

The City of Frederick Annual Budget Report

Fiscal Year
July 1, 2012 - June 30, 2013



The City of
Frederick
Maryland

THE CITY OF FREDERICK

ANNUAL BUDGET REPORT FOR FISCAL YEAR JULY 1, 2012 – JUNE 30, 2013

Prepared by the Department of Finance

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Member of Government Finance Officers Association
of the United States and Canada

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Acknowledgements

This budget reflects the efforts of a dedicated group of Directors, Department Heads, and staff. Our sincere appreciation is given for the countless hours of hard work and the team spirit each has shown through this process.

Budget preparation is a time consuming task, which draws many members of the Finance team away from their primary job functions. We thank each member of the Finance team for help in preparing the budget and supporting documents. We would like to especially acknowledge Mary Lenhart and Phyllis Hane for their efforts in reviewing, proof reading, and assembling the budget information.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Frederick
Maryland**

For the Fiscal Year Beginning

July 1, 2011

Linda C. Dandon Jeffrey R. Egan

President

Executive Director

Summary of Elected and Appointed Officials

Mayor

Randy McClement 301-600-1380

Board of Alderman

Karen Lewis Young 301-600-1382
President Pro Tem

Michael C. O'Connor 301-600-1386
Shelley M. Aloï 301-600-1632
Carol L. Krimm 301-600-1863
Kelly M. Russell 301-600-2966

Appointed Officials

Chief of Police	Colonel Kim C. Dine	301-600-2105
City Attorney	Saundra A. Nickols	301-600-1387
Deputy Director for Engineering	Zachary J. Kershner	301-600-1404
Deputy Director for Parks and Recreation	Roelkey I. Myers	301-600-1902
Deputy Director for Planning	Joseph A. Adkins	301-600-1655
Deputy Director for Operations	Marc Stachowski	301-600-1438
Director of Budget and Purchasing	M. Katherine Barkdoll	301-600-1397
Director of Community Action	Michael R. Spurrier	301-600-3955
Director of Economic Development	Richard G. Griffin	301-600-6361
Director of Finance	Gerald D. Kolbfleisch	301-600-1395
Director of Public Works	Vacant	n/a
Executive Assistant	Joshua L. Russin	301-600-3834

State of the City Report

Members of the Board of Aldermen, colleagues in local government, City staff, and my fellow Frederick residents:

As we gather together for this Administration's third State of the City address, we in City government have found ways to successfully manage the City's financial health, move forward with important capital projects, expand our commercial base and maintain public safety. This is what we have done and will continue to do over the next year and a half.

A promising future is only possible through fiscal responsibility. During these challenging economic times, the Board of Aldermen and I continue to strive to provide critical public services to over 65,000 residents and 3,500 businesses in our community without increasing the tax rate. On May 17, 2012, the FY 2013 budget was passed in the amount of \$137,362,981. The budget maintains service levels and provides for an overall tax decrease to City residents.

In years past, the City and Frederick County have functioned under a tax reimbursement system known as a tax rebate. Under this system, the City and all other County municipalities received a direct payment from the County for the cost of duplicate services the County did not have to provide to City residents.

In spring 2011, the City and other County municipalities began discussions with the County on ways to improve the system. As a result of these meetings, the City and County elected to use a property tax differential for residents of the City. Under this type of plan, the County tax rate is lowered to offset the cost of services not provided by the County for City residents. As a result, City residents received a savings in County taxes and, when City and County property taxes are combined, City property owners experience a \$0.04 overall decrease in property taxes while continuing to receive the same level of service.

Fiscal responsibility has been a value embraced by the 60th Administration. In December 2011, the City had an opportunity to refinance over \$23 million of general obligation bonds. The City originally anticipated saving \$1.9 million, but as a result of meetings with bond rating agencies and proceeding with refinancing, the City saved \$2.8 million over the life of the bonds. The City intends to use its positive AA bond rating to obtain additional savings for the community, including the refinancing of \$13.6 million in Airport Improvement Bonds and issuance of bonds to fund Phase II of the Carroll Creek Linear Park.

As a result of a strong fund balance, the Administration's plan to fund Phase II of the Carroll Creek Linear Park and a willingness on the City's part to tackle long-term issues such as post employment benefits and pension obligations, the City was able to reaffirm its AA bond rating with Fitch and Standard and Poor's while receiving a potential upgrade in the next six months to two years by Moody's. The favorable bond ratings were the result of the tough decisions we have made and the smart fiscal policies we have implemented during the worst global recession since the Great Depression. During a period of fiscal anxiety at the international, national and local level, with many governments receiving credit downgrades, all three credit rating agencies affirmed the City's fiscal health.

State of the City Report

The 60th Administration continues to make efforts to not only fund, but to review the City's pension and other post employment benefit (OPEB) liabilities.

The Mayor and Board of Aldermen took the proactive step to adjust the benefit formula for the 25-year and 30-year pension plans for employees hired after June 30, 2012. After reviewing an analysis completed by the City's actuarial consultant, the following items were changed in the 25- and 30-year pension plans: an increase in participant contributions, a change to the salary basis for calculating retirement benefits, a change to the retirement age calculation, a reduction of the benefits formula multiplier, an increase in the early retirement age, an increase in the years needed to be vested in the plan and a lower cost of living cap.

The Mayor and Board continue to conduct a comprehensive review of employee and retiree benefits. The Mayor's Ad Hoc OPEB and Pension Review Committee have presented their recommendations to the Board for consideration. This is just the first of many steps needed to address this important issue.

Another step taken was the establishment of the Mayor's Ad Hoc Trust Investment Committee. I asked this group of citizen volunteers, who have background and expertise in this topic, to review our current pension trust fund and make recommendations to the Mayor and Board regarding how best to manage those funds.

Over a year ago the City launched a new website to allow the public better access to City services and information. We have continued our efforts to improve the effectiveness and the delivery of public services and have expanded the performance page and tracking of taxpayer dollars for goods and services. This Administration is committed to making our internal City business as transparent as possible.

During these financially challenging times, we continue to maintain the high level of community policing we have always experienced in our City by funding and equipping 141 officers. Our proactive approach to staffing the Frederick Police Department has helped the City move from the eighth safest community to the fifth, as published in *Sperling's Most Secure Places to Live* statistical study. We have also, over the last 20 years, experienced a downward trend in serious crimes (those designated Part I crimes by the FBI's Uniform Crime Reporting Program) while witnessing a significant increase in population growth during the same period.

Frederick is an arts destination and we continue to attract both private and public investment in our flourishing arts community. From performing arts centers, to Art-o-matic, to Easels in Frederick, to community-based playback theater, our City is a hub of creative culture.

Members of the community made it a point to let us know our City needs to expand efforts to create a sustainable tomorrow. The City's Bicycle Committee led the way to fund a public/private project to create a bicycle lane along Seventh Street. The Committee continues to look for ways to fund the remainder of this lane to East Street. In the FY 2013 budget, we allocated \$200,000 to fund initial start-up costs for a bicycle/pedestrian tunnel to allow users safe access to the east and west ends of our city, linking Baker Park to Waterford and Rock Creek

State of the City Report

Parks. On another note, Frederick is now one of seven communities awarded funds from the Maryland Department of Transportation to begin the process of creating a bike-share pilot program and has also been awarded a bronze designation by the League of American Bicyclists. These are significant steps toward our goal of becoming a bike friendly community.

We are always exploring grant funding opportunities for transportation projects in our City. Just recently, the National Capital Region Transportation Planning Board (TPB) voted unanimously to approve nine projects aimed at better coordination of transportation and land use planning in the Metropolitan Washington area. With the hard work of our staff, in particular Mr. Tim Davis, I am pleased to note Frederick was awarded one of these grants. This grant will provide funding for the design of a trail with a combination of bike lanes, sidewalk upgrades, and a shared-use path which will provide access from residential areas to new mixed-use and commercial developments. This grant allows us to take the first step in designing the project and we truly appreciate the TBP's approval of these funds. We will continue to incorporate these sustainable practices into our future capital projects.

