



THE COMMISSIONERS OF LEONARDTOWN
RECOMMENDED BUDGET DOCUMENT
FISCAL YEAR 2009

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BUDGET MESSAGE OF THE COMMISSIONERS OF LEONARDTOWN

The following budget message is provided to assist you in your review of the Fiscal Year 2009 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 proposed 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 FY2009 budget. It represents 38% of operating revenue. The budgeted amount of \$400,000 is an increase of 25% over FY2007 actual property tax revenue and assumes no change in the tax rate of \$.15 per \$100 assessed valuation. This increase reflects the results of the state's triennial reassessment which was completed in October of 2007. It is the first full reassessment of properties that includes residential and commercial construction projects completed during the Town's recent period of record growth. Taxable assessments for owner occupied residential dwellings are limited to a 10% increase per year.

FY2009 BUDGET MESSAGE

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The next largest revenue source is income tax, which represents 31% of operating revenue and is budgeted 4% higher than FY2007 actual income tax revenue. This modest increase reflects the unpredictability of this revenue source since it directly relates to the financial stability of the Town's residents. The current slow pace of residential growth also serves to limit the short term growth potential of this revenue source.

The next two largest revenue sources are highway user revenue and the county payment in lieu of taxes. The highway user revenue estimate provided by the State Highway Administration is about 2% lower than FY08. This is a direct result of state legislative action approved during the 2007 special session which modified the way vehicle sales are taxed. The \$55,780 requested from St. Mary's County Government is considered a rebate for services provided by the town in lieu of being provided by the County.

Total General Fund expenses are \$1,368,319 and include a \$384,319 transfer to pay for recommended capital projects. The balance of \$984,280 is appropriated for recurring operating expenses and represents a 3% increase over the FY2008 approved budget of \$953,846. The expenses showing the most significant increases are 1) general government salaries and benefits due to budgeted merit increases and for the first time, inclusion of an \$18,000 salary for the Mayor, 2) professional services in the planning and zoning department for consulting services that may be required to update the Town's comprehensive plan and modify the current zoning ordinance, and 3) storm drain and sidewalk maintenance includes \$35,000 to install pavers and streetlamps on West Fenwick Street. The expenses that show significant decreases are 1) road maintenance, directly resulting from reductions of its funding source of highway user revenue, and 2) buildings and grounds expenses have been lowered by \$29,000 which represents the cost for landscape maintenance at the Town's four public parks. This \$29,000 will now be recorded in the recreation and parks department.

The transfer to capital projects fund of \$384,319 represents Town funding for the Port of Leonardtown park project in the amount of \$200,000 and \$184,319 to pay for streetlamp installation as part of the Washington and Fenwick Streetscape project. More details about these projects are itemized below.

The FY2009 capital improvement budget includes two general fund projects. Governor Martin O'Malley has recommended a \$200,000 Parks and Playgrounds grant for the Port of Leonardtown Park. This grant requires a \$200,000 local match; therefore, the next phase of park development is budgeted at \$400,000. This project is vital to the success of the Southern Maryland Wine Growers' Coop project planned for this site. The St. Mary's County Commissioners are contributing \$500,000 to this project for building renovation. The second general fund project is to install additional streetlamps along Washington and Fenwick Streets as part of the upcoming streetscape improvement project. The State Highway Administration is funding and managing this project but did not agree to pay for installation of the decorative streetlamps that are incorporated elsewhere in Town. The cost to purchase and install these lamps will be \$184,319.

FY2009 BUDGET MESSAGE

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In prior years, The Council adopted budgets that met the criteria of maintaining a reserve of at least 6 months worth of operating expenses in the general fund's *undesignated fund balance*. There is no nationally uniform standard regarding the appropriate level of undesignated 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 FY2009 recommended budget, the Mayor and Council have agreed to reduce the level of undesignated fund balance from 50% to 25% of the general fund operating expenses. The following accounting shows actual and recommended uses of fund balance since June 30, 2007.

Fund Balance at 6/30/07	\$866,423
Balance of Town's share of Wharf expenses	(215,866)
Reserved for road maintenance projects	(14,758)
Parking fees-in-lieu	(52,800)
Designated for 300 th celebration	(9,000)
FY2009 budgeted capital projects to be funded with prior year fund balance	
Additional lamps for streetscape project	(184,319)
Matching Port of Leonardtown grant	<u>(140,000)</u>
Projected undesignated fund balance at 6/30/09	<u>\$249,680</u>

This undesignated balance represents 25% of the FY2009 recommended budget.

Enterprise Fund

Wastewater System

The purpose of this fund is to operate, maintain and repair the wastewater treatment plant, the sewage collection system and all lift 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, Metcomm funds its proportionate share of operating, maintenance and debt service expenses for the wastewater treatment plant. This arrangement requires separate accounting of the treatment plant from the collection/conveyance system. The approved budgets for the wastewater treatment plant and collection system combine for a 4% increase over the FY2008 approved budget. The most significant increase occurs in treatment plant maintenance. Due to the slowdown in residential development, expansion and upgrade of the treatment plant has been postponed. Some maintenance projects that would have been taken care of as part of the upgrade cannot wait several extra years. As a result, the superintendent has identified several plant maintenance projects that need to be completed in FY2009.

