



**THE COMMISSIONERS OF LEONARDTOWN**

**RECOMMENDED BUDGET DOCUMENT**

**FISCAL YEAR 2014**

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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 2014 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 work sessions 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 community development, 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 collection of trash and recyclables 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 FY2014 budget. It represents 41% of operating revenue. The budgeted amount of \$517,000 is an increase of 4.1% over FY2013 actual property tax revenue and adopts the constant yield tax rate of \$.1266 per \$100 of assessed valuation. The projected increase in revenue is a direct result of new residential construction that continues at Leonard's Grant.

**FY2014 BUDGET MESSAGE**  
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The second largest revenue source is income tax, which represents 36% of operating revenue and is budgeted 8% higher than FY2012 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 partial restoration of state shared highway user revenue. Although still at much lower levels than before the recession, the Governor did allocate additional funding to municipalities for FY14. Future funding levels for this revenue source are unclear. A significant change to the state transportation funding formula, primarily by increasing the state gas tax, did not include protection for local highway user revenue funding. The Mayor and Council remain committed to repairing roads and sidewalks and will use this one time boost in funding to continue projects in FY14. Given the uncertainty of future funding levels, the Council has chosen to allocate prior year reserves to pay for significant work on Lawrence Avenue beginning in FY15.

Total General Fund expenses are \$1,376,364 which includes \$189,400 to pay for one time capital items. The balance of \$1,186,964 is appropriated for recurring operating expenses and represents a 5.4% increase over the FY2013 adjusted operating budget of \$1,125,334. Health insurance premiums increased 16.5%, employee merit increases have been funded, and the Events Coordinator position has been changed to full time status. There is also a significant increase in the Town share cost of the community police officer assigned by the St. Mary's County Sheriff's Department.

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 FY2014 recommended budget, the Mayor and Council will be able to maintain the level of unassigned fund balance at 49% of the FY2014 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

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expenses for the wastewater treatment plant. This arrangement requires separate accounting of the treatment plant expenses from the collection/conveyance system expenses. The FY2014 recommended budgets for the wastewater treatment plant and collection system combine for a 3.2% increase over the FY2013 approved budgets. A newly budgeted repair and replacement reserve accounts for the majority of this increase. A major facility upgrade is scheduled to start construction in 2014 which will include far more pieces of equipment than the current process requires. It is prudent to recognize that equipment has a certain life cycle and set aside funds each year to replace aging equipment in the future. Although service charges will only increase 2%, the continued residential growth will generate the additional revenue needed to fund the 3.2% 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 will be completed in 2013 with construction to follow from 2014 to 2016. The ENR treatment component of this project 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 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 FY2014 expenditure budget for the water system is .6% lower than the FY2013 approved budget. This is largely the result of reducing the line maintenance budget to reflect a more accurate average of annual repair expenses. Facility maintenance has also been reduced as a project to clean the exterior of the Tudor Hall water tower is being completed in FY2013.

Change to a consumption based rate structure was effective on October 1, 2011. Through the first six quarters of billing, there has not been a significant change in customer consumption habits. This has resulted in higher revenue returns than originally expected. As a result, the recommended budget does not invoke the 2% mandatory water service charge increase as dictated by Ordinance Number 82. The water system also

includes a repair and replacement reserve and a significant contingency amount that is available in case of emergency. If that contingency is not needed during FY2013, it will be set aside to fund future repairs or improvements.

Several water system capital projects are still necessary in the next few years. Construction of a new well is still scheduled for 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. Construction of a new water tower has been added to the six year capital projects budget. As the town continues to grow, the loss of the Church Street water tower will eventually have an effect on the ability to meet certain emergency storage requirements.

### Trash Collection

As required by Town ordinance, the Town provides trash and recycling 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 through June 30,2014 which the contractor requested and received in March 2012. This recommended budget assumes a 2% increase in customer service charges. The contract includes an escalation clause that is tied to June CPI data. Since that information will not be released until July, final service charges will be adjusted accordingly and applied to the September 2013 quarterly billing.

### 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 FY2014 budget maintains the same level of core services as FY2013.

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, 2013 - JUNE 30, 2014

	FY2014 RECOMMENDED	FY13 APPROVED/ AMENDED	FY 2012 ACTUAL
<b>GENERAL FUND</b>			
REVENUE AND OTHER FINANCING SOURCES	<u>\$1,376,364</u>	<u>\$1,364,853</u>	<u>\$1,234,972</u>
EXPENSES			
GENERAL GOVERNMENT	\$492,791	\$481,611	\$485,661
COMMUNITY DEVELOPMENT	\$155,822	\$91,401	\$84,495
PLANNING AND ZONING	\$89,628	\$119,325	\$102,646
PUBLIC SAFETY	\$68,739	\$67,414	\$57,614
PUBLIC WORKS	\$275,662	\$285,867	\$398,947
RECREATION AND PARKS	\$130,722	\$159,235	\$100,083
TRANSFERS TO OTHER FUNDS	<u>\$163,000</u>	<u>\$160,000</u>	<u>\$5,526</u>
TOTAL EXPENSES AND TRANSFERS TO OTHER FUNDS	<u>\$1,376,364</u>	<u>\$1,364,853</u>	<u>\$1,234,972</u>
<b>SEWER SYSTEM</b>			
REVENUE	<u>\$881,629</u>	<u>\$854,407</u>	<u>\$856,006</u>
EXPENSES			
WASTEWATER TREATMENT PLANT	\$722,095	\$679,375	\$585,599
COLLECTION SYSTEM	<u>\$159,534</u>	<u>\$175,032</u>	<u>\$166,275</u>
TOTAL SEWER EXPENSES	<u>\$881,629</u>	<u>\$854,407</u>	<u>\$751,874</u>
<b>WATER SYSTEM</b>			
REVENUE	<u>\$452,400</u>	<u>\$405,500</u>	<u>\$420,308</u>
EXPENSES	<u>\$452,400</u>	<u>\$405,500</u>	<u>\$308,577</u>
<b>WASTE DISPOSAL</b>			
REVENUE	<u>\$769,869</u>	<u>\$745,500</u>	<u>\$741,378</u>
EXPENSES	<u>\$769,869</u>	<u>\$745,500</u>	<u>\$741,378</u>

THE COMMISSIONERS OF LEONARDTOWN  
**GENERAL FUND REVENUES**  
 FISCAL YEAR JULY 1, 2013 - JUNE 30, 2014

	FY2014 RECOMMENDED	FY13 APPROVED/ AMENDED	FY 2012 ACTUAL
TAXES - LOCAL PROPERTY			
REAL ESTATE FULL YEAR AND HALF YEAR (\$0.1266/\$100 TAX RATE)	\$517,000	\$483,000	\$461,537
PUBLIC UTILITIES	\$35,000	\$30,500	\$51,387
PENALTIES AND INTEREST	\$5,000	\$4,000	\$4,604
DISCOUNT ON TAXES	(\$2,300)	(\$2,000)	(\$2,219)
OTHER DEDUCTIONS	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
TOTAL - LOCAL PROPERTY TAXES	\$554,700	\$515,500	\$515,309
TAXES - OTHER LOCAL			
INCOME TAX	\$450,000	\$435,000	\$417,879
ADMISSIONS AND AMUSEMENT TAX	<u>\$8,000</u>	<u>\$2,500</u>	<u>\$8,980</u>
TOTAL - LOCAL OTHER TAXES	\$458,000	\$437,500	\$426,859
TAXES - STATE SHARED			
HIGHWAY USER REVENUE	<u>\$53,081</u>	<u>\$22,154</u>	<u>\$35,294</u>
TOTAL - STATE SHARED TAXES	\$53,081	\$22,154	\$35,294
LICENSES AND PERMITS			
BEER, WINE AND LIQUOR LICENSE	\$11,500	\$12,000	\$11,500
TRADERS LICENSE	\$13,500	\$13,500	\$13,826
BUILDING, OCCUPANCY AND SIGN PERMITS	\$24,250	\$36,150	\$53,809
CATV FRANCHISE FEE	<u>\$29,000</u>	<u>\$28,000</u>	<u>\$28,362</u>
TOTAL - LICENSES AND PERMITS	\$78,250	\$89,650	\$107,497
INTERGOVERNMENTAL REVENUES			
COUNTY PAYMENTS IN LIEU OF TAXES	\$50,471	\$49,615	\$52,230
ACCOMMODATION TAX	\$17,500	\$18,000	\$16,098
LAW ENFORCEMENT GRANTS	\$11,228	\$5,750	\$5,766
OTHER GRANTS	<u>\$0</u>	<u>\$0</u>	<u>\$35,191</u>
TOTAL - INTERGOVERNMENTAL REVENUES	\$79,199	\$73,365	\$109,285
CHARGES FOR SERVICES			
ZONING AND SUBDIVISION FEES	<u>\$1,500</u>	<u>\$1,000</u>	<u>\$2,945</u>
TOTAL - CHARGES FOR SERVICES	\$1,500	\$1,000	\$2,945
MISCELLANEOUS REVENUE			
INTEREST	\$2,000	\$7,000	\$8,070
RESTRICTED GRANTS	\$19,100	\$29,900	\$2,000
OTHER INCOME	<u>\$9,000</u>	<u>\$5,000</u>	<u>\$6,689</u>
TOTAL - MISCELLANEOUS INCOME	\$30,100	\$41,900	\$16,759
OTHER FINANCING SOURCES			
APPROPRIATION OF PRIOR YEAR FUND BALANCE	<u>\$121,534</u>	<u>\$183,784</u>	<u>\$21,024</u>
TOTAL - OTHER FINANCING SOURCES	\$121,534	\$183,784	\$21,024
TOTAL GENERAL FUND REVENUE AND OTHER FINANCING SOURCES	<u>\$1,376,364</u>	<u>\$1,364,853</u>	<u>\$1,234,972</u>

THE COMMISSIONERS OF LEONARDTOWN  
**GENERAL FUND EXPENSES**  
 FISCAL YEAR JULY 1, 2013 - JUNE 30, 2014

	FY2014 RECOMMENDED	FY13 APPROVED/ AMENDED	FY 2012 ACTUAL
<b>GENERAL GOVERNMENT EXPENSES</b>			
SALARIES	\$166,120	\$169,826	\$167,170
PAYROLL TAXES AND BENEFITS	\$39,453	\$40,342	\$37,277
LEGAL COUNSEL	\$10,000	\$12,500	\$18,650
ACCOUNTING SERVICE	\$18,375	\$17,500	\$16,000
OTHER PROFESSIONAL SERVICES	\$18,345	\$16,195	\$17,411
ELECTION EXPENSES	\$350	\$0	\$300
OCCUPANCY EXPENSE	\$30,788	\$29,426	\$28,205
PROPERTY/LIABILITY INSURANCE	\$15,250	\$11,500	\$10,612
UTILITIES	\$10,440	\$11,280	\$9,779
BUILDING MAINT./JANITORIAL WORK	\$5,650	\$4,500	\$3,740
EQUIPMENT MAINTENANCE	\$2,500	\$2,500	\$1,825
OFFICE SUPPLIES	\$10,500	\$10,000	\$8,899
POSTAGE	\$5,500	\$5,200	\$4,781
TRAVEL AND TRAINING	\$16,041	\$7,763	\$7,831
DUES, MEMBERSHIPS AND SUBSCRIPTIONS	\$4,500	\$4,500	\$4,543
ADVERTISING AND PUBLIC NOTICES	\$1,000	\$1,000	\$511
PRINTING/CODIFICATION UPDATES	\$2,250	\$1,750	\$5,357
HOSPITALITY	\$6,000	\$5,000	\$5,279
DEBT SERVICE	\$125,104	\$125,104	\$125,104
LEASE PAYMENTS	\$875	\$875	\$875
OTHER OPERATING EXPENSES	\$1,500	\$1,000	\$1,810
PAYMENTS TO OTHER AGENCIES	\$750	\$750	\$750
CAPITAL OUTLAY	<u>\$1,500</u>	<u>\$3,100</u>	<u>\$8,952</u>
TOTAL GENERAL GOVERNMENT EXPENSES	<u>\$492,791</u>	<u>\$481,611</u>	<u>\$485,661</u>
<b>COMMUNITY DEVELOPMENT EXPENSES</b>			
SALARIES	\$66,820	\$39,557	\$47,899
PAYROLL TAXES AND BENEFITS	\$20,724	\$7,956	\$7,533
PROFESSIONAL SERVICES	\$250	\$250	\$0
BEACH PARTY	\$4,000	\$3,500	\$3,158
VETERAN'S DAY PARADE	\$2,500	\$2,500	\$1,761
TREE LIGHTING	\$3,500	\$3,000	\$2,809
CONCERTS ON THE SQUARE	\$1,500	\$2,000	\$540
EARTH DAY	\$2,200	\$1,500	\$1,128
WAR OF 1812 WEEKEND	\$19,500	\$0	\$0
ARTS AND ENTERTAINMENT DISTRICT	\$5,000	\$0	\$0
PUBLIC RELATIONS/PROMOTIONS	\$1,975	\$750	\$930
OTHER OPERATING EXPENSES	\$27,853	\$25,388	\$11,865
CAPITAL OUTLAY	<u>\$0</u>	<u>\$5,000</u>	<u>\$6,872</u>
TOTAL COMMUNITY DEVELOPMENT EXPENSES	<u>\$155,822</u>	<u>\$91,401</u>	<u>\$84,495</u>
<b>PLANNING AND ZONING EXPENSES</b>			
SALARIES	\$64,129	\$74,329	\$79,017
PAYROLL TAXES AND BENEFITS	\$18,299	\$19,421	\$21,542
LEGAL COUNSEL	\$5,000	\$5,000	\$1,200
PROFESSIONAL SERVICES	\$0	\$16,500	\$0
SUPPLIES	\$700	\$700	\$445
OTHER OPERATING EXPENSES	\$1,500	\$1,500	\$442
CAPITAL OUTLAY	<u>\$0</u>	<u>\$1,875</u>	<u>\$0</u>
TOTAL PLANNING AND ZONING EXPENSES	<u>3 \$89,628</u>	<u>\$119,325</u>	<u>\$102,646</u>



GENERAL FUND CONTINUED

	FY2014 RECOMMENDED	FY13 APPROVED/ AMENDED	FY 2012 ACTUAL
<b>PUBLIC SAFETY EXPENSES</b>			
SALARIES	\$9,888	\$9,530	\$5,913
PAYROLL TAXES AND BENEFITS	\$3,789	\$3,498	\$2,097
LAW ENFORCEMENT	\$52,062	\$44,102	\$47,063
FIRE DEPARTMENT GRANT	\$1,000	\$1,000	\$1,000
RESCUE SQUAD GRANT	\$1,000	\$1,000	\$1,000
OTHER OPERATING EXPENSES	\$1,000	\$1,000	\$541
CAPITAL OUTLAY	\$0	\$7,284	\$0
TOTAL PUBLIC SAFETY EXPENSES	<u>\$68,739</u>	<u>\$67,414</u>	<u>\$57,614</u>
<b>PUBLIC WORKS EXPENSES</b>			
SALARIES	\$38,966	\$37,695	\$33,562
PAYROLL TAXES AND BENEFITS	\$14,095	\$12,844	\$10,891
PROFESSIONAL SERVICES	\$1,000	\$1,000	\$0
STREET SWEEPING	\$36,810	\$32,500	\$29,310
ROAD MAINTENANCE	\$25,000	\$58,100	\$50,505
SNOW AND ICE REMOVAL	\$15,000	\$15,000	\$340
STORM DRAIN/SIDEWALK MAINTENANCE	\$25,000	\$15,000	\$20,594
STREET LIGHTING/ELECTRICITY	\$42,745	\$41,500	\$40,309
GROUNDS MAINTENANCE	\$57,546	\$54,728	\$84,187
STREET SIGNS AND MAINTENANCE	\$2,500	\$2,500	\$2,439
OTHER OPERATING EXPENSES	\$17,000	\$15,000	\$53,263
CAPITAL OUTLAY	\$0	\$0	\$73,547
TOTAL PUBLIC WORKS EXPENSES	<u>\$275,662</u>	<u>\$285,867</u>	<u>\$398,947</u>
<b>RECREATION AND PARKS</b>			
SALARIES	\$23,522	\$23,345	\$30,116
PAYROLL TAXES AND BENEFITS	\$6,543	\$6,319	\$8,752
PROFESSIONAL SERVICES	\$0	\$0	\$0
UTILITIES	\$5,665	\$6,750	\$5,730
FACILITY MAINTENANCE	\$18,000	\$12,000	\$11,841
GROUNDS MAINTENANCE	\$46,092	\$42,561	\$43,380
OTHER OPERATING EXPENSES	\$6,000	\$6,000	\$264
CAPITAL OUTLAY	\$24,900	\$62,260	\$0
TOTAL RECREATION AND PARKS	<u>\$130,722</u>	<u>\$159,235</u>	<u>\$100,083</u>
<b>TRANSFER TO OTHER FUNDS</b>			
CAPITAL PROJECTS	\$163,000	\$160,000	\$5,526
SPECIAL REVENUE	\$0	\$0	\$0
TOTAL TRANSFERS TO OTHER FUNDS	<u>\$163,000</u>	<u>\$160,000</u>	<u>\$5,526</u>
TOTAL GENERAL FUND EXPENSES AND TRANSFERS TO OTHER FUNDS	<u>\$1,376,364</u>	<u>\$1,364,853</u>	<u>\$1,234,972</u>

THE COMMISSIONERS OF LEONARDTOWN  
**ENTERPRISE FUND REVENUES**  
 FISCAL YEAR JULY 1, 2013 - JUNE 30, 2014

	FY2014 RECOMMENDED	FY13 APPROVED/ AMENDED	FY 2012 ACTUAL
<b>WATER SYSTEM REVENUES</b>			
WATER SERVICE CHARGES	\$450,000	\$403,000	\$416,627
INTEREST INCOME	\$900	\$1,000	\$1,504
FINANCE CHARGES	\$1,000	\$1,000	\$1,154
MISCELLANEOUS INCOME	\$500	\$500	\$1,023
APPROPRIATE RETAINED EARNINGS	\$0	\$0	\$0
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TOTAL WATER SYSTEM REVENUES	<u>\$452,400</u>	<u>\$405,500</u>	<u>\$420,308</u>
<b>SEWER SYSTEM REVENUES</b>			
SEWER SERVICE CHARGES	\$750,000	\$715,000	\$712,118
INTEREST INCOME	\$750	\$1,000	\$3,621
FINANCE CHARGES	\$2,000	\$2,000	\$1,974
MISCELLANEOUS INCOME	\$1,500	\$1,500	\$16,370
APPROPRIATE RETAINED EARNINGS	\$0	\$0	\$0
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SUBTOTAL	\$754,250	\$719,500	\$734,083
<b>METCOMM FEES</b>			
OPERATION & MAINTENANCE	\$127,379	\$134,907	\$121,923
WATER QUALITY LOAN	\$0	\$0	\$0
FARMERS HOME LOAN REFINANCING	\$0	\$0	\$0
EXISTING FACILITIES	\$0	\$0	\$0
ADDITIONAL LOCAL SHARE	\$0	\$0	\$0
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TOTAL METCOMM FEES	<u>\$127,379</u>	<u>\$134,907</u>	<u>\$121,923</u>
TOTAL SEWER SYSTEM REVENUES	<u>\$881,629</u>	<u>\$854,407</u>	<u>\$856,006</u>
<b>WASTE DISPOSAL REVENUES</b>			
WASTE DISPOSAL SERVICE CHARGES	\$767,119	\$743,000	\$715,648
FINANCE CHARGES	\$2,000	\$2,000	\$1,983
MISCELLANEOUS INCOME	\$750	\$500	\$743
APPROPRIATE RETAINED EARNINGS	\$0	\$0	\$23,004
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TOTAL WASTE DISPOSAL REVENUES	<u>\$769,869</u>	<u>\$745,500</u>	<u>\$741,378</u>
TOTAL ENTERPRISE FUND REVENUES	<u>\$2,103,898</u>	<u>\$2,005,407</u>	<u>\$2,017,692</u>

THE COMMISSIONERS OF LEONARDTOWN  
**ENTERPRISE FUND EXPENSES**  
 FISCAL YEAR JULY 1, 2013 - JUNE 30, 2014

	FY2014 RECOMMENDED	FY13 APPROVED/ AMENDED	FY 2012 ACTUAL
<b>WASTEWATER TREATMENT PLANT</b>			
PERSONNEL SERVICES			
SALARIES	\$177,557	\$169,850	\$167,106
PAYROLL TAXES AND BENEFITS	<u>\$53,256</u>	<u>\$49,868</u>	<u>\$48,984</u>
TOTAL PERSONNEL SERVICES	\$230,813	\$219,718	\$216,090
OPERATIONS AND MAINTENANCE			
ENGINEERING AND CONSULTANTS	\$2,500	\$2,500	\$1,133
TREATMENT FACILITY MAINTENANCE	\$49,748	\$68,141	\$27,685
LABORATORY ANALYTICAL SERVICES	\$15,229	\$15,229	\$13,084
PROCESS CHEMICALS	\$33,510	\$34,270	\$21,154
LABORATORY SUPPLIES	\$4,501	\$4,501	\$3,081
UTILITIES	\$95,000	\$95,000	\$90,562
SLUDGE MANAGEMENT	\$39,333	\$51,492	\$34,029
SAFETY	\$1,216	\$1,168	\$1,244
INSURANCE	\$10,000	\$13,000	\$11,998
OTHER OPERATING EXPENSES	<u>\$19,968</u>	<u>\$17,766</u>	<u>\$19,328</u>
TOTAL O & M EXPENSES	\$271,005	\$303,067	\$223,298
DEBT SERVICE	\$120,095	\$120,840	\$120,480
CAPITAL OUTLAY	\$0	\$0	\$25,731
CONTINGENCY	\$50,000	\$35,750	\$0
REPAIR AND REPLACEMENT RESERVE	<u>\$50,182</u>	<u>\$0</u>	<u>\$0</u>
TOTAL WASTEWATER TREATMENT PLANT EXPENSES	<u>\$722,095</u>	<u>\$679,375</u>	<u>\$585,599</u>
<b>COLLECTION SYSTEM EXPENSES</b>			
PERSONNEL SERVICES			
SALARIES	\$36,698	\$37,999	\$38,826
PAYROLL TAXES AND BENEFITS	<u>\$10,747</u>	<u>\$11,064</u>	<u>\$10,985</u>
TOTAL PERSONNEL SERVICES	\$47,445	\$49,063	\$49,811
OPERATIONS AND MAINTENANCE			
ENGINEERING AND CONSULTANTS	\$2,000	\$2,000	\$399
FACILITY MAINTENANCE	\$22,485	\$20,114	\$21,081
SEWER LINE MAINTENANCE	\$35,115	\$42,101	\$42,096
UTILITIES	\$7,500	\$6,000	\$5,240
SAFETY	\$1,334	\$1,334	\$896
INSURANCE	\$7,500	\$6,250	\$7,304
OTHER OPERATING EXPENSES	<u>\$8,094</u>	<u>\$7,203</u>	<u>\$6,151</u>
TOTAL O & M EXPENSES	\$84,028	\$85,002	\$83,167
DEBT SERVICE	\$0	\$0	\$0
CAPITAL OUTLAY	\$0	\$9,850	\$33,297
CONTINGENCY	\$14,914	\$0	\$0
REPAIR AND REPLACEMENT RESERVE	<u>\$13,147</u>	<u>\$31,117</u>	<u>\$0</u>
TOTAL COLLECTION SYSTEM EXPENSES	<u>\$159,534</u>	<u>\$175,032</u>	<u>\$166,275</u>

