
R.C. Willson Plant - Phase IV-C0740	-		-	-	-		-	-	-	-
Total Grants in Aid of Construction	**0**	**0**	**0**	**0**	**150**		**0**	**0**	**0**	**0**
Contributions by Developers										
DIstribution Services-C0653	826	-	-	-	-		-	-	-	-
Zone 3 Standpipe-C0323	-	-	-	-	-		-	-	-	100
New Pump Stations -C0651	-	-	-	-	-		-	150	550	1,900
Total Contributions by Developers	**826**	**0**	**0**	**0**	**0**		**0**	**150**	**550**	**2,000**
Benefit Charges/Restricted Cash Funded										
R.C. Willson Plant Improvements-C0166	8	19	10	194	106		50	13	13	13
Willson Transmission Main-C0167					50		60	96	80	100
Administrative/Engineering Equip.-C0648	-	-	2	1	2		2	2	2	2
R.C. Willson Plant - Phase IV-C0740	-	0	-	2	-		-	-	-	-
Water System SCADA Improvements-C0820	-	-	-	8	10		35	-	-	-
Total Benefit Charge Funded	**8**	**19**	**12**	**205**	**168**		**147**	**111**	**95**	**115**
MDE Bond Funded										
Willson Transmission Main-C0167	-	-	100	-	100		600	1,200	-	1,000
R.C. Willson Plant - Phase IV-C0740	107	-	-	-	-		-	-	-	-
Water System SCADA Improvements-C0820	18	-	-	-	80		70	-	-	-
Total MDE Bond Funding	**125**	**-**	**100**	**-**	**180**		**670**	**1,200**	**-**	**1,000**
City Bond Funded (Benefit Charge Advance)										
R.C. Willson Plant Improvements-C0166	39	31	46	-	-		-	38	38	38
Water System SCADA Improvements-C0820	-	8	30	7	-		-	30	30	30
Total City Bond Funding	**39**	**39**	**76**	**7**	**-**		**-**	**68**	**68**	**68**
Total Growth Related Capital Outlay	**998**	**59**	**188**	**211**	**498**		**817**	**1,528**	**712**	**3,182**
Total Capital Outlay	**$ 3,246**	**$ 3,155**	**$ 5,337**	**$ 3,115**	**$ 8,420**		**$ 9,435**	**$ 11,315**	**$ 3,650**	**$ 9,900**

- 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 is effective from July 1, 2014 through June 30, 2019. The projections reflect this average increase in the FY2018/19 proposed budget. Additionally, the projections from FY2019/20 for all future periods include a preliminary 2.0% annual rate increase based on current trends. A new cost of service study model is being updated for future discussions and approval. The new cost of service study may include any necessary rate adjustments to continue to meet the Wastewater revenue requirements and enable the fund to be self-supporting.

- Total operating expenses (excluding depreciation) decreased by 0.7% from the FY2017/18 budget compared to the proposed budget for FY2018/19. Primarily, this decrease is a result of staffing transitions from retirement of senior supervisor to new entry supervisor and senior staff being replaced with entry level staff. This lower payroll has a corresponding net decrease in total benefits as well. As a result of historical trends and existing approved union contracts, the projections include increases in future periods. The overall estimated increase for each period from FY2019/20 through FY2022/23 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. As a result, it is estimated that depreciation expense from the proposed FY2018/19 budget will increase by 3.9% over the current FY2017/18 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 FY2019/20 through FY2022/23 the increase in expense will be 2.9%, 2.9%, 1.4%, and 1.4%.

- The investment interest rate is assumed to increase over proposed FY2017/18 budget amounts due to growth in cash balance and then remain flat in future periods as a result of current market conditions and utilizing some existing cash balances in FY2018/19 and FY2019/20.

- Benefit charges are the primary source of funding for capacity growth needs and related capital projects. Benefit charges are also utilized to pay for debt service related to prior year capacity related capital projects. In the current year, revenues from benefit charges have decreased due to the economy and timing of new development. From our current FY2017/18 budget to the proposed FY2018/19 budget, benefit charges are estimated to remain flat at $500K. Likewise, all of the projections from FY2019/20 through FY2022/23 are anticipated to remain at same rate of $500K annually.

- Beginning in FY2018/19, 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 4.25% to 4.75% and terms of 20 and 25 years.

- Based on the various estimations mentioned above for both revenues and expenses, our net increase (decrease) in retained earnings is estimated to decrease from an anticipated gain of $749K in FY2018/19 to a gain of $587K in FY2022/23.

- Due to current projections for benefit charges, the cost of service rate study recommends that an allocation of cash be reserved as restricted cash for use in future years. This allocation would cover a portion of annual service charges for future system repairs, renewal, and replacement

- The ending total cash balance projections reflect growth from $7.8M in FY2018/19 to $11.7M in FY2022/23 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 2019/23
INCOME STATEMENT
(IN THOUSANDS)

	2015/2016 ACTUAL	2016/17 ACTUAL	2017/18 REVISED BUDGET	2017/18 EST. ACTUAL	2018/19 PROPOSED BUDGET	PROJ. CHG%	2019/20 PROJ.	2020/21 PROJ.	2021/22 PROJ.	2022/23 PROJ.
Operating Revenues										
Service Charges										
Metered City Sewer	$ 6,550	$ 6,758	$ 6,902	$ 7,014	$ 7,156	2%	$ 7,299	$ 7,445	$ 7,593	$ 7,745
Metered County Sewer	3,042	3,271	3,236	3,319	3,385	2%	$ 3,452	$ 3,521	$ 3,592	$ 3,663
Metered Joint Sewer	2,338	2,487	2,470	2,521	2,572	2%	$ 2,623	$ 2,676	$ 2,729	$ 2,784
Low -Pressure System Charge	105	106	105	106	106	0%	106	106	106	106
Total Service Charges	**12,035**	**12,622**	**12,713**	**12,960**	**13,218**		**13,480**	**13,748**	**14,021**	**14,299**
Other Operating Revenues	366	347	288	326	326		300	300	300	300
Total Operating Revenue	**12,401**	**12,968**	**13,001**	**13,286**	**13,544**		**13,780**	**14,048**	**14,321**	**14,599**
Operating Expenses										
Plant Expenses	4,781	4,681	4,893	4,749	4,886	2%	4,984	5,084	5,185	5,289
Laboratory Expenses	279	288	301	293	301	2%	307	313	320	326
Collection Systems	1,409	1,444	1,519	1,447	1,393	2%	1,421	1,449	1,478	1,508
Selling, General & Administration	3,493	3,411	3,278	3,259	3,336	2%	3,403	3,471	3,540	3,611
Total Operating Expenses	**9,961**	**9,824**	**9,991**	**9,748**	**9,916**		**10,115**	**10,317**	**10,523**	**10,734**
Cash Operating Income (Loss)	**2,440**	**3,144**	**3,010**	**3,538**	**3,627**		**3,666**	**3,731**	**3,797**	**3,865**
Depreciation	2,965	3,037	3,180	3,135	3,305		3,400	3,500	3,550	3,600
Operating Income (Loss)	**(525)**	**107**	**(170)**	**403**	**322**		**266**	**231**	**247**	**265**
Non-Operating Revenues (Expenses)										
Interest Earned	8	30	2	40	30		30	30	30	30
Premium on Bonds	8	8	8	9	9		4	4	4	4
Interest/Bond Issuance Expense	(382)	(397)	(405)	(419)	(425)		(457)	(443)	(428)	(415)
Gain (Loss) on Sale of Capital Assets	-	(67)	-	31	-		-	-	-	-
Total Non-Operating Revenues (Expenses)	**(366)**	**(427)**	**(395)**	**(339)**	**(386)**		**(422)**	**(409)**	**(394)**	**(381)**
Net Income (Loss) Before Operating Transfers	**(891)**	**(319)**	**(565)**	**64**	**(64)**		**(157)**	**(179)**	**(147)**	**(115)**
Transfers From (To) Other Funds										
Transfers (to) Capital Improvements Fund	-	(4)	(2)	(2)	(4)		(34)	(31)	(36)	(38)
Transfer from Health Insurance Fund	-	-	76	76	76		-	-	-	-
Total Transfers From (To) Funds	**-**	**(4)**	**74**	**74**	**72**		**(34)**	**(31)**	**(36)**	**(38)**
Capital Contributions										
Benefits Charges	766	629	500	500	500		500	500	500	500
Grants - Operations	240	240	240	240	240		240	240	240	240
Grants- Capital		145	200	155	-		-	-	-	-
Non-Cash Developer Contributions	282		-	-	-		1,000	300	300	-
Total Capital Contributions	**1,287**	**1,014**	**940**	**895**	**740**		**1,740**	**1,040**	**1,040**	**740**
Increase (Decrease) in Retained Earnings	**396**	**691**	**449**	**1,033**	**749**		**1,549**	**830**	**857**	**587**
Adjust Retained Earnings to a Cash Flow Basis										
Add Back Depreciation	2,965	3,037	3,180	3,135	3,305		3,400	3,500	3,550	3,600
Changes in Working Capital	(149)	762	-	-	-		-	-	-	
Principal Payment on Current Long-Term Debt	(1,681)	(1,704)	(1,802)	(1,781)	(1,814)		(2,000)	(1,704)	(1,750)	(1,679)
Non-Cash Developer Contributions	(282)	-	-	-	-		(1,000)	(300)	(300)	-
Total Adjustments to Retained Earnings	**853**	**2,094**	**1,378**	**1,354**	**1,491**		**400**	**1,496**	**1,500**	**1,921**
Cash Available for Capital Outlay	**1,249**	**2,785**	**1,827**	**2,387**	**2,240**		**1,949**	**2,326**	**2,357**	**2,508**
Capital Outlay										
Non-Growth Related	649	919	2,207	2,097	4,198		2,885	780	750	735
Growth Related	299	415	820	805	1,505		1,933	608	608	308
Total Capital Outlay	**948**	**1,333**	**3,027**	**2,902**	**5,703**		**4,818**	**1,388**	**1,358**	**1,043**
Cash After Capital Outlay	**301**	**1,452**	**(1,200)**	**(515)**	**(3,463)**		**(2,869)**	**938**	**999**	**1,465**
Additional Funding										
City Bond Financing	-	1,300	1,312	-	3,000		2,242	387	387	387
Total Additional Funding	**-**	**1,300**	**1,312**	**-**	**3,000**		**2,242**	**387**	**387**	**387**
Net Surplus (Deficit)	**$ 301**	**$ 2,752**	**$ 112**	**$ (515)**	**$ (463)**		**$ (627)**	**$ 1,325**	**$ 1,386**	**$ 1,852**
Total Cash Balance - Beginning	$ 5,693	$ 5,994	$ 8,746	$ 8,746	$ 8,231		$ 7,767	$ 7,141	$ 8,466	$ 9,852
Total Cash Balance - Ending	$ 5,994	$ 8,746	$ 8,858	$ 8,231	$ 7,767		$ 7,141	$ 8,466	$ 9,852	$ 11,704
Unrestricted Cash Balance - Beginning	$ 5,243	$ 5,544	$ 8,053	$ 8,053	$ 7,531		$ 7,072	$ 6,413	$ 7,661	$ 8,973
Unrestricted Cash Balance - Ending	$ 5,544	$ 8,053	$ 8,158	$ 7,531	$ 7,072		$ 6,413	$ 7,661	$ 8,973	$ 10,742
Restricted Cash Balance - Beginning	$ 450	$ 450	$ 693	$ 693	$ 700		$ 695	$ 728	$ 805	$ 879
Restricted Cash Balance - Ending	$ 450	$ 693	$ 700	$ 700	$ 695		$ 728	$ 805	$ 879	$ 962
Dividend Affordability Formula:										
Operating & Maintenance Expenses	$ 9,961	$ 9,824	$ 9,991	$ 9,748	$ 9,916		$ 10,115	$ 10,317	$ 10,523	$ 10,734
Reserved Retained Earnings (2 Months)	$ 1,660	$ 1,637	$ 1,665	$ 1,625	$ 1,653		$ 1,686	$ 1,719	$ 1,754	$ 1,789
Cash in Excess of Reserve after Dividend	$ 3,883	$ 6,415	$ 6,493	$ 5,906	$ 5,420		$ 4,727	$ 5,941	$ 7,219	$ 8,953

WASTEWATER FUND PROJECTIONS
FISCAL YEAR 2019/23
INCOME STATEMENT
(IN THOUSANDS)

	2015/2016 ACTUAL	2016/17 ACTUAL	2017/18 REVISED BUDGET	2017/18 EST. ACTUAL	2018/19 PROPOSED BUDGET	PROJ. CHG%	2019/20 PROJ.	2020/21 PROJ.	2021/22 PROJ.	2022/23 PROJ.
Schedule A - Capital Outlay										
Capital Outlay										
Sewer Vehicles-C0004	$ 85	$ 212	$ 380	$ 280	$ 375		$ 750	$ 75	$ 45	$ 30
Manhole Raising-C0267	26	23	69	69	36		36	36	36	36
Pump Station Improvements-C0299	-	56	121	121	100		100	100	100	100
Collection System Rehabilitation-C0327	35	114	400	400	400		1,600	400	400	400
East End Pump Station-C0565	-	-	-	-	-		375	300	300	-
WWTP Equipment-C0584	-	16	50	50	215		100	75	75	75
Buildings & Structures-C0585	95	30	90	90	210		150	25	25	25
WWTP - Phase III - Disinfection-C0657	-	-	50	50	50		10	10	10	10
WWTP/Phase V/Solids Processing-C0711	-	-	200	200	500		50	50	50	50
Sludge Storage Phase I Improvement-C0712	359	194	1,000	1,000	3,000		1,000	-	-	-
Collection System Equipment-C0713	-	37	80	80	80		80	80	80	80
Laboratory Equipment-C0745	-	-	10	-	10		10	10	10	10
Grinder Pump Replacement-C0767	65	82	162	162	112		112	112	112	112
SSES City Wide-C0800	-	572	400	400	400		100	100	100	100
Eliminate Pump Station #12-C0832	-	-	-	-	200		330	-	-	-
New Laterals-C0834	282	-	15	-	15		15	15	15	15
Final Clarifiers 4 & Weir Covers 6-C0845	-	-	-	-	-		-	-	-	-
Total Capital Outlay	**$ 948**	**$ 1,333**	**$ 3,027**	**$ 2,902**	**$ 5,703**		**$ 4,818**	**$ 1,388**	**$ 1,358**	**$ 1,043**
Schedule B - Capital Outlay Detail										
Capital Outlay Non-Growth Related										
Cash Funded										
Sewer Vehicles-C0004	-	212	380	280	375	-	750	75	45	30
Manhole Raising-C0267	26	23	69	69	36	-	36	36	36	36
Pump Station Improvements-C0299	-	42	91	91	75	-	75	75	75	75
Collection System Rehabilitation-C0327	18	2	100	100	200		100	100	100	100
WWTP Equipment-C0584	-	13	50	-	215		-	-	-	-
Buildings & Structures-C0585	95	30	90	90	210		150	25	25	25
WWTP Phase III Disinfection-C0657	-		35	35	35	-	7	7	7	7
WWTP/Phase V/Solids Processing-C0711	-		140	140	350	-	35	35	35	35
Collection System Equipment-C0713	-	37	80	55	80		80	80	80	80
Laboratory Equipment-C0745	-		10	-	10	-	10	10	10	10
Grinder Pump Replacement-C0767	-	7	50	-	112		-	-	-	-
SSES City Wide-C0800	-	213	100	123	200		50	50	50	50
Eliminate Pump Station #12-C0832	-	-	-	-	200		-	-	-	-
Total Cash Funding	**139**	**579**	**1,195**	**982**	**2,098**		**1,293**	**493**	**463**	**448**
Grants in Aid of Construction										
SSES City Wide-C0800	-	73	100	77	-		-	-	-	-
Total Grant in Aid of Construction	**-**	**73**	**100**	**77**	**-**		**-**	**-**	**-**	**-**
Contributions by Developers										
Total Developer Contributions	**-**		**-**	**-**	**-**		**-**	**-**	**-**	**-**
MDE Bond Funded										
Total MDE Bond Funding	**-**		**-**	**-**	**-**		**-**	**-**	**-**	**-**
City Bond Funded										
Sewer Vehicles-C0004	85						-	-	-	-
Collection System Rehabilitation-C0327	-	54	100	100	-		350	100	100	100
WWTP Equipment-C0584	-	3	-	50	-		100	75	75	75
Sludge Storage Phase I Improvement-C0712	359	136	700	700	2,100		700	-	-	-
Collection System Equipment-C0713	-		-	25	-	-	-	-	-	-
Grinder Pump Replacement-C0767	65	74	112	162	-		112	112	112	112
Eliminate Pump Station #12-C0832	-						330	-	-	-
Total City Bond Funding	**509**	**267**	**912**	**1,037**	**2,100**		**1,592**	**287**	**287**	**287**
Total Non-Growth Related Capital Outlay	**$ 649**	**$ 919**	**$ 2,207**	**$ 2,097**	**$ 4,198**		**$ 2,885**	**$ 780**	**$ 750**	**$ 735**

WASTEWATER FUND PROJECTIONS
FISCAL YEAR 2019/23
INCOME STATEMENT
(IN THOUSANDS)

	2015/2016 ACTUAL	2016/17 ACTUAL	2017/18 REVISED BUDGET	2017/18 EST. ACTUAL	2018/19 PROPOSED BUDGET	PROJ. CHG%	2019/20 PROJ.	2020/21 PROJ.	2021/22 PROJ.	2022/23 PROJ.
Growth Related										
Grants in Aid of Construction										
SSES City Wide-C0800	$ -	$ 73	$ 100	$ 77	$ -		$ -	$ -	$ -	$ -
Total Grants in Aid of Construction	**-**	**73**	**100**	**77**	**-**		**-**	**-**	**-**	**-**
Contributions by Developers										
Collection System Rehabilitation-C0327	-		-	-	-		700	-	-	-
East End Pump Station-C0565	-		-	-	-		300	300	300	-
New Laterals-C0834	282		-	-	-		-	-	-	-
Total Developer Contributions	**282**		**-**	**-**	**-**		**1,000**	**300**	**300**	**-**
Benefit Charges/Restricted Cash Funded										
Pump Station Improvements-C0299	-	14	30	30	25		25	25	25	25
Collection System Rehabilitation-C0327	18	2	100	100	200		100	100	100	100
East End Pump Station-C0565	-						75	-	-	-
WWTP - Phase III - Disinfection-C0657	-		15	15	15	-	3	3	3	3
WWTP/Phase V/Solids Processing-C0711	-		60	60	150	-	15	15	15	15
SSES City Wide-C0800	-	213	100	123	200		50	50	50	50
New Laterals-C0834	-		15	-	15	-	15	15	15	15
Total Benefit Charge Funding	**18**	**229**	**320**	**328**	**605**		**283**	**208**	**208**	**208**
MDE Bond Funded										
Total MDE Bond Funding	**-**		**-**	**-**	**-**		**-**	**-**	**-**	**-**
City Bond Funded										
Collection System Rehabilitation-C0327	-	54	100	100	-		350	100	100	100
Sludge Storage Phase I Improvement-C0712	-	58	300	300	900		300	-	-	-
Total City Bond Funding	**-**	**113**	**400**	**400**	**900**		**650**	**100**	**100**	**100**
Total Growth Related Capital Outlay	**299**	**415**	**820**	**805**	**1,505**		**1,933**	**608**	**608**	**308**
Total Capital Outlay	**$ 948**	**$ 1,333**	**$ 3,027**	**$ 2,902**	**$ 5,703**		**$ 4,818**	**$ 1,388**	**$ 1,358**	**$ 1,043**

- 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 District Parking Deck and Arts & Entertainment District Parking Deck). The University District Deck and Parking lots provide volume discounts of 10% for 10 passes/vehicles and 25% for 25+ passes/vehicles. In FY2019/20 Parking deck permits assumes a decrease to $120K in revenue due to the Award Beauty School decrease in passes. Future revenues do include an estimate for increased usage and rates combined for an overall total of 1.5% annually beginning in FY2020/21 through FY2022/23.

- 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 FY2020/21. The revenue calculation is based on 50% utilization of 180 available spaces in the new deck for a portion of the year in FY2020/21. 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 FY2020/21 and which will begin to deplete the Parking Fund cash balances in FY2020/21.

- Total operating expenses (excluding depreciation) increased by 0.1% from the FY2017/18 budget compared to the budget proposed for FY2018/19. Primarily, this slight increase is reflected in wages and benefits as a result of part-time salary increase due to minimum wage increase effective as of 7/1/18 but lower operating expenses due to maintenance/repair with the parking decks decreasing with the new equipment installed in FY2017/18. Although based on historical trends, the projections will include increases in future periods. The overall increase for FY2019/20 and FY2022/23 is estimated to be 2.5% annually. With the inclusion of a third parking deck, the increase in FY2020/21 and FY2021/22 are estimated to be 16.4% and 14.7% respectively.

- Depreciation expense is expected to slightly increase from FY2017/18 to FY2018/19 budget by 1.0% as a result of updating and replacing the parking decks' gate equipment. With modest infrastructure upgrades planned in FY2018/19, depreciation expense is anticipated to grow by another 1.4%. Further, we anticipate that depreciation will increase significantly in FY2019/20 (16.6%) and FY2020/21 (66.1%) based upon projected completion of a third parking deck (#56-C0173 in CIP Section 8). Last, depreciation expense is estimated to increase slightly by 4.5% in FY2021/22 and 0.2% in FY2022/23.

- The investment interest rate is assumed to remain fairly flat with only minimal growth calculated due to the current economic market conditions and future cash balance projections.

- The future bond interest rates for the new parking deck are estimated at a rate of 4.75% over 25 years. Our projections include City issued governmental bonds to fund the construction of the third parking deck. The debt service impact is reflected in our interest expense and principal repayment figures.

- Based on the assumptions outlined above for both revenues and increasing expenses, our net increase (decrease) in retained earnings is estimated to decline from an anticipated gain of $136K in FY2017/18 to a loss of $449K in FY2022/23 due to significant increases in depreciation and debt service expenses for a third parking deck.

PARKING FUND PROJECTIONS
FISCAL YEAR 2019/2023
INCOME STATEMENT
(IN THOUSANDS)

	2015/16 ACTUAL	2016/17 ACTUAL	2017/18 REVISED BUDGET	2017/18 EST. ACTUAL	2018/19 PROPOSED BUDGET	PROJ. CHG%	2019/20 PROJ.	2020/21 PROJ.	2021/22 PROJ.	2022/23 PROJ.
Operating Revenues										
Parking Deck Revenues										
University District Parking Deck										
Parking Deck Permits	211	242	210	230	230	1.5%	233	237	241	244
Parking Deck Fees	72	68	62	62	62	1.5%	63	64	65	66
Downtown Promotions	8	7	7	7	7	0.0%	7	7	7	7
General Free Parking	(31)	(26)	(25)	(23)	(23)	1.5%	(23)	(23)	(24)	(24)
Parking Deck Coupons	2	1	2	2	2	1.5%	2	2	2	2
Arts & Entertainment Parking Deck	-	-								
Parking Deck Permits	183	160	150	150	150	1.5%	120	122	124	125
Parking Deck Fees	57	51	50	50	50	1.5%	51	52	52	53
Downtown Promotions	1	-	-	-	-	1.5%	-	0	-	0
PEP Parking Discount	(3)	(2)	(4)	(2)	(2)	1.5%	(2)	(2)	(2)	(3)
Parking Deck III	-	-								
Parking Deck Fees	-	-	-	-	-		-	68	135	135
Total Parking Deck Revenue	**499**	**501**	**452**	**476**	**476**		**451**	**525**	**599**	**606**
Parking Meter & Lot Revenues										
Street Meters	110	109	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	29	52	35	46	46	1.5%	46	47	48	48
Church Street Lot	49	54	50	50	50	1.5%	51	52	52	53
Rochester Lot	7	7	8	8	8	1.5%	8	8	8	10
Central Lot	82	88	85	85	85	1.5%	86	88	89	90
Antietam St. Lot	27	23	25	25	25	1.5%	25	26	26	27
Departmental Charges	33	35	35	35	35	1.5%	36	36	37	37
Total Parking Meter & Lot Revenue	**335**	**365**	**344**	**355**	**355**		**361**	**366**	**372**	**379**
Parking Enforcement	**118**	**128**	**121**	**123**	**124**	1.5%	**126**	**128**	**130**	**132**
Other Operating Revenues										
Other Revenues	1	-	2	2	-		2	2	2	2
Total Other Operating Revenue	**1**	**0**	**2**	**2**	**0**		**2**	**2**	**2**	**2**
Total Operating Revenue	**954**	**994**	**919**	**956**	**956**		**940**	**1,021**	**1,103**	**1,119**
Operating Expenses										
University District Parking Deck	133	127	140	138	136	2.5%	139	143	146	150
Arts & Entertainment Parking Deck	175	157	159	155	156	2.5%	160	164	168	172
Parking Deck III	-	-	-	-	-	2.5%	-	77	157	161
Parking Lots	132	135	168	167	165	2.5%	169	173	177	182
Parking Enforcement Expenses	37	41	69	69	81	2.5%	83	85	87	89
Total Operating Expense	**477**	**460**	**537**	**528**	**537**		**551**	**641**	**736**	**754**
Cash Operating Income (Loss)	**476**	**534**	**382**	**428**	**418**		**389**	**380**	**367**	**365**
Depreciation	232	239	287	265	291		339	563	589	590
Operating Income (Loss)	**245**	**294**	**95**	**163**	**127**		**50**	**(184)**	**(222)**	**(225)**
Non-Operating Revenue (Expense)										
Interest Earned	1	4	1	4	4		1	2	2	1
Premium on Bonds	2	2	2	2	2		0	0	0	0
Interest Expense	(48)	(39)	(32)	(32)	(28)		(36)	(139)	(225)	(224)
Total Non-Operating Revenue (Expense)	**(45)**	**(34)**	**(29)**	**(27)**	**(23)**		**(35)**	**(137)**	**(223)**	**(223)**
Net Income (Loss) Before Operating Transfers	**200**	**260**	**66**	**136**	**104**		**15**	**(321)**	**(445)**	**(448)**
Transfers From (To) Other Funds										
Transfers (to) Capital Improvements Fund	-	(2)	(1)	(1)	-		(0)	(1)	(1)	(1)
Total Transfers From (To) Other Funds	**-**	**(2)**	**(1)**	**(1)**	**-**		**(0)**	**(1)**	**(1)**	**(1)**
Increase (Decrease) in Retained Earnings	**200**	**258**	**65**	**136**	**104**		**15**	**(321)**	**(445)**	**(449)**

PARKING FUND PROJECTIONS
FISCAL YEAR 2019/2023
INCOME STATEMENT
(IN THOUSANDS)

	2015/16 ACTUAL	2016/17 ACTUAL	2017/18 REVISED BUDGET	2017/18 EST. ACTUAL	2018/19 PROPOSED BUDGET	PROJ. CHG%	2019/20 PROJ.	2020/21 PROJ.	2021/22 PROJ.	2022/23 PROJ.
Adjust to a Cash Flow Basis										
Add Back Depreciation	$ 232	$ 239	$ 287	$ 265	$ 291		$ 339	$ 563	$ 589	$ 590
Changes in Working Capital	(12)	(49)	-	-	-		-	-	-	-
Prin. Pay on Current Long-Term Debt.	(163)	(170)	(182)	(182)	(218)		(231)	(137)	(413)	(374)
Total Adjustments to Retained Earnings	**57**	**20**	**105**	**83**	**73**		**109**	**426**	**176**	**216**
Cash Available for Capital Outlay	**257**	**279**	**170**	**219**	**177**		**123**	**105**	**(269)**	**(234)**
Capital Outlay										
Parking Facilities 3rd Parking Deck - C0173	-	-	-	-	-		1,367	6,634	-	-
Upgrades to Parking Decks - C0749	(9)	16	470	300	30		30	30	350	30
Vehicles/Equipment - C0829	21	-	-	-	-		-	-	30	-
Parking Way Finding Signs - C0848	-	-	-	-	-		-	-	-	-
Parking System Improvements - C0867	-	-	25	-	-		-	-	-	-
Parking Lot Improvements - C0857	67	22	30	30	30		10	15	-	-
Total Capital Outlay	**80**	**38**	**525**	**330**	**60**		**1,407**	**6,679**	**380**	**30**
Cash After Capital Outlay	**178**	**240**	**(355)**	**(111)**	**117**		**(1,284)**	**(6,573)**	**(649)**	**(264)**
Additional Funding										
Bond Financing	-	-	450	280	-		1,367	6,634	-	-
Total Additional Funding	**-**	**-**	**450**	**280**	**-**		**1,367**	**6,634**	**-**	**-**
Net Surplus (Deficit)	**$ 178**	**$ 240**	**$ 95**	**$ 169**	**$ 117**		**$ 83**	**$ 60**	**$ (649)**	**$ (264)**
Beginning Cash Balance	$ 691	$ 869	$ 1,109	$ 1,109	$ 1,278		$ 1,395	$ 1,478	$ 1,538	$ 889
Ending Cash Balance	$ 869	$ 1,109	$ 1,204	$ 1,278	$ 1,395		$ 1,478	$ 1,538	$ 889	$ 626

GOLF COURSE FUND PROJECTIONS
FISCAL YEAR 2019/2023
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 FY2022/23. However, higher revenues are expected as a result of increased promotions and advertising efforts while decreasing the amount of special rate programs. The operating revenue proposed in the FY2018/19 budget anticipates a 4.5% increase compared to estimated actuals for FY2017/18. Increases are anticipated annually in FY2019/20 through FY2022/23. It is expected that revenues will increase by 1.8%, 1.8% and 1.8% respectively.

- Total operating expense (excluding depreciation) increased by 1.5% from current FY2017/18 budget to proposed FY2018/19 budget. Salaries and wages increased by 6.9% from FY2017/18 budget to proposed FY2018/19 budget. Beginning in FY2019/20 through FY2022/23, the increase in total expenses range annually from 2.9%, 3.7%, 3.1%, and 3.5% respectively. The increase reflects an annual salary enhancement of 5.5% for FY2019/20 and 3.8%, 3.9% and 3.8% 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 a decrease of 22.0% or $11K from FY2017/18 to FY2018/19 budget. This decrease is due to no further purchases of vehicles for the golf course. In FY2019/20, depreciation is anticipated to slightly increase by 4.5%, with FY2020/21 seeing an increase by 16.8% from planned golf course improvements, and then remaining flat for FY2021/22 and FY2022/23.

- 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 FY2018/19 through FY2022/23.

- The Golf Course currently has no debt service and is not estimated to incur any through FY2022/23.

- Currently, the Golf Course receives a subsidy from the General Fund. It will be necessary to continue this subsidy through FY2022/23 based on the projections and trends. The proposed budget for FY2018/19 is $53K more than current FY2017/18 budget indicating a dependence on the General Fund subsidy in that year. FY2019/20 anticipates a decrease in the subsidy by $33K in utilizing further cash balance. In FY2020/21 the subsidy increases by $148K over FY2019/20 to help fund the planned golf course improvements. In FY2021/22 and FY2022/23, the subsidy will go still remain high at $308K and $313K respectively.

- Based on the assumptions outlined above for both revenues and increasing expenses and the subsidy received by the General Fund, our net increase (decrease) in retained earnings is estimated to remain at zero in the FY2018/19 budget.

GOLF COURSE FUND PROJECTIONS
FISCAL YEAR 2019/2023
INCOME STATEMENT
(IN THOUSANDS)

	2015/16 ACTUAL	2016/17 ACTUAL	2017/18 REVISED BUDGET	2017/18 EST. ACTUAL	2018/19 PROPOSED BUDGET	PROJ. CHG%	2019/20 PROJ.	2020/21 PROJ.	2021/22 PROJ.	2022/23 PROJ.
Operating Revenues										
Green Fees	$ 71	$ 78	$ 81	$ 80	$ 80		$ 86	$ 89	$ 92	$ 94
Cart Rentals	28	38	35	45	53		54	54	54	54
Tournaments & Specials	79	41	85	8	8		8	8	8	8
Other Revenues	26	16	21	25	22		22	23	23	24
Total Operating Revenues	**205**	**174**	**222**	**158**	**164**		**170**	**174**	**177**	**180**
Operating Expenses										
Salaries & Wages	178	178	163	178	174		179	184	189	194
Wage & O/H Allocation	(24)	1	(25)	(18)	(18)		(19)	(19)	(20)	(20)
Fringe Benefits	95	94	91	99	97		102	106	110	114
Materials, Supplies, & Utilities	65	79	64	70	65	3.0%	67	69	71	73
Maintenance & Repairs	2	1	3	6	2	2.0%	2	2	2	2
Vehicle Operating Expenses	13	22	16	16	17	1.5%	17	17	18	18
Advertising & Printing	15	13	12	12	11		10	11	12	13
Machinery & Equipment Rentals	14	14	16	16	16		17	18	19	20
Contracted Services	45	33	39	31	20	2.5%	21	22	22	23
Other General Expenses	17	13	10	10	10		10	11	11	12
Insurance	-	2	3	3	3		3	3	3	3
Communication Expenses	1	1	1	1	1		1	1	1	1
Depreciation	36	41	50	37	39		41	48	50	52
Total Operating Expenses	**458**	**493**	**442**	**461**	**437**		**450**	**473**	**488**	**505**
Operating Income (Loss)	**(253)**	**(319)**	**(220)**	**(303)**	**(273)**		**(280)**	**(299)**	**(311)**	**(325)**
Non-Operating Revenues (Expense)										
Gain (Loss) on Capital Assets	-	-	-	-	-		-	-	-	-
Total Non-Operating Revenue (Expense)	**-**	**-**	**-**	**-**	**-**		**-**	**-**	**-**	**-**
Transfers From (To) Other Funds										
Transfers from General Fund	233	319	220	303	273		240	388	308	313
Total Transfers From (To) Other Funds	**233**	**319**	**220**	**303**	**273**		**240**	**388**	**308**	**313**
Capital Contributions										
Grants in Aid of Construction	20	-	-	-	-					
Total Capital Contributions	**20**	**-**	**-**	**-**	**-**		**-**	**-**	**-**	**-**
Increase (Decrease) in Retained Earnings	**-**	**-**	**-**	**-**	**-**		**(40)**	**89**	**(3)**	**(12)**
Adjust to Cash Flow Basis										
Add Back Depreciation	36	41	50	37	39		41	48	50	52
Changes in Working Capital	(5)	(29)	-	-	-		-	-	-	-
Total Adjustment to Retained Earnings	**31**	**12**	**50**	**37**	**39**		**41**	**48**	**50**	**52**
Cash Available for Capital Outlay	**31**	**12**	**50**	**37**	**39**		**1**	**137**	**47**	**40**
Capital Outlay										
Vehicle/Equipment Replace - C0395	40	-	37	30	22		35	37	47	40
Golf Course Net - C0670	12	-	-	-	-		-	-	-	-
Golf Course Improvements - C0825	-	-	-	-	-		-	100	-	-
Total Capital Outlay	**52**	**-**	**37**	**30**	**22**		**35**	**137**	**47**	**40**
Net Surplus (Deficit)	**$ (21)**	**$ 12**	**$ 13**	**$ 6**	**$ 18**		**$ (34)**	**$ 0**	**$ 0**	**$ (0)**
Beginning Cash	$ 24	$ 3	$ 15	$ 15	$ 21		$ 39	$ 5	$ 5	$ 5
Ending Cash	$ 3	$ 15	$ 28	$ 21	$ 39		$ 5	$ 5	$ 5	$ 5
Self Supporting Level	44.8%	35.3%	50.2%	34.3%	37.5%		37.7%	36.8%	36.3%	35.6%

- Overall, rental revenue projections are estimated to increase by 4.5% or $15K from FY2017/18 budget to FY2018/19 budget. The FY2018/19 budget includes all current leases. The budget also has charges for City of Hagerstown Parking Administrative Offices (25 E. Franklin Street); and increased annual occupancy of the four artist loft apartments (38 N. Potomac Street). 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 Spickler's Market (17 E Franklin St.) expires in 2020; Dept. Labor, Licensing & Regulation (2-6 N Potomac St. 1st Floor) expires in 2022; NIST (14 N. Potomac St.) expires in 2021; and MOSH (14 N Potomac Suite B-3) expires in 2018 so no future rent is included in the projections beyond these dates.

- Total operating expenses (excluding depreciation) are expected to decrease by 28.6% from FY2018/19 budget compared to the FY2017/18 budget. This decrease is mainly a result of no payment in lieu of taxes, less salary allocations for projects needing City staff time throughout all the properties and less maintenance cost of the properties. Based on historical trends, the projections include increases beginning in FY2019/20. The overall estimated increase for each consecutive year from FY2019/20 to FY2022/23 is 2.0%.

- Depreciation expense is expected to increase 15.9% from the FY2017/18 budget to the proposed FY2018/19 budget. Additionally, it is estimated that depreciation will continue to increase by 1.2% in FY2019/20; 0.8% in FY2020/21; minimal increases of 0.6% in FY2021/22 and flat for FY2022/23.

- The investment interest amount is assumed to remain flat with no overall growth calculated despite current market rate changes as a result of anticipated cash balances within this fund. Currently, there is a long-term lease in place with Antietam Fire Company which accrues interest and is also reflected in this line item.

- After a 2015A Public Bond reprogramming (reduction of $80K) and the 2017B Public Bond issue (addition of $120K) interest expense for FY2018/19 will stay flat to the FY2017/18 budget at $4K. At this time, there is no additional future bond issues. As a result, interest expense remains flat through FY2022/23.

- Based on the assumptions outlined above for both revenues and expenses, our net increase (decrease) in retained earnings is estimated to decline from an anticipated gain of $55K in FY2017/18 est. actual to a loss of $99K in FY2018/19.

- The ending total cash balance is projected to be a negative balance of <$47K> beginning in FY2017/18. 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 construction of Hagerstown Cultural Trail, and capital improvements at 43-53 West Washington Street property.

PROPERTY MANAGEMENT FUND PROJECTIONS
FISCAL YEAR 2019/2023
INCOME STATEMENT
(IN THOUSANDS)

	2015/16 ACTUAL	2016/17 ACTUAL	2017/18 REVISED BUDGET	2017/18 EST. ACTUAL	2018/19 PROPOSED BUDGET	PROJ. CHG%	2019/20 PROJ.	2020/21 PROJ.	2021/22 PROJ.	2022/23 PROJ.
Operating Revenues										
Rent - 2-6 N Potomac Street, 1st Floor	$ 175	$ 148	$ 162	$ 167	$ 167		$ 167	$ 167	$ 167	$ 14
Rent - 14 N Potomac Street, Suite 200A/B	34	22	34	37	34		34	35	28	20
Rent - 14 N Potomac Street, Suite B-2	18	-	-	(0)	-		-	-	-	-
Rent - 6 N Potomac Street	19	19	19	19	19		19	20	20	20
Rent - 14 N Potomac Street, Suite B-3	32	27	15	29	18		-	-	-	-
Rent - 17 E Franklin Street	9	9	9	9	10		6	-	-	-
Rent - 25 E Franklin Street	-	-	7	6	7		8	8	8	8
Rent - 14 N Potomac Street, Suite 200B Room 59	2	2	2	2	2		1	-	-	-
Rent - 790-800 Potomac Avenue	17	13	13	13	13		13	13	13	13
Rent - 40 N Potomac Street	19	20	20	20	21		22	22	23	24
Rent - 60 W Washington Street, Rear	30	30	32	32	32		32	32	32	33
Rent - 38 N Potomac Street	19	18	17	21	21		20	20	20	20
Membership Dues - 60 W Washington Street	-	1	6	4	6		6	6	6	6
Miscellaneous Revenues	1	2	-	-	-		-	-	-	-
Total Operating Revenues	**374**	**312**	**336**	**358**	**351**		**328**	**322**	**316**	**158**
Operating Expenses										
Rental Properties Operational Expense	400	482	453	367	324		330	337	343	350
Depreciation	127	129	138	150	160		162	163	164	164
Total Operating Expenses	**527**	**611**	**591**	**517**	**484**		**492**	**500**	**507**	**514**
Operating Income (Loss)	**(153)**	**(298)**	**(255)**	**(159)**	**(133)**		**(164)**	**(177)**	**(191)**	**(356)**
Non-Operating Revenues (Expenses)										
Interest Earned	14	18	14	13	13		14	14	14	14
Interest/Bond Issuance Expense	(3)	(5)	(3)	(5)	(4)		(4)	(4)	(4)	(4)
Loss on Disposal of Capital Assets	(30)	(4)	-	-	-		-	-	-	-
Total Non-Operating Revenues (Expenses)	**(18)**	**9**	**11**	**8**	**9**		**10**	**10**	**10**	**10**
Net Income (Loss) Before Operating Transfers	**(171)**	**(289)**	**(244)**	**(150)**	**(124)**		**(154)**	**(168)**	**(181)**	**(346)**
Transfers From (To) Other Funds										
Transfers from CDBG Fund	-	-	-	200	25		-	-	-	-
Transfers to Econ Redevelopment Fund	(114)	-	-	-	-		-	-	-	-
Transfers to Capital Improvements Fund	-	(189)	-	-	-		-	-	-	-
Total Transfers From (To) Other Funds	**(114)**	**(189)**	**-**	**200**	**25**		**-**	**-**	**-**	**-**
Capital Contributions										
Grants in Aid of Construction	69	44	-	6	-		-	-	-	-
Total Capital Contributions	**69**	**44**	**-**	**6**	**-**		**-**	**-**	**-**	**-**
Increase (Decrease) in Retained Earnings	**$ (216)**	**$ (434)**	**$ (244)**	**$ 55**	**$ (99)**		**$ (154)**	**$ (168)**	**$ (181)**	**$ (346)**
Adjust to a Cash Flow Basis										
Add Back Depreciation	127	129	138	150	160		162	163	164	164
Changes in Working Capital	15	11	-	-	-		-	-	-	-
Bond Proceeds	-	40	225	-	-		-	-	-	-
Principal Payments on Long-term Debt	(3)	(1)	(7)	(5)	(5)		(5)	(6)	(6)	(6)
Total Adjustments to Retained Earnings	**139**	**179**	**356**	**145**	**155**		**157**	**158**	**158**	**158**
Cash Available for Capital Outlay	**(77)**	**(255)**	**112**	**200**	**56**		**2**	**(10)**	**(23)**	**(188)**
Capital Outlay										
Alms House Repairs - C0755			5	-	5		-	-	-	-
Roslyn Building - C0779	-	-	225	220	25		10	10	-	-
Elizabeth Hager Center - C0803	-	141	45	45	45		40	20	20	-
Hagerstown Small Business Center - C0828	68	46	10	5	100		-	-	-	-
36-40 N Potomac Street - C0836	11	-	27	27	15		7	7	7	-
Total Capital Outlay	**79**	**187**	**312**	**296**	**190**		**57**	**37**	**27**	**-**
Net Surplus (Deficit)	**$ (156)**	**$ (442)**	**$ (200)**	**$ (96)**	**$ (134)**		**$ (55)**	**$ (47)**	**$ (50)**	**$ (188)**
Beginning Cash Balance	$ 647	$ 491	$ 49	$ 49	$ (47)		$ (181)	$ (236)	$ (283)	$ (332)
Ending Cash Balance	$ 491	$ 49	$ (151)	$ (47)	$ (181)		$ (236)	$ (283)	$ (332)	$ (520)

Health Care Fund Coverage

Structure: The Health Care Fund was created in 2000 to manage the City's self-insurance program for health care. Under this self-funded plan the City pays a standard monthly administrative fee for each covered member and accepts claim risk up to an aggregate stop loss. Administratively, all City departments are billed pre-established internal "insurance" rates for their department's share of cost of insurance for its employees, retirees and dependents. Similarly, the active employees and retirees pay internal "insurance" rates for their share of dependent coverage. These billings represent funding sources for the Health Care Fund from which all health care related administrative and medical reimbursement costs are paid.

Health Insurance Plan Options

Active employees have the option of choosing between the City's Level Medical Plan (deductible and copays), the Plus Medical Plan (a high-deductible plan) or the select Medical Plan. The City pays a portion of the premium and employees pay a percentage of the premium for their coverage and their dependents coverage. This City's portion of the premium ranges from 74% to 98% depending on the plan and level of coverage.

Eligible retirees and their dependents who are not Medicare eligible can enroll in the City's Under 65 Medical Plan with a similar cost sharing arrangement for retirees and dependents. Retirees who are Medicare eligible may choose from two medical plan options including the "Medicomp" Medicare supplement medical plan or the Health Reimbursement Account (HRA). An annual stipend of up to $4,200 per person is allocated to pay toward these plans. 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. Self funded plans are required to maintain this reserve as a liability that would be paid when the self funded plan is terminated. Every year, the City re-evaluates the amount booked for this liability. This analysis is performed using claim lag reports obtained from the claim administrators of the City's health and dental plans. The claim lag reports identify the timing of claim payments from incurred to process date. The City's benefits consultant assists with this projection and is recorded on an annual basis.

