

THE COMMISSIONERS OF LEONARDTOWN

APPROVED BUDGET DOCUMENT

FOR FISCAL YEAR 2018

The Approved Budget for The Commissioners of Leonardtown for Fiscal Year beginning July 1, 2017 and ending June 30, 2018, as represented by the detailed statement contained within the "Approved Budget Document" is, this day June 12th, 2017, approved by The Commissioners of Leonardtown.

APPROVED:



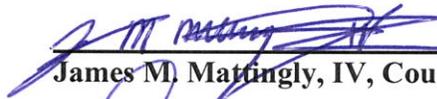
Leslie E. Roberts, Vice-President



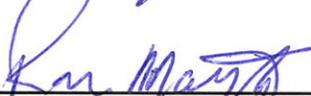
Thomas M. Combs, Councilmember



Hayden T. Hammett, Councilmember



James M. Mattingly, IV, Councilmember

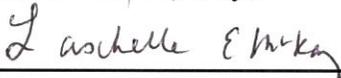


Roger L. Mattingly, Councilmember

ATTEST:



Daniel W. Burris, Mayor



Laschelle E. McKay, Administrator



THE COMMISSIONERS OF LEONARDTOWN

APPROVED BUDGET DOCUMENT

FISCAL YEAR 2018

Daniel W. Burris, Mayor
Leslie E. Roberts, Vice-President
Thomas M. Combs
Hayden T. Hammett
James M. Mattingly, IV
Roger L. Mattingly

Laschelle E. McKay
Town Administrator

The Commissioners of Leonardtown
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Leonardtown, MD 20650
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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 2018 Approved 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

Income tax is the largest revenue source in the FY2018 budget. It represents 41% of operating revenue and is budgeted 6.5% higher than FY2016 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.

FY2018 BUDGET MESSAGE
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The second largest revenue source is real estate property tax and represents 39% of operating revenue. The budgeted amount of \$595,000 is 1.6% higher than the FY2017 actual property tax revenue of \$585,854. This is a smaller increase compared to recent years since Leonard's Grant is complete, and only Clark's Rest is adding new construction units. The triennial reassessment for Leonardtown was completed in January of 2017. The results indicate a small decrease in commercial assessments. Existing residential assessments are expected to increase by less than 1%. This budget maintains the existing tax rate of \$.1266 per \$100 of assessed value.

The next largest revenue source is highway user revenue. Part of this revenue source (\$32,788) is recurring in nature and based on a revenue sharing formula administered by the State Highway Administration. The remainder (\$90,166) 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 \$1,861,040 which includes \$429,000 to pay for one time capital items. The balance of \$1,432,040 is appropriated for recurring operating expenses and represents a 7% increase over the FY2017 operating budget of \$1,338,542. Increases in two specific items account for most of this change.

An inspection of local roads suggests a significant amount of work should be scheduled for the upcoming fiscal year. For many years, the amount of road work performed was directly tied to the amount of highway user revenue received from the State of Maryland. It has become evident that the prolonged years of decreased funding have created a situation where other general fund monies are needed to supplement the annual state funding. This FY2018 budget has increased the appropriation for road maintenance by 45%.

This FY2018 budget also includes an increase to debt service expense. When the new Town Hall was purchased, Council approved a debt obligation for its purchase and renovation. The two condos previously occupied by Town staff are to be sold and proceeds used to pay down the Town Hall debt balance. For FY2017, the loan agreement only required payment of interest until June 30, 2017. Since the condos have not yet been sold, the full debt obligation will likely be converted to permanent status on July 1, 2017. The permanent loan will require interest *and principal* payments; hence the higher debt service expense.

FY2018 BUDGET MESSAGE
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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. This FY18 recommended budget exceeds that goal and is predicted to result in unassigned fund balance of 60% at the end of the year.

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 FY2018 approved operating budgets for the wastewater treatment plant and collection system combine for a 12.4% decrease over the FY2017 approved operating budgets. The overwhelming majority of this decrease relates to the substantial sludge management expenses of FY2017 that should not be repeated in the new fiscal year. A modest contingency has been itemized in order to absorb any operating expenses that are higher than anticipated once the new process is fully operational during FY2018. A 10% repair and replacement reserve is again 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.

Of significant importance is the amount of debt service expense budgeted in FY2018. It is by far the largest line item in the budget. Eighty two percent of the expense relates to the debt associated with the state mandated ENR upgrade project. The remaining 18 percent represents the last debt service payment required for the previous BNR upgrade. The funding for the ENR debt service is shared with Metcom in the same proportion as their share (approximately 23%) of the original \$7,500,000 debt. The remainder is funded from Leonardtown sewer impact fees. Both of these revenue sources are itemized on page 5 of the budget document and will continue on for the 20 year amortization period.