The six year capital plan shows the postponement of the treatment plant expansion to FY2011. The expansion will include major improvements to the sludge handling system, but its delay will require an interim solution to handle the increasing volume of sludge. Therefore, the FY2009 capital improvement budget includes purchase of a sludge press.

The Town would prefer to lease a sludge press and is pursuing that alternative, but if an affordable option cannot be found, reserve funds are available to make a purchase. If purchased, the new sludge press would be incorporated into the expansion project. Additionally, the FY2009 budget includes rehabilitation of four sewer manholes.

Water System

The Town currently operates and maintains three elevated storage tanks, one primary and two backup pumping wells and 11.4 miles of distribution lines. The sound operation and maintenance of Leonardtown's water supply system contributes to above 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.

The recommended budget for the water system is 14% higher than the FY2008 approved budget. The most significant change is in salaries and benefits due to a change in allocation of the capital project coordinator's salary. A significant portion of his time will be spent managing water system projects during FY2009. There is also an increase in the amount recommended for capital outlay. The superintendent has requested an upgrade to the electrical control systems at the wells.

The first priority of the FY2009 water system capital improvement budget is to install water meters for those customers that currently do not have them. Most commercial customers have meters and pay for water based on consumption. All single family residential customers pay a flat rate regardless of consumption. Once all customers are metered, Leonardtown will analyze its rate structure and make modifications as necessary. The primary goal of this project is to establish equity among customers that have significant differences in their consumption. The metering process may also improve the likelihood that customers would implement some household water conservation practices. Also included in FY2009 is rehabilitation of the Church Street water tower. Based on analysis provided as part of the Town's water and sewer master plan, the Church Street water tower plays a vital role in ensuring adequate water distribution throughout the town. This tower should remain in service and undergo repair to extend its life.

Service Charges

On April 14, 1997, the Council approved an ordinance that established a minimum 2% annual increase in water and sewer service charges. This ordinance was approved to smooth out spikes in rate increases that were necessary every 5 to 7 years to cover the annual increases in operating expenses.

This recommended budget has established a quarterly per EDU sewer rate of \$92.10 which is the FY2008 rate of \$90.54 plus the annual 2% increase on the rates that existed prior to the BNR upgrade.

Water service charges for commercial accounts vary according to the size of the line serving each customer. The quarterly rate for residential service within the Town limits will increase by 2% from \$42.20 to \$43.04.

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 contract includes an escalation clause which is based each year on the June Consumer Price for the previous 12 months. The escalation factor cannot exceed 3% per year. Although this budget will be adopted prior to knowing the June CPI, it is almost certain to exceed 3%. Therefore, customers should expect a 3% increase in the trash rates effective July 1, 2008. The Council will be asked to give final approval of the revised trash rates at its July 2008 regularly scheduled Council meeting.

SUMMARY

This recommended FY2009 budget proposes the same core services as FY2008. Departmental expense increases are a sign of continued growth and allow the Town to encourage this growth by enhancing its services and facilities.

The recommended FY2009 *General Fund* budget totals \$1,368,599, which represents an increase of \$414,753 from the FY2008 approved budget of \$953,846. Of this increase, \$384,319 is proposed to fund two capital projects during FY2009. Ignoring the capital project items, the general fund budget has increased by only 3%.

The recommended FY2009 *Enterprise Fund* budget is \$1,796,231, which represents a 5.5% increase from the FY2008 budget of \$1,701,756. The water department is responsible for most of this increase and will be the focus of significant staff time to accomplish several water system projects.

As a growing community, Leonardtown will face new challenges in the years ahead. Although no new services are approved with this budget, the Mayor and Town Council shall endeavor to maintain Leonardtown as an exceptional place to live, work and play.