Estimated Actual Projections

At the end of Fiscal Year 2017/18, the City projects cash balances of $5.0 million which will provide future funding for any required Claims Reserve. Additionally, our fund balance reserve is estimated to increase over FY 2017/18 budget amount and total $4.27 million.

Proposed Fiscal Year 2018/19 Budget

We project a deficit in Fiscal Year 2018/19. There is a potential one-time transfer from the Health Insurance Fund to distribute the actual FY2016/17 surplus of $757K to the General Fund (70.9%), Electric Fund (7.7%), Water Fund (11.3%), and Wastewater Fund (10.1%). This is recommended for FY2018/19 based on the following criteria within the Health Insurance fund balance as of July 2017: it is over $2.7 million balance; it is approximately 37% of total annual operating expenses; and it represents 4.4 months of annual operating costs. At the end of Fiscal Year 2018/19, we estimate a fund balance reserve of $3.8 million and cash of approximately $4.6 million.

Four Year Forecast Beyond Proposed Fiscal Year 2018/19 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. Accounting rules (GASB43) changed how the City accounted for the cost of its post employment benefits. Instead of recognizing these expenses when paid, the City records the expenses as it is 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 included $650,000 in Fiscal Year 2017/18 estimated actual for this additional annual required contribution. Based on the current structure of our Health Insurance Fund's plan, we expect that the required ARC will remain flat for all future periods.

HEALTH CARE FUND PROJECTIONS
FISCAL YEAR 2019/2023
PROPOSED EXPENSES & REVENUES
(IN THOUSANDS)

	2015/16 ACTUAL	2016/17 ACTUAL	2017/18 REVISED BUDGET	2017/18 EST. ACTUAL	2018/19 PROPOSED BUDGET	PROJ. CHG%	2019/20 PROJ.	2020/21 PROJ.	2021/22 PROJ.	2022/23 PROJ.
							5.00%	*5.00%*	*5.00%*	*5.00%*
Premium Revenues										
Premium Revenues - City	$ 6,403	$ 6,623	$ 6,627	$ 6,678	$ 6,660		$ 6,993	$ 7,343	$ 7,710	$ 8,095
Premium Revenues - Employees	1,147	1,104	1,148	1,105	1,105		1,127	1,183	1,243	1,305
Premium Revenues - Retirees	246	256	242	242	242		254	267	280	294
Total Premium Revenue	**7,796**	**7,983**	**8,017**	**8,025**	**8,007**		**8,374**	**8,793**	**9,233**	**9,694**
Interest From Investments	5	13	6	13	13	1.5%	13	13	14	14
Prescription Rebates	90	101	75	99	75	2.0%	77	78	80	81
Stop Loss Reimbursement	-	14	-	-	-		5	10	15	20
Miscellaneous Revenue	3	-	-	-	-		-	-	-	-
Total Revenue	**7,894**	**8,111**	**8,098**	**8,137**	**8,096**		**8,469**	**8,894**	**9,341**	**9,809**
Administrative & Audit Expenses	376	472	361	388	339	3.0%	349	360	370	382
Stop Loss Reinsurance Expenses	284	221	359	218	256	3.0%	264	272	280	288
Medical Expense Reimbursement	5,931	5,887	6,768	5,887	6,342	5.0%	6,659	6,992	7,342	7,709
Health Savings Account Contributions	26	37	41	48	53		56	58	61	63
Claims Reserve Expense	(119)	52	75	75	75	2.0%	77	78	80	81
OPEB Trust Contributions	650	650	350	650	650		650	650	650	650
OPEB Reimbursement - City	-	-	300	-	-		-	-	-	-
Transfer to General Fund	49	36	546	546	577		55	55	55	55
Transfer to Electric Fund	-	-	53	53	58		-	-	-	-
Transfer to Water Fund	-	-	76	76	86		-	-	-	-
Transfer to Wastewater Fund	-	-	76	76	76		-	-	-	-
Total Expenses	**7,197**	**7,354**	**9,007**	**8,017**	**8,512**		**8,109**	**8,464**	**8,837**	**9,228**
Operating Income (Loss)	**697**	**757**	**(909)**	**120**	**(416)**		**360**	**430**	**504**	**582**
Increase (Decrease) in Retained Earnings	**$ 697**	**$ 757**	**$ (909)**	**$ 120**	**$ (416)**		**$ 360**	**$ 430**	**$ 504**	**$ 582**
Beginning Fund Balance	2,692	3,389	4,146	4,146	4,266		3,849	4,209	4,639	5,143
Ending Fund Balance	**3,389**	**4,146**	**3,237**	**4,266**	**3,849**		**4,209**	**4,639**	**5,143**	**5,724**
Total Cash Balance -Beginning	$ 3,484	$ 3,935	$ 4,901	$ 4,901	$ 5,021		$ 4,605	$ 4,965	$ 5,395	$ 5,899
Total Cash Balance-Ending*	$ 3,935	$ 4,901	$ 3,992	$ 5,021	$ 4,605		$ 4,965	$ 5,395	$ 5,899	$ 6,480
Unrestricted Cash Balance-Beginning	$ 3,260	$ 3,776	$ 4,191	$ 4,191	$ 4,311		$ 3,895	$ 4,255	$ 4,685	$ 5,189
Unrestricted Cash Balance-Ending	$ 3,776	$ 4,191	$ 3,282	$ 4,311	$ 3,895		$ 4,255	$ 4,685	$ 5,189	$ 5,770
Restricted Cash Balance-Beginning	$ 224	$ 159	$ 710	$ 710	$ 710		$ 710	$ 710	$ 710	$ 710
Restricted Cash Balance-Ending	$ 159	$ 710	$ 710	$ 710	$ 710		$ 710	$ 710	$ 710	$ 710

*Ending Cash balance includes $159,000 currently on deposit with United Healthcare and $551,447 in Health Reimbursement Accounts

DENTAL INSURANCE FUND
FISCAL YEAR 2019/2023
PROPOSED EXPENSES & REVENUES
(IN THOUSANDS)

	2015/16 ACTUAL	2016/17 ACTUAL	2017/18 REVISED BUDGET	2017/18 EST. ACTUAL	2018/19 PROPOSED BUDGET	PROJ. CHG%	2019/20 PROJ.	2020/21 PROJ.	2021/22 PROJ.	2022/23 PROJ.
							0.00%	*0.00%*	*0.00%*	*0.00%*
Premium Revenues										
Premium Revenues - City	$ 191	$ 186	$ 200	$ 193	$ 196		$ 196	$ 196	$ 196	$ 196
Premium Revenues - Employees	156	167	149	172	171		171	171	171	171
Premium Revenues - Retirees	63	64	78	78	78		78	78	78	78
Total Premium Revenue	**410**	**417**	**427**	**443**	**445**		**445**	**445**	**445**	**445**
Interest From Investments	-	1	1	1	1		-	-	-	-
Total Revenue	**410**	**418**	**428**	**444**	**446**		**445**	**445**	**445**	**445**
Administrative & Audit Expenses	26	28	39	39	40	3.0%	41	42	44	45
Medical Expense Reimbursement	287	301	336	300	350	1.5%	355	361	366	371
Claims Reserve Expense	2	3	5	5	5		5	5	5	5
Total Expenses	**315**	**332**	**380**	**344**	**395**		**401**	**408**	**415**	**421**
Increase (Decrease) in Retained Earnings	**$ 95**	**$ 86**	**$ 48**	**$ 100**	**$ 51**		**$ 44**	**$ 37**	**$ 30**	**$ 24**
Beginning Fund Balance	159	254	340	340	440		491	535	572	602
Ending Fund Balance	**254**	**340**	**388**	**440**	**491**		**535**	**572**	**602**	**625**
Total Cash Balance -Beginning	$ 160	$ 282	$ 376	$ 376	$ 476		$ 527	$ 571	$ 608	$ 638
Total Cash Balance-Ending*	$ 282	$ 376	$ 424	$ 476	$ 527		$ 571	$ 608	$ 638	$ 661
Unrestricted Cash Balance-Beginning	$ 129	$ 251	$ 345	$ 345	$ 445		$ 496	$ 540	$ 577	$ 607
Unrestricted Cash Balance-Ending	$ 251	$ 345	$ 393	$ 445	$ 496		$ 540	$ 577	$ 607	$ 630
Restricted Cash Balance-Beginning	$ 31	$ 31	$ 31	$ 31	$ 31		$ 31	$ 31	$ 31	$ 31
Restricted Cash Balance-Ending	$ 31	$ 31	$ 31	$ 31	$ 31		$ 31	$ 31	$ 31	$ 31

*Ending Cash balance includes $31,300 currently on deposit with United Concordia.

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CAPITAL IMPROVEMENT PROGRAM
SECTION 8

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All Departments – Consolidated

PROGRAM OVERVIEW

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

The proposed Capital Improvements Program (CIP) for FY18 and FY19 is summarized below:

	FY18		FY19
Fund	**Revised Budget**	**Estimated Actual**	**Proposed Budget**
General / CIP Fund	$ 13,040,230	$ 6,261,767	$ 14,797,337
Electric Fund *	552,500	379,346	685,000
Water Fund	5,337,000	3,115,420	8,420,000
Wastewater Fund	3,027,000	2,902,000	5,703,000
Parking Fund	525,000	330,000	60,000
Golf Fund	37,000	29,995	22,000
Property Management Fund	312,000	296,361	190,000
TOTALS	**$ 22,830,730**	**$ 13,314,890**	**$ 29,877,337**

* Excludes capital expenditures not included in specific projects of $435,000, $485,000 and $512,500 respectively.

MAJOR FY19 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 revised in October 2013. (Mayor & Council Goals & Priorities – 2015 through 2016 is located in Section 1 Overview). The Mayor & 5 Council members were elected in November 2016 and subsequently 2 have been replaced which occurred in November 2017 and

February 2018. They are working on the development of updated goals & priorities. At the time of printing this budget book, updated goals & priorities are not yet finalized and the City continues to make progress on previously identified items and the Community's City Center Plan. By strategically utilizing a combination of financial management policies, land use, and forecasting, the City will ensure stability by maximizing its use of resources. To assist policy makers, the CIP's five year forecast included in this section reflects the financial impact of their decisions. The Strategic Plan outlines the City's desire to be the location of choice for a diverse and dynamic citizenry, and to provide a proud and prosperous community.

Economic Development

The City of Hagerstown strives to have a diverse, business-friendly economy that supports the community's needs. To achieve this goal, $2.5 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 and to fund the Urban Improvement Project (Plaza) formerly known as the Downtown Redevelopment project for a multi-purpose space for informal gatherings, downtown events and staging for buses and theater production vehicles.

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 $20.4 million for new technologies that provide and promote a more customer-oriented parking experience and for new sidewalks, bridge repair, storm water management upgrades, major signal intersection upgrades, pavement preservation and maintenance, City Hall improvements, 60 West Washington Street 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, new connectivity of network services to the City's outlying buildings including those of the BOE and HCC, expansion of services from the TV studio including improvements to the BOE and CC video production equipment. The majority of these goals will be accomplished using existing general fund expense budgets; however, $231K 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 $550K for public art, downtown beautification programs and tree installation, accessibility ramps and working with Neighborhood 1st Groups to develop new urban parks in underserved areas including the development of "Thomas Kennedy" park.

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 including maintenance at the Hagerstown Ice Rink, continue to 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 $96K 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, $5.9 million has been designated to purchase a fire engine, replace existing Fire Training Tower building, relocate the fire station, replace 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 $119K to continue support for the Time and Attendance Software, upgrade hardware and software, and upgrade technology of our Municipal Financial System (MUNIS) to increase mobile capabilities for the City's employees and enhance for web functionality.

OVERVIEW OF THE PROJECTS IN THE CIP

The CIP section presents comprehensive descriptions of major project needs for FY19 through FY23. Pages 14 through 45 provide summary schedules by Fund outlining funding sources and project expenditures and are organized by Fund and department. Pages 46 through 176 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 FY19 at $29.8 million is 30% higher than the $22.8 million in the FY18 revised budget. The FY19 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 several years in an effort to lower costs and remain within limited resources impacted negatively by the economy. While the FY19 budget includes vehicle and equipment replacements for aging equipment, it is important to note that there are no new additions to our existing vehicle fleet but only vehicle replacements. Overall, the FY19 budget includes $4.2M for vehicle replacements. Of this amount, $1.3M is funded by Enterprise Funds and includes the replacement of a electric Digger Derrick truck, wastewater vacuum truck, backhoes, dump trucks, and other miscellaneous vehicles. The balance of $2.9M will come from other sources such as general funds, future bond funds and prior bond funds. General funds of $526K will be for the replacement of 8 police cruisers ($368K), replacement of 1 John Deere gator ($8K), and 3 other vehicles ($150K). Future bond funds will be needed for the replacement of a reserve engine ($709K) for the Fire department, 2 dump trucks ($340K) for Public Works, and a bobcat loader ($60K) for Parks & Recreation department. Prior bond funds will be for the replacement of an engine ($645K) for the Fire department and 2 street sweepers ($620K). The City will strive to continue to implement a systematic vehicle replacement plan to eliminate costly repairs and to improve efficiency of operations.

- Completely relying on State highway user revenue (HUR), the City included $1.2M in the FY19 budget for its pavement preservations program for city streets. The City utilizes a variety of methods to maintain streets including mill and overlay, crack-sealing, slurry-sealing, and patching. While the FY19 budget includes a total of $1.2M, the City will only spend what is provided by the state for funding.

- The City has included $2.04 million in our FY19 budget for an Urban Development Project or Plaza project. The Plaza will serve as a public multi-purpose public space and will be used for informal student gatherings, downtown events and staging for buses and theater production vehicles. Also included in a separate CIP (C0140) is a final phase of the Cultural Trail that will extend through the Plaza. The project is a City portion expansion of the Maryland Theatre and an urban educational complex with BOE and USMH components. This project and funding has been included in the budget to help address Mayor and Council projects for Urban Development within the City.

- Based on 2015 Insurance Services Office (ISO) rating suggestions, the City has included $2.1 million to explore the opportunity to relocate or combine some downtown fire stations. The funding source for this project would be a future bond issue.

- Several other large projects within the FY19 budget are: possible Storm Water Management projects to meet future state/federal regulations; installation of new sidewalks with a portion to be provided by Safe Routes to School Grant; Pangborn Lake reconstruction including replacing stone walls, dredging lake, constructing fishing pier and improving Hamilton Run; and replacement of 162 mobile and portable radios in the Police department.

- Phase 1B of the Synagro Facility Upgrade Improvements project is expected to begin in FY18. This is a continuation of upgrades to the Wastewater's Treatment Plant's sludge thickening and pelletizing facility. These upgrades will provide complete management of the end-use of the City's bio-solids. The FY19 and FY 20 budgets provide $4 million to complete these improvements.

- To improve system and increase reliability, $1.9 million has been included in the FY19 budget to ensure compliance with MDE Dam Safety Division requirements in the Edgemont Reservoir improvement project. The primary funding source is anticipated to be a MDE low-interest bond issue. The planned improvements will include the installation of a grout curtain, replacement and/ or reconstruction of the ogee and emergency spillway, and the installation of additional toe drains.

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 2019/23
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
Building Security Improvements	50-C0178	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
East End Pump Station	54-C0565	Planned Improvement
Eastern Boulevard North Extension	45-C0606	Planned Improvement
Edgemont Reservoir Improvements	52-C0168	Planned Improvement
Electric Vehicles	50-C0090	Planned Improvement
Eliminate Pump Stations	54-C0832	Planned Improvement
Elizabeth Hager Center	58-C0803	Planned Improvement
Engineering Vehicles	45-C0133	Cost Avoidance
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 Facilities City Owned Buildings	45-C0870	Planned Improvement
Fuel Station Improvements	45-C0352	Planned Improvement
Geographic Information System	45-C0451	Planned Improvement
Golf Course - Vehicles/Equipment	57-C0395	Cost Avoidance
Golf Course Improvements	57-C0825	Improve Service
Green Streets	45-C0639	Probable Grant

PROJECT NAME	PROJECT NUMBER	PROJECT PRIORITY
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
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 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
Park Equipment	45-C0237	Planned Improvement
Parking Facilities - 3rd Parking Deck	56-C0173	Planned Improvement
Parking Fund Vehicles	56-C0829	Planned Improvement
Parking Lot Improvements	56-C0857	Planned Improvement
Parks 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
Public Art	45-C0868	Planned Improvement
Public Works Equipment	45-C0136	Improve Service
Public Works Operations Center Improvement Program	45-C0250	Planned Improvement
Public Works Storage Yard Expansion	45-C0718	Planned Improvement
Public Works Vehicles	45-C0065	Planned Improvement
Pump Station Improvements	52-C0651	Planned Improvement
Pump Station Improvements	54-C0299	Public Safety
R. Paul Smith Boulevard	45-C0733	Planned Improvement
RC Willson - Traveling Screen Replacement	52-C0863	Planned Improvement
Roslyn Building Renovation	58-C0779	Planned Improvement

PROJECT NAME	PROJECT NUMBER	PROJECT PRIORITY
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
Steam Engine Museum	45-C0439	Planned Improvement
Storm Water Management Implementation	45-C0637	Probable Grant
Storm Water Vehicles	45-C0064	Planned Improvement
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
Urban Improvement Project (Plaza)	45-C0875	Planned Improvement
Wastewater Vehicle Replacement	54-C0004	Planned Improvement
Water System SCADA Improvements	52-C0820	Planned Improvement
Water Vehicles	52-C0117	Planned Improvement
Wesel Boulevard Development	50-C0220	Planned Improvement
Wesel Boulevard Reconstruction	45-C0873	Planned Improvement
Wildlife Protection	50-C0802	Planned Improvement
Willson Transmission Mains	52-C0167	Planned Improvement
Willson Treatment Plant	52-C0166	Planned Improvement
WWT Buildings and Structures	54-C0585	Planned Improvement
WWT Plant Equipment	54-C0584	Public Safety
Zone 3 Standpipe	52-C0323	Planned Improvement

VEHICLE & EQUIPMENT REPLACEMENT SCHEDULE - ALL FUNDS
FIVE YEAR PLAN - FISCAL YEARS 2019/23

UNIT	VEHICLE	YEAR	DESCRIPTION	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	TOTAL
COMMUNITY & ECONOMIC DEVELOPMENT									
717	5699	2003	CHEVY CAVALIER	25,000					**25,000**
COMMUNITY & ECONOMIC DEVELOPMENT TOTAL				**25,000**	**-**	**-**	**-**	**-**	**25,000**
PLANNING & CODE ADMINISTRATION									
450	5822	2006	CHEVY COLORADO		25,000				**25,000**
452	5858	2007	FORD RANGER					25,000	**25,000**
453	5804	2006	JEEP LIBERTY				25,000		**25,000**
455	5751	2004	CHEVY COLORADO			25,000			**25,000**
458	5815	2006	CHEVY COLORADO		25,000				**25,000**
471	5816	2006	CHEVY COLORADO			25,000			**25,000**
472	5779	2005	JEEP LIBERTY				25,000		**25,000**
474	5786	2005	CHEVY COLORADO			25,000			**25,000**
475	5697	2003	CHEVY CAVALIER		25,000				**25,000**
PLANNING & CODE ADMINISTRATION				**-**	**75,000**	**75,000**	**50,000**	**25,000**	**225,000**
ENGINEERING DEPARTMENT									
701	5892	2008	CHEVY COLORADO P/U		20,000				**20,000**
703	5893	2008	CHEVY IMPALA SEDAN			20,000			**20,000**
709	5810	2006	JEEP LIBERTY				20,000		**20,000**
710	5542	2013	CHEVY CARGO VAN					20,000	**20,000**
ENGINEERING DEPARTMENT TOTAL				**-**	**20,000**	**20,000**	**20,000**	**20,000**	**80,000**
PARKS DEPARTMENT									
NEW			STUMP GRINDER FOR BOBCAT		8,000				**8,000**
NEW			TREE CHIPPER					42,000	**42,000**
302	5934	2009	CHEVY 2500 4X4					38,000	**38,000**
305	5925	2008	FORD F550 DUMP TRUCK				70,000		**70,000**
317	5744	2004	JD 4X2 GATOR	8,000					**8,000**
319	5864	2007	BOBCAT LOADER	60,000					**60,000**
331	5850	2007	CHEVY 3/4 TON 4WD P/U			38,000			**38,000**
333	5749	2004	JOHN DEERE BACKHOE		100,000				**100,000**
349	5958	2010	JD GATOR			10,000			**10,000**
378	5884	2007	JD TX GATOR		10,000				**10,000**
379	5460	1995	GRAVELY PM 300 MOWER		12,000				**12,000**
PARKS DEPARTMENT TOTAL				**68,000**	**130,000**	**48,000**	**70,000**	**80,000**	**396,000**
PUBLIC WORKS DEPARTMENT									
002	5946	2010	FORD 1/2 T 4WD			30,000			**30,000**
006	5854	2006	BOBCAT A300				75,000		**75,000**
007	5967	2011	JD 310SJ BACKHOE					140,000	**140,000**
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		110,000				**110,000**
021	206038	2013	FORD F750 DUMP TRUCK					200,000	**200,000**
022	206042	2013	FORD F750 DUMP TRUCK					200,000	**200,000**
026	5780	2005	STERLING ACTERA DUMP	170,000					**170,000**
027	5781	2005	STERLING ACTERA DUMP	170,000					**170,000**
028	5830	2006	STERLING ACTERA RDS DUMP		170,000				**170,000**
030	5610	2012	FORD F350 PICKUP TRUCK				30,000		**30,000**
031	5808	2006	CHEVY CARGO VAN		35,000				**35,000**
034	5713	2004	CHEVY CREW CAB P/U		35,000				**35,000**
035	5855	2007	CHEVY 3/4 TON TRUCK		35,000				**35,000**
046	5713	2004	CHEVY CREW CAB P/U		35,000				**35,000**
063	5969	2011	Z930A JD MOWER				20,000		**20,000**
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		20,000				**20,000**
084	5433	1993	WACKER ROLLER		15,000				**15,000**
088	5767	2005	JOHN DEERE X595 TRACTOR			18,000			**18,000**
600	5903	2008	FORD PICKUP TRUCK		30,000				**30,000**
602	5821	2006	E350 BUCKET VAN		90,000				**90,000**
611	5932	2008	FORD F550 UTILITY TRUCK				75,000		**75,000**
615	5763	2005	CHEVY CARGO VAN		30,000				**30,000**
616	5949	2008	SOLAR SIGN BOARD			45,000			**45,000**
617	5956	2008	SOLAR SIGN BOARD				45,000		**45,000**
PUBLIC WORKS DEPARTMENT TOTAL				**340,000**	**620,000**	**378,000**	**245,000**	**540,000**	**2,123,000**

VEHICLE & EQUIPMENT REPLACEMENT SCHEDULE - ALL FUNDS
FIVE YEAR PLAN - FISCAL YEARS 2019/23

UNIT	VEHICLE	YEAR	DESCRIPTION	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	TOTAL
POLICE DEPARTMENT									
903	206117	2014	FORD TAURUS				48,000		**48,000**
907	206110	2012	FORD FUSION					48,000	**48,000**
910	206097	2007	CHEVY IMPALA		46,000				**46,000**
912	206023	2005	CHEVY TAHOE					60,000	**60,000**
913	206024	2007	CHEVY IMPALA					48,000	**48,000**
922	206032	2006	CHEVY TRAILBLAZER					48,000	**48,000**
925	5943	2009	DODGE CHARGER					48,000	**48,000**
929	5888	2004	CHEVROLET IMPALA					48,000	**48,000**
930	5878	2007	DODGE CHARGER	46,000					**46,000**
934	5839	2006	FORD CROWN VICTORIA INTERCEPTOR	46,000					**46,000**
940	5811	2007	FORD CROWN VICTORIA INTERCEPTOR	46,000					**46,000**
942	5843	2006	FORD CROWN VICTORIA INTERCEPTOR	46,000					**46,000**
944	5752	2004	FORD CROWN VICTORIA INTERCEPTOR		46,000				**46,000**
957	5552	1998	FORD CROWN VICTORIA		46,000				**46,000**
958	5919	2009	FORD CROWN VICTORIA INTERCEPTOR		46,000				**46,000**
971	5938	2009	CHEVY IMPALA					48,000	**48,000**
972	5753	2004	FORD CROWN VICTORIA INTERCEPTOR		46,000				**46,000**
980	5625	2007	CHEVY IMPALA					48,000	**48,000**
981	5883	2007	DODGE CHARGER	46,000					**46,000**
987	6032	2012	CHEVY IMPALA			48,000			**48,000**
9110	206021	2013	FORD TAURUS				48,000		**48,000**
9112	206005	2013	FORD TAURUS				48,000		**48,000**
9113	206002	2013	FORD TAURUS				48,000		**48,000**
9114	206006	2013	FORD TAURUS				48,000		**48,000**
9115	206003	2012	FORD TAURUS				48,000		**48,000**
9210	6024	2011	FORD CROWN VICTORIA			48,000			**48,000**
9211	6025	2011	FORD CROWN VICTORIA			48,000			**48,000**
9212	5940	2009	DODGE CHARGER			48,000			**48,000**
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**
9301	5041	2012	FORD CROWN VICTORIA INTERCEPTOR				48,000		**48,000**
9302	5030	2011	FORD CROWN VICTORIA			48,000			**48,000**
9303	6029	2011	FORD CROWN VICTORIA			48,000			**48,000**
9304	5921	2009	FORD CROWN VICTORIA INTERCEPTOR	46,000					**46,000**
9305	5943	2009	DODGE CHARGER			48,000			**48,000**
9306	5941	2009	DODGE CHARGER			48,000			**48,000**
9400	5922	2009	FORD CROWN VICTORIA		46,000				**46,000**
9401	5838	2006	FORD CROWN VICTORIA	46,000					**46,000**
9501	206036	2012	FORD EXPLORER				48,000		**48,000**
POLICE DEPARTMENT TOTAL				**368,000**	**368,000**	**384,000**	**384,000**	**396,000**	**1,900,000**
FIRE DEPARTMENT									
NEW			MINI PUMPER TO REPLACE ENGINE 1			500,000			**500,000**
ENG2	5718	2004	KME MFD		779,900				**779,900**
ENG3	5719	2004	KME MFD		779,900				**779,900**
ENG4	5918	2009	KME MFD			857,800			**857,800**
ENG5	5720	2004	KME MFD		779,900				**779,900**
CAR7	5813	2005	CHEVY TRAILBLAZER	65,000					**65,000**
CAR8	5856	2007	FORD EXPEDITION	60,000					**60,000**
RE1	5435	1994	KME PUMPER	709,000					**709,000**
RE4	5349	1991	KME RENEGADE LFD	645,000					**645,000**
TRK11	206058	1994	AI 105' LADDER				1,550,000		**1,550,000**
U3A	5920	2008	FORD F350 PICKUP				60,000		**60,000**
FIRE DEPARTMENT TOTAL				**1,479,000**	**2,339,700**	**1,357,800**	**1,610,000**	**-**	**6,786,500**
STORMWATER DEPARTMENT									
092	5795	2005	SCHWARZE SWEEPER	310,000					**310,000**
093	5866	2007	SCHWARZE A8000	310,000					**310,000**
STORMWATER DEPARTMENT TOTAL				**620,000**	**-**	**-**	**-**	**-**	**620,000**
GENERAL FUND TOTAL				**$ 2,900,000**	**$ 3,552,700**	**$ 2,262,800**	**$ 2,379,000**	**$ 1,061,000**	**$ 12,155,500**

VEHICLE & EQUIPMENT REPLACEMENT SCHEDULE - ALL FUNDS
FIVE YEAR PLAN - FISCAL YEARS 2019/23

UNIT	VEHICLE	YEAR	DESCRIPTION	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	TOTAL
ELECTRIC FUND									
101	5876	2007	Ford F150			30,000			**30,000**
102	5877	2007	Ford F150			30,000			**30,000**
107	5520	1997	GMC SIERRA P/U				150,000		**150,000**
116	5454	1995	GMC STAKE BODY				65,000		**65,000**
120	5441	1999	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**
128	5762	2004	GMC BUCKET TRUCK					250,000	**250,000**
131	5870	2007	SILVERADO 4x4 PICKUP w/PLOW			40,000			**40,000**
134	5299	1990	INGERSOLL-RAND AIR COMP. TRAILER			20,000			**20,000**
137	5766	2005	CHEVROLET 3500 CARGO FUN			40,000			**40,000**
ELECTRIC FUND TOTAL				**250,000**	**250,000**	**230,000**	**215,000**	**250,000**	**1,195,000**
WATER FUND									
200	5911	2008	FORD F150					30,000	**30,000**
201	5862	2007	TRAIL BLAZER		25,000				**25,000**
203	5825	2006	CHEVY 2500 P/U					30,000	**30,000**
206	5627	2012	FORD F450			90,000			**90,000**
207	5661	2002	INTERNATIONAL DUMP				175,000		**175,000**
208	5792	2005	FORD F550	85,000					**85,000**
209	5761	2004	CHEVY 3/4 TON VAN					40,000	**40,000**
211	5927	2009	F750 DUMP TRUCK	90,000					**90,000**
214	5691	2005	CHEVY TRAILBLAZER	25,000					**25,000**
218	5793	2005	FORD F450	50,000					**50,000**
219	5449	1995	VOLVO CRANE TRUCK			155,000			**155,000**
223	5853	2006	JD 310SG BACKHOE		125,000				**125,000**
224	5407	2014	JCB BACKHOE					150,000	**150,000**
227	5705	2003	CHEVY 2500 4WD P/U	40,000					**40,000**
228	5656	2001	JOHN DEERE 4106 BACKHOE LOADER	150,000					**150,000**
230	5640	2012	GMC JIMMY				30,000		**30,000**
233	5926	2008	DUMP TRUCK		60,000				**60,000**
235	5643	2013	CHEVY EQUINOX			30,000			**30,000**
238	5686	2003	KUT KWICK SLOPE MOWER 38HP	55,000					**55,000**
241	5576	2008	GMC JIMMY			30,000			**30,000**
242	206030	2013	CHEVY EQUINOX				30,000		**30,000**
244	5818	2006	JEEP LIBERTY					30,000	**30,000**
252	5613	2000	GMC SONOMA		20,000				**20,000**
257	5787	2005	BACKHOE	125,000					**125,000**
260	5474	1995	CHEVY 3500 UTILITY				90,000		**90,000**
WATER FUND TOTAL				**620,000**	**230,000**	**305,000**	**325,000**	**280,000**	**1,760,000**
WASTEWATER FUND									
509	5580	1999	VOLVO TRAILER MOUNTED GENERATOR			75,000			**75,000**
513	5427	1993	KOHLER MGS 2226 GENERATOR	65,000					**65,000**
519	5285	1989	CHEVROLET 7D042 VACUUM TRUCK	105,000					**105,000**
522	5357	1991	INGERSOLL RAND LIGHT PLANT				45,000		**45,000**
528	5833	2006	JET-VAC CLEANER		750,000				**750,000**
533	5657	2002	FORD RANGER P/U					30,000	**30,000**
535	5657	2005	NEW HOLLAND TRACTOR	25,000					**25,000**
595	5562	2002	CHEVY C8500 DUMP	180,000					**180,000**
WASTEWATER FUND TOTAL				**375,000**	**750,000**	**75,000**	**45,000**	**30,000**	**1,275,000**

VEHICLE & EQUIPMENT REPLACEMENT SCHEDULE - ALL FUNDS
FIVE YEAR PLAN - FISCAL YEARS 2019/23

UNIT	VEHICLE	YEAR	DESCRIPTION	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	TOTAL
PARKING FUND									
033	5035	2012	FORD F150 4x4				30,000		**30,000**
PARKING FUND TOTAL				**-**	**-**	**-**	**30,000**	**-**	**30,000**
GOLF COURSE									
326	5859	2007	GREENS MOWER				35,000		**35,000**
351	5851	2005	ROUGH MOWER					40,000	**40,000**
370	5459	1995	ZERO TURN MOWER				12,000		**12,000**
389	5774	2004	CUSHMAN SPRAYER		35,000				**35,000**
373A	5478	1996	CUSHMAN TURF TRUCKSTER	22,000					**22,000**
373B	5560	1998	CUSHMAN TOP DRESSER			37,000			**37,000**
GOLF FUND TOTAL				**22,000**	**35,000**	**37,000**	**47,000**	**40,000**	**181,000**
GRAND TOTAL - ALL FUNDS				**$ 4,167,000**	**$ 4,817,700**	**$ 2,909,800**	**$ 3,041,000**	**$ 1,661,000**	**$ 16,596,500**

Capital Program Funding Sources
(All Funds - $29,877,337)
Fiscal Year 2018/19
Enterprise Funds
$7,160,000
Other
$782,953
Contributions
$894,500
Intergovernmental
Revenue
$5,453,250
Prior Bond Proceeds
$1,285,884
Fund Balance
Reserve
$240,000
Governmental
Funds
$1,408,400
Bond / Loan
Financing
$12,652,350

Capital Program Expenditures
(All Funds - $29,877,337)
Fiscal Year 2018/19
General/CIP Fund
$14,797,337
Water Fund
$8,420,000
Parking Fund
$60,000
Nonmajor Enterprise
Funds $212,000
Electric Fund
$685,000
Wastewater Fund
$5,703,000

CAPITAL IMPROVEMENT PROGRAM - ALL FUNDS
FIVE YEAR PLAN - FISCAL YEARS 2019/23
EXPENDITURES SUMMARY BY FUND

DEPARTMENT	FY19	FY20	FY21	FY22	FY23	Total
Community & Economic Development	25,000					25,000
Engineering	5,676,000	4,713,000	5,679,000	10,700,524	1,550,000	28,318,524
Fire	4,728,900	3,399,700	1,567,800	1,820,000	1,010,000	12,526,400
Information Technology	350,837	195,000	175,000	195,000	203,000	1,118,837
Parks	1,739,000	320,000	2,888,000	2,455,000	660,000	8,062,000
Planning & Code Administration	-	75,000	75,000	50,000	25,000	225,000
Police	1,162,600	673,000	644,000	679,000	691,000	3,849,600
Public Works	495,000	875,000	894,000	891,000	626,000	3,781,000
Stormwater	620,000	-	-	-	-	620,000
General/CIP Fund Total	**$ 14,797,337**	**$ 10,250,700**	**$ 11,922,800**	**$ 16,790,524**	**$ 4,765,000**	**$ 58,526,361**
Electric Fund	685,000	980,000	1,155,000	1,320,000	995,000	5,135,000
Water Fund	8,420,000	9,435,000	11,315,000	3,650,000	9,900,000	42,720,000
Wastewater Fund	5,703,000	4,818,000	1,388,000	1,358,000	1,043,000	14,310,000
Parking Fund	60,000	1,407,000	6,678,775	380,000	30,000	8,555,775
Golf Fund	22,000	35,000	137,000	47,000	40,000	281,000
Property Management Fund	190,000	57,000	37,000	27,000	-	311,000
Grand Total - All Funds	**$ 29,877,337**	**$ 26,982,700**	**$ 32,633,575**	**$ 23,572,524**	**$ 16,773,000**	**$ 129,839,136**

City of Hagerstown, Maryland

GENERAL/CIP FUND

FY '19 thru **FY '23**

FUNDING SOURCE SUMMARY

Source	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Bond Financing (General Fund)	6,333,600	6,127,700	4,416,800	4,145,000	540,000	*21,563,100*
CIP Fund - GF Fund Balance	240,000					*240,000*
CIP Fund Balance	716,953	17,000				*733,953*
Contribution by Others	839,500	67,500	1,222,500	7,363,024	27,500	*9,520,024*
Grants-County		66,000				*66,000*
Grants-Federal	450,000	250,000	2,540,000			*3,240,000*
Grants-Private	55,000	10,000	10,000	10,000		*85,000*
Grants-State	1,300,000	366,000	90,000	1,608,000	942,000	*4,306,000*
Grants-State Aid in Lieu of Urban Funds	110,000					*110,000*
Grants-State CP&P	240,000	28,000	23,000	33,000	38,000	*362,000*
Grants-State Governor Bond Bill	200,000					*200,000*
Grants-State MHAA	100,000					*100,000*
Grants-State Program Open Space	300,000	95,000	216,000	504,000	265,000	*1,380,000*
PEG Fee	56,000	56,000	56,000	56,000	56,000	*280,000*
Prior Bond Proceeds	1,285,884					*1,285,884*
Reforestation Funds	10,000	40,000	40,000			*90,000*
State Highway User Revenue	1,165,000	1,235,000	1,235,000	1,235,000	1,235,000	*6,105,000*
Stormwater Fee		130,000	110,000	130,000	110,000	*480,000*
Transfers to CIP-CDBG Fund	540,000	70,000	470,000	70,000	70,000	*1,220,000*
Transfers to CIP-Electric Fund	4,000	33,950	30,875	35,875	37,750	*142,450*
Transfers to CIP-General Fund	843,400	1,590,450	1,400,375	1,528,375	1,367,250	*6,729,850*
Transfers to CIP-Parking Fund		200	500	500	1,000	*2,200*
Transfers to CIP-Wastewater Fund	4,000	33,950	30,875	35,875	37,750	*142,450*
Transfers to CIP-Water Fund	4,000	33,950	30,875	35,875	37,750	*142,450*
GRAND TOTAL	**14,797,337**	**10,250,700**	**11,922,800**	**16,790,524**	**4,765,000**	***58,526,361***

PROJECTS BY FUNDING SOURCE

Source	Project #	Priority	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Bond Financing (General Fund)								
Fire Department Vehicle Replacement	*45-C0010*	5	709,000	2,339,700	1,357,800	1,550,000		*5,956,500*
City Park Lake Improvements	*45-C0047*	5				500,000		*500,000*
Public Works Vehicles	*45-C0065*	5	340,000	370,000	220,000	150,000	540,000	*1,620,000*
Market House Improvements	*45-C0099*	5		150,000				*150,000*
Police Radios	*45-C0128*	1	534,600					*534,600*
Hagerstown Cultural Trail	*45-C0140*	5	100,000	100,000				*200,000*
Fire Department Training Center	*45-C0241*	5	500,000					*500,000*
Alley Reconstruction	*45-C0324*	5		173,000	214,000			*387,000*
Parks Vehicles and Equipment	*45-C0570*	5	50,000	100,000		70,000		*220,000*
Professional Court Extension	*45-C0685*	5		1,250,000	1,250,000			*2,500,000*
Consolidation of Public Safety Assets	*45-C0687*	5	2,100,000					*2,100,000*
Public Works Storage Yard Expansion	*45-C0718*	5			375,000	525,000		*900,000*
Northwest Connector	*45-C0735*	5		280,000	1,000,000	1,000,000		*2,280,000*
Pangborn Lake Reconstruction	*45-C0812*	3	1,000,000					*1,000,000*
Fire Computer Equip/Public Safety Radios	*45-C0849*	1		865,000				*865,000*
Marsh Run Walls Rehabilitation	*45-C0853*	4				350,000		*350,000*
Wesel Blvd Reconstruction	*45-C0873*	5		500,000				*500,000*
Urban Improvement Project (Plaza)	*45-C0875*	5	1,000,000					*1,000,000*
Bond Financing (General Fund) Total			6,333,600	6,127,700	4,416,800	4,145,000	540,000	*21,563,100*
CIP Fund - GF Fund Balance								
Market House Improvements	*45-C0099*	5	10,000					*10,000*
Public Works Equipment	*45-C0136*	8	20,000					*20,000*
Community & Economic Development Vehicles	*45-C0249*	4	25,000					*25,000*
City Hall Improvements	*45-C0326*	5	40,000					*40,000*
Fairgrounds Park Improvements	*45-C0626*	5	75,000					*75,000*
Neighborhood Parks	*45-C0751*	5	30,000					*30,000*
Potterfield Pool Improvements	*45-C0822*	8	30,000					*30,000*
Public Art	*45-C0868*	5	10,000					*10,000*
CIP Fund - GF Fund Balance Total			240,000					*240,000*
CIP Fund Balance								
Computer Equipment and Software	*45-C0006*	5	60,000					*60,000*
Time & Attendance Software and Equip	*45-C0007*	5	8,000	4,000				*12,000*
Pavement Preservation Program	*45-C0025*	5	100,000					*100,000*
Market House Improvements	*45-C0099*	5	5,000					*5,000*
Police Radios	*45-C0128*	1	10,000					*10,000*
Public Works Operations Center Improvement Program	*45-C0250*	5	10,000					*10,000*
Downtown Beautification Program	*45-C0280*	5	25,000					*25,000*
City Hall Improvements	*45-C0326*	5	40,000					*40,000*
Bridge Repair Program	*45-C0400*	4	108,000					*108,000*

Source	Project #	Priority	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Geographic Information System	*45-C0451*	5	35,000	4,000				*39,000*
Curb and Sidewalk Replacement Program	*45-C0458*	5	25,000					*25,000*
Traffic Calming	*45-C0560*	5	6,000					*6,000*
Cable PEG	*45-C0569*	2	175,837					*175,837*
Storm Water Management Implementation	*45-C0637*	6	69,116					*69,116*
Signal Timing Optimization	*45-C0640*	5		9,000				*9,000*
Fire Facilities City Owned Buildings	*45-C0870*	5	40,000					*40,000*
CIP Fund Balance Total			716,953	17,000				*733,953*
Contribution by Others								
Municipal Stadium Improvements	*45-C0040*	5	35,000	35,000	35,000			*105,000*
Fire Department Training Center	*45-C0241*	5	500,000	25,000	25,000	25,000	25,000	*600,000*
Eastern Boulevard North Extension	*45-C0606*	5				335,524		*335,524*
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*
Neighborhood Parks	*45-C0751*	5	300,000			100,000		*400,000*
Antietam Creek Greenway Trail	*45-C0774*	5			150,000			*150,000*
Hagerstown Ice Rink	*45-C0843*	5	4,500	7,500	12,500	2,500	2,500	*29,500*
Contribution by Others Total			839,500	67,500	1,222,500	7,363,024	27,500	*9,520,024*
Grants-County								
Major Signal Intersection Upgrades	*45-C0243*	5		66,000				*66,000*
Grants-County Total				66,000				*66,000*
Grants-Federal								
Police Crime Lab Equipment	*45-C0182*	5	25,000					*25,000*
Police Firing Range	*45-C0226*	5	25,000		40,000			*65,000*
Storm Water Management Implementation	*45-C0637*	6	400,000	250,000				*650,000*
Multi-Use Trails	*45-C0717*	6			2,500,000			*2,500,000*
Grants-Federal Total			450,000	250,000	2,540,000			*3,240,000*
Grants-Private								
Installation of Street Trees	*45-C0594*	5	45,000					*45,000*
Public Art	*45-C0868*	5	10,000	10,000	10,000	10,000		*40,000*
Grants-Private Total			55,000	10,000	10,000	10,000		*85,000*
Grants-State								
Major Signal Intersection Upgrades	*45-C0243*	5		264,000				*264,000*
Traffic Calming	*45-C0560*	5	24,000	32,000	16,000	16,000	16,000	*104,000*
New Sidewalks	*45-C0595*	1	440,000			500,000		*940,000*
Fairgrounds Park Improvements	*45-C0626*	5	75,000		4,000			*79,000*
Green Streets	*45-C0639*	6	70,000	70,000	70,000	70,000	70,000	*350,000*
Fire Department Breathing Apparatus Equip	*45-C0663*	5					720,000	*720,000*
Multi-Use Trails	*45-C0717*	6	48,000					*48,000*
Antietam Creek Greenway Trail	*45-C0774*	5				432,000		*432,000*
Longmeadow Park Improvements	*45-C0866*	5				590,000	136,000	*726,000*
Urban Improvement Project (Plaza)	*45-C0875*	5	643,000					*643,000*

Source	Project #	Priority	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Grants-State Total			1,300,000	366,000	90,000	1,608,000	942,000	*4,306,000*
Grants-State Aid in Lieu of Urban Fu								
New Sidewalks	*45-C0595*	1	110,000					*110,000*
Grants-State Aid in Lieu of Urban Funds Total			110,000					*110,000*
Grants-State CP&P								
Park Equipment	*45-C0237*	5		8,000	8,000	8,000	8,000	*32,000*
Steam Engine Museum	*45-C0439*	5	40,000	20,000	15,000	25,000	30,000	*130,000*
Urban Improvement Project (Plaza)	*45-C0875*	5	200,000					*200,000*
Grants-State CP&P Total			240,000	28,000	23,000	33,000	38,000	*362,000*
Grants-State Governor Bond Bill								
Urban Improvement Project (Plaza)	*45-C0875*	5	200,000					*200,000*
Grants-State Governor Bond Bill Total			200,000					*200,000*
Grants-State MHAA								
Hagerstown Cultural Trail	*45-C0140*	5	100,000					*100,000*
Grants-State MHAA Total			100,000					*100,000*
Grants-State Program Open Space								
Hagerstown Cultural Trail	*45-C0140*	5	300,000	50,000	180,000			*530,000*
City Park Improvements	*45-C0522*	5				504,000	90,000	*594,000*
Fairgrounds Park Improvements	*45-C0626*	5			36,000		175,000	*211,000*
Potterfield Pool Improvements	*45-C0822*	8		45,000				*45,000*
Grants-State Program Open Space Total			300,000	95,000	216,000	504,000	265,000	*1,380,000*
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								
Fire Department Vehicle Replacement	*45-C0010*	5	645,000					*645,000*
Stormwater Vehicles	*45-C0064*	5	620,000					*620,000*
Parks Vehicles and Equipment	*45-C0570*	5	10,000					*10,000*
Storm Water Management Implementation	*45-C0637*	6	10,884					*10,884*
Prior Bond Proceeds Total			1,285,884					*1,285,884*
Reforestation Funds								
Installation of Street Trees	*45-C0594*	5	10,000	40,000	40,000			*90,000*

Source	Project #	Priority	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Reforestation Funds Total			10,000	40,000	40,000			*90,000*
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	20,000					*20,000*
State Highway User Revenue Total			1,165,000	1,235,000	1,235,000	1,235,000	1,235,000	*6,105,000*
Stormwater Fee								
Stormdrain System Upgrades	*45-C0444*	5		40,000		20,000		*60,000*
Storm Water Management Implementation	*45-C0637*	6		80,000	100,000	100,000	100,000	*380,000*
Green Streets	*45-C0639*	6		10,000	10,000	10,000	10,000	*40,000*
Stormwater Fee Total				130,000	110,000	130,000	110,000	*480,000*
Transfers to CIP-CDBG Fund								
Street Crime Cameras/CPTED	*45-C0130*	1	20,000					*20,000*
Accessibility Ramps	*45-C0217*	6	90,000	70,000	70,000	70,000	70,000	*370,000*
Major Signal Intersection Upgrades	*45-C0243*	5	330,000		400,000			*730,000*
New Sidewalks	*45-C0595*	1	100,000					*100,000*
Transfers to CIP-CDBG Fund Total			540,000	70,000	470,000	70,000	70,000	*1,220,000*
Transfers to CIP-Electric Fund								
Computer Equipment and Software	*45-C0006*	5		20,000	15,000	20,000	20,000	*75,000*
Time & Attendance Software and Equip	*45-C0007*	5		950	1,875	1,875	3,750	*8,450*
Geographic Information System	*45-C0451*	5		9,000	10,000	10,000	10,000	*39,000*
Municipal Financial System	*45-C0739*	5	4,000	4,000	4,000	4,000	4,000	*20,000*
Transfers to CIP-Electric Fund Total			4,000	33,950	30,875	35,875	37,750	*142,450*
Transfers to CIP-General Fund								
Computer Equipment and Software	*45-C0006*	5		20,000	15,000	20,000	20,000	*75,000*
Time & Attendance Software and Equip	*45-C0007*	5		950	1,875	1,875	3,750	*8,450*
Fire Department Vehicle Replacement	*45-C0010*	5	125,000			60,000		*185,000*
Public Works Vehicles	*45-C0065*	5		250,000	158,000	95,000		*503,000*
Market House Improvements	*45-C0099*	5			45,000			*45,000*
Police Radios	*45-C0128*	1				105,000	105,000	*210,000*
Police Vehicles	*45-C0129*	1	368,000	368,000	384,000	384,000	396,000	*1,900,000*
Street Crime Cameras/CPTED	*45-C0130*	1	130,000	150,000	150,000	150,000	150,000	*730,000*
Engineering Vehicles	*45-C0133*	4		20,000	20,000	20,000	20,000	*80,000*
Hagerstown Cultural Trail	*45-C0140*	5			20,000			*20,000*
Police Software	*45-C0196*	1		85,000				*85,000*
Police Firing Range	*45-C0226*	5	10,000					*10,000*
Park Equipment	*45-C0237*	5		2,000	2,000	2,000	2,000	*8,000*
Fire Department Training Center	*45-C0241*	5		50,000	50,000	50,000	50,000	*200,000*
Major Signal Intersection Upgrades	*45-C0243*	5				20,000		*20,000*
LED Signal Lights	*45-C0245*	4	5,000	5,000	5,000	5,000	5,000	*25,000*
Public Works Operations Center Improvement Program	*45-C0250*	5		30,000	6,000	6,000	6,000	*48,000*
Downtown Beautification Program	*45-C0280*	5		25,000	25,000	25,000	25,000	*100,000*

Source	Project #	Priority	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Police Building Renovation	*45-C0308*	5	40,000	40,000	40,000	40,000	40,000	*200,000*
City Hall Improvements	*45-C0326*	5		25,000	25,000	65,000	30,000	*145,000*
Fuel Station Improvements	*45-C0352*	5			5,000			*5,000*
Bridge Repair Program	*45-C0400*	4		100,000				*100,000*
Signal Controller Upgrades	*45-C0433*	5		20,000	20,000	20,000	20,000	*80,000*
Stormdrain System Upgrades	*45-C0444*	5	10,000					*10,000*
Geographic Information System	*45-C0451*	5		4,000	5,000	5,000	5,000	*19,000*
Curb and Sidewalk Replacement Program	*45-C0458*	5		25,000	25,000	25,000	25,000	*100,000*
City Park Improvements	*45-C0522*	5		25,000		56,000	10,000	*91,000*
Traffic Calming	*45-C0560*	5		8,000	4,000	4,000	4,000	*20,000*
Parks Vehicles and Equipment	*45-C0570*	5	8,000	30,000	48,000		80,000	*166,000*
Installation of Street Trees	*45-C0594*	5	5,000					*5,000*
Fairground Grandstand Improvements	*45-C0624*	5		10,000	10,000	30,000	10,000	*60,000*
Fairgrounds Park Improvements	*45-C0626*	5		10,000			75,000	*85,000*
Green Streets	*45-C0639*	6	10,000					*10,000*
Signal Timing Optimization	*45-C0640*	5		16,000				*16,000*
Fire Department Breathing Apparatus Equip	*45-C0663*	5	15,000				80,000	*95,000*
Planning & Code Admin Vehicles	*45-C0678*	4		75,000	75,000	50,000	25,000	*225,000*
Public Works Storage Yard Expansion	*45-C0718*	5			10,000			*10,000*
Municipal Financial System	*45-C0739*	5	4,000	4,000	4,000	4,000	4,000	*20,000*
Antietam Creek Greenway Trail	*45-C0774*	5				48,000		*48,000*
Potterfield Pool Improvements	*45-C0822*	8		5,000	30,000	20,000	20,000	*75,000*
Hagerstown Ice Rink	*45-C0843*	5	13,500	22,500	37,500	7,500	7,500	*88,500*
Fire Computer Equip/Public Safety Radios	*45-C0849*	1	24,900		15,000	15,000	15,000	*69,900*
Mobile License Plate Readers	*45-C0860*	1		30,000	30,000			*60,000*
Longmeadow Park Improvements	*45-C0866*	5				60,000	14,000	*74,000*
Public Art	*45-C0868*	5	5,000	15,000	15,000	15,000		*50,000*
Fire Facilities City Owned Buildings	*45-C0870*	5	70,000	120,000	120,000	120,000	120,000	*550,000*
Transfers to CIP-General Fund Total			843,400	1,590,450	1,400,375	1,528,375	1,367,250	*6,729,850*
Transfers to CIP-Parking Fund								
Time & Attendance Software and Equip	*45-C0007*	5		200	500	500	1,000	*2,200*
Transfers to CIP-Parking Fund Total				200	500	500	1,000	*2,200*
Transfers to CIP-Wastewater Fund								
Computer Equipment and Software	*45-C0006*	5		20,000	15,000	20,000	20,000	*75,000*
Time & Attendance Software and Equip	*45-C0007*	5		950	1,875	1,875	3,750	*8,450*
Geographic Information System	*45-C0451*	5		9,000	10,000	10,000	10,000	*39,000*
Municipal Financial System	*45-C0739*	5	4,000	4,000	4,000	4,000	4,000	*20,000*
Transfers to CIP-Wastewater Fund Total			4,000	33,950	30,875	35,875	37,750	*142,450*
Transfers to CIP-Water Fund								
Computer Equipment and Software	*45-C0006*	5		20,000	15,000	20,000	20,000	*75,000*
Time & Attendance Software and Equip	*45-C0007*	5		950	1,875	1,875	3,750	*8,450*
Geographic Information System	*45-C0451*	5		9,000	10,000	10,000	10,000	*39,000*
Municipal Financial System	*45-C0739*	5	4,000	4,000	4,000	4,000	4,000	*20,000*
Transfers to CIP-Water Fund Total			4,000	33,950	30,875	35,875	37,750	*142,450*

Source	Project #	Priority	FY '19	FY '20	FY '21	FY '22	FY '23	Total
GRAND TOTAL			14,797,337	10,250,700	11,922,800	16,790,524	4,765,000	*58,526,361*

City of Hagerstown, Maryland

GENERAL/CIP FUND

FY '19 thru FY '23

DEPARTMENT SUMMARY

Department	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Community Development	25,000					*25,000*
Engineering	5,676,000	4,713,000	5,679,000	10,700,524	1,550,000	*28,318,524*
Fire	4,728,900	3,399,700	1,567,800	1,820,000	1,010,000	*12,526,400*
Information Technology	350,837	195,000	175,000	195,000	203,000	*1,118,837*
Parks	1,739,000	320,000	2,888,000	2,455,000	660,000	*8,062,000*
Planning		75,000	75,000	50,000	25,000	*225,000*
Police	1,162,600	673,000	644,000	679,000	691,000	*3,849,600*
Public Works	495,000	875,000	894,000	891,000	626,000	*3,781,000*
Stormwater	620,000					*620,000*
TOTAL	14,797,337	10,250,700	11,922,800	16,790,524	4,765,000	*58,526,361*

City of Hagerstown, Maryland

GENERAL/CIP FUND

FY '19 thru **FY '23**

CATEGORY SUMMARY

Category	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Amenities				350,000		*350,000*
Automobiles and Trucks	2,900,000	3,552,700	2,262,800	2,379,000	1,061,000	*12,155,500*
Buildings and Structures	4,645,000	1,605,000	1,946,000	2,106,000	1,531,000	*11,833,000*
Energy Savings	18,000	30,000	50,000	10,000	10,000	*118,000*
Infrastructure-Alleys		173,000	214,000			*387,000*
Infrastructure-Bridges	108,000	100,000				*208,000*
Infrastructure-Parks	2,043,000					*2,043,000*
Infrastructure-Sidewalks	785,000	115,000	115,000	615,000	115,000	*1,745,000*
Infrastructure-Storm Drains	490,000	370,000	100,000	120,000	100,000	*1,180,000*
Infrastructure-Streets	205,000	2,095,000	3,325,000	8,270,524	285,000	*14,180,524*
Infrastructure-Utilities	330,000	330,000	400,000	20,000		*1,080,000*
Land Improvements	1,008,000	265,000	2,940,000	2,340,000	275,000	*6,828,000*
Machinery and Equipment	1,126,337	1,391,000	431,000	441,000	1,241,000	*4,630,337*
Software	59,000	144,000	59,000	59,000	67,000	*388,000*
Storm Water	1,080,000	80,000	80,000	80,000	80,000	*1,400,000*
TOTAL	14,797,337	10,250,700	11,922,800	16,790,524	4,765,000	*58,526,361*

City of Hagerstown, Maryland

GENERAL/CIP FUND

FY '19 thru FY '23

EXPENDITURE TYPE SUMMARY

Expenditure Type	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Planning/Design	65,000	190,000	545,000	55,000	35,000	*890,000*
Land Acquisition		200,000	150,000			*350,000*
Construction/Maintenance	10,687,000	4,938,000	8,550,000	13,846,524	2,376,000	*40,397,524*
Equip/Vehicles/Furnishings	4,045,337	4,801,700	2,641,800	2,873,000	2,338,000	*16,699,837*
Other		36,000	36,000	16,000	16,000	*104,000*
Software		85,000				*85,000*
TOTAL	14,797,337	10,250,700	11,922,800	16,790,524	4,765,000	*58,526,361*

PROJECTS BY DEPARTMENT

Department	Project #	Priority	FY '19	FY '20	FY '21	FY '22	FY '23	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		20,000	20,000	20,000	20,000	*80,000*
Hagerstown Cultural Trail	*45-C0140*	5	500,000	150,000	200,000			*850,000*
Accessibility Ramps	*45-C0217*	6	110,000	90,000	90,000	90,000	90,000	*470,000*
Major Signal Intersection Upgrades	*45-C0243*	5	330,000	330,000	400,000	20,000		*1,080,000*
Alley Reconstruction	*45-C0324*	5		173,000	214,000			*387,000*
Bridge Repair Program	*45-C0400*	4	108,000	100,000				*208,000*
Stormdrain System Upgrades	*45-C0444*	5	10,000	40,000		20,000		*70,000*
Curb and Sidewalk Replacement Program	*45-C0458*	5	25,000	25,000	25,000	25,000	25,000	*125,000*
Traffic Calming	*45-C0560*	5	30,000	40,000	20,000	20,000	20,000	*130,000*
Installation of Street Trees	*45-C0594*	5	60,000	40,000	40,000			*140,000*
New Sidewalks	*45-C0595*	1	650,000			500,000		*1,150,000*
Eastern Boulevard North Extension	*45-C0606*	5				335,524		*335,524*
Storm Water Management Implementation	*45-C0637*	6	480,000	330,000	100,000	100,000	100,000	*1,110,000*
Green Streets	*45-C0639*	6	80,000	80,000	80,000	80,000	80,000	*400,000*
Signal Timing Optimization	*45-C0640*	5		25,000				*25,000*
Professional Court Extension	*45-C0685*	5		1,250,000	1,250,000			*2,500,000*
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				350,000		*350,000*
Public Art	*45-C0868*	5	25,000	25,000	25,000	25,000		*100,000*
Wesel Blvd Reconstruction	*45-C0873*	5		500,000				*500,000*
Urban Improvement Project (Plaza)	*45-C0875*	5	2,043,000					*2,043,000*
Engineering Total			5,676,000	4,713,000	5,679,000	10,700,524	1,550,000	*28,318,524*
Fire								
Fire Department Vehicle Replacement	*45-C0010*	5	1,479,000	2,339,700	1,357,800	1,610,000		*6,786,500*
Fire Department Training Center	*45-C0241*	5	1,000,000	75,000	75,000	75,000	75,000	*1,300,000*
Fire Department Breathing Apparatus Equip	*45-C0663*	5	15,000				800,000	*815,000*
Consolidation of Public Safety Assets	*45-C0687*	5	2,100,000					*2,100,000*
Fire Computer Equip/Public Safety Radios	*45-C0849*	1	24,900	865,000	15,000	15,000	15,000	*934,900*
Fire Facilities City Owned Buildings	*45-C0870*	5	110,000	120,000	120,000	120,000	120,000	*590,000*
Fire Total			4,728,900	3,399,700	1,567,800	1,820,000	1,010,000	*12,526,400*
Information Technology								
Computer Equipment and Software	*45-C0006*	5	60,000	80,000	60,000	80,000	80,000	*360,000*
Time & Attendance Software and Equip	*45-C0007*	5	8,000	8,000	8,000	8,000	16,000	*48,000*
Geographic Information System	*45-C0451*	5	35,000	35,000	35,000	35,000	35,000	*175,000*

Department	Project #	Priority	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Cable Inet	*45-C0568*	2	14,000	14,000	14,000	14,000	14,000	*70,000*
Cable PEG	*45-C0569*	2	217,837	42,000	42,000	42,000	42,000	*385,837*
Municipal Financial System	*45-C0739*	5	16,000	16,000	16,000	16,000	16,000	*80,000*
Information Technology Total			350,837	195,000	175,000	195,000	203,000	*1,118,837*
Parks								
Municipal Stadium Improvements	*45-C0040*	5	35,000	35,000	35,000			*105,000*
City Park Lake Improvements	*45-C0047*	5				500,000		*500,000*
Park Equipment	*45-C0237*	5		10,000	10,000	10,000	10,000	*40,000*
Steam Engine Museum	*45-C0439*	5	40,000	20,000	15,000	25,000	30,000	*130,000*
City Park Improvements	*45-C0522*	5	20,000	25,000		560,000	100,000	*705,000*
Parks Vehicles and Equipment	*45-C0570*	5	68,000	130,000	48,000	70,000	80,000	*396,000*
Fairground Grandstand Improvements	*45-C0624*	5		10,000	10,000	30,000	10,000	*60,000*
Fairgrounds Park Improvements	*45-C0626*	5	150,000	10,000	40,000		250,000	*450,000*
Multi-Use Trails	*45-C0717*	6	48,000		2,500,000			*2,548,000*
Neighborhood Parks	*45-C0751*	5	330,000			100,000		*430,000*
Antietam Creek Greenway Trail	*45-C0774*	5			150,000	480,000		*630,000*
Pangborn Lake Reconstruction	*45-C0812*	3	1,000,000					*1,000,000*
Potterfield Pool Improvements	*45-C0822*	8	30,000	50,000	30,000	20,000	20,000	*150,000*
Hagerstown Ice Rink	*45-C0843*	5	18,000	30,000	50,000	10,000	10,000	*118,000*
Longmeadow Park Improvements	*45-C0866*	5				650,000	150,000	*800,000*
Parks Total			1,739,000	320,000	2,888,000	2,455,000	660,000	*8,062,000*
Planning								
Planning & Code Admin Vehicles	*45-C0678*	4		75,000	75,000	50,000	25,000	*225,000*
Planning Total				75,000	75,000	50,000	25,000	*225,000*
Police								
Police Radios	*45-C0128*	1	544,600			105,000	105,000	*754,600*
Police Vehicles	*45-C0129*	1	368,000	368,000	384,000	384,000	396,000	*1,900,000*
Street Crime Cameras/CPTED	*45-C0130*	1	150,000	150,000	150,000	150,000	150,000	*750,000*
Police Crime Lab Equipment	*45-C0182*	5	25,000					*25,000*
Police Software	*45-C0196*	1		85,000				*85,000*
Police Firing Range	*45-C0226*	5	35,000		40,000			*75,000*
Police Building Renovation	*45-C0308*	5	40,000	40,000	40,000	40,000	40,000	*200,000*
Mobile License Plate Readers	*45-C0860*	1		30,000	30,000			*60,000*
Police Total			1,162,600	673,000	644,000	679,000	691,000	*3,849,600*
Public Works								
Public Works Vehicles	*45-C0065*	5	340,000	620,000	378,000	245,000	540,000	*2,123,000*
Market House Improvements	*45-C0099*	5	15,000	150,000	45,000			*210,000*
Public Works Equipment	*45-C0136*	8	20,000					*20,000*
LED Signal Lights	*45-C0245*	4	5,000	5,000	5,000	5,000	5,000	*25,000*
Public Works Operations Center Improvement Program	*45-C0250*	5	10,000	30,000	6,000	6,000	6,000	*58,000*
Downtown Beautification Program	*45-C0280*	5	25,000	25,000	25,000	25,000	25,000	*125,000*
City Hall Improvements	*45-C0326*	5	80,000	25,000	25,000	65,000	30,000	*225,000*
Fuel Station Improvements	*45-C0352*	5			5,000			*5,000*
Signal Controller Upgrades	*45-C0433*	5		20,000	20,000	20,000	20,000	*80,000*
Public Works Storage Yard Expansion	*45-C0718*	5			385,000	525,000		*910,000*
Public Works Total			495,000	875,000	894,000	891,000	626,000	*3,781,000*
Stormwater								

Department	Project #	Priority	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Stormwater Vehicles	*45-C0064*	5	620,000					*620,000*
Stormwater Total			620,000					*620,000*
GRAND TOTAL			14,797,337	10,250,700	11,922,800	16,790,524	4,765,000	*58,526,361*

PROJECTS & FUNDING SOURCES BY DEPARTMENT

Department	Project #	Priority	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Community Development								
Community & Economic Development Vehicles	45-C0249	4	25,000					*25,000*
CIP Fund - GF Fund Balance			*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		20,000	20,000	20,000	20,000	*80,000*
Transfers to CIP-General Fund				*20,000*	*20,000*	*20,000*	*20,000*	*80,000*
Hagerstown Cultural Trail	45-C0140	5	500,000	150,000	200,000			*850,000*
Bond Financing (General Fund)			*100,000*	*100,000*				*200,000*
Grants-State MHAA			*100,000*					*100,000*
Grants-State Program Open Space			*300,000*	*50,000*	*180,000*			*530,000*
Transfers to CIP-General Fund					*20,000*			*20,000*
Accessibility Ramps	45-C0217	6	110,000	90,000	90,000	90,000	90,000	*470,000*
State Highway User Revenue			*20,000*	*20,000*	*20,000*	*20,000*	*20,000*	*100,000*
Transfers to CIP-CDBG Fund			*90,000*	*70,000*	*70,000*	*70,000*	*70,000*	*370,000*
Major Signal Intersection Upgrades	45-C0243	5	330,000	330,000	400,000	20,000		*1,080,000*
Grants-County				*66,000*				*66,000*
Grants-State				*264,000*				*264,000*
Transfers to CIP-CDBG Fund			*330,000*		*400,000*			*730,000*
Transfers to CIP-General Fund						*20,000*		*20,000*
Alley Reconstruction	45-C0324	5		173,000	214,000			*387,000*
Bond Financing (General Fund)				*173,000*	*214,000*			*387,000*
Bridge Repair Program	45-C0400	4	108,000	100,000				*208,000*
CIP Fund Balance			*108,000*					*108,000*
Transfers to CIP-General Fund				*100,000*				*100,000*
Stormdrain System Upgrades	45-C0444	5	10,000	40,000		20,000		*70,000*
Stormwater Fee				*40,000*		*20,000*		*60,000*
Transfers to CIP-General Fund			*10,000*					*10,000*
Curb and Sidewalk Replacement Program	45-C0458	5	25,000	25,000	25,000	25,000	25,000	*125,000*
CIP Fund Balance			*25,000*					*25,000*
Transfers to CIP-General Fund				*25,000*	*25,000*	*25,000*	*25,000*	*100,000*
Traffic Calming	45-C0560	5	30,000	40,000	20,000	20,000	20,000	*130,000*
CIP Fund Balance			*6,000*					*6,000*
Grants-State			*24,000*	*32,000*	*16,000*	*16,000*	*16,000*	*104,000*
Transfers to CIP-General Fund				*8,000*	*4,000*	*4,000*	*4,000*	*20,000*
Installation of Street Trees	45-C0594	5	60,000	40,000	40,000			*140,000*
Grants-Private			*45,000*					*45,000*
Reforestation Funds			*10,000*	*40,000*	*40,000*			*90,000*
Transfers to CIP-General Fund			*5,000*					*5,000*

Department	Project #	Priority	FY '19	FY '20	FY '21	FY '22	FY '23	Total
New Sidewalks	45-C0595	1	650,000			500,000		*1,150,000*
Grants-State			*440,000*			*500,000*		*940,000*
Grants-State Aid in Lieu of Urban Funds			*110,000*					*110,000*
Transfers to CIP-CDBG Fund			*100,000*					*100,000*
Eastern Boulevard North Extension	45-C0606	5				335,524		*335,524*
Contribution by Others						*335,524*		*335,524*
Storm Water Management Implementation	45-C0637	6	480,000	330,000	100,000	100,000	100,000	*1,110,000*
CIP Fund Balance			*69,116*					*69,116*
Grants-Federal			*400,000*	*250,000*				*650,000*
Prior Bond Proceeds			*10,884*					*10,884*
Stormwater Fee				*80,000*	*100,000*	*100,000*	*100,000*	*380,000*
Green Streets	45-C0639	6	80,000	80,000	80,000	80,000	80,000	*400,000*
Grants-State			*70,000*	*70,000*	*70,000*	*70,000*	*70,000*	*350,000*
Stormwater Fee				*10,000*	*10,000*	*10,000*	*10,000*	*40,000*
Transfers to CIP-General Fund			*10,000*					*10,000*
Signal Timing Optimization	45-C0640	5		25,000				*25,000*
CIP Fund Balance				*9,000*				*9,000*
Transfers to CIP-General Fund				*16,000*				*16,000*
Professional Court Extension	45-C0685	5		1,250,000	1,250,000			*2,500,000*
Bond Financing (General Fund)				*1,250,000*	*1,250,000*			*2,500,000*
R. Paul Smith Boulevard	45-C0733	5			500,000	4,500,000		*5,000,000*
Contribution by Others					*500,000*	*4,500,000*		*5,000,000*
Northwest Connector	45-C0735	5		280,000	1,500,000	3,400,000		*5,180,000*
Bond Financing (General Fund)				*280,000*	*1,000,000*	*1,000,000*		*2,280,000*
Contribution by Others					*500,000*	*2,400,000*		*2,900,000*
Marsh Run Walls Rehabilitation	45-C0853	4				350,000		*350,000*
Bond Financing (General Fund)						*350,000*		*350,000*
Public Art	45-C0868	5	25,000	25,000	25,000	25,000		*100,000*
CIP Fund - GF Fund Balance			*10,000*					*10,000*
Grants-Private			*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*
Wesel Blvd Reconstruction	45-C0873	5		500,000				*500,000*
Bond Financing (General Fund)				*500,000*				*500,000*
Urban Improvement Project (Plaza)	45-C0875	5	2,043,000					*2,043,000*
Bond Financing (General Fund)			*1,000,000*					*1,000,000*
Grants-State			*643,000*					*643,000*
Grants-State CP&P			*200,000*					*200,000*
Grants-State Governor Bond Bill			*200,000*					*200,000*
Engineering Total			5,676,000	4,713,000	5,679,000	10,700,524	1,550,000	*28,318,524*
Fire								
Fire Department Vehicle Replacement	45-C0010	5	1,479,000	2,339,700	1,357,800	1,610,000		*6,786,500*
Bond Financing (General Fund)			*709,000*	*2,339,700*	*1,357,800*	*1,550,000*		*5,956,500*
Prior Bond Proceeds			*645,000*					*645,000*
Transfers to CIP-General Fund			*125,000*			*60,000*		*185,000*
Fire Department Training Center	45-C0241	5	1,000,000	75,000	75,000	75,000	75,000	*1,300,000*
Bond Financing (General Fund)			*500,000*					*500,000*
Contribution by Others			*500,000*	*25,000*	*25,000*	*25,000*	*25,000*	*600,000*
Transfers to CIP-General Fund				*50,000*	*50,000*	*50,000*	*50,000*	*200,000*
Fire Department Breathing Apparatus Equip	45-C0663	5	15,000				800,000	*815,000*
Grants-State							*720,000*	*720,000*
Transfers to CIP-General Fund			*15,000*				*80,000*	*95,000*
Consolidation of Public Safety Assets	45-C0687	5	2,100,000					*2,100,000*
Bond Financing (General Fund)			*2,100,000*					*2,100,000*
Fire Computer Equip/Public Safety Radios	45-C0849	1	24,900	865,000	15,000	15,000	15,000	*934,900*
Bond Financing (General Fund)				*865,000*				*865,000*

Department	Project #	Priority	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Transfers to CIP-General Fund			*24,900*		*15,000*	*15,000*	*15,000*	*69,900*
Fire Facilities City Owned Buildings	45-C0870	5	110,000	120,000	120,000	120,000	120,000	*590,000*
CIP Fund Balance			*40,000*					*40,000*
Transfers to CIP-General Fund			*70,000*	*120,000*	*120,000*	*120,000*	*120,000*	*550,000*
Fire Total			4,728,900	3,399,700	1,567,800	1,820,000	1,010,000	*12,526,400*
Information Technology								
Computer Equipment and Software	45-C0006	5	60,000	80,000	60,000	80,000	80,000	*360,000*
CIP Fund Balance			*60,000*					*60,000*
Transfers to CIP-Electric Fund				*20,000*	*15,000*	*20,000*	*20,000*	*75,000*
Transfers to CIP-General Fund				*20,000*	*15,000*	*20,000*	*20,000*	*75,000*
Transfers to CIP-Wastewater Fund				*20,000*	*15,000*	*20,000*	*20,000*	*75,000*
Transfers to CIP-Water Fund				*20,000*	*15,000*	*20,000*	*20,000*	*75,000*
Time & Attendance Software and Equip	45-C0007	5	8,000	8,000	8,000	8,000	16,000	*48,000*
CIP Fund Balance			*8,000*	*4,000*				*12,000*
Transfers to CIP-Electric Fund				*950*	*1,875*	*1,875*	*3,750*	*8,450*
Transfers to CIP-General Fund				*950*	*1,875*	*1,875*	*3,750*	*8,450*
Transfers to CIP-Parking Fund				*200*	*500*	*500*	*1,000*	*2,200*
Transfers to CIP-Wastewater Fund				*950*	*1,875*	*1,875*	*3,750*	*8,450*
Transfers to CIP-Water Fund				*950*	*1,875*	*1,875*	*3,750*	*8,450*
Geographic Information System	45-C0451	5	35,000	35,000	35,000	35,000	35,000	*175,000*
CIP Fund Balance			*35,000*	*4,000*				*39,000*
Transfers to CIP-Electric Fund				*9,000*	*10,000*	*10,000*	*10,000*	*39,000*
Transfers to CIP-General Fund				*4,000*	*5,000*	*5,000*	*5,000*	*19,000*
Transfers to CIP-Wastewater Fund				*9,000*	*10,000*	*10,000*	*10,000*	*39,000*
Transfers to CIP-Water Fund				*9,000*	*10,000*	*10,000*	*10,000*	*39,000*
Cable Inet	45-C0568	2	14,000	14,000	14,000	14,000	14,000	*70,000*
PEG Fee			*14,000*	*14,000*	*14,000*	*14,000*	*14,000*	*70,000*
Cable PEG	45-C0569	2	217,837	42,000	42,000	42,000	42,000	*385,837*
CIP Fund Balance			*175,837*					*175,837*
PEG Fee			*42,000*	*42,000*	*42,000*	*42,000*	*42,000*	*210,000*
Municipal Financial System	45-C0739	5	16,000	16,000	16,000	16,000	16,000	*80,000*
Transfers to CIP-Electric Fund			*4,000*	*4,000*	*4,000*	*4,000*	*4,000*	*20,000*
Transfers to CIP-General Fund			*4,000*	*4,000*	*4,000*	*4,000*	*4,000*	*20,000*
Transfers to CIP-Wastewater Fund			*4,000*	*4,000*	*4,000*	*4,000*	*4,000*	*20,000*
Transfers to CIP-Water Fund			*4,000*	*4,000*	*4,000*	*4,000*	*4,000*	*20,000*
Information Technology Total			350,837	195,000	175,000	195,000	203,000	*1,118,837*
Parks								
Municipal Stadium Improvements	45-C0040	5	35,000	35,000	35,000			*105,000*
Contribution by Others			*35,000*	*35,000*	*35,000*			*105,000*
City Park Lake Improvements	45-C0047	5				500,000		*500,000*
Bond Financing (General Fund)						*500,000*		*500,000*
Park Equipment	45-C0237	5		10,000	10,000	10,000	10,000	*40,000*
Grants-State CP&P				*8,000*	*8,000*	*8,000*	*8,000*	*32,000*
Transfers to CIP-General Fund				*2,000*	*2,000*	*2,000*	*2,000*	*8,000*
Steam Engine Museum	45-C0439	5	40,000	20,000	15,000	25,000	30,000	*130,000*
Grants-State CP&P			*40,000*	*20,000*	*15,000*	*25,000*	*30,000*	*130,000*
City Park Improvements	45-C0522	5	20,000	25,000		560,000	100,000	*705,000*
Grants-State Program Open Space						*504,000*	*90,000*	*594,000*
State Highway User Revenue			*20,000*					*20,000*
Transfers to CIP-General Fund				*25,000*		*56,000*	*10,000*	*91,000*
Parks Vehicles and Equipment	45-C0570	5	68,000	130,000	48,000	70,000	80,000	*396,000*
Bond Financing (General Fund)			*50,000*	*100,000*		*70,000*		*220,000*
Prior Bond Proceeds			*10,000*					*10,000*

Department	Project #	Priority	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Transfers to CIP-General Fund			*8,000*	*30,000*	*48,000*		*80,000*	*166,000*
Fairground Grandstand Improvements	45-C0624	5		10,000	10,000	30,000	10,000	*60,000*
Transfers to CIP-General Fund				*10,000*	*10,000*	*30,000*	*10,000*	*60,000*
Fairgrounds Park Improvements	45-C0626	5	150,000	10,000	40,000		250,000	*450,000*
CIP Fund - GF Fund Balance			*75,000*					*75,000*
Grants-State			*75,000*		*4,000*			*79,000*
Grants-State Program Open Space					*36,000*		*175,000*	*211,000*
Transfers to CIP-General Fund				*10,000*			*75,000*	*85,000*
Multi-Use Trails	45-C0717	6	48,000		2,500,000			*2,548,000*
Grants-Federal					*2,500,000*			*2,500,000*
Grants-State			*48,000*					*48,000*
Neighborhood Parks	45-C0751	5	330,000			100,000		*430,000*
CIP Fund - GF Fund Balance			*30,000*					*30,000*
Contribution by Others			*300,000*			*100,000*		*400,000*
Antietam Creek Greenway Trail	45-C0774	5			150,000	480,000		*630,000*
Contribution by Others					*150,000*			*150,000*
Grants-State						*432,000*		*432,000*
Transfers to CIP-General Fund						*48,000*		*48,000*
Pangborn Lake Reconstruction	45-C0812	3	1,000,000					*1,000,000*
Bond Financing (General Fund)			*1,000,000*					*1,000,000*
Potterfield Pool Improvements	45-C0822	8	30,000	50,000	30,000	20,000	20,000	*150,000*
CIP Fund - GF Fund Balance			*30,000*					*30,000*
Grants-State Program Open Space				*45,000*				*45,000*
Transfers to CIP-General Fund				*5,000*	*30,000*	*20,000*	*20,000*	*75,000*
Hagerstown Ice Rink	45-C0843	5	18,000	30,000	50,000	10,000	10,000	*118,000*
Contribution by Others			*4,500*	*7,500*	*12,500*	*2,500*	*2,500*	*29,500*
Transfers to CIP-General Fund			*13,500*	*22,500*	*37,500*	*7,500*	*7,500*	*88,500*
Longmeadow Park Improvements	45-C0866	5				650,000	150,000	*800,000*
Grants-State						*590,000*	*136,000*	*726,000*
Transfers to CIP-General Fund						*60,000*	*14,000*	*74,000*
Parks Total			1,739,000	320,000	2,888,000	2,455,000	660,000	*8,062,000*
Planning								
Planning & Code Admin Vehicles	45-C0678	4		75,000	75,000	50,000	25,000	*225,000*
Transfers to CIP-General Fund				*75,000*	*75,000*	*50,000*	*25,000*	*225,000*
Planning Total				75,000	75,000	50,000	25,000	*225,000*
Police								
Police Radios	45-C0128	1	544,600			105,000	105,000	*754,600*
Bond Financing (General Fund)			*534,600*					*534,600*
CIP Fund Balance			*10,000*					*10,000*
Transfers to CIP-General Fund						*105,000*	*105,000*	*210,000*
Police Vehicles	45-C0129	1	368,000	368,000	384,000	384,000	396,000	*1,900,000*
Transfers to CIP-General Fund			*368,000*	*368,000*	*384,000*	*384,000*	*396,000*	*1,900,000*
Street Crime Cameras/CPTED	45-C0130	1	150,000	150,000	150,000	150,000	150,000	*750,000*
Transfers to CIP-CDBG Fund			*20,000*					*20,000*
Transfers to CIP-General Fund			*130,000*	*150,000*	*150,000*	*150,000*	*150,000*	*730,000*
Police Crime Lab Equipment	45-C0182	5	25,000					*25,000*
Grants-Federal			*25,000*					*25,000*
Police Software	45-C0196	1		85,000				*85,000*
Transfers to CIP-General Fund				*85,000*				*85,000*
Police Firing Range	45-C0226	5	35,000		40,000			*75,000*
Grants-Federal			*25,000*		*40,000*			*65,000*
Transfers to CIP-General Fund			*10,000*					*10,000*

Department	Project #	Priority	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Police Building Renovation	45-C0308	5	40,000	40,000	40,000	40,000	40,000	*200,000*
Transfers to CIP-General Fund			*40,000*	*40,000*	*40,000*	*40,000*	*40,000*	*200,000*
Mobile License Plate Readers	45-C0860	1		30,000	30,000			*60,000*
Transfers to CIP-General Fund				*30,000*	*30,000*			*60,000*
Police Total			1,162,600	673,000	644,000	679,000	691,000	*3,849,600*
Public Works								
Public Works Vehicles	45-C0065	5	340,000	620,000	378,000	245,000	540,000	*2,123,000*
Bond Financing (General Fund)			*340,000*	*370,000*	*220,000*	*150,000*	*540,000*	*1,620,000*
Transfers to CIP-General Fund				*250,000*	*158,000*	*95,000*		*503,000*
Market House Improvements	45-C0099	5	15,000	150,000	45,000			*210,000*
Bond Financing (General Fund)				*150,000*				*150,000*
CIP Fund - GF Fund Balance			*10,000*					*10,000*
CIP Fund Balance			*5,000*					*5,000*
Transfers to CIP-General Fund					*45,000*			*45,000*
Public Works Equipment	45-C0136	8	20,000					*20,000*
CIP Fund - GF Fund Balance			*20,000*					*20,000*
LED Signal Lights	45-C0245	4	5,000	5,000	5,000	5,000	5,000	*25,000*
Transfers to CIP-General Fund			*5,000*	*5,000*	*5,000*	*5,000*	*5,000*	*25,000*
Public Works Operations Center Improvement Program	45-C0250	5	10,000	30,000	6,000	6,000	6,000	*58,000*
CIP Fund Balance			*10,000*					*10,000*
Transfers to CIP-General Fund				*30,000*	*6,000*	*6,000*	*6,000*	*48,000*
Downtown Beautification Program	45-C0280	5	25,000	25,000	25,000	25,000	25,000	*125,000*
CIP Fund Balance			*25,000*					*25,000*
Transfers to CIP-General Fund				*25,000*	*25,000*	*25,000*	*25,000*	*100,000*
City Hall Improvements	45-C0326	5	80,000	25,000	25,000	65,000	30,000	*225,000*
CIP Fund - GF Fund Balance			*40,000*					*40,000*
CIP Fund Balance			*40,000*					*40,000*
Transfers to CIP-General Fund				*25,000*	*25,000*	*65,000*	*30,000*	*145,000*
Fuel Station Improvements	45-C0352	5			5,000			*5,000*
Transfers to CIP-General Fund					*5,000*			*5,000*
Signal Controller Upgrades	45-C0433	5		20,000	20,000	20,000	20,000	*80,000*
Transfers to CIP-General Fund				*20,000*	*20,000*	*20,000*	*20,000*	*80,000*
Public Works Storage Yard Expansion	45-C0718	5			385,000	525,000		*910,000*
Bond Financing (General Fund)					*375,000*	*525,000*		*900,000*
Transfers to CIP-General Fund					*10,000*			*10,000*
Public Works Total			495,000	875,000	894,000	891,000	626,000	*3,781,000*
Stormwater								
Stormwater Vehicles	45-C0064	5	620,000					*620,000*
Prior Bond Proceeds			*620,000*					*620,000*
Stormwater Total			620,000					*620,000*
GRAND TOTAL			14,797,337	10,250,700	11,922,800	16,790,524	4,765,000	*58,526,361*

City of Hagerstown, Maryland

ELECTRIC FUND

FY '19 thru **FY '23**

PROJECTS BY FUNDING SOURCE

Source	Project #	Priority	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Contribution by Others								
A & E District Upgrades	*50-C0591*	5	55,000	75,000	75,000	55,000	25,000	*285,000*
Contribution by Others Total			55,000	75,000	75,000	55,000	25,000	*285,000*
Electric Fund								
Electric Vehicles	*50-C0090*	5	250,000	250,000	230,000	215,000	250,000	*1,195,000*
Telemetry Equipment	*50-C0111*	5	25,000	10,000	10,000	10,000	10,000	*65,000*
Central Substation	*50-C0118*	5			200,000	500,000	200,000	*900,000*
Building Security Improvements	*50-C0178*	5	25,000	25,000				*50,000*
Wesel Boulevard Development	*50-C0220*	5		50,000	50,000	50,000	50,000	*200,000*
System Reconductoring	*50-C0259*	5	50,000	50,000	50,000	50,000	20,000	*220,000*
Pedestrian Lighting	*50-C0388*	5		100,000	100,000	100,000	100,000	*400,000*
SCADA System	*50-C0441*	5	10,000	10,000	10,000	10,000	10,000	*50,000*
Underground Replacement	*50-C0540*	5	25,000	25,000	15,000	15,000	15,000	*95,000*
HLD Distribution & Administrative Office Building	*50-C0542*	5	25,000	25,000	25,000	25,000	25,000	*125,000*
Bulldog Substation Upgrade	*50-C0544*	5				20,000	20,000	*40,000*
Streetlight Replacement	*50-C0546*	5	10,000	10,000				*20,000*
Test Equipment	*50-C0609*	5	20,000	20,000	20,000	20,000	20,000	*100,000*
Substation Breaker Replacement	*50-C0776*	5	60,000	60,000	60,000	60,000	60,000	*300,000*
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 on Distribution System	*50-C0802*	5	20,000	20,000	20,000	20,000	20,000	*100,000*
Feeder Coordination	*50-C0833*	5	20,000	20,000	20,000	20,000	20,000	*100,000*
Circuit Upgrades	*50-C0842*	5	70,000	150,000	150,000	150,000	150,000	*670,000*
Electric Fund Total			630,000	905,000	1,080,000	1,265,000	970,000	*4,850,000*
GRAND TOTAL			685,000	980,000	1,155,000	1,320,000	995,000	*5,135,000*

PROJECTS & FUNDING SOURCES BY DEPARTMENT

Department	Project #	Priority	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Electric Fund								
Electric Vehicles	50-C0090	5	250,000	250,000	230,000	215,000	250,000	*1,195,000*
Electric Fund			*250,000*	*250,000*	*230,000*	*215,000*	*250,000*	*1,195,000*
Telemetry Equipment	50-C0111	5	25,000	10,000	10,000	10,000	10,000	*65,000*
Electric Fund			*25,000*	*10,000*	*10,000*	*10,000*	*10,000*	*65,000*
Central Substation	50-C0118	5			200,000	500,000	200,000	*900,000*
Electric Fund					*200,000*	*500,000*	*200,000*	*900,000*
Building Security Improvements	50-C0178	5	25,000	25,000				*50,000*
Electric Fund			*25,000*	*25,000*				*50,000*
Wesel Boulevard Development	50-C0220	5		50,000	50,000	50,000	50,000	*200,000*
Electric Fund				*50,000*	*50,000*	*50,000*	*50,000*	*200,000*
System Reconductoring	50-C0259	5	50,000	50,000	50,000	50,000	20,000	*220,000*
Electric Fund			*50,000*	*50,000*	*50,000*	*50,000*	*20,000*	*220,000*
Pedestrian Lighting	50-C0388	5		100,000	100,000	100,000	100,000	*400,000*
Electric Fund				*100,000*	*100,000*	*100,000*	*100,000*	*400,000*
SCADA System	50-C0441	5	10,000	10,000	10,000	10,000	10,000	*50,000*
Electric Fund			*10,000*	*10,000*	*10,000*	*10,000*	*10,000*	*50,000*
Underground Replacement	50-C0540	5	25,000	25,000	15,000	15,000	15,000	*95,000*
Electric Fund			*25,000*	*25,000*	*15,000*	*15,000*	*15,000*	*95,000*
HLD Distribution & Administrative Office Building	50-C0542	5	25,000	25,000	25,000	25,000	25,000	*125,000*
Electric Fund			*25,000*	*25,000*	*25,000*	*25,000*	*25,000*	*125,000*
Bulldog Substation Upgrade	50-C0544	5				20,000	20,000	*40,000*
Electric Fund						*20,000*	*20,000*	*40,000*
Streetlight Replacement	50-C0546	5	10,000	10,000				*20,000*
Electric Fund			*10,000*	*10,000*				*20,000*
A & E District Upgrades	50-C0591	5	55,000	75,000	75,000	55,000	25,000	*285,000*
Contribution by Others			*55,000*	*75,000*	*75,000*	*55,000*	*25,000*	*285,000*
Test Equipment	50-C0609	5	20,000	20,000	20,000	20,000	20,000	*100,000*
Electric Fund			*20,000*	*20,000*	*20,000*	*20,000*	*20,000*	*100,000*
Substation Breaker Replacement	50-C0776	5	60,000	60,000	60,000	60,000	60,000	*300,000*
Electric Fund			*60,000*	*60,000*	*60,000*	*60,000*	*60,000*	*300,000*
Mitchell Substation Third Bay	50-C0778	5		60,000	100,000			*160,000*
Electric Fund				*60,000*	*100,000*			*160,000*
Spare Regulators	50-C0797	5	20,000	20,000	20,000			*60,000*
Electric Fund			*20,000*	*20,000*	*20,000*			*60,000*
Wildlife Protection on Distribution System	50-C0802	5	20,000	20,000	20,000	20,000	20,000	*100,000*
Electric Fund			*20,000*	*20,000*	*20,000*	*20,000*	*20,000*	*100,000*
Feeder Coordination	50-C0833	5	20,000	20,000	20,000	20,000	20,000	*100,000*
Electric Fund			*20,000*	*20,000*	*20,000*	*20,000*	*20,000*	*100,000*
Circuit Upgrades	50-C0842	5	70,000	150,000	150,000	150,000	150,000	*670,000*
Electric Fund			*70,000*	*150,000*	*150,000*	*150,000*	*150,000*	*670,000*
Electric Fund Total			685,000	980,000	1,155,000	1,320,000	995,000	*5,135,000*

Department	Project #	Priority	FY '19	FY '20	FY '21	FY '22	FY '23	Total
GRAND TOTAL			685,000	980,000	1,155,000	1,320,000	995,000	*5,135,000*

City of Hagerstown, Maryland

WATER FUND

FY '19 thru **FY '23**

PROJECTS BY FUNDING SOURCE

Source	Project #	Priority	FY '19	FY '20	FY '21	FY '22	FY '23	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			150,000	150,000	150,000	*450,000*
Breichner WTP Improvements	*52-C0405*	5			50,000	50,000	50,000	*150,000*
Distribution System Rehab - Main Replacement	*52-C0709*	5			375,000	385,000	395,000	*1,155,000*
Water System SCADA Improvements	*52-C0820*	5			150,000	150,000	150,000	*450,000*
Bond Financing (Water Fund) Total					725,000	735,000	745,000	*2,205,000*
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*
Grant-State MDE								
Willson Treatment Plant	*52-C0166*	5	600,000					*600,000*
Pump Station Improvements	*52-C0651*	5	242,000					*242,000*
RC Willson - Traveling Screen Replacement	*52-C0863*	5	691,250					*691,250*
Grant-State MDE Total			1,533,250					*1,533,250*
MDE Loan								
Willson Transmission Mains	*52-C0167*	5	500,000	3,000,000	6,000,000		5,000,000	*14,500,000*
Edgemont Reservoir Improvements	*52-C0168*	5	1,500,000	1,500,000	1,000,000	750,000	500,000	*5,250,000*
Breichner WTP Improvements	*52-C0405*	5	500,000	2,000,000	1,450,000			*3,950,000*
Pump Station Improvements	*52-C0651*	5	310,000					*310,000*
Water System SCADA Improvements	*52-C0820*	5	400,000	350,000				*750,000*
RC Willson - Traveling Screen Replacement	*52-C0863*	5	108,750					*108,750*
MDE Loan Total			3,318,750	6,850,000	8,450,000	750,000	5,500,000	*24,868,750*
Water Fund								
Water Vehicles	*52-C0117*	5	620,000	230,000	305,000	325,000	280,000	*1,760,000*
Willson Treatment Plant	*52-C0166*	5	425,000	200,000	50,000	50,000	50,000	*775,000*
Willson Transmission Mains	*52-C0167*	5	250,000	300,000	480,000	400,000	500,000	*1,930,000*
Edgemont Reservoir Improvements	*52-C0168*	5	400,000	300,000	230,000	210,000	190,000	*1,330,000*
Breichner WTP Improvements	*52-C0405*	5	550,000	400,000	300,000			*1,250,000*
Adm. & Engineering Equipment	*52-C0648*	5	10,000	10,000	10,000	10,000	10,000	*50,000*
Pump Station Improvements	*52-C0651*	5	283,000	75,000	75,000	75,000	75,000	*583,000*

Source	Project #	Priority	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Distribution Services - Meter Program	*52-C0653*	4	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	210,000	215,000	220,000	*1,760,000*
Water System SCADA Improvements	*52-C0820*	5	50,000	175,000				*225,000*
RC Willson - Traveling Screen Replacement	*52-C0863*	5	100,000					*100,000*
Water Fund Total			3,568,000	2,585,000	1,990,000	1,615,000	1,655,000	*11,413,000*
GRAND TOTAL			8,420,000	9,435,000	11,315,000	3,650,000	9,900,000	*42,720,000*

City of Hagerstown, Maryland

WATER FUND

FY '19 thru **FY '23**

PROJECTS & FUNDING SOURCES BY DEPARTMENT

Department	Project #	Priority	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Water Fund								
Water Vehicles	52-C0117	5	620,000	230,000	305,000	325,000	280,000	*1,760,000*
Water Fund			*620,000*	*230,000*	*305,000*	*325,000*	*280,000*	*1,760,000*
Willson Treatment Plant	52-C0166	5	1,025,000	200,000	200,000	200,000	200,000	*1,825,000*
Bond Financing (Water Fund)					*150,000*	*150,000*	*150,000*	*450,000*
Grant-State MDE			*600,000*					*600,000*
Water Fund			*425,000*	*200,000*	*50,000*	*50,000*	*50,000*	*775,000*
Willson Transmission Mains	52-C0167	5	750,000	3,300,000	6,480,000	400,000	5,500,000	*16,430,000*
MDE Loan			*500,000*	*3,000,000*	*6,000,000*		*5,000,000*	*14,500,000*
Water Fund			*250,000*	*300,000*	*480,000*	*400,000*	*500,000*	*1,930,000*
Edgemont Reservoir Improvements	52-C0168	5	1,900,000	1,800,000	1,230,000	960,000	690,000	*6,580,000*
MDE Loan			*1,500,000*	*1,500,000*	*1,000,000*	*750,000*	*500,000*	*5,250,000*
Water Fund			*400,000*	*300,000*	*230,000*	*210,000*	*190,000*	*1,330,000*
Zone 3 Standpipe	52-C0323	5					100,000	*100,000*
ARDI Fund Balance							*100,000*	*100,000*
Breichner WTP Improvements	52-C0405	5	1,050,000	2,400,000	1,800,000	50,000	50,000	*5,350,000*
Bond Financing (Water Fund)					*50,000*	*50,000*	*50,000*	*150,000*
MDE Loan			*500,000*	*2,000,000*	*1,450,000*			*3,950,000*
Water Fund			*550,000*	*400,000*	*300,000*			*1,250,000*
Adm. & Engineering Equipment	52-C0648	5	10,000	10,000	10,000	10,000	10,000	*50,000*
Water Fund			*10,000*	*10,000*	*10,000*	*10,000*	*10,000*	*50,000*
Pump Station Improvements	52-C0651	5	835,000	75,000	225,000	625,000	1,975,000	*3,735,000*
Contribution by Others					*150,000*	*550,000*	*1,900,000*	*2,600,000*
Grant-State MDE			*242,000*					*242,000*
MDE Loan			*310,000*					*310,000*
Water Fund			*283,000*	*75,000*	*75,000*	*75,000*	*75,000*	*583,000*
Distribution Services - Meter Program	52-C0653	4	330,000	330,000	330,000	330,000	330,000	*1,650,000*
Water Fund			*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*
Bond Financing (Water Fund)					*375,000*	*385,000*	*395,000*	*1,155,000*
Water Fund			*550,000*	*565,000*	*210,000*	*215,000*	*220,000*	*1,760,000*
Water System SCADA Improvements	52-C0820	5	450,000	525,000	150,000	150,000	150,000	*1,425,000*
Bond Financing (Water Fund)					*150,000*	*150,000*	*150,000*	*450,000*
MDE Loan			*400,000*	*350,000*				*750,000*
Water Fund			*50,000*	*175,000*				*225,000*
RC Willson - Traveling Screen Replacement	52-C0863	5	900,000					*900,000*
Grant-State MDE			*691,250*					*691,250*
MDE Loan			*108,750*					*108,750*
Water Fund			*100,000*					*100,000*
Water Fund Total			8,420,000	9,435,000	11,315,000	3,650,000	9,900,000	*42,720,000*
GRAND TOTAL			8,420,000	9,435,000	11,315,000	3,650,000	9,900,000	*42,720,000*

City of Hagerstown, Maryland

WASTEWATER FUND

FY '19 thru **FY '23**

PROJECTS BY FUNDING SOURCE

Source	Project #	Priority	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Bond Financing (Wastewater Fund)								
Collection System Rehabilitation	*54-C0327*	1		700,000	200,000	200,000	200,000	*1,300,000*
WWT Plant Equipment	*54-C0584*	1		100,000	75,000	75,000	75,000	*325,000*
Synagro Facility Upgrade Improvements	*54-C0712*	2	3,000,000	1,000,000				*4,000,000*
Grinder Pump Replacement Program	*54-C0767*	5		112,000	112,000	112,000	112,000	*448,000*
Eliminate Pump Stations	*54-C0832*	5		330,000				*330,000*
Bond Financing (Wastewater Fund) Total			3,000,000	2,242,000	387,000	387,000	387,000	*6,403,000*
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*
Wastewater Fund								
Wastewater Vehicle Replacement	*54-C0004*	5	375,000	750,000	75,000	45,000	30,000	*1,275,000*
Manhole Raising	*54-C0267*	1	36,000	36,000	36,000	36,000	36,000	*180,000*
Pump Station Improvements	*54-C0299*	1	100,000	100,000	100,000	100,000	100,000	*500,000*
Collection System Rehabilitation	*54-C0327*	1	400,000	200,000	200,000	200,000	200,000	*1,200,000*
East End Pump Station	*54-C0565*	5		75,000				*75,000*
WWT Plant Equipment	*54-C0584*	1	215,000					*215,000*
WWT Buildings and Structures	*54-C0585*	5	210,000	150,000	25,000	25,000	25,000	*435,000*
Oxygen System Improvements	*54-C0657*	1	50,000	10,000	10,000	10,000	10,000	*90,000*
Solids Processing-Pelletizer and WWTP Improvements	*54-C0711*	2	500,000	50,000	50,000	50,000	50,000	*700,000*
Collection System Equipment	*54-C0713*	5	80,000	80,000	80,000	80,000	80,000	*400,000*
Laboratory Equipment	*54-C0745*	5	10,000	10,000	10,000	10,000	10,000	*50,000*
Grinder Pump Replacement Program	*54-C0767*	5	112,000					*112,000*
Citywide - CS Rehabilitation	*54-C0800*	1	400,000	100,000	100,000	100,000	100,000	*800,000*
Eliminate Pump Stations	*54-C0832*	5	200,000					*200,000*
Trunk Lines and Laterals	*54-C0834*	2	15,000	15,000	15,000	15,000	15,000	*75,000*
Wastewater Fund Total			2,703,000	1,576,000	701,000	671,000	656,000	*6,307,000*
GRAND TOTAL			5,703,000	4,818,000	1,388,000	1,358,000	1,043,000	*14,310,000*

City of Hagerstown, Maryland

WASTEWATER FUND

FY '19 thru **FY '23**

PROJECTS & FUNDING SOURCES BY DEPARTMENT

Department	Project #	Priority	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Wastewater Fund								
Wastewater Vehicle Replacement	54-C0004	5	375,000	750,000	75,000	45,000	30,000	*1,275,000*
Wastewater Fund			*375,000*	*750,000*	*75,000*	*45,000*	*30,000*	*1,275,000*
Manhole Raising	54-C0267	1	36,000	36,000	36,000	36,000	36,000	*180,000*
Wastewater Fund			*36,000*	*36,000*	*36,000*	*36,000*	*36,000*	*180,000*
Pump Station Improvements	54-C0299	1	100,000	100,000	100,000	100,000	100,000	*500,000*
Wastewater Fund			*100,000*	*100,000*	*100,000*	*100,000*	*100,000*	*500,000*
Collection System Rehabilitation	54-C0327	1	400,000	1,600,000	400,000	400,000	400,000	*3,200,000*
Bond Financing (Wastewater Fund)				*700,000*	*200,000*	*200,000*	*200,000*	*1,300,000*
Contribution by Others				*700,000*				*700,000*
Wastewater Fund			*400,000*	*200,000*	*200,000*	*200,000*	*200,000*	*1,200,000*
East End Pump Station	54-C0565	5		375,000	300,000	300,000		*975,000*
Contribution by Others				*300,000*	*300,000*	*300,000*		*900,000*
Wastewater Fund				*75,000*				*75,000*
WWT Plant Equipment	54-C0584	1	215,000	100,000	75,000	75,000	75,000	*540,000*
Bond Financing (Wastewater Fund)				*100,000*	*75,000*	*75,000*	*75,000*	*325,000*
Wastewater Fund			*215,000*					*215,000*
WWT Buildings and Structures	54-C0585	5	210,000	150,000	25,000	25,000	25,000	*435,000*
Wastewater Fund			*210,000*	*150,000*	*25,000*	*25,000*	*25,000*	*435,000*
Oxygen System Improvements	54-C0657	1	50,000	10,000	10,000	10,000	10,000	*90,000*
Wastewater Fund			*50,000*	*10,000*	*10,000*	*10,000*	*10,000*	*90,000*
Solids Processing-Pelletizer and WWTP Improvements	54-C0711	2	500,000	50,000	50,000	50,000	50,000	*700,000*
Wastewater Fund			*500,000*	*50,000*	*50,000*	*50,000*	*50,000*	*700,000*
Synagro Facility Upgrade Improvements	54-C0712	2	3,000,000	1,000,000				*4,000,000*
Bond Financing (Wastewater Fund)			*3,000,000*	*1,000,000*				*4,000,000*
Collection System Equipment	54-C0713	5	80,000	80,000	80,000	80,000	80,000	*400,000*
Wastewater Fund			*80,000*	*80,000*	*80,000*	*80,000*	*80,000*	*400,000*
Laboratory Equipment	54-C0745	5	10,000	10,000	10,000	10,000	10,000	*50,000*
Wastewater Fund			*10,000*	*10,000*	*10,000*	*10,000*	*10,000*	*50,000*
Grinder Pump Replacement Program	54-C0767	5	112,000	112,000	112,000	112,000	112,000	*560,000*
Bond Financing (Wastewater Fund)				*112,000*	*112,000*	*112,000*	*112,000*	*448,000*
Wastewater Fund			*112,000*					*112,000*
Citywide - CS Rehabilitation	54-C0800	1	400,000	100,000	100,000	100,000	100,000	*800,000*
Wastewater Fund			*400,000*	*100,000*	*100,000*	*100,000*	*100,000*	*800,000*
Eliminate Pump Stations	54-C0832	5	200,000	330,000				*530,000*
Bond Financing (Wastewater Fund)				*330,000*				*330,000*
Wastewater Fund			*200,000*					*200,000*
Trunk Lines and Laterals	54-C0834	2	15,000	15,000	15,000	15,000	15,000	*75,000*
Wastewater Fund			*15,000*	*15,000*	*15,000*	*15,000*	*15,000*	*75,000*
Wastewater Fund Total			5,703,000	4,818,000	1,388,000	1,358,000	1,043,000	*14,310,000*
GRAND TOTAL			5,703,000	4,818,000	1,388,000	1,358,000	1,043,000	*14,310,000*

City of Hagerstown, Maryland

PARKING FUND

FY '19 thru **FY '23**

PROJECTS BY FUNDING SOURCE

Source	Project #	Priority	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Bond Financing (Parking Fund)								
Parking Facilities - 3rd Parking Deck	*56-C0173*	5		1,367,000	6,633,775			*8,000,775*
Bond Financing (Parking Fund) Total				1,367,000	6,633,775			*8,000,775*
Parking Fund								
Upgrades to Parking Decks	*56-C0749*	5	30,000	30,000	30,000	350,000	30,000	*470,000*
Parking Fund Vehicles	*56-C0829*	5				30,000		*30,000*
Parking Lot Improvements	*56-C0857*	5	30,000	10,000	15,000			*55,000*
Parking Fund Total			60,000	40,000	45,000	380,000	30,000	*555,000*
GRAND TOTAL			60,000	1,407,000	6,678,775	380,000	30,000	*8,555,775*

City of Hagerstown, Maryland

PARKING FUND

FY '19 thru **FY '23**

PROJECTS & FUNDING SOURCES BY DEPARTMENT

Department	Project #	Priority	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Parking Fund								
Parking Facilities - 3rd Parking Deck	56-C0173	5		1,367,000	6,633,775			*8,000,775*
Bond Financing (Parking Fund)				*1,367,000*	*6,633,775*			*8,000,775*
Upgrades to Parking Decks	56-C0749	5	30,000	30,000	30,000	350,000	30,000	*470,000*
Parking Fund			*30,000*	*30,000*	*30,000*	*350,000*	*30,000*	*470,000*
Parking Fund Vehicles	56-C0829	5				30,000		*30,000*
Parking Fund						*30,000*		*30,000*
Parking Lot Improvements	56-C0857	5	30,000	10,000	15,000			*55,000*
Parking Fund			*30,000*	*10,000*	*15,000*			*55,000*
Parking Fund Total			60,000	1,407,000	6,678,775	380,000	30,000	*8,555,775*
GRAND TOTAL			60,000	1,407,000	6,678,775	380,000	30,000	*8,555,775*

City of Hagerstown, Maryland

GOLF FUND

FY '19 thru **FY '23**

PROJECTS BY FUNDING SOURCE

Source	Project #	Priority	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Golf Fund								
Golf Course - Vehicles/Equipment	*57-C0395*	4	22,000	35,000	37,000	47,000	40,000	*181,000*
Golf Course Improvements	*57-C0825*	8			10,000			*10,000*
Golf Fund Total			22,000	35,000	47,000	47,000	40,000	*191,000*
Grants-State Program Open Space								
Golf Course Improvements	*57-C0825*	8			90,000			*90,000*
Grants-State Program Open Space Total					90,000			*90,000*
GRAND TOTAL			22,000	35,000	137,000	47,000	40,000	*281,000*

City of Hagerstown, Maryland

GOLF FUND

FY '19 thru **FY '23**

PROJECTS & FUNDING SOURCES BY DEPARTMENT

Department	Project #	Priority	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Golf Fund								
Golf Course - Vehicles/Equipment	57-C0395	4	22,000	35,000	37,000	47,000	40,000	*181,000*
Golf Fund			*22,000*	*35,000*	*37,000*	*47,000*	*40,000*	*181,000*
Golf Course Improvements	57-C0825	8			100,000			*100,000*
Golf Fund					*10,000*			*10,000*
Grants-State Program Open Space					*90,000*			*90,000*
Golf Fund Total			22,000	35,000	137,000	47,000	40,000	*281,000*
GRAND TOTAL			22,000	35,000	137,000	47,000	40,000	*281,000*

City of Hagerstown, Maryland

PROPERTY MANAGEMENT FUND

FY '19 thru **FY '23**

PROJECTS BY FUNDING SOURCE

Source	Project #	Priority	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Property Management Fund								
Alms House Repairs	*58-C0755*	5	5,000					*5,000*
Roslyn Building Renovation	*58-C0779*	5		10,000	10,000			*20,000*
Elizabeth Hager Center	*58-C0803*	5	45,000	40,000	20,000	20,000		*125,000*
60 West Washington Street	*58-C0828*	5	100,000					*100,000*
36-40 North Potomac Street	*58-C0836*	5	15,000	7,000	7,000	7,000		*36,000*
Property Management Fund Total			165,000	57,000	37,000	27,000		*286,000*
Transfers to CIP-CDBG Fund								
Roslyn Building Renovation	*58-C0779*	5	25,000					*25,000*
Transfers to CIP-CDBG Fund Total			25,000					*25,000*
GRAND TOTAL			190,000	57,000	37,000	27,000		*311,000*

City of Hagerstown, Maryland

PROPERTY MANAGEMENT FUND

FY '19 thru **FY '23**

PROJECTS & FUNDING SOURCES BY DEPARTMENT

Department	Project #	Priority	FY '19	FY '20	FY '21	FY '22	FY '23	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	25,000	10,000	10,000			*45,000*
Property Management Fund				*10,000*	*10,000*			*20,000*
Transfers to CIP-CDBG Fund			*25,000*					*25,000*
Elizabeth Hager Center	58-C0803	5	45,000	40,000	20,000	20,000		*125,000*
Property Management Fund			*45,000*	*40,000*	*20,000*	*20,000*		*125,000*
60 West Washington Street	58-C0828	5	100,000					*100,000*
Property Management Fund			*100,000*					*100,000*
36-40 North Potomac Street	58-C0836	5	15,000	7,000	7,000	7,000		*36,000*
Property Management Fund			*15,000*	*7,000*	*7,000*	*7,000*		*36,000*
Property Management Fund Total			190,000	57,000	37,000	27,000		*311,000*
GRAND TOTAL			190,000	57,000	37,000	27,000		*311,000*

CAPITAL IMPROVEMENT PROGRAM

FY '19 *thru* FY '23

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.

Justification

Network switching equipment is well past the service life recommended by the manufacturer and will be replaced according to criticality to the network. This will account for the majority of the expenses in this CIP.

Budget Impact/Other

Mission critical for City technology operations.

Expenditures	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Equip/Vehicles/Furnishings	60,000	80,000	60,000	80,000	80,000	360,000
Total	60,000	80,000	60,000	80,000	80,000	360,000

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
CIP Fund Balance	60,000					60,000
Transfers to CIP-Electric Fund		20,000	15,000	20,000	20,000	75,000
Transfers to CIP-General Fund		20,000	15,000	20,000	20,000	75,000
Transfers to CIP-Wastewater Fund		20,000	15,000	20,000	20,000	75,000
Transfers to CIP-Water Fund		20,000	15,000	20,000	20,000	75,000
Total	60,000	80,000	60,000	80,000	80,000	360,000

CAPITAL IMPROVEMENT PROGRAM

FY '19 *thru* FY '23

City of Hagerstown, Maryland

Project # **45-C0007**

Project Name **Time & Attendance Software and Equip**

Type Improvement
Useful Life 5 years
Category Software
Location: All City Departments
Year Submitted: 2013

Department Information Technology
Contact Nicewarner
Priority Planned Improvement

Status Active

Description

Acquisition of additional time clocks or other equipment to enhance the Intellitime Time and Attendance System. Yearly amount equals 1-2 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 '19	FY '20	FY '21	FY '22	FY '23	Total
Equip/Vehicles/Furnishings	8,000	8,000	8,000	8,000	16,000	48,000
Total	8,000	8,000	8,000	8,000	16,000	48,000

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
CIP Fund Balance	8,000	4,000				12,000
Transfers to CIP-Electric Fund		950	1,875	1,875	3,750	8,450
Transfers to CIP-General Fund		950	1,875	1,875	3,750	8,450
Transfers to CIP-Parking Fund		200	500	500	1,000	2,200
Transfers to CIP-Wastewater Fund		950	1,875	1,875	3,750	8,450
Transfers to CIP-Water Fund		950	1,875	1,875	3,750	8,450
Total	8,000	8,000	8,000	8,000	16,000	48,000

CAPITAL IMPROVEMENT PROGRAM FY '19 *thru* FY '23

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

FY19: Reserve Engine 4 1991 KME Pumper ($645,000 - Prior Bond Proceeds Ordered in FY18)
FY19: Unit C7 - 2005 Chevy Trailblazer ($65,000)
FY19: Reserve Engine 1 1994 KME Pumper ($709,000 - New Bond Issue)
FY19: Unit C8 - 2007 Ford Expedition ($60,000)

FY20: Engine 5 - 2004 KME Pumper ($779,900)
FY20: Engine 2 - 2004 KME Pumper ($779,900)
FY20: Engine 3 -2004 KME Pumper ($779,900)

FY21: Mini Pumper to replace Engine 1 ($500,000)
FY21: Engine 4 - 2009 KME Pumper ($857,800)

FY22: Truck 11 - 1994 Ladder Truck Replacement (Simon Duplex or Quint) ($1,550,000)
FY22: Utility 3A - 2008 Ford F350 Pickup ($60,000) - Utility vehicle that responds to all fire/ incident calls within the City limits.

Justification

The first (prototype) pumper was ordered in FY18 as part of a multi-year procurement of eight (8) like pumpers with equipment acquired to replace oldest to newest over the next four budget years. All existing legacy pumpers would be sold or traded.

Two SUV staff vehicles are to be purchased in FY19 to replace the FM-1 vehicle that has 100,000 miles and the FC staff vehicle has been deferred each of the last two years.

Depending upon the M&C outcomes on a four (4) or five (5) pumper deployment model, two other options exist: a mini pumper to be deployed downtown and the consolidation of 1-pumper and 1-aerial into a single quint. Either plan would support the future need to staff 4-Engines and 2-Ladder Trucks while maintaining one (1) maintenance reserve pumper, two (2) ready reserve pumpers, and one (1) aerial reserve for call back.

Budget Impact/Other

Based on a 10 year term at 4.00%, preliminary annual debt service impact for the 2018 general fund supported bond issue of $645K is $80.9K.

Based on a 20 year term at 4.25%, preliminary annual debt service impact for the 2019 general fund supported bond issue of $709K is $53.3K.

Expenditures	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Equip/Vehicles/Furnishings	1,479,000	2,339,700	1,357,800	1,610,000		6,786,500
Total	1,479,000	2,339,700	1,357,800	1,610,000		6,786,500

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Bond Financing (General Fund)	709,000	2,339,700	1,357,800	1,550,000		5,956,500
Prior Bond Proceeds	645,000					645,000
Transfers to CIP-General Fund	125,000			60,000		185,000
Total	1,479,000	2,339,700	1,357,800	1,610,000		6,786,500

CAPITAL IMPROVEMENT PROGRAM

FY '19 *thru* FY '23

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 HUR funding received to fund our Pavement Preservation program and other applicable capital projects. We received one-time additional monies in the 2018 state approved budget but future funding is still uncertain. We will only spend what the State provides.

FY19: Includes funds for paving portions of Cleveland Ave., Potomac Ave., Highland Way, North Ave., and others. Includes funds for crack sealing, pavement marking, and slurry seal. Also includes funds for our triennual pavement condition survey ($35,000).

Justification

In February 2017, a presentation to the Mayor and Council showed that approximately $1,100,000 needs to be spent annually [from State Highway User Revenue (HUR)] to maintain the current Pavement Condition Index (CPI). In 2013, the overall CPI was 77 (good condition) but due to inadequate funding in FY13, 14 and 15 the CPI dropped to 69 in 2016. We project that since we had adequate HUR funding in FY16 and 17, the CPI has increased slightly back to over 70.

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 '19	FY '20	FY '21	FY '22	FY '23	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 '19	FY '20	FY '21	FY '22	FY '23	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 '19 *thru* FY '23

City of Hagerstown, Maryland

Project # **45-C0040**

Project Name **Municipal Stadium Improvements**

Type Improvement
Useful Life 10 years
Category Buildings and Structures
Location: Municipal Stadium
Year Submitted: 2008

Department Parks
Contact Tissue
Priority Planned Improvement
Status Active

Description

The Hagerstown Suns have an approved lease to play in Municipal Stadium during the 2018 baseball season. The City anticipates discussions an extension through 2021. Capital improvements will be determined by the Suns and the City each October.

Justification

Provide recreation facilities that are desired and supported by the community.

Budget Impact/Other

Expenditures	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Construction/Maintenance	35,000	35,000	35,000			105,000
Total	35,000	35,000	35,000			105,000

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Contribution by Others	35,000	35,000	35,000			105,000
Total	35,000	35,000	35,000			105,000

CAPITAL IMPROVEMENT PROGRAM

FY '19 *thru* FY '23

City of Hagerstown, Maryland

Project # **45-C0047**

Project Name **City Park Lake Improvements**

Type	Improvement	**Department**	Parks
Useful Life	25 - 50 years	**Contact**	Tissue
Category	Land Improvements	**Priority**	Planned Improvement
Location:	City Park		
Year Submitted:	Ongoing		
		Status	Active

Description

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
2017: Isolated repairs of entire lower lake wall

FY22: Upgrades to upper lake. Replacement of walls around perimeter of upper and middle lakes, associated sidewalk improvements, and landscape enhancements.

Justification

The goal is to improve deteriorating facilities and provide necessary maintenance. In addition, City Park was recently rated one of the most beautiful municipal city parks in America. The preservation of the lakes helps to maintain the beauty of the lake, which is visited by tens of thousands of people each year.

Budget Impact/Other

Less than $5,000 would be saved on maintenance costs as the wall needs to be fully replaced and is not worthy of patching or repairing.

Expenditures	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Construction/Maintenance				500,000		500,000
Total				500,000		500,000

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Bond Financing (General Fund)				500,000		500,000
Total				500,000		500,000

CAPITAL IMPROVEMENT PROGRAM

FY '19 *thru* FY '23

City of Hagerstown, Maryland

Project # **45-C0064**

Project Name **Stormwater Vehicles**

Type	Replacement	**Department**	Stormwater
Useful Life	10 years	**Contact**	Deike and Tissue
Category	Automobiles and Trucks	**Priority**	Planned Improvement
Location:	Public Works		
Year Submitted:	2018		
		Status	Active

Description

Per Vehicle and Equipment Schedule.

FY19: 2005 Schwarze Sweeper #92 ($310,000), 2007 Schwarze Sweeper #93 ($310,000)

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 10 year term at 4.00%, preliminary annual debt service impact for the 2018 general fund supported bond issue of $620K is $77.3K.

Expenditures	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Equip/Vehicles/Furnishings	620,000					620,000
Total	620,000					620,000

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Prior Bond Proceeds	620,000					620,000
Total	620,000					620,000

CAPITAL IMPROVEMENT PROGRAM FY '19 *thru* FY '23

City of Hagerstown, Maryland

Project # **45-C0065**

Project Name **Public Works Vehicles**

Type	Replacement	**Department**	Public Works
Useful Life	10 years	**Contact**	Deike
Category	Automobiles and Trucks	**Priority**	Planned Improvement
Location:	Public Works		
Year Submitted:	Ongoing		
		Status	Active

Description

Per Vehicle and Equipment schedule.
FY19: 2005 Sterling Dump Truck #26 ($170,000), 2005 Sterling Dump Truck #27 ($170,000).

FY20: 2004 Chevy 2500 4x4 #34 ($35,000), 2008 Ford F550 Trash Truck #16 ($110,000), 2006 Sterling Dump Truck RDS #28 ($170,000), 2006 Chevy Van #31 ($35,000), 2007 Chevy 2500 4x4 #35 ($35,000), 2004 Chevy Crew Cab #46 ($35,000), 2006 US Cargo Trailer #76 ($15,000), 2004 John Deere X595 Tractor #77 ($20,000), 1993 Wacker Roller #84 ($15,000), 2008 Ford F250 4x4 #600 ($30,000), 2006 Ford E350 Bucket Truck #602 ($90,000), 2005 Chevy Van #615 ($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)

FY22: 2006 Bobcat A300 #6 ($75,000), 2012 Ford F350 Pickup #30 ($30,000), 2008 Ford F550 Utility Truck #611 ($75,000), 2008 Solar Sign Board #617 ($45,000), 2011 John Deere Mower #63 ($20,000).

FY23: 2011 JD 310SJ Backhoe #7 ($140,000), 2013 Ford F750 Dump Truck #21 ($200,000), 2013 Ford F750 Dump Truck #22 ($200,000).

Justification

Vehicle repair costs and maintenance increase with the age of a vehicle. On average, vehicles should be replaced every 10 years. Some equipment and vehicles should be replaced sooner than 10 years while others can go longer.

Budget Impact/Other

New vehicles and equipment should operate more efficiently and need less maintenance. Newer vehicles will have better fuel economy and less labor and material costs for maintenance.

Based on a 20 year term at 4.25%, preliminary annual debt service impact for the 2019 general fund supported bond issue of $340K is $25.9K.

Expenditures	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Equip/Vehicles/Furnishings	340,000	620,000	378,000	245,000	540,000	2,123,000
Total	340,000	620,000	378,000	245,000	540,000	2,123,000

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Bond Financing (General Fund)	340,000	370,000	220,000	150,000	540,000	1,620,000
Transfers to CIP-General Fund		250,000	158,000	95,000		503,000
Total	340,000	620,000	378,000	245,000	540,000	2,123,000

CAPITAL IMPROVEMENT PROGRAM

FY '19 *thru* FY '23

City of Hagerstown, Maryland

Project # **45-C0093**

Project Name **Pavement Markings**

Type	Improvement	**Department**	Engineering
Useful Life	5 years	**Contact**	Tissue
Category	Infrastructure-Streets	**Priority**	Public Safety
Location:	City-Wide		
Year Submitted:	Ongoing		
		Status	Active

Description

Upgrading pavement markings around the City with emphasis on crosswalks, school zones, and public safety.
One crosswalk costs about $500. A typical intersection can cost $3,000 to $5,000 for all pavement markings. This project funds the upgrade of deteriorated "stop bars" and "crosswalks" city wide.

If adequate State Highway User Revenue is not received, the project won't be done.

Justification

Improve safety. Public expects streets to be properly marked. Marked crosswalks are desirable.

Budget Impact/Other

Recommend contracting these services as they take special equipment to install. Staff estimates the cost for staff to install markings would be two to three times the contracted rate. This is a never-ending project to maintain pavement markings worn away by traffic.

Expenditures	FY '19	FY '20	FY '21	FY '22	FY '23	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 '19	FY '20	FY '21	FY '22	FY '23	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 '19 *thru* FY '23

City of Hagerstown, Maryland

Project # **45-C0099**

Project Name **Market House Improvements**

Type	Improvement	**Department**	Public Works
Useful Life	5 years	**Contact**	Deike and Thompson
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.

FY19: Interior improvements which include back room renovations, kitchen exhaust system, security cameras and exterior improvements to include lighting, banners and wayfinding signs.

FY20: Replacement of Lower Main Roof

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

Expenditures	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Construction/Maintenance	15,000	150,000	45,000			210,000
Total	15,000	150,000	45,000			210,000

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Bond Financing (General Fund)		150,000				150,000
CIP Fund - GF Fund Balance	10,000					10,000
CIP Fund Balance	5,000					5,000
Transfers to CIP-General Fund			45,000			45,000
Total	15,000	150,000	45,000			210,000

CAPITAL IMPROVEMENT PROGRAM

FY '19 *thru* FY '23

City of Hagerstown, Maryland

Project # **45-C0128**

Project Name **Police Radios**

Type	Improvement	**Department**	Police
Useful Life	5 - 8 years	**Contact**	Brito
Category	Machinery and Equipment	**Priority**	Public Safety
Location:	Police Department		
Year Submitted:	Ongoing		
		Status	Active

Description

FY19: 162 mobile and portable radios for routine and emergency public safety communications, to replace aging units.

FY22-FY23: Includes funding to replace 30 police radios. The replacement cycle for police radios is 5-7 years. Replacement will only occur as needed.

Justification

Modern radio technology ensures police personnel can continue to communicate effectively with each other, and with other public safety agencies. Radio communications are vital to the safety of the public and police.

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 $10,000 per year in maintenance costs for repairs to radio equipment beginning in 2020.

Based on a 20 year term at 4.25%, preliminary annual debt service impact for the 2019 general fund supported bond issue of $534.6K is $40.3K.

Expenditures	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Equip/Vehicles/Furnishings	544,600			105,000	105,000	754,600
Total	544,600			105,000	105,000	754,600

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Bond Financing (General Fund)	534,600					534,600
CIP Fund Balance	10,000					10,000
Transfers to CIP-General Fund				105,000	105,000	210,000
Total	544,600			105,000	105,000	754,600

CAPITAL IMPROVEMENT PROGRAM

FY '19 *thru* FY '23

City of Hagerstown, Maryland

Project # 45-C0129

Project Name Police Vehicles

Type	Replacement	**Department**	Police
Useful Life	5 years	**Contact**	Brito
Category	Automobiles and Trucks	**Priority**	Public Safety
Location:	Police Department		
Year Submitted:	Ongoing		
		Status	Active

Description

FY19: Unit 9213 (09 Dodge Charger - $46,000); Unit 9304 (09 Crown Victoria - $46,000); Unit 981 (07 Dodge Charger - $46,000); Unit 930 (07 Dodge Charger - $46,000); Unit 934 (06 Crown Victoria -$46,000); Unit 940 (07 Crown Victoria - $46,000); Unit 9401 (06 Ford Crown Victoria - $46,000); Unit 942 (06 Crown Victoria - $46,000).

FY20: Unit 9215 (09 Crown Victoria - $46,000); Unit 9214 (09 Ford Crown Victoria - $46,000); Unit 958 (09 Crown Victoria - $46,000); Unit 944 (04 Crown Victoria -$46,000); Unit 972 (04 Crown Victoria - $46,000); Unit 910 (07 Chevy Impala - $46,000); Unit 957 (98 Crown Victoria - $46,000); Unit 9400 (09 Crown Victoria - $46,000).

FY21: Unit 9302 (11 Crown Victoria - $48,000); Unit 9210 (11 Crown Victoria - $48,000); Unit 9303 (11 Crown Victoria - $48,000); Unit 987 (12 Chevy Impala - $48,000); Unit 9212 (09 Dodge Charger - $48,000); Unit 9305 (09 Dodge Charger - $48,000); Unit 9306 (09 Dodge Charger - $48,000); Unit 9211 (10 Crown Victoria -$48,000).

FY22: Unit 903 (14 Ford Taurus - $48,000); Unit 9110 (13 Ford Taurus - $48,000); Unit 9112 (13 Ford Taurus - $48,000); Unit 9113 (13 Ford Taurus - $48,000); Unit 9114 (13 Ford Taurus -$48,000); Unit 9115 (12 Ford Taurus - $48,000); Unit 9501 (12 Ford Explorer - $48,000); Unit 9301 (12 Ford Interceptor - $48,000).

FY23: Unit 907 (12 Ford Fusion - $48,000); Unit 971 (09 Chevy Impala - $48,000); Unit 912 (05 Chevy Tahoe - $60,000); Unit 913 (07 Chevy Impala - $48,000); Unit 922 (06 Chevy Trailblazer -$48,000); Unit 925 (07 Chevy Impala - $48,000); Unit 929 (07 Ford Explorer - $48,000); Unit 980 (07 Chevy Impala - $48,000).

Justification

Many patrol vehicles are operated around the clock with in-town driving and considerable idling. Staff had assessed and identified the need for a baseline minimum of 30 patrol cars. Vehicle equipment will be reused when practical. Take-home patrol cars are provided as available for police officers who live within city limits.

Budget Impact/Other

Post warranty maintenance is assumed in the department operating budget.

Expenditures	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Equip/Vehicles/Furnishings	368,000	368,000	384,000	384,000	396,000	1,900,000
Total	368,000	368,000	384,000	384,000	396,000	1,900,000

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Transfers to CIP-General Fund	368,000	368,000	384,000	384,000	396,000	1,900,000
Total	368,000	368,000	384,000	384,000	396,000	1,900,000

CAPITAL IMPROVEMENT PROGRAM

FY '19 *thru* FY '23

City of Hagerstown, Maryland

Project # **45-C0130**

Project Name **Street Crime Cameras/CPTED**

Type	Replacement	**Department**	Police
Useful Life	5 years	**Contact**	Brito
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. Budget and 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.

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 '19	FY '20	FY '21	FY '22	FY '23	Total
Equip/Vehicles/Furnishings	150,000	150,000	150,000	150,000	150,000	750,000
Total	150,000	150,000	150,000	150,000	150,000	750,000

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Transfers to CIP-CDBG Fund	20,000					20,000
Transfers to CIP-General Fund	130,000	150,000	150,000	150,000	150,000	730,000
Total	150,000	150,000	150,000	150,000	150,000	750,000

CAPITAL IMPROVEMENT PROGRAM

FY '19 *thru* FY '23

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.

FY20: Replace 2008 Colorado Truck #701 ($20,000)
FY21: Replace 2008 Impala Sedan #703 ($20,000)
FY22: Replace 2006 Jeep Liberty #709 ($20,000)
FY23: 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 '19	FY '20	FY '21	FY '22	FY '23	Total
Equip/Vehicles/Furnishings		20,000	20,000	20,000	20,000	80,000
Total		20,000	20,000	20,000	20,000	80,000

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Transfers to CIP-General Fund		20,000	20,000	20,000	20,000	80,000
Total		20,000	20,000	20,000	20,000	80,000

CAPITAL IMPROVEMENT PROGRAM

FY '19 *thru* FY '23

City of Hagerstown, Maryland

Project # **45-C0136**

Project Name **Public Works Equipment**

Type	Maintenance	**Department**	Public Works
Useful Life	20 years	**Contact**	Deike
Category	Machinery and Equipment	**Priority**	Improve Service
Location:	Public Works		
Year Submitted:	2017		
		Status	Active

Description

FY19: Asphalt Recycler ($20,000)

Justification

An asphalt recycler allows staff to re-purpose asphalt millings into a plyable hot asphalt mix capable of making permanent pothole repairs. This is a "green" endeavor to take existing asphalt removed during the milling process and return it back to the streets. This greatly reduces the need to purchase hot asphalt mix and cold patch (asphalt).

Budget Impact/Other

Material Savings, allows staff to make permanent pothole and street repairs all year long by using material already on site. Hot mix cannot be purchased during the winter months (Dec-March) when asphalt plants are shut down.

Expenditures	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Equip/Vehicles/Furnishings	20,000					20,000
Total	20,000					20,000

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
CIP Fund - GF Fund Balance	20,000					20,000
Total	20,000					20,000

CAPITAL IMPROVEMENT PROGRAM FY '19 *thru* FY '23

City of Hagerstown, Maryland

Project # **45-C0140**

Project Name **Hagerstown Cultural Trail**

Type Improvement
Useful Life 100 years
Category Land Improvements
Location: City-Wide
Year Submitted: 2015

Department Engineering
Contact Tissue
Priority Planned Improvement

Status Active

Description

The construction of the second phase of a multi-use Cultural Trail connects Hagerstown's historic City Park and Fine Arts Museum with the historic Downtown Arts and Entertainment District. This will pass through the Urban Improvement Project (CIP 0875). The original trail project was identified in the 2014 Community City Center Plan as a catalyst to spur activity and economic development in the City's urban core. The Mayor and City Council have prioritized development of the Trail and have appropriated funding for its construction to accompany numerous grant funds for the project. The trail connects several historic destinations while providing public art and public open space. The ultimate goal of the Trail is to spur redevelopment in the adjacent area and possibly new market rate housing.

FY19: Phase II: Antietam Street to Washington Street thru proposed UIP plaza ($500,000) assumes land would be purchased.

FY20: Land Acquisition at Park Circle ($150,000)

FY21: Phase III: Development of Triangle Park near Park Circle ($200,000)

Additional public art will be added with funding from private grants and the City (See CIP#0868)

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 at 4.25%, preliminary annual debt service impact of the 2019 general fund supported bond issue of $100K is $7.9K.

Expenditures	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Construction/Maintenance	500,000	150,000	200,000			850,000
Total	500,000	150,000	200,000			850,000

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Bond Financing (General Fund)	100,000	100,000				200,000
Grants-State MHAA	100,000					100,000
Grants-State Program Open Space	300,000	50,000	180,000			530,000
Transfers to CIP-General Fund			20,000			20,000
Total	500,000	150,000	200,000			850,000

CAPITAL IMPROVEMENT PROGRAM

FY '19 *thru* FY '23

City of Hagerstown, Maryland

Project # **45-C0182**

Project Name **Police Crime Lab Equipment**

Type	Replacement	**Department**	Police
Useful Life	5 - 7 years	**Contact**	Brito
Category	Machinery and Equipment	**Priority**	Planned Improvement
Location:	Police Department		
Year Submitted:	2009		
		Status	Active

Description

FY19: Fourier Transforma Infrared Spectrometer ($25,000).

Justification

The Fourier Transforma Infrared Spectrometer (FTIR) is used for confirmatory tests, as well as identification of other substances requiring this specific instrument. In addition to specific forensic examinations, its use is required for the prosecution of criminal cases.

Budget Impact/Other

Initial purchase is anticipated to include multiple year maintenance agreements.

Expenditures	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Equip/Vehicles/Furnishings	25,000					25,000
Total	25,000					25,000

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Grants-Federal	25,000					25,000
Total	25,000					25,000

CAPITAL IMPROVEMENT PROGRAM FY '19 *thru* FY '23

City of Hagerstown, Maryland

Project # **45-C0196**

Project Name **Police Software**

Type	Improvement	**Department**	Police
Useful Life	5 - 7 years	**Contact**	Brito
Category	Software	**Priority**	Public Safety
Location:	Police Department		
Year Submitted:	2006		
		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 '19	FY '20	FY '21	FY '22	FY '23	Total
Software		85,000				85,000
Total		85,000				85,000

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Transfers to CIP-General Fund		85,000				85,000
Total		85,000				85,000

CAPITAL IMPROVEMENT PROGRAM FY '19 *thru* FY '23

City of Hagerstown, Maryland

Project # **45-C0217**

Project Name **Accessibility Ramps**

Type Improvement
Useful Life 20 years
Category Infrastructure-Sidewalks
Location: Various locations
Year Submitted: Ongoing

Department Engineering
Contact Tissue
Priority Probable Grant

Status Active

Description

This project provides ADA-compliant ramps and sidewalks citywide. Staff addresses complaints and installs ramps/sidewalks along 'pavement preservation' streets which is a requirement of ADA and the city's "Complete Streets" policy when paving is done. Improvements are budgeted at $2,500 per ramp. For the State Highway User Revenue funded portion, if the City doesn't receive the full amount, we will only spend what the State provides.