We have witnessed the toll this recession has taken on families in our City. The City has continued to play a role in mitigating this impact through the work of the Frederick Community Action Agency (FCAA). Over three summers, FCAA has provided lunchtime meals to pre-school age children, lower-income children and youth who qualify for free or reduced price meals through the public school system. This program helps to ensure eligible children of the City gain access to nutritious food during the summer months. Since the summer of 2010, FCAA has served over 31,000 meals and we are on track for another record year of serving meals at nine sites in Frederick and Walkersville.

Another exciting project is the potential downtown hotel and meeting facility. In a report released this month, the Maryland Stadium Authority and national hotel industry experts Crossroads Consultants/Hospitality and Gaming Solutions confirmed downtown Frederick would be an ideal location for a full service hotel. The study was conducted at the request of the City, using technical assistance grant funds from the Maryland Department of Housing and Community Development. The City was acting on behalf of the Downtown Hotel Advisory Team consisting of private, community and public stakeholders. The study confirms Frederick has a growing population base with stable employment and diversified industries. Additional growth associated with recent City annexations make Frederick the place for business. The Advisory Group is releasing a request for information to downtown property owners to determine if they would like to be considered as a potential site for a hotel. The Hotel Advisory Group is also moving forward with retaining an outside industry professional to assist in the site and developer selection process. We look forward to the day when this much needed amenity opens its doors in the heart of our City.

To help continue to lay the City's economic foundations in downtown Frederick, this Administration has made the decision to move forward with the completion of Phase II of the Carroll Creek Linear Park project. Phase II runs from the Delaplaine Center to East Patrick Street and from Market Street to Bentz Street. This \$13 million economic development, transportation and recreation project will act as a catalyst to existing and new businesses and provide additional

State of the City Report

employment opportunities to our community. The first phase of Carroll Creek Linear Park triggered redevelopment along the creek and the second phase will produce greater opportunities for our residents and boost pedestrian traffic along the park. As an economic generator, there is no question the Creek has spurred the creation of multiple companies and allowed others to expand, including 50 businesses located near the park. We can only imagine the positive change generated with the soon to be completed Carroll Creek Linear Park. Phase II builds upon the \$16 million Phase I project and the \$60 million spent on the flood control project which has kept the flood waters of Carroll Creek at bay since construction. This project will help lay the foundation for economic growth along Carroll Creek and will be out to bid by fall 2012.

The City's oldest parking structure; the Church Street Parking Garage, is undergoing a temporary closure to allow for rehabilitation of the garage. By doing this we will extend the life of this facility for an additional 7 years. Adding 7 years to the lifespan of the Church Street garage allows the City to replenish a fund to pay for the future construction of a new Church Street Garage and the long anticipated Parking Deck #6 near the Frederick County Visitor's Center. Both parking facilities are necessary for the continued success of Downtown and East Frederick. In August, we are launching a user oriented electronic payment parking solution which will allow residents and visitors to make credit card payments from their phone when they park on a downtown street.

The City and the Maryland State Highway Administration have begun the \$16.7 million Motter Avenue/US 15 bridge replacement project to help ease the commute of current and future employees traveling in and out of Fort Detrick, Frederick Memorial Hospital facilities and the medical offices located on Thomas Johnson Drive. This traffic congestion, a sign of economic progress and partly due to the expansion of Fort Detrick's facilities, will be remedied by this City, County and State funded improvement scheduled for completion in 2014.

We continue to make excellent progress on the Monocacy Boulevard bridge and center section project. As a part of the project, Gas House Pike is currently being realigned and will reopen to traffic in early September. We anticipate the new bridge spanning Carroll Creek will open by the end of this year, providing a connection from East Patrick Street to North Market Street and Route 26.

As the second busiest airport in Maryland, Frederick Municipal Airport continues to serve the commercial, travel and recreational needs of the greater Frederick community. The \$5.3 million air traffic control tower is now operational and is making it possible for planes to safely travel to and from our Airport. As a way to provide greater capacity for our growing aviation industry, we are releasing a request for proposals to aviation entities interested in leasing the former Frederick Community College hangar, returning this facility to aviation use. I want to take this opportunity to thank the Frederick County Board of Commissioners for their participation in making this opportunity possible. In addition, the City is working with the Federal Aviation Administration for the release of millions in grant funds to reimburse the City for \$13.6 million in construction and property acquisition costs associated with the runway extension project.

State of the City Report

The commercial and residential communities, including members of Neighborhood Advisory Councils 5 and 8, launched the Golden Mile Alliance with the assistance of the City. This community based entity is moving forward with marketing and branding the Golden Mile as a business destination. The newly formed group is organizing community events and boosting the identity of the Golden Mile as a major location for business in Frederick.

Not only do we need to maintain a vibrant City today, we must also plan for the future. I believe the best way to accomplish this is to find ways to strengthen our local and regional economy.

One way we are accomplishing this is by moving forward with critical capital projects and putting our financial house in order. Frederick is a leader in the creation of new technology jobs. Additionally, we had a higher growth in number of visitors than any other jurisdiction in Maryland. All of this helps boost our economy. Our County is currently number two in Maryland in the number of new technology jobs created per capita.

Also, over the course of the past four years, our local businesses have continued to strengthen our economy. This is demonstrated by the consistent decline in our unemployment rate, currently at 6% compared to the national rate of 8.2%. I want to take this opportunity to thank our businesses for hiring more people when the opportunity presents itself.

We must continue to find ways to facilitate greater economic growth and reinvestment in our local economy. To help do this, we have moved forward with the following initiatives:

- The creation of the Mayor's Ad Hoc Blighted and Vacant Property Review Committee. The Committee, composed of residents and business leaders, was given the task of exploring national best practices and reviewing current City codes and regulations, as well as proposed property tax incentives to tackle habitually blighted and vacant commercial and residential properties. Earlier this month, the Committee provided recommendations to the Mayor and Board of Aldermen in reference to commercial properties. Based on their research the Committee determined Frederick has a commercial vacancy rate of 10%. The City is aware prolonged vacancies create many challenges for neighborhoods, including potential safety issues, aesthetics and the impact on area property values.

We are moving forward with several of the Committee's recommendations, including:

- The creation of a blighted building database to help track maintenance code violations and build a case for future enforcement actions.

State of the City Report

- Development of a compounding fine system for code enforcement violations so habitual offenders with 3 or more building code violations within a 12 month period pay more for each violation. Development and adoption of a blighted building property tax, which assesses an increased city property tax rate of 5 times the base rate. This tax rate, intended to incentivize property owners to maintain their properties in a safe manner, will apply to any property which has remained in the blighted buildings database for a period of more than 1 year.
- Provision of a lien waiver for the new owner of a property deemed blighted if he or she agrees to rehabilitate and tenant the building by submitting a renovation plan to the City and posting bonds equal to the renovation cost.
- Adoption of a property receivership program, allowing the appointment of third party receivers to manage, rehabilitate, demolish, market and sell distressed commercial assets. A property could only move forward to receivership under the sanction of the Board of Aldermen. I view this as a “last straw” type of program.

While our vacancy rates are declining, we need to have in place as many tools as possible to help turn these empty buildings and lots into productive spaces.

- As a former small business owner, I understand the cost to access water and sewer services is a hurdle for many trying to open their doors to customers. We revised the way we compute impact fees, moving away from a fixture based system to a volume based system. We’ve also created an option to allow for payment of water and sewer impact fees over four years. A property owner can put 25% down and pay the rest in installments.
- The establishment of a business incentive matching program which will, for the first time, allow Frederick based companies an opportunity to receive a required local government match for State issued business grants and loans. This will allow Frederick companies to retain a competitive edge in the regional economy.
- The establishment of a New Jobs Property Tax Credit Program. This is a performance based credit which will award a tax credit based on the expansion of a facility and the number of new, permanent full time positions created over a two year period.

State of the City Report

- We continue to see an interest from property owners to be incorporated in the City. Recently, two property owners have moved forward with annexation requests, described below.
 - To the City's north, the Crum annexation would bring an additional 252 acres of land into the City, allowing the eventual construction of 4 residential units per acre, pedestrian scaled neighborhoods, 30 new acres of public park land, a future school site and a new water tower. Combined with additional land previously annexed, the Crum annexation would establish 110 acres for a future employment center.
 - To the City's northwest, the Keller annexation would add an additional 750 residential units to Frederick.