COMMISSIONERS OF LEONARDTOWN
BUDGET SUMMARY
 REVENUE VS EXPENSES
 FISCAL YEAR JULY 1, 2008 - JUNE 30, 2009

	FY2009 RECOMMENDED	FY08 BUDGET AS ADJUSTED	FY 2007 ACTUAL
GENERAL FUND			
REVENUE AND OTHER FINANCING SOURCES	<u>\$1,368,599</u>	<u>\$953,846</u>	<u>#####</u>
EXPENSES			
GENERAL GOVERNMENT	\$348,299	\$318,907	\$262,091
COMMUNITY DEVELOPMENT	\$77,427	\$65,815	\$49,682
PLANNING AND ZONING	\$111,381	\$103,767	\$77,151
PUBLIC SAFETY	\$54,809	\$43,263	\$38,893
PUBLIC WORKS	\$309,600	\$329,086	\$445,584
RECREATION AND PARKS	\$82,764	\$93,008	\$44,372
TRANSFERS TO OTHER FUNDS	<u>\$384,319</u>	<u>\$0</u>	<u>\$57,006</u>
 TOTAL EXPENSES AND TRANSFERS TO OTHER FUNDS	 <u>\$1,368,599</u>	 <u>\$953,846</u>	 <u>\$974,779</u>
 SEWER SYSTEM			
REVENUE	<u>\$777,944</u>	<u>\$746,986</u>	<u>\$667,337</u>
EXPENSES			
WASTEWATER TREATMENT PLANT	\$670,378	\$626,956	\$589,328
COLLECTION SYSTEM	<u>\$107,566</u>	<u>\$120,031</u>	<u>\$100,712</u>
TOTAL SEWER EXPENSES	<u>\$777,944</u>	<u>\$746,986</u>	<u>\$690,040</u>
 WATER SYSTEM			
REVENUE	<u>\$396,150</u>	<u>\$348,770</u>	<u>\$475,242</u>
EXPENSES	<u>\$396,150</u>	<u>\$348,770</u>	<u>\$373,289</u>
 WASTE DISPOSAL			
REVENUE	<u>\$622,137</u>	<u>\$606,000</u>	<u>\$585,459</u>
EXPENSES	<u>\$622,137</u>	<u>\$606,000</u>	<u>\$585,459</u>

COMMISSIONERS OF LEONARDTOWN
GENERAL FUND REVENUES
 FISCAL YEAR JULY 1, 2008 - JUNE 30, 2009

	FY2009 RECOMMENDED	FY08 BUDGET AS ADJUSTED	FY 2007 ACTUAL
TAXES - LOCAL PROPERTY			
REAL ESTATE FULL YEAR AND HALF YEAR (\$0.15/\$100 TAX RATE)	\$400,000	\$345,000	\$320,872
PUBLIC UTILITIES	\$34,000	\$36,000	\$34,561
PENALTIES AND INTEREST	\$3,000	\$2,500	\$4,942
DISCOUNT ON TAXES	(\$200)	(\$1,500)	(\$1,621)
OTHER DEDUCTIONS	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
TOTAL - LOCAL PROPERTY TAXES	\$436,800	\$382,000	\$358,754
TAXES - OTHER LOCAL			
INCOME TAX	\$320,000	\$285,000	\$308,518
ADMISSIONS AND AMUSEMENT TAX	<u>\$2,500</u>	<u>\$250</u>	<u>\$1,446</u>
TOTAL - LOCAL OTHER TAXES	\$322,500	\$285,250	\$309,964
TAXES - STATE SHARED			
HIGHWAY USER REVENUE	<u>\$133,000</u>	<u>\$136,000</u>	<u>\$133,830</u>
TOTAL - STATE SHARED TAXES	\$133,000	\$136,000	\$133,830
LICENSES AND PERMITS			
BEER, WINE AND LIQUOR LICENSE	\$7,500	\$5,000	\$7,481
COIN OPERATED MACHINE LICENSE	\$200	\$200	\$0
TRADERS LICENSE	\$13,500	\$15,000	\$12,435
BUILDING, OCCUPANCY AND SIGN PERMITS	\$17,300	\$26,800	\$21,288
CATV FRANCHISE FEE	<u>\$18,000</u>	<u>\$16,000</u>	<u>\$17,804</u>
TOTAL - LICENSES AND PERMITS	\$56,500	\$63,000	\$59,008
INTERGOVERNMENTAL REVENUES			
COUNTY PAYMENTS IN LIEU OF TAXES	\$55,780	\$53,796	\$58,879
ACCOMMODATION TAX	\$3,000	\$3,000	\$2,720
LAW ENFORCEMENT GRANTS	\$8,700	\$8,500	\$8,440
OTHER GRANTS	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
TOTAL - INTERGOVERNMENTAL REVENUES	\$67,480	\$65,296	\$70,039
CHARGES FOR SERVICES			
ZONING AND SUBDIVISION FEES	<u>\$1,000</u>	<u>\$1,500</u>	<u>\$876</u>
TOTAL - CHARGES FOR SERVICES	\$1,000	\$1,500	\$876
MISCELLANEOUS REVENUE			
INTEREST	\$20,000	\$10,000	\$22,961
RESTRICTED GRANTS	\$4,500	\$3,500	\$2,000
PARKING FEES-IN-LIEU	\$0	\$0	\$0
OTHER INCOME	<u>\$2,500</u>	<u>\$2,500</u>	<u>\$58,507</u>
TOTAL - MISCELLANEOUS INCOME	\$27,000	\$16,000	\$83,468
OTHER FINANCING SOURCES			
SALE OF CAPITAL ASSET	\$0	\$0	\$0
APPROPRIATION OF PRIOR YEAR FUND BALANCE	<u>\$324,319</u>	<u>\$4,800</u>	<u>\$114,529</u>
TOTAL - OTHER FINANCING SOURCES	\$324,319	\$4,800	\$114,529
TOTAL GENERAL FUND REVENUE AND OTHER FINANCING SOURCES	<u>\$1,368,599</u>	<u>\$953,846</u>	<u>\$1,130,468</u>

COMMISSIONERS OF LEONARDTOWN
GENERAL FUND EXPENSES
 FISCAL YEAR JULY 1, 2008 - JUNE 30, 2009

	FY2009 RECOMMENDED	FY08 BUDGET AS ADJUSTED	FY 2007 ACTUAL
GENERAL GOVERNMENT EXPENSES			
SALARIES	\$160,232	\$138,701	\$111,371
PAYROLL TAXES AND BENEFITS	\$37,027	\$40,336	\$29,601
LEGAL COUNSEL	\$13,200	\$10,000	\$10,883
ACCOUNTING SERVICE	\$10,500	\$15,000	\$9,300
OTHER PROFESSIONAL SERVICES	\$14,680	\$8,750	\$7,617
ELECTION EXPENSES	\$250	\$250	\$0
OCCUPANCY EXPENSE	\$26,430	\$28,500	\$23,296
PROPERTY/LIABILITY INSURANCE	\$9,000	\$9,000	\$9,368
UTILITIES	\$10,575	\$11,000	\$9,286
BUILDING MAINT./JANITORIAL WORK	\$3,500	\$3,500	\$3,210
EQUIPMENT MAINTENANCE	\$2,500	\$3,000	\$2,012
OFFICE SUPPLIES	\$8,000	\$8,000	\$7,035
POSTAGE	\$5,200	\$4,600	\$4,764
TRAVEL AND TRAINING	\$15,050	\$12,250	\$10,929
DUES, MEMBERSHIPS AND SUBSCRIPTIONS	\$4,535	\$3,850	\$3,311
ADVERTISING AND PUBLIC NOTICES	\$2,500	\$2,500	\$2,483
PRINTING/CODIFICATION UPDATES	\$3,750	\$2,800	\$0
HOSPITALITY	\$6,100	\$8,100	\$7,686
LEASE PAYMENTS	\$900	\$720	\$594
CAPITAL OUTLAY	\$11,950	\$5,300	\$7,800
OTHER OPERATING EXPENSES	\$1,670	\$2,000	\$795
PAYMENTS TO OTHER AGENCIES	\$750	\$750	\$750
	<u>\$348,299</u>	<u>\$318,907</u>	<u>\$262,091</u>
TOTAL GENERAL GOVERNMENT EXPENSES			
COMMUNITY DEVELOPMENT EXPENSES			
SALARIES	\$35,868	\$32,341	\$25,525
PAYROLL TAXES AND BENEFITS	\$6,219	\$4,234	\$3,005
PROFESSIONAL SERVICES	\$450	\$450	\$0
BEACH PARTY	\$5,000	\$3,500	\$3,038
VETERAN'S DAY PARADE	\$1,500	\$1,500	\$2,022
TREE LIGHTING	\$3,000	\$2,700	\$3,461
CONCERTS ON THE SQUARE	\$2,500	\$3,000	\$500
LEONARDTOWN 300th BIRTHDAY	\$5,000	\$0	\$0
EARTH DAY	\$1,000	\$1,000	\$1,000
PUBLIC RELATIONS/PROMOTIONS	\$1,740	\$1,740	\$649
OTHER OPERATING EXPENSES	\$15,150	\$15,350	\$10,482
	<u>\$77,427</u>	<u>\$65,815</u>	<u>\$49,682</u>
TOTAL COMMUNITY DEVELOPMENT EXPENSES			
PLANNING AND ZONING EXPENSES			
SALARIES	\$71,158	\$72,487	\$56,655
PAYROLL TAXES AND BENEFITS	\$25,223	\$26,280	\$16,722
LEGAL COUNSEL	\$3,000	\$3,000	\$2,353
PROFESSIONAL SERVICES	\$10,000	\$0	\$0
SUPPLIES	\$700	\$500	\$1,011
OTHER OPERATING EXPENSES	\$1,300	\$1,500	\$410
	<u>\$111,381</u>	<u>\$103,767</u>	<u>\$77,151</u>
TOTAL PLANNING AND ZONING EXPENSES			

GENERAL FUND CONTINUED

	FY2009 RECOMMENDED	FY08 BUDGET AS ADJUSTED	FY 2007 ACTUAL
PUBLIC SAFETY EXPENSES			
SALARIES	\$1,667	\$1,618	\$1,515
PAYROLL TAXES AND BENEFITS	\$427	\$394	\$271
LAW ENFORCEMENT	\$43,715	\$38,251	\$35,107
FIRE DEPARTMENT GRANT	\$1,000	\$1,000	\$1,000
RESCUE SQUAD GRANT	\$1,000	\$1,000	\$1,000
OTHER OPERATING EXPENSES	<u>\$7,000</u>	<u>\$1,000</u>	<u>\$0</u>
TOTAL PUBLIC SAFETY EXPENSES	<u>\$54,809</u>	<u>\$43,263</u>	<u>\$38,893</u>
PUBLIC WORKS EXPENSES			
SALARIES	\$33,258	\$27,509	\$11,795
PAYROLL TAXES AND BENEFITS	\$10,323	\$8,386	\$2,659
PROFESSIONAL SERVICES	\$1,000	\$1,000	\$0
STREET SWEEPING	\$24,500	\$24,000	\$22,587
ROAD MAINTENANCE	\$118,000	\$140,000	\$276,321
SNOW AND ICE REMOVAL	\$15,000	\$15,000	\$13,280
STORM DRAIN/SIDEWALK MAINTENANCE	\$45,000	\$31,000	\$24,363
STREET LIGHTING/ELECTRICITY	\$38,000	\$31,000	\$29,793
BUILDINGS AND GROUNDS	\$19,250	\$40,800	\$58,162
STREET SIGNS AND MAINTENANCE	\$1,575	\$2,500	\$1,580
OTHER OPERATING EXPENSES	<u>\$3,694</u>	<u>\$7,891</u>	<u>\$5,044</u>
TOTAL PUBLIC WORKS EXPENSES	<u>\$309,600</u>	<u>\$329,086</u>	<u>\$445,584</u>
RECREATION AND PARKS			
SALARIES	\$24,484	\$42,513	\$19,690
PAYROLL TAXES AND BENEFITS	\$5,623	\$13,495	\$4,338
PROFESSIONAL SERVICES	\$10,000	\$5,000	\$0
OTHER OPERATING EXPENSES	<u>\$42,657</u>	<u>\$32,000</u>	<u>\$20,344</u>
TOTAL RECREATION AND PARKS	<u>\$82,764</u>	<u>\$93,008</u>	<u>\$44,372</u>
TRANSFER TO OTHER FUNDS			
CAPITAL PROJECTS	\$384,319	\$0	\$57,006
SPECIAL REVENUE	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
TOTAL TRANSFERS TO OTHER FUNDS	<u>\$384,319</u>	<u>\$0</u>	<u>\$57,006</u>
TOTAL GENERAL FUND EXPENSES AND TRANSFERS TO OTHER FUNDS	<u>\$1,368,599</u>	<u>\$953,846</u>	<u>\$974,779</u>

COMMISSIONERS OF LEONARDTOWN
ENTERPRISE FUND REVENUES
 FISCAL YEAR JULY 1, 2008 - JUNE 30, 2009

	FY2009 RECOMMENDED	FY08 BUDGET AS ADJUSTED	FY 2007 ACTUAL
WATER SYSTEM REVENUES			
WATER SERVICE CHARGES	\$365,000	\$322,770	\$416,281
INEREST INCOME	\$12,000	\$25,000	\$56,665
FINANCE CHARGES	\$1,300	\$1,000	\$1,280
MISCELLANEOUS INCOME	\$0	\$0	\$1,016
APPROPRIATE RETAINED EARNINGS	<u>\$17,850</u>	<u>\$0</u>	<u>\$0</u>
 TOTAL WATER SYSTEM REVENUES	 <u>\$396,150</u>	 <u>\$348,770</u>	 <u>\$475,242</u>
 SEWER SYSTEM REVENUES			
SEWER SERVICE CHARGES	\$587,000	\$572,000	\$480,947
INEREST INCOME	\$3,000	\$0	\$13,695
FINANCE CHARGES	\$1,500	\$1,000	\$1,479
MISCELLANEOUS INCOME	\$0	\$0	\$2,160
APPROPRIATE RETAINED EARNINGS	<u>\$0</u>	<u>\$0</u>	<u>\$3,039</u>
 SUBTOTAL	 \$591,500	 \$573,000	 \$501,320
 METCOMM FEES			
OPERATION & MAINTENANCE	\$161,880	\$149,422	\$141,454
WATER QUALITY LOAN	\$8,908	\$8,908	\$8,907
FARMERS HOME LOAN REFINANCING	\$9,651	\$9,651	\$9,651
EXISTING FACILITIES	\$3,347	\$3,347	\$3,347
ADDITIONAL LOCAL SHARE	<u>\$2,658</u>	<u>\$2,658</u>	<u>\$2,658</u>
 TOTAL METCOMM FEES	 <u>\$186,444</u>	 <u>\$173,986</u>	 <u>\$166,017</u>
 TOTAL SEWER SYSTEM REVENUES	 <u>\$777,944</u>	 <u>\$746,986</u>	 <u>\$667,337</u>
 WASTE DISPOSAL REVENUES			
WASTE DISPOSAL SERVICE CHARGES	\$621,137	\$605,000	\$543,199
FINANCE CHARGES	\$1,000	\$1,000	\$5,482
APPROPRIATE RETAINED EARNINGS	<u>\$0</u>	<u>\$0</u>	<u>\$36,778</u>
 TOTAL WASTE DISPOSAL REVENUES	 <u>\$622,137</u>	 <u>\$606,000</u>	 <u>\$585,459</u>
 TOTAL ENTERPRISE FUND REVENUES	 <u>\$1,796,231</u>	 <u>\$1,701,756</u>	 <u>\$1,728,038</u>

