



**THE COMMISSIONERS OF LEONARDTOWN**

**RECOMMENDED BUDGET DOCUMENT**

**FISCAL YEAR 2013**

**Daniel W. Burris, Mayor**  
**Thomas R. Collier**  
**Hayden T. Hammett**  
**James M. Mattingly, IV**  
**Roger L. Mattingly**  
**Leslie E. Roberts**

**Laschelle E. McKay**  
**Town Administrator**

**Commissioners of Leonardtown**  
**41660 Courthouse Dr.**  
**P.O. Box 1**  
**Leonardtown, MD 20650**  
**(301)475-9791**

## ***BUDGET MESSAGE OF THE COMMISSIONERS OF LEONARDTOWN***

The following budget message is provided to assist you in your review of the Fiscal Year 2013 Recommended Budget.

### **THE BUDGET PROCESS**

The budget process begins with the Mayor's proposed budget being submitted to Council for review. As provided by the Town Charter, the proposed budget shall be submitted to the Council by May 20 of each fiscal year. During a series of budget worksessions that follow, the Town Council and Mayor work to refine the budget into a document that the governing body feels reflects the direction that the Town should take in the coming fiscal year.

Prior to adoption of the budget, the Council holds a public hearing to receive comments from the citizens of Leonardtown. After the public hearing, the Council adopts the recommended budget, by ordinance, with or without amendment. Adoption of the budget also serves as the authorization for the tax levy for the upcoming fiscal year.

### **BUDGET COMMENTARY**

The Town government operates by utilizing several different funds. These funds are used to segregate resources related to specific activities.

The General Fund includes the day-to-day activities of the Town such as planning and zoning, public works, public safety, recreation and parks, administration and other general government activities. Revenues to finance these activities come from property tax, income tax, state shared revenues, permits and fees and a number of other miscellaneous revenue sources.

The Enterprise Fund includes the operation and maintenance of water and sewer facilities and the disposal of trash for the citizens of Leonardtown. User service charges finance the daily operation and maintenance of these activities. Water and sewer capacity allocation charges and impact fees are collected on new buildings to pay for major facility repairs and/or improvements.

#### **General Fund**

Real estate property tax is the largest revenue source in the FY2013 budget. It represents 42% of operating revenue. The budgeted amount of \$483,000 is an increase of 4.7% over FY2012 actual property tax revenue and adopts the constant yield tax rate of \$.1252 per \$100 of assessed valuation; lower than the previous year's tax rate of \$.1257. The projected increase in revenue is a direct result of new residential construction that continues at Leonard's Grant.

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The second largest revenue source is income tax, which represents 38% of operating revenue and is budgeted 8% higher than FY2011 actual income tax revenue. Residential development continues to add population to Leonardtown, so it is reasonable to assume that this revenue source should grow in the coming years. It is very important that Leonardtown residents properly file their annual Maryland income tax returns to ensure the local share of income tax is remitted to the town government.

Worth mentioning at this point is the continued loss of highway user revenue. This has normally been one of the largest revenue sources in the town budget. For the fourth straight year, The State of Maryland has elected to withhold a significant portion of Leonardtown's estimated highway user funds to help balance the state budget. Most county and municipal budgets have been similarly affected. The FY2013 budget of \$22,154 is a decrease from the FY2012 budget amount of \$34,104. For comparison, the FY2007 receipts totaled \$134,000. This multi-year revenue reduction yielded corresponding expenditure reductions for road maintenance. The FY2013 recommended budget supplements the highway user revenue source by \$35,946 to cover road maintenance projects that can no longer be deferred. Additionally, the Mayor and Council have committed to maintain this level of annual funding for road maintenance for the foreseeable future despite the uncertainty of when highway user revenues may be returned to their previous funding levels.

To complement increased road maintenance, the FY2013 recommended budget includes a significant transfer of \$160,000 to the Capital Projects Fund for storm water and sidewalk rehabilitation. As roads are identified for paving, it is important to ensure the underground storm water structures are intact and operating properly. If repairs are necessary, they will be completed before paving. Sidewalks will also be inspected and repaired as necessary. The utility department will also allocate resources as needed to repair water and sewer lines that run under those streets identified for paving. This is intended to minimize the risk of utility repairs that would require tearing up new pavement.

Total General Fund expenses are \$1,314,069 which includes \$205,235 to pay for one time capital items. The balance of \$1,108,834 is appropriated for recurring operating expenses and represents a 4.6% increase over the FY2012 adjusted operating budget of \$1,059,825. As mentioned above, a significant increase is recommended for road maintenance. There are also additional grounds maintenance costs for maintaining the public portion of Leonard's Grant Parkway. Health insurance premiums increased 10%, and employee merit increases have been funded as well.

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The Council strives to adopt a budget that meets the criteria of maintaining a reserve of at least 6 months worth of operating expenses in the general fund's *unassigned fund balance*. There is no nationally uniform standard regarding the appropriate level of unassigned fund balance that should be maintained by a local government, so each year the Mayor and Council re-examine the fund balance during the budget cycle. For this FY2013 recommended budget, the Mayor and Council will be able to maintain the level of unassigned fund balance at 50% of the FY2013 general fund operating expenses.

**Enterprise Fund**

**Wastewater System**

The purpose of this department is to operate, maintain, and repair the wastewater treatment plant, the sewage collection system, and all sewer pump stations to ensure adequate collection and treatment of the Town's wastewater. Due to the fact that the St. Mary's Metropolitan Commission (Metcom) serves certain customers through the Town's treatment facility, Metcom funds its proportionate share of operating and maintenance expenses for the wastewater treatment plant. This arrangement requires separate accounting of the treatment plant expenses from the collection/conveyance system expenses. After ignoring capital items and contingency funding, the FY2013 recommended budgets for the wastewater treatment plant and collection system combine for a 6.6% increase over the FY2012 approved budgets. WWTP facility maintenance accounts for the majority of this increase. The next facility upgrade is scheduled to start construction in 2013 which will replace aging, high maintenance equipment with new. Although service charges are recommended to increase 2%, the residential growth rate of 5% will generate the additional revenue needed to fund the 6.6% increase in expenses.

The only sewer related project in the capital projects budget is the ENR upgrade of the wastewater treatment plant. This project previously included an expansion component to increase the daily flow rate up to 910,000 gallons per day. The expansion was postponed after evaluating current flow rates, operating efficiency, the timing of new customer connections, and projected revenue sources. Final design should be completed in 2012 with construction to follow from 2013 to 2015. The ENR treatment process is a state mandate and will be funded by grants from the Maryland Department of the Environment. The balance of the project will require the town to borrow money. The annual debt payments will be funded by impact fees collected from new customers.

**Water System**

The Town currently operates and maintains two elevated storage tanks, one primary and two backup pumping wells and 13.8 miles of distribution lines. The sound operation and maintenance of Leonardtown's water supply system contributes to above

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average marks from the Insurance Services Office (ISO). The most recent fire insurance evaluation performed in October of 1993 resulted in an improvement from Class 5 to Class 4. Certain insurance companies use ISO evaluations when calculating property insurance premiums. After ignoring capital items and contingency funding, the recommended FY2013 expenditure budget for the water system is 1.9% higher than the FY2012 approved budget. The largest increase is water line maintenance which not only covers emergency repairs, but has set aside additional funding to replace certain water mains that experience the most leaks. Designated paving projects will also dictate where utility lines may need to be repaired.

Change to a consumption based rate structure was effective on October 1, 2011. Through the first two quarters of billing, there has not been a significant change in customer consumption habits. This may change during summer months when some customers will see much higher bills when outside water use increases. A small contingency for rate modification is still included in the FY2013 budget since changes in summer consumption habits will not be known until after the FY2013 budget is approved.

During FY2012, the Council approved demolition of the Church Street water tower. Provided with inspection reports and repair estimates, the Council determined the tower was too expensive to repair given the low volume of storage provided at this site. In order to safely remove this tower from the distribution system without compromising flow or pressure, the town constructed and connected a new 16 inch water main from the Tudor Hall water tower.

Several water system capital projects are still necessary in the next few years. The Greenbrier Road water tower is scheduled for exterior rehabilitation in FY2013. Construction of a new well has been moved forward one year to FY2014. Despite the existence of two backup wells which can be used in an emergency, continued growth in town coupled with users providing essential services like the hospital, nursing home and detention center, bringing a second well online is prudent.

**Trash Collection**

As required by Town ordinance, the Town provides trash collection for the citizens and businesses in Leonardtown. On June 11, 2007, the Town Council awarded a five year contract to Goode Trash Removal, Inc. The original contract included one(1) two year contract extension which the contractor did request in February 2012. Based on favorable extension pricing and a good customer service history, this two year extension was approved by the Town Council in March 2012. The FY2013 service charges will be increased by 3%. Residential trash and recycling service will increase to \$67.24 per quarter. Commercial rates will also increase by 3% but vary according to the level and type of service provided.

## **SUMMARY**

**As this community continues to grow, the Mayor and Council constantly reevaluate the priorities and goals that they believe chart a course for Leonardtown to be the best small town for its residents and businesses. This budget is mindful of the fact that many residents and businesses are suffering economic hardship. The slow economic recovery continues to wreak havoc on the budgets of many jurisdictions across the country, but careful planning and budgeting for many years has allowed Leonardtown to weather the storm. This recommended FY2013 budget maintains the same level of core services as FY2012 with one exception. A significant commitment has been made to improving aged infrastructure, not just this year, but for several years to come. Resources that had been dedicated to building new public facilities are being redirected to maintaining existing assets.**

**Continued residential growth will bring additional challenges, but should also serve to broaden the fiscal base upon which future budgets are developed.**

**Despite these current fiscal challenges, the, The Mayor and Town Council shall endeavor to maintain Leonardtown as an exceptional place to live, work and play.**

THE COMMISSIONERS OF LEONARDTOWN  
**BUDGET SUMMARY**  
 REVENUE VS EXPENSES  
 FISCAL YEAR JULY 1, 2012 - JUNE 30, 2013

	FY2013 RECOMMENDED	FY12 APPROVED/ ADJUSTED	FY 2011 ACTUAL
<b>GENERAL FUND</b>			
REVENUE AND OTHER FINANCING SOURCES	<u>\$1,314,069</u>	<u>\$1,227,175</u>	<u>\$1,178,234</u>
EXPENSES			
GENERAL GOVERNMENT	\$481,612	\$470,995	\$410,756
COMMUNITY DEVELOPMENT	\$91,401	\$92,299	\$74,863
PLANNING AND ZONING	\$102,825	\$105,594	\$127,978
PUBLIC SAFETY	\$60,130	\$63,951	\$49,109
PUBLIC WORKS	\$285,867	\$400,910	\$182,413
RECREATION AND PARKS	\$132,235	\$93,426	\$95,351
TRANSFERS TO OTHER FUNDS	<u>\$160,000</u>	<u>\$0</u>	<u>\$237,764</u>
TOTAL EXPENSES AND TRANSFERS TO OTHER FUNDS	<u>\$1,314,069</u>	<u>\$1,227,175</u>	<u>\$1,178,234</u>
<b>SEWER SYSTEM</b>			
REVENUE	<u>\$854,407</u>	<u>\$901,067</u>	<u>\$912,964</u>
EXPENSES			
WASTEWATER TREATMENT PLANT	\$679,375	\$702,322	\$594,225
COLLECTION SYSTEM	<u>\$175,032</u>	<u>\$198,745</u>	<u>\$132,351</u>
TOTAL SEWER EXPENSES	<u>\$854,407</u>	<u>\$901,067</u>	<u>\$726,576</u>
<b>WATER SYSTEM</b>			
REVENUE	<u>\$405,500</u>	<u>\$392,500</u>	<u>\$381,495</u>
EXPENSES	<u>\$405,500</u>	<u>\$392,500</u>	<u>\$303,180</u>
<b>WASTE DISPOSAL</b>			
REVENUE	<u>\$745,500</u>	<u>\$732,689</u>	<u>\$699,586</u>
EXPENSES	<u>\$745,500</u>	<u>\$732,689</u>	<u>\$699,586</u>

THE COMMISSIONERS OF LEONARDTOWN  
**GENERAL FUND REVENUES**  
 FISCAL YEAR JULY 1, 2012 - JUNE 30, 2013

	FY2013 RECOMMENDED	FY12 APPROVED/ ADJUSTED	FY 2011 ACTUAL
TAXES - LOCAL PROPERTY			
REAL ESTATE FULL YEAR AND HALF YEAR (\$0.1252/\$100 TAX RATE)	\$483,000	\$460,000	\$470,636
PUBLIC UTILITIES	\$30,500	\$29,000	\$9,465
PENALTIES AND INTEREST	\$4,000	\$3,000	\$3,845
DISCOUNT ON TAXES	(\$2,000)	(\$2,500)	(\$2,415)
OTHER DEDUCTIONS	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
TOTAL - LOCAL PROPERTY TAXES	\$515,500	\$489,500	\$481,531
TAXES - OTHER LOCAL			
INCOME TAX	\$435,000	\$355,000	\$402,366
ADMISSIONS AND AMUSEMENT TAX	<u>\$2,500</u>	<u>\$1,000</u>	<u>\$6,217</u>
TOTAL - LOCAL OTHER TAXES	\$437,500	\$356,000	\$408,583
TAXES - STATE SHARED			
HIGHWAY USER REVENUE	<u>\$22,154</u>	<u>\$34,104</u>	<u>\$10,594</u>
TOTAL - STATE SHARED TAXES	\$22,154	\$34,104	\$10,594
LICENSES AND PERMITS			
BEER, WINE AND LIQUOR LICENSE	\$12,000	\$12,000	\$11,552
COIN OPERATED MACHINE LICENSE	\$0	\$0	\$0
TRADERS LICENSE	\$13,500	\$13,500	\$12,092
BUILDING, OCCUPANCY AND SIGN PERMITS	\$36,150	\$24,600	\$28,398
CATV FRANCHISE FEE	<u>\$28,000</u>	<u>\$23,000</u>	<u>\$25,017</u>
TOTAL - LICENSES AND PERMITS	\$89,650	\$73,100	\$77,059
INTERGOVERNMENTAL REVENUES			
COUNTY PAYMENTS IN LIEU OF TAXES	\$49,615	\$52,230	\$66,659
ACCOMMODATION TAX	\$18,000	\$18,000	\$17,577
LAW ENFORCEMENT GRANTS	\$5,750	\$5,750	\$5,766
OTHER GRANTS	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
TOTAL - INTERGOVERNMENTAL REVENUES	\$73,365	\$75,980	\$90,002
CHARGES FOR SERVICES			
ZONING AND SUBDIVISION FEES	<u>\$1,000</u>	<u>\$1,500</u>	<u>\$190</u>
TOTAL - CHARGES FOR SERVICES	\$1,000	\$1,500	\$190
MISCELLANEOUS REVENUE			
INTEREST	\$7,000	\$7,000	\$4,168
RESTRICTED GRANTS	\$2,900	\$2,100	\$2,100
PARKING FEES-IN-LIEU	\$0	\$0	\$0
OTHER INCOME	<u>\$5,000</u>	<u>\$44,000</u>	<u>\$11,498</u>
TOTAL - MISCELLANEOUS INCOME	\$14,900	\$53,100	\$17,766
OTHER FINANCING SOURCES			
APPROPRIATION OF PRIOR YEAR FUND BALANCE	<u>\$160,000</u>	<u>\$143,891</u>	<u>\$92,509</u>
TOTAL - OTHER FINANCING SOURCES	\$160,000	\$143,891	\$92,509
TOTAL GENERAL FUND REVENUE AND OTHER FINANCING SOURCES	<u>\$1,314,069</u>	<u>\$1,227,175</u>	<u>\$1,178,234</u>



THE COMMISSIONERS OF LEONARDTOWN  
**GENERAL FUND EXPENSES**  
 FISCAL YEAR JULY 1, 2012 - JUNE 30, 2013

	FY2013 RECOMMENDED	FY12 APPROVED/ ADJUSTED	FY 2011 ACTUAL
<b>GENERAL GOVERNMENT EXPENSES</b>			
SALARIES	\$169,826	\$168,677	\$155,797
PAYROLL TAXES AND BENEFITS	\$40,342	\$33,124	\$30,903
LEGAL COUNSEL	\$12,500	\$8,500	\$10,016
ACCOUNTING SERVICE	\$17,500	\$16,000	\$15,500
OTHER PROFESSIONAL SERVICES	\$16,195	\$16,195	\$16,471
ELECTION EXPENSES	\$0	\$350	\$0
OCCUPANCY EXPENSE	\$29,426	\$28,500	\$27,360
PROPERTY/LIABILITY INSURANCE	\$11,500	\$10,100	\$11,955
UTILITIES	\$11,280	\$11,280	\$10,553
BUILDING MAINT./JANITORIAL WORK	\$4,500	\$3,600	\$3,410
EQUIPMENT MAINTENANCE	\$2,500	\$2,500	\$2,737
OFFICE SUPPLIES	\$10,000	\$8,000	\$7,923
POSTAGE	\$5,200	\$5,500	\$4,169
TRAVEL AND TRAINING	\$7,763	\$8,415	\$5,280
DUES, MEMBERSHIPS AND SUBSCRIPTIONS	\$4,500	\$4,510	\$4,428
ADVERTISING AND PUBLIC NOTICES	\$1,000	\$1,000	\$605
PRINTING/CODIFICATION UPDATES	\$1,750	\$6,750	\$0
HOSPITALITY	\$5,000	\$3,600	\$3,673
DEBT SERVICE	\$125,104	\$125,104	\$93,828
LEASE PAYMENTS	\$875	\$875	\$875
OTHER OPERATING EXPENSES	\$1,000	\$1,500	\$3,075
PAYMENTS TO OTHER AGENCIES	\$750	\$750	\$750
CAPITAL OUTLAY	<u>\$3,100</u>	<u>\$6,165</u>	<u>\$1,448</u>
 TOTAL GENERAL GOVERNMENT EXPENSES	 <u>\$481,612</u>	 <u>\$470,995</u>	 <u>\$410,756</u>
 <b>COMMUNITY DEVELOPMENT EXPENSES</b>			
SALARIES	\$39,557	\$50,591	\$41,764
PAYROLL TAXES AND BENEFITS	\$7,956	\$8,420	\$7,003
PROFESSIONAL SERVICES	\$250	\$250	\$300
BEACH PARTY	\$3,500	\$3,500	\$4,939
VETERAN'S DAY PARADE	\$2,500	\$1,750	\$1,630
TREE LIGHTING	\$3,000	\$3,000	\$2,254
CONCERTS ON THE SQUARE	\$2,000	\$2,000	\$1,048
WATERFRONT CELEBRATION	\$0	\$0	\$137
EARTH DAY	\$1,500	\$1,100	\$1,610
PUBLIC RELATIONS/PROMOTIONS	\$750	\$928	\$622
OTHER OPERATING EXPENSES	\$25,388	\$13,885	\$13,556
CAPITAL OUTLAY	<u>\$5,000</u>	<u>\$6,875</u>	<u>\$0</u>
 TOTAL COMMUNITY DEVELOPMENT EXPENSES	 <u>\$91,401</u>	 <u>\$92,299</u>	 <u>\$74,863</u>
 <b>PLANNING AND ZONING EXPENSES</b>			
SALARIES	\$74,329	\$76,758	\$82,768
PAYROLL TAXES AND BENEFITS	\$19,421	\$16,636	\$18,663
LEGAL COUNSEL	\$5,000	\$10,000	\$17,441
PROFESSIONAL SERVICES	\$0	\$0	\$7,405
SUPPLIES	\$700	\$700	\$621
OTHER OPERATING EXPENSES	\$1,500	\$1,500	\$1,080
CAPITAL OUTLAY	<u>\$1,875</u>	<u>\$0</u>	<u>\$0</u>
 TOTAL PLANNING AND ZONING EXPENSES	 <u>\$102,825</u>	 <u>\$105,594</u>	 <u>\$127,978</u>

GENERAL FUND CONTINUED

	FY2013 RECOMMENDED	FY12 APPROVED/ ADJUSTED	FY 2011 ACTUAL
<b>PUBLIC SAFETY EXPENSES</b>			
SALARIES	\$9,530	\$5,694	\$2,299
PAYROLL TAXES AND BENEFITS	\$3,498	\$1,793	\$752
LAW ENFORCEMENT	\$44,102	\$49,124	\$42,218
FIRE DEPARTMENT GRANT	\$1,000	\$1,000	\$1,000
RESCUE SQUAD GRANT	\$1,000	\$1,000	\$1,000
OTHER OPERATING EXPENSES	\$1,000	\$1,340	\$0
CAPITAL OUTLAY	\$0	\$4,000	\$1,840
<b>TOTAL PUBLIC SAFETY EXPENSES</b>	<b>\$60,130</b>	<b>\$63,951</b>	<b>\$49,109</b>
<b>PUBLIC WORKS EXPENSES</b>			
SALARIES	\$37,695	\$30,077	\$29,656
PAYROLL TAXES AND BENEFITS	\$12,844	\$8,777	\$8,892
PROFESSIONAL SERVICES	\$1,000	\$1,000	\$0
STREET SWEEPING	\$32,500	\$30,000	\$27,744
ROAD MAINTENANCE	\$58,100	\$55,016	\$6,745
SNOW AND ICE REMOVAL	\$15,000	\$15,000	\$11,050
STORM DRAIN/SIDEWALK MAINTENANCE	\$15,000	\$37,284	\$15,985
STREET LIGHTING/ELECTRICITY	\$41,500	\$42,000	\$37,766
GROUNDS MAINTENANCE	\$54,728	\$69,946	\$31,384
STREET SIGNS AND MAINTENANCE	\$2,500	\$2,500	\$2,821
OTHER OPERATING EXPENSES	\$15,000	\$34,310	\$10,370
CAPITAL OUTLAY	\$0	\$75,000	\$0
<b>TOTAL PUBLIC WORKS EXPENSES</b>	<b>\$285,867</b>	<b>\$400,910</b>	<b>\$182,413</b>
<b>RECREATION AND PARKS</b>			
SALARIES	\$23,345	\$29,002	\$32,200
PAYROLL TAXES AND BENEFITS	\$6,319	\$8,145	\$9,223
PROFESSIONAL SERVICES	\$0	\$0	\$0
UTILITIES	\$6,750	\$3,600	\$2,838
FACILITY MAINTENANCE	\$12,000	\$12,000	\$6,855
GROUNDS MAINTENANCE	\$42,561	\$34,679	\$37,987
OTHER OPERATING EXPENSES	\$6,000	\$6,000	\$6,248
CAPITAL OUTLAY	\$35,260	\$0	\$0
<b>TOTAL RECREATION AND PARKS</b>	<b>\$132,235</b>	<b>\$93,426</b>	<b>\$95,351</b>
<b>TRANSFER TO OTHER FUNDS</b>			
CAPITAL PROJECTS	\$160,000	\$0	\$237,764
SPECIAL REVENUE	\$0	\$0	\$0
<b>TOTAL TRANSFERS TO OTHER FUNDS</b>	<b>\$160,000</b>	<b>\$0</b>	<b>\$237,764</b>
<b>TOTAL GENERAL FUND EXPENSES AND TRANSFERS TO OTHER FUNDS</b>	<b>\$1,314,069</b>	<b>\$1,227,175</b>	<b>\$1,178,234</b>

THE COMMISSIONERS OF LEONARDTOWN  
**ENTERPRISE FUND REVENUES**  
 FISCAL YEAR JULY 1, 2012 - JUNE 30, 2013

	FY2013 RECOMMENDED	FY12 APPROVED/ ADJUSTED	FY 2011 ACTUAL
<b>WATER SYSTEM REVENUES</b>			
WATER SERVICE CHARGES	\$403,000	\$390,000	\$378,893
INTEREST INCOME	\$1,000	\$1,000	\$1,196
FINANCE CHARGES	\$1,000	\$1,000	\$1,042
MISCELLANEOUS INCOME	\$500	\$500	\$364
APPROPRIATE RETAINED EARNINGS	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
 TOTAL WATER SYSTEM REVENUES	 <u>\$405,500</u>	 <u>\$392,500</u>	 <u>\$381,495</u>
 <b>SEWER SYSTEM REVENUES</b>			
SEWER SERVICE CHARGES	\$715,000	\$702,000	\$690,374
INTEREST INCOME	\$1,000	\$1,000	\$585
FINANCE CHARGES	\$2,000	\$2,000	\$1,898
MISCELLANEOUS INCOME	\$1,500	\$16,720	\$1,544
APPROPRIATE RETAINED EARNINGS	<u>\$0</u>	<u>\$53,580</u>	<u>\$0</u>
 SUBTOTAL	 \$719,500	 \$775,300	 \$694,401
 <b>METCOMM FEES</b>			
OPERATION & MAINTENANCE	\$134,907	\$125,766	\$115,995
WATER QUALITY LOAN	\$0	\$0	\$6,205
FARMERS HOME LOAN REFINANCING	\$0	\$0	\$72,850
EXISTING FACILITIES	\$0	\$0	\$13,066
ADDITIONAL LOCAL SHARE	<u>\$0</u>	<u>\$0</u>	<u>\$10,447</u>
 TOTAL METCOMM FEES	 <u>\$134,907</u>	 <u>\$125,767</u>	 <u>\$218,563</u>
 TOTAL SEWER SYSTEM REVENUES	 <u>\$854,407</u>	 <u>\$901,067</u>	 <u>\$912,964</u>
 <b>WASTE DISPOSAL REVENUES</b>			
WASTE DISPOSAL SERVICE CHARGES	\$743,000	\$698,692	\$677,750
FINANCE CHARGES	\$2,000	\$1,500	\$1,863
MISCELLANEOUS INCOME	\$500	\$1,000	\$652
APPROPRIATE RETAINED EARNINGS	<u>\$0</u>	<u>\$31,497</u>	<u>\$19,321</u>
 TOTAL WASTE DISPOSAL REVENUES	 <u>\$745,500</u>	 <u>\$732,689</u>	 <u>\$699,586</u>
  TOTAL ENTERPRISE FUND REVENUES	  <u>\$2,005,407</u>	  <u>\$2,026,256</u>	  <u>\$1,994,045</u>

THE COMMISSIONERS OF LEONARDTOWN  
**ENTERPRISE FUND EXPENSES**  
 FISCAL YEAR JULY 1, 2012 - JUNE 30, 2013

	FY2013 RECOMMENDED	FY12 APPROVED/ ADJUSTED	FY 2011 ACTUAL
<b>WASTEWATER TREATMENT PLANT</b>			
PERSONNEL SERVICES			
SALARIES	\$169,850	\$157,066	\$164,920
PAYROLL TAXES AND BENEFITS	<u>\$49,868</u>	<u>\$46,646</u>	<u>\$47,184</u>
TOTAL PERSONNEL SERVICES	\$219,718	\$203,712	\$212,104
OPERATIONS AND MAINTENANCE			
ENGINEERING AND CONSULTANTS	\$2,500	\$2,500	\$10
TREATMENT FACILITY MAINTENANCE	\$68,141	\$39,877	\$24,406
LABORATORY ANALYTICAL SERVICES	\$15,229	\$13,109	\$13,324
PROCESS CHEMICALS	\$34,270	\$36,364	\$30,246
LABORATORY SUPPLIES	\$4,501	\$4,501	\$3,472
UTILITIES	\$95,000	\$95,025	\$91,235
SLUDGE MANAGEMENT	\$51,492	\$43,166	\$24,741
SAFETY	\$1,168	\$1,275	\$1,084
INSURANCE	\$13,000	\$16,300	\$14,056
OTHER OPERATING EXPENSES	<u>\$17,766</u>	<u>\$17,016</u>	<u>\$18,645</u>
TOTAL O & M EXPENSES	\$303,067	\$269,133	\$221,219
DEBT SERVICE	\$120,840	\$120,440	\$157,513
CAPITAL OUTLAY	\$0	\$25,760	\$3,389
CONTINGENCY FOR RATE MODIFICATION	\$35,750	\$83,277	\$0
REPAIR AND REPLACEMENT RESERVE	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
TOTAL WASTEWATER TREATMENT PLANT EXPENSES	<u>\$679,375</u>	<u>\$702,322</u>	<u>\$594,225</u>
<b>COLLECTION SYSTEM EXPENSES</b>			
PERSONNEL SERVICES			
SALARIES	\$37,999	\$35,415	\$36,833
PAYROLL TAXES AND BENEFITS	<u>\$11,064</u>	<u>\$9,650</u>	<u>\$9,942</u>
TOTAL PERSONNEL SERVICES	\$49,064	\$45,065	\$46,775
OPERATIONS AND MAINTENANCE			
ENGINEERING AND CONSULTANTS	\$2,000	\$2,000	\$0
FACILITY MAINTENANCE	\$20,114	\$18,742	\$2,515
SEWER LINE MAINTENANCE	\$42,101	\$44,178	\$66,087
UTILITIES	\$6,000	\$4,000	\$3,713
SAFETY	\$1,334	\$1,334	\$280
INSURANCE	\$6,250	\$3,300	\$5,743
OTHER OPERATING EXPENSES	<u>\$7,203</u>	<u>\$6,360</u>	<u>\$5,582</u>
TOTAL O & M EXPENSES	\$85,002	\$79,914	\$83,920
DEBT SERVICE	\$0	\$0	\$0
CAPITAL OUTLAY	\$9,850	\$33,490	\$1,656
REPAIR AND REPLACEMENT RESERVE	<u>\$31,117</u>	<u>\$40,276</u>	<u>\$0</u>
TOTAL COLLECTION SYSTEM EXPENSES	<u>\$175,032</u>	<u>\$198,745</u>	<u>\$132,351</u>

ENTERPRISE FUND CONTINUED

	FY2013 RECOMMENDED	FY12 APPROVED/ ADJUSTED	FY 2011 ACTUAL
<b>WATER SYSTEM EXPENSES</b>			
PERSONNEL SERVICES			
SALARIES	\$86,106	\$80,126	\$76,611
PAYROLL TAXES AND BENEFITS	<u>\$25,956</u>	<u>\$20,117</u>	<u>\$19,442</u>
TOTAL PERSONNEL SERVICES	\$112,062	\$100,243	\$96,053
OPERATIONS AND MAINTENANCE			
ENGINEERING AND CONSULTANTS	\$2,000	\$2,000	\$1,050
FACILITY MAINTENANCE	\$22,204	\$35,230	\$5,776
WATER LINE MAINTENANCE	\$102,968	\$78,087	\$30,107
LABORATORY ANALYTICAL SERVICES	\$1,825	\$891	\$1,205
PROCESS CHEMICALS	\$9,295	\$9,295	\$8,576
LABORATORY SUPPLIES	\$750	\$1,000	\$176
UTILITIES	\$50,000	\$52,500	\$49,997
SAFETY	\$971	\$753	\$0
INSURANCE	\$5,900	\$5,900	\$5,435
OTHER OPERATING EXPENSES	<u>\$11,851</u>	<u>\$16,857</u>	<u>\$11,767</u>
TOTAL O & M EXPENSES	\$207,764	\$202,513	\$114,089
DEBT SERVICE	\$14,665	\$14,363	\$93,038
CAPITAL OUTLAY	\$26,551	\$1,150	\$0
CONTINGENCY FOR RATE MODIFICATION	\$20,150	\$39,250	\$0
REPAIR AND REPLACEMENT RESERVE	<u>\$24,308</u>	<u>\$34,981</u>	<u>\$0</u>
TOTAL WATER SYSTEM EXPENSES	<u>\$405,500</u>	<u>\$392,500</u>	<u>\$303,180</u>
<b>WASTE DISPOSAL EXPENSES</b>			
PERSONNEL SERVICES			
SALARIES	\$15,064	\$14,217	\$14,495
PAYROLL TAXES AND BENEFITS	<u>\$3,263</u>	<u>\$2,472</u>	<u>\$2,456</u>
TOTAL PERSONNEL SERVICES	\$18,327	\$16,689	\$16,951
WASTE DISPOSAL CONTRACT COST	\$726,173	\$715,000	\$681,241
OTHER OPERATING EXPENSES	<u>\$1,000</u>	<u>\$1,000</u>	<u>\$1,394</u>
TOTAL WASTE DISPOSAL EXPENSES	<u>\$745,500</u>	<u>\$732,689</u>	<u>\$699,586</u>

THE COMMISSIONERS OF LEONARDTOWN  
**SPECIAL REVENUE FUND REVENUE/EXPENSES**  
FISCAL YEAR JULY 1, 2012 - JUNE 30, 2013

CHESAPEAKE BAY CRITICAL AREAS GRANT

REVENUE	<u>\$2,000</u>
TOTAL REVENUE	
EXPENSES	
PERSONNEL SERVICES	\$1,775
OTHER PROGRAM COSTS	<u>\$225</u>
TOTAL EXPENSES	<u>\$2,000</u>

THE COMMISSIONERS OF LEONARDTOWN  
CAPITAL PROJECTS FUND  
CAPITAL PROGRAM

PROJ #	PROJECT NAME	COST	FY 13	FY14	FY15	FY16	FY17	FY18
1	GREENBRIER ROAD WATER TOWER EXTERIOR REHAB	\$374,114	\$374,114					
2	WELL CONSTRUCTION	\$474,662		\$474,662				
3	ROUTE 5 WATER LOOP	\$484,957			\$484,957			
4	WATER TOWER	\$1,734,689						\$1,734,689
5	UPDATE WATER SYSTEM MAPS	\$169,194						\$169,194
	<b>WATER-SUBTOTAL</b>	\$3,237,616	\$374,114	\$474,662	\$484,957	\$0	\$0	\$1,903,883
6	WASTEWATER TREATMENT PLANT ENR TREATMENT UPGRADE	\$17,712,000	\$4,428,000	\$8,856,000	\$4,428,000			
	<b>SEWER-SUBTOTAL</b>	\$17,712,000	\$4,428,000	\$8,856,000	\$4,428,000	\$0	\$0	\$0
7	STORM WATER/SIDEWALK REHABILITATION	\$160,000	\$160,000					
8	PORT OF LEONARDTOWN PARK	\$325,000				\$325,000		
	<b>GENERAL-SUBTOTAL</b>	\$485,000	\$160,000	\$0	\$0	\$325,000	\$0	\$0
	<b>TOTAL</b>	\$21,434,616	\$4,962,114	\$9,330,662	\$4,912,957	\$325,000	\$0	\$1,903,883