Both properties will offer housing and employment opportunities to our community and are proof of Frederick's resilience as we emerge from the prolonged economic downturn.

The City of Frederick is truly a jewel in the State of Maryland. We really are where history meets the future. I ask that together we continue to move our City forward and let everyone know we are a community which is a growing center for innovation. We are a community where you want to come raise your family. We are a community visitors tell their friends "you've got to go visit this place!" And most importantly, we truly have established being the second largest municipality in the State of Maryland does not mean we have lost our sense of community or our hometown charm.

Respectfully submitted,

Randy McClement, Mayor
The City of Frederick
July 31, 2012

Community Profile

The City of Frederick is an incorporated municipality in the State of Maryland. The City was first settled in 1745 and incorporated in 1817. Situated in the foothills of the Catoctin Mountains, Frederick is Maryland's second largest city and the county seat of Frederick County.

Covering an area of approximately 21 square miles at the intersection of Interstates 70 and 270, the City has a current population of 65,519, an increase of over 24% since 2000.



The City of Frederick is home to the US Army's Ft. Detrick, site of the United States Army Medical Research Institute of Infectious Diseases and the National Cancer Institute. Ft. Detrick is the City's largest employer; other major employers include the Frederick County Board of Education, Frederick County Government, Frederick Memorial Healthcare System and Wells Fargo Home Mortgage.

Frederick boasts a vibrant, historic downtown featuring hundreds of retail shops, restaurants and antique shops. There is an active arts community, and citizens and tourists can take advantage of a variety of cultural and recreational opportunities. At the center of the downtown area is the Carroll Creek Linear Park. Originally conceived as a flood control project, the Park has grown into an expanse of brick pedestrian pathways lined with retail, dining and residential properties including water features and a 350 seat amphitheater. The park also includes several public art installations including bridges, mosaics and most prominently, the Community Bridge trump l'oeil painting.

The downtown area was designated a Great American Main Street Community in 2005 by the National Trust for Historic Preservation, as well as being named a Great Neighborhood for 2010 by the American Planning Association. The character of the downtown historic district is maintained through the oversight of the Historic Preservation Committee.



Citizens' quality of life is further enhanced by the City's proximity to the major metropolitan areas of Baltimore and Washington DC. The convergence of Interstates 70 and 270, as well as access to commuter rail service to Washington DC, make Frederick a natural area of expansion from those cities. Frederick is further served by the Frederick Municipal Airport, one of the busiest general aviation airports in the state.

Several initiatives designed to contribute to the continued vitality of the City of Frederick are currently in the planning stage, with one major project just recently completed. 2012 saw the completion of construction on the long anticipated air traffic control tower at the Frederick Municipal Airport. The tower began operations in May 2012 and has improved safety and allowed for an expansion of the number of aviation operations.

Community Profile

An ad hoc committee, appointed by the Mayor, continues to evaluate and pursue the construction of a hotel/conference center in the downtown area. Such a facility would address an essential need in the downtown business district. In an exciting partnership with the private sector, the City is assisting in the formation of a committee to pursue the revitalization of the Golden Mile commercial district. This community based group, known as the Golden Mile Alliance, is comprised of residents, commercial property owners and business owners. The Alliance is tasked with marketing the Golden Mile as a business destination while also encouraging residents to take pride in their community. Upcoming initiatives include plans for completion of the next phase of the Carroll Creek Linear Park, expanding this important revitalization project further into the eastern sector of the downtown area.



The City is governed by a Mayor, who serves as executive officer, and Board of Alderman. The Board is comprised of five Aldermen and serves as the legislative body of the City, while the Mayor oversees day to day operations. Aldermen are elected at large to four year terms. Government offices are located in City Hall, 101 North Court Street, in the historic former Frederick County Courthouse.

The City has jurisdiction over and responsibility for police, parks, recreation, streets, street lighting, sanitation, parking, planning, code enforcement and water and sewer services. The City also operates the Clustered Spires Municipal Golf Course, the Weinberg Center for the Arts and the Frederick Municipal Airport.



Demographic and Statistical Profile

Community Profile:

Date of Incorporation: 1816
 Form of Government: Mayor and Board of Alderman



Demographics:

Area in square miles: 20.4

Population

2000 52,767
 2010 65,239
 2011 65,519
 *2015 projected 70,491

**City of Frederick Planning Dept. Estimate*

Median Age

2009 35.5
 2010 35.7

Age Composition (2010 ESRI Estimates)

Under 5 years 7.2%
 5-19 years 19.6%
 20-24 years 7.5%
 25-44 years 29.3%
 45-64 years 24.9%
 65-74 years 5.3%
 75+ 6.0%

Percent Minority 30.6%



Household Income and Expenditures (2010 ESRI Estimates)

Median Household Income	\$6	1,794
Per Capita	\$2	9,783
Median Home Value		\$267,690
Median Home Sale Price (Single Family)		\$230,000
Median Home Sale Price (Condo/Coop)		\$184,006
Median Rent		\$639

Households and Housing Units

Total Housing Units	25,243
Owner Occupied	56.25%
Renter Occupied	43.75%
Vacant	6%

Economics:

Employment by Industry (%)

Agriculture/Mining	0.3%
Construction	9.0%
Manufacturing	5.6%
Wholesale Trade	2.5%
Retail Trade	11.8%
Transportation/Utilities	3.1%
Information	2.8%
Finance/Insurance/Real Estate	8.7%
Services	48.6%
Public Administration	7.4%

Taxes

Retail Sales Tax Rate	6%
Real Property Tax Rate	\$0.732*
Personal Property Tax Rate	\$1.55

(property taxes are per \$100.00 of assessed value)
**Reflects change to tax differential system*

2010 Property Tax Assessed Valuation

Real Property	\$6,762,305,403
Personal Property	\$ 157,839,901

Demographic and Statistical Profile

Major Taxpayers, Real Property Tax

Medimmune, Inc.
 River X, LLC
 State Farm Mutual Auto Insurance
 Aldi, Inc.
 ASN Sunset LLC
 FCP Crystal Park, LLC
 Westfreit Corp.
 Frederick Shopping Center
 Waverly Limited Partnership
 Fredericktowne Mall Association

Major Tax Payers, Personal Property Tax

BP Solar International, LLC
 Randall Family LLC
 Manufacturing and Traders Trust Co.
 Medimmune, Inc.
 Mid-Atlantic Medical Services, LLC
 Morningstar Foods, LLC
 Comcast
 State Farm Mutual Auto Insurance Co.
 Experient Inc.
 Fairchild Controls Corporation

Service Statistics:

Public Works (2010)

Water

Water Mains in Miles	220
Water Pump Stations	3
Number of Storage Tanks	6

Sewer

Sanitary Sewer Lines in Miles	161
Sewage Treatment Plants	1
Sewage Pump Stations	9



Streets

Street in Miles	275
Street Lights	9,050
Traffic Signals	71
Sidewalks in Miles	272



Storm Water

Storm Drain in Miles	210
Storm Water Pump Stations	4

Parking

Parking Garages	5
Garage Parking Spaces	2,499
Parking Area	3
Parking Area Spaces	158
On Street Parking Spaces	2,500

Airport

Runways	2
T-hangars	125
Corporate hangars	1

Economic Opportunity

Transitional Shelters	1
Transitional Apartments	3

Rental Operations

Apartment Buildings	1
---------------------	---

Demographic and Statistical Profile

Recreation (City Owned)

Parks	55
Parks in Acres	603
Golf Course	1
Swimming Pools	2
Tennis Courts	23
Municipal Stadiums	2
Fitness Center	1

Education: (County Provided)

Total Number of County Schools	64
Total Number of City Schools	12
Total Enrollment	40,484
City School Enrollment	8,710

Major Events:

Festivals & Entertainment

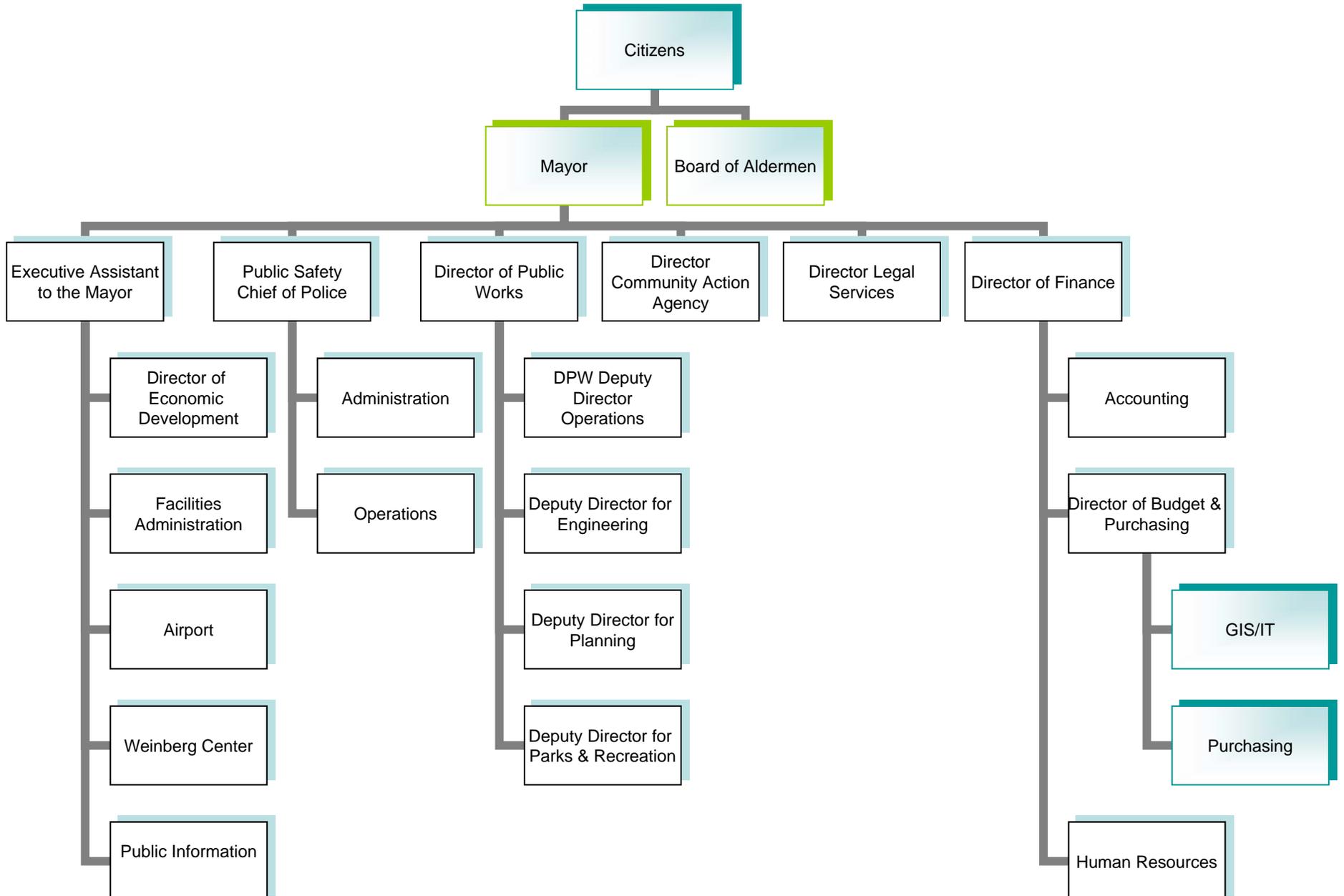
In the Streets Festival	September
Frederick's 4 th Independence Day Celebration	July 4
Summer Concert Series	June – August
Summerfest Family Theater	June – August
Holidays in Historic Frederick	December
Alive@Five Happy Hour on Carroll Creek	May-Sept
First Saturday Gallery Walk	Monthly Year Round
Frederick Festival of the Arts	June

Art, History & Recreation

- Weinberg Center for the Performing Arts
- Maryland Ensemble Theater
- Delaplaine Visual Arts Center
- National Museum of Civil War Medicine
- Schifferstadt Architectural Museum
- Francis Scott Key Burial Site
- Carroll Creek Park
- Clustered Spires Golf Course
- Frederick Keys Baseball



The City of Frederick Organizational Chart



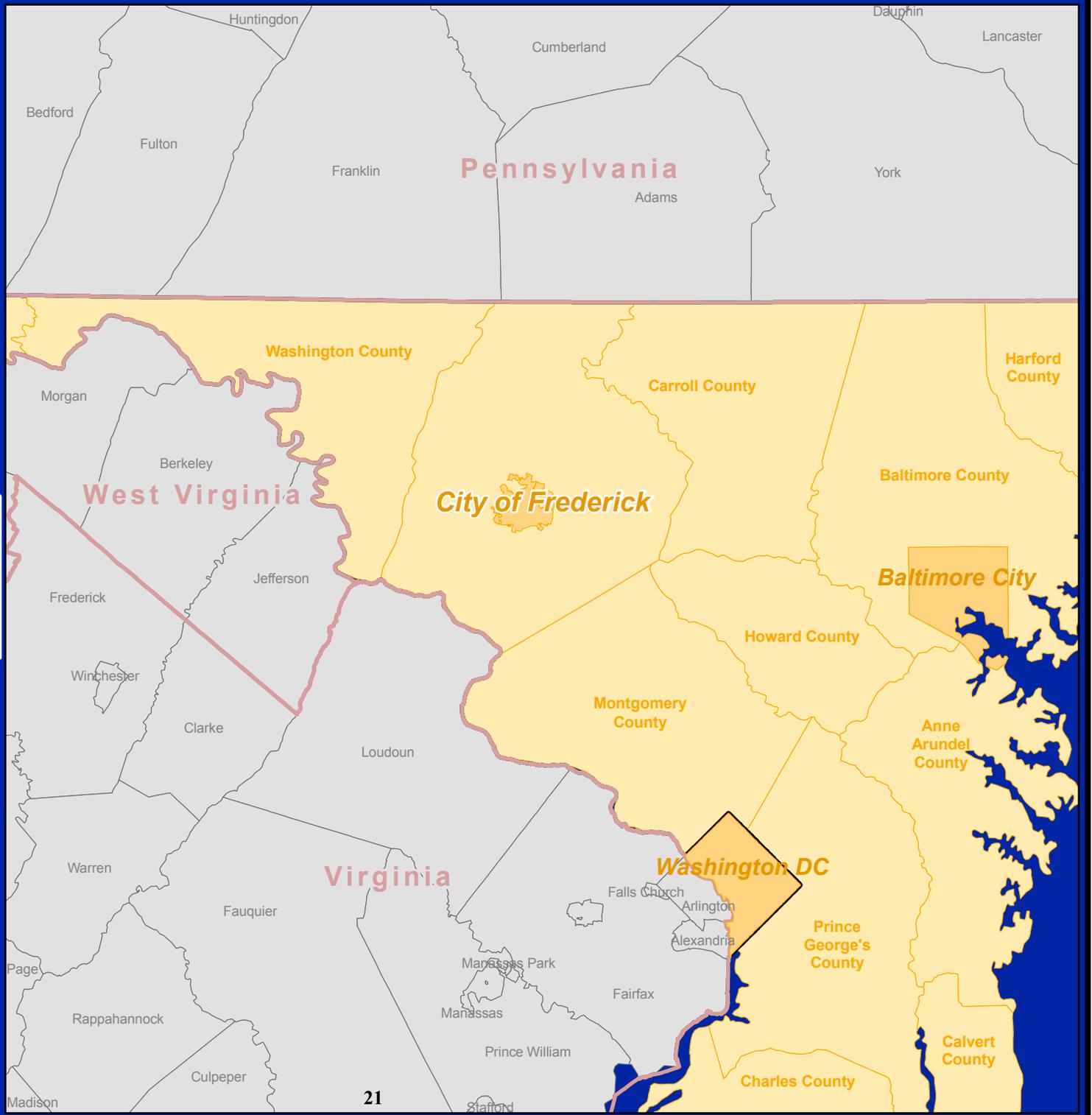
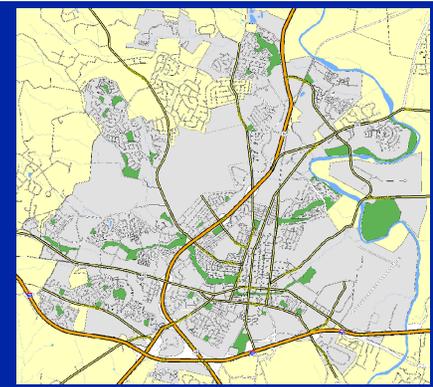
City of Frederick Regional Context Map



101 N Court St
Frederick, MD 21701
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F: 301-600-2233
www.cityoffrederick.com



Note: This map is prepared solely for the purpose of illustrating the City of Frederick. It should be used for no other purpose. Data on this map was prepared from several original sources and is subject to change as source data changes. This map is not a legal document. Orthophotos produced 6/26/2009. Maps produced by: mbowman



City of Frederick

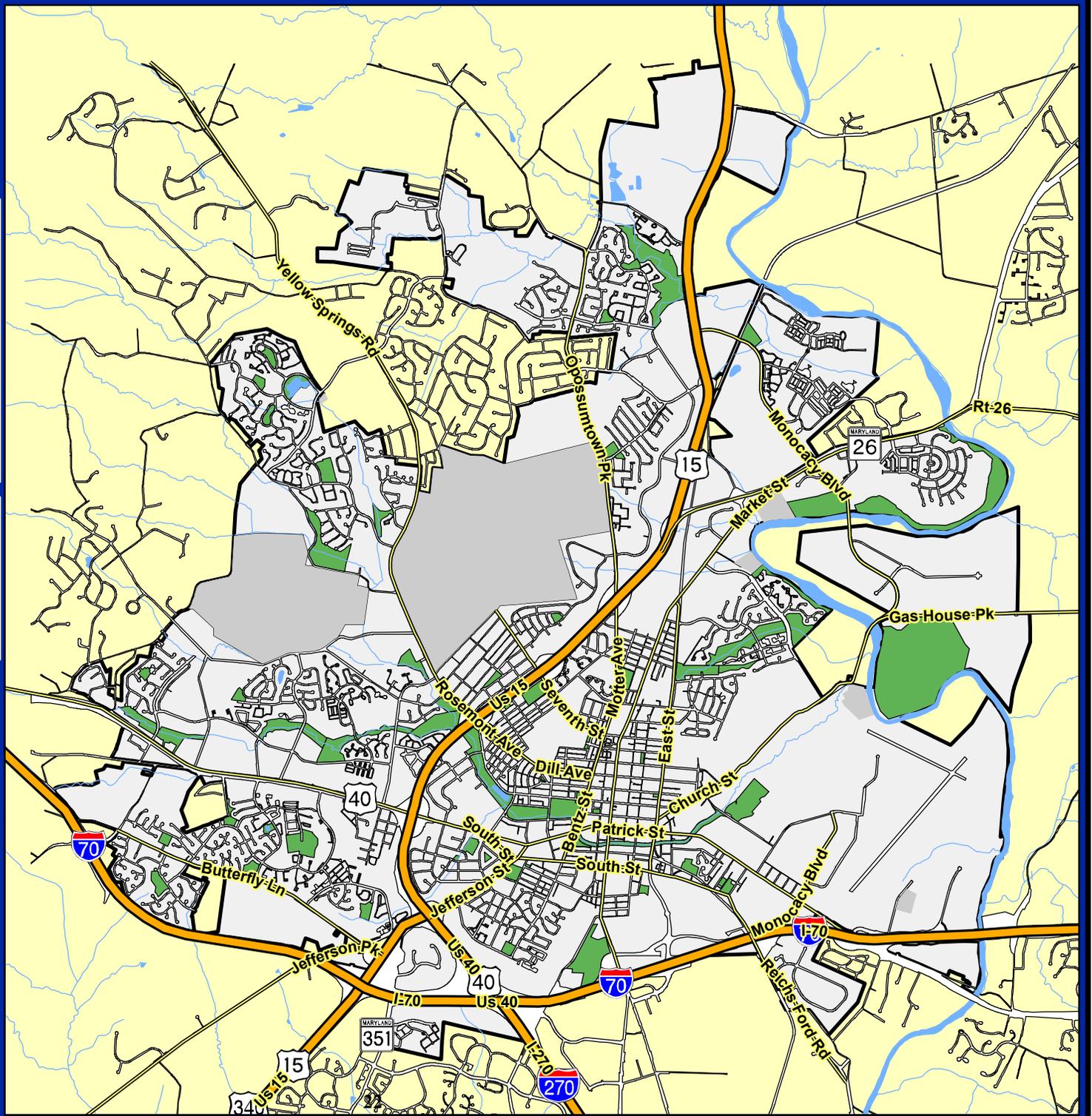
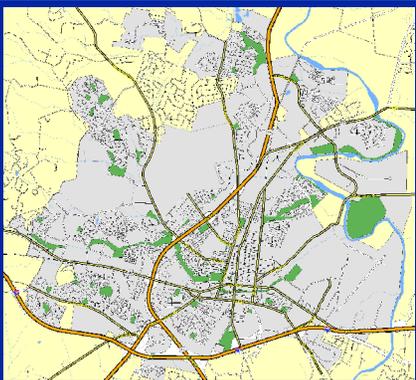
-  Major Roads
-  Highways
-  City Roads
-  Rivers and Lakes
-  Parks
-  City Boundary



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 Orthophotos produced 03/07
 Maps produced by: mbowman



Financial Management Policies

The financial statements of The City of Frederick are prepared in conformity with accounting principles accepted in the United States of America as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the government's accounting policies are described below.

The reporting entity

The City of Frederick, Maryland (the "City") was incorporated on January 14, 1817 by Chapter 74 of the Acts of the General Assembly of Maryland of 1816. The City operates under a Mayor/Council form of government and provides the following services as authorized by its Charter: public safety, public works, recreation and community development. As required by accounting principles generally accepted in the United States of America, these financial statements present the City and its component units, entities for which the City is considered to be financially accountable. A primary government is financially accountable for organizations that make up its legal entity. It is also financially accountable for legally separate organizations if its officials appoint a voting majority of an organization's governing body and either is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or specific financial burdens on, the primary government. Blended component units are, in substance, a part of the primary government's operations and so data from these units are combined with data of the primary government.

Based upon the above criteria, the following is a brief overview of each potential component unit addressed in defining the City's reporting entity.

Blended Component Units:

The City of Frederick Pension System - This plan is for the benefit of the employees of The City of Frederick. Aetna Life Insurance Company serves as manager for this plan with the City's Human Resource Manager serving as plan administrator and the Mayor and Board of Aldermen serving as the governing board. The City and the plan's participants are obligated to fully fund all plan costs based upon actuarial valuations.

The City of Frederick 25-Year Pension System - This plan is also for the benefit of the employees of The City of Frederick. The plan is managed by Aetna Life Insurance Company. The City's Human Resource Manager is the plan administrator and the Mayor and Board of Aldermen serve as the governing board. The City and the plan's participants are obligated to fully fund all plan costs based upon actuarial valuations.

Financial Management Policies

The City of Frederick 22-Year Pension System - This plan is for the benefit of sworn-in police officers of The City of Frederick. The plan is managed by Aetna Life Insurance Company. The City's Human Resource Manager is the plan administrator and the Mayor and Board of Aldermen serve as the governing board. The City and the plan's participants are obligated to fully fund all plan costs based upon actuarial valuations.

Weinberg Center for the Arts - This organization gives the Frederick community an opportunity to experience the visual and performing arts. A Board of Directors that is appointed by the Mayor and approved by the Board of Aldermen gives guidance to the City on Center operations. The Mayor and Board of Aldermen have final approval on Weinberg Center activities and function as the Weinberg Center's governing board.

Separate financial statements for the component units are not available.

Government-wide and fund financial statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the non-fiduciary activities of the primary government and its component units. For the most part, the effect of inter-fund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

Financial Management Policies

Measurement focus, basis of accounting, and financial statement presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenue to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Material revenues from property taxes, intergovernmental revenues and grants and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Other revenue items are considered to be measurable and available only when cash is received by the City.

The City reports the following major governmental funds:

The *General Fund* is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The *General Capital Improvements Fund* is used to account for activities relating to capital improvements that relate to general governmental activities.

The City reports the following major proprietary funds:

The *Water and Sewer Fund* is used to account for all activities relating to water and sewer service within the City. The fund operates water collection, treatment and distribution facilities as well as the sewage collection and treatment system.

The *Airport Fund* accounts for the operation and maintenance of the City's Airport.

Financial Management Policies

The *Parking Fund* is used to account for parking facilities and activities which include parking lots, decks and metered parking.

The *Storm Water Management Fund* is used to account for storm water related facilities and activities.

Additionally, the City reports the following fund type:

The *Pension Trust Funds* account for activities of the City's 3 retirement plans, which accumulate resources for pension benefit payments to qualified employees.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The City has elected not to follow subsequent private-sector guidance.

As a general rule the effect of inter-fund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule include the City's water and sewer fund charges to other functions of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various other functions.

Amounts reported as *program revenues* include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessment and impact fees. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Assets, liabilities, and net assets or equity

Cash and investments

Cash balances from all funds are combined and invested to the extent possible in certificates of deposit and other authorized investments, and are reflected in the combined balance sheet as equity in pooled cash/investments. Earnings from these investments are allocated among the various funds based on the average monthly inter-fund balances.

Financial Management Policies

Investments are stated at cost plus accrued interest, which approximates fair value, except for investments in the pension trust fund, which are reported at fair value.

For purposes of reporting the statement of cash flows, the City includes the following as cash and cash equivalents:

- a. Demand deposit accounts which are not subject to withdrawal restriction or penalties.
- b. Individual fund amounts due from the City's pooled cash/investment account, which is recorded as Equity in pooled cash/investments in the various individual funds only.
- c. Restricted cash and cash equivalents.
- d. Investments.

Receivables and payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from funds" (i.e., the current portion of inter-fund loans) or "advances to/from other funds" (i.e., the non-current portion of inter-fund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in the applicable governmental fund to indicate that they are not available for appropriation and are not expendable available financial resources.

All trade and property tax receivables are shown net of an allowance for uncollectibles.

The City's property tax is levied and the related revenue is recognized each July 1 on the assessed value listed as of the prior January 1 for all real property located within City boundaries which receive substantially all City services, except principal residences which are due and payable in semiannual installments at July 1 and December 31. Property tax revenues are recognized when they become available. Available means when due, or past due and receivable within the current period or soon enough thereafter to be used to pay liabilities of the current period. Assessed values are established by the Maryland State Department of Assessments and Taxation based on estimates of fair market value. A re-evaluation of all property is required to be completed every third year. Any increase in assessed value is phased in over a three-year period.

The billing and collection of real estate taxes is handled by the county government.

Financial Management Policies

Taxes that are due on July 1 become delinquent October 1. Semi-annual installments due on December 31 become delinquent January 1. Maryland state law establishes a lien on the property on the date of the levy. Property on which taxes are not paid by the following March 1 may be sold at tax sale.

The City considers receivables collected within sixty days after year-end to be available and recognizes them as revenues of the current year.

Inventories and prepaid items

Inventories are valued at cost, determined by the moving average method, in the governmental fund and at the lower of cost or market in the proprietary funds. Inventory consists of expendable supplies held for consumption or items for resale. Inventory in the General Fund is recorded under the consumption method, an expenditure when used, and is equally offset by a fund balance reserve in the fund financial statements which indicates that inventory does not constitute “available spendable resources” even though it is a component of net current assets.

Payments made to vendors for services that benefit periods beyond the end of the fiscal year, are recorded as prepaid items in both the government-wide and fund financial statements.

Deferred revenue

Governmental funds report *deferred revenue* in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds, along with proprietary funds, also defer revenue recognition in connection with resources that have been received, but not yet earned.

Restricted assets

Unspent bond proceeds are restricted for use to certain capital improvement projects, and as a result are classified as restricted assets on the balance sheet. Additionally, the City’s 1999 Tax Increment Financing agreement requires that certain funds be deposited with the trustee throughout the life of the bond issue. These funds are also recorded as restricted assets on the balance sheet.

Capital assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks and similar items); are defined by the City as assets with an initial, individual cost of \$5,000 or greater and an estimated useful life in excess of three years. Such assets are recorded at historical cost or estimated historical cost. Donated capital assets are recorded at estimated fair market value at the date of donation.

Financial Management Policies

When material in amount, interest related to construction projects is capitalized as a cost of the project.

Property and equipment of the primary government is depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	40-95 years
Equipment	3-25 years
Other improvements	10-50 years
Infrastructure	20-40 years

Compensated absences

It is the City's policy to permit employees to accumulate earned but unused vacation, compensatory and sick pay benefits. There is no liability for unpaid accumulated sick leave since the City does not have a policy to pay any amounts when employees separate from service with the City. All vacation and compensatory pay is accrued when incurred in the government-wide and proprietary fund financial statements.

Long-term obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of the debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs are reported as debt service expenditures.

Fund balance

In the fund financial statements, governmental funds report reserves for inventory, prepaid items and noncurrent loans receivable to segregate that portion of fund balance which does not represent "available spendable resources". Reserves for encumbrances are segregated to indicate that portion of fund balance which is committed for expenditure and is therefore not available for future appropriation. Designations of unreserved fund balances indicate City management's plans to use financial resources in a future period.

Financial Management Policies

Net assets

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net assets invested in capital assets, net of related debt excludes unspent debt proceeds. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

The City first applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

Budgetary information

The City follows these procedures in establishing the budgetary data:

1. Prior to March 15th, the Mayor requests all departments to submit their proposed operating budgets for the fiscal year commencing the following July.
2. All budget requests are compiled by the Finance Department and presented to the Mayor and Board of Aldermen for review, together with comparative and supporting data. The basis for budgeting is consistent with the basis of financial reporting as described in these policies.
3. Public hearings are properly advertised and conducted at City Hall for taxpayer comments.
4. Prior to May 30th, the Mayor formally presents the balanced budget and budget message to the Board of Aldermen at a public meeting. The budget is “balanced” when operating revenues are equal to operating expenses. The budget message includes a statement of pending capital project programs for the next 5 fiscal years. Additional taxpayer comments are requested.
5. Prior to June 29th, the budget is legally enacted through the passage of an ordinance.
6. Budgetary control is maintained at the departmental sub-function level. The Mayor may approve the transfer of funds within a department; however, any transfers required between departments must be approved by the Board of Aldermen. Any change in the total budget amount requires the approval of the Board of Aldermen. The final budget amounts are reported based on the original budget adjusted for authorized transfers and amendments.

Financial Management Policies

Annual operating budgets are appropriated for the general and special revenue funds. Appropriations which have not been expended or lawfully encumbered lapse at the end of the budget year. Any lawfully encumbered appropriations at year end are carried forward to the following year and increase the following year's budget appropriation by the amount of the encumbrance(s).

Budgetary control is achieved through a capital improvements program for all capital projects funds.

Any excess of total expenditures and encumbrances over total budgeted appropriations by individual departments is in violation of certain legal provisions.

Encumbrances related to grant-funded contracts may cause a deficit undesignated fund balance in some funds. This results from a timing difference between the recording of the original encumbrance of the contract and the recognition of the grant revenue when it is measurable and available.

Reporting of actual to budgeted revenues and expenditures to the Mayor and Board of Aldermen occurs on a quarterly basis.

Deposits and investments

The City maintains a cash and investment pool that is available for use by all funds. Deposits and certificates of deposit are carried at cost plus accrued interest. The City is restricted by state law as to the kinds of investments that can be made. Authorized investments include, (1) deposits in banks, savings and loan, etc., which have the lawfully required escrow deposits, or which have authorized collateral, (2) any obligation for which the United States has pledged its faith and credit of the payment of the principal and interest, (3) any obligation that a federal agency issues in accordance with an act of Congress, (4) a repurchase agreement that any of these obligations secures, or (5) with respect to bond sale proceeds only, bonds, notes or other obligations of investment grade quality (as established by a nationally recognized rating agency) issued by or on behalf of the State of Maryland or any other state or any agency, department, county, municipal or public corporation, special district, authority, or political subdivision thereof, or in any fund or trust that invests only in securities of the type described in this section. The pension trust fund's investment portfolio includes investments in fixed income securities, equities, money market funds and real estate.

The City of Frederick may invest in U.S. Treasury obligations, U.S. Government Agency Securities, repurchase agreements secured by U.S. Treasury obligations or U.S. Government agency securities, the Maryland Local Government Investment Pool, interest bearing accounts in any bank as provided by Article 95, Section 22 of the Annotated Code of Maryland or shares in an investment company or investment trust as provided by Article 95, Section 22N of the Annotated Code of Maryland.

Financial Management Policies

Debt and financial administration policies

Operating budget policies

1. The budget will be prepared, presented and administered by the Budget Director. The budget is a resource-allocation policy document for the Mayor and Board of Aldermen.
2. The budget document will be prepared so that it facilitates public study and effectively communicates key economic issues and fiscal policies. The budget process will encourage public involvement.
3. By Charter, the budget must be balanced. Revenues must equal or exceed expenditures. Generally, current operating revenue should be sufficient to support current operating expenditures.
4. Debt or bond financing will not be used to finance current operating expenditures.
5. Generally, all enterprise funds should be fully self-supporting and provide for their own system improvement and expansion needs.
6. The goal of each fund is to budget for, and pay, their fair share of public utility and public service costs or fees. Each fund is to be treated as though it were a private customer or taxpayer to properly provide for payments between funds.
7. In addition to its annual operating budget, the City will prepare five-year budget projections and an analysis of its past financial trends to obtain a broader, more comprehensive picture of the impact of decisions involving the current year's budget or other financial plans.
8. The City will develop a program to integrate performance measurement and productivity indicators with the annual budget.
9. Budget performance will be monitored and reported on throughout the year. The department managers are an integral part of the budget control process and will be responsible for their individual department's performance.
10. Generally, the City will use one-time revenues for one-time expenditures. One-time revenues may include prior year surpluses in excess of the rainy day reserve or other windfalls such as asset sales. One-time expenditures generally consist of pay-as-you-go capital spending, but may also include other one-time spending such as increased pension plan contributions, or OPEB funding. They should not be used in budgeting for operating expenditures.
11. The Mayor and Board will annually review and update as necessary fiscal policies related to the City budget by December 1st of each year.
12. In accordance with Maryland law, the budget can be amended during the fiscal year by a supermajority – i.e., at least 4 members – of the Board of Aldermen.

Financial Management Policies

Revenue policies

1. The City will try to maintain a diversified and stable revenue system to aid in sheltering it from the impact of short-term fluctuations in any one revenue source.
2. The City will attempt to continually search for new revenue as a way to diversify its revenue base and help ensure a balanced budget.
3. Wherever possible, those receiving the benefits of a government or utility service will pay for what they receive in full; through current fees, charges, or other assessments. This includes the City's own utilities and other departments who are service "users".
4. Nonrecurring revenues and other financing resources should not be used to fund continuing operations. Long-term financial commitments to continuing outlays will be avoided unless sustained revenue growth is predictable. Income from the sale of property or other assets will not be utilized to fund operations.
5. The City will project revenues for 5 years and will update the projections annually.
6. Revenue estimates will be based on reasonable expectations and be as realistic as possible. If fund balances become insufficient to absorb occasional shortfalls, more conservative estimates may be used.
7. The City will annually review its fees and other charges for service and property tax rates, and utilize annual incremental increases as needed to ensure that the City can deliver appropriate levels of essential public services.
8. Market rates and charges levied by other public and private organizations for similar services will be considered when establishing rates, fees, and charges.

Debt policies

1. The City should limit its long-term borrowing to Capital Improvements, or to projects that cannot be financed on a "pay-as-you-go" basis with current revenues within a reasonable period of time.
2. The City will not use long-term debt to fund current operating costs.
3. Capital Projects financed through the issuance of bonds will not be financed for longer than the expected useful life of the project or asset.
4. Interest and construction expenses will be capitalized only for enterprise or utility fund facilities and will be strictly limited to those expenses incurred prior to actual operation of the facilities.
5. The City will make its best effort to keep the maturity of general obligation bonds at or below 20 years.
6. Generally, enterprise or utility fund related debt service will be self-liquidating or supported by the revenues of the utility itself.

Financial Management Policies

7. The City will avoid the use of short-term tax anticipation or other short term debt for non-capital purposes except when necessitated by cash flow or other "emergency" situations. Any bond anticipation debt will be retired within 6 months after completion of the project it financed. Continual rollover of short-term debt without principal pay down will be avoided.
8. The City will maintain good communications with the bond rating agencies about its financial condition and will follow a policy of full and open disclosure on every financial report and bond prospectus.

Tax supported indebtedness

1. The City will not issue direct tax-supported indebtedness that exceeds 2.5% of the total taxable assessed value within the City.
2. Debt service on the City's tax supported indebtedness may not exceed 13% of the General Fund budget.
3. The City will strive to maintain a 10-year debt payout ratio of at least 50%.
4. The City recognizes that underlying and contingent debt can create tax rate differentials for residents and businesses within the City. Therefore, the City will limit the amount of such indebtedness it authorizes to not more than 1% of the total taxable assessed value.

Financial planning policies

1. The City recognizes the fact that Credit rating agencies monitor levels of fund balance and unrestricted fund balance in a government's General Fund to evaluate a government's continued credit worthiness.
2. It is essential we maintain adequate levels of fund balance to mitigate current and future risks such as revenue shortfalls and unanticipated expenditures. We also want to ensure, to the extent possible, stable tax rates. Fund balances are a critical tool in long-term financial planning. In addition, fund balances are a necessary requirement for contingency planning (sudden and severe decreases in locally collected revenues or intergovernmental aid and unexpected major capital maintenance requirements.)

The rainy day reserve

1. The City will maintain an unreserved, undesignated General Fund balance equal to 12% of total General Fund expenditures (including transfers out) as a "rainy day" reserve to provide for adequate working capital and to provide funds to meet unforeseen emergencies.

Financial Management Policies

2. The Board of Aldermen has the total discretion to determine whether circumstances or events constitute an “unforeseen emergency”. In accordance with Maryland law, any expenditures of funds from the rainy day reserve must be approved by a supermajority – i.e., at least 4 members – of the Board of Aldermen.
3. Following any decision by the Board of Aldermen to use the rainy day reserve or any portion thereof, the Board of Aldermen will enact a financial plan designed to restore the rainy day reserve to the 12% level within the following 2 fiscal years thereafter.

The budget stabilization reserve

1. The Board of Aldermen may establish a “budget stabilization” reserve in any fund to protect against the need to reduce service levels or raise taxes and fees due to temporary revenue shortfalls or unpredicted one-time expenditures. The budget stabilization reserve in the General Fund is separate from, and in addition to, the rainy day reserve.
2. The Board of Aldermen will determine the balance of the budget stabilization reserve, if any, for a given fiscal year as part of the adoption of the City’s annual budget. The Board of Aldermen has the total discretion to determine use of this reserve.
3. The Board of Aldermen may increase or decrease the amount of the reserve during the fiscal year in accordance with Maryland law requiring approval by a supermajority – i.e., at least 4 members – of the Board of Aldermen.

Budget Overview

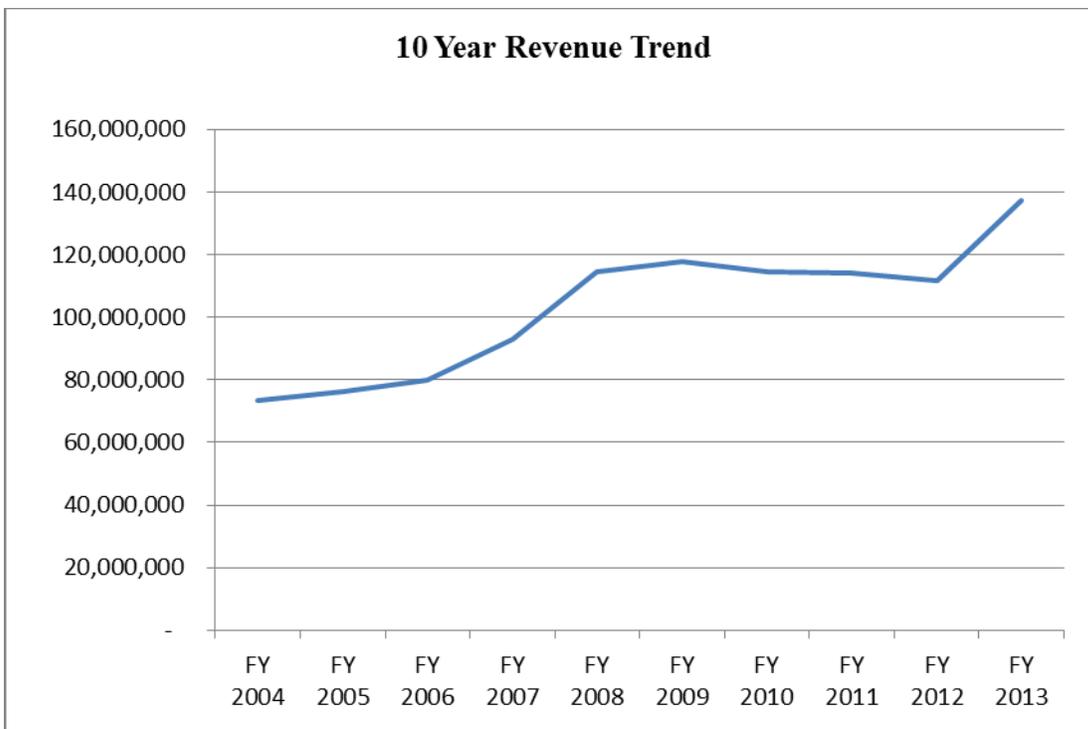
Budget summary

The City of Frederick adopted a budget of \$137,362,981 for the fiscal year ending June 30, 2013. This is an increase of 23.02% over the prior year. The General Fund budget increased 10.86% from the prior year to \$82,040,954.

Revenue projections include \$9,642,484 of fund balance to be used for one time purchases and \$13,655,000 in proceeds from the anticipated refinancing of certain Airport bonds.

General Fund tax revenues are projected to increase by 16.12%, however this includes the change in methodology for tax setoff reimbursements and is offset by a corresponding decrease in intergovernmental revenues. This is discussed in detail on page 81. Property tax assessments have increased 1% over the prior year and rates were increased for water, sewer, and parking system users.

The graph below shows the 10 year revenue trend for all City funds:



Employee and employee benefit costs remain the largest operating expense at approximately 50% of operational expenditures. A 3% cost of living increase was approved for civilian employees and sworn officers will receive scheduled step increases per the contract with the Fraternal Order of Police.

Budget Overview

Required contributions to the City's pension plans increased 5.34% from FY 2012. The City's contribution to the OPEB trust is consistent with the prior year. The Board of Aldermen elected to make additional contributions of \$400,000 to both the pension and OPEB trust funds with available fund balance.

Funding was provided for the street maintenance program in the amount of \$1,692,266 compared to FY 2012 funding of \$403,000. An additional \$213,695 was allocated to economic development initiatives including \$70,000 for a business incentive matching fund, \$48,522 for advertising and \$30,000 for industry specific consulting services. \$1,822,776 of investment will also be made to replace vehicles and equipment no longer in service.

Debt service includes a \$13,655,000 lump sum payment due on certain Airport bonds. These bonds are expected to be refinanced in FY 2013. Transfers to other funds have increased 113.69% due to an increase in capital project contributions. Details on the Capital Improvements Program can be found on pages 158-220.

Budget goals

In prior years, the City's main budget objective was to avoid tax rate increases while maintaining essential services for residents. In FY 2013, with signs of economic recovery and a large available fund balance, the focus shifted to identifying funding priorities consistent with the Administration's policy goals.

By request of the Board of Aldermen, the Mayor held a public hearing on November 30, 2012 to give the Board and the residents an opportunity to speak about their budget priorities.

The meeting resulted in an overall understanding of the goals for the FY 2013 budget, which were as follows:

- Craft a fiscally responsible budget which reflects the priorities of the community
- Produce a net savings to taxpayers through the implementation of tax differential, reduction of duplication between City and County taxes, or both
- Provide a cost of living increase for civilian employees
- Fully fund the OPEB actuarial recommendation
- Allocate additional resources to public safety and fund a police academy class to increase strength to 138 officers
- Allocate additional personnel for code enforcement
- Maintain or increase funding levels for economic development and the Frederick Community Action Agency
- Reinstate the planned road maintenance schedule, bulk trash pickup, and the educational assistance program
- Fund supervisory and other training opportunities for City staff

Budget Overview

- Allocate funds for Aldermen to use for training and conferences and provide 100% of the lodging costs for the Maryland Municipal League Conference
- Fund the completion of the Carroll Creek Linear Park project
- Fund bicycle infrastructure improvements

While the majority of the goals were accomplished in the FY 2013 adopted budget, funding was not allocated for the full OPEB actuarial recommendation, bulk trash pickup or the educational assistance program.

The Mayor and the Board also discussed long term issues and determined future consideration should be given to the following:

- Elimination of the structural deficit in the next 3 years
- Implementation of pension and OPEB reform
- Implementation of a tax credit for senior citizens
- Increasing recycling programs
- Preparation of a report on City infrastructure
- Evaluation of the current method of merit increases for civilian employees

FY 2013 budget plan

In FY 2013, the Mayor continued with the “zero based” budget approach. In traditional budgeting, Directors and Department Heads would only have to justify the increase in costs over the prior year. In zero based budgeting, each department is reviewed comprehensively and each expenditure line item is reviewed in detail. This approach does not focus on a department increase or decrease, but on the necessity of each item on an individual basis.

The Mayor, along with the Budget Director, met with Directors to review budget requests in detail. Discussions focused on the necessity of expenditures regardless of the amount. Directors were forthcoming and cooperative with this approach. Through the efforts of all those involved, the budget was balanced and presented to the Board of Aldermen on March 28, 2012.

The graph below illustrates the timeline of the City’s budget process:

	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	May 17, 2012
Departments prepare budget requests									
Budget review meetings									
Mayor balances budget									
Public hearings and workshops									
Adoption of budget and tax rate									

Budget Overview

The FY 2013 budget calendar was as follows:

FY 2013 Budget Calendar

Operating budget packets to department	October 26
Public hearing to discuss budget priorities	November 30
Operating budget requests due from departments	December 30
Finance and department review meetings	January 16 – January 27
Mayor and department review	January 30 – February 10
Balancing of budget	February 13 – March 19

FY 2013 Budget Workshops

March 28, 2012: Presentation of Balanced Budget
3:00pm – City Hall Board Room

FY 2013 Budget Public Hearings

April 4, 2012: 7:00pm – City Hall Board Room
April 11, 2012: 7:00pm – City Hall Board Room
April 18, 2012: 7:00pm – City Hall Board Room
April 25, 2012: 7:00pm – City Hall Board Room
May 2, 2012: 7:00pm – City Hall Board Room
May 9, 2012: 7:00pm – City Hall Board Room
May 17, 2012: 7:00pm – City Hall Board Room

Budget Overview

Long term financial planning

The City is making comprehensive revisions to the development of its 5 year Capital Improvements Program which incorporates elements of the City's Comprehensive Plan, the Engineering and Public Works Strategic Plan, the Airport Master Plan, and the Water and Sewer Master Plan. The Capital Improvements Program not only tabulates the actual development cost of each project, but also identifies creative new funding sources such as tax increment financing, impact fees, special assessments and grants in addition to traditional bond funding and operating transfers. The Capital Improvements Program also identifies future operating costs for each project. Details on the Capital Improvements Program can be found on pages 158-220.

The City is encouraging private investment through property and income tax credits for the Historic District, Arts District, and the Golden Mile Commