



THE COMMISSIONERS OF LEONARDTOWN
RECOMMENDED BUDGET DOCUMENT
FISCAL YEAR 2017

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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 2017 Recommended Budget.

THE BUDGET PROCESS

The budget process begins with the Mayor's proposed budget being submitted to the Town 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 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 and businesses 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 FY2017 budget. It represents 41% of operating revenue. The budgeted amount of \$570,000 is 3.3% higher than the FY2016 actual property tax revenue of \$551,525. This is a direct result of the new residential construction that continues at Clark's Rest and commercial redevelopment that is underway downtown. This budget maintains the existing tax rate of \$.1266 per \$100 of assessed value.

FY2017 BUDGET MESSAGE
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The second largest revenue source is income tax, which represents 37% of operating revenue and is budgeted 9.2% higher than FY2015 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.

The next largest revenue source is highway user revenue. Part of this revenue source (\$32,929) is recurring in nature and based on a revenue sharing formula administered by the State Highway Administration. The remainder (\$90,554) is considered a supplemental appropriation and is not guaranteed to recur each year. Just between FY2010 and FY2013, the reduction in this revenue source for Leonardtown totaled over \$375,000. Those monies were kept by the State to fund its annual budget deficits. Starting in 2014, the Maryland legislature approved supplemental appropriations in an effort to partially restore this funding source for local jurisdictions. Municipal representatives across the state continue to lobby for full restoration of this revenue source. If the state does not permanently restore the previous level of local funding, the Town will likely be faced with difficult budget choices in order to maintain the ever increasing number of road miles in Town.

Total General Fund expenses are \$1,380,126 which includes \$41,584 to pay for one time capital items. The balance of \$1,338,542 is appropriated for recurring operating expenses and represents a 4.5% increase over the FY2016 operating budget of \$1,280,571. Increases in two specific items account for this change. At the current time, the Council is negotiating a property acquisition. This acquisition will require the issuance of debt and is anticipated to increase debt service expense by about \$26,000 in FY17. Snow removal has also been increased by \$22,500 over the FY16 budget. The experience of the past three winter seasons dictates increasing this appropriation. If the winter yields less precipitation, excess funds can be allocated to other uses in the spring of 2017.

For many years, the Council met its goal of adopting budgets that maintained a reserve of at least 6 months (50%) 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 during the budget cycle, the Mayor and Council re-examine the level of general fund *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. Governmental best practices recommend no less than two months of general fund operating expenses. During the FY16 budget cycle, the Mayor and Council agreed to modify the unassigned fund balance goal to 40% (the equivalent of 4.8 months) of general fund operating expenditures. This FY17 recommended budget meets that goal.

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, maintenance and debt services expenses for the wastewater treatment plant. This arrangement requires separate accounting of the treatment plant expenses from the collection/conveyance system expenses.

The FY2017 recommended operating budgets for the wastewater treatment plant and collection system combine for a 21% increase over the FY2016 approved operating budgets. The overwhelming majority of this increase relates to the anticipated increase in sludge management expenses that are expected during the construction of the ENR upgrade. Temporary rental equipment is required until the final sludge press is installed and operational. Appropriation of prior years' operating reserves is necessary to cover these expenses in FY17. Despite the need to use prior year operating reserves to balance the budget, a 10% repair and replacement reserve is still being set aside for future capital repair items. The facility upgrade 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. Service charges will increase by 2% as required by ordinance.

The only sewer related project in the capital projects budget is the ENR upgrade of the wastewater treatment plant. Construction began in July 2015 and is projected to take two years. The ENR treatment component of this project is a state mandate and is funded by a grant from the Maryland Department of the Environment. The balance of the project is funded with impact fee reserves and a low interest loan from the Maryland Water Quality Financing Administration. The annual debt payments will be funded by impact fee reserves and future impact fees as they are 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). Certain insurance companies use ISO evaluations when calculating property insurance premiums. The recommended FY2017 budget for the water system is 4.3% higher than the FY2016 approved budget. A 10% repair and replacement reserve is fully funded. Although the line item for contingency was reduced in order to create a balanced budget, it remains high enough to waive the 2% mandatory water service charge increase as dictated by Ordinance Number

82. As in prior years, if contingency funding is not needed during FY2017, it will be set aside to fund future repairs or improvements.