COMMISSIONERS OF LEONARDTOWN
ENTERPRISE FUND EXPENSES
 FISCAL YEAR JULY 1, 2008 - JUNE 30, 2009

	FY2009 RECOMMENDED	FY08 BUDGET AS ADJUSTED	FY 2007 ACTUAL
WASTEWATER TREATMENT PLANT			
PERSONNEL SERVICES			
SALARIES	\$171,607	\$162,974	\$156,624
PAYROLL TAXES AND BENEFITS	<u>\$50,539</u>	<u>\$47,765</u>	<u>\$39,863</u>
TOTAL PERSONNEL SERVICES	\$222,146	\$210,739	\$196,487
OPERATIONS AND MAINTENANCE			
ENGINEERING AND CONSULTANTS	\$2,500	\$2,500	\$364
TREATMENT FACILITY MAINTENANCE	\$55,615	\$34,806	\$30,036
LABORATORY ANALYTICAL SERVICES	\$15,909	\$12,824	\$12,596
PROCESS CHEMICALS	\$31,549	\$32,769	\$26,119
LABORATORY SUPPLIES	\$2,977	\$2,977	\$777
UTILITIES	\$105,000	\$100,000	\$103,269
SLUDGE MANAGEMENT	\$25,000	\$25,000	\$25,842
SAFETY	\$1,684	\$1,682	\$997
INSURANCE	\$20,000	\$20,000	\$17,886
OTHER OPERATING EXPENSES	<u>\$14,313</u>	<u>\$15,632</u>	<u>\$12,918</u>
TOTAL O & M EXPENSES	\$274,547	\$248,190	\$230,804
DEBT SERVICE	\$157,735	\$157,227	\$156,603
CAPITAL OUTLAY	\$15,950	\$10,800	\$5,434
TRANSFER TO CAPITAL PROJECTS	\$0	\$0	\$0
RESERVED FOR CONTINGENCY	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
TOTAL WASTEWATER TREATMENT PLANT EXPENSES	<u><u>\$670,378</u></u>	<u><u>\$626,956</u></u>	<u><u>\$589,328</u></u>
COLLECTION SYSTEM EXPENSES			
PERSONNEL SERVICES			
SALARIES	\$30,365	\$38,706	\$22,609
PAYROLL TAXES AND BENEFITS	<u>\$8,533</u>	<u>\$12,888</u>	<u>\$5,995</u>
TOTAL PERSONNEL SERVICES	\$38,898	\$51,594	\$28,604
OPERATIONS AND MAINTENANCE			
ENGINEERING AND CONSULTANTS	\$2,000	\$2,000	\$500
FACILITY MAINTENANCE	\$18,578	\$17,179	\$17,515
SEWER LINE MAINTENANCE	\$26,700	\$29,555	\$24,275
UTILITIES	\$4,500	\$3,500	\$3,794
SAFETY	\$1,435	\$1,334	\$190
INSURANCE	\$3,750	\$4,000	\$3,312
OTHER OPERATING EXPENSES	<u>\$6,603</u>	<u>\$4,765</u>	<u>\$4,461</u>
TOTAL O & M EXPENSES	\$63,566	\$62,333	\$54,047
DEBT SERVICE	\$5,102	\$6,104	\$16,526
CAPITAL OUTLAY	\$0	\$0	\$1,535
RESERVED FOR CONTINGENCY	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
TOTAL COLLECTION SYSTEM EXPENSES	<u><u>\$107,566</u></u>	<u><u>\$120,031</u></u>	<u><u>\$100,712</u></u>

ENTERPRISE FUND CONTINUED

	FY2009 RECOMMENDED	FY08 BUDGET AS ADJUSTED	FY 2007 ACTUAL
WATER SYSTEM EXPENSES			
PERSONNEL SERVICES			
SALARIES	\$82,457	\$52,840	\$99,586
PAYROLL TAXES AND BENEFITS	<u>\$25,000</u>	<u>\$17,162</u>	<u>\$29,118</u>
TOTAL PERSONNEL SERVICES	\$107,457	\$70,002	\$128,704
OPERATIONS AND MAINTENANCE			
ENGINEERING AND CONSULTANTS	\$2,000	\$2,000	\$500
FACILITY MAINTENANCE	\$19,637	\$22,404	\$13,934
WATER LINE MAINTENANCE	\$69,800	\$69,042	\$55,102
LABORATORY ANALYTICAL SERVICES	\$2,316	\$1,786	\$560
PROCESS CHEMICALS	\$10,566	\$14,472	\$2,609
LABORATORY SUPPLIES	\$1,000	\$1,000	\$98
UTILITIES	\$55,000	\$55,000	\$56,461
SAFETY	\$1,173	\$2,060	\$292
INSURANCE	\$7,300	\$7,500	\$6,451
OTHER OPERATING EXPENSES	<u>\$10,499</u>	<u>\$11,430</u>	<u>\$12,454</u>
TOTAL O & M EXPENSES	\$179,291	\$186,694	\$148,461
DEBT SERVICE	\$91,552	\$89,824	\$88,239
CAPITAL OUTLAY	\$17,850	\$2,250	\$7,885
TRANSFER TO CAPITAL PROJECTS	\$0	\$0	\$0
RESERVED FOR CAPITAL PROJECTS	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
TOTAL WATER SYSTEM EXPENSES	<u>\$396,150</u>	<u>\$348,770</u>	<u>\$373,289</u>
WASTE DISPOSAL EXPENSES			
PERSONNEL SERVICES			
SALARIES	\$13,351	\$10,857	\$10,083
PAYROLL TAXES AND BENEFITS	<u>\$2,786</u>	<u>\$3,758</u>	<u>\$2,346</u>
TOTAL PERSONNEL SERVICES	\$16,137	\$14,615	\$12,429
WASTE DISPOSAL CONTRACT COST	\$605,000	\$590,885	\$572,195
OTHER OPERATING EXPENSES	<u>\$1,000</u>	<u>\$500</u>	<u>\$835</u>
TOTAL WASTE DISPOSAL EXPENSES	<u>\$622,137</u>	<u>\$606,000</u>	<u>\$585,459</u>

