



THE COMMISSIONERS OF LEONARDTOWN

APPROVED BUDGET DOCUMENT

FISCAL YEAR 2012

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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 2012 Approved 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 FY2012 budget. It represents 44% of operating revenue. The budgeted amount of \$460,000 is a decrease of 2.3% over FY2011 actual property tax revenue and adopts a tax rate of \$.1257 per \$100 of assessed valuation; the same as the FY2011 tax rate. The projected decrease in revenue is a direct result of lower triennial real property assessments that take effect July 1, 2011.

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The second largest revenue source is income tax, which represents 34% of operating revenue and is budgeted 5% higher than FY2010 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 third 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 FY2012 budget of \$34,104 is an increase from the FY2010 actual receipts because some funding was restored during the last days of the state legislative session. Despite this move, annual funding still remains just a fraction of what it once was. The FY2007 receipts totaled \$134,000. This revenue reduction yields a corresponding expenditure reduction for road maintenance. If significant maintenance issues arise in FY2012, the town will be forced to either reduce expenditures elsewhere or use general fund reserves.

Appropriation of prior year fund balance is necessary to balance the FY2012 budget. Of the \$71,613 needed, one time capital items will cost \$61,072. The balance of \$10,541 will be used to pay for annual operating expenses. It is generally unwise to use fund balance to pay for annual operating expenses, but has been done so here because the remaining undesignated fund balance is projected to be 51% of general fund operating expenses.

Total General Fund expenses are \$1,120,897 which includes \$61,072 to pay for one time capital items. The balance of \$1,059,825 is appropriated for recurring operating expenses and represents a 4.2% increase over the FY2011 approved operating budget of \$1,016,660. The expenditures showing the most significant change are 1) increase for debt service to cover 12 full months of mortgage payments for the wharf property acquisition, 2) planning and zoning legal expense decreases by \$15,000 because condemnation action for the wharf property was settled in FY2011, 3) increase to road maintenance in the public works department as a direct result of higher highway user funding, and 4) increased storm drain/sidewalk maintenance to cover identified repair locations.

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 *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 FY2012 approved budget, the Mayor and Council will be able to maintain the level of undesignated fund balance at 51% of the 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 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, Metcom funds its proportionate share of operating and maintenance expenses for the wastewater treatment plant. This arrangement requires separate accounting of the treatment plant from the collection/conveyance system. The FY2012 approved budgets for the wastewater treatment plant and collection system combine for a 1% decrease over the FY2011 approved budget. This seems counterintuitive to the recommended increase in service charges. Since the Metcom share of operating expenses continues to decline as Leonardtown adds customers and Metcom does not, the loss of revenue needs to be replaced by Leonardtown customers. Additionally, the FY2011 collection system budget included one time funding to take care of sinkhole problems above the McIntosh Run sewer interceptor.

The only sewer related project in the capital projects budget is the ENR upgrade and expansion of the wastewater treatment plant. Design should begin in the summer of 2011; construction will follow in 2012 with a targeted completion date of October 2014. The ENR treatment process is a state mandate and will be funded by grants from the Maryland Department of the Environment. The expansion portion will require the town to issue debt. The annual debt payments will be funded by impact fees collected from new customers.

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 approved FY2012 expenditure budget for the water system is 4% higher than the FY2011 approved budget. Personnel services are higher than FY2011 due to reallocation of employees' time to account for the additional work required to gather and process the residential water meter readings. During FY2011, the town made its final debt service payment on the Tudor Hall water tower loan. Those savings have been appropriated to repair and replacement reserve and contingency for rate modification.

FY2012 BUDGET MESSAGE
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Change to a consumption based rate structure will be effective October 1, 2011. Since it is difficult to predict how a new rate structure will affect customers' water use and ultimately revenue, this minimizes the risk of ending FY2012 with a deficit in the water system. It should be acknowledged that *drastic* changes in customer consumption may affect revenue to a point that the rate structure may need to be revised again in the future.

Several water related projects remain in the capital projects budget. The town will not have to borrow money to fund any project until 2014 when the Route 5 water loop is scheduled for construction. This new debt service will replace the Tudor Hall water tower debt service; therefore, it should not require new charges to customers.

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 approved budget has established a quarterly per EDU sewer rate of \$96.99 which is the FY2011 rate of \$95.33 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 \$44.78 to \$45.68.

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 Index 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 be at least 3%. Normally, an equal 3% increase would be passed along to the customers. However, there is a modest surplus available in the trash department that can be utilized to balance the budget using just a 2% increase in customer service charges. Therefore, the Council has approved a 2% increase in residential service charge to \$65.28 per quarter. Commercial rates will be adjusted by this same percentage.

The above mentioned rate modifications result in a total quarterly residential utility bill of \$215.45; an increase of 1.8% from \$211.61.

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; and therefore, did not fund all requested budget items. 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 approved FY2012 budget maintains the same core services as FY2011. Continued residential growth will bring additional challenges, but should also serve to widen 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, 2011 - JUNE 30, 2012

	FY2012 APPROVED	FY11 APPROVED	FY 2010 ACTUAL
GENERAL FUND			
REVENUE AND OTHER FINANCING SOURCES	<u>\$1,120,897</u>	<u>\$1,138,659</u>	<u>\$1,097,002</u>
EXPENSES			
GENERAL GOVERNMENT	\$462,870	\$423,878	\$309,377
COMMUNITY DEVELOPMENT	\$95,424	\$78,883	\$65,827
PLANNING AND ZONING	\$110,594	\$146,273	\$214,601
PUBLIC SAFETY	\$63,951	\$47,891	\$51,434
PUBLIC WORKS	\$294,632	\$217,508	\$268,170
RECREATION AND PARKS	\$93,426	\$104,228	\$94,413
TRANSFERS TO OTHER FUNDS	<u>\$0</u>	<u>\$120,000</u>	<u>\$109,125</u>
TOTAL EXPENSES AND TRANSFERS TO OTHER FUNDS	<u>\$1,120,897</u>	<u>\$1,138,660</u>	<u>\$1,112,947</u>
SEWER SYSTEM			
REVENUE	<u>\$832,767</u>	<u>\$840,394</u>	<u>\$808,365</u>
EXPENSES			
WASTEWATER TREATMENT PLANT	\$687,602	\$672,292	\$624,296
COLLECTION SYSTEM	<u>\$145,165</u>	<u>\$168,102</u>	<u>\$96,710</u>
TOTAL SEWER EXPENSES	<u>\$832,767</u>	<u>\$840,394</u>	<u>\$721,006</u>
WATER SYSTEM			
REVENUE	<u>\$392,500</u>	<u>\$377,250</u>	<u>\$360,491</u>
EXPENSES	<u>\$392,500</u>	<u>\$377,250</u>	<u>\$320,282</u>
WASTE DISPOSAL			
REVENUE	<u>\$732,689</u>	<u>\$709,233</u>	<u>\$655,634</u>
EXPENSES	<u>\$732,688</u>	<u>\$709,233</u>	<u>\$682,263</u>

THE COMMISSIONERS OF LEONARDTOWN
GENERAL FUND REVENUES
 FISCAL YEAR JULY 1, 2011 - JUNE 30, 2012

	FY2012 APPROVED	FY11 APPROVED	FY 2010 ACTUAL
TAXES - LOCAL PROPERTY			
REAL ESTATE FULL YEAR AND HALF YEAR (\$0.1257/\$100 TAX RATE)	\$460,000	\$467,500	\$447,703
PUBLIC UTILITIES	\$29,000	\$36,000	\$32,119
PENALTIES AND INTEREST	\$3,000	\$2,500	\$3,519
DISCOUNT ON TAXES	(\$2,500)	(\$2,500)	(\$2,229)
OTHER DEDUCTIONS	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
TOTAL - LOCAL PROPERTY TAXES	\$489,500	\$503,500	\$481,112
TAXES - OTHER LOCAL			
INCOME TAX	\$355,000	\$315,000	\$337,923
ADMISSIONS AND AMUSEMENT TAX	<u>\$1,000</u>	<u>\$1,000</u>	<u>\$5,597</u>
TOTAL - LOCAL OTHER TAXES	\$356,000	\$316,000	\$343,520
TAXES - STATE SHARED			
HIGHWAY USER REVENUE	<u>\$34,104</u>	<u>\$9,500</u>	<u>\$14,383</u>
TOTAL - STATE SHARED TAXES	\$34,104	\$9,500	\$14,383
LICENSES AND PERMITS			
BEER, WINE AND LIQUOR LICENSE	\$12,000	\$10,000	\$11,918
COIN OPERATED MACHINE LICENSE	\$0	\$200	\$0
TRADERS LICENSE	\$13,500	\$12,000	\$14,762
BUILDING, OCCUPANCY AND SIGN PERMITS	\$24,600	\$22,700	\$39,240
CATV FRANCHISE FEE	<u>\$23,000</u>	<u>\$23,000</u>	<u>\$23,805</u>
TOTAL - LICENSES AND PERMITS	\$73,100	\$67,900	\$89,725
INTERGOVERNMENTAL REVENUES			
COUNTY PAYMENTS IN LIEU OF TAXES	\$52,230	\$66,659	\$64,425
ACCOMMODATION TAX	\$18,000	\$22,000	\$17,975
LAW ENFORCEMENT GRANTS	\$5,750	\$6,000	\$5,766
OTHER GRANTS	<u>\$0</u>	<u>\$0</u>	<u>\$45,693</u>
TOTAL - INTERGOVERNMENTAL REVENUES	\$75,980	\$94,659	\$133,859
CHARGES FOR SERVICES			
ZONING AND SUBDIVISION FEES	<u>\$1,500</u>	<u>\$1,500</u>	<u>\$2,474</u>
TOTAL - CHARGES FOR SERVICES	\$1,500	\$1,500	\$2,474
MISCELLANEOUS REVENUE			
INTEREST	\$7,000	\$4,000	\$3,246
RESTRICTED GRANTS	\$2,100	\$2,100	\$2,000
PARKING FEES-IN-LIEU	\$0	\$0	\$0
OTHER INCOME	<u>\$10,000</u>	<u>\$4,500</u>	<u>\$26,683</u>
TOTAL - MISCELLANEOUS INCOME	\$19,100	\$10,600	\$31,929
OTHER FINANCING SOURCES			
APPROPRIATION OF PRIOR YEAR FUND BALANCE	<u>\$71,613</u>	<u>\$135,000</u>	<u>\$0</u>
TOTAL - OTHER FINANCING SOURCES	\$71,613	\$135,000	\$0
TOTAL GENERAL FUND REVENUE AND OTHER FINANCING SOURCES	<u>\$1,120,897</u>	<u>\$1,138,659</u>	<u>#####</u>

THE COMMISSIONERS OF LEONARDTOWN
GENERAL FUND EXPENSES
 FISCAL YEAR JULY 1, 2011 - JUNE 30, 2012

	FY2012 APPROVED	FY11 APPROVED	FY 2010 ACTUAL
GENERAL GOVERNMENT EXPENSES			
SALARIES	\$168,677	\$158,778	\$153,423
PAYROLL TAXES AND BENEFITS	\$33,124	\$31,484	\$34,885
LEGAL COUNSEL	\$8,500	\$7,500	\$588
ACCOUNTING SERVICE	\$16,000	\$15,500	\$14,100
OTHER PROFESSIONAL SERVICES	\$16,195	\$16,195	\$14,157
ELECTION EXPENSES	\$350	\$0	\$305
OCCUPANCY EXPENSE	\$28,500	\$27,650	\$27,024
PROPERTY/LIABILITY INSURANCE	\$10,100	\$10,500	\$9,893
UTILITIES	\$11,280	\$9,660	\$9,667
BUILDING MAINT./JANITORIAL WORK	\$3,600	\$3,200	\$3,265
EQUIPMENT MAINTENANCE	\$2,500	\$2,250	\$1,636
OFFICE SUPPLIES	\$8,000	\$7,250	\$7,225
POSTAGE	\$5,500	\$5,500	\$4,180
TRAVEL AND TRAINING	\$8,415	\$8,422	\$6,972
DUES, MEMBERSHIPS AND SUBSCRIPTIONS	\$4,510	\$4,510	\$4,223
ADVERTISING AND PUBLIC NOTICES	\$1,000	\$1,000	\$790
PRINTING/CODIFICATION UPDATES	\$1,750	\$1,500	\$1,748
HOSPITALITY	\$3,600	\$3,600	\$5,731
DEBT SERVICE	\$125,104	\$104,254	\$0
LEASE PAYMENTS	\$875	\$875	\$875
OTHER OPERATING EXPENSES	\$1,500	\$1,500	\$2,755
PAYMENTS TO OTHER AGENCIES	\$750	\$750	\$750
CAPITAL OUTLAY	<u>\$3,040</u>	<u>\$2,000</u>	<u>\$5,185</u>
TOTAL GENERAL GOVERNMENT EXPENSES	<u>\$462,870</u>	<u>\$423,878</u>	<u>\$309,377</u>
COMMUNITY DEVELOPMENT EXPENSES			
SALARIES	\$50,591	\$41,239	\$29,459
PAYROLL TAXES AND BENEFITS	\$8,420	\$7,571	\$4,481
PROFESSIONAL SERVICES	\$250	\$250	\$400
BEACH PARTY	\$3,500	\$3,500	\$3,500
VETERAN'S DAY PARADE	\$1,750	\$1,750	\$1,000
TREE LIGHTING	\$3,000	\$3,000	\$3,000
CONCERTS ON THE SQUARE	\$2,000	\$2,000	\$1,630
WATERFRONT CELEBRATION	\$0	\$1,500	\$2,763
EARTH DAY	\$1,100	\$1,100	\$1,207
PUBLIC RELATIONS/PROMOTIONS	\$928	\$1,500	\$6,275
OTHER OPERATING EXPENSES	\$13,885	\$15,473	\$12,112
CAPITAL OUTLAY	<u>\$10,000</u>	<u>\$0</u>	<u>\$0</u>
TOTAL COMMUNITY DEVELOPMENT EXPENSES	<u>\$95,424</u>	<u>\$78,883</u>	<u>\$65,827</u>
PLANNING AND ZONING EXPENSES			
SALARIES	\$76,758	\$87,344	\$71,259
PAYROLL TAXES AND BENEFITS	\$16,636	\$21,729	\$18,917
LEGAL COUNSEL	\$10,000	\$25,000	\$92,750
PROFESSIONAL SERVICES	\$5,000	\$10,000	\$29,065
SUPPLIES	\$700	\$700	\$273
OTHER OPERATING EXPENSES	<u>\$1,500</u>	<u>\$1,500</u>	<u>\$2,337</u>
TOTAL PLANNING AND ZONING EXPENSES	<u>\$110,594</u>	<u>\$146,273</u>	<u>\$214,601</u>

GENERAL FUND CONTINUED

	FY2012 APPROVED	FY11 APPROVED	FY 2010 ACTUAL
PUBLIC SAFETY EXPENSES			
SALARIES	\$5,694	\$2,310	\$2,202
PAYROLL TAXES AND BENEFITS	\$1,793	\$581	\$549
LAW ENFORCEMENT	\$49,124	\$42,000	\$46,683
FIRE DEPARTMENT GRANT	\$1,000	\$1,000	\$1,000
RESCUE SQUAD GRANT	\$1,000	\$1,000	\$1,000
OTHER OPERATING EXPENSES	\$1,340	\$1,000	\$0
CAPITAL OUTLAY	\$4,000	\$0	\$0
TOTAL PUBLIC SAFETY EXPENSES	<u>\$63,951</u>	<u>\$47,891</u>	<u>\$51,434</u>
PUBLIC WORKS EXPENSES			
SALARIES	\$30,077	\$31,682	\$31,495
PAYROLL TAXES AND BENEFITS	\$8,777	\$8,100	\$7,857
PROFESSIONAL SERVICES	\$1,000	\$1,000	\$0
STREET SWEEPING	\$30,000	\$27,500	\$23,461
ROAD MAINTENANCE	\$55,016	\$35,226	\$72,670
SNOW AND ICE REMOVAL	\$15,000	\$15,000	\$52,650
STORM DRAIN/SIDEWALK MAINTENANCE	\$26,284	\$10,000	\$3,968
STREET LIGHTING/ELECTRICITY	\$42,000	\$43,000	\$37,990
BUILDINGS AND GROUNDS	\$32,446	\$36,500	\$25,154
STREET SIGNS AND MAINTENANCE	\$2,500	\$2,000	\$2,430
OTHER OPERATING EXPENSES	\$7,500	\$7,500	\$10,495
CAPITAL OUTLAY	\$44,032	\$0	\$0
TOTAL PUBLIC WORKS EXPENSES	<u>\$294,632</u>	<u>\$217,508</u>	<u>\$268,170</u>
RECREATION AND PARKS			
SALARIES	\$29,002	\$32,386	\$31,491
PAYROLL TAXES AND BENEFITS	\$8,145	\$8,061	\$7,807
PROFESSIONAL SERVICES	\$0	\$0	\$0
UTILITIES	\$3,600	\$3,600	\$2,932
FACILITY MAINTENANCE	\$12,000	\$10,168	\$11,714
GROUNDS MAINTENANCE	\$34,679	\$44,013	\$27,044
OTHER OPERATING EXPENSES	\$6,000	\$6,000	\$2,750
CAPITAL OUTLAY	\$0	\$0	\$10,675
TOTAL RECREATION AND PARKS	<u>\$93,426</u>	<u>\$104,228</u>	<u>\$94,413</u>
TRANSFER TO OTHER FUNDS			
CAPITAL PROJECTS	\$0	\$120,000	\$109,125
SPECIAL REVENUE	\$0	\$0	\$0
TOTAL TRANSFERS TO OTHER FUNDS	<u>\$0</u>	<u>\$120,000</u>	<u>\$109,125</u>
TOTAL GENERAL FUND EXPENSES AND TRANSFERS TO OTHER FUNDS	<u>\$1,120,897</u>	<u>\$1,138,660</u>	<u>\$1,112,947</u>

THE COMMISSIONERS OF LEONARDTOWN
ENTERPRISE FUND REVENUES
 FISCAL YEAR JULY 1, 2011 - JUNE 30, 2012

	FY2012 APPROVED	FY11 APPROVED	FY 2010 ACTUAL
WATER SYSTEM REVENUES			
WATER SERVICE CHARGES	\$390,000	\$375,000	\$357,515
INTEREST INCOME	\$1,000	\$750	\$1,303
FINANCE CHARGES	\$1,000	\$1,000	\$1,173
MISCELLANEOUS INCOME	\$500	\$500	\$500
APPROPRIATE RETAINED EARNINGS	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
 TOTAL WATER SYSTEM REVENUES	 <u>\$392,500</u>	 <u>\$377,250</u>	 <u>\$360,491</u>
 SEWER SYSTEM REVENUES			
SEWER SERVICE CHARGES	\$702,000	\$675,000	\$650,724
INTEREST INCOME	\$1,000	\$500	\$413
FINANCE CHARGES	\$2,000	\$1,500	\$2,134
MISCELLANEOUS INCOME	\$2,000	\$2,000	\$1,860
APPROPRIATE RETAINED EARNINGS	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
 SUBTOTAL	 \$707,000	 \$679,000	 \$655,131
 METCOMM FEES			
OPERATION & MAINTENANCE	\$125,767	\$138,396	\$129,855
WATER QUALITY LOAN	\$0	\$8,340	\$8,478
FARMERS HOME LOAN REFINANCING	\$0	\$9,035	\$9,185
EXISTING FACILITIES	\$0	\$3,134	\$3,186
ADDITIONAL LOCAL SHARE	<u>\$0</u>	<u>\$2,489</u>	<u>\$2,530</u>
 TOTAL METCOMM FEES	 <u>\$125,767</u>	 <u>\$161,394</u>	 <u>\$153,234</u>
 TOTAL SEWER SYSTEM REVENUES	 <u>\$832,767</u>	 <u>\$840,394</u>	 <u>\$808,365</u>
 WASTE DISPOSAL REVENUES			
WASTE DISPOSAL SERVICE CHARGES	\$698,692	\$675,000	\$652,580
FINANCE CHARGES	\$1,500	\$1,500	\$2,140
MISCELLANEOUS INCOME	\$1,000	\$1,000	\$914
APPROPRIATE RETAINED EARNINGS	<u>\$31,497</u>	<u>\$31,733</u>	<u>\$0</u>
 TOTAL WASTE DISPOSAL REVENUES	 <u>\$732,689</u>	 <u>\$709,233</u>	 <u>\$655,634</u>
 TOTAL ENTERPRISE FUND REVENUES	 <u>\$1,957,956</u>	 <u>\$1,926,877</u>	 <u>\$1,824,490</u>

THE COMMISSIONERS OF LEONARDTOWN
ENTERPRISE FUND EXPENSES
 FISCAL YEAR JULY 1, 2011 - JUNE 30, 2012

	FY2012 APPROVED	FY11 APPROVED	FY 2010 ACTUAL
WASTEWATER TREATMENT PLANT			
PERSONNEL SERVICES			
SALARIES	\$157,066	\$176,698	\$181,819
PAYROLL TAXES AND BENEFITS	<u>\$46,646</u>	<u>\$55,397</u>	<u>\$48,629</u>
TOTAL PERSONNEL SERVICES	\$203,712	\$232,095	\$230,448
OPERATIONS AND MAINTENANCE			
ENGINEERING AND CONSULTANTS	\$2,500	\$2,500	\$190
TREATMENT FACILITY MAINTENANCE	\$39,877	\$42,004	\$33,588
LABORATORY ANALYTICAL SERVICES	\$13,109	\$15,489	\$14,232
PROCESS CHEMICALS	\$36,364	\$31,522	\$29,228
LABORATORY SUPPLIES	\$4,501	\$3,201	\$2,538
UTILITIES	\$95,025	\$95,000	\$81,196
SLUDGE MANAGEMENT	\$43,166	\$52,292	\$37,862
SAFETY	\$1,275	\$1,971	\$1,882
INSURANCE	\$16,300	\$17,250	\$15,867
OTHER OPERATING EXPENSES	<u>\$17,016</u>	<u>\$15,732</u>	<u>\$18,438</u>
TOTAL O & M EXPENSES	\$269,133	\$276,961	\$235,021
DEBT SERVICE	\$120,440	\$157,513	\$157,260
CAPITAL OUTLAY	\$11,040	\$0	\$1,567
CONTINGENCY FOR RATE MODIFICATION	\$83,277	\$0	\$0
REPAIR AND REPLACEMENT RESERVE	<u>\$0</u>	<u>\$5,723</u>	<u>\$0</u>
TOTAL WASTEWATER TREATMENT PLANT EXPENSES	<u>\$687,602</u>	<u>\$672,292</u>	<u>\$624,296</u>
COLLECTION SYSTEM EXPENSES			
PERSONNEL SERVICES			
SALARIES	\$35,415	\$41,708	\$33,361
PAYROLL TAXES AND BENEFITS	<u>\$9,650</u>	<u>\$10,430</u>	<u>\$8,005</u>
TOTAL PERSONNEL SERVICES	\$45,065	\$52,138	\$41,366
OPERATIONS AND MAINTENANCE			
ENGINEERING AND CONSULTANTS	\$2,000	\$2,000	\$260
FACILITY MAINTENANCE	\$18,742	\$16,121	\$3,807
SEWER LINE MAINTENANCE	\$22,938	\$52,505	\$38,747
UTILITIES	\$4,000	\$4,000	\$3,467
SAFETY	\$1,334	\$1,334	\$289
INSURANCE	\$3,300	\$3,600	\$3,337
OTHER OPERATING EXPENSES	<u>\$6,360</u>	<u>\$7,497</u>	<u>\$5,437</u>
TOTAL O & M EXPENSES	\$58,674	\$87,057	\$55,344
DEBT SERVICE	\$0	\$0	\$0
CAPITAL OUTLAY	\$1,150	\$28,907	\$0
REPAIR AND REPLACEMENT RESERVE	<u>\$40,276</u>	<u>\$0</u>	<u>\$0</u>
TOTAL COLLECTION SYSTEM EXPENSES	<u>\$145,165</u>	<u>\$168,102</u>	<u>\$96,710</u>

ENTERPRISE FUND CONTINUED

	FY2012 APPROVED	FY11 APPROVED	FY 2010 ACTUAL
WATER SYSTEM EXPENSES			
PERSONNEL SERVICES			
SALARIES	\$80,126	\$64,689	\$76,481
PAYROLL TAXES AND BENEFITS	<u>\$20,117</u>	<u>\$16,562</u>	<u>\$18,086</u>
TOTAL PERSONNEL SERVICES	\$100,243	\$81,251	\$94,567
OPERATIONS AND MAINTENANCE			
ENGINEERING AND CONSULTANTS	\$2,000	\$2,000	\$0
FACILITY MAINTENANCE	\$35,230	\$27,597	\$1,635
WATER LINE MAINTENANCE	\$78,087	\$72,264	\$54,896
LABORATORY ANALYTICAL SERVICES	\$891	\$1,381	\$715
PROCESS CHEMICALS	\$9,295	\$10,407	\$9,469
LABORATORY SUPPLIES	\$1,000	\$1,000	\$1,112
UTILITIES	\$52,500	\$50,000	\$47,034
SAFETY	\$753	\$2,060	\$16
INSURANCE	\$5,900	\$6,300	\$5,766
OTHER OPERATING EXPENSES	<u>\$16,857</u>	<u>\$15,452</u>	<u>\$12,629</u>
TOTAL O & M EXPENSES	\$202,513	\$188,461	\$133,272
DEBT SERVICE	\$14,363	\$93,038	\$92,443
CAPITAL OUTLAY	\$1,150	\$14,500	\$0
CONTINGENCY FOR RATE MODIFICATION	\$39,250	\$0	\$0
REPAIR AND REPLACEMENT RESERVE	<u>\$34,981</u>	<u>\$0</u>	<u>\$0</u>
TOTAL WATER SYSTEM EXPENSES	<u>\$392,500</u>	<u>\$377,250</u>	<u>\$320,282</u>
WASTE DISPOSAL EXPENSES			
PERSONNEL SERVICES			
SALARIES	\$14,216	\$14,944	\$14,524
PAYROLL TAXES AND BENEFITS	<u>\$2,472</u>	<u>\$3,289</u>	<u>\$3,116</u>
TOTAL PERSONNEL SERVICES	\$16,688	\$18,233	\$17,640
WASTE DISPOSAL CONTRACT COST	\$715,000	\$690,000	\$664,151
OTHER OPERATING EXPENSES	<u>\$1,000</u>	<u>\$1,000</u>	<u>\$472</u>
TOTAL WASTE DISPOSAL EXPENSES	<u>\$732,688</u>	<u>\$709,233</u>	<u>\$682,263</u>

THE COMMISSIONERS OF LEONARDTOWN
SPECIAL REVENUE FUND REVENUE/EXPENSES
FISCAL YEAR JULY 1, 2011 - JUNE 30, 2012

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 12	FY 13	FY14	FY15	FY16	FY17
1	CHURCH STREET WATER TOWER DEMO/TUDOR HALL WATER LINE	\$247,000	\$247,000					
2	GREENBRIER ROAD WATER TOWER EXTERIOR REHAB	\$361,186	\$361,186					
3	ROUTE 5 WATER LOOP	\$477,732			\$477,732			
4	WELL CONSTRUCTION/ ARSENIC TREATMENT	\$473,505				\$473,505		
5	UPDATE WATER SYSTEM MAPS	\$160,141					\$160,141	
	WATER-SUBTOTAL	\$1,472,564	\$608,186	\$0	\$477,732	\$473,505	\$160,141	\$0
6	WASTEWATER TREATMENT PLANT ENR PLUS CAPACITY EXPANSION	\$17,430,825	\$639,000	\$8,395,913	\$8,395,913			
	SEWER-SUBTOTAL	\$17,430,825	\$639,000	\$8,395,913	\$8,395,913	\$0	\$0	\$0
	TOTAL	<u>\$18,903,389</u>	<u>\$1,247,186</u>	<u>\$8,395,913</u>	<u>\$8,873,645</u>	<u>\$473,505</u>	<u>\$160,141</u>	<u>\$0</u>

THE COMMISSIONERS OF LEONARDTOWN
CAPITAL PROJECTS FUND
APPROVED BUDGET

			-----FUNDING SOURCE-----				
PROJ #	PROJECT NAME	FY 12 COST	GRANTS	CONNECTION FEES	IMPACT FEES	FUND EQUITY	LOANS
1	CHURCH STREET WATER TOWER DEMO/TUDOR HALL WATER LINE	\$247,000		\$247,000			
2	GREENBRIER ROAD WATER TOWER EXTERIOR REHAB	\$361,186		\$270,890		\$90,296	
	WATER - SUBTOTAL	\$608,186	\$0	\$517,890	\$0	\$90,296	\$0
6	WASTEWATER TREATMENT PLANT ENR PLUS CAPACITY EXPANSION	\$639,000	\$262,629				\$376,371 *
	SEWER - SUBTOTAL	\$639,000	\$262,629	\$0	\$0	\$0	\$376,371
	TOTAL FY2012	<u>\$1,247,186</u>	<u>\$262,629</u>	<u>\$517,890</u>	<u>\$0</u>	<u>\$90,296</u>	<u>\$376,371</u>

			-----FUNDING SOURCE-----				
PROJ #	PROJECT NAME	FY 13 COST	GRANTS	CONNECTION FEES	IMPACT FEES	FUND EQUITY	LOANS
6	WASTEWATER TREATMENT PLANT ENR PLUS CAPACITY EXPANSION	\$8,395,913	\$3,450,720				\$4,945,193 *
	SEWER - SUBTOTAL	\$8,395,913	\$3,450,720	\$0	\$0	\$0	\$4,945,193
	TOTAL FY2013	<u>\$8,395,913</u>	<u>\$3,450,720</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$4,945,193</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
APPROVED BUDGET

			-----FUNDING SOURCE-----				
PROJ #	PROJECT NAME	FY 14 COST	GRANTS	CONNECTION FEES	IMPACT FEES	FUND EQUITY	LOANS
3	ROUTE 5 WATER LOOP	<u>\$477,732</u>					<u>\$477,732</u>
	WATER - SUBTOTAL	\$477,732	\$0	\$0	\$0	\$0	\$477,732
6	WASTEWATER TREATMENT PLANT ENR PLUS CAPACITY EXPANSION	<u>\$8,395,913</u>	<u>\$3,450,720</u>				<u>\$4,945,193 *</u>
	SEWER - SUBTOTAL	\$8,395,913	\$3,450,720	\$0	\$0	\$0	\$4,945,193
	TOTAL FY2014	<u>\$8,873,645</u>	<u>\$3,450,720</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$5,422,925</u>

			-----FUNDING SOURCE-----				
PROJ #	PROJECT NAME	FY 15 COST	GRANTS	CONNECTION FEES	IMPACT FEES	FUND EQUITY	LOANS
4	WELL CONSTRUCTION/ ARSENIC TREATMENT	<u>\$473,505</u>			<u>\$473,505</u>		
	WATER - SUBTOTAL	\$473,505	\$0	\$0	\$473,505	\$0	\$0
	TOTAL FY2015	<u>\$473,505</u>	<u>\$0</u>	<u>\$0</u>	<u>\$473,505</u>	<u>\$0</u>	<u>\$0</u>

* Although the Town 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
APPROVED BUDGET

PROJ #	PROJECT NAME	FY 16 COST	-----FUNDING SOURCE-----				
			GRANTS	CONNECTION FEES	IMPACT FEES	FUND EQUITY	LOANS
5	UPDATE WATER SYSTEM MAPS	\$160,141		\$160,141			
	WATER - SUBTOTAL	\$160,141	\$0	\$160,141	\$0	\$0	\$0
	TOTAL FY2016	<u>\$160,141</u>	<u>\$0</u>	<u>\$160,141</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

THE COMMISSIONERS OF LEONARDTOWN
CAPITAL OUTLAY COSTS
FISCAL YEAR JULY 1, 2011 - JUNE 30, 2012

GENERAL GOVERNMENT

Replacement computers/printers	\$2,000	
Chairs/folding tables	<u>\$1,040</u>	
		<u>\$3,040</u>

COMMUNITY DEVELOPMENT

Portable stage		<u>\$10,000</u>
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PUBLIC SAFETY

Surveillance cameras		<u>\$4,000</u>
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PUBLIC WORKS

West Fenwick Street upgrade		<u>\$44,032</u>
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WWTP

Aqua Guard Bar Screen control panel system	\$8,190	
Replace shed	\$1,850	
Replace computer	<u>\$1,000</u>	
		<u>\$11,040</u>

COLLECTION SYSTEM

Bush Hog attachment for tractor		<u>\$1,150</u>
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WATER SYSTEM

Bush Hog attachment for tractor		<u>\$1,150</u>
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THE COMMISSIONERS OF LEONARDTOWN

APPROVED BUDGET DOCUMENT

FOR FISCAL YEAR 2012

The Approved Budget for The Commissioners of Leonardtown for Fiscal Year beginning July 1, 2011 and ending June 30, 2012, as represented by the detailed statement contained within the "Approved Budget Document" is, this day June 13, 2011, approved by The Commissioners of Leonardtown.

APPROVED:



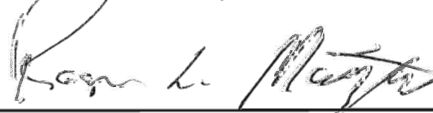
Walter Wise, Vice-President



Daniel W. Burris, Councilmember



Thomas R. Collier, Councilmember



Roger L. Mattingly, Councilmember



Leslie E. Roberts, Councilmember

ATTEST:



J. Harry Norris, III, Mayor



Laschelle E. McKay, Administrator