Several water system capital projects will be necessary in the next few years. Construction of a new water main on Route 5 south from Hollywood Road has been moved to the top of the list to coincide with the new Hamptons multi-family residential project. This project is necessary to improve fire flow and continuity of service on the south and east sides of Leonardtown. Water main replacement projects have been added to the capital projects budget. Certain areas in Town that require frequent water leak repairs are now scheduled in phases to receive new water mains. Construction of a new well is still scheduled for FY2018. This is subject to change if water demand is not high enough to warrant approval of a new water appropriation permit from MDE. Two backup wells are still available which can be used in an emergency. Construction of a new water tower remains in FY20.

Trash Collection

As required by Town ordinance, the Town provides trash and recycling collection for the citizens and businesses in Leonardtown. Effective July 1, 2014, Affordable Refuse and Recycling was the successful bidder on the Town's trash and recycling contract. That contract resulted in a significant reduction to the service charges paid by customers. The initial contract term is for five years, ending June 30, 2019. Two contract extensions for two years each are available for a maximum contract period of nine years. The contract allows for annual escalation of contract prices tied to CPI. For FY17, the services charges will increase by 1.0%.

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. The financial crisis which began almost 10 years ago had a devastating impact on the budgets of many jurisdictions across the country. Careful planning, budgeting, and steadfast support of the business community for many years have allowed Leonardtown to weather the storm. The fruits of those efforts are now seen in the robust commercial investment that follows the many years of robust residential development.

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

As new challenges arise, fiscal or otherwise, 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, 2016 - JUNE 30, 2017

	FY17 RECOMMENDED	FY16 APPROVED/ AMENDED	FY15 ACTUAL
GENERAL FUND			
REVENUE AND OTHER FINANCING SOURCES	<u>\$1,380,126</u>	<u>\$1,345,030</u>	<u>\$1,306,728</u>
EXPENSES			
GENERAL GOVERNMENT	\$542,502	\$519,621	\$502,530
COMMUNITY DEVELOPMENT	\$151,021	\$155,544	\$125,170
PLANNING AND ZONING	\$111,398	\$105,498	\$74,830
PUBLIC SAFETY	\$82,038	\$76,691	\$65,325
PUBLIC WORKS	\$392,848	\$361,505	\$308,949
RECREATION AND PARKS	\$100,319	\$96,171	\$111,333
TRANSFERS TO OTHER FUNDS	<u>\$0</u>	<u>\$30,000</u>	<u>\$0</u>
TOTAL EXPENSES AND TRANSFERS TO OTHER FUNDS	<u>\$1,380,126</u>	<u>\$1,345,030</u>	<u>\$1,188,137</u>
SEWER SYSTEM			
REVENUE	<u>\$1,262,296</u>	<u>\$966,568</u>	<u>\$927,306</u>
EXPENSES			
WASTEWATER TREATMENT PLANT	\$1,107,114	\$818,738	\$619,745
COLLECTION SYSTEM	<u>\$155,182</u>	<u>\$147,830</u>	<u>\$111,519</u>
TOTAL SEWER EXPENSES	<u>\$1,262,296</u>	<u>\$966,568</u>	<u>\$731,264</u>
WATER SYSTEM			
REVENUE	<u>\$482,725</u>	<u>\$462,625</u>	<u>\$461,518</u>
EXPENSES	<u>\$482,725</u>	<u>\$462,625</u>	<u>\$342,969</u>
WASTE DISPOSAL			
REVENUE	<u>\$602,635</u>	<u>\$572,635</u>	<u>\$566,707</u>
EXPENSES	<u>\$602,635</u>	<u>\$572,635</u>	<u>\$564,814</u>

THE COMMISSIONERS OF LEONARDTOWN
GENERAL FUND REVENUES
 FISCAL YEAR JULY 1, 2016 - JUNE 30, 2017

	FY17 RECOMMENDED	FY16 APPROVED/ AMENDED	FY15 ACTUAL
TAXES - LOCAL PROPERTY			
REAL ESTATE FULL YEAR AND HALF YEAR (\$0.1266/\$100 TAX RATE)	\$570,000	\$550,000	\$526,813
PUBLIC UTILITIES	\$19,000	\$19,000	\$19,452
PENALTIES AND INTEREST	\$2,500	\$2,500	\$2,464
DISCOUNT ON TAXES	(\$2,500)	(\$2,500)	(\$2,523)
OTHER DEDUCTIONS	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
TOTAL - LOCAL PROPERTY TAXES	\$589,000	\$569,000	\$546,206
TAXES - OTHER LOCAL			
INCOME TAX	\$507,500	\$455,000	\$464,734
ADMISSIONS AND AMUSEMENT TAX	<u>\$2,000</u>	<u>\$2,500</u>	<u>\$6,702</u>
TOTAL - LOCAL OTHER TAXES	\$509,500	\$457,500	\$471,436
TAXES - STATE SHARED			
HIGHWAY USER REVENUE	<u>\$123,483</u>	<u>\$115,507</u>	<u>\$102,675</u>
TOTAL - STATE SHARED TAXES	\$123,483	\$115,507	\$102,675
LICENSES AND PERMITS			
BEER, WINE AND LIQUOR LICENSE	\$11,750	\$10,500	\$12,642
TRADERS LICENSE	\$15,000	\$13,500	\$13,704
BUILDING, OCCUPANCY AND SIGN PERMITS	\$17,850	\$24,250	\$21,518
CATV FRANCHISE FEE	<u>\$30,000</u>	<u>\$35,000</u>	<u>\$37,116</u>
TOTAL - LICENSES AND PERMITS	\$74,600	\$83,250	\$84,980
INTERGOVERNMENTAL REVENUES			
COUNTY PAYMENTS IN LIEU OF TAXES	\$43,943	\$42,973	\$49,811
ACCOMMODATION TAX	\$16,000	\$18,000	\$17,407
LAW ENFORCEMENT GRANTS	\$12,500	\$11,500	\$11,546
OTHER GRANTS	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
TOTAL - INTERGOVERNMENTAL REVENUES	\$72,443	\$72,473	\$78,764
CHARGES FOR SERVICES			
ZONING AND SUBDIVISION FEES	<u>\$1,500</u>	<u>\$1,500</u>	<u>\$3,070</u>
TOTAL - CHARGES FOR SERVICES	\$1,500	\$1,500	\$3,070
MISCELLANEOUS REVENUE			
INTEREST	\$4,000	\$4,000	\$4,552
RESTRICTED GRANTS	\$3,100	\$1,800	\$1,850
OTHER INCOME	<u>\$2,500</u>	<u>\$10,000</u>	<u>\$13,195</u>
TOTAL - MISCELLANEOUS INCOME	\$9,600	\$15,800	\$19,597
OTHER FINANCING SOURCES			
APPROPRIATION OF PRIOR YEAR FUND BALANCE	<u>\$0</u>	<u>\$30,000</u>	<u>\$0</u>
TOTAL - OTHER FINANCING SOURCES	\$0	\$30,000	\$0
TOTAL GENERAL FUND REVENUE AND OTHER FINANCING SOURCES	<u>\$1,380,126</u>	<u>\$1,345,030</u>	<u>\$1,306,728</u>

THE COMMISSIONERS OF LEONARDTOWN
GENERAL FUND EXPENSES
 FISCAL YEAR JULY 1, 2016 - JUNE 30, 2017

	FY17 RECOMMENDED	FY16 APPROVED/ AMENDED	FY15 ACTUAL
GENERAL GOVERNMENT EXPENSES			
SALARIES	\$183,488	\$183,427	\$183,987
PAYROLL TAXES AND BENEFITS	\$44,021	\$36,377	\$40,840
LEGAL COUNSEL	\$10,000	\$10,000	\$6,860
ACCOUNTING SERVICE	\$22,050	\$21,000	\$19,215
OTHER PROFESSIONAL SERVICES	\$22,195	\$24,595	\$19,994
ELECTION EXPENSES	\$0	\$400	\$0
OCCUPANCY EXPENSE	\$5,000	\$30,043	\$29,386
PROPERTY/LIABILITY INSURANCE	\$17,500	\$16,000	\$14,943
UTILITIES	\$13,000	\$12,000	\$10,965
BUILDING MAINT./JANITORIAL WORK	\$7,500	\$6,130	\$5,239
EQUIPMENT MAINTENANCE	\$2,635	\$2,500	\$1,986
OFFICE SUPPLIES	\$12,650	\$11,750	\$9,278
POSTAGE	\$6,500	\$6,500	\$5,409
TRAVEL AND TRAINING	\$15,017	\$15,099	\$13,035
DUES, MEMBERSHIPS AND SUBSCRIPTIONS	\$4,600	\$4,600	\$4,133
ADVERTISING AND PUBLIC NOTICES	\$750	\$750	\$245
HOSPITALITY	\$6,500	\$4,000	\$3,059
DEBT SERVICE	\$155,170	\$128,575	\$125,104
LEASE PAYMENTS	\$876	\$875	\$875
OTHER OPERATING EXPENSES	\$2,000	\$2,730	\$1,409
PAYMENTS TO OTHER AGENCIES	\$750	\$750	\$750
CAPITAL OUTLAY	<u>\$10,300</u>	<u>\$1,520</u>	<u>\$5,818</u>
TOTAL GENERAL GOVERNMENT EXPENSES	<u>\$542,502</u>	<u>\$519,621</u>	<u>\$502,530</u>
COMMUNITY DEVELOPMENT EXPENSES			
SALARIES	\$72,244	\$72,075	\$64,979
PAYROLL TAXES AND BENEFITS	\$22,695	\$23,651	\$26,019
PROFESSIONAL SERVICES	\$250	\$250	\$0
BEACH PARTY	\$4,900	\$4,900	\$3,381
VETERAN'S DAY PARADE	\$3,150	\$2,500	\$3,140
TREE LIGHTING	\$3,750	\$3,750	\$3,188
CONCERTS ON THE SQUARE	\$2,050	\$2,050	\$1,600
EARTH DAY	\$2,700	\$2,700	\$1,700
BOAT RACES	\$1,500	\$0	\$0
ARTS AND ENTERTAINMENT DISTRICT	\$5,232	\$3,208	\$5,745
PUBLIC RELATIONS/PROMOTIONS	\$2,750	\$1,750	\$389
OTHER OPERATING EXPENSES	\$29,800	\$31,771	\$15,029
CAPITAL OUTLAY	<u>\$0</u>	<u>\$6,939</u>	<u>\$0</u>
TOTAL COMMUNITY DEVELOPMENT EXPENSES	<u>\$151,021</u>	<u>\$155,544</u>	<u>\$125,170</u>
PLANNING AND ZONING EXPENSES			
SALARIES	\$83,276	\$70,463	\$54,150
PAYROLL TAXES AND BENEFITS	\$21,372	\$28,335	\$16,025
LEGAL COUNSEL	\$5,000	\$5,000	\$3,167
PROFESSIONAL SERVICES	\$0	\$0	\$0
SUPPLIES	\$750	\$700	\$963
OTHER OPERATING EXPENSES	\$1,000	\$1,000	\$525
CAPITAL OUTLAY	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
TOTAL PLANNING AND ZONING EXPENSES	<u>\$111,398</u>	<u>\$105,498</u>	<u>\$74,830</u>

GENERAL FUND CONTINUED

	FY17 RECOMMENDED	FY16 APPROVED/ AMENDED	FY15 ACTUAL
PUBLIC SAFETY EXPENSES			
SALARIES	\$10,969	\$10,753	\$10,002
PAYROLL TAXES AND BENEFITS	\$3,333	\$3,378	\$3,178
LAW ENFORCEMENT	\$59,577	\$52,560	\$50,145
FIRE DEPARTMENT GRANT	\$2,375	\$1,000	\$1,000
RESCUE SQUAD GRANT	\$1,000	\$1,000	\$1,000
OTHER OPERATING EXPENSES	\$500	\$500	\$0
CAPITAL OUTLAY	\$4,284	\$7,500	\$0
TOTAL PUBLIC SAFETY EXPENSES	<u>\$82,038</u>	<u>\$76,691</u>	<u>\$65,325</u>
PUBLIC WORKS EXPENSES			
SALARIES	\$38,745	\$43,889	\$36,429
PAYROLL TAXES AND BENEFITS	\$11,229	\$13,130	\$11,508
PROFESSIONAL SERVICES	\$1,000	\$1,000	\$0
STREET SWEEPING	\$37,279	\$37,775	\$32,622
ROAD MAINTENANCE	\$83,483	\$73,007	\$46,203
SNOW AND ICE REMOVAL	\$40,000	\$17,500	\$36,268
STORM DRAIN/SIDEWALK MAINTENANCE	\$25,000	\$25,000	\$23,473
STREET LIGHTING/ELECTRICITY	\$46,521	\$49,113	\$46,505
GROUNDS MAINTENANCE	\$63,091	\$63,091	\$60,655
STREET SIGNS AND MAINTENANCE	\$2,500	\$2,500	\$2,159
OTHER OPERATING EXPENSES	\$17,000	\$17,000	\$11,965
CAPITAL OUTLAY	\$27,000	\$18,500	\$1,162
TOTAL PUBLIC WORKS EXPENSES	<u>\$392,848</u>	<u>\$361,505</u>	<u>\$308,949</u>
RECREATION AND PARKS			
SALARIES	\$16,906	\$17,426	\$19,463
PAYROLL TAXES AND BENEFITS	\$4,181	\$4,713	\$5,164
PROFESSIONAL SERVICES	\$0	\$0	\$0
UTILITIES	\$6,000	\$6,000	\$4,919
FACILITY MAINTENANCE	\$15,000	\$12,800	\$21,053
GROUNDS MAINTENANCE	\$55,232	\$52,232	\$60,071
OTHER OPERATING EXPENSES	\$3,000	\$3,000	\$663
CAPITAL OUTLAY	\$0	\$0	\$0
TOTAL RECREATION AND PARKS	<u>\$100,319</u>	<u>\$96,171</u>	<u>\$111,333</u>
TRANSFER TO OTHER FUNDS			
CAPITAL PROJECTS	\$0	\$30,000	\$0
SPECIAL REVENUE	\$0	\$0	\$0
TOTAL TRANSFERS TO OTHER FUNDS	<u>\$0</u>	<u>\$30,000</u>	<u>\$0</u>
TOTAL GENERAL FUND EXPENSES AND TRANSFERS TO OTHER FUNDS	<u>\$1,380,126</u>	<u>\$1,345,030</u>	<u>\$1,188,137</u>

THE COMMISSIONERS OF LEONARDTOWN
ENTERPRISE FUND REVENUES
 FISCAL YEAR JULY 1, 2016 - JUNE 30, 2017

	FY17 RECOMMENDED	FY16 APPROVED/ AMENDED	FY15 ACTUAL
WATER SYSTEM REVENUES			
WATER SERVICE CHARGES	\$480,000	\$460,000	\$458,929
INTEREST INCOME	\$600	\$500	\$457
FINANCE CHARGES	\$1,625	\$1,625	\$1,602
MISCELLANEOUS INCOME	\$500	\$500	\$530
APPROPRIATE RETAINED EARNINGS	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
 TOTAL WATER SYSTEM REVENUES	 <u>\$482,725</u>	 <u>\$462,625</u>	 <u>\$461,518</u>
 SEWER SYSTEM REVENUES			
SEWER SERVICE CHARGES	\$860,000	\$825,000	\$808,827
INTEREST INCOME	\$1,000	\$300	\$199
FINANCE CHARGES	\$2,860	\$2,860	\$2,824
MISCELLANEOUS INCOME	\$3,880	\$3,880	\$4,432
APPROPRIATE RETAINED EARNINGS	<u>\$125,065</u>	<u>\$0</u>	<u>\$0</u>
 SUBTOTAL	 \$992,805	 \$832,040	 \$816,282
 METCOMM FEES			
DEBT SERVICE REIMBURSEMENT	\$23,137	\$0	\$0
OPERATION & MAINTENANCE	<u>\$167,746</u>	<u>\$134,528</u>	<u>\$111,024</u>
 TOTAL METCOMM FEES	 \$190,883	 \$134,528	 \$111,024
 FUNDING FROM IMPACT FEE RESERVES	 <u>\$78,608</u>	 <u>\$0</u>	 <u>\$0</u>
 TOTAL SEWER SYSTEM REVENUES	 <u>\$1,262,296</u>	 <u>\$966,568</u>	 <u>\$927,306</u>
 WASTE DISPOSAL REVENUES			
WASTE DISPOSAL SERVICE CHARGES	\$600,000	\$570,000	\$564,018
FINANCE CHARGES	\$2,015	\$2,015	\$1,969
MISCELLANEOUS INCOME	\$620	\$620	\$720
APPROPRIATE RETAINED EARNINGS	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
 TOTAL WASTE DISPOSAL REVENUES	 <u>\$602,635</u>	 <u>\$572,635</u>	 <u>\$566,707</u>
 TOTAL ENTERPRISE FUND REVENUES	 <u>\$2,347,656</u>	 <u>\$2,001,828</u>	 <u>\$1,955,531</u>