COMMISSIONERS OF LEONARDTOWN
SPECIAL REVENUE FUND REVENUE/EXPENSES
FISCAL YEAR JULY 1, 2008 - JUNE 30, 2009

CHESAPEAKE BAY CRITICAL AREAS GRANT

REVENUE		<u>\$3,000</u>
TOTAL REVENUE		
EXPENSES		
PERSONNEL SERVICES	\$2,775	
OTHER PROGRAM COSTS	<u>\$225</u>	
TOTAL EXPENSES		<u>\$3,000</u>

COMMISSIONERS OF LEONARDTOWN
CAPITAL PROJECTS FUND
CAPITAL PROGRAM

PROJ #	PROJECT NAME	TOTAL COST	FY 09	FY 10	FY 11	FY 12	FY13	FY14
1	WATER METER PROJECT	\$683,200	\$683,200					
2	CHURCH STREET WATER TOWER REHABILITATION	\$255,710	\$255,710					
3	GREENBRIER ROAD WATER TOWER EXTERIOR PAINTING	\$229,569			\$229,569			
4	WELL CONSTRUCTION/ ARSENIC TREATMENT	\$437,548			\$437,548			
5	UPDATE WATER SYSTEM MAPS	\$151,424				\$151,424		
6	ROUTE 5 WATER LOOP	\$810,478					\$810,478	
	WATER-SUBTOTAL	\$2,567,929	\$938,910	\$0	\$667,117	\$151,424	\$810,478	\$0
7	SLUDGE PRESS	\$360,000	\$360,000					
8	REHAB 4 MANHOLES	\$45,000	\$45,000					
9	WASTEWATER TREATMENT PLANT ENR PLUS CAPACITY EXPANSION	\$24,771,374			\$247,714	\$6,192,844	\$12,385,686	\$5,945,130
	SEWER-SUBTOTAL	\$25,176,374	\$405,000	\$0	\$247,714	\$6,192,844	\$12,385,686	\$5,945,130
10	PORT OF LEONARDTOWN PARK	\$400,000	\$400,000					
11	STREETLAMPS ON WASHINGTON AND FENWICK STREETS	\$184,319	\$184,319					
	GENERAL-SUBTOTAL	\$584,319	\$584,319	\$0	\$0	\$0	\$0	\$0
	TOTAL	<u>\$28,328,622</u>	<u>\$1,928,229</u>	<u>\$0</u>	<u>\$914,831</u>	<u>\$6,344,268</u>	<u>\$13,196,164</u>	<u>\$5,945,130</u>

COMMISSIONERS OF LEONARDTOWN
CAPITAL PROJECTS FUND
RECOMMENDED BUDGET

PROJ #	PROJECT NAME	FY 09 COST	-----FUNDING SOURCE-----				
			GRANTS	CONNECTION FEES	IMPACT FEES	FUND EQUITY	LOANS
1	WATER METER PROJECT	\$683,200		\$398,000		\$285,200	
2	CHURCH STREET WATER TOWER REHABILITATION	<u>\$255,710</u>					\$255,710
	WATER-SUBTOTAL	\$938,910	\$0	\$398,000	\$0	\$285,200	\$255,710
7	SLUDGE PRESS	\$360,000		\$360,000			
8	REHAB 4 MANHOLES	<u>\$45,000</u>		\$45,000			
	SEWER-SUBTOTAL	\$405,000	\$0	\$405,000	\$0	\$0	\$0
10	PORT OF LEONARDTOWN PARK	\$400,000	\$200,000			\$200,000	
11	STREETLAMPS ON WASHINGTON AND FENWICK STREETS	<u>\$184,319</u>				\$184,319	
	GENERAL-SUBTOTAL	\$584,319	\$200,000	\$0	\$0	\$384,319	\$0
	TOTAL FY2009	<u>\$1,928,229</u>	<u>\$200,000</u>	<u>\$803,000</u>	<u>\$0</u>	<u>\$669,519</u>	<u>\$255,710</u>