There are 3,800 potential ramp locations in the City. The City estimates about 3,700 are in place and that 25% of those are fully compliant or as compatible as site restrictions allow.

FY19: $110,000 Install accessibility ramps along overlay streets (Clevaland Ave., Potomac Avenue, Alexander St., W. Memorial Blvd., & Others).

FY20 - FY23: Install and/or replace approximately 35-50 accessibility ramps per year.

Justification

These upgrades will remove barriers and make Hagerstown a more accessible City for our residents, workers and visitors regardless of physical limitations. Improved accessibility adds to business and neighborhood vitality.

Budget Impact/Other

None.

Expenditures	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Construction/Maintenance	110,000	90,000	90,000	90,000	90,000	470,000
Total	110,000	90,000	90,000	90,000	90,000	470,000

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
State Highway User Revenue	20,000	20,000	20,000	20,000	20,000	100,000
Transfers to CIP-CDBG Fund	90,000	70,000	70,000	70,000	70,000	370,000
Total	110,000	90,000	90,000	90,000	90,000	470,000

CAPITAL IMPROVEMENT PROGRAM

FY '19 *thru* FY '23

City of Hagerstown, Maryland

Project # **45-C0226**

Project Name **Police Firing Range**

Type	Improvement	**Department**	Police
Useful Life	30 years	**Contact**	Brito
Category	Machinery and Equipment	**Priority**	Planned Improvement
Location:	Smithsburg Watershed Area		
Year Submitted:	2011		
		Status	Active

Description

FY19: Anticipated road and parking lot improvements.

FY21: Facility improvements including the construction of a permanent restroom and eye wash facility.

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. For the FY21 request, a Porta Potty is currently utilized at the police firing range as a restroom and there is no running water.

Budget Impact/Other

Expenditures	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Construction/Maintenance	35,000		40,000			75,000
Total	35,000		40,000			75,000

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Grants-Federal	25,000		40,000			65,000
Transfers to CIP-General Fund	10,000					10,000
Total	35,000		40,000			75,000

CAPITAL IMPROVEMENT PROGRAM

FY '19 *thru* FY '23

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 Tissue
Priority Planned Improvement
Status Active

Description

Projects are contingent on receiving State funding.

FY20-FY23: Replace or add portable bleachers, park benches, picnic tables & trash cans for various parks.

Justification

The park benches and picnic tables will improve park facilities for use by the general public.

Staff will continue to apply for funding from Community Parks and Playgrounds.

Budget Impact/Other

Expenditures	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Equip/Vehicles/Furnishings		10,000	10,000	10,000	10,000	40,000
Total		10,000	10,000	10,000	10,000	40,000

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Grants-State CP&P		8,000	8,000	8,000	8,000	32,000
Transfers to CIP-General Fund		2,000	2,000	2,000	2,000	8,000
Total		10,000	10,000	10,000	10,000	40,000

CAPITAL IMPROVEMENT PROGRAM FY '19 *thru* FY '23

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

FY19: Improvements that are needed include expanding the classroom building, adding showers to aid in cleansing harmful carcinogens that come from live burns and adding/expanding burn buildings and other props that aid in firefighter training ($1,000,000 with a request of $500,000 to be funded by the City).

FY20 - FY23: $75,000 in maintenance expenses are requested each out year to appropriately maintain the facility over time (with the City funding $50,000 of this annually).

Justification

The Bowman Avenue Training facility remains the primary tactical village and live-burn facility for the entire region. This facility has traditionally been funded by the City since the late 1960's. Given the budget pressures of the Great Recession, minimal annual maintenance and lack of improvements have not allowed for increased demands on the facility. The Washington County Emergency Services Director and City Fire Chief agree that the facility will always be needed for the live-burn work even after the County Roxbury site (which will include classrooms and a shooting range only) is fully funded and built. Therefore, we ask that the City fund $500,000 in FY19 while simultaneously requesting an equal amount from the County to make necessary repairs and/or improvements to the facility.

Budget Impact/Other

Based on a 20 year term at 4.25%, preliminary annual debt service impact for the 2019 general fund supported bond issue of $500K is $37.4K.

$75,000 in maintenance expenses are requested each out year to appropriately maintain the facility over time.

Expenditures	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Construction/Maintenance	1,000,000	75,000	75,000	75,000	75,000	1,300,000
Total	1,000,000	75,000	75,000	75,000	75,000	1,300,000

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Bond Financing (General Fund)	500,000					500,000
Contribution by Others	500,000	25,000	25,000	25,000	25,000	600,000
Transfers to CIP-General Fund		50,000	50,000	50,000	50,000	200,000
Total	1,000,000	75,000	75,000	75,000	75,000	1,300,000

CAPITAL IMPROVEMENT PROGRAM FY '19 *thru* FY '23

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 with APS and ramps.

FY19: Reconstruct Mulberry & Antietam - Last intersection on Mulberry Street without overhead signals. Statistics show 14 running red light accidents in last 3 years ($300,000), and pedestrian crosswalk on Salem @ Liganore ($30,000).

FY20: Reconstruct Potomac St. at Howard traffic signal using SRTS grant.

FY21: Design Cleveland @ Liberty and Franklin signal replacements.

FY22: 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 '19	FY '20	FY '21	FY '22	FY '23	Total
Planning/Design		20,000		20,000		40,000
Construction/Maintenance	330,000	310,000	400,000			1,040,000
Total	330,000	330,000	400,000	20,000		1,080,000

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Grants-County		66,000				66,000
Grants-State		264,000				264,000
Transfers to CIP-CDBG Fund	330,000		400,000			730,000
Transfers to CIP-General Fund				20,000		20,000
Total	330,000	330,000	400,000	20,000		1,080,000

CAPITAL IMPROVEMENT PROGRAM

FY '19 *thru* FY '23

City of Hagerstown, Maryland

Project # **45-C0245**

Project Name **LED Signal Lights**

Type Improvement

Useful Life 10 years

Category Machinery and Equipment

Location: City-Wide

Year Submitted: 2005

Department Public Works

Contact Deike

Priority Cost Avoidance

Status Active

Description

Replace, as needed, original LED lights that were installed in 2006. LED signal lights have an estimated life of 7-10 years.

Justification

LED lights will be used to reduce energy consumption and extend light replacement time.

Budget Impact/Other

LED lights have proven to save upwards of 75% to 80% in electrical costs. Labor is reduced since LEDs have a life expectancy of up to 10 years while incandescent bulbs burn for one to two years.

Expenditures	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Equip/Vehicles/Furnishings	5,000	5,000	5,000	5,000	5,000	25,000
Total	5,000	5,000	5,000	5,000	5,000	25,000

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Transfers to CIP-General Fund	5,000	5,000	5,000	5,000	5,000	25,000
Total	5,000	5,000	5,000	5,000	5,000	25,000

CAPITAL IMPROVEMENT PROGRAM FY '19 *thru* FY '23

City of Hagerstown, Maryland

Project # **45-C0249**

Project Name **Community & Economic Development Vehicles**

Type Replacement
Useful Life 10 years
Category Automobiles and Trucks
Location: Downtown
Year Submitted: Ongoing

Department Community Development
Contact Thompson
Priority Cost Avoidance

Status Active

Description

See Vehicle and Equipment replacement schedule.

FY19: 2003 Chevy Cavalier #717 ($25,000) - Replacing with mid size SUV

Justification

Replace deteriorating equipment

Budget Impact/Other

Expenditures	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Equip/Vehicles/Furnishings	25,000					25,000
Total	25,000					25,000

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
CIP Fund - GF Fund Balance	25,000					25,000
Total	25,000					25,000

CAPITAL IMPROVEMENT PROGRAM

FY '19 *thru* FY '23

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:

FY19: Reconstruct Loading Dock and Steps

FY20: Replace Portion of Garage Roof

FY21-FY23: Misc. Improvements

Justification

This facility was built in 1938. Since its construction, multiple departments have used it. The building needs continual repairs due to its age. City fuel pumps are located here.

Budget Impact/Other

Operational costs will not be affected at this time. Most of these projects are replacements or reconstruction of existing amenities.

Expenditures	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Construction/Maintenance	10,000	30,000	6,000	6,000	6,000	58,000
Total	10,000	30,000	6,000	6,000	6,000	58,000

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
CIP Fund Balance	10,000					10,000
Transfers to CIP-General Fund		30,000	6,000	6,000	6,000	48,000
Total	10,000	30,000	6,000	6,000	6,000	58,000

CAPITAL IMPROVEMENT PROGRAM

FY '19 *thru* FY '23

City of Hagerstown, Maryland

Project # **45-C0280**

Project Name **Downtown Beautification Program**

Type Improvement
Useful Life 50 years
Category Land Improvements
Location: Downtown
Year Submitted: Ongoing

Department Public Works
Contact Deike
Priority Planned Improvement

Status Active

Description

Complements pedestrian street lighting program with trees, pole banners, Christmas lights and decorations and other amenities.

FY19: Christmas Lights and Decorations
FY20 - FY23: Funds for various streetscape improvements in the downtown area.

Justification

Enhances and improves the appearance of the downtown.

The Comp Plan recommends the continuation of a full range of physical improvements on an incremental basis to the downtown area. These should be aimed at improving the downtown's image and attractiveness through traffic calming measures; gateway and pedestrian enhancements; landscaping and streetscaping.

Budget Impact/Other

Depending upon the amenities or enhancements, operational costs could be affected.

Example: Additional lighting would add to electrical costs.

Expenditures	FY '19	FY '20	FY '21	FY '22	FY '23	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 '19	FY '20	FY '21	FY '22	FY '23	Total
CIP Fund Balance	25,000					25,000
Transfers to CIP-General Fund		25,000	25,000	25,000	25,000	100,000
Total	25,000	25,000	25,000	25,000	25,000	125,000

CAPITAL IMPROVEMENT PROGRAM

FY '19 *thru* FY '23

City of Hagerstown, Maryland

Project # **45-C0308**

Project Name **Police Building Renovation**

Type	Improvement	**Department**	Police
Useful Life	10 - 20 years	**Contact**	Brito
Category	Buildings and Structures	**Priority**	Planned Improvement
Location:	Police Department		
Year Submitted:	Ongoing		
		Status	Active

Description

FY19 Needs that will occur based on the age of the police department building. Special attention will be given to electric and fiber infrastructure within the police building.

FY20 through FY23 Includes replacement air handlers and 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.

The parking lot has not been repaved since the Police Department was moved to its current location in 1979.

Security of the police building is an ongoing project with additional improvements to be implemented in FY19.

Budget Impact/Other

Expenditures	FY '19	FY '20	FY '21	FY '22	FY '23	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 '19	FY '20	FY '21	FY '22	FY '23	Total
Transfers to CIP-General Fund	40,000	40,000	40,000	40,000	40,000	200,000
Total	40,000	40,000	40,000	40,000	40,000	200,000

CAPITAL IMPROVEMENT PROGRAM FY '19 *thru* FY '23

City of Hagerstown, Maryland

Project # **45-C0324**

Project Name **Alley Reconstruction**

Type Improvement
Useful Life 40 years
Category Infrastructure-Alleys
Location: Various locations
Year Submitted: Ongoing

Department Engineering
Contact Tissue
Priority Planned Improvement

Status Active

Description

Replace deteriorated alleys. In 2014 staff conducted a comprehensive condition survey of all the alleys in the city and the overall network was found to be in relatively poor condition. We are suggesting that we use bond proceeds to begin to continue to catch up on the overall condition.

FY19: None

FY20:
Alley 1-144 (portion from Charles Street north) $40,000
Alley 5-42 (Laurel Street to Cypress Street) $38,000
Alley 5-1 (Laurel Street to Alley 5-42) $30,000
Alley 5-49 (Manila Avenue to Hillcrest Road) $65,000

FY21:
Alley 5-52 (Hillcrest Road to Mulberry Ave.) $64,000
Alley 4-19 (Locust Street to Mulberry Street) $55,000
Alley 3-34 (Locust Street to Mulberry Street) $53,000
Alley 2-84 (First Street to Alley 2-83) $42,000

Justification

Replacement-useful life has been exhausted and surface is deteriorated.

Budget Impact/Other

Creating CIP to replace or build alleys frees DPW to focus on other priorities. Operational impact is minimal (less than $1,000/year saved) since the City performs little maintenance on alleys. However, the Public demands better road conditions and this addresses that service request.

Expenditures	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Construction/Maintenance		173,000	214,000			387,000
Total		173,000	214,000			387,000

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Bond Financing (General Fund)		173,000	214,000			387,000
Total		173,000	214,000			387,000

CAPITAL IMPROVEMENT PROGRAM

FY '19 *thru* FY '23

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

FY19: Paint exterior emergency stairwell ($40,000) and HR remodel. HR remodel includes HR conference room, 775 SF X $50/SF or approximately $40,000.

FY20 and 21: Office remodels

FY22: Replace Second of Two Boilers. Boiler to be replaced originally installed in 1992.

FY23: Miscellaneous Repairs

Justification

Budget Impact/Other

Expenditures	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Construction/Maintenance	80,000	25,000	25,000	65,000	30,000	225,000
Total	80,000	25,000	25,000	65,000	30,000	225,000

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
CIP Fund - GF Fund Balance	40,000					40,000
CIP Fund Balance	40,000					40,000
Transfers to CIP-General Fund		25,000	25,000	65,000	30,000	145,000
Total	80,000	25,000	25,000	65,000	30,000	225,000

CAPITAL IMPROVEMENT PROGRAM

FY '19 *thru* FY '23

City of Hagerstown, Maryland

Project # 45-C0352

Project Name Fuel Station Improvements

Type	Maintenance	**Department**	Public Works
Useful Life	10 years	**Contact**	Deike
Category	Buildings and Structures	**Priority**	Planned Improvement
Location:	51 W. Memorial Blvd		
Year Submitted:	2017		
		Status	Active

Description

FY21 Replace Canopy roof

Justification

Budget Impact/Other

Expenditures	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Construction/Maintenance			5,000			5,000
Total			5,000			5,000

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Transfers to CIP-General Fund			5,000			5,000
Total			5,000			5,000

CAPITAL IMPROVEMENT PROGRAM

FY '19 *thru* FY '23

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.

FY19: ($8,000) to patch beam pedastals on WHO21 (Burhans)
FY19-FY20: Expansion dam replacements all per 2016 inspection ($100,000)

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 '19	FY '20	FY '21	FY '22	FY '23	Total
Construction/Maintenance	108,000	100,000				208,000
Total	108,000	100,000				208,000

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
CIP Fund Balance	108,000					108,000
Transfers to CIP-General Fund		100,000				100,000
Total	108,000	100,000				208,000

CAPITAL IMPROVEMENT PROGRAM

FY '19 *thru* FY '23

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. Many intersections are currently controlled by a loop wire buried in the asphalt street. These can be, and usually are, damaged during street overlay projects.

FY20-FY23: Annual replacement of Aging Equipment at various intersections city-wide.

Justification

FY20-FY23: To upgrade traffic monitoring system to improve traffic flow.

Budget Impact/Other

Expenditures	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Equip/Vehicles/Furnishings		20,000	20,000	20,000	20,000	80,000
Total		20,000	20,000	20,000	20,000	80,000

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Transfers to CIP-General Fund		20,000	20,000	20,000	20,000	80,000
Total		20,000	20,000	20,000	20,000	80,000

CAPITAL IMPROVEMENT PROGRAM

FY '19 *thru* FY '23

City of Hagerstown, Maryland

Project # **45-C0439**

Project Name **Steam Engine Museum**

Type	Improvement	**Department**	Parks
Useful Life	10 - 20 years	**Contact**	Tissue
Category	Buildings and Structures	**Priority**	Planned Improvement
Location:	City Park		
Year Submitted:	1990		
		Status	Active

Description

A master plan of improvements was developed and reviewed with the Mayor and Council in September 2017 and determined immediate and long-term needs for the museum.

FY19-FY23: Improve facility based on strategic plan:

FY19: Paving/Children Items ($40,000)

FY20: Children items ($20,000)

FY21: New Roofs ($15,000)

FY22: Renovate Engine ($25,000)

FY23: Bathrooms ($30,000)

Justification

By undertaking additional future improvements, we would diversify the attractions that will result in the opportunity to provide a wide array of interpretive programs to the visiting public. The end result will be continued must-see destination for the train enthusiast and the public at-large.

Budget Impact/Other

Expenditures	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Construction/Maintenance	40,000	20,000	15,000	25,000	30,000	130,000
Total	40,000	20,000	15,000	25,000	30,000	130,000

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Grants-State CP&P	40,000	20,000	15,000	25,000	30,000	130,000
Total	40,000	20,000	15,000	25,000	30,000	130,000

CAPITAL IMPROVEMENT PROGRAM

FY '19 *thru* FY '23

City of Hagerstown, Maryland

Project # **45-C0444**

Project Name **Stormdrain System Upgrades**

Type Maintenance
Useful Life 100 years
Category Infrastructure-Storm Drains
Location: Various locations
Year Submitted: Ongoing

Department Engineering
Contact Tissue
Priority Planned Improvement

Status Active

Description

FY19: $10,000 for routine unspecified repairs (possibly Armstrong Ave. drainage issue)

FY20: $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.

FY22: $20,000 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 '19	FY '20	FY '21	FY '22	FY '23	Total
Construction/Maintenance	10,000	40,000		20,000		70,000
Total	10,000	40,000		20,000		70,000

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Stormwater Fee		40,000		20,000		60,000
Transfers to CIP-General Fund	10,000					10,000
Total	10,000	40,000		20,000		70,000

CAPITAL IMPROVEMENT PROGRAM

FY '19 *thru* FY '23

City of Hagerstown, Maryland

Project # **45-C0451**

Project Name **Geographic Information System**

Type Improvement
Useful Life 5 years
Category Software
Location: City-Wide
Year Submitted: Ongoing

Department Information Technology
Contact Nicewarner
Priority Planned Improvement

Status Active

Description

GIS is an organized collection of computer hardware, software, geographic data and personnel designed to efficiently capture, store, update, manipulate, analyze, and display all forms of geographically referenced data. This CIP project continues to expand on the 2010 GIS Strategic Plan in accomplishing the organization of this data and making it available for all City departments for use in the analysis of their operations.

Justification

This technology is vital in integrating with our financial systems, including Utility billing and tax, and providing information to our citizens through our improved transparency portal. 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 FY19 .

Expenditures	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Planning/Design	15,000	15,000	15,000	15,000	15,000	75,000
Equip/Vehicles/Furnishings	20,000			20,000	20,000	60,000
Other		20,000	20,000			40,000
Total	35,000	35,000	35,000	35,000	35,000	175,000

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
CIP Fund Balance	35,000	4,000				39,000
Transfers to CIP-Electric Fund		9,000	10,000	10,000	10,000	39,000
Transfers to CIP-General Fund		4,000	5,000	5,000	5,000	19,000
Transfers to CIP-Wastewater Fund		9,000	10,000	10,000	10,000	39,000
Transfers to CIP-Water Fund		9,000	10,000	10,000	10,000	39,000
Total	35,000	35,000	35,000	35,000	35,000	175,000

CAPITAL IMPROVEMENT PROGRAM FY '19 *thru* FY '23

City of Hagerstown, Maryland

Project # **45-C0458**

Project Name **Curb and Sidewalk Replacement Program**

Type Maintenance
Useful Life 30 years
Category Infrastructure-Sidewalks
Location: City-Wide
Year Submitted: Ongoing

Department Engineering
Contact Tissue
Priority Planned Improvement

Status Active

Description

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).

FY19-FY23: 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 '19	FY '20	FY '21	FY '22	FY '23	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 '19	FY '20	FY '21	FY '22	FY '23	Total
CIP Fund Balance	25,000					25,000
Transfers to CIP-General Fund		25,000	25,000	25,000	25,000	100,000
Total	25,000	25,000	25,000	25,000	25,000	125,000

CAPITAL IMPROVEMENT PROGRAM FY '19 *thru* FY '23

City of Hagerstown, Maryland

Project # **45-C0522**

Project Name **City Park Improvements**

Type Improvement
Useful Life 25 years
Category Land Improvements
Location: City Park
Year Submitted: Ongoing

Department Parks
Contact Tissue
Priority Planned Improvement

Status Active

Description

Construct improvements to existing parking lots in City Park. Includes paving, landscaping, walkways and lighting (#514).

FY19: Paving of trails and under benches, path replacements, etc.
FY20: Fountain Maintenance and Restoration (Park Circle and Frog Fountain)
FY22: Improve the upper parking lot by Mansion House and parking lot by tennis court.
FY23: Install fence to replace hedge along Virginia Avenue.

No projects scheduled for FY21

Justification

A couple 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 have 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 '19	FY '20	FY '21	FY '22	FY '23	Total
Construction/Maintenance	20,000	25,000		560,000	100,000	705,000
Total	20,000	25,000		560,000	100,000	705,000

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Grants-State Program Open Space				504,000	90,000	594,000
State Highway User Revenue	20,000					20,000
Transfers to CIP-General Fund		25,000		56,000	10,000	91,000
Total	20,000	25,000		560,000	100,000	705,000

CAPITAL IMPROVEMENT PROGRAM FY '19 *thru* FY '23

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.

FY19: Maryland Avenue Medians as requested by Neighborhood 1st Group ($30,000).

FY20: Mulberry Ave. Crosswalk ($40,000)

FY19 - FY23: 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 '19	FY '20	FY '21	FY '22	FY '23	Total
Construction/Maintenance	30,000	40,000	20,000	20,000	20,000	130,000
Total	30,000	40,000	20,000	20,000	20,000	130,000

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
CIP Fund Balance	6,000					6,000
Grants-State	24,000	32,000	16,000	16,000	16,000	104,000
Transfers to CIP-General Fund		8,000	4,000	4,000	4,000	20,000
Total	30,000	40,000	20,000	20,000	20,000	130,000

CAPITAL IMPROVEMENT PROGRAM

FY '19 *thru* FY '23

City of Hagerstown, Maryland

Project # **45-C0568**

Project Name **Cable Inet**

Type	Improvement	**Department**	Information Technology
Useful Life	10 years	**Contact**	Nicewarner
Category	Machinery and Equipment	**Priority**	Contract Obligation
Location:	City-Wide		
Year Submitted:	2001		
		Status	Active

Description

Per the Cable Franchise Agreement with Antietam Cable, funds are provided to this CIP to allow fo 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 through the cable franchise agreement in place with Antietam Cable.

Budget Impact/Other

Expenditures	FY '19	FY '20	FY '21	FY '22	FY '23	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 '19	FY '20	FY '21	FY '22	FY '23	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 '19 *thru* FY '23

City of Hagerstown, Maryland

Project # **45-C0569**

Project Name **Cable PEG**

Type	Improvement	**Department**	Information Technology
Useful Life	10 years	**Contact**	Nicewarner
Category	Machinery and Equipment	**Priority**	Contract Obligation
Location:	City-Wide		
Year Submitted:	2015		
		Status	Active

Description

Per the Cable Franchise Agreement with Antietam Cable, funds are provided to this CIP to allow for the maintenance and enhancement of the Public, Educational, and Government services provided by the agreement. These funds will go towards continued modifications/expansion of services from the TV studio, improvements to the BOE and HCC video production equipment, and other equipment needs as provided by the agreement.

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 '19	FY '20	FY '21	FY '22	FY '23	Total
Equip/Vehicles/Furnishings	217,837	42,000	42,000	42,000	42,000	385,837
Total	217,837	42,000	42,000	42,000	42,000	385,837

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
CIP Fund Balance	175,837					175,837
PEG Fee	42,000	42,000	42,000	42,000	42,000	210,000
Total	217,837	42,000	42,000	42,000	42,000	385,837

CAPITAL IMPROVEMENT PROGRAM FY '19 *thru* FY '23

City of Hagerstown, Maryland

Project # **45-C0570**

Project Name **Parks Vehicles and Equipment**

Type Replacement
Useful Life 5 - 10 years
Category Automobiles and Trucks
Location: Fairground Park
Year Submitted: Ongoing

Department Parks
Contact Tissue
Priority Planned Improvement
Status Active

Description

We have deferred vehicle replacements and need to start replacing worn out items. See Vehicle and Equipment replacement schedule.

FY19: Replace 2004 JD Gator #317 ($8,000), 2007 Bobcat loader #319 ($60,000).

FY20: Replace 2007 JD Gator #378 ($10,000), 1995 Gravely PM Mower #379 ($12,000), Stump Grinder for Bobcat ($8,000), 2004 John Deere backhoe #333 ($100,000)

FY21: Replace 2007 Chevy 2500 4x4 #331 ($38,000) and Gator #349 ($10,000)

FY22: Replace 2008 Ford F550 Dump Truck #305 ($70,000)

FY23: Tree Chipper ($42,000) and replace 2009 Chevy 2500 4x4 #302 ($38,000)

Justification

Improved Service.

Budget Impact/Other

Based on a 20 year term at 2.52%, annual debt service impact for the 2017A general fund supported bond issue of $80K is $5.1K.

Based on a 20 year term at 4.25%, preliminary annual debt service impact for the future 2019 general fund supported bond issue of $50K is $4.3K.

Expenditures	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Equip/Vehicles/Furnishings	68,000	130,000	48,000	70,000	80,000	396,000
Total	68,000	130,000	48,000	70,000	80,000	396,000

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Bond Financing (General Fund)	50,000	100,000		70,000		220,000
Prior Bond Proceeds	10,000					10,000
Transfers to CIP-General Fund	8,000	30,000	48,000		80,000	166,000
Total	68,000	130,000	48,000	70,000	80,000	396,000

CAPITAL IMPROVEMENT PROGRAM FY '19 *thru* FY '23

City of Hagerstown, Maryland

Project # **45-C0594**

Project Name **Installation of Street Trees**

Type Improvement
Useful Life 100 years
Category Land Improvements
Location: City-Wide
Year Submitted: Ongoing

Department Engineering
Contact Tissue
Priority Planned Improvement

Status Active

Description

Installation of street trees to improve aesthetics and livability. 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 National Wildlife Federation 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 can be minimized by selecting appropriate species).

Expenditures	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Construction/Maintenance	60,000	40,000	40,000			140,000
Total	60,000	40,000	40,000			140,000

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Grants-Private	45,000					45,000
Reforestation Funds	10,000	40,000	40,000			90,000
Transfers to CIP-General Fund	5,000					5,000
Total	60,000	40,000	40,000			140,000

CAPITAL IMPROVEMENT PROGRAM

FY '19 *thru* FY '23

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.

FY19: Haven Road $550,000 (Safe Routes Grant $440,000), City Match ($110,000)
Carr Street $60,000 (CDBG)
Snyder Avenue $40,000 (CDBG)

FY22: Route 65 (East Side) from Wilson Blvd. to Scarlett Hills $500,000

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 '19	FY '20	FY '21	FY '22	FY '23	Total
Construction/Maintenance	650,000			500,000		1,150,000
Total	650,000			500,000		1,150,000

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Grants-State	440,000			500,000		940,000
Grants-State Aid in Lieu of Urban Funds	110,000					110,000
Transfers to CIP-CDBG Fund	100,000					100,000
Total	650,000			500,000		1,150,000

CAPITAL IMPROVEMENT PROGRAM

FY '19 *thru* FY '23

City of Hagerstown, Maryland

Project # **45-C0606**

Project Name **Eastern Boulevard North Extension**

Type Improvement
Useful Life 25 years
Category Infrastructure-Streets
Location: Eastern Blvd
Year Submitted: 2004

Department Engineering
Contact Tissue
Priority Planned Improvement

Status Active

Description

This is a new four-lane section connecting Eastern Boulevard @ Antietam Drive to Leitersburg Pike @ Marsh Pike intersection. Road is 6,400 lineal feet and improves intersections at each end. This is assumed to be a county project but is expected to be built to City street standards. Majority of right-of-way is anticipated to be donated, but is valued at approximately $1,500,000. City will contribute funds donated by local Cortland development ($335,524).

Justification

Increase traffic capacity, minimize congestion on Route 60 from Marsh Pike to Northern Avenue, and opens land for additional development and County park lands.

The draft Comp Plan recommends working with other agencies to pursue the timely complettion of selected projects that facilitate traffic movement around the City's periphery. The project was specifically identified.

Budget Impact/Other

Assuming annexation and City taking over road maintenance, long-term increase of roughly $30,000 annually for plowing, pavement, maintenance, and pavement markings on new road within the City limits. Additional lighting costs of $4,000 annually.

Expenditures	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Construction/Maintenance				335,524		335,524
Total				335,524		335,524

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Contribution by Others				335,524		335,524
Total				335,524		335,524

CAPITAL IMPROVEMENT PROGRAM

FY '19 *thru* FY '23

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. Cost is estimated at $8.5 million which is unattainable at this time.

FY20: Paint old seats or cover them to improve aesthetics ($10,000)
FY21: Garage Door Replacements ($10,000)
FY22: Flat Roof Replacements ($30,000)
FY23: Misc. Repairs ($10,000)

Justification

Rehabs deteriorating facilities, adds to community and allows the park to be used all four seasons of the year.

The Comprehensive Plan recommends exploring development of an indoor recreation center with multi-purpose rooms for use by residents and community groups.

Budget Impact/Other

Expenditures	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Construction/Maintenance		10,000	10,000	30,000	10,000	60,000
Total		10,000	10,000	30,000	10,000	60,000

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Transfers to CIP-General Fund		10,000	10,000	30,000	10,000	60,000
Total		10,000	10,000	30,000	10,000	60,000

CAPITAL IMPROVEMENT PROGRAM

FY '19 *thru* FY '23

City of Hagerstown, Maryland

Project # **45-C0626**

Project Name **Fairgrounds Park Improvements**

Type Improvement
Useful Life 15 - 25 years
Category Infrastructure-Streets
Location: Fairground Park
Year Submitted: 2004

Department Parks
Contact Tissue
Priority Planned Improvement

Status Active

Description

Maintenance and Improvements to various items in the park per the following schedule:

FY19: Entrance Building Stabilization ($150,000)
FY20: Stable Roof ($10,000)
FY21: BMX Lights ($40,000)
FY23: Parking Improvements, lot below BMX track ($250,000)

Justification

Stable roofs are failing in storms, recommend systematic approach to replace.

Budget Impact/Other

Expenditures	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Construction/Maintenance	150,000	10,000	40,000		250,000	450,000
Total	150,000	10,000	40,000		250,000	450,000

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
CIP Fund - GF Fund Balance	75,000					75,000
Grants-State	75,000		4,000			79,000
Grants-State Program Open Space			36,000		175,000	211,000
Transfers to CIP-General Fund		10,000			75,000	85,000
Total	150,000	10,000	40,000		250,000	450,000

CAPITAL IMPROVEMENT PROGRAM FY '19 *thru* FY '23

City of Hagerstown, Maryland

Project # **45-C0637**

Project Name **Storm Water Management Implementation**

Type	Improvement	**Department**	Engineering
Useful Life	Indefinite	**Contact**	Tissue
Category	Infrastructure-Storm Drains	**Priority**	Probable Grant
Location:	City-Wide		
Year Submitted:	Ongoing		
		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.

FY19-FY23: Construct stormwater retrofit facilities at Hagerstown Greens and other locations as identified.

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 at 3.06%, the debt service impact from the 2015A general fund supported bond issue of $100K is $6.1K.

Expenditures	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Planning/Design	50,000	50,000	20,000	20,000	20,000	160,000
Construction/Maintenance	430,000	280,000	80,000	80,000	80,000	950,000
Total	480,000	330,000	100,000	100,000	100,000	1,110,000

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
CIP Fund Balance	69,116					69,116
Grants-Federal	400,000	250,000				650,000
Prior Bond Proceeds	10,884					10,884
Stormwater Fee		80,000	100,000	100,000	100,000	380,000
Total	480,000	330,000	100,000	100,000	100,000	1,110,000

CAPITAL IMPROVEMENT PROGRAM FY '19 *thru* FY '23

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.

FY19: Potential projects to narrow streets or install BMP's (Best Management Practices) include:
Baltimore @ Potomac Street
Mulberry Avenue @ Pangborn Blvd.
Maryland Avenue

FY20: Urban Improvement Project

FY21 - FY23: Addressing future storm water EPA mandates. (Associated with CIP #0637)

Justification

Anticipated NPDES (National Pollutant Discharge Elimination System) regulations will require the City to provide stormwater management for existing impervious surfaces; "Green Street" elements can be incorporated in narrow street corridors where there is not sufficient space for traditional facilities, and can enhance the envrionmental value of the streetscape.

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 '19	FY '20	FY '21	FY '22	FY '23	Total
Construction/Maintenance	80,000	80,000	80,000	80,000	80,000	400,000
Total	80,000	80,000	80,000	80,000	80,000	400,000

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Grants-State	70,000	70,000	70,000	70,000	70,000	350,000
Stormwater Fee		10,000	10,000	10,000	10,000	40,000
Transfers to CIP-General Fund	10,000					10,000
Total	80,000	80,000	80,000	80,000	80,000	400,000

CAPITAL IMPROVEMENT PROGRAM

FY '19 *thru* FY '23

City of Hagerstown, Maryland

Project # **45-C0640**

Project Name **Signal Timing Optimization**

Type	Improvement	**Department**	Engineering
Useful Life	5 years	**Contact**	Tissue
Category	Machinery and Equipment	**Priority**	Planned Improvement
Location:	City-Wide		
Year Submitted:	Ongoing		
		Status	Active

Description

Evaluate existing signals using computer modeling and re-time signals based on the ever changing traffic volume.

FY20: Eastern Blvd. at Memorial and Memorial Blvd. at Frederick Street

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 '19	FY '20	FY '21	FY '22	FY '23	Total
Planning/Design		25,000				25,000
Total		25,000				25,000

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
CIP Fund Balance		9,000				9,000
Transfers to CIP-General Fund		16,000				16,000
Total		25,000				25,000

CAPITAL IMPROVEMENT PROGRAM FY '19 *thru* FY '23

City of Hagerstown, Maryland

Project # **45-C0663**

Project Name **Fire Department Breathing Apparatus Equip**

Type	Replacement	**Department**	Fire
Useful Life	15 years	**Contact**	Lohr
Category	Machinery and Equipment	**Priority**	Planned Improvement
Location:	Fire Dept Admin		
Year Submitted:	2014		
		Status	Active

Description

FY19: Replacement of damaged apparatus as needed.

FY23: Replacing 80 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

Immediate replacement of the existing cascade cylinders and filling station is needed in FY18-19 to fill and top off cylinders after fires and training sessions. The existing cascade system will no longer meet the needs of cylinders needed filled with high pressure air. (The cascade system is used to fill the cylinders with air needed for Firefighters to breath while fighting fires.)

The donation of 100 slightly used SCBA's and facepieces was completed in 2017 while also providing upgraded facepieces and voice annunciators. Therefore, the need to replace all SCBA's (Harnesses and frames) can be deferred until FY23. The recommended budget number of $800,000 is projected for that date and will account for the next three-year revision to the standard that drives the minimum requirements for SCBA. In the interim, and to avoid the full replacement, cylinders will need to be purchased as they go out of test date.

Budget Impact/Other

Maintenance funds will be requested in the operating budget to maintain all SCBA's, testing equipment for an additional 3-5 years.

Expenditures	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Equip/Vehicles/Furnishings	15,000				800,000	815,000
Total	15,000				800,000	815,000

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Grants-State					720,000	720,000
Transfers to CIP-General Fund	15,000				80,000	95,000
Total	15,000				800,000	815,000

CAPITAL IMPROVEMENT PROGRAM FY '19 *thru* FY '23

City of Hagerstown, Maryland

Project # **45-C0678**

Project Name **Planning & Code Admin Vehicles**

Type Replacement
Useful Life 5 years
Category Automobiles and Trucks
Location: City-Wide
Year Submitted: 2018

Department Planning
Contact Maher
Priority Cost Avoidance

Status Active

Description

Vehicle replacements

FY20: 2003 Chevy Cavalier #475 ($25,000); 2006 Chevy Colorado #458 ($25,000), 2006 Chevy Colorado #450 ($25,000)

FY21: 2005 Chevy Colorado #474 ($25,000), 2004 Chevy Colorado #455 ($25,000); 2006 Chevy Colorado #471 ($25,000)

FY22: 2005 Jeep Liberty #472 ($25,000), 2006 Jeep Liberty #453 ($25,000)

FY23: 2007 Ford Ranger #452 ($25,000)

Justification

Staff need dependable vehicles to conduct daily inspections and patrols of the city. Vehicles are also used to carry materials to sites to secure vacant structures, etc.

Budget Impact/Other

Expenditures	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Equip/Vehicles/Furnishings		75,000	75,000	50,000	25,000	225,000
Total		75,000	75,000	50,000	25,000	225,000

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Transfers to CIP-General Fund		75,000	75,000	50,000	25,000	225,000
Total		75,000	75,000	50,000	25,000	225,000

CAPITAL IMPROVEMENT PROGRAM

FY '19 *thru* FY '23

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 recently completed 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 as a means of providing a connection between the Eastern Boulevard corridor and Robinwood Drive area.

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 of the City's section (if it occurs) will start in 2020 and be completed in 2021.

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 $35,000 annually for plowing, pavement maintenance and pavement markings on new road within City limits. Additional lighting costs of $3,000 annually. If bridge becomes part of City infrastructure, additional annuallized cost of $100,000 may be incurred.

Expenditures	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Construction/Maintenance		1,250,000	1,250,000			2,500,000
Total		1,250,000	1,250,000			2,500,000

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Bond Financing (General Fund)		1,250,000	1,250,000			2,500,000
Total		1,250,000	1,250,000			2,500,000

CAPITAL IMPROVEMENT PROGRAM

FY '19 *thru* FY '23

City of Hagerstown, Maryland

Project # **45-C0687**

Project Name **Consolidation of Public Safety Assets**

Type Replacement
Useful Life Indefinite
Category Buildings and Structures
Location: To be determined
Year Submitted: 2017

Department Fire
Contact Lohr
Priority Planned Improvement
Status Active

Description

Combine and collocate Hagerstown and Washington County Public Safety Assets

Justification

Consolidation of administrative, command staff and training staffs offer value assuming the facility is located within the Hagerstown Corporate Boundary.

In an ongoing effort to improve deployment models and eliminate redundant services, an amount up to $2.1 million dollars is requested in FY19 to match County funds to rehabilitate and, or, build our new facility. As an option 2, in the event the project fails to move forward, these funds can be directed to an addition and/or rehabilitation to the existing market house, acquisition, design build of a headquarters fire station in the South End or erection of a facility at the former Massey building on East Baltimore Street.

Budget Impact/Other

Based on a 20 year term at 4.25%, preliminary annual debt service impact for the 2019 general fund supported bond issue of $2.1M is $156.2K.

Expenditures	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Construction/Maintenance	2,100,000					2,100,000
Total	2,100,000					2,100,000

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Bond Financing (General Fund)	2,100,000					2,100,000
Total	2,100,000					2,100,000

CAPITAL IMPROVEMENT PROGRAM

FY '19 *thru* FY '23

City of Hagerstown, Maryland

Project # **45-C0717**

Project Name **Multi-Use Trails**

Type	Improvement	**Department**	Parks
Useful Life	15 - 25 years	**Contact**	Tissue
Category	Land Improvements	**Priority**	Probable Grant
Location:	Memorial Blvd		
Year Submitted:	2011		
		Status	Active

Description

FY19: Bike Lanes and Related issues.

FY21: Construct a multi-use (pedestrian, bicycle, rollerblade, etc.) path and/or trail adjacent to Marsh Run. Marsh Run Trail would connect City Park to Municipal Stadium. Project is complete east of Potomac Street. Preliminary design of the 2000 LF "missing link" of the "Marsh Run" Trail commenced in 2015 and is funded by a "Bike Maryland" MDOT Grant. CSXRR granted initial permission to install a tunnel under their spur. 2018 and 2019 will be the final design and construction will be in 2020/2021.

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 '19	FY '20	FY '21	FY '22	FY '23	Total
Construction/Maintenance	48,000		2,500,000			2,548,000
Total	48,000		2,500,000			2,548,000

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Grants-Federal			2,500,000			2,500,000
Grants-State	48,000					48,000
Total	48,000		2,500,000			2,548,000

CAPITAL IMPROVEMENT PROGRAM FY '19 *thru* FY '23

City of Hagerstown, Maryland

Project # **45-C0718**

Project Name **Public Works Storage Yard Expansion**

Type Improvement
Useful Life 50 years
Category Buildings and Structures
Location: 50 W. Memorial Blvd.
Year Submitted: 2006

Department Public Works
Contact Deike
Priority Planned Improvement

Status Active

Description

Develop the vacant lot across from the Department of Public Works and Bester Elementary School.

FY21: Site planning for a new facility.
FY21-22: Construct a new Public Works vehicle and equipment storage building.

Justification

Master plan approved by the Mayor and Council. This building would allow protection from the elements for many of the trucks and equipment.

Budget Impact/Other

Additional building maintenance costs and grounds costs.

Expenditures	FY '19	FY '20	FY '21	FY '22	FY '23	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 '19	FY '20	FY '21	FY '22	FY '23	Total
Bond Financing (General Fund)			375,000	525,000		900,000
Transfers to CIP-General Fund			10,000			10,000
Total			385,000	525,000		910,000

CAPITAL IMPROVEMENT PROGRAM

FY '19 *thru* FY '23

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

FY21 & FY22: 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 '19	FY '20	FY '21	FY '22	FY '23	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 '19	FY '20	FY '21	FY '22	FY '23	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 '19 *thru* FY '23

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 '19	FY '20	FY '21	FY '22	FY '23	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 '19	FY '20	FY '21	FY '22	FY '23	Total
Bond Financing (General Fund)		280,000	1,000,000	1,000,000		2,280,000
Contribution by Others			500,000	2,400,000		2,900,000
Total		280,000	1,500,000	3,400,000		5,180,000

CAPITAL IMPROVEMENT PROGRAM

FY '19 *thru* FY '23

City of Hagerstown, Maryland

Project # 45-C0739

Project Name Municipal Financial System

Type	Maintenance	**Department**	Information Technology
Useful Life	5 years	**Contact**	Nicewarner
Category	Software	**Priority**	Planned Improvement
Location:	City Hall		
Year Submitted:	2007-2008		
		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, and potential new features provided by the implementation of the web interface version.

Justification

Our City workforce has become an increasingly mobile one. There are now needs for the ability of staff to access our financial systems from the field be it on an inspection site, Engineering or Utility project. The enhancements to our financial system will provide increased efficiencies for staff in the field to better respond to the needs of the citizens.

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 '19	FY '20	FY '21	FY '22	FY '23	Total
Equip/Vehicles/Furnishings	16,000					16,000
Other		16,000	16,000	16,000	16,000	64,000
Total	16,000	16,000	16,000	16,000	16,000	80,000

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Transfers to CIP-Electric Fund	4,000	4,000	4,000	4,000	4,000	20,000
Transfers to CIP-General Fund	4,000	4,000	4,000	4,000	4,000	20,000
Transfers to CIP-Wastewater Fund	4,000	4,000	4,000	4,000	4,000	20,000
Transfers to CIP-Water Fund	4,000	4,000	4,000	4,000	4,000	20,000
Total	16,000	16,000	16,000	16,000	16,000	80,000

CAPITAL IMPROVEMENT PROGRAM FY '19 *thru* FY '23

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.

FY19: Development of "Thomas Kennedy" park on E. Baltimore Street in conjunction with local group; construction to start spring/summer 2018.

FY22: Project to be determined.

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 '19	FY '20	FY '21	FY '22	FY '23	Total
Construction/Maintenance	330,000			100,000		430,000
Total	330,000			100,000		430,000

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
CIP Fund - GF Fund Balance	30,000					30,000
Contribution by Others	300,000			100,000		400,000
Total	330,000			100,000		430,000

CAPITAL IMPROVEMENT PROGRAM

FY '19 *thru* FY '23

City of Hagerstown, Maryland

Project # **45-C0774**

Project Name **Antietam Creek Greenway Trail**

Type	Improvement	**Department**	Parks
Useful Life	25 - 50 years	**Contact**	Tissue
Category	Land Improvements	**Priority**	Planned Improvement
Location:	Howell Road to Funkstown		
Year Submitted:	2009		
		Status	Active

Description

Although project will be development driven, discussions have occurred with the property owner and the Town of Funkstown and interest was expressed by both parties for this project. Land would be donated by the property owner and the portion of the trail in Hagerstown would be developed by the City. State grant funding would be explored to facilitate the project.

Assume cost to pave 10' wide trail at approximately $60 per linear foot. Project is assumed to be from Howell Road to Funkstown (about 8,000 LF) and could be done in phases.

Justification

The Comprehensive Plan identifies as an issue the fact that there is little public access to Antietam Creek and other streams that could serve as greenways. The draft Plan recommends that the City investigate potential locations for linear parks along Antietam Creek and Hamilton Run.

This project is also consistent with the City's most recent Strategic Plan.

Budget Impact/Other

Assume $7,000 in annual lighting costs and $14,000 annually in pavement maintenance costs (to overlay after 25 years.)

Expenditures	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Land Acquisition			150,000			150,000
Construction/Maintenance				480,000		480,000
Total			150,000	480,000		630,000

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Contribution by Others			150,000			150,000
Grants-State				432,000		432,000
Transfers to CIP-General Fund				48,000		48,000
Total			150,000	480,000		630,000

CAPITAL IMPROVEMENT PROGRAM FY '19 *thru* FY '23

City of Hagerstown, Maryland

Project # **45-C0812**

Project Name **Pangborn Lake Reconstruction**

Type Improvement
Useful Life 50 years
Category Storm Water
Location: Pangborn Park
Year Submitted: 2010

Department Parks
Contact Tissue
Priority Documented Savings

Status Active

Description

Dredging of lake, replacement of deteriorating stone walls, construction of fishing pier, improve lake inflow/outflow, restore adjacent Hamilton Run with natural techniques. Reviewed with Mayor & Council September 2017.

Design work will be completed in early 2018. We have obtained "Waterway Construction Permit" and MHT & MDE approvals.

City staff sought grant funding for a portion of this project but nothing really available.

Justification

Water in lake is less than 6" deep in places due to sedimentation, walls are deteriorating, drains not functioning.

Budget Impact/Other

Less maintenance of walls, more vegetation to maintain.

Based on a 20 year term at 4.25%, preliminary annual debt service impact for the 2019 general fund supported bond issue of $1M is $74.9K.

Expenditures	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Construction/Maintenance	1,000,000					1,000,000
Total	1,000,000					1,000,000

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Bond Financing (General Fund)	1,000,000					1,000,000
Total	1,000,000					1,000,000

CAPITAL IMPROVEMENT PROGRAM

FY '19 *thru* FY '23

City of Hagerstown, Maryland

Project # **45-C0822**

Project Name **Potterfield Pool Improvements**

Type Improvement
Useful Life 25 years
Category Buildings and Structures
Location: Potterfield Pool
Year Submitted: 2011

Department Parks
Contact Tissue
Priority Improve Service
Status Active

Description

Maintaining the pool and adding attractions periodically is essential to keeping this facility a vibrant recreation option for city residents.

FY19: Replace Sand Filters ($30,000)
FY20: Whitecoat replacement in deep end and deck caulking ($50,000).
FY21: Flooring in locker rooms ($30,000)
FY22: Roof ($20,000)
FY23: Various Improvements ($20,000)

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 '19	FY '20	FY '21	FY '22	FY '23	Total
Construction/Maintenance	30,000	50,000	30,000	20,000	20,000	150,000
Total	30,000	50,000	30,000	20,000	20,000	150,000

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
CIP Fund - GF Fund Balance	30,000					30,000
Grants-State Program Open Space		45,000				45,000
Transfers to CIP-General Fund		5,000	30,000	20,000	20,000	75,000
Total	30,000	50,000	30,000	20,000	20,000	150,000

CAPITAL IMPROVEMENT PROGRAM FY '19 *thru* FY '23

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 Board of Directors, called the Hagerstown Ice Amateur Athletic Association (HIAAA), began operating the rink in April 2014. The HIAAA is comprised of all the user groups and at-large members. The operating agreement calls for the City to pay for 75% of the capital improvements to the building and ice making equipment with the balance being contributions by HIAAA or others.

FY19-23: Long term maintenance work per the user agreement.

The rental income that will be used in the operating budget to offset the City's portion of utility costs.

FY19: Compressor Repair ($18,000), already committed to by written MOU
FY20: Fire Alarm System ($30,000)
FY21: Roof Insulation ($50,000)
FY22-FY23: Various Repairs ($10,000)

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 '19	FY '20	FY '21	FY '22	FY '23	Total
Construction/Maintenance	18,000	30,000	50,000	10,000	10,000	118,000
Total	18,000	30,000	50,000	10,000	10,000	118,000

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Contribution by Others	4,500	7,500	12,500	2,500	2,500	29,500
Transfers to CIP-General Fund	13,500	22,500	37,500	7,500	7,500	88,500
Total	18,000	30,000	50,000	10,000	10,000	118,000

CAPITAL IMPROVEMENT PROGRAM

FY '19 *thru* FY '23

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. Getac tablets for 12 apparatus.

Justification

Fire Computers:
CAD based Fire Station Alerting (FSA) monitors and a computer to drive FSA were completed in all City and Volunteer owned stations using primarily volunteer funds. The City has approved an emergency procurement of 450 MHz voice pagers for command staff and all stations to deal with repeated FSA failures as a redundant backup pending resolution of FSA permanent fixes, (placeholder for negotiations). It is recommended that the City pursue a permanent FSA fix utilizing current technologies with or without the cooperation of the Volunteer based system.

All primary response vehicles have been equipped with SurfacePro tablets to meet the minimum connectivity and software needs for response and reporting compliance. Replacement of these devices including hardware and software will be placed in a five (5) year replacement cycle (FY23).

IT infrastructure remains a challenge for the HFD. IT has agreed to run and install basic internet surface separate and distinct from the current volunteer controlled installs that have been prone to failures. A total of 12 desktop computers/monitors/printers and software are requested as early in FY19 as possible to replace legacy units that were purchased by a variety of others. The City infrastructure would be locked out to anyone other than city employees to provide reliable payroll, email and reporting.

Public Safety Radios:
Radios are still in FY20 pending collaboration decisions from both HPD and more importantly, WCDES. The $15,000 maintenace of effort dollars should be established in operating for breakage, batteries and accessories each year.

Budget Impact/Other

Expenditures	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Equip/Vehicles/Furnishings	24,900	865,000	15,000	15,000	15,000	934,900
Total	24,900	865,000	15,000	15,000	15,000	934,900

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Bond Financing (General Fund)		865,000				865,000
Transfers to CIP-General Fund	24,900		15,000	15,000	15,000	69,900
Total	24,900	865,000	15,000	15,000	15,000	934,900

CAPITAL IMPROVEMENT PROGRAM

FY '19 *thru* FY '23

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. Repairs of the 5 worst areas identified in the August 2013 inspections were completed in the Fall of 2014 for $100,000. Additional repairs completed in 2017. This is an ongoing maintenance issue.

FY22: Ongoing repairs to continue on other areas identified during inspection. Include concrete wall repairs across from Dept. of Public Works.

Justification

This work will help avoid larger expenditures and costly operating maintenace repairs in the future.

Budget Impact/Other

Expenditures	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Construction/Maintenance				350,000		350,000
Total				350,000		350,000

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Bond Financing (General Fund)				350,000		350,000
Total				350,000		350,000

CAPITAL IMPROVEMENT PROGRAM

FY '19 *thru* FY '23

City of Hagerstown, Maryland

Project # **45-C0860**

Project Name **Mobile License Plate Readers**

Type	Unassigned	**Department**	Police
Useful Life	5 years	**Contact**	Brito
Category	Machinery and Equipment	**Priority**	Public Safety
Location:	Police Department		
Year Submitted:	2014		
		Status	Active

Description

FY20-21: One Unit each year at $30,000 each.

Justification

LPR technology uses specialized cameras and computers to quickly capture large numbers of license plate photographs and compare them to a list of plates of interest. LPR systems can identify a target plate within seconds of reading it, allowing law enforcement to identify target vehicles that may otherwise be overlooked.

The LPR is a tool with a variety of uses, including the detection of stolen vehicles, vehicles with revoked or suspended registrations, uninsured vehicles, vehicles operated by drivers with suspended or revoked licenses. It is also used to detect vehicles involved in other crimes, and in finding wanted and missing persons.

Budget Impact/Other

Post-warrranty maintenance is assumed in the department operating budget.

Expenditures	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Equip/Vehicles/Furnishings		30,000	30,000			60,000
Total		30,000	30,000			60,000

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Transfers to CIP-General Fund		30,000	30,000			60,000
Total		30,000	30,000			60,000

CAPITAL IMPROVEMENT PROGRAM

FY '19 *thru* FY '23

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 to Longmeadow Park and is severely eroding the banks. In conjunction with local landowners, this project will improve the stream and recreational opportunities at the park. City staff has applied for a Federal Grant for this project. City match will be General Fund-Fund Balance.

FY22: 900' Long stream restoration project ($650,000)
FY23: Improve paths to Country Club Road with bridge over Hamilton Run ($150,000)

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 '19	FY '20	FY '21	FY '22	FY '23	Total
Construction/Maintenance				650,000	150,000	800,000
Total				650,000	150,000	800,000

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Grants-State				590,000	136,000	726,000
Transfers to CIP-General Fund				60,000	14,000	74,000
Total				650,000	150,000	800,000

CAPITAL IMPROVEMENT PROGRAM

FY '19 *thru* FY '23

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. Most grants require a 1:1 match to any money they supply to the project.

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 '19	FY '20	FY '21	FY '22	FY '23	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 '19	FY '20	FY '21	FY '22	FY '23	Total
CIP Fund - GF Fund Balance	10,000					10,000
Grants-Private	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 '19 *thru* FY '23

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

Two city owned facilities (FD Headquarters/Shift Commanders Office in a portion of the market house, and E-3, T-1 @ 100 Eastern Boulevard are the only remaining city owned response facilities. Finally, the HFD training center is owned and maintained by the City on Bowman Avenue. A separate CIP exists for that facility.

FY 19 :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. ($40,000)

FY19: Independent Junior Fire Engine Company #3: Repair/replacement of construction, plumbing and electrical services. ($70,000)

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.

For each of the out years, $40,000 is requested for each facility to maintain and equip as necessary. Given the reassignment of personnel from T-1 and the need to relocate services to city owned facilities, design money is requested to explore an addition to, and, or renovations to both Eastern Blvd. and Church Street.

Budget Impact/Other

Expenditures	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Construction/Maintenance	110,000	120,000	120,000	120,000	120,000	590,000
Total	110,000	120,000	120,000	120,000	120,000	590,000

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
CIP Fund Balance	40,000					40,000
Transfers to CIP-General Fund	70,000	120,000	120,000	120,000	120,000	550,000
Total	110,000	120,000	120,000	120,000	120,000	590,000

CAPITAL IMPROVEMENT PROGRAM

FY '19 *thru* FY '23

City of Hagerstown, Maryland

Project # **45-C0873**

Project Name **Wesel Blvd Reconstruction**

Type Improvement

Useful Life 40 years

Category Infrastructure-Streets

Location: S.Burhans Blvd to Heister St

Year Submitted: 2018

Department Engineering

Contact Tissue

Priority Planned Improvement

Status Active

Description

Full rehabilitation of sections of roadway that are experiencing subgrade failure, and structural overlays of sections where surface pavement has deteriorated.

Justification

Repeated and continuing pavement failures that cannot be remedied by mill and overlay.

Budget Impact/Other

Expenditures	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Construction/Maintenance		500,000				500,000
Total		500,000				500,000

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Bond Financing (General Fund)		500,000				500,000
Total		500,000				500,000

CAPITAL IMPROVEMENT PROGRAM FY '19 *thru* FY '23

City of Hagerstown, Maryland

Project # **45-C0875**

Project Name **Urban Improvement Project (Plaza)**

Type	Improvement	**Department**	Engineering
Useful Life	50 years	**Contact**	Tissue
Category	Infrastructure-Parks	**Priority**	Planned Improvement
Location:	Behind Maryland Theater		
Year Submitted:	2017		
		Status	Active

Description

Project formerly C0854 Downtown Redevelopment.

In conjunction with our partners, the City of Hagerstown is planning the construction of the proposed plaza associated with the Urban Improvement Project. The Plaza will serve as a public multi-purpose public space and will be used for informal student gatherings, downtown events, and staging for buses and theater production vehicles. A final phase of the Cultural Trail (CIP 0140) will extend through the plaza. With the conclusion of this project, the Hagerstown Cultural Trail and the Market Walk will link the City Park and the Washington County Museum of Fine Arts, the Downtown Arts and Entertainment District, and the City Farmers' market, the oldest continuously operating farmers' market in the State of Maryland.

FY19: Placement of Overhead wires underground ($843,000)
FY19: Construction of Plaza (Coordinate and construct concurrently with CIP C0140, $1,200,000)

Justification

A partnership between the Board of Washington County Commissioners, the City of Hagerstown, the Washington County Board of Education (BOE), the Maryland Theatre and the University System of Maryland at Hagerstown (USMH) has been formed in support of several key projects that tie into the revitalization of the urban core of the City of Hagerstown. Projects include the planning and construction of a plaza, expansion of the Maryland Theatre, an urban educational complex with BOE and USMH components.

Budget Impact/Other

Based on a 20 year term at 4.25%, preliminary annual debt service impact for the 2019 general fund supported bond issue of $1M is $74.9K.

Expenditures	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Construction/Maintenance	2,043,000					2,043,000
Total	2,043,000					2,043,000

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Bond Financing (General Fund)	1,000,000					1,000,000
Grants-State	643,000					643,000
Grants-State CP&P	200,000					200,000
Grants-State Governor Bond Bill	200,000					200,000
Total	2,043,000					2,043,000

CAPITAL IMPROVEMENT PROGRAM

FY '19 *thru* FY '23

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.
FY19 - Replace 1999 Digger Derrick 120
FY20 - Replace 2003 Bucket Truck 124
FY21 - Replace 2007 Full Size Pick Up Trucks (101, 102, 122, 126, 131), 2005 Meter Van 137, and 1990 Air Compressor 134
FY22 - Replace 107 Dump, 116 Stakebody
FY23 - Replace 2004 Bucket Truck 128

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 '19	FY '20	FY '21	FY '22	FY '23	Total
Equip/Vehicles/Furnishings	250,000	250,000	230,000	215,000	250,000	1,195,000
Total	250,000	250,000	230,000	215,000	250,000	1,195,000

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Electric Fund	250,000	250,000	230,000	215,000	250,000	1,195,000
Total	250,000	250,000	230,000	215,000	250,000	1,195,000

CAPITAL IMPROVEMENT PROGRAM

FY '19 *thru* FY '23

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 2019 funds are budgeted to complete the fiber optic installation between Fairgrounds and Mitchell for SCADA communication. Fiscal Years 2020 and beyond provide for maintenance of operation. There are presently no plans for vehicle or electric meter communications. Any necessary software upgrades will be in conjunction with C0441.

Budget Impact/Other

HLD installation of communications for SCADA, metering, and system monitoring.

Expenditures	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Construction/Maintenance	10,000	10,000	10,000	10,000	10,000	50,000
Equip/Vehicles/Furnishings	15,000					15,000
Total	25,000	10,000	10,000	10,000	10,000	65,000

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Electric Fund	25,000	10,000	10,000	10,000	10,000	65,000
Total	25,000	10,000	10,000	10,000	10,000	65,000

CAPITAL IMPROVEMENT PROGRAM

FY '19 *thru* FY '23

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 '19	FY '20	FY '21	FY '22	FY '23	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 '19	FY '20	FY '21	FY '22	FY '23	Total
Electric Fund			200,000	500,000	200,000	900,000
Total			200,000	500,000	200,000	900,000

CAPITAL IMPROVEMENT PROGRAM

FY '19 *thru* FY '23

City of Hagerstown, Maryland

Project # **50-C0178**

Project Name **Building Security Improvements**

Type	Improvement	**Department**	Electric Fund
Useful Life	30 years	**Contact**	Fridinger
Category	Buildings and Structures	**Priority**	Planned Improvement
Location:	425 E. Baltimore Street		
Year Submitted:	2017		
		Status	Active

Description

Upgrade the aged building and site security system and add video surveillance to the building perimeter and wthin the substations.

Justification

Deter theft and/or vandalism of Electric Utility assets.

Budget Impact/Other

Expenditures	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Construction/Maintenance	10,000	10,000				20,000
Equip/Vehicles/Furnishings	15,000	15,000				30,000
Total	25,000	25,000				50,000

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Electric Fund	25,000	25,000				50,000
Total	25,000	25,000				50,000

CAPITAL IMPROVEMENT PROGRAM

FY '19 *thru* FY '23

City of Hagerstown, Maryland

Project # **50-C0220**

Project Name **Wesel Boulevard Development**

Type Improvement
Useful Life 50 years
Category Infrastructure-Utilities
Location: Wesel Boulevard
Year Submitted: Ongoing

Department Electric Fund
Contact Fridinger
Priority Planned Improvement

Status Active

Description

Provide for electric 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 '19	FY '20	FY '21	FY '22	FY '23	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 '19	FY '20	FY '21	FY '22	FY '23	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 '19 *thru* FY '23

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.
FY19 - Central from Florida to Salem
FY20 - Haven Road from Pennsylvania to Outer Drive
FY21 - Wilson Blvd. from Frederick to Rose Hill
FY22 - Northern Avenue from Country Club to Pennsylvania

Justification

This project is required to improve service and reliability by replacing undersized or deteriorated cable/wire and associated equipment prior to failure.

Budget Impact/Other

Operational costs may occur as deteriorated or undersized wire fails.

Expenditures	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Construction/Maintenance	20,000	20,000	20,000	20,000	10,000	90,000
Equip/Vehicles/Furnishings	30,000	30,000	30,000	30,000	10,000	130,000
Total	50,000	50,000	50,000	50,000	20,000	220,000

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Electric Fund	50,000	50,000	50,000	50,000	20,000	220,000
Total	50,000	50,000	50,000	50,000	20,000	220,000

CAPITAL IMPROVEMENT PROGRAM FY '19 *thru* FY '23

City of Hagerstown, Maryland

Project # **50-C0388**

Project Name **Pedestrian Lighting**

Type Improvement
Useful Life 25 years
Category Infrastructure-Utilities
Location: City-Wide
Year Submitted: Ongoing

Department Electric Fund
Contact Fridinger
Priority Planned Improvement

Status Active

Description

Install ornamental street lighting in areas designated by the Mayor and City Council

FY20 - 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 '19	FY '20	FY '21	FY '22	FY '23	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 '19	FY '20	FY '21	FY '22	FY '23	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 '19 *thru* FY '23

City of Hagerstown, Maryland

Project # **50-C0441**
Project Name **SCADA System**

Type	Upgrade	**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

Maintain the current SCADA software and hardware to improve device monitoring and interrogation within the substations.

Justification

Miscellaneous software programming improvements to enhance communication performance. Any necessary hardware installation will be in conjunction with C0111.

Budget Impact/Other

Expenditures	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Construction/Maintenance	10,000	10,000	10,000	10,000	10,000	50,000
Total	10,000	10,000	10,000	10,000	10,000	50,000

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	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 '19 *thru* FY '23

City of Hagerstown, Maryland

Project # **50-C0540**

Project Name **Underground 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 aging primary underground cable in various areas throughout the HLD service territory identified by the feeder inspection program.

Justification

Replacing sections of aged primary cable will improve electric reliability in various developments/locations.

Budget Impact/Other

Decrease extensive labor to locate fault and replace cable during unplanned outages.

Expenditures	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Construction/Maintenance	15,000	15,000	10,000	10,000	10,000	60,000
Equip/Vehicles/Furnishings	10,000	10,000	5,000	5,000	5,000	35,000
Total	25,000	25,000	15,000	15,000	15,000	95,000

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Electric Fund	25,000	25,000	15,000	15,000	15,000	95,000
Total	25,000	25,000	15,000	15,000	15,000	95,000

CAPITAL IMPROVEMENT PROGRAM FY '19 *thru* FY '23

City of Hagerstown, Maryland

Project # **50-C0542**

Project Name **HLD Distribution & Administrative Office Building**

Type Improvement
Useful Life 30 years
Category Buildings and Structures
Location: 425 E. Baltimore Street
Year Submitted: 2001

Department Electric Fund
Contact Fridinger
Priority Planned Improvement

Status Active

Description

Make improvements to the HLD facility on East Baltimore Street.

Justification

Miscellaneous equipment, such as HVAC and Lighting, have been in place since the City's ownership of this facility in the mid to late 1980's. The request for these funds are to be made available in the event that replacement or significant repairs are required.

Budget Impact/Other

Expenditures	FY '19	FY '20	FY '21	FY '22	FY '23	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 '19	FY '20	FY '21	FY '22	FY '23	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 '19 *thru* FY '23

City of Hagerstown, Maryland

Project # **50-C0544**

Project Name **Bulldog Substation Upgrade**

Type Demolition

Useful Life 25 years

Category Infrastructure-Utilities

Location: Burhans Boulevard

Year Submitted: 2001

Department Electric Fund

Contact Fridinger

Priority Planned Improvement

Status Active

Description

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 '19	FY '20	FY '21	FY '22	FY '23	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 '19	FY '20	FY '21	FY '22	FY '23	Total
Electric Fund				20,000	20,000	40,000
Total				20,000	20,000	40,000

CAPITAL IMPROVEMENT PROGRAM

FY '19 *thru* FY '23

City of Hagerstown, Maryland

Project # **50-C0546**

Project Name **Streetlight Replacement**

Type Replacement

Useful Life 30 years

Category Infrastructure-Utilities

Location: Various locations

Year Submitted: 2016

Department Electric Fund

Contact Fridinger

Priority Planned Improvement

Status Active

Description

Replace direct buried streetlight circuit, obsolete fixtures, and non-standard poles as needed.

Justification

Unable to provide for replacement materials for uniformity. Contingent upon a failure of the existing direct buried cable along Noland Drive and Pangborn Blvd.

Budget Impact/Other

Decrease extensive labor to locate fault and replace.

Expenditures	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Construction/Maintenance	7,500	7,500				15,000
Equip/Vehicles/Furnishings	2,500	2,500				5,000
Total	10,000	10,000				20,000

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Electric Fund	10,000	10,000				20,000
Total	10,000	10,000				20,000

CAPITAL IMPROVEMENT PROGRAM

FY '19 *thru* FY '23

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 '19	FY '20	FY '21	FY '22	FY '23	Total
Construction/Maintenance	30,000	50,000	50,000	30,000	10,000	170,000
Equip/Vehicles/Furnishings	25,000	25,000	25,000	25,000	15,000	115,000
Total	55,000	75,000	75,000	55,000	25,000	285,000

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Contribution by Others	55,000	75,000	75,000	55,000	25,000	285,000
Total	55,000	75,000	75,000	55,000	25,000	285,000

CAPITAL IMPROVEMENT PROGRAM FY '19 *thru* FY '23

City of Hagerstown, Maryland

Project # **50-C0609**

Project Name **Test Equipment**

Type Improvement
Useful Life 10 years
Category Machinery and Equipment
Location: 425 E. Baltimore Street
Year Submitted: Ongoing

Department Electric Fund
Contact Fridinger
Priority Planned Improvement

Status Active

Description

Procure/repair test equipment to improve maintenance programs and power quality for customers, record voltages, record energy usage, test revenue meters, substation equipment maintenance testing, distribution equipment maintenance testing, etc.

Justification

Improve reliability of service and meet testing and calibration requirements set forth by the Maryland Public Service Commission.

Budget Impact/Other

Test equipment will assist staff in verifying that installed facilities are operating at peak efficiency. It will also ensure that periodic maintenance programs are accomplishing expected results which, most importantly, are to reduce equipment out-of-service time and customer outages.

Expenditures	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Equip/Vehicles/Furnishings	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 '19	FY '20	FY '21	FY '22	FY '23	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 '19 *thru* FY '23

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 '19	FY '20	FY '21	FY '22	FY '23	Total
Construction/Maintenance	10,000	10,000	10,000	10,000	10,000	50,000
Equip/Vehicles/Furnishings	50,000	50,000	50,000	50,000	50,000	250,000
Total	60,000	60,000	60,000	60,000	60,000	300,000

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Electric Fund	60,000	60,000	60,000	60,000	60,000	300,000
Total	60,000	60,000	60,000	60,000	60,000	300,000

CAPITAL IMPROVEMENT PROGRAM

FY '19 *thru* FY '23

City of Hagerstown, Maryland

Project # **50-C0778**

Project Name **Mitchell Substation Third Bay**

Type Improvement

Useful Life 50 years

Category Infrastructure-Utilities

Location: Mitchell Avenue

Year Submitted: 2009

Department Electric Fund

Contact Fridinger

Priority Planned Improvement

Status Active

Description

To provide for 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 '19	FY '20	FY '21	FY '22	FY '23	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 '19	FY '20	FY '21	FY '22	FY '23	Total
Electric Fund		60,000	100,000			160,000
Total		60,000	100,000			160,000

CAPITAL IMPROVEMENT PROGRAM

FY '19 *thru* FY '23

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 '19	FY '20	FY '21	FY '22	FY '23	Total
Equip/Vehicles/Furnishings	20,000	20,000	20,000			60,000
Total	20,000	20,000	20,000			60,000

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Electric Fund	20,000	20,000	20,000			60,000
Total	20,000	20,000	20,000			60,000

CAPITAL IMPROVEMENT PROGRAM

FY '19 *thru* FY '23

City of Hagerstown, Maryland

Project # **50-C0802**

Project Name **Wildlife Protection on Distribution System**

Type Improvement
Useful Life 25 years
Category Machinery and Equipment
Location: Various locations
Year Submitted: 2009

Department Electric Fund
Contact Fridinger
Priority Planned Improvement

Status Active

Description

Purchase and install wildlife protection on substation 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 '19	FY '20	FY '21	FY '22	FY '23	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 '19	FY '20	FY '21	FY '22	FY '23	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 '19 *thru* FY '23

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 '19	FY '20	FY '21	FY '22	FY '23	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 '19	FY '20	FY '21	FY '22	FY '23	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 '19 *thru* FY '23

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

Restore hardware to the third bay of Wesel Substation in preparation of a fifth feeder to balance load in conjunction with a phase of construction for a section of the 34.5 kV subtransmission loop between Wesel Substation and Mitchell Substation.

Justification

Improve the ability to switch load between substations, improve service outage restoration times during outages caused by downed lines or source loss, and provide the ability to offload largest distribution feeders by providing a additional tie points with increased capacity.

Budget Impact/Other

Will provide further options to switch load and expedite restoration of service to customers.

Expenditures	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Construction/Maintenance	20,000	50,000	50,000	50,000	50,000	220,000
Equip/Vehicles/Furnishings	50,000	100,000	100,000	100,000	100,000	450,000
Total	70,000	150,000	150,000	150,000	150,000	670,000

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Electric Fund	70,000	150,000	150,000	150,000	150,000	670,000
Total	70,000	150,000	150,000	150,000	150,000	670,000

CAPITAL IMPROVEMENT PROGRAM

FY '19 *thru* FY '23

City of Hagerstown, Maryland

Project # 52-C0117

Project Name Water Vehicles

Type	Replacement	**Department**	Water Fund
Useful Life	10 years	**Contact**	Hausrath
Category	Automobiles and Trucks	**Priority**	Planned Improvement
Location:	Water Department		
Year Submitted:	Ongoing		
		Status	Active

Description

FY19
Unit 208 - 2005 F550 Svc Trk $85,000.00; Unit 211 - 2009 F-750 Dump $90,000; Unit 218 -2005 F450 Meter Prg $50,000; Unit 228 - 2001 Backhoe $150,000; Unit 257 - 2005 Backhoe $125,000; Unit 214 - 2005 SUV $25,000; Unit 227 - 2003 F250 RCW $40,000; Unit 238 - 2003 Slope Mower $55,000

FY20
Unit 223 - 2006 Backhoe $125,000; Unit 233 -2008 Dump Trk 1T $60,000; Unit 252 -2000 Sonoma Trk $20,000; Unit 201 - 2007 SUV $25,000

FY21
Unit 206 - 2012 F450 Svc Trk $90,000; Unit 219 -1995 Crane Trk $155,000; Unit 235 - 2013 SUV $30,000; Unit 241 -2008 SUV $30,000

FY22
Unit 207 - 2002 International Dump $175,000; Unit 260 - 1995 F550 Svc. Trk. $90,000; Unit 230 -2012 SUV Pmp.Stat. $30,000; Unit 242 -2013 SUV RCW Sup. $30,000

FY23
Unit 200 - 2008 F150 $30,000; Unit 203 - 2006 F150 $30,000; Unit 209 - 2004 Svc. Van $40,000; Unit 224 - 2014 Excavator $150,000; Unit 244 - 2006 SUV $30,000

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 '19	FY '20	FY '21	FY '22	FY '23	Total
Equip/Vehicles/Furnishings	620,000	230,000	305,000	325,000	280,000	1,760,000
Total	620,000	230,000	305,000	325,000	280,000	1,760,000

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Water Fund	620,000	230,000	305,000	325,000	280,000	1,760,000
Total	620,000	230,000	305,000	325,000	280,000	1,760,000

CAPITAL IMPROVEMENT PROGRAM

FY '19 *thru* FY '23

City of Hagerstown, Maryland

Project # **52-C0166**

Project Name **Willson Treatment Plant**

Type Replacement
Useful Life 50 years
Category Infrastructure-Utilities
Location: Willson Plant
Year Submitted: Ongoing

Department Water Fund
Contact Hausrath
Priority Planned Improvement
Status Active

Description

FY19 - Various Plant Improvements each year for equipment replacement to include pumps, motors, communication equipment, etc. Expected work includes rebuilding a high service pump(s), rehab/replace plant oil boiler(installed in 1929), roof replacement on Plant Operations Building, etc.

Note: This work is independent of the planned Phased Plant Improvement Projects

Justification

Improve service and increase system reliability.

Budget Impact/Other

Replace and/or upgrade deteriorating equipment. In some cases a cost savings may be realized when equipment is replaced or upgraded to near original conditions.

Expenditures	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Construction/Maintenance	725,000	50,000	50,000	50,000	50,000	925,000
Equip/Vehicles/Furnishings	200,000	150,000	150,000	150,000	150,000	800,000
Engineering	100,000					100,000
Total	1,025,000	200,000	200,000	200,000	200,000	1,825,000

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Bond Financing (Water Fund)			150,000	150,000	150,000	450,000
Grant-State MDE	600,000					600,000
Water Fund	425,000	200,000	50,000	50,000	50,000	775,000
Total	1,025,000	200,000	200,000	200,000	200,000	1,825,000

CAPITAL IMPROVEMENT PROGRAM FY '19 *thru* FY '23

City of Hagerstown, Maryland

Project # **52-C0167**

Project Name **Willson Transmission Mains**

Type Improvement
Useful Life 75 years
Category Infrastructure-Utilities
Location: Willson Plant
Year Submitted: 2006

Department Water Fund
Contact Hausrath
Priority Planned Improvement

Status Active

Description

FY19 - FY23: 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)

FY22: Phase 3 - Begin design to extend new 36" Transmission Mains from the Conococheague Creek to Governors' 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 20 year term, the preliminary annual debt service impact for the 2018 MDE low interest (2%) bond issue of $500K is $31K.

Expenditures	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Construction/Maintenance		3,000,000	6,000,000		5,000,000	14,000,000
Engineering	750,000	300,000	480,000	400,000	500,000	2,430,000
Total	750,000	3,300,000	6,480,000	400,000	5,500,000	16,430,000

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
MDE Loan	500,000	3,000,000	6,000,000		5,000,000	14,500,000
Water Fund	250,000	300,000	480,000	400,000	500,000	1,930,000
Total	750,000	3,300,000	6,480,000	400,000	5,500,000	16,430,000

CAPITAL IMPROVEMENT PROGRAM

FY '19 *thru* FY '23

City of Hagerstown, Maryland

Project # **52-C0168**

Project Name **Edgemont Reservoir Improvements**

Type Improvement
Useful Life 50 years
Category Infrastructure-Utilities
Location: Watershed - Smithsburg
Year Submitted: Ongoing

Department Water Fund
Contact Hausrath
Priority Planned Improvement
Status Active

Description

FY19 - Continue to monitor reservoir seepage (Hazen and Sawyer) and make required Maryland Department of the Environment (MDE) Improvements.
FY19 -Continue the Improvement and Restoration Design in accordance with direction provided by the Mayor and City Council and as approved by MDE Dam Safety Division.
Design period extended as a result of the Ogee and Spillway not meeting current Probable Maximum Flood criteria (PMF).
FY19 - FY23 - $150,000 each year for Watershed Land Acquisition and Improvements in the Watershed
FY20-23 - Continue MDE required reservoir improvements

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 2018 MDE low interest (2%) bond issue of $1.5M is $94K.

Expenditures	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Construction/Maintenance	1,500,000	1,500,000	1,000,000	750,000	500,000	5,250,000
Other	150,000	150,000	150,000	150,000	150,000	750,000
Engineering	250,000	150,000	80,000	60,000	40,000	580,000
Total	1,900,000	1,800,000	1,230,000	960,000	690,000	6,580,000

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
MDE Loan	1,500,000	1,500,000	1,000,000	750,000	500,000	5,250,000
Water Fund	400,000	300,000	230,000	210,000	190,000	1,330,000
Total	1,900,000	1,800,000	1,230,000	960,000	690,000	6,580,000

CAPITAL IMPROVEMENT PROGRAM

FY '19 *thru* FY '23

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 '19	FY '20	FY '21	FY '22	FY '23	Total
Equip/Vehicles/Furnishings					100,000	100,000
Total					100,000	100,000

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
ARDI Fund Balance					100,000	100,000
Total					100,000	100,000

CAPITAL IMPROVEMENT PROGRAM FY '19 *thru* FY '23

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 Briechner Plant to Chloramination once the Willson Phase IV work is complete. Additional upgrades will include the electrical and SCADA equipment, internal piping and enhanced filtration sufficient to treat the raw water supply. Upgrade(s) will likely cost $5,100,000 (engineering and construction). Upgrades will be phased in once the Willson Plant upgrades are complete.

FY19-FY23: $50,000 annually for miscellaneous required rehab/replacement projects.

FY19: Begin Design for Plant upgrades for compliance with Safe Drinking Water Act Disinfectant By-Product Rule (Stage 2) requirements and the Long Term 2 Enhanced Surface Water Treatment Rule. Improvements and Edgemont Viability Study must be completed prior to this work commencing.

Justification

Replace and/or upgrade aging equipment to achieve compliance with the Safe Drinking Water Act Dininfectant By-Product Rule and the Enhanced Long Term 2 Surface Water Treatment Rule requirements and to continue to ensure a back-up water supply.
MDE Clean Water Act Program (NPDES) will require that no ammonia or phosphorus treated water discharged to the wastewater lagoon thus increasing the upgrades expenses for the plant improvements.

Budget Impact/Other

Planned improvement to enhance reliability.

Additionally based on a 20 year term, the preliminary annual debt service impact for the 2018 MDE low interest (2%) bond issue of $500K is $31K.

Expenditures	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Construction/Maintenance	500,000	2,000,000	1,500,000	50,000	50,000	4,100,000
Engineering	550,000	400,000	300,000			1,250,000
Total	1,050,000	2,400,000	1,800,000	50,000	50,000	5,350,000

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Bond Financing (Water Fund)			50,000	50,000	50,000	150,000
MDE Loan	500,000	2,000,000	1,450,000			3,950,000
Water Fund	550,000	400,000	300,000			1,250,000
Total	1,050,000	2,400,000	1,800,000	50,000	50,000	5,350,000

CAPITAL IMPROVEMENT PROGRAM FY '19 *thru* FY '23

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

FY19-FY23 - Upgrade Computer Equipment and Info-Water Program (Hydraulic Model and GIS)

The Hydraulic Model is included in this CIP which is interfaced with the City GIS Project.

Justification

To replace and/or upgrade engineering computer hardware and software.

Budget Impact/Other

To ensure accuracy and reliability of engineering equipment.

Will require funding through the operations budget 52-74001 to keep software maintenance agreements current.

Expenditures	FY '19	FY '20	FY '21	FY '22	FY '23	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 '19	FY '20	FY '21	FY '22	FY '23	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 '19 *thru* FY '23

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

FY19 - FY23: $75,000 for replacement of critical equipment at all stations (pumps, SCADA Upgrade, etc.)

FY19 - Complete the Construction Phase of the Tank Mixing System Project for compliance with the Stage 2 DBP Rule - Nitrification Control at the West End, Orchard Hills, Mack Truck, and Smithsburg tanks. Complete the E-WIP Project to Replace the low Service Pumps at RCW and PS4.

FY21 - Design of New Suction and Discharge Mains at Pump Station 6 at Greendale Street ($150,000); Misc. Pump Replacements (developer driven)

FY22 - Construction of the Pump Station 6 Improvements (suction and discharge) - Work will be contingent on the Water Master Plan Update recommendations

FY23 Design for the Relocation of PS2 ($400,000); Construction of New PS2 ($1,500,0000) - 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 20 year term, the preliminary annual debt service impact for the future 2018 MDE low interest (2%) bond issue of $310K is $19K. The balance in FY19 represents the completion of the project.

Expenditures	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Construction/Maintenance	785,000	75,000	75,000	575,000	1,575,000	3,085,000
Engineering	50,000		150,000	50,000	400,000	650,000
Total	835,000	75,000	225,000	625,000	1,975,000	3,735,000

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Contribution by Others			150,000	550,000	1,900,000	2,600,000
Grant-State MDE	242,000					242,000
MDE Loan	310,000					310,000
Water Fund	283,000	75,000	75,000	75,000	75,000	583,000
Total	835,000	75,000	225,000	625,000	1,975,000	3,735,000

CAPITAL IMPROVEMENT PROGRAM

FY '19 *thru* FY '23

City of Hagerstown, Maryland

Project # **52-C0653**

Project Name **Distribution Services - Meter Program**

Type	Replacement	**Department**	Water Fund
Useful Life	25 years	**Contact**	Hausrath
Category	Infrastructure-Utilities	**Priority**	Cost Avoidance
Location:	Water Department		
Year Submitted:	2004		
		Status	Active

Description

The Distribution System has approximately 28,000 meters - useful life of a meter is 25 years. There are approximately 330 large meters which are tested annually. MDE Policy requires we reduce our unaccounted for water to 10% or less - our lost water is about 20%. The meter program is the most cost effective way to reduce lost water through accurate metering devices. This work also ensures that all customers are paying their share of the cost to treat and deliver the water.

FY19 - Investigate a fire line metering program for existing unmetered fire line accounts which will include the evaluation of unmetered fire lines and installation of a fire meter if evaluation shows consistent use on the fire line.

Funding in FY19 through FY23 is set aside for the Meter Program to replace meters and upgrade software and/or hardware associated with the Sensus meter reading system.

Justification

Replace aging equipment to ensure water and sewer rates are an accurate reflection of the required revenue.

Budget Impact/Other

Unaccounted for water will be reduced and the appropriate fees will be collected from each customer served by Water and/or Sewer.

When project is complete, department efficiencies will increase - also expect revenues to increase associated with better read accuracy.

Expenditures	FY '19	FY '20	FY '21	FY '22	FY '23	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 '19	FY '20	FY '21	FY '22	FY '23	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 '19 *thru* FY '23

City of Hagerstown, Maryland

Project # **52-C0709**

Project Name **Distribution System Rehab - Main Replacement**

Type	Replacement	**Department**	Water Fund
Useful Life	50 years	**Contact**	Hausrath
Category	Infrastructure-Utilities	**Priority**	Planned Improvement
Location:	Water Department		
Year Submitted:	Ongoing		
		Status	Active

Description

FY19: Continue the leak detection program.
FY19: Continue to replace aging infrastructure throughout the Distribution System - will coordinate with City/County and State road projects.

FY19 - FY23: Continue to replace aging infrastructure throughout the Distribution System
FY19 - FY23: $50,000 per year will be dedicated to the hydrant and valve program.

Justification

Replace deteriorating infrastructure, improve safety for workers, and improve customer service.

Main replacement will be based on age of mains, main failure and the removal of transite (asbestos concrete) pipe.

Budget Impact/Other

Replace and/or upgrade deteriorating infrastructure - reliability.

Reduction in operating cost associated with road repairs as distribution system is upgraded (materials and road repairs.)

Expenditures	FY '19	FY '20	FY '21	FY '22	FY '23	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 '19	FY '20	FY '21	FY '22	FY '23	Total
Bond Financing (Water Fund)			375,000	385,000	395,000	1,155,000
Water Fund	550,000	565,000	210,000	215,000	220,000	1,760,000
Total	550,000	565,000	585,000	600,000	615,000	2,915,000

CAPITAL IMPROVEMENT PROGRAM

FY '19 *thru* FY '23

City of Hagerstown, Maryland

Project # **52-C0820**

Project Name **Water System SCADA Improvements**

Type Improvement
Useful Life 15 years
Category Infrastructure-Utilities
Location: Water Department
Year Submitted: Ongoing

Department Water Fund
Contact Hausrath
Priority Planned Improvement

Status Active

Description

FY19 - Breichner Plant SCADA Upgrade ($250,000) - work will be contingent on the Edgemont Source Water Viability Study
FY20 - Continue Breichner Plant SCADA Upgrade ($350,000) - work will be contingent on the Edgemont Source Water Viability Study

FY19 - FY23 - 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 2018 MDE low interest (2%) bond issue of $400K is $25K.

Expenditures	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Construction/Maintenance	400,000	500,000	150,000	150,000	150,000	1,350,000
Engineering	50,000	25,000				75,000
Total	450,000	525,000	150,000	150,000	150,000	1,425,000

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Bond Financing (Water Fund)			150,000	150,000	150,000	450,000
MDE Loan	400,000	350,000				750,000
Water Fund	50,000	175,000				225,000
Total	450,000	525,000	150,000	150,000	150,000	1,425,000

CAPITAL IMPROVEMENT PROGRAM

FY '19 *thru* FY '23

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-Williamspor		
Year Submitted:	2016		
		Status	Active

Description

FY19: Complete construction to 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 20 year term, the preliminary annual debt service impact for the future 2018 MDE low interest (2%) bond issue of $664K is $42K. The balance in FY19 represents the completion of the project.

Expenditures	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Construction/Maintenance	800,000					800,000
Engineering	100,000					100,000
Total	900,000					900,000

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Grant-State MDE	691,250					691,250
MDE Loan	108,750					108,750
Water Fund	100,000					100,000
Total	900,000					900,000

CAPITAL IMPROVEMENT PROGRAM

FY '19 *thru* FY '23

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

FY19: Replace 1989 #519 Chevy 7D042 Vacuum Truck ($105,000); Replace 2005 #535 New Holland Tractor ($25,000); Replace 1993 #513 Kohler Generator ($65,000); Replace 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)
FY22: Replace 1991 #522 Ingersol Rand Light Plant ($45,000)
FY23: Replace 2002 #533 Ford Ranger Pickup ($30,000)

Justification

Replacement units - reduced maintenance costs anticipated

Budget Impact/Other

Newer vehicle requires less maintenance thus reducing O&M costs.

Expenditures	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Equip/Vehicles/Furnishings	375,000	750,000	75,000	45,000	30,000	1,275,000
Total	375,000	750,000	75,000	45,000	30,000	1,275,000

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Wastewater Fund	375,000	750,000	75,000	45,000	30,000	1,275,000
Total	375,000	750,000	75,000	45,000	30,000	1,275,000

CAPITAL IMPROVEMENT PROGRAM

FY '19 *thru* FY '23

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.

FY19 - FY23: Manhole raising frame replacement ($36,000)

Justification

Annual overlay projects.

Budget Impact/Other

Reduction of liability cost - road improvements.

Expenditures	FY '19	FY '20	FY '21	FY '22	FY '23	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 '19	FY '20	FY '21	FY '22	FY '23	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 '19 *thru* FY '23

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)

New Soft Starts at various stations ($27,000)

Upgrade SCADA RTU at 5 stations ($28,000)

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 '19	FY '20	FY '21	FY '22	FY '23	Total
Construction/Maintenance	100,000	100,000	100,000	100,000	100,000	500,000
Total	100,000	100,000	100,000	100,000	100,000	500,000

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Wastewater Fund	100,000	100,000	100,000	100,000	100,000	500,000
Total	100,000	100,000	100,000	100,000	100,000	500,000

CAPITAL IMPROVEMENT PROGRAM

FY '19 *thru* FY '23

City of Hagerstown, Maryland

Project # 54-C0327

Project Name Collection System Rehabilitation

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

FY19 - FY23: 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). Total annual costs are $400,000.

FY20: 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.

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).

Expenditures	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Construction/Maintenance	400,000	1,600,000	400,000	400,000	400,000	3,200,000
Total	400,000	1,600,000	400,000	400,000	400,000	3,200,000

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Bond Financing (Wastewater Fund)		700,000	200,000	200,000	200,000	1,300,000
Contribution by Others		700,000				700,000
Wastewater Fund	400,000	200,000	200,000	200,000	200,000	1,200,000
Total	400,000	1,600,000	400,000	400,000	400,000	3,200,000

CAPITAL IMPROVEMENT PROGRAM

FY '19 *thru* FY '23

City of Hagerstown, Maryland

Project # **54-C0565**

Project Name **East End Pump Station**

Type Improvement
Useful Life 40 years
Category Infrastructure-Utilities
Location: East End
Year Submitted: 2001

Department Wastewater Fund
Contact Moss
Priority Planned Improvement

Status Active

Description

Construction of lift station on Hebb Road, west of Dual Highway.

2,400' sewer main, 4,000' force main, jack and bore with sleeve 250' under Dual Highway. Project would be completed by a developer in the 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 '19	FY '20	FY '21	FY '22	FY '23	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 '19	FY '20	FY '21	FY '22	FY '23	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 '19 *thru* FY '23

City of Hagerstown, Maryland

Project # **54-C0584**

Project Name **WWT Plant Equipment**

Type	Replacement	**Department**	Wastewater Fund
Useful Life	20 years	**Contact**	Moss
Category	Machinery and Equipment	**Priority**	Public Safety
Location:	Wastewater treatment plant		
Year Submitted:	Ongoing		
		Status	Active

Description

Replaces various aging equipment or adds additional new equipment to maintain efficient operations and permit compliance.

Replace the Electrical controls for Final Clarifiers 4, 5 & 6 in the Main Control Building (FY19 - Engineering/Design $15,000; Construction $200,000)

Upgrade the PLC's throughout the WWTP by replacing the obsolete and unsupported programming software systems currently in place. (FY20 - FY23 - $325,000)

Justification

Deteriorating equipment that has reached the end of its useful life cycle requires repalcement to maintain reliable, continuous operations.

Budget Impact/Other

Will update control equipment and software that is obsolete and no longer supported by the manufacturer.

Expenditures	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Planning/Design	15,000	25,000				40,000
Construction/Maintenance	200,000	75,000	75,000	75,000	75,000	500,000
Total	215,000	100,000	75,000	75,000	75,000	540,000

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Bond Financing (Wastewater Fund)		100,000	75,000	75,000	75,000	325,000
Wastewater Fund	215,000					215,000
Total	215,000	100,000	75,000	75,000	75,000	540,000

CAPITAL IMPROVEMENT PROGRAM

FY '19 *thru* FY '23

City of Hagerstown, Maryland

Project # **54-C0585**

Project Name **WWT Buildings and Structures**

Type Improvement
Useful Life 50 years
Category Buildings and Structures
Location: 1 Clean Water Circle
Year Submitted: Ongoing

Department Wastewater Fund
Contact Moss
Priority Planned Improvement

Status Active

Description

Wastewater Buildings; renovations, repairs and maintenance.

FY19: Modify garage building adjacent to headworks and relocate the Thiogard tank and pumps there ($20,000); Construct 3 sided shed to park vehicles in at Administrative Building ($30,000); Replace boiler system in Operations Building to provide heat to all areas currently heated with hot water ($100,000); Replace roofing systems on Digester Building ($60,000)

FY20: Operations Building ($150,000).

Justification

Aging structures that require repairs and improvements.

The boiler system for the operations building is beyond its useful life and has been leaking.

Budget Impact/Other

Expenditures	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Construction/Maintenance	210,000	150,000	25,000	25,000	25,000	435,000
Total	210,000	150,000	25,000	25,000	25,000	435,000

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Wastewater Fund	210,000	150,000	25,000	25,000	25,000	435,000
Total	210,000	150,000	25,000	25,000	25,000	435,000

CAPITAL IMPROVEMENT PROGRAM

FY '19 *thru* FY '23

City of Hagerstown, Maryland

Project # 54-C0657

Project Name Oxygen System Improvements

Type Replacement

Useful Life 20 years

Category Infrastructure-Utilities

Location: Wastewater treatment plant

Year Submitted: Ongoing

Department Wastewater Fund

Contact Moss

Priority Public Safety

Status Active

Description

Specialized Services includes work by an outside consultant to continue efforts to integrate controls for oxygen control panels into Plant SCADA System.

FY19: Begin replacing the automatic actuators and control valves on the oxygen distribution system at the OAB deck.

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 '19	FY '20	FY '21	FY '22	FY '23	Total
Equip/Vehicles/Furnishings	50,000	10,000	10,000	10,000	10,000	90,000
Total	50,000	10,000	10,000	10,000	10,000	90,000

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Wastewater Fund	50,000	10,000	10,000	10,000	10,000	90,000
Total	50,000	10,000	10,000	10,000	10,000	90,000

CAPITAL IMPROVEMENT PROGRAM FY '19 *thru* FY '23

City of Hagerstown, Maryland

Project # **54-C0711**

Project Name **Solids Processing-Pelletizer and WWTP Improvements**

Type Improvement
Useful Life 20 years
Category Machinery and Equipment
Location: Wastewater treatment plant
Year Submitted: Ongoing

Department Wastewater Fund
Contact Moss
Priority Contract Obligation

Status Active

Description

Upgrade or replace equipment in the Sludge Pelletizing facility as needed (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.

FY19: In conjunction with the Pelletizing Facility upgrades, some of the minor components of the pelletizing process will be replaced also.

Justification

Improve reliability and maintain MDE compliance.

Budget Impact/Other

Maintain continuous and reliable solids processing facilities for the WWTP.

Expenditures	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Equip/Vehicles/Furnishings	500,000	50,000	50,000	50,000	50,000	700,000
Total	500,000	50,000	50,000	50,000	50,000	700,000

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Wastewater Fund	500,000	50,000	50,000	50,000	50,000	700,000
Total	500,000	50,000	50,000	50,000	50,000	700,000

CAPITAL IMPROVEMENT PROGRAM FY '19 *thru* FY '23

City of Hagerstown, Maryland

Project # **54-C0712**

Project Name **Synagro Facility Upgrade 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

This project will replace the equipment in 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. Updated facilities for sludge storage and sludge thickening will also be completed.

Phase 1B: Modifications to the existing DAF building and DAF equipment. (FY18 - $1,400,000.00)

Phase 2: Synagro will upgrade the pelletizing facility as a part of their extended contract. (FY19 - $3,000,000.00)

Phase 2: Completion of Phase 2. (FY20 - $1,000,000)

Justification

Phase 1 provides back-up storage for our thickened sludge and rehabilitates DAF facility to provide reliable sludge thickening for the next 20 years. 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 at 4.25%, the preliminary annual debt service impact for the 2019 Wastewater fund supported bond issue of $3M is $223K.

Expenditures	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Construction/Maintenance	3,000,000	1,000,000				4,000,000
Total	3,000,000	1,000,000				4,000,000

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Bond Financing (Wastewater Fund)	3,000,000	1,000,000				4,000,000
Total	3,000,000	1,000,000				4,000,000

CAPITAL IMPROVEMENT PROGRAM

FY '19 *thru* FY '23

City of Hagerstown, Maryland

Project # 54-C0713

Project Name Collection System Equipment

Type	Improvement	**Department**	Wastewater Fund
Useful Life	15 years	**Contact**	Moss
Category	Machinery and Equipment	**Priority**	Planned Improvement
Location:	Clean Water Circle		
Year Submitted:	Ongoing		
		Status	Active

Description

Replaces various aging equipment or adds additional new equipment to maintain efficient operations and permit compliance.

Various hoses, cables and parts to keep the camera unit and flusher truck in operation (FY19 - $30,000.00)

New 80kVA trailer mounted, portable emergency generator for Pump Stations (FY19 - $50,000.00)

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 '19	FY '20	FY '21	FY '22	FY '23	Total
Equip/Vehicles/Furnishings	80,000	80,000	80,000	80,000	80,000	400,000
Total	80,000	80,000	80,000	80,000	80,000	400,000

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Wastewater Fund	80,000	80,000	80,000	80,000	80,000	400,000
Total	80,000	80,000	80,000	80,000	80,000	400,000

CAPITAL IMPROVEMENT PROGRAM

FY '19 *thru* FY '23

City of Hagerstown, Maryland

Project # **54-C0745**

Project Name **Laboratory Equipment**

Type	Replacement	**Department**	Wastewater Fund
Useful Life	15 years	**Contact**	Moss
Category	Machinery and Equipment	**Priority**	Planned Improvement
Location:	Wastewater treatment plant		
Year Submitted:	Ongoing		
		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 '19	FY '20	FY '21	FY '22	FY '23	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 '19	FY '20	FY '21	FY '22	FY '23	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 '19 *thru* FY '23

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 tenth 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.

Expenditures	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Equip/Vehicles/Furnishings	112,000	112,000	112,000	112,000	112,000	560,000
Total	112,000	112,000	112,000	112,000	112,000	560,000

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Bond Financing (Wastewater Fund)		112,000	112,000	112,000	112,000	448,000
Wastewater Fund	112,000					112,000
Total	112,000	112,000	112,000	112,000	112,000	560,000

CAPITAL IMPROVEMENT PROGRAM

FY '19 *thru* FY '23

City of Hagerstown, Maryland

Project # **54-C0800**

Project Name **Citywide - CS Rehabilitation**

Type	Improvement	**Department**	Wastewater Fund
Useful Life	40 years	**Contact**	Moss
Category	Infrastructure-Utilities	**Priority**	Public Safety
Location:	City-Wide		
Year Submitted:	2008		
		Status	Active

Description

Correct infiltration and inflow into the wastewater collection system by replacement or re-lining defective piping.

Application for $300,000 in grant funding from MDE will be submitted when funds are available.

This work will repair segments of sewer mains 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 '19	FY '20	FY '21	FY '22	FY '23	Total
Construction/Maintenance	400,000	100,000	100,000	100,000	100,000	800,000
Total	400,000	100,000	100,000	100,000	100,000	800,000

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Wastewater Fund	400,000	100,000	100,000	100,000	100,000	800,000
Total	400,000	100,000	100,000	100,000	100,000	800,000

CAPITAL IMPROVEMENT PROGRAM

FY '19 *thru* FY '23

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, permiting and construction of gravity main and package pump station to eliminate Pump Station # 6 (FY19 - $200,000)

Pump Station # 15 (Noland Village) may need new pumps or maybe demolished if nearby gravity piping is completed (FY20 - $330,000)

Justification

Reduce annual operating costs.

Budget Impact/Other

Eliminate the cost of operating over-sized pump stations.

Expenditures	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Planning/Design	30,000	30,000				60,000
Construction/Maintenance	170,000	300,000				470,000
Total	200,000	330,000				530,000

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Bond Financing (Wastewater Fund)		330,000				330,000
Wastewater Fund	200,000					200,000
Total	200,000	330,000				530,000

CAPITAL IMPROVEMENT PROGRAM

FY '19 *thru* FY '23

City of Hagerstown, Maryland

Project # **54-C0834**

Project Name **Trunk Lines and Laterals**

Type	Improvement	**Department**	Wastewater Fund
Useful Life	40 years	**Contact**	Moss
Category	Infrastructure-Utilities	**Priority**	Contract Obligation
Location:	Various locations		
Year Submitted:	Ongoing		
		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 '19	FY '20	FY '21	FY '22	FY '23	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 '19	FY '20	FY '21	FY '22	FY '23	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 '19 *thru* FY '23

City of Hagerstown, Maryland

Project # **56-C0173**

Project Name **Parking Facilities - 3rd Parking Deck**

Type Improvement
Useful Life 50 years
Category Buildings and Structures
Location: To be determined
Year Submitted: 2011

Department Parking Fund
Contact Deike and Tissue
Priority Planned Improvement

Status Active

Description

A parking study conducted in 2012 by Rich & Associates and a downtown "Community City Center Plan" completed in 2014 by Urban Partners both noted the need for a catalyst project in which to link a new parking deck. Existing parking resources are currently adequate. A potential catalyst project for a new parking deck will begin in 2018. The Urban Improvement Project (UIP) involves the expansion of the Barbara Ingram School for the Arts (BIFSA), the Maryland Theatre and the private development of several properties along West Washington Street. The Urban Partners Study states "once capacity of existing off-street facilities is exhausted, it is the intention of the City to construct additional off-street parking facilities."

FY20: Land acquisition and design phase
FY21: Construction phase of a new approximately 359 space deck

Justification

Provide additional needed parking to support redevelopment of the City center area including: educational, office, and commercial development, as well as any other downtown revitalization projects. Intent is to get paying customers above the current level as funding sources do not include any general fund support.

Budget Impact/Other

For this deck to be financially viable to the City, it is critical to have new and additional paying parking system customers in our downtown area beyond current levels. The operating revenue from a third deck, combined with other Parking Fund revenue, would need to meet total Parking operating expenses plus related debt service expenses to avoid general fund subsidies and revenue shortfalls.

Bond financing to fund either all or a portion of the planning/design phase 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 $543K for a 25 year term.

Annual operation costs are estimated to be approximately $157K for a full year in FY22, $161K in FY23, and half of the amount approximately $76K for partial year open in FY21.

Expenditures	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Planning/Design		667,000				667,000
Land Acquisition		700,000				700,000
Construction/Maintenance			6,633,775			6,633,775
Total		1,367,000	6,633,775			8,000,775

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Bond Financing (Parking Fund)		1,367,000	6,633,775			8,000,775
Total		1,367,000	6,633,775			8,000,775

CAPITAL IMPROVEMENT PROGRAM FY '19 *thru* FY '23

City of Hagerstown, Maryland

Project # **56-C0749**

Project Name **Upgrades to Parking Decks**

Type Maintenance
Useful Life 10 - 20 years
Category Buildings and Structures
Location: Downtown
Year Submitted: 2007

Department Parking Fund
Contact Deike
Priority Planned Improvement

Status Active

Description

CIP is to provide funding for upgrades and refurbishments for both parking decks.

FY19- FY22: Funding provided for general repairs and improvements to both decks
FY22: Construction of a second exit lane at the University District Parking Deck.

Justification

University District Deck opened in 1986 and received major refurbishments in 2013 and 2014. No major structural issues at this time. Continued refurbishments prevent deterioration of the facility. The Arts & Entertainment District Deck opened in 2007 and also requires upkeep and upgrades to maintain and improve the parking experience.

A second lane would provide improved customer service by providing a second means of egress should one of the exit lanes fail.

Budget Impact/Other

Refurbishment prevents further deterioration of the facilities and costlier repairs.

Expenditures	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Construction/Maintenance	30,000	30,000	30,000	350,000	30,000	470,000
Total	30,000	30,000	30,000	350,000	30,000	470,000

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Parking Fund	30,000	30,000	30,000	350,000	30,000	470,000
Total	30,000	30,000	30,000	350,000	30,000	470,000

CAPITAL IMPROVEMENT PROGRAM

FY '19 *thru* FY '23

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

FY22: Supervisor Pickup Truck #033 ($30,000)

Justification

Vehicle repair costs and maintenance increase with the age of a vehicle. On average, vehicles should be replaced every 10 years. Some equipment and vehicles should be replaced sooner than 10 years while others can go longer.

Budget Impact/Other

New vehicles and equipment should operate more efficiently and need less maintenance. Newer vehicles will have better fuel economy and less labor and material costs for maintenance.

Expenditures	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Equip/Vehicles/Furnishings				30,000		30,000
Total				30,000		30,000

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Parking Fund				30,000		30,000
Total				30,000		30,000

CAPITAL IMPROVEMENT PROGRAM FY '19 *thru* FY '23

City of Hagerstown, Maryland

Project # **56-C0857**

Project Name **Parking Lot Improvements**

Type Maintenance
Useful Life 15 - 25 years
Category Buildings and Structures
Location: Various locations
Year Submitted: 2014

Department Parking Fund
Contact Deike
Priority Planned Improvement

Status Active

Description

Improve the overall condition of surface parking lots to include: preservation of the pavement, sidewalk improvements,lighting and handicap accessible ramps.

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 '19	FY '20	FY '21	FY '22	FY '23	Total
Construction/Maintenance	30,000	10,000	15,000			55,000
Total	30,000	10,000	15,000			55,000

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Parking Fund	30,000	10,000	15,000			55,000
Total	30,000	10,000	15,000			55,000

CAPITAL IMPROVEMENT PROGRAM

FY '19 *thru* FY '23

City of Hagerstown, Maryland

Project # **57-C0395**

Project Name **Golf Course - Vehicles/Equipment**

Type Improvement
Useful Life 5 years
Category Automobiles and Trucks
Location: Greens at Hamilton Run
Year Submitted: Ongoing

Department Golf Fund
Contact Tissue
Priority Cost Avoidance

Status Active

Description

See vehicle and equipment replacement schedule.

FY19: Replace 1996 Cushman Turf used for Aeration #373A ($22,000)
FY20: Replace 2004 Cushman Sprayer #389 ($35,000)
FY21: Top Dresser ($37,000)
FY22: Replace Zero Turn Mower ($12,000) and Greens Mower ($35,000)
FY23: Replace Rough Mower ($40,000)

Justification

Replace deteriorated equipment. Maintain reliable and efficient equipment necessary to operate and maintain golf course.

Budget Impact/Other

Expenditures	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Equip/Vehicles/Furnishings	22,000	35,000	37,000	47,000	40,000	181,000
Total	22,000	35,000	37,000	47,000	40,000	181,000

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Golf Fund	22,000	35,000	37,000	47,000	40,000	181,000
Total	22,000	35,000	37,000	47,000	40,000	181,000

CAPITAL IMPROVEMENT PROGRAM FY '19 *thru* FY '23

City of Hagerstown, Maryland

Project # **57-C0825**

Project Name **Golf Course Improvements**

Type Improvement
Useful Life 25 years
Category Land Improvements
Location: Greens at Hamilton Run
Year Submitted: 2018

Department Golf Fund
Contact Tissue
Priority Improve Service
Status Active

Description

Course improvements such as cart paths, tee box and greens improvements.

Contingent upon receiving State POS funding.

Justification

To provide a more enjoyable experience to the customers with the enhancements to the course.

Budget Impact/Other

Expenditures	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Construction/Maintenance			100,000			100,000
Total			100,000			100,000

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Golf Fund			10,000			10,000
Grants-State Program Open Space			90,000			90,000
Total			100,000			100,000

CAPITAL IMPROVEMENT PROGRAM

FY '19 *thru* FY '23

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 '19	FY '20	FY '21	FY '22	FY '23	Total
Construction/Maintenance	5,000					5,000
Total	5,000					5,000

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Property Management Fund	5,000					5,000
Total	5,000					5,000

CAPITAL IMPROVEMENT PROGRAM

FY '19 *thru* FY '23

City of Hagerstown, Maryland

Project # **58-C0779**

Project Name **Roslyn Building Renovation**

Type Replacement
Useful Life 25 years
Category Buildings and Structures
Location: 17-25 E. Franklin Street
Year Submitted: 2016

Department Property Management Fund
Contact Deike
Priority Planned Improvement
Status Active

Description

FY19: Roof and window replacement ($25,000); Total project cost is $225,000 with the majority completed in FY18.
FY20: HVAC Replacement ($10,000)
FY21: HVAC Replacement ($10,000)

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 20 years ago. Useful life has been met or exceeded.

HVAC Unit for Spicklers market failed in 2017. Expect other units to fail soon as all were installed the same year.

Budget Impact/Other

Future plans are uncertain for this property. Projects listed will probably require bond financing since Property Management is cash strapped.

Expenditures	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Construction/Maintenance	25,000	10,000	10,000			45,000
Total	25,000	10,000	10,000			45,000

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Property Management Fund		10,000	10,000			20,000
Transfers to CIP-CDBG Fund	25,000					25,000
Total	25,000	10,000	10,000			45,000

CAPITAL IMPROVEMENT PROGRAM

FY '19 *thru* FY '23

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

FY19-23: Painting, various leasehold improvements and continued replacement of HVAC units on an as needed basis.

FY19: Replace several windows on the second floor. Repairs and modifications to the HVAC system in the DLLR space.

FY20: Replacement of aging HVAC Units.

FY21: Replacement of aging HVAC Units

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 saving on heating/cooling costs.

Expenditures	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Construction/Maintenance	45,000	40,000	20,000	20,000		125,000
Total	45,000	40,000	20,000	20,000		125,000

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Property Management Fund	45,000	40,000	20,000	20,000		125,000
Total	45,000	40,000	20,000	20,000		125,000

CAPITAL IMPROVEMENT PROGRAM

FY '19 *thru* FY '23

City of Hagerstown, Maryland

Project # **58-C0828**

Project Name **60 West Washington Street**

Type Improvement
Useful Life 25 - 50 years
Category Buildings and Structures
Location: 60 W Washington Street
Year Submitted: 2011

Department Property Management Fund
Contact Thompson
Priority Planned Improvement

Status Active

Description

The City continues to support small business through the building located at 60 West Washington Street. The Burobox Entrepreneur Resource Center, located in the middle portion of the building, includes a collaborative workspace, three offices, and conference room. The Burobox provides incubation, assistance, and networking opportunities for new and existing downtown businesses.

FY19: Total building roof replacement ($90,000); Painting USMH space ($10,000)

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 '19	FY '20	FY '21	FY '22	FY '23	Total
Construction/Maintenance	100,000					100,000
Total	100,000					100,000

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Property Management Fund	100,000					100,000
Total	100,000					100,000

CAPITAL IMPROVEMENT PROGRAM

FY '19 *thru* FY '23

City of Hagerstown, Maryland

Project # **58-C0836**

Project Name **36-40 North Potomac Street**

Type Improvement

Useful Life 25 - 50 years

Category Buildings and Structures

Location: 36-40 N Potomac St

Year Submitted: 2012

Department Property Management Fund

Contact Thompson

Priority Planned Improvement

Status Active

Description

The Artist Lofts and Cooperative Gallery, located at 36-40 North Potomac Street, is an impactful redevelopment project that created live/work spaces for artists seeking to live in the downtown. The Engine Room Art Space, located in the building's first floor, operates with assistance from the resident artists who occupy the building's loft apartments on the upper floors.

FY19: Reconstruct rear wall at restaurant ($15,000)

FY20-22: General repairs and replacements

Justification

In keeping with the goals of the City of Hagerstown's Comprehensive Plan, the building located at 36-40 N Potomac Street was acquired in September 2011 in order to create artist housing in the A&E District.

Budget Impact/Other

Expenditures	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Construction/Maintenance	15,000	7,000	7,000	7,000		36,000
Total	15,000	7,000	7,000	7,000		36,000

Funding Sources	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Property Management Fund	15,000	7,000	7,000	7,000		36,000
Total	15,000	7,000	7,000	7,000		36,000

SCHEDULE OF FEES AND SERVICE CHARGES
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SCHEDULE OF FEES & SERVICE CHARGES
FISCAL YEAR 2018/2019

NAME OF FEE/PURPOSE	EFF DATE	FY18 RATE	FY19 PROPOSED	FY17 ACTUAL	COMPARABLE RATES	ACTION REQUIRED
CITY CLERK						
01030022 - 4271				$ 2,825		
Auctioneer-to Conduct an Auction					Baltimore County: $180	Ordinance
Annual Fee	1992	$25	$25			
Peddler:						Ordinance
Peddler (Door-to-Door) Annual Fee	2014	$250	$250		Cumberland $250/yr, $75/day	
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 $70	Ordinance
Circus/Carnival Weekly Fee	1992	$125	$125		Salisbury: $10/day	Ordinance
Special Sales(Auctions, Going-out-of Business, Etc.)	1992	$125	$125			Ordinance
Theatre Annual Fee	1967	$100	$100			Ordinance
01030022 - 4221				$ 500		
Utility License Annual Fee	2007	$4,500	$4,500		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				$ 263		
Bad Check Fee Per Check (To compensate the City for Bank charges & employee time)	2007	$39.00	$39.00		$35-$39 Area Banks	Admin Order
01072062 - 4490				$ 32,823		
Pay-By-Phone Transaction Fee	2012	$7	$7		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)				$ 22	Cumberland - First 20 pages free; $0.25/page or $1.00 per page for certified copy	
Public Information Requests	2002				Rockville - First 40 pages free; $0.20/page B&W or $1.00 per page for color	Admin Order
Fee Per Page:					Frederick - First 20 pages free; $0.25/page	
20 pages or less		Free	Free		Salisbury - First 4 pages free; $0.25/page	
21 pages or more		$1.25 plus $0.25/each addtl page	$1.25 plus $0.25/each addtl page		Annapolis - First 10 pages free; $0.25/page;	
DVD/2GB Thumb Drive		$5.00	$5.00		$30/hr for document retrieval& review over 2 hrs	
Document Retrieval & Review beyond 2 hrs		Billed at employee's hourly rate	Billed at employee's hourly rate			
Letter for Certification issues by City Clerk	2016	$3.00	$3.00			
COMMUNITY DEVELOPMENT BLOCK GRANT FUND						
10000002 - 441596				$ -		
Loan Processing Fees:					Cumberland - No Fees	
Multifamily Residence	1986	$50	$50		Frederick - No similar program. They	Admin Order
Mixed Use or Commercial		$50	$50		outsource to their local Community	
Economic Development		$100	$100		Action Council.	
BUSINESS REVOLVING LOAN FUND						
14000001 - 4899				$ 1,398	Frederick- Origination Fee: 2% charged per loan at settlement.	
Miscellaneous Revenue	2001				Application Fee: 1% of requested loan amount	Admin Order
Based on loan request amount:						
$5,000- 50,000		$100	$100		Tri-County Council for Western Maryland-	
$50,001- 100,000		$150	$150		$250 Application Fee/1.5% Loan Origination Fee	
$100,001- 150,000		$200	$200			
$150,001 - 200,000		$250	$250			
MARKET HOUSE						
01402042-481005				$ 21,049		
Market House Stall Rentals:	2016				Washington County Farmer's Market $10 per day Wed. & Sat. Receive 10% discount if choose to be part of the entire season (Approx 20 weeks-Outdoor)	Admin Order
Reg Space: 6ft Quarterly Fee		$63.00	$63.00		Washington County Artisan Market at Prime Outlets (10 days)	
Reg Space: 3ft Quarterly Fee		$31.50	$31.50		Early Full Season: $370/$37 per day	
Prem Space: 6ft Quarterly		$75.00	$75.00		Full Season: $476/$48 per day	
Prem Space: 3ft Quarterly		$37.50	$37.50		Weekends (2 days): 96/$48 per day	
Electric Quarterly Fee		$33.00	$33.00		One Day: $80	
					Black Friday: $106	

NAME OF FEE/PURPOSE	EFF DATE	FY18 RATE	FY19 PROPOSED	FY17 ACTUAL	COMPARABLE RATES	ACTION REQUIRED
PLANNING						
01090012 - 441131				**$ 1,085**		
Subdivision: Simplified Plat, Condo Plat, Replat	2015	$355	$355		Washington County-$365	Admin Order
01090012 - 441122				**$ 1,870**	Washington County:	
Subdivision: Final Plat	2015	$590+$50/lot	$590+$50/lot		$665+$250/lot (<50 lots) $665+$150/lot (>50 lots)	Admin Order
01090012-441124				**$ -**		
Subdivision: Sketch Plans						
Nonresidential - 2 ≤ acres	2015	$590	$590		N/A	Admin Order
Nonresidential - > 2 acres	2015	$1,200	$1,200		N/A	Admin Order
Residential - < 50 lots	2015	$590	$590		N/A	Admin Order
Residential - ≥ 50 lots	2015	$1,200	$1,200		N/A	Admin Order
01090012 - 441121				**$ -**		
Subdivision: Development Plan	2015	$1,200+$50/lot	$1,200+$50/lot		Washington County -$915+$100/Lot	Admin Order
01090012 - 441125				**$ 1,065**		
Minor Subdivision	2015	$355	$355		Washington County-$365	Admin Order
01090012 - 441126				**$ 100**		
Subdivision Variance/Waiver Request	2015	$100	$100		Washington County-$115	Admin Order
01090012 - 441161				**$ -**		
Concept Plan/Sketch Plans:						
CR Sketch Plan	2015	$1,200	$1,200			Admin Order
Multi-Family Development	2015	$1,200	$1,200			Admin Order
01090012 - 441119				**$ 5,030**		
BZA Filing Fee:						
Special Exception	2015	$590	$590		Washington County-$500	Admin Order
Variances:						
Residential	2015	$155	$155		Washington County-$150	Admin Order
Non-Residential	2015	$310	$310		Washington County-$300	Admin Order
Residential Fence Variance	2015	$155	$155		Washington County-$150	Admin Order
Nonconforming Uses:						
Change	2015	$590	$590		Washington County-$500	Admin Order
Expansion	2015	$590	$590		Washington County-$500	Admin Order
Administrative Appeals	2015	$250	$250		Washington County-$150	Admin Order
01090012 - 441112				**$ 8,555**		
Rezoning Fees:						
Preliminary Consultation	2015	$590	$590		Washington County-$515+$20/acre	Admin Order
Rezoning Filing Fee	2015	$2,400+$15/APO	$2,400+$15/APO		Washington County - $2015+$20/acre	Admin Order
Local Conversation District	2015	$590	$590			Admin Order
PUD Master Plan	2015	$2,400+$15/APO	$2,400+$15/APO		Washington County - $1030+$30/lot	Admin Order
01090012 - 441102				**$ 8,995**		
Full Site Plan Fees:						
Concept Plan for Environmental Site Design		0	0		Washington County - $215	Admin Order
Residential	2006	$1000 + $15/unit	$1000 + $15/unit		Washington Co - Res. $765+$10/unit	Admin Order
Nonresidential	2006	$1000 + $50/acre	$1000 + $50/acre		Washington Co -Non $765+$50/acre	Admin Order
01090012 - 441101				**$ 3,540**		
Minor Site Plan	2015	$590	$590		Washington Co - Res. $665	Admin Order
01090012 - 441103				**$ -**		
Site Plan Variance/Waiver Request	2015	$100	$100		Washington County-$115	Admin Order
01090012 - 441111				**$ 18,449**		
Zoning Certificate Fees:						Admin Order
Home Work Stations & CC-MU	2015	$50	$50		Washington Co - $65	Admin Order
All other commercial	2015	$125	$125		Washington Co - $165	Admin Order
Blanket for Multi-Vendors	2015	$400	$400			
Zoning Verification Letter: One SFR	2015	$50	$50		Washington Co - $100	Admin Order
Zoning Verification Letter: All Others	2015	$100	$100		Washington Co - $100	Admin Order
Fence Permits:	2015					
Residential: Single Family, Two-Family		$40	$40		Washington Co - Res. $50	Admin Order
Commercial, Industrial, Multi-Family		$125	$125		Washington Co -Non $165	
01090012 - 489603				**$ -**		
Comprehensive Plan	2015	$25	$25		Washington County - $50 ($5 on CD)	Admin Order
01090012 - 489604				**$ -**		
Land Management Code	2015	$25	$25		Washington County - $20 zoning; $12 subdivision	Admin Order
Design Review Guidelines	2015	$25	$25		Washington County - $100	Admin Order
01090012 - 441141				**$ 2,400**		
Zoning Text Amendment	2015	$2,400	$2,400		Washington County - $2,015	Admin Order
Subdivision Text Amendment	2015	$2,400	$2,400		Washington County - $2,015	Admin Order
01090012 - 4899				**$ 47**		
Copies of Recorded Meetings	2015	$30/mtg + $12/disc	$30/mtg + $12/disc			
Notary Fees	2015	$4/per page	$4/per page			
Photo Copies	2015	$0.25/page B&W, $0.75/page Color	$0.25/page B&W, $0.75/page Color			Admin Order
01090012 - 426902				**$ 973**		
Forest Conservation Fee:						
Delineation	2015	$290	$290		Washington Co-$265	Admin Order
Final Plan & Easements	2015	$590+$15/acre	$590+$15/acre		Washington Co. $750+$10/acre	Admin Order
Forest Conservation Waiver/Variance Request	2006	$30	$30		Washington Co-$40	
Forest Conservation Exemption Certification	2015	$0	$0		Washington Co-$25	
Forest Conservation PIL	2013	$0.30/sq feet	$0.30/sq feet			
01090012 - 441151				**$ 11,785**		
Pre-Annexation Agreement Review Fees:						
Infill residential lot - 1 or 2 units	2012	$150	$150		N/A	Admin Order
Minor residential development - ≤ 5 units	2012	$500	$500		N/A	Admin Order
Major residential development - ≥ 5 units	2012	$1,000 +$15/unit	$1,000 +$15/unit		N/A	Admin Order
Nonresidential	2012	$1,000+$50/acre	$1,000+$50/acre		N/A	Admin Order
CODE ADMINISTRATION						
01140012 - 441502				**$ -**		
Pre-Sale Inspections, First unit	2011	$100	$100			Admin order
Each Add'l Unit		$40	$40			
Commercial Pre-Sale Inspections	2016					Admin Order
First 5,000 sq ft		$200	$200			
Per each additional 1,000 sq ft		$50	$50			

NAME OF FEE/PURPOSE	EFF DATE	FY18 RATE	FY19 PROPOSED	FY17 ACTUAL	COMPARABLE RATES	ACTION REQUIRED
CODE ADMINISTRATION (continued)						
01140012 - 4210				$ 141,669	Washington County: Comm app $150+	Ordinance
Building Permits:					$15 tech fee+ $0.15 per sq ft	
Application Fee		$20	$20		Res app $65 + $15 tech + $.10 per sq ft.	
Tech Fee	2011	$20	$20			
Commercial, Apartments & New Residential:						
up to $10,000	1996	$8.50 / thousand	$8.50 / thousand			
$10,000 and greater	2004	$5.00 / thousand	$6.00 / thousand			
Misc Residential:						
up to $10,000	1996	$8.50 / thousand	$8.50 / thousand			
$10,000 and greater	1996	$3.50 / thousand	$4.50 / thousand			
Change of Use Permits	2016	$75	$75			Admin Order
01140012 - 421101				$ 77,119	Wash.Co.$65 Res/$125Comm+$15 tech fee	Ordinance
Plumbing Permits:	2011					
Application Fee: Residential/Comm/Apmt		$50/$100/$100	$50/$100/$100			
Tech Fee		$20	$20			
Fixture fees (varies)		$4- $40	$4- $40			
Single fixture (app fee is waived)		Tech fee + fixture only	Tech fee + fixture only			
01140012 - 4202				$ 10,470	Wash. Co.(2 yr) Master $50/res, $100 non-res	Ordinance
Plumbers license/registration (Biennial):	2007	($40 of fee is tech fee)	($40 of fee is tech fee)		Journeyman $20/$40 Apprentice $15/$30	
Master		New: $150/ Renew: $125	New: $150/ Renew: $125			
Journeyman		New: $95/ Renew: $70	New: $95/ Renew: $70			
Apprentice		New: $85/ Renew: $60	New: $85/ Renew: $60			
If license has lapsed more than 30 days		New rate is charged	New rate is charged			
01140012 - 421102				$ 119,856	Wash Co: $65 Res/ $125 Comm+$15 tech+	Ordinance
Electrical Permits	2011				$15-$50 fixture fees	
Application Fee: Residential/Comm/Apmt		$50/$100/$100	$50/$100/$100			
Tech Fee		$20	$20			
Fixture fees (vary)		$3-$50	$3-$50			
01140012 - 421103				$ 51,565	Wash Co: $65Res/$125Comm+$15 tech+	Ordinance
Mechanical Permits:	2011					
Application Fee: Residential/Comm/Apmt		$50/$100/$100	$50/$100/$100			
Tech Fee		$20	$20			
Fixture fees (vary)		$5 -$30	$5 -$30			
01140012 - 4203				$ 5,355	Wash Co Mechanical (2yr): $50/res, $100 non-res	Ordinance
Contractor's Licenses (Biennial)	2011	($40 of fee is tech fee)	($40 of fee is tech fee)			
		$125	$125			
01140012 - 4204				$ 28,085	Wash Co (3 yr): Mstr or low volt $150, inactive $50	Ordinance
Electrician's Licenses (Biennial)	2007	($40 of fee is tech fee)	($40 of fee is tech fee)			
Master/ Restricted Master		New: $150/ Renew: $125	New: $150/ Renew: $125			
If license has lapsed more than 30 days		New rate is charged	New rate is charged			
01140012 - 441593				$ 1,506		Admin Order
Administrative Fee for Excise Tax	2005	2% of 72% of excise tax	2% of 72% of excise tax			
01140012 - 450102				$ 111,415	Most citations are $200-$1,000; however, trash	Ordinance
Municipal Infractions: Fee Per Citation	2008	$25-$1,000	$25-$1,000		citations start at $25	
01140012 - 4205				$ 696,570	Cumberland: $25 per unit (annual)	Ordinance
Rental Registration Fee	2014					
Per Unit Fee		$75	$75			
Per Rooming House + Per Unit Fee		$100+$10	$100+$10			
01140012 - 4504				$ 40,549		Admin Order
CAD Administrative Fees:	2003					
Snow Removal Fee + Tech Fee		$50+$20	$50+$20			
All Others: Fee + Tech Fee	2011	$100+$20	$100+$20			
Refuse Pickup Admin Fee	2013	$50	$50			
Refuse Pickup Tech Fee	2013	$20	$20			
Trash Pickup Fee	2013	$5 per bag	$5 per bag			
Trash Pickup Tech Fee	2013	$20	$20			
01140012 - 4505				$ -		
Appeals Fee-Board of Code Appeals	2002					Admin Order
Fee Per Case		$50	$50		Wash Co $250/case	
01140012 - 441503				$ 1,150	Wash Co: 1st- $50, 2nd- $75, 3rd- $100	Admin Order
Reinspection fee	2011	$50	$50			
01140012 - 441504				$ 143,970		
Property Abatement Billings:						
Grass/High Weed Removal	2001	$100-$1,000+	$100-$1,000+			Ordinance
Trash and Debris Removal	2001	$50-$1,500+	$50-$1,500+			Ordinance
Securing of Vacant Structures	2008	$100	$100			Admin Order
Snow Removal From Public Sidewalks	2004	$25-$250+	$25-$250+			Admin Order
Admin Fee		$50-$100	$50-$100			
Tech Fee	2016	$20	$20			
01140012 - 441512				$ 98,000		Ordinance
Vacant Structures, Residential	2007	$100	$100			
01140012 - 441513				$ 7,000		Ordinance
Vacant Structures, Commercial	2007	$250-$1,000	$250-$1,000			
01140012 - 441594				$ 2,700		Ordinance
Secure Vacant Structure:	2007					
Fee Per Building	2011	$100	$100			
Admin fee		$100	$100			
Tech fee		$20	$20			
Material fees		Various	Various			
01140012 - 441595				$ 43,474		Admin Order
Technology Fees	2004	$20	$20			
01140012-441597				$ 1,000		Ordinance
Unattended Donation Bin Registration	2015	$100-$200	$100-$200			
01140012 - 449001				$ 1,593		Ordinance
Credit Card Convenience Fee	2013	$2	$2			
01140012 - 449101				$ 14,000		
Rental License Late Fee, Per Incident	2011	$50	$50			Ordinance

NAME OF FEE/PURPOSE	EFF DATE	FY18 RATE	FY19 PROPOSED	FY17 ACTUAL	COMPARABLE RATES	ACTION REQUIRED
ENGINEERING						
01090042 - 421202				**$ 76,155**		
Street Cutting Permits	2015	Varies	Varies		Some street can cost thousand's depending	Ordinance
Per Cut Minimum Fee		$25 to $1500	$25 to $1500		on situation	
Tech Fee					Washington County $35/cut	
01090042 - 4899				**$ 4,275**		
Sale of Construction Standards	Varies Per	Varies from $5-$200	Varies from $5-$200		Frederick City $20	Admin Order
Sale of Construction Documents	Contract				Washington Co $25-50	Admin Order
01090042 - 4896				**$ 390**		
Sale of Maps	2012	$1.50-$2.50	$0.65 - $10.00/SF		Frederick County $3/map	Admin Order
Sale of Prints/Copies					Washington Co. $3 or .50-/SF	
Varies based on papers size		$0.50/SF	$0.50/SF to $7.50/SF			
Varies based on papers size with aerials			$1.00/SF to $15.00/SF			
Burning to a CD/DVD			$1.00 per CD/DVD			
Scanning-additional charge			$2.00/ per scan			
01090042 - 421203				**$ 2,360**		
Curb/Sidewalk/Driveway Permits	1995				Cumberland $15,Fred.Co $35+bond	Resolution
Fee Per Driveway		$25	$25			
Fee Per Curb/Sidewalk		$10	$10			
Plus Tech Fee		$5	$5			
01090042 - 421205				**$ 9,496**		
Site Grading Permit	2004				Fred Co $109 Minor,$239 Major or 1.5%	Admin Order
Flat Fee for Site Cost		$15	$15		Wash Co $25 minor,5 acre min-$20 ac	
Plus % of Total Work Cost		1%	1%			
Plus Tech Fee		$25	$25			
01090042 - 421201				**$ -**		
General Street Construction Permit Fee:	2003				Based on % so rate adjusts	Ordinance
Flat Fee		$25	$25		automatically as project costs change	
Plus % of Total Work Cost		2%	2%			
Plus Tech Fee		$25	$25			
01090042 - 421204				**$ 5,094**		
Storm Water Management Permit	1995				Based on % so rate adjusts automatically	Admin Order
Flat Fee		$25	$25		as project costs change	
Plus % of Total Work Cost		2%	2%			
Plus Tech Fee		$25	$25			
01090042 - 441201				**$ 5,320**		
Engineering Review Fees	2013					Admin Order
Fee Per Lot - Subdivision		$150 + $60/Lot $150+$140/acre	$150 + $60/Lot $150+$140/acre for		Washington County - Min Fee of $600: -	
Fee Per AC-Site Plan		$150+$200/acre	$150+$200/acre		$150 + $280/acre (<10 acres)	
Sim. Plats		$100	$100		$150 + $140/acre (>10-<50 acres) $150 +	
01090042 - 421206				**$ 3,667**		
Right of Way Closure Permit	2005				None - Washington County	Admin Order
Application Fee		$10	$10			
Tech Fee		$5	$5			
Closure Fee		Fee Varies	Fee Varies			
PARKS & RECREATION						
57000002-446501				**$ 73,905**		
Greens Fees at Hamilton Run	2015				Town of Waynesboro:	Admin Order
9 Hole/18 Hole		$11/$14	$11/$14		$18/$24	
Senior 9 Hole/Senior 18 Hole		$9/$12	$9/$12		$17/$23	
Weekend or Holiday 9 Hole/18 Hole		$14/$17	$14/$17		$22/$29	
57000002-446601				**$ 3,768**		
Season Pass (City Residents Only)	2012					Admin Order
Individual		$425	$425		Individual: $600; Sr Individual: $500	
Senior Individual		$299	$299		Junior: $400; Family: $875; Sr Family: $750	
Season Pass (Non-City Residents)	2017					
Individual		$625	$625			
Senior Individual		$499	$499			
57000002-4467, 446707				**$ 41,515**		
Tournaments & Specials	2011	Varies	Varies			Admin Order
57000002-481801				**$ 38,348**	Cart included in Greens Fees above.	
Cart Rentals, Per Person:					Cart Package - Unlimited cart rental with	Admin Order
9 Hole/18 Hole	2012	$7.00/$11.50	$8.00/$12.50		Annual Membership:	
Senior 9 Hole/Senior 18 Hole	2012	$6.00/$9.50	$7.00/$10.50		Individual/Sr Individual $350;	
Pull Cart Fee	2015	$2.50	$2.50		Family/Sr Family $450	
01450002 - 481013				**$ 19,600**		
Pavilion Facility Reservations:	2017	$60	$60		Washington Co: Residents $60; Nonresidents $70	Admin Order
Bandshell Facility Reservations:	2013				Arts Pavilion $80/$90 NR	Admin Order
		$100	$100		Pen-Mar (Dance Pavilion) $165/$175 NR	Admin Order
01450002 - 481010				**$ 2,700**		
Fairground Park Multipurpose Fields & Courts	2013	$75/$175	$75/$175			Admin Order
*Rates below include $25 Admin Fee						
Non-Tournament		$75	$75			
Tournament		$175	$175			
Stable Rental	2013	$275	$275			Admin Order
01400012-481013				**$ -**		
FIT Room at Fairgrounds Park					Elementary School Gyms:$75 for 3 hours	
Rental - 4 Hr Min	2017	$35/hr + $25 Admin Fee	$50/hr + $25 Admin Fee			Admin Order

NAME OF FEE/PURPOSE	EFF DATE	FY18 RATE	FY19 PROPOSED	FY17 ACTUAL	COMPARABLE RATES	ACTION REQUIRED
PARKS & RECREATION (continued)						
01450002 - 481011				$ 10,725		
Fairground Park Special Event Rentals						
Special Events:	2013					Admin Order
Entire Park		$1,025	$1,025			
Multipurpose Fields & Courts						
All Day Rate	2013	$75	$75			Admin Order
01404022-448701				$ 137		
Hager House	2017				Miller House: $5/person	Admin Order
Adults		$5	$5		Free for ages 12 & Under	
Senior Citizens; Students: Age 13-17		$3	$3		Free for Members & Partners	
Children: Age 6-12		$2	$2		.Group Rates available for parties of 10 or more	
Children: 5 & Under		Free	Free			
Group (Min. 10 people)		$3/person	$3/person			
01402022 - Various Accounts				$ 70,772		
Potterfield Pool:				**Total Fees**	County Pool:	
Daily Rates:	2011				2 & Under: Free	Admin Order
2 and Under/Pre-school		Free/$1.50	Free/$1.50		Pre-School: $2.00	
Youth: Ages 5-12		$3	$3		Ages 5-17: $3.50	
Adult: 13 and Older		$3.50	$3.50		Ages 18-61: $4.00	
Senior: 62 and Older		$3	$3		Ages 62+: $3.00	
Family: (up to 5)		$10	$10			
Season Pass - City Residents:	2011					4,100
Age 2 & Under		Free	Free		County Pool:	
Pre-school/Youth		$25/$55	$25/$55		$60/child,$80/Adult,$150/Family	
Adult/Senior		$75/$50	$75/$50		(max 5 + $10/pp additional)	
Family (up to 5)		$125	$125			
Season Pass - Non-City Residents:	2011					
Age 2 & Under		Free	Free			
Pre-school/Youth		$40/$80	$40/$80			
Adult/Senior		$100/$70	$100/$70			
Family (up to 5)		$175	$175			
Pool Rentals:	2017					Admin Order
1-50 People Hourly Rate		$100	$100		6:30pm - 8:30pm (rates are for 2 hrs):	
51-75 People Hourly Rate		$150	$150		0-75 $150	
76-100 People Hourly Rate		$250	$250		76+ $210	
Over 100 People		Special Quote	Special Quote			
Swim Lessons	2017	$59	$59			
01404032 - 448601				$ 2,903		Admin Order
202 Train Exhibit	2017					
Adults		$4	$4		Roundhouse:	
Seniors; Students - Age 13-17		$2	$2		Ages 16+: $6.00	
Children: 6-12/5 & Under		$1/Free	$1/Free		Ages 4-15: $1.00	
Group Tours (Min. 10 people)		$2.00/ per person	$2.00/ per person		Ages 3 & under: Free	
Facility Rentals: 01404032-4810	2017					
Pavilion, Tommy 202 & Museum (min 4 hour)		$100/hour	$400(4hr)+$25(Admin Fee)+$50 (ea addl hr)			
Pavilion & Museum		$50/hour	$200 (4hr) + $25 (Admin Fee)			
Pavilion Only		N/A	$125 (4 hr)			
RECYCLING AND TRASH COLLECTION						
01300012 - 4416				$ 2,254,589		
Recycling & Refuse Collection	2012				Private Contract Hauler $106/Qtr	Admin Order
Quarterly Fee - Residence		$39.00	$47.00		plus $25/Mo for Yard Waste	
Quarterly Fee - Commercial		$50.00	$50.00			
01300012 - 4417				$ 8,330		
Bulk Trash Pick-up and Disposal Fee:	2008				Busby Junk Removal - Minimum Charge $95	Admin Order
Per Load Fee		$25	$25		JunkIt Removal - Minimum Charge $69	
Appliance with Freon Fee		$25	$25		Junk In The Truck - Minimum $120	
01300012 - 4493				$ 37,450		
Utility Monthly Late Fee	2014	1% per month on past due unpaid balance	1% per month on past due unpaid balance			Ordinance
POLICE DEPARTMENT						
01100012 - 4896				$ 6,903		
Copy Charges	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.		WCSO-$5/1st page,$1/each add'l page	Admin Order
Fee Per Page						
01100012 - 489607				$ -		
Body-Worn Camera Footage	2018	Free to person in interest if emailed and $5 for 2GB thumb drive $25 for non involved parties Body-Worn Camera administrator's hourly wage beyond 2 hours of review and redaction	Free to person in interest if emailed and $5 for 2GB thumb drive $25 for non involved parties Body-Worn Camera administrator's hourly wage beyond 2 hours of review and redaction			Admin Order
01100012 - 441301				$ -		
Electronic Media Duplication	2004	Cost of Media + External Cost	Cost of Media + External Cost		WCSO-$10/1st hour, $5 each add'l hour.	Admin Order
01104012 - 441331				$ 32,483		
Special Assignments- Hrly Fee	2014	115% of Top Officer's	115% of Top Officer's		Fluctuates with Top Officer's Pay Rate	
(Dance, School Event, etc)		Pay Rate	Pay Rate		per AFSCME 3373 Barg. Agrmt (Art 5; Sect 8)	Barg. Agrmt
01100012 - 4503				$ 6,837		
Vehicle Storage Fee Per Day	2007	$20	$20		WCSO - $25; max. $1,125	Admin Order
Storage, Towed Vehicles, Public Auctions						
01100012-4551				$ 5,679	Annapolis Frederick	Ordinance
Red Curb & Handicap Fines	2014					
Fine - Parking on Red Curb		$25	$25		$100 red, $40 yellow $ 30 yellow	
Fine - Parking on Handicap Zone		$100	$100		$100 $100	
Fine - Parking in Fire Lane		$25	$25		$100 $100	
Fine - Parking in front of Fire Hydrant		$100	$100		$100 $100	
Late Fees for Fines paid After 10 days/After 30 days		$10/$20	$10/$20			Ordinance
01104072 - 4509				$ 979,528	Annapolis Frederick	
Speed Camera Fine	2012	$40 ($35 if paid within 7 days of issuance)	$40 ($35 if paid within 7 days of issuance)		$40 $40	Ordinance
01100012-4508				$ -	Annapolis Frederick	
Red Light Camera Fine	2017	$75	$75		$75 $75	Ordinance

NAME OF FEE/PURPOSE	EFF DATE	FY18 RATE	FY19 PROPOSED	FY17 ACTUAL	COMPARABLE RATES	ACTION REQUIRED
FIRE DEPARTMENT						
01120012 - 441402				$ 981		
False Call/Failure to notify FD working	2012	$250	$250			Ordinance
01120012 - 421302				$ 50		
Blasting Permits	2012	$50	$50			Ordinance
01120012 - 4210				$ 51,291		
GBSD Permit	2012	$250	$250		State Fire Marshal Assembly Permit:	Ordinance
Assembly Permit	2012	$50	$50		1,000>$360; 301-1000: $240; 50-300: $120	Ordinance
Building Permits:					Fairgrounds/Parks: 9 bldgs or less $240;	
% of Total Building Permit Fee	2004	25%	30%		10 bldgs>$480	
01120012 - 421301				$ 1,500		
Firework Permits	2007	$250	$250			Ordinance
01120012 - 441401				$ 501		
Reinspection Fee	2012	$150	$150		State Fire Marshal 1st $200; 3rd $250	Ordinance
Plan Review & Inspection for Fire		$100 with add'l chgs	$100 with add'l chgs		State Fire Marshal $150/system with	Ordinance
Protection System Installation		per system fixture	per system fixture		add'l charges per system fixture or	
Per System		or $1.50 per device	or $1.50 per device		device $2.00	
01120012 - 4507				$ 3,250		
Fire Code Violations	2007	$250 or Court Ordered amount	$250 or Court Ordered amount			Ordinance
01120012 - 4899				$ 586		
Technical Assistance Hourly Fee	2013	$50	$50		State Fire Marshall Office $75/hr	Ordinance
Municipal Infractions & Misc. Revenues	2006	Various	Various			Ordinance
Fire Report Fee	2004	$5 for 4 pages	$5 for 4 pages			Admin Order
01120012 - 441403				$ 150		
Juvenile Intervention Program	2004	$150	$150			Admin Order
01120012 - 441404				$ -		
Fire Call Service Charges:	2011					Ordinance
Engine Hourly Rate		$150	$150			
Utility Hourly Rate		$100	$100			
Officer Hourly Rate		$50	$50			
Fire Marshall Hourly Rate		$50	$50			
Truck Hourly Rate		$150	$150			
01120012 - 441405				$ -		
Responding to Motor Vehicle Collisions						Ordinance
Engine: Hourly Rate (Min Billing Amt)	2012	$150	$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				$ 52,500		
Signal-State Highway Administration	2005					
Fee Per Intersection		$1,500	$1,500		$1,500 each	Admin Order
PARKING FACILITIES						
56740112 - 4451				$ 401,362		
56740122 - 4451				**Total**		
Parking Deck Permits - Monthly Fee:					Annapolis: $90-$225/month	
Regular Customers	2014	$62	$62		Cumberland: $75-$90/month	Resolution
Personally Assigned Space		$120	$120		Winchester:$50-$60 month	Resolution
Late Fee Parking Deck Permit		$15	$15		Frederick: $97 month	Admin Order
56740112 - 4452				$ 96,121		
56740122 - 4452				**Total**		
Parking Deck Fees					Annapolis: $2 for 1st hr up to	Resolution
Minimum Fee	2010	$1	$1		$20 for hours 6 - 8; $20 max	
Half Hour Fee	2010	$0.50	$0.50		Cumberland: $1/hr, $8 max	
Maximum Daily Rate	2012	$8	$8		Winchester: $1/hr; $10 max	
Monthly	2014	$62	$62		Frederick: $1/hr; $11 max; $2	
Exiting Fee Between 4pm-6am	2014				afterhours rate	
weeknights & Saturdays		$2	$2			
Sundays	2014	Free	Free			
56740112 - 4453				$ 6,755	Annapolis: Market Rate Pricing	
Special Event Parking (i.e. Blues Fest)		$5	$5		Frederick: Market Rate Pricing	
					depends on event	
56740112 - 4454				$ 1,401		
Parking and Shop Hourly Fee	2010	$0.80	$0.80			Resolution
56740132 - 4457, 445701, 445702				$ 170,999		
445703, 445704, 445705, 445706				**Total Fees**		
Parking Meter Fees						Resolution
Twelve (12) Minutes	2012	$0.10	$0.10		Annapolis: $2.00/hour	
Thirty (30) Minutes	2012	$0.25	$0.25		Cumberland: $1.00/hour	
Sixty (60) Minutes	2012	$0.50	$0.50		Winchester: $0.75/hour	
Thirty Minute Parking Meters						
Six (6) Minutes	2003	$0.10	$0.10		Frederick: $2.00/hour	Resolution
Twelve (12) Minutes	2003	$0.20	$0.20			
Thirty (30) Minutes	2003	$0.50	$0.50			
56740132 - 445801, 445802				$ 162,553		
445803, 445804				**Total Fees**		
Monthly Permit Fees Parking Lots:	2014					
Central Lot		$48	$48		Annapolis: $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	

NAME OF FEE/PURPOSE	EFF DATE	FY18 RATE	FY19 PROPOSED	FY17 ACTUAL	COMPARABLE RATES	ACTION REQUIRED
PARKING FACILITIES (continued)						
56740132 - 445899				**$ 34,578**		
Department Charges Monthly Fee	2012	$46.50	$46.50			Admin Order
56740142 -4551, 455101, 4552, 455201				**$ 127,708**		
4553, 4559, 483005, 4899				**Total Fees**		
Parking/Expired Meter	2003	$10/$25/$35	$10/$25/$35		Annapolis: $40/expired,$100/handicap	Ordinance
Fire Hydrant		$100/$110/$120	$100/$110/$120		Cumberland: $25/expired	
Non-Meter/All Other		$15/$25/$35	$15/$25/$35		Winchester: $10/expired,$200 handicap	
Handicap Zone		$100/$110/$120	$100/$110/$120		Frederick: $15/expired,$250/handicap	
Parking Boot Fee		$100	$100			Resolution
ELECTRIC DEPARTMENT						
50000002 - 442101				**$ 11,616,745**		
50000002 - 442102				**Total Fees**		
Residential - All KWH	2005				PEPCO-Oct 2017 to May 2018	Maryland PSC
Base rate		$0.06263	$0.06263		$0.114219/kWh	
Purchased Power Adj. Rate (Est Ave rate)		$0.01331	$0.01331			
50000002 - 442201				**$ 4,803,762**		
50000002 - 442202				**Total Fees**		
General and Commercial	2005				PEPCO-Dec 2017 to Feb 2018	Maryland PSC
1st 700 KWH		$0.08314	$0.08314		First 700kWh = $0.11304	
>700 KWH		$0.05257	$0.05257			
Demand over 7.5 KW		$4.06817	$4.06817		over 700 kWh = $.099935/kWh	
Purchased Power Adj. Rate (Est. aver. rate)		$0.01331	$0.01331			
50000002 - 442301				**$ 1,904,142**		
Industrial-Low Load	2005					Maryland PSC
1st 100,000 KWH		$0.05040	$0.05040		AP Schedule "PP"	
Over 100,000 KWH		$0.04220	$0.04220		No comparison due to AP Large Industrial	
Demand all KW		$3.409	$3.409		customers experiencing hourly load pricing	
Purchased Power Adj. Rate (Est. ave. rate)		$0.01331	$0.01331			
50000002 - 442302				**$ 3,162,654**		
Industrial-High Load	2005				AP Schedule "PH"	Maryland PSC
1st 100,000 KWH		$0.04052	$0.04052		No comparison due to AP Large Industrial	
Over 100,000 KWH		$0.03606	$0.03606		customers experiencing hourly load pricing	
Demand all KW		$6.26929	$6.26929			
Purchased Power Adj. Rate (Est. ave. rate)		$0.01331	$0.01331			
50000002 - 4424				**$ 20,248**		
Outdoor Lighting	1996				No comparison due to Structuring	Maryland PSC
175 Watt Monthly Fee		$5.25	$5.25		difference	
250 Watt Monthly Fee		$6.96	$6.96			
400 Watt Monthly Fee		$10.03	$10.03			
Purchased Power Adj. Rate (Est. ave. rate)		$0.01331	$0.01331			
50000002 - 442501				**$ 605,339**		
Street & Highway Lighting Per KWH	2005	$0.06842	$0.06842		No comparison	
Purchased Power Adj. Rate (Est. ave. rate)		$0.01331	$0.01331			Maryland PSC
50000002 - 442502				**$ 20,732**		
Traffic Lights Per KWH					No comparison	Maryland PSC
1st 700 KWH	1996	$0.06749	$0.06749			
>700		$0.03865	$0.03865			
Purchased Power Adj. Rate (Est. ave. rate)		$0.01331	$0.01331			
50000002 - 442303				**$ 118,987**		
High Voltage-Cascades	1995				No comparison	Maryland PSC
Per KW		$10.538	$10.538			
Per KWH		$0.01092	$0.01092			
Per KWH		$0.02474	$0.02474			
50000002 - 481813				**$ 25,172**		
Pole Rental - Fee Per Pole	2001	$20	$20			Maryland PSC
Pole Rental (Prior 2001 grandfathered)	1966	$4.50	$4.50			
50000002 - 481815				**$ 42,101**		
50000002 - 481816						
Central Maintenance Garage Monthly Fee	2012	$3,250/month	$3,350/month			
Rent from Sub-Station	2007	$3,101/year	$3,101/year			Admin Order
50000002 - 489908				**$ 42,739**		
Reimbursed Line Dept. Overtime	1984	Actual Cost	Actual Cost			Maryland PSC
Call out charge-Reconnect		$85	$85			
Call out Charge-Pole Reconnect		Est. Actual Cost	Est. Actual Cost			
50000002 - 4238				**$ 97,811**		
Connection Fees	1992	$10	$10			Maryland PSC
Reconnection Fees		$15	$15			
50000002 - 4493				**$ 158,031**		
Utility Monthly Late Fee	2014	Max of 5% of unpaid bill	Max of 5% of unpaid bill		Per COMAR	Ordinance
50000002-481814				**$ 43,000**		
Rental Property - Energy Storage System	2017	$2,000/month	$2,000/month			

NAME OF FEE/PURPOSE	EFF DATE	FY18 RATE	FY19 PROPOSED	FY17 ACTUAL	COMPARABLE RATES	ACTION REQUIRED
WATER DEPARTMENT						
52000002 - 4249				**$ 37,459**		
Contracted service-payment for services rendered not w/in the existing level	1991	$1,200	$1,200		Frederick - Labor 38.5%,Material 10%	Admin Order
Labor Fee		$2.64 Multiplier Material,25% Equip	$2.64 Multiplier Material,25% Equip			
52000002 - 4231				**$ 37,472**		
52000002 - 4245				**Total Fees**		
Water Plan Review/Inspection Fee	2006	$50	$50			Ordinance
Per Application Fee		$50	$50			
Plus Fee Per Ft Main Review		$0.50	$0.50			
Inspection Fee Per Ft		$3	$3			
PS Fee Per Gallon (Minimum of PS Capacity)		$14	$14			
52000002 - 4235				**$ 63,025**		
Non-Utility Misc-payment for providing consumption data to Washington County	Annual Per Agreement					Admin Order
Fee Per Account/qtr	2012	$2.95	$2.95			
52000002 - 481002				**$ 26,400**	Yearly rental agreement	
Rent-City Employee					Wheaton Park $615	Admin Order
Smithsburg (Tenants Pay Fuel)	2016	$700	$700		Funkhouser Park $785	
Edgemont (Tenants Pay Fuel)	2016	$700	$700		Hager Park $785	
Ritchie Rd (Tenants Pay Fuel)	2016	$800	$800		Staley Park $785	
52000002 - 481003				**$ 10,285**	Increase every 5 years based	
Cell Tower Rental	2007	$944.59/month	$958.30/month		on consumer price index	Motion
52000002 - 4899				**$ 17,020**		
Misc. Other Revenues	2006				N/A	Admin Order
Hunting Permits		$10	$10			
Maps (Free with Permit)		$1	$1			
52000002 - 4240				**$ 50,195**		
Transfer Fee	2007	$30	$30		Frederick City $50 for prop transfer fee	M&C
Meter Testing Fee	2007	$30	$30		Frederick County $50 for meter testing fee	
52000004 - 4722				**$ 583,145**		
Benefit charges-charged to new customers for impact of additional demand to major system components	2006				Washington County -initial alloc is part of connection fee; additional alloc is $2,500 per EDU	Ordinance
Fee Per Gallon of Average Daily Usage		$12.50	$12.50		Frederick City - impact fee for single dwelling-$5,981	
Fee Min 200 Gallon		$2,500	$2,500		$23.92/gal-250 gals per EDU	
52000002 - 443201		Eff July 1, 2017	Eff July 1, 2018	**$ 2,194,334**		
52000002 - 443101		Rate Increase 2% for	Rate Increase 2% for	**Total Fees**	5 Year Rate Increases approved by	
Metered Sales - City:		All	All		Mayor and Council for FY15-FY19	Ordinance
Residential:	2014					
Consumption: Per K, 1st 18,000		$1.59	$1.62		Frederick City FY2018/quarterly rates:	
Consumption: Per K, Over 18,000		$3.02	$3.08		1st 6,000 gals - $3.62 / 1000 gals	
Fixed: 5/8" - 10"		$7.03-$970.14	$7.17-$989.46		next 10,000 gals - $5.25 / 1000 gals	
Non-Residential:	2014				next 8,000 gals - $5.55 / 1000 gals	
Consumption: Per K, 1st 100,000		$1.59	$1.62		next 8,000 gals -$5.80/1000 gals	
Consumption: Per K, Over 100,000		$1.41	$1.44		over 32,000 gals - $6.29/1000 gals	
Fixed: 5/8" - 10"		$7.03-$970.14	$7.17-$989.46		Base charge 3/4" - >8" = $38.71 - $1122.51	
52000002 - 443202		Eff July 1, 2017	Eff July 1, 2018	**$ 8,486,385**		
52000002 - 443102		Rate Increase 2% for	Rate Increase 2% for	**Total Fees**	5 Year Rate Increases approved by	
Metered Service - County:		All	All		Mayor and Council for FY15-FY19	Ordinance
Residential:	2014					
Consumption: Per K, 1st 18,000		$3.83	$3.91		Washington County for FY2018:	
Consumption: Per K, Over 18,000		$7.28	$7.43		Residential -	
Fixed: 5/8" - 10"		$20.47-$2,824.86	$20.88-$2,881.44		1st 6000 gallons (minimum) - $101.76	
Non-Residential:	2014				Over 6000 gallons = $11.28 per 1000 gals	Ordinance
Consumption: Per K, 1st 100,000		$3.83	$3.91		Commercial I -	
Consumption: Per K, Over 100,000		$3.44	$3.51		1st 6000 gallons (minimum) - $101.76	
Fixed: 5/8" - 10"		$20.47-$2,824.86	$20.88-$2,881.44		Over 6000 gallons = $11.54 per 1000 gals	
52000002 - 4237		Eff July 1, 2017	Eff July 1, 2018	**$ 155,296**		
Fire Protection:	2014	Rate Increase - 3% for All	Rate Increase - 3% for All			Ordinance
City - 4" - 12"		$186.83--$1,679.26	$192.44--$1,729.64			
County - 4" - 12"		$249.86-$2,239.76	$257.36-$2,306.96			
52000002 - 4232				**$ 348,990**		
New Services:	2003					Resolution
3/4"		$715	$715			
1"		$925	$925			
1" Double		$1,160	$1,160			
Application Fee		$50	$50			
52000002 - 4238				**$ 85,206**		
Reconnection Fee:					Washington County - $50 turn off and $50 turn on	Ordinance
8:00am-3:00pm		$35	$35		during business hours; $75 each after hours	
After 3:00pm		$85	$85			
52000002 - 4493				**$ 101,974**	Frederick City - 1% per month	
Utility Monthly Late Fee	2014	10% one-time late fee	10% one-time late fee		Washington County - $30 per bill	Ordinance
					Town of Smithsburg- 10% one time fee(excluding bay fee)	
52000002-489914				**$ 27,688**		
Emergency Load Response Program	2014	Capacity at 75% of market clearing price	Capacity at 75% of market clearing price			M & C

NAME OF FEE/PURPOSE	EFF DATE	FY18 RATE	FY19 PROPOSED	FY17 ACTUAL	COMPARABLE RATES	ACTION REQUIRED
WASTEWATER DEPARTMENT						
54000002 - 4243				**$ 2,400**		
Connection Charge:	2003					Ordinance
City		$1,200	$1,200			
54000002 - 4242				**$ 21,106**		
54000002 - 4245				**Total Fees**		
Sewer Plan Review/Inspection Fee:	2006					Ordinance
Application Fee + Review Fee Per Ft.		$50 + $0.50	$50 + $0.50			
Inspection Fee Per Ft.		$3	$3			
PS Fee Per Gal. (Minimum of PS Capacity)		$14	$14			
54000002 - 4810				**$ 12,756**		
Rental Income per year	1984	$365-no increase	$365-no increase			
Cell Tower Rental	2015	$1,061/month	$1,093/month			
		3% annual increase	3% annual increase			
54000004 - 4722				**$ 628,747**		
55000004 - 4722				**Total Fees**	Washington County - $6,900 per EDU	
Benefit Charges-Fee Per Gallon:	2006				Frederick City impact fee - for single	Ordinance
In City w/$4,400 Minimum		$22/gallon	$22/gallon		dwelling-$5,250	
In County w/$5,000 Minimum		$25/gallon	$25/gallon		$21/gal and 250 gals per EDU	
54000002 - 444201		Eff July 1, 2017	Eff July 1, 2018	**$ 6,844,717**	5 Year Rate Increases approved by	
54000002 - 444101		Rate Increase 2% for All	Rate Increase 2% for All	**Total Fees**	Mayor and Council for FY15-FY19	
Sewer Service Charges-City	2012					Ordinance
Consumption: Per 1,000 Gallons		$5.39	$5.50		Frederick City - same rate as Water	
Fixed Charges: 5/8" - 10"		$22.11-$3,051.18	$22.55-$3,111.90			
54000002 - 444202		Eff July 1,2017	Eff July 1,2018	**$ 3,270,528**	5 Year Rate Increases approved by	
54000002 - 444102		Rate Increase 2% for All	Rate Increase 2% for All	**Total Fees**	Mayor and Council for FY15-FY19	
Sewer Service Charges- County	2012				Frederick City: Outside City - double In City rate	Ordinance
Consumption: Per 1,000 Gallons		$9.03	$9.21		Wash County FY18: $118.40 min up to 6000 gals	
Fixed Charges: 5/8" - 10"		$36.74-$5,070.12	$37.47-$5,170.86		over 6000 gals - $6.78 per 1000 gals	
54000002 - 444203		Eff July 1,2017	Eff July 1,2018	**$ 2,487,178**	5 Year Rate Increases approved by	
54000002 - 444103		Rate Increase 2% for All	Rate Increase 2% for All	**Total Fees**	Mayor and Council for FY15-FY19	
Sewer Service Charges-Joint County	2012				Frederick City: Outside City - double In City rate	Ordinance
Consumption: Per 1,000 Gallons		$7.84	$8.00		Wash County FY18: $118.40 min up to 6000 gals	
Fixed Charges: 5/8" - 10"		$31.95-$4,409.10	$32.59-$4,497.42		over 6000 gals - $6.78 per 1000 gals	
54000002 - 4443				**$ 106,186**		
Low Pressure Systems	2010					Ordinance
Per Dwelling Quarterly Fee		$97.80	$97.80			
If 2 Dwelling Pump Quarterly Fee		$53.73	$53.73			
54000002 - 4246				**$ 746**		
Monitoring Report/Lab Testing Fees:	2012				Washington County:	
Meter Set-Up Charge Per Test		$85	$85		Sample Collection $25	Admin Order
Biochemical Oxygen Demand		$30	$30		Biochemical Oxygen Demand $25	
Chemical Oxygen Demand		$30	$30		Chemical Oxygen Demand $35	
Fats, Oils & Grease		$40	$40		Oil & Grease $25	
Suspended Solids		$15	$15		PH (Corrosivity) $6	
PH		$8	$8			
Metals		$15	$15			
54000002 - 4241				**$ 79,483**		
54000002 - 4244				**Total Fees**	Washington county: Pretreatment Prog Permit Fees:	
Industrial Permit Fee/year	2001	$250 - $2,000	$250 - $2,000		SIU's and Non SIU's = $300 and $150	
Industrial Surcharge Per 1,000 lbs:	2008				Permit Maintenance Annual Fees:	
Chemical Oxygen Demand Fee		$0.33	$0.33		< 1000 gpd -$250	Ordinance
Suspended Solids Fee		$0.82	$0.82		1000 -999 gpd - $500	
Grease & Oil Fee		$0.47	$0.47		10,000-25000 gpd $1000	
Biochemical Oxygen Demand		$0.82	$0.82		>25,000 gpd - $2000	
54000002 - 4493				**$ 199,362**	Frederick City - 1% per month	
Utility Monthly Late Fee	2014	10% one-time	10% one-time		Washington County - $30 per bill	Ordinance
		late fee	late fee		Town of Smithsburg- 10% one time fee(excluding bay fee)	

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.

FUND BALANCE/RETAINED EARNINGS POLICY (Amended November 14, 2017)

1. This Policy covers three different funds: General Fund, Enterprise Fund and Health Insurance Fund.

   - The City will maintain a minimum unassigned General Fund balance to be used for unanticipated emergencies of not less than seventeen (17) percent of the General Operating Budget (excluding Capital Outlay). This is a minimum level necessary to avoid cash flow interruptions, generate interest income, reduce the need for short-term borrowing and assist in the maintaining an investment grade bond rating. Consideration must also be given to the number of months of coverage the minimum level provides. A

minimum level of two (2) months of regular General Fund operating expenditures should be maintained within the fund balance.

- To the extent that the unassigned General Fund balance exceeds the targeted seventeen (17) percent, the City may draw upon these funds to provide pay-go financing for capital projects or for other one-time capital items. The City may designate parts of the unassigned General Fund balance that would represent tentative management plans rather than actual restrictions on the use of the funds. The funds may also be used to allow time for the City to restructure its operations in a deliberate manner but only in the context of long-term fiscal planning.
- If the fund balance should fall below the above minimum due to use for an unplanned emergency situation, defined as a sudden steep decline in revenue from which no reasonable expenditure reduction or tax rate increase can be planned and implemented in a timely fashion, the City will budget a portion of General Fund revenue estimated for that fiscal year in an amount to get back to the seventeen (17) percent within five (5) fiscal years.
- The City will strive to maintain sufficient retained earnings in the Enterprise funds to ensure its working capital needs, minor continuing system improvements, and general system improvements needs are met. In addition, there is a review and monitoring of the Enterprise funds retained earnings for the Enterprise Fund Dividend Transfer Policy. This dividend transfer policy includes a minimum working capital reserve level of two (2) months.
- The City will maintain, for the Health Insurance Fund, a minimum unassigned fund balance:
    a. that covers thirty (30) percent of its annual total expenditures excluding transfers to other city funds;
    b. that will adequately fund annual Other Post Employment Benefit (OPEB) trust as determined from prior year actuarial report; and
    c. that covers a minimum level of three and half (3.5) months of regular health insurance fund operating expenditures.
    d. To the extent all of the above conditions are met, transfers of surplus fund balance amounts can be utilized to reimburse other city funds for prior year accumulations based upon percentage of funding provided by each fund.

GRANT MANAGEMENT POLICY

The City, through individual departments, shall actively pursue grant resource opportunities and utilize grant funds to supplement and enhance the City's goals and objectives. Grant application, approval, and administration shall be finalized with the knowledge and participation of the Finance Department and the City Administrator's Office. Grants providing funding of City staff positions must be finalized with the knowledge and participation of the Human Resources Department. The activities of the grant and the expenditure of grant funds will be performed in accordance with the approved application and resulting agreement with the grantor and in accordance with all grant conditions.

1. The City shall generally not solicit grant funds from government and private agencies less than $1,500.
2. All departments may apply for any grants that contribute to the overall mission and goals of the City. Department Managers must approve all grant applications for their respective departments. Department Managers shall report accurate data and information on all applications, consistent with the City's reports, records, and operations.
3. Prior to submitting the grant application to the granting entity, Department Managers must input the application information into the Grant Master module in Munis, and attach complete scans of the grant application and any program or guides into Tyler Content Manager.
4. The Finance Department must be notified that a grant application has been entered for Finance Department review.
5. Electronically submitted grants must include the Director of Finance as an authorizing agent or person. The grantee should be listed as "City of Hagerstown", not the requesting department.
6. Prior to submission of a grant application, the Department seeking the grant must complete all necessary Human Resources Department, Finance Department, City Administrator, and Mayor & Council approvals. This approval requirement applies to both first time and ongoing grants, and will include the following:
    - The Department Manager must approve all new and ongoing grant applications of less than $30,000 and less than $25,000 in City matching funds. The Department must notify the Finance Department of the grant application for review prior to submission.

- Prior to submission, the Department Manager along with both the Director of Finance and the City Administrator must approve all new grant applications between $30,000 and $50,000 and requiring less than $25,000 in City matching funds, and all ongoing grants greater than $30,000 and requiring less than $25,000 in City matching funds. The Department Manager, Director of Finance, and City Administrator are the only personnel authorized to sign applications, agreements, contracts and grant documents on behalf of the City for grants of $30,000 or greater.
- Prior to submission, the Department Manager, the Director of Finance, the City Administrator and the Mayor and Council must approve all grant applications that meet any of the following conditions:
    i. Any new grant funding the addition of a new position. Additionally, approval from the Human Resource Director is required for position additions.
    ii. Any new grant in excess of $50,000.
    iii. Any new or ongoing grant requiring City matching of funds of $25,000 or more.
    iv. Any new or ongoing grant requiring either Mayor or Council approval of or understanding of the City's ongoing obligations to retain the grant.

7. The Department Manager shall notify the Finance Department of whether the grant has been awarded or denied and make necessary updates to the grant status in the Grant Master. Copies of the grant award notification, approved grant budget, and conditions must be scanned and attached to the Grant Master through Tyler Content Manager.
8. Upon notification from the Department originating the grant, the Finance Department will establish a new project number for the grant, and set up the appropriate budget, income, and expenditure accounts in the City's General Ledger system. The Finance Department will notify the Department of the new project and account numbers.
9. Grant financial records, supporting documentation and all other records pertinent to the grant shall be retained by the City permanently following the submission of the final report to the grantor. Copies of all applications, award letters, budget notices, award conditions, reimbursement requests, expenditures, quarterly reports, performance measures, and close out reports must be scanned and attached to the Grant Master through Tyler Content Manager.
10. Federal and State grants are subject to annual audits by the City's external auditors and must comply with certain standards. The Finance Department will prepare the Schedule of Expenditures of Federal Awards and State Financial Assistance (SEFA) to comply with the City's Single Audit requirements.

GENERAL FUND AGENCY CONTRIBUTION POLICY (Amended October 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.
7) 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.

AFSCME 1540 – The American Federation of State County and Municipal Employees, Local 1540. The collective bargaining unit that represents general personnel.

AFSCME 3373 – The American Federation of State County and Municipal Employees, Local 3373. The collective bargaining unit for sworn Police personnel.

Appropriations – The legal authorizations made by the Mayor and Council to the departments, offices, and agencies of the City which approves their budgets and allows them to make expenditures and incur obligations for purposes with the accounts approved.

Assessable Base – The total value of all real and personal property in the city which is used as a basis for levying taxes. Tax exempt property is excluded from the assessable base.

Assigned Fund Balance – The portion of net resources intended for a specific use by the City, as determined by the designee of the Mayor and Council.

Balanced Budget – A budget that has operating revenues equal to operating expenditures.

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

Bond – A written promise to pay a specified amount of money, called the principal amount, at specific dates in the future called maturity dates along with interest at specific rate.

Bond Anticipation Notes – Short-term interest-bearing notes issued by a government in anticipation of bonds to be issued at a later date. The notes are retired from proceeds of the bond to which they are related.

Bonds Issued – Bonds sold.

Bond Rating – A rating that indicates the probability of timely repayment of principal and interest on bonds issued.

Budget – A financial plan containing estimated revenues and expenses for an organization. The plans are prepared by the individual departments and reviewed and submitted by the City Administrator to the Mayor and Council for their review and approval.

Budget Year – The fiscal year for which the budget is being considered. (See also FISCAL YEAR.)

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

Capital Budget – The annual adoption of project appropriations by the Mayor and Council. Project appropriations are for the amount necessary to carry out a capital project's expenditure plan, including multi-year contracts for which a total appropriation covering several years planned expenditures may be required.

Capital Improvements Program (CIP) – The annual updated 6-year plan or schedule of projected expenditures for buildings, public facilities, and other improvements which are of significant value and have a useful life of several years. The City's program includes estimated project costs, sources of funding, and timing of work for each project. The capital improvement program is the basis for the annual CIP appropriations and any new bond issues.

Capital Expenses (Outlays) – Departmental expenditures which generally result in the acquisition of furniture, equipment, and/or computers, which have a value of less than $5,000 ($10,000 for Enterprise Funds), and have a useful economic life of more than one year. Capital expenses are reflected in the budget document in each department requesting the items.

Capital Projects – A specific activity or element of the Capital Improvements Program involving expenditures and funding for the creation of permanent facilities or other public assets that have a relatively long useful life.

CDBG – See Community Development Block Grant

CIP – See Capital Improvements Program

Committed Fund Balance – Portion of net resources with imposed limitations set at the highest level of decision making authority. Such authority includes ordinances, resolutions of the Mayor and Council and the City's charter. Formal action at the same level of authority is required to remove such limitations.

Community Development Block Grant (CDBG) – A general purpose, federal grant primarily used to promote rehabilitation and development of residential and commercial neighborhoods, and to meet all urgent community development needs.

Current Year – The fiscal year that is prior to the budget year.

Debt Issuance – The sale or issuance of any type of debt instrument, such as bonds.

Debt Limit – The statutory or constitutional maximum debt that an issuer can legally incur.

Debt Ratios – The ratios that provide measures of assessing debt load and ability to repay debt, which play a part in the determination of credit ratings. They also are used to evaluate the City's debt position over time against its own standards and policies.

Debt Service – The payment of principal and interest on borrowed funds such as bonds.

Deficit – The amount by which a government's budget outlays exceed its budget revenues for a given period, usually a fiscal year.

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

Department – The major organizational divisions in the City government with overall responsibility for one or activities or functions of the City.

Depreciation – An allocation made for the decrease in value of physical assets through wear, deterioration, or obsolescence. It allocates the asset's cost over its useful life.

Distinguished Budget Presentation Award – A voluntary program administered by the Government Finance Officers Association (GFOA) to encourage governments to publish efficiently organized and easily readable budget documents and to provide peer recognition and technical assistance to the fiscal officers preparing them.

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

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

Encumbrance – A firm commitment to pay for future goods and services formally documented with a contract or agreement that may extend over more than one budget year. Both encumbrances and planned expenditures on a project must fit within an agency's appropriation.

Enterprise Fund – A fund used to account for operations that are financed and operated in a manner similar to private business enterprises, where the costs of providing goods or services to the general public are financed or recovered primarily through user charges. The City has six enterprise funds: Electric, Water, Wastewater, Parking, Golf Course, and Property Management.

Estimated Actual (Revenue, Expenditures) – Projected amounts to be paid or collected for the current year estimate through analysis of year-to-date financial trends or schedules.

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

Expenditure – An actual payment made by check, inter-fund transfer, or by recordation of an amount due for goods received or services rendered.

Expenditure Summary – A top-level summary of expenditures by category for each department. The expenditure summary is a component of the departmental Program Summary in the budget document.

Fees – Income resulting from a billing for services or sale made by the City. For example, building permit fees, license fees, and service fees for water, wastewater, and electric, etc.

Fiscal Policies – The City's financial management policies relating to the operating budget, revenues, capital improvements program, general fund balance levels, liability coverage and workers compensation risk management, debt, investments, purchasing, Electric Fund dividend transfer, and Community Betterment Fund use.

Fiscal Year – An organization's accounting or financial year. The City's fiscal year starts July 1 and ends June 30.

Fixed Asset – Assets of a long-term character which are intended to continue to be held and used. Examples of fixed assets include items such as land, buildings, machinery, furniture, and other equipment.

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

Full-Time Staffing – Indicated the authorized number of full-time number of employees in department by position type. Part-time staffing reflected on the full-time staffing schedule does not include temporary and seasonal positions. Full-time staffing levels are reflected in each Program Summary.

Fund – A fiscal and accounting entity with a self- balancing set of accounts recording cash and all other financial resources or assets, together with all related liabilities or outside claims to those assets; and the remaining unclaimed net worth or residual equity in those assets, which are segregated for the purpose of carrying on specific activities or attaining specific program objectives.

Fund Balance – The cumulative difference between expenditures and revenue accumulated over the life of a fund. A negative fund balance is usually referred to as a deficit.

FY – See Fiscal Year

GAAP – See Generally Accepted Accounting Principles.

GASB – See Governmental Accounting Standards Board.

General Fund – The major operating fund of the City used to account for all financial resources and activities, except those accounted for in one of the City's other funds.

Generally Accepted Accounting Principles (GAAP) – Uniform minimum standards for financial accounting and recording, encompassing the conventions, rules, and procedures that define accepted accounting principles as determined through common practice or as promulgated by the Governmental Accounting Standards Boards, Financial Accounting Standards Board, or various other accounting standard setting bodies.

GFOA – See Government Finance Officers Association.

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

Governmental Accounting Standards Board (GASB) – This organization was established as an arm of the Financial Accounting Foundation in April 1984 to promulgate standards of financial accounting and reporting with respect to activities and transactions of state and local governmental entities.

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

IAFF – International Association of Fire Fighters, Local Number 1605. The collective bargaining unit for sworn Fire personnel.

IBEW – International Brotherhood of Electrical Worker, Local 307. The collective bargaining unit for electrical personnel.

Interfund Transfers – Payments made from one operating fund to another as a contribution to defray a portion of the recipients fund's costs.

Intergovernmental Revenues – The revenues from other governments in the form of grants, entitlements, shared revenues, or payments in lieu of taxes.

IT – Department of Information and Technology.

Levy – (Verb) To impose taxes or special assessments for the support of governmental activities. (Noun) A tax or special assessment imposed by a government.

Liabilities – Debts or other legal obligations arising out of transactions in the past that must be liquidated, renewed, or refunded at some future date. This term does not include encumbrances.

Liability Coverage Service Fund – An internal service fund used to provide for potential uninsured liability claims.

Line-Item Budget – The traditional form of budgeting, where proposed expenditures are based on individual types of expenditures within a department or program. The Hagerstown City Budget is a line item budget with summary and program information to aid in obtaining a more complete picture of the budget.

Long-Term Debt – Debt or obligations of the City with a final maturity or payment date of greater than one year.

Major Budget Highlights – A component of the Program Summary that explains significant changes or highlights in each department's proposed budget as compared to the previous year's budget.

Major Budget Year Initiatives – A component of the Program Description that details departmental goals for the fiscal year. These objectives are tied to the City's overall strategic plan.

Matured Bonds Payable – A liability account reflecting unpaid bonds that have reached or passed their maturity date.

MGD – Million Gallons per Day.

Modified Accrual Basis Of Accounting – The accrual basis of accounting adapted to the governmental fund type. It is a modified version of the full accrual basis of accounting in that it, in general, measures financial flow (tax and spend) of an organization, rather than capital accumulation (profit or loss).

Net Bonded Debt – Gross bonded debt less any cash or other assets available and earmarked for its retirement.

Non-Departmental Operating Expenditures – Operating expenditures which are not charged directly to specific departments but are cost to the City as a whole, such as debt service payments and general liability insurance.

Nonspendable Fund Balance – Portion of net resources that cannot be spent either (a) because of their form, or (b) because they must be maintained intact.

Non-Union – Employees not represented by one of the 4 collective bargaining units.

Obligations – Amounts that a government may be required legally to meet out of its resources. They include not only actual liabilities, but also unliquidated encumbrances.

Operating Budget – The portion of the City's budget that provides resources for the day-to-day operations of the City.

Ordinance – A formal legislative enactment by the governing board of a municipality. If it is not in conflict with any higher form of law, such as a state statute or constitutional provision, it has the full force and effect of law within the boundaries of the municipality to which it applies. The difference between an ordinance and resolution is that the latter requires less legal formality and has a lower legal status. Ordinarily, the statutes or charter will specify or imply those legislative actions that must be enacted by ordinance and those which may be enacted by resolution.

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

Pay-As-You-Go – Capital expenditures which are funded from current revenues.

Payment In Lieu Of Taxes – Payments made by entities not legally required to pay taxes in order that they may receive the same services as private taxpayers.

Per Capita – Per unit of population; by or for each person.

Performance Indicators – A component of the Program Description that reflects statistical indicators of levels of service or performance measures by department. Current fiscal year and budget year are projected.

Personnel (Costs) – Expenditures that include salary costs for full-time, part-time, temporary and contract employees, overtime expenses and all associated fringe benefits.

Prior Year(s) – The fiscal year(s) preceding the current year.

Program Description – One of the major sections of the budget document that serves as an introduction for each department, and includes the department's function, program objectives, and performance indicators.

Program 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 her/his assessment of what is needed to accomplish the department's objectives, or the limited resources available to accomplish the intended objectives.

Resolution – A special or temporary order of a legislative body that requires less legal formality than an ordinance or statute.

Retained Earnings – The cumulative annual net income or loss of an Enterprise fund's operations since the inception of the fund which are retained for future operation or needs.

Receipts – Collections from the public based on a government's exercise of its sovereign powers. Governmental receipts consist of receipts from taxes, court fines, gifts and contributions, and compulsory licenses.

Restricted Fund Balance – Portion of net resources with imposed limitations set by either (a) creditors, grantors, contributors, or the laws and regulations of other governments, or (b) laws through constitutional provisions or enabling legislation.

Revenue – Income received by the City to support its program of services to the community. It includes sources such as property taxes, admission fees, service charges, Federal and State grants, and parking fines to name just a few.

Revenue Anticipation Notes – Notes (sometimes called warrants) issued in anticipation of collection of non-tax revenues, retired after the collection of such revenues.

Revenue Bonds – The type of bonds where principal and interest payments are payable exclusively from the earnings from an enterprise funds. In addition to a pledge of revenues, such bonds sometimes contain mortgages on enterprise fund property.

RFP – Request for Proposals, Federal mandate to request proposals from potential contractors for outsourced government services.

Short-Term Debt – Debt or obligations of the City due within one year or less.

Special Assessment – A compulsory levy made against certain properties to defray part or all of the cost of a specific improvement or service deemed to primarily benefit those properties.

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

State & County Shared Taxes – Taxes levied by one government but shared on a predetermined basis with another government.

Stormwater Management Fund - This fund is used to account for the activities resulting from storm water run-off and management of infrastructure for the City's wastewater systems.

Tax Base – All forms of wealth under the City's jurisdiction that are taxable.

Tax Rate – The amount levied for every $100 of assessed property value, as determined by the Maryland State Assessment Department on both real and personal property within the Hagerstown City limits. Beginning 10/1/2000 the assessable base for real property was increased from 40% to 100% of estimated fair market value. The real estate tax rate was reduced to 40% of the prior rate but since the assessment for personal property did not change, its rate stayed the same or 2.5 times the real property rate. Current State law requires this rate differential to be maintained for Counties and the City is following the same policy.

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.)