THE COMMISSIONERS OF LEONARDTOWN
ENTERPRISE FUND EXPENSES
 FISCAL YEAR JULY 1, 2016 - JUNE 30, 2017

	FY17 RECOMMENDED	FY16 APPROVED/ AMENDED	FY15 ACTUAL
WASTEWATER TREATMENT PLANT			
PERSONNEL SERVICES			
SALARIES	\$295,342	\$256,364	\$220,031
PAYROLL TAXES AND BENEFITS	<u>\$64,330</u>	<u>\$60,996</u>	<u>\$50,592</u>
TOTAL PERSONNEL SERVICES	\$359,672	\$317,360	\$270,623
OPERATIONS AND MAINTENANCE			
PROFESSIONAL SERVICES	\$2,500	\$2,500	\$12,242
TREATMENT FACILITY MAINTENANCE	\$50,086	\$59,285	\$26,495
LABORATORY ANALYTICAL SERVICES	\$15,518	\$19,357	\$20,641
PROCESS CHEMICALS	\$55,379	\$35,386	\$30,430
LABORATORY SUPPLIES	\$5,400	\$4,501	\$2,156
UTILITIES	\$95,000	\$95,000	\$90,015
SLUDGE MANAGEMENT	\$200,000	\$63,333	\$27,852
SAFETY	\$1,680	\$1,216	\$315
INSURANCE	\$10,500	\$10,000	\$9,041
OTHER OPERATING EXPENSES	<u>\$18,137</u>	<u>\$20,237</u>	<u>\$20,161</u>
TOTAL O & M EXPENSES	\$454,200	\$310,815	\$239,348
DEBT SERVICE	\$209,105	\$107,360	\$107,360
CAPITAL OUTLAY	\$15,100	\$0	\$2,414
CONTINGENCY	\$0	\$20,385	\$0
REPAIR AND REPLACEMENT RESERVE	<u>\$69,037</u>	<u>\$62,818</u>	<u>\$0</u>
TOTAL WASTEWATER TREATMENT PLANT EXPENSES	<u>\$1,107,114</u>	<u>\$818,738</u>	<u>\$619,745</u>
COLLECTION SYSTEM EXPENSES			
PERSONNEL SERVICES			
SALARIES	\$37,884	\$43,928	\$35,210
PAYROLL TAXES AND BENEFITS	<u>\$8,110</u>	<u>\$11,615</u>	<u>\$9,403</u>
TOTAL PERSONNEL SERVICES	\$45,994	\$55,544	\$44,613
OPERATIONS AND MAINTENANCE			
PROFESSIONAL SERVICES	\$2,000	\$2,000	\$399
FACILITY MAINTENANCE	\$15,345	\$15,493	\$3,219
SEWER LINE MAINTENANCE	\$39,783	\$22,399	\$38,405
UTILITIES	\$10,000	\$10,000	\$8,113
SAFETY	\$1,334	\$1,334	\$93
INSURANCE	\$8,000	\$8,000	\$9,832
OTHER OPERATING EXPENSES	<u>\$12,174</u>	<u>\$12,605</u>	<u>\$5,683</u>
TOTAL O & M EXPENSES	\$88,636	\$71,831	\$65,744
DEBT SERVICE	\$0	\$0	\$0
CAPITAL OUTLAY	\$7,089	\$1,350	\$1,162
CONTINGENCY	\$0	\$6,369	\$0
REPAIR AND REPLACEMENT RESERVE	<u>\$13,463</u>	<u>\$12,737</u>	<u>\$0</u>
TOTAL COLLECTION SYSTEM EXPENSES	<u>\$155,182</u>	<u>\$147,830</u>	<u>\$111,519</u>

ENTERPRISE FUND CONTINUED

	FY17 RECOMMENDED	FY16 APPROVED/ AMENDED	FY15 ACTUAL
WATER SYSTEM EXPENSES			
PERSONNEL SERVICES			
SALARIES	\$106,845	\$103,681	\$93,150
PAYROLL TAXES AND BENEFITS	<u>\$26,385</u>	<u>\$26,125</u>	<u>\$24,759</u>
TOTAL PERSONNEL SERVICES	\$133,230	\$129,806	\$117,909
OPERATIONS AND MAINTENANCE			
PROFESSIONAL SERVICES	\$2,000	\$2,000	\$1,899
FACILITY MAINTENANCE	\$27,444	\$9,369	\$472
WATER LINE MAINTENANCE	\$109,144	\$105,026	\$123,771
LABORATORY ANALYTICAL SERVICES	\$2,438	\$2,519	\$1,686
PROCESS CHEMICALS	\$8,640	\$8,833	\$9,456
LABORATORY SUPPLIES	\$1,500	\$4,900	\$1,052
UTILITIES	\$55,000	\$52,500	\$49,009
SAFETY	\$985	\$971	\$157
INSURANCE	\$5,000	\$4,600	\$4,193
OTHER OPERATING EXPENSES	<u>\$18,170</u>	<u>\$17,619</u>	<u>\$15,574</u>
TOTAL O & M EXPENSES	\$230,321	\$208,337	\$207,269
DEBT SERVICE	\$0	\$0	\$0
CAPITAL OUTLAY	\$2,150	\$0	\$17,791
CONTINGENCY	\$80,669	\$90,668	\$0
REPAIR AND REPLACEMENT RESERVE	<u>\$36,355</u>	<u>\$33,814</u>	<u>\$0</u>
TOTAL WATER SYSTEM EXPENSES	<u><u>\$482,725</u></u>	<u><u>\$462,625</u></u>	<u><u>\$342,969</u></u>
WASTE DISPOSAL EXPENSES			
PERSONNEL SERVICES			
SALARIES	\$23,529	\$22,969	\$17,761
PAYROLL TAXES AND BENEFITS	<u>\$5,178</u>	<u>\$3,724</u>	<u>\$3,147</u>
TOTAL PERSONNEL SERVICES	\$28,707	\$26,693	\$20,908
WASTE DISPOSAL CONTRACT COST	\$567,928	\$539,942	\$542,495
OTHER OPERATING EXPENSES	<u>\$6,000</u>	<u>\$6,000</u>	<u>\$1,411</u>
TOTAL WASTE DISPOSAL EXPENSES	<u><u>\$602,635</u></u>	<u><u>\$572,635</u></u>	<u><u>\$564,814</u></u>

THE COMMISSIONERS OF LEONARDTOWN
SPECIAL REVENUE FUND REVENUE/EXPENSES
FISCAL YEAR JULY 1, 2016 - JUNE 30, 2017

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	FY17	FY18	FY19	FY20	FY21	FY22
1	ROUTE 5 WATER LOOP	\$527,932	\$527,932					
2	WATER MAIN REPLACEMENT	\$300,787	\$122,633	\$118,583	\$59,571			
3	WELL CONSTRUCTION	\$583,676		\$583,676				
4	WATER TOWER	\$3,545,136				\$3,545,136		
5	UPDATE WATER SYSTEM MAPS	\$162,917						\$162,917
	WATER-SUBTOTAL	\$5,120,448	\$650,565	\$702,259	\$59,571	\$3,545,136	\$0	\$162,917
6	WASTEWATER TREATMENT PLANT ENR UPGRADE	\$10,997,289	\$8,797,831	\$2,199,458				
	SEWER-SUBTOTAL	\$10,997,289	\$8,797,831	\$2,199,458	\$0	\$0	\$0	\$0
7	DOCKAGE AT WHARF	\$100,000	\$100,000					
8	LAWRENCE AVENUE STREET & SIDEWALK REHABILITATION	\$346,430			\$142,999	\$203,431		
	GENERAL-SUBTOTAL	\$446,430	\$100,000	\$0	\$142,999	\$203,431	\$0	\$0
	TOTAL	<u>\$16,564,167</u>	<u>\$9,548,396</u>	<u>\$2,901,717</u>	<u>\$202,570</u>	<u>\$3,748,567</u>	<u>\$0</u>	<u>\$162,917</u>

THE COMMISSIONERS OF LEONARDTOWN
CAPITAL PROJECTS FUND
RECOMMENDED BUDGET

PROJ #	PROJECT NAME	FY 17 COST	FUNDING SOURCE				
			GRANTS	CONNECTION FEES	IMPACT FEES	PAYGO OR FUND EQUITY	LOANS
1	ROUTE 5 WATER LOOP	\$527,932		\$263,966		\$263,966	
2	CHARLES STREET WATER MAIN REPLACEMENT	\$122,633		\$61,317		\$61,316	
	WATER - SUBTOTAL	\$650,565	\$0	\$325,283	\$0	\$325,282	\$0
6	WASTEWATER TREATMENT PLANT ENR UPGRADE	\$8,797,831	\$2,417,226		\$3,167,210		\$3,213,395 *
	SEWER - SUBTOTAL	\$8,797,831	\$2,417,226	\$0	\$3,167,210	\$0	\$3,213,395
7	DOCKAGE AT WHARF	\$100,000	\$100,000				
	GENERAL-SUBTOTAL	\$100,000	\$100,000	\$0	\$0	\$0	\$0
	TOTAL FY2017	<u>\$9,548,396</u>	<u>\$2,517,226</u>	<u>\$325,283</u>	<u>\$3,167,210</u>	<u>\$325,282</u>	<u>\$3,213,395</u>

PROJ #	PROJECT NAME	FY 18 COST	FUNDING SOURCE				
			GRANTS	CONNECTION FEES	IMPACT FEES	PAYGO OR FUND EQUITY	LOANS
2	ABELL STREET WATER MAIN REPLACEMENT	\$118,583		\$118,583			
3	WELL CONSTRUCTION	\$583,676			\$583,676		
	WATER - SUBTOTAL	\$702,259	\$0	\$118,583	\$583,676	\$0	\$0
6	WASTEWATER TREATMENT PLANT ENR UPGRADE	\$2,199,458			\$2,199,458		
	SEWER - SUBTOTAL	\$2,199,458	\$0	\$0	\$2,199,458	\$0	\$0
	TOTAL FY2018	<u>\$2,901,717</u>	<u>\$0</u>	<u>\$118,583</u>	<u>\$2,783,134</u>	<u>\$0</u>	<u>\$0</u>

* Debt service will be paid from impact fees collected as new development occurs. Additionally, an approximately 23% share of the annual ENR debt service will be billed to and reimbursed from Metcom.

THE COMMISSIONERS OF LEONARDTOWN
CAPITAL PROJECTS FUND
RECOMMENDED BUDGET

			-----FUNDING SOURCE-----				
PROJ #	PROJECT NAME	FY 19 COST	GRANTS	CONNECTION FEES	IMPACT FEES	PAYGO OR FUND EQUITY	LOANS
2	DOWNNS CIRCLE WATER MAIN REPLACEMENT	<u>\$59,571</u>				\$59,571	
	WATER - SUBTOTAL	\$59,571	\$0	\$0	\$0	\$59,571	\$0
8	LAWRENCE AVENUE STREET & SIDEWALK REHABILITATION	<u>\$142,999</u>	\$142,999				
	GENERAL-SUBTOTAL	\$142,999	\$142,999	\$0	\$0	\$0	\$0
	TOTAL FY2019	<u><u>\$202,570</u></u>	<u><u>\$142,999</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$59,571</u></u>	<u><u>\$0</u></u>

			-----FUNDING SOURCE-----				
PROJ #	PROJECT NAME	FY 20 COST	GRANTS	CONNECTION FEES	IMPACT FEES	PAYGO OR FUND EQUITY	LOANS
4	WATER TOWER	<u>\$3,545,136</u>			\$1,151,667		\$2,393,469 *
	WATER - SUBTOTAL	\$3,545,136	\$0	\$0	\$1,151,667	\$0	\$2,393,469
8	LAWRENCE AVENUE STREET & SIDEWALK REHABILITATION	<u>\$203,431</u>	\$203,431				
	GENERAL-SUBTOTAL	\$203,431	\$203,431	\$0	\$0	\$0	\$0
	TOTAL FY2020	<u><u>\$3,748,567</u></u>	<u><u>\$203,431</u></u>	<u><u>\$0</u></u>	<u><u>\$1,151,667</u></u>	<u><u>\$0</u></u>	<u><u>\$2,393,469</u></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 21 COST	GRANTS	CONNECTION FEES	IMPACT FEES	PAYGO OR FUND EQUITY	LOANS
	NONE	<u>\$0</u>					
	SUBTOTAL	\$0	\$0	\$0	\$0	\$0	\$0
	TOTAL FY2021	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

|-----FUNDING SOURCE-----|

PROJ #	PROJECT NAME	FY 22 COST	GRANTS	CONNECTION FEES	IMPACT FEES	PAYGO OR FUND EQUITY	LOANS
5	UPDATE WATER SYSTEM MAPS	<u>\$162,917</u>		\$81,459		\$81,458	
	WATER - SUBTOTAL	\$162,917	\$0	\$81,459	\$0	\$81,458	\$0
	TOTAL FY2022	<u><u>\$162,917</u></u>	<u><u>\$0</u></u>	<u><u>\$81,459</u></u>	<u><u>\$0</u></u>	<u><u>\$81,458</u></u>	<u><u>\$0</u></u>

THE COMMISSIONERS OF LEONARDTOWN
CAPITAL OUTLAY COSTS
FISCAL YEAR JULY 1, 2016 - JUNE 30, 2017

GENERAL GOVERNMENT

New copier	\$6,000
Chairs for conference room	\$2,000
New workstation/software setup	\$1,500
Tablet	<u>\$800</u>
	<u>\$10,300</u>

PUBLIC SAFETY

Security cameras for Town Square	\$2,500
Radar gun	<u>\$1,784</u>
	<u>\$4,284</u>

PUBLIC WORKS

New vehicle for Capital Project Coordinator	<u>\$27,000</u>
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WWTP

Composite sampler	\$5,500
Roof replacement Superintendent's Office	\$4,500
Return activated sludge pump	<u>\$5,100</u>
	<u>\$15,100</u>

COLLECTION SYSTEM

Duplex lift station for Wharf	\$4,939
Line locator	<u>\$2,150</u>
	<u>\$7,089</u>

WATER SYSTEM

Line locator	<u>\$2,150</u>
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