COMMISSIONERS OF LEONARDTOWN
CAPITAL PROJECTS FUND
RECOMMENDED BUDGET

			-----FUNDING SOURCE-----				
PROJ #	PROJECT NAME	FY 10 COST	GRANTS	CONNECTION FEES	IMPACT FEES	FUND EQUITY	LOANS
NO PROJECTS BUDGETED FOR THIS FISCAL YEAR							
TOTAL FY2010		<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

			-----FUNDING SOURCE-----				
PROJ #	PROJECT NAME	FY 11 COST	GRANTS	CONNECTION FEES	IMPACT FEES	FUND EQUITY	LOANS
3	GREENBRIER ROAD WATER TOWER EXTERIOR PAINTING	\$229,569					\$229,569
4	WELL CONSTRUCTION/ ARSENIC TREATMENT	<u>\$437,548</u>			\$437,548		
WATER - SUBTOTAL		\$667,117	\$0	\$0	\$437,548	\$0	\$229,569
9	WASTEWATER TREATMENT PLANT ENR PLUS CAPACITY EXPANSION	<u>\$247,714</u>	\$77,782				\$169,932 *
SEWER - SUBTOTAL		\$247,714	\$77,782	\$0	\$0	\$0	\$169,932
TOTAL FY2011		<u>\$914,831</u>	<u>\$77,782</u>	<u>\$0</u>	<u>\$437,548</u>	<u>\$0</u>	<u>\$399,501</u>

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

COMMISSIONERS OF LEONARDTOWN
CAPITAL PROJECTS FUND
RECOMMENDED BUDGET

			-----FUNDING SOURCE-----				
PROJ #	PROJECT NAME	FY 12 COST	GRANTS	CONNECTION FEES	IMPACT FEES	FUND EQUITY	LOANS
5	UPDATE WATER SYSTEM MAPS	\$151,424		\$151,424			
	WATER - SUBTOTAL	\$151,424	\$0	\$151,424	\$0	\$0	\$0
9	WASTEWATER TREATMENT PLANT ENR PLUS CAPACITY EXPANSION	\$6,192,844	\$1,944,553				\$4,248,291 *
	SEWER - SUBTOTAL	\$6,192,844	\$1,944,553	\$0	\$0	\$0	\$4,248,291
	TOTAL FY2012	<u>\$6,344,268</u>	<u>\$1,944,553</u>	<u>\$151,424</u>	<u>\$0</u>	<u>\$0</u>	<u>\$4,248,291</u>

			-----FUNDING SOURCE-----				
PROJ #	PROJECT NAME	FY 13 COST	GRANTS	CONNECTION FEES	IMPACT FEES	FUND EQUITY	LOANS
6	ROUTE 5 WATER LOOP	\$810,478					\$810,478
	WATER - SUBTOTAL	\$810,478	\$0	\$0	\$0	\$0	\$810,478
9	WASTEWATER TREATMENT PLANT ENR PLUS CAPACITY EXPANSION	\$12,385,686	\$3,889,105				\$8,496,581 *
	SEWER - SUBTOTAL	\$12,385,686	\$3,889,105	\$0	\$0	\$0	\$8,496,581
	TOTAL FY2013	<u>\$13,196,164</u>	<u>\$3,889,105</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$9,307,059</u>

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

COMMISSIONERS OF LEONARDTOWN
CAPITAL PROJECTS FUND
RECOMMENDED BUDGET

PROJ #	PROJECT NAME	FY 14 COST	-----FUNDING SOURCE-----				
			GRANTS	CONNECTION FEES	IMPACT FEES	FUND EQUITY	LOANS
9	WASTEWATER TREATMENT PLANT ENR PLUS CAPACITY EXPANSION	<u>\$5,945,130</u>	<u>\$1,872,716</u>				<u>\$4,072,414</u> *
	SEWER - SUBTOTAL	\$5,945,130	\$1,872,716	\$0	\$0	\$0	\$4,072,414
	TOTAL FY2014	<u>\$5,945,130</u>	<u>\$1,872,716</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$4,072,414</u>

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

COMMISSIONERS OF LEONARDTOWN
CAPITAL OUTLAY COSTS
FISCAL YEAR JULY 1, 2008 - JUNE 30, 2009

GENERAL GOVERNMENT

Used car/truck	9,000	
Portable lecturn	1,500	
Laserjet Printer	900	
Projector	<u>550</u>	
		<u>\$11,950</u>

WWTP

Replace boiler	\$10,800	
Chemical feed pump for ferric chloride	<u>\$5,150</u>	
		<u>\$15,950</u>

COLLECTION SYSTEM

\$0

WATER SYSTEM

Electrical control system upgrade for wells	\$14,050	
GIS upgrade for water system maps	<u>\$3,800</u>	
		<u>\$17,850</u>