THE COMMISSIONERS OF LEONARDTOWN  
CAPITAL PROJECTS FUND  
RECOMMENDED BUDGET

			-----FUNDING SOURCE-----				
PROJ #	PROJECT NAME	FY 13 COST	GRANTS	CONNECTION FEES	IMPACT FEES	FUND EQUITY	LOANS
1	GREENBRIER ROAD WATER TOWER EXTERIOR REHAB	\$374,114		\$187,057		\$187,057	
	<b>WATER - SUBTOTAL</b>	\$374,114	\$0	\$187,057	\$0	\$187,057	\$0
6	WASTEWATER TREATMENT PLANT ENR TREATMENT UPGRADE	\$4,428,000	\$1,594,080				\$2,833,920 *
	<b>SEWER - SUBTOTAL</b>	\$4,428,000	\$1,594,080	\$0	\$0	\$0	\$2,833,920
7	STORM WATER/SIDEWALK REHABILITATION	\$160,000				\$160,000	
	<b>GENERAL-SUBTOTAL</b>	\$160,000	\$0	\$0	\$0	\$160,000	\$0
	<b>TOTAL FY2013</b>	<u>\$4,962,114</u>	<u>\$1,594,080</u>	<u>\$187,057</u>	<u>\$0</u>	<u>\$187,057</u>	<u>\$2,833,920</u>

			-----FUNDING SOURCE-----				
PROJ #	PROJECT NAME	FY 14 COST	GRANTS	CONNECTION FEES	IMPACT FEES	FUND EQUITY	LOANS
2	WELL CONSTRUCTION	\$474,662			\$474,662		
	<b>WATER - SUBTOTAL</b>	\$474,662	\$0	\$0	\$474,662	\$0	\$0
6	WASTEWATER TREATMENT PLANT ENR TREATMENT UPGRADE	\$8,856,000	\$3,188,160				\$5,667,840 *
	<b>SEWER - SUBTOTAL</b>	\$8,856,000	\$3,188,160	\$0	\$0	\$0	\$5,667,840
	<b>TOTAL FY2014</b>	<u>\$9,330,662</u>	<u>\$3,188,160</u>	<u>\$0</u>	<u>\$474,662</u>	<u>\$0</u>	<u>\$5,667,840</u>

\* Although theTown would borrow money for this project, debt service will be paid from impact fees collected as new development occurs.



THE COMMISSIONERS OF LEONARDTOWN  
CAPITAL PROJECTS FUND  
RECOMMENDED BUDGET

			-----FUNDING SOURCE-----				
PROJ #	PROJECT NAME	FY 15 COST	GRANTS	CONNECTION FEES	IMPACT FEES	FUND EQUITY	LOANS
3	ROUTE 5 WATER LOOP	\$484,957		\$242,478		\$242,479	
	<b>WATER - SUBTOTAL</b>	\$484,957	\$0	\$242,478	\$0	\$242,479	\$0
6	WASTEWATER TREATMENT PLANT ENR TREATMENT UPGRADE	\$4,428,000	\$1,594,080				\$2,833,920 *
	<b>SEWER - SUBTOTAL</b>	\$4,428,000	\$1,594,080	\$0	\$0	\$0	\$2,833,920
	<b>TOTAL FY2015</b>	<u>\$4,912,957</u>	<u>\$1,594,080</u>	<u>\$242,478</u>	<u>\$0</u>	<u>\$242,479</u>	<u>\$2,833,920</u>

			-----FUNDING SOURCE-----				
PROJ #	PROJECT NAME	FY 16 COST	GRANTS	CONNECTION FEES	IMPACT FEES	FUND EQUITY	LOANS
8	PORT OF LEONARDTOWN PARK	\$325,000	\$162,500			\$162,500	
	<b>GENERAL-SUBTOTAL</b>	\$325,000	\$162,500	\$0	\$0	\$162,500	\$0
	<b>TOTAL FY2016</b>	<u>\$325,000</u>	<u>\$162,500</u>	<u>\$0</u>	<u>\$0</u>	<u>\$162,500</u>	<u>\$0</u>

\* Although theTown would borrow money for this project, debt service will be paid from impact fees collected as new development occurs.

THE COMMISSIONERS OF LEONARDTOWN  
CAPITAL PROJECTS FUND  
RECOMMENDED BUDGET

PROJ #	PROJECT NAME	FY 18 COST	-----FUNDING SOURCE-----				
			GRANTS	CONNECTION FEES	IMPACT FEES	FUND EQUITY	LOANS
4	WATER TOWER	\$1,734,689		\$227,763	\$1,279,163	\$227,763	
5	UPDATE WATER SYSTEM MAPS	\$169,194		\$169,194			
	<b>WATER - SUBTOTAL</b>	\$1,903,883	\$0	\$396,957	\$1,279,163	\$227,763	\$0
	<b>TOTAL FY2018</b>	<u>\$1,903,883</u>	<u>\$0</u>	<u>\$396,957</u>	<u>\$1,279,163</u>	<u>\$227,763</u>	<u>\$0</u>