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 approved FY2018 operating budget for the water system is 7.3% higher than the FY2017 approved budget. A 10% repair and replacement reserve is fully funded. The projected operating revenue is high enough to fund a generous contingency; therefore, this budget recommends waiving the 2% mandatory water service charge increase as dictated by Ordinance Number 82. As in prior years, if contingency funding is not needed during FY2018, 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 remains at 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. Various water main replacement projects remain with adjustments to the order in which they will be prosecuted. Construction of a new well is tentatively scheduled for FY2019. The Town recently hired GHD to complete a Water Supply Capacity Management Plan. This plan is required by MDE in advance of any new requests for drinking water allocations. The results of this study may modify the size and timing of any new well construction or water blending project. Two backup wells are available which can be used in an emergency. Construction of a new water tower has been moved to FY21 pending completion of the Water Supply Capacity Management Plan.

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 FY18, the service charges will increase between 4% and 5% in an effort to rebound from departmental deficits that began occurring in FY2016.

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 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, 2017 - JUNE 30, 2018

	FY18 APPROVED	FY17 APPROVED/ AMENDED	FY16 ACTUAL
GENERAL FUND			
REVENUE AND OTHER FINANCING SOURCES	<u>\$1,861,040</u>	<u>\$1,380,126</u>	<u>\$1,465,070</u>
EXPENSES			
GENERAL GOVERNMENT	\$613,452	\$542,502	\$516,350
COMMUNITY DEVELOPMENT	\$202,550	\$151,021	\$131,028
PLANNING AND ZONING	\$108,723	\$111,398	\$96,700
PUBLIC SAFETY	\$79,631	\$82,038	\$68,906
PUBLIC WORKS	\$613,578	\$392,848	\$363,543
RECREATION AND PARKS	\$108,409	\$100,319	\$94,176
TRANSFERS TO OTHER FUNDS	<u>\$134,697</u>	<u>\$0</u>	<u>\$0</u>
TOTAL EXPENSES AND TRANSFERS TO OTHER FUNDS	<u>\$1,861,040</u>	<u>\$1,380,126</u>	<u>\$1,270,703</u>
SEWER SYSTEM			
REVENUE	<u>\$1,542,837</u>	<u>\$1,262,296</u>	<u>\$1,355,410</u>
EXPENSES			
WASTEWATER TREATMENT PLANT	\$1,343,764	\$1,107,114	\$1,214,458
COLLECTION SYSTEM	<u>\$199,073</u>	<u>\$155,182</u>	<u>\$140,952</u>
TOTAL SEWER EXPENSES	<u>\$1,542,837</u>	<u>\$1,262,296</u>	<u>\$1,355,410</u>
WATER SYSTEM			
REVENUE	<u>\$517,350</u>	<u>\$482,725</u>	<u>\$484,228</u>
EXPENSES	<u>\$517,350</u>	<u>\$482,725</u>	<u>\$386,302</u>
WASTE DISPOSAL			
REVENUE	<u>\$663,700</u>	<u>\$602,635</u>	<u>\$603,025</u>
EXPENSES	<u>\$663,700</u>	<u>\$602,635</u>	<u>\$603,025</u>

THE COMMISSIONERS OF LEONARDTOWN
GENERAL FUND REVENUES
 FISCAL YEAR JULY 1, 2017 - JUNE 30, 2018

	FY18 APPROVED	FY17 APPROVED/ AMENDED	FY16 ACTUAL
TAXES - LOCAL PROPERTY			
REAL ESTATE FULL YEAR AND HALF YEAR (\$0.1266/\$100 TAX RATE)	\$595,000	\$570,000	\$551,525
PUBLIC UTILITIES	\$18,000	\$19,000	\$17,252
PENALTIES AND INTEREST	\$2,500	\$2,500	\$2,450
DISCOUNT ON TAXES	(\$2,500)	(\$2,500)	(\$2,294)
OTHER DEDUCTIONS	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
TOTAL - LOCAL PROPERTY TAXES	\$613,000	\$589,000	\$568,933
TAXES - OTHER LOCAL			
INCOME TAX	\$625,000	\$507,500	\$586,765
ADMISSIONS AND AMUSEMENT TAX	<u>\$2,000</u>	<u>\$2,000</u>	<u>\$873</u>
TOTAL - LOCAL OTHER TAXES	\$627,000	\$509,500	\$587,638
TAXES - STATE SHARED			
HIGHWAY USER REVENUE	<u>\$122,954</u>	<u>\$123,483</u>	<u>\$117,445</u>
TOTAL - STATE SHARED TAXES	\$122,954	\$123,483	\$117,445
LICENSES AND PERMITS			
BEER, WINE AND LIQUOR LICENSE	\$12,000	\$11,750	\$11,581
TRADERS LICENSE	\$15,000	\$15,000	\$13,603
BUILDING, OCCUPANCY AND SIGN PERMITS	\$17,850	\$17,850	\$24,332
CATV FRANCHISE FEE	<u>\$30,000</u>	<u>\$30,000</u>	<u>\$30,503</u>
TOTAL - LICENSES AND PERMITS	\$74,850	\$74,600	\$80,019
INTERGOVERNMENTAL REVENUES			
COUNTY PAYMENTS IN LIEU OF TAXES	\$44,916	\$43,943	\$42,973
ACCOMMODATION TAX	\$18,000	\$16,000	\$21,135
LAW ENFORCEMENT GRANTS	\$12,500	\$12,500	\$12,368
OTHER GRANTS	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
TOTAL - INTERGOVERNMENTAL REVENUES	\$75,416	\$72,443	\$76,476
CHARGES FOR SERVICES			
ZONING AND SUBDIVISION FEES	<u>\$1,500</u>	<u>\$1,500</u>	<u>\$2,250</u>
TOTAL - CHARGES FOR SERVICES	\$1,500	\$1,500	\$2,250
MISCELLANEOUS REVENUE			
INTEREST	\$10,000	\$4,000	\$5,023
RESTRICTED GRANTS	\$3,100	\$3,100	\$1,900
PRIVATE CONTRIBUTIONS	\$0	\$0	\$18,750
OTHER INCOME	<u>\$2,500</u>	<u>\$2,500</u>	<u>\$6,636</u>
TOTAL - MISCELLANEOUS INCOME	\$15,600	\$9,600	\$32,309
OTHER FINANCING SOURCES			
APPROPRIATION OF PRIOR YEAR FUND BALANCE	<u>\$330,720</u>	<u>\$0</u>	<u>\$0</u>
TOTAL - OTHER FINANCING SOURCES	\$330,720	\$0	\$0
TOTAL GENERAL FUND REVENUE AND OTHER FINANCING SOURCES	<u>\$1,861,040</u>	<u>\$1,380,126</u>	<u>\$1,465,070</u>

THE COMMISSIONERS OF LEONARDTOWN
GENERAL FUND EXPENSES
 FISCAL YEAR JULY 1, 2017 - JUNE 30, 2018

	FY18 APPROVED	FY17 APPROVED/ AMENDED	FY16 ACTUAL
GENERAL GOVERNMENT EXPENSES			
SALARIES	\$187,225	\$183,488	\$183,203
PAYROLL TAXES AND BENEFITS	\$34,498	\$44,021	\$35,161
LEGAL COUNSEL	\$10,000	\$10,000	\$19,007
ACCOUNTING SERVICE	\$23,100	\$22,050	\$21,000
OTHER PROFESSIONAL SERVICES	\$32,000	\$22,195	\$20,493
ELECTION EXPENSES	\$350	\$0	\$20
OCCUPANCY EXPENSE	\$2,500	\$5,000	\$29,408
PROPERTY/LIABILITY INSURANCE	\$18,600	\$17,500	\$16,481
UTILITIES	\$16,500	\$13,000	\$11,020
BUILDING MAINT./JANITORIAL WORK	\$10,000	\$7,500	\$11,127
EQUIPMENT MAINTENANCE	\$3,000	\$2,635	\$2,184
OFFICE SUPPLIES	\$12,540	\$12,650	\$9,754
POSTAGE	\$6,500	\$6,500	\$4,657
TRAVEL AND TRAINING	\$15,930	\$15,017	\$11,231
DUES, MEMBERSHIPS AND SUBSCRIPTIONS	\$5,000	\$4,600	\$4,466
ADVERTISING AND PUBLIC NOTICES	\$750	\$750	\$432
HOSPITALITY	\$6,500	\$6,500	\$3,745
DEBT SERVICE	\$175,283	\$155,170	\$125,104
LEASE PAYMENTS	\$876	\$876	\$875
OTHER OPERATING EXPENSES	\$1,500	\$2,000	\$5,022
PAYMENTS TO OTHER AGENCIES	\$750	\$750	\$750
CAPITAL OUTLAY	<u>\$50,050</u>	<u>\$10,300</u>	<u>\$1,210</u>
TOTAL GENERAL GOVERNMENT EXPENSES	<u>\$613,452</u>	<u>\$542,502</u>	<u>\$516,350</u>
COMMUNITY DEVELOPMENT EXPENSES			
SALARIES	\$78,861	\$72,244	\$71,172
PAYROLL TAXES AND BENEFITS	\$24,445	\$22,695	\$22,606
PROFESSIONAL SERVICES	\$3,415	\$250	\$0
BEACH PARTY	\$5,600	\$4,900	\$4,607
VETERAN'S DAY PARADE	\$3,900	\$3,150	\$2,640
TREE LIGHTING	\$4,100	\$3,750	\$3,184
CONCERTS ON THE SQUARE	\$2,050	\$2,050	\$1,259
EARTH DAY	\$2,875	\$2,700	\$1,785
BOAT RACES	\$1,500	\$1,500	\$0
ARTS AND ENTERTAINMENT DISTRICT	\$3,236	\$5,232	\$1,638
PUBLIC RELATIONS/PROMOTIONS	\$2,850	\$2,750	\$711
OTHER OPERATING EXPENSES	\$41,174	\$29,800	\$12,497
CAPITAL OUTLAY	<u>\$28,544</u>	<u>\$0</u>	<u>\$8,929</u>
TOTAL COMMUNITY DEVELOPMENT EXPENSES	<u>\$202,550</u>	<u>\$151,021</u>	<u>\$131,028</u>
PLANNING AND ZONING EXPENSES			
SALARIES	\$85,572	\$83,276	\$73,460
PAYROLL TAXES AND BENEFITS	\$16,401	\$21,372	\$21,058
LEGAL COUNSEL	\$5,000	\$5,000	\$869
PROFESSIONAL SERVICES	\$0	\$0	\$0
SUPPLIES	\$750	\$750	\$706
OTHER OPERATING EXPENSES	\$1,000	\$1,000	\$607
CAPITAL OUTLAY	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
TOTAL PLANNING AND ZONING EXPENSES	<u>\$108,723</u>	<u>\$111,398</u>	<u>\$96,700</u>

GENERAL FUND CONTINUED

	FY18 APPROVED	FY17 APPROVED/ AMENDED	FY16 ACTUAL
PUBLIC SAFETY EXPENSES			
SALARIES	\$11,138	\$10,969	\$10,742
PAYROLL TAXES AND BENEFITS	\$3,416	\$3,333	\$3,270
LAW ENFORCEMENT	\$59,577	\$59,577	\$49,573
FIRE DEPARTMENT GRANT	\$1,000	\$2,375	\$1,000
RESCUE SQUAD GRANT	\$1,000	\$1,000	\$1,792
OTHER OPERATING EXPENSES	\$500	\$500	\$204
CAPITAL OUTLAY	\$3,000	\$4,284	\$2,325
TOTAL PUBLIC SAFETY EXPENSES	<u>\$79,631</u>	<u>\$82,038</u>	<u>\$68,906</u>
PUBLIC WORKS EXPENSES			
SALARIES	\$35,733	\$38,745	\$36,124
PAYROLL TAXES AND BENEFITS	\$10,489	\$11,229	\$10,936
PROFESSIONAL SERVICES	\$1,000	\$1,000	\$0
STREET SWEEPING	\$37,122	\$37,279	\$32,622
ROAD MAINTENANCE	\$120,683	\$83,483	\$66,455
SNOW AND ICE REMOVAL	\$40,000	\$40,000	\$55,191
STORM DRAIN/SIDEWALK MAINTENANCE	\$25,000	\$25,000	\$6,736
STREET LIGHTING/ELECTRICITY	\$47,500	\$46,521	\$42,679
GROUNDS MAINTENANCE	\$66,841	\$63,091	\$62,764
STREET SIGNS AND MAINTENANCE	\$2,500	\$2,500	\$3,214
OTHER OPERATING EXPENSES	\$14,000	\$17,000	\$10,087
CAPITAL OUTLAY	\$212,709	\$27,000	\$36,735
TOTAL PUBLIC WORKS EXPENSES	<u>\$613,578</u>	<u>\$392,848</u>	<u>\$363,543</u>
RECREATION AND PARKS			
SALARIES	\$23,193	\$16,906	\$17,505
PAYROLL TAXES AND BENEFITS	\$5,584	\$4,181	\$4,448
PROFESSIONAL SERVICES	\$0	\$0	\$0
UTILITIES	\$6,000	\$6,000	\$4,989
FACILITY MAINTENANCE	\$15,000	\$15,000	\$10,029
GROUNDS MAINTENANCE	\$55,632	\$55,232	\$56,694
OTHER OPERATING EXPENSES	\$3,000	\$3,000	\$511
CAPITAL OUTLAY	\$0	\$0	\$0
TOTAL RECREATION AND PARKS	<u>\$108,409</u>	<u>\$100,319</u>	<u>\$94,176</u>
TRANSFER TO OTHER FUNDS			
CAPITAL PROJECTS	\$134,697	\$0	\$0
SPECIAL REVENUE	\$0	\$0	\$0
TOTAL TRANSFERS TO OTHER FUNDS	<u>\$134,697</u>	<u>\$0</u>	<u>\$0</u>
TOTAL GENERAL FUND EXPENSES AND TRANSFERS TO OTHER FUNDS	<u>\$1,861,040</u>	<u>\$1,380,126</u>	<u>\$1,270,703</u>

THE COMMISSIONERS OF LEONARDTOWN
ENTERPRISE FUND REVENUES
 FISCAL YEAR JULY 1, 2017 - JUNE 30, 2018

	FY18 APPROVED	FY17 APPROVED/ AMENDED	FY16 ACTUAL
WATER SYSTEM REVENUES			
WATER SERVICE CHARGES	\$510,000	\$480,000	\$480,495
INTEREST INCOME	\$6,000	\$600	\$2,388
FINANCE CHARGES	\$1,100	\$1,625	\$1,089
MISCELLANEOUS INCOME	\$250	\$500	\$256
APPROPRIATE RETAINED EARNINGS	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
 TOTAL WATER SYSTEM REVENUES	 <u>\$517,350</u>	 <u>\$482,725</u>	 <u>\$484,228</u>
 SEWER SYSTEM REVENUES			
SEWER SERVICE CHARGES	\$915,000	\$860,000	\$852,493
INTEREST INCOME	\$8,000	\$1,000	\$3,072
FINANCE CHARGES	\$2,000	\$2,860	\$1,933
MISCELLANEOUS INCOME	\$3,950	\$3,880	\$3,994
APPROPRIATE RETAINED EARNINGS	<u>\$0</u>	<u>\$125,065</u>	<u>\$279,817</u>
 SUBTOTAL	 \$928,950	 \$992,805	 \$1,141,309
 METCOMM FEES			
DEBT SERVICE REIMBURSEMENT	\$110,644	\$23,137	\$1,017
OPERATION & MAINTENANCE	<u>\$127,328</u>	<u>\$167,746</u>	<u>\$213,084</u>
 TOTAL METCOMM FEES	 \$237,972	 \$190,883	 \$214,101
 FUNDING FROM IMPACT FEE RESERVES	 <u>\$375,915</u>	 <u>\$78,608</u>	 <u>\$0</u>
 TOTAL SEWER SYSTEM REVENUES	 <u>\$1,542,837</u>	 <u>\$1,262,296</u>	 <u>\$1,355,410</u>
 WASTE DISPOSAL REVENUES			
WASTE DISPOSAL SERVICE CHARGES	\$662,000	\$600,000	\$593,233
FINANCE CHARGES	\$1,400	\$2,015	\$1,345
MISCELLANEOUS INCOME	\$300	\$620	\$316
APPROPRIATE RETAINED EARNINGS	<u>\$0</u>	<u>\$0</u>	<u>\$8,131</u>
 TOTAL WASTE DISPOSAL REVENUES	 <u>\$663,700</u>	 <u>\$602,635</u>	 <u>\$603,025</u>
 TOTAL ENTERPRISE FUND REVENUES	 <u>\$2,723,887</u>	 <u>\$2,347,656</u>	 <u>\$2,442,663</u>

THE COMMISSIONERS OF LEONARDTOWN
ENTERPRISE FUND EXPENSES
 FISCAL YEAR JULY 1, 2017 - JUNE 30, 2018

	FY18 APPROVED	FY17 APPROVED/ AMENDED	FY16 ACTUAL
WASTEWATER TREATMENT PLANT			
PERSONNEL SERVICES			
SALARIES	\$280,751	\$295,342	\$290,752
PAYROLL TAXES AND BENEFITS	<u>\$59,533</u>	<u>\$64,330</u>	<u>\$62,973</u>
TOTAL PERSONNEL SERVICES	\$340,284	\$359,672	\$353,725
OPERATIONS AND MAINTENANCE			
PROFESSIONAL SERVICES	\$2,500	\$2,500	\$825
TREATMENT FACILITY MAINTENANCE	\$39,275	\$50,086	\$38,776
LABORATORY ANALYTICAL SERVICES	\$15,518	\$15,518	\$17,759
PROCESS CHEMICALS	\$47,436	\$55,379	\$70,593
LABORATORY SUPPLIES	\$5,400	\$5,400	\$6,514
UTILITIES	\$95,000	\$95,000	\$82,791
SLUDGE MANAGEMENT	\$46,398	\$200,000	\$414,494
SAFETY	\$1,687	\$1,680	\$1,615
INSURANCE	\$10,750	\$10,500	\$9,867
OTHER OPERATING EXPENSES	<u>\$19,437</u>	<u>\$18,137</u>	<u>\$21,037</u>
TOTAL O & M EXPENSES	\$283,401	\$454,200	\$664,271
DEBT SERVICE	\$593,919	\$209,105	\$111,834
CAPITAL OUTLAY	\$9,800	\$15,100	\$84,628
CONTINGENCY	\$53,991	\$0	\$0
REPAIR AND REPLACEMENT RESERVE	<u>\$62,369</u>	<u>\$69,037</u>	<u>\$0</u>
TOTAL WASTEWATER TREATMENT PLANT EXPENSES	<u>\$1,343,764</u>	<u>\$1,107,114</u>	<u>\$1,214,458</u>
COLLECTION SYSTEM EXPENSES			
PERSONNEL SERVICES			
SALARIES	\$53,550	\$37,884	\$41,303
PAYROLL TAXES AND BENEFITS	<u>\$12,160</u>	<u>\$8,110</u>	<u>\$10,268</u>
TOTAL PERSONNEL SERVICES	\$65,710	\$45,995	\$51,571
OPERATIONS AND MAINTENANCE			
PROFESSIONAL SERVICES	\$2,000	\$2,000	\$5,236
FACILITY MAINTENANCE	\$15,345	\$15,345	\$6,209
SEWER LINE MAINTENANCE	\$39,783	\$39,783	\$17,613
UTILITIES	\$10,000	\$10,000	\$7,487
SAFETY	\$1,344	\$1,334	\$110
INSURANCE	\$8,000	\$8,000	\$7,243
OTHER OPERATING EXPENSES	<u>\$11,355</u>	<u>\$12,174</u>	<u>\$8,542</u>
TOTAL O & M EXPENSES	\$87,827	\$88,636	\$52,440
DEBT SERVICE	\$0	\$0	\$0
CAPITAL OUTLAY	\$30,182	\$7,089	\$36,941
CONTINGENCY	\$0	\$0	\$0
REPAIR AND REPLACEMENT RESERVE	<u>\$15,354</u>	<u>\$13,463</u>	<u>\$0</u>
TOTAL COLLECTION SYSTEM EXPENSES	<u>\$199,073</u>	<u>\$155,182</u>	<u>\$140,952</u>

ENTERPRISE FUND CONTINUED

	FY18 APPROVED	FY17 APPROVED/ AMENDED	FY16 ACTUAL
WATER SYSTEM EXPENSES			
PERSONNEL SERVICES			
SALARIES	\$109,925	\$106,845	\$101,285
PAYROLL TAXES AND BENEFITS	<u>\$25,302</u>	<u>\$26,385</u>	<u>\$24,766</u>
TOTAL PERSONNEL SERVICES	\$135,227	\$133,230	\$126,051
OPERATIONS AND MAINTENANCE			
PROFESSIONAL SERVICES	\$2,000	\$2,000	\$6,736
FACILITY MAINTENANCE	\$11,056	\$27,444	\$4,629
WATER LINE MAINTENANCE	\$110,247	\$109,144	\$80,208
LABORATORY ANALYTICAL SERVICES	\$2,438	\$2,438	\$998
PROCESS CHEMICALS	\$8,640	\$8,640	\$9,122
LABORATORY SUPPLIES	\$1,500	\$1,500	\$274
UTILITIES	\$55,000	\$55,000	\$50,095
SAFETY	\$986	\$985	\$331
INSURANCE	\$5,000	\$5,000	\$4,496
OTHER OPERATING EXPENSES	<u>\$20,650</u>	<u>\$18,170</u>	<u>\$14,451</u>
TOTAL O & M EXPENSES	\$217,517	\$230,321	\$171,340
DEBT SERVICE	\$0	\$0	\$0
CAPITAL OUTLAY	\$5,500	\$2,150	\$88,911
CONTINGENCY	\$123,832	\$80,669	\$0
REPAIR AND REPLACEMENT RESERVE	<u>\$35,274</u>	<u>\$36,355</u>	<u>\$0</u>
TOTAL WATER SYSTEM EXPENSES	<u>\$517,350</u>	<u>\$482,725</u>	<u>\$386,302</u>
WASTE DISPOSAL EXPENSES			
PERSONNEL SERVICES			
SALARIES	\$25,258	\$23,529	\$23,235
PAYROLL TAXES AND BENEFITS	<u>\$3,933</u>	<u>\$5,178</u>	<u>\$3,577</u>
TOTAL PERSONNEL SERVICES	\$29,191	\$28,707	\$26,812
WASTE DISPOSAL CONTRACT COST	\$628,509	\$567,928	\$572,991
OTHER OPERATING EXPENSES	<u>\$6,000</u>	<u>\$6,000</u>	<u>\$3,222</u>
TOTAL WASTE DISPOSAL EXPENSES	<u>\$663,700</u>	<u>\$602,635</u>	<u>\$603,025</u>

THE COMMISSIONERS OF LEONARDTOWN
SPECIAL REVENUE FUND REVENUE/EXPENSES
FISCAL YEAR JULY 1, 2017 - JUNE 30, 2018

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	FY18	FY19	FY20	FY21	FY22	FY23
1	ROUTE 5 WATER LOOP	\$540,483	\$540,483					
2	WATER MAIN REPLACEMENT	\$313,091	\$59,125	\$129,068	\$124,898			
3	WELL CONSTRUCTION	\$598,143		\$598,143				
4	WATER TOWER	\$3,640,845				\$3,640,845		
5	UPDATE WATER SYSTEM MAPS	\$177,147					\$177,147	
	WATER-SUBTOTAL	\$5,269,709	\$599,608	\$727,211	\$124,898	\$3,640,845	\$177,147	\$0
6	DOCKAGE AT WHARF	\$187,200	\$187,200					
7	ELEVATOR/SPRINKLER TOWN HALL	\$346,997	\$346,997					
8	LAWRENCE AVENUE STREET & SIDEWALK REHABILITATION	\$355,016			\$146,544	\$208,472		
	GENERAL-SUBTOTAL	\$889,213	\$534,197	\$0	\$146,544	\$208,472	\$0	\$0
	TOTAL	<u>\$6,158,922</u>	<u>\$1,133,805</u>	<u>\$727,211</u>	<u>\$271,442</u>	<u>\$3,849,317</u>	<u>\$177,147</u>	<u>\$0</u>

THE COMMISSIONERS OF LEONARDTOWN
CAPITAL PROJECTS FUND
APPROVED BUDGET

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

PROJ #	PROJECT NAME	FY 18 COST	GRANTS	CONNECTION FEES	IMPACT FEES	PAYGO OR FUND EQUITY	LOANS
1	ROUTE 5 WATER LOOP	\$540,483		\$270,241		\$270,242	
2	DOWNS CIRCLE WATER MAIN REPLACEMENT	\$59,125		\$29,563		\$29,562	
	WATER - SUBTOTAL	\$599,608	\$0	\$299,804	\$0	\$299,804	\$0
6	DOCKAGE AT WHARF	\$187,200	\$99,500			\$87,700	
7	ELEVATOR/SPRINKLER PROJECT	\$346,997	\$300,000			\$46,997	
	GENERAL-SUBTOTAL	\$534,197	\$399,500	\$0	\$0	\$134,697	\$0
	TOTAL FY2018	<u>\$1,133,805</u>	<u>\$399,500</u>	<u>\$299,804</u>	<u>\$0</u>	<u>\$434,501</u>	<u>\$0</u>

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

PROJ #	PROJECT NAME	FY 19 COST	GRANTS	CONNECTION FEES	IMPACT FEES	PAYGO OR FUND EQUITY	LOANS
2	CHARLES STREET WATER MAIN REPLACEMENT	\$129,068		\$64,534		\$64,534	
3	WELL CONSTRUCTION	\$598,143			\$598,143		
	WATER - SUBTOTAL	\$727,211	\$0	\$64,534	\$598,143	\$64,534	\$0
	TOTAL FY2019	<u>\$727,211</u>	<u>\$0</u>	<u>\$64,534</u>	<u>\$598,143</u>	<u>\$64,534</u>	<u>\$0</u>

THE COMMISSIONERS OF LEONARDTOWN
CAPITAL PROJECTS FUND
APPROVED BUDGET

PROJ #	PROJECT NAME	FY 20 COST	FUNDING SOURCE				
			GRANTS	CONNECTION FEES	IMPACT FEES	PAYGO OR FUND EQUITY	LOANS
2	ABELL STREET WATER MAIN REPLACEMENT	\$124,898		\$62,449		\$62,449	
	WATER - SUBTOTAL	\$124,898	\$0	\$62,449	\$0	\$62,449	\$0
8	LAWRENCE AVENUE STREET & SIDEWALK REHABILITATION	\$146,544	\$146,544				
	GENERAL-SUBTOTAL	\$146,544	\$146,544	\$0	\$0	\$0	\$0
	TOTAL FY2020	<u>\$271,442</u>	<u>\$146,544</u>	<u>\$62,449</u>	<u>\$0</u>	<u>\$62,449</u>	<u>\$0</u>

PROJ #	PROJECT NAME	FY 21 COST	FUNDING SOURCE				
			GRANTS	CONNECTION FEES	IMPACT FEES	PAYGO OR FUND EQUITY	LOANS
4	WATER TOWER	\$3,640,845			\$902,204		\$2,738,641 *
	WATER - SUBTOTAL	\$3,640,845	\$0	\$0	\$902,204	\$0	\$2,738,641
8	LAWRENCE AVENUE STREET & SIDEWALK REHABILITATION	\$208,472	\$208,472				
	GENERAL-SUBTOTAL	\$208,472	\$208,472	\$0	\$0	\$0	\$0
	TOTAL FY2021	<u>\$3,849,317</u>	<u>\$208,472</u>	<u>\$0</u>	<u>\$902,204</u>	<u>\$0</u>	<u>\$2,738,641</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 22 COST	GRANTS	CONNECTION FEES	IMPACT FEES	PAYGO OR FUND EQUITY	LOANS
5	UPDATE WATER SYSTEM MAPS	\$177,147		\$88,573		\$88,574	
	SUBTOTAL	\$177,147	\$0	\$88,573	\$0	\$88,574	\$0
	TOTAL FY2022	<u>\$177,147</u>	<u>\$0</u>	<u>\$88,573</u>	<u>\$0</u>	<u>\$88,574</u>	<u>\$0</u>

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

PROJ #	PROJECT NAME	FY 23 COST	GRANTS	CONNECTION FEES	IMPACT FEES	PAYGO OR FUND EQUITY	LOANS
	NONE	\$0		\$0		-\$1	
	WATER - SUBTOTAL	\$0	\$0	\$0	\$0	-\$1	\$0
	TOTAL FY2023	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>-\$1</u>	<u>\$0</u>

THE COMMISSIONERS OF LEONARDTOWN
CAPITAL OUTLAY COSTS
 FISCAL YEAR JULY 1, 2017 - JUNE 30, 2018

GENERAL GOVERNMENT

AV system for Council meeting room	\$20,500	
Council table	\$10,000	
Council chairs	\$1,200	
Carpet for 2nd floor	\$10,000	
Paint for 2nd floor	\$4,000	
New workstations/software setup	\$3,000	
Tablets	\$1,350	
		\$50,050

COMMUNITY DEVELOPMENT

Refurbish speaker system	\$9,005	
New decorations for Christmas Tree	\$8,000	
Mural restoration	\$6,000	
Crowd control barriers	\$3,000	
Tourism signs POL/Winery	\$2,539	
		\$28,544

PUBLIC SAFETY

Security cameras for Town Hall		\$3,000
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PUBLIC WORKS

Contribution for road - Hamptons	\$125,000	
Expansion of street lighting	\$52,759	
Remove/replace bushes on Washington Street	\$28,500	
Repairs to entrance signs	\$6,450	
		\$212,709

WWTP

Block wall sludge building	\$9,800	\$9,800
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COLLECTION SYSTEM

Camera for sewer line maintenance	\$14,482	
Replace Harben pressure pump on jet rodder	\$15,700	
		\$30,182

WATER SYSTEM

New pump for Well #5	\$5,500	\$5,500
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**THE COMMISSIONERS OF LEONARDTOWN
WATER/SEWER/TRASH RATE SCHEDULE**

WATER

CAPACITY ALLOCATION CHARGES

5/8" OR 3/4"	956.25	plus	573.75 per EDU
1" or less	1,415.25	plus	573.75 per EDU
2" or less	2,792.25	plus	573.75 per EDU
3" or less	4,092.75	plus	573.75 per EDU
4" or less	5,622.75	plus	573.75 per EDU
6" or less	9,830.25	plus	573.75 per EDU
8" or less	12,890.25	plus	573.75 per EDU
10" or less	14,764.50	plus	573.75 per EDU

IMPACT FEE

\$1,800 per EDU

The Town will furnish one meter and meter setting of appropriate size. Meter generator and remote register will be furnished at the Town's discretion. The customer's plumber must provide tap to main, corporation stop (curbstop), service line, etc and install meter.

SERVICE CHARGES

Residential in town

Minimum charge	\$30.60 per quarter; includes 1 to 10,000 gallons
Extra consumption	\$ 2.55 for each thousand gallons, or fraction thereof, over 10,000 gallons

Residential out of town \$65.23 per quarter flat rate

Commercial in town

Base rate determined by size of line (see below). Metered consumption in excess of 18,000 gallons per quarter billed at \$2.55 per 1,000 gallons and added to base rate.

5/8" or 3/4"	41.37	per quarter
1" or less	52.77	per quarter
1&1/2" or less	57.92	per quarter
2" or less	82.74	per quarter
3" or less	164.29	per quarter
4" or less	220.66	per quarter
6" or less	330.97	per quarter
8" or less	440.33	per quarter
10" or less	495.27	per quarter

Commercial out of town

Surcharge of 40% added to in town rates. \$3.57 per 1,000 gallons

Water haulers

Surcharge of 75% added to in town rates. \$4.46 per 1,000 gallons

SEWER

CAPACITY ALLOCATION CHARGES

\$650.25 plus \$1,032.75 per EDU

IMPACT FEE

\$13,000 per EDU

These are one time charges for a standard 6 inch diameter service line connection, except for those which require unusual connection.

The customer's plumber must provide tap to main, service lines, etc. and install cleanout per Town's instructions.

SERVICE CHARGES

Residential

Minimum charge \$66.41 per quarter; includes 1 to 10,000 gallons

Extra consumption \$ 6.64 for each thousand gallons, or fraction thereof, over 10,000 gallons up to a maximum sewer charge of \$152.73

Commercial

\$108.69 per allocated EDU per quarter

BAY RESTORATION FEE

\$15.00 per EDU per quarter

TRASH

Residential	\$55.52 per quarter
Commercial	\$3.47 per cubic yard (minimum of \$90.22 per quarter)
Heavy Commercial	\$4.29 per cubic yard
Cardboard Recycling	\$1.96 per cubic yard
Commercial Recycling	\$3.87 per toter pickup

Approved