ENTERPRISE FUND CONTINUED

	FY2014 RECOMMENDED	FY13 APPROVED/ AMENDED	FY 2012 ACTUAL
<b>WATER SYSTEM EXPENSES</b>			
PERSONNEL SERVICES			
SALARIES	\$89,739	\$86,106	\$81,797
PAYROLL TAXES AND BENEFITS	<u>\$28,500</u>	<u>\$25,956</u>	<u>\$22,264</u>
TOTAL PERSONNEL SERVICES	\$118,239	\$112,062	\$104,061
OPERATIONS AND MAINTENANCE			
ENGINEERING AND CONSULTANTS	\$2,000	\$2,000	\$1,899
FACILITY MAINTENANCE	\$14,548	\$22,204	\$40,201
WATER LINE MAINTENANCE	\$87,082	\$102,968	\$67,911
LABORATORY ANALYTICAL SERVICES	\$1,461	\$1,825	\$2,038
PROCESS CHEMICALS	\$7,570	\$9,295	\$8,580
LABORATORY SUPPLIES	\$1,500	\$750	\$310
UTILITIES	\$45,000	\$50,000	\$48,873
SAFETY	\$971	\$971	\$318
INSURANCE	\$5,000	\$5,900	\$5,396
OTHER OPERATING EXPENSES	<u>\$13,188</u>	<u>\$11,851</u>	<u>\$11,915</u>
TOTAL O & M EXPENSES	\$178,320	\$207,764	\$187,441
DEBT SERVICE	\$14,857	\$14,665	\$14,363
CAPITAL OUTLAY	\$24,744	\$26,551	\$2,712
CONTINGENCY	\$86,584	\$20,150	\$0
REPAIR AND REPLACEMENT RESERVE	<u>\$29,656</u>	<u>\$24,308</u>	<u>\$0</u>
TOTAL WATER SYSTEM EXPENSES	<u>\$452,400</u>	<u>\$405,500</u>	<u>\$308,577</u>
<b>WASTE DISPOSAL EXPENSES</b>			
PERSONNEL SERVICES			
SALARIES	\$16,677	\$15,064	\$14,944
PAYROLL TAXES AND BENEFITS	<u>\$3,480</u>	<u>\$3,263</u>	<u>\$3,031</u>
TOTAL PERSONNEL SERVICES	\$20,157	\$18,327	\$17,975
WASTE DISPOSAL CONTRACT COST	\$748,712	\$726,173	\$722,282
OTHER OPERATING EXPENSES	<u>\$1,000</u>	<u>\$1,000</u>	<u>\$1,121</u>
TOTAL WASTE DISPOSAL EXPENSES	<u>\$769,869</u>	<u>\$745,500</u>	<u>\$741,378</u>

THE COMMISSIONERS OF LEONARDTOWN  
**SPECIAL REVENUE FUND REVENUE/EXPENSES**  
FISCAL YEAR JULY 1, 2013 - JUNE 30, 2014

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	FY14	FY15	FY16	FY17	FY18	FY19
1	WELL CONSTRUCTION	\$553,744	\$553,744					
2	ROUTE 5 WATER LOOP	\$519,559		\$519,559				
3	UPDATE WATER SYSTEM MAPS	\$163,160				\$163,160		
4	WATER TOWER	\$1,603,990					\$1,603,990	
	<b>WATER-SUBTOTAL</b>	\$2,840,453	\$553,744	\$519,559	\$0	\$163,160	\$1,603,990	\$0
5	WASTEWATER TREATMENT PLANT ENR UPGRADE	\$22,763,488	\$5,690,872	\$11,381,744	\$5,690,872			
	<b>SEWER-SUBTOTAL</b>	\$22,763,488	\$5,690,872	\$11,381,744	\$5,690,872	\$0	\$0	\$0
6	PORT OF LEONARDTOWN PARK	\$326,000	\$326,000					
7	LAWRENCE AVENUE STREET & SIDEWALK REHABILITATION	\$372,000		\$96,000	\$170,000	\$106,000		
	<b>GENERAL-SUBTOTAL</b>	\$698,000	\$326,000	\$96,000	\$170,000	\$106,000	\$0	\$0
	<b>TOTAL</b>	\$26,301,941	\$6,570,616	\$11,997,303	\$5,860,872	\$269,160	\$1,603,990	\$0

THE COMMISSIONERS OF LEONARDTOWN  
CAPITAL PROJECTS FUND  
RECOMMENDED BUDGET

			-----FUNDING SOURCE-----				
PROJ #	PROJECT NAME	FY 14 COST	GRANTS	CONNECTION FEES	IMPACT FEES	PAYGO OR FUND EQUITY	LOANS
1	WELL CONSTRUCTION	\$553,744			\$553,744		
	<b>WATER - SUBTOTAL</b>	\$553,744	\$0	\$0	\$553,744	\$0	\$0
5	WASTEWATER TREATMENT PLANT ENR UPGRADE	\$5,690,872	\$2,560,892				\$3,129,980 *
	<b>SEWER - SUBTOTAL</b>	\$5,690,872	\$2,560,892	\$0	\$0	\$0	\$3,129,980
6	PORT OF LEONARDTOWN PARK	\$326,000	\$163,000			\$163,000	
	<b>GENERAL-SUBTOTAL</b>	\$326,000	\$163,000	\$0	\$0	\$163,000	\$0
	<b>TOTAL FY2014</b>	<u>\$6,570,616</u>	<u>\$2,723,892</u>	<u>\$0</u>	<u>\$553,744</u>	<u>\$163,000</u>	<u>\$3,129,980</u>

			-----FUNDING SOURCE-----				
PROJ #	PROJECT NAME	FY 15 COST	GRANTS	CONNECTION FEES	IMPACT FEES	PAYGO OR FUND EQUITY	LOANS
2	ROUTE 5 WATER LOOP	\$519,559		\$259,780		\$259,779	
	<b>WATER - SUBTOTAL</b>	\$519,559	\$0	\$259,780	\$0	\$259,779	\$0
5	WASTEWATER TREATMENT PLANT ENR UPGRADE	\$11,381,744	\$5,121,785				\$6,259,959 *
	<b>SEWER - SUBTOTAL</b>	\$11,381,744	\$5,121,785	\$0	\$0	\$0	\$6,259,959
7	LAWRENCE AVENUE STREET & SIDEWALK REHABILITATION	\$96,000				\$96,000	
	<b>GENERAL-SUBTOTAL</b>	\$96,000	\$0	\$0	\$0	\$96,000	\$0
	<b>TOTAL FY2015</b>	<u>\$11,997,303</u>	<u>\$5,121,785</u>	<u>\$259,780</u>	<u>\$0</u>	<u>\$355,779</u>	<u>\$6,259,959</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 16 COST	GRANTS	CONNECTION FEES	IMPACT FEES	PAYGO OR FUND EQUITY	LOANS
5	WASTEWATER TREATMENT PLANT ENR UPGRADE	\$5,690,872	\$2,560,892				\$3,129,980 *
	<b>SEWER - SUBTOTAL</b>	\$5,690,872	\$2,560,892	\$0	\$0	\$0	\$3,129,980
7	LAWRENCE AVENUE STREET & SIDEWALK REHABILITATION	\$170,000				\$170,000	
	<b>GENERAL-SUBTOTAL</b>	\$170,000	\$0	\$0	\$0	\$170,000	\$0
	<b>TOTAL FY2016</b>	<u>\$5,860,872</u>	<u>\$2,560,892</u>	<u>\$0</u>	<u>\$0</u>	<u>\$170,000</u>	<u>\$3,129,980</u>

			-----FUNDING SOURCE-----				
PROJ #	PROJECT NAME	FY 17 COST	GRANTS	CONNECTION FEES	IMPACT FEES	PAYGO OR FUND EQUITY	LOANS
3	UPDATE WATER SYSTEM MAPS	\$163,160		\$163,160			
	<b>WATER - SUBTOTAL</b>	\$163,160	\$0	\$163,160	\$0	\$0	\$0
7	LAWRENCE AVENUE STREET & SIDEWALK REHABILITATION	\$106,000				\$106,000	
	<b>GENERAL-SUBTOTAL</b>	\$106,000	\$0	\$0	\$0	\$106,000	\$0
	<b>TOTAL FY2017</b>	<u>\$269,160</u>	<u>\$0</u>	<u>\$163,160</u>	<u>\$0</u>	<u>\$106,000</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	PAYGO OR FUND EQUITY	LOANS
4	WATER TOWER	<u>\$1,603,990</u>		\$422,464	\$1,040,705	\$140,821	
	<b>WATER - SUBTOTAL</b>	\$1,603,990	\$0	\$422,464	\$1,040,705	\$140,821	\$0
	<b>TOTAL FY2018</b>	<u><u>\$1,603,990</u></u>	<u><u>\$0</u></u>	<u><u>\$422,464</u></u>	<u><u>\$1,040,705</u></u>	<u><u>\$140,821</u></u>	<u><u>\$0</u></u>

THE COMMISSIONERS OF LEONARDTOWN  
**CAPITAL OUTLAY COSTS**  
FISCAL YEAR JULY 1, 2013 - JUNE 30, 2014

**GENERAL GOVERNMENT**

Fire safe cabinet		<u>\$1,500</u>
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**RECREATION AND PARKS**

Sprinkler system at wharf	\$8,900	
Critical Area mitigation	<u>\$16,000</u>	
		<u>\$24,900</u>

**WATER SYSTEM**

Plastic meter pit lids	\$10,244	
New electrical control system Well #4	<u>\$14,500</u>	
		<u>\$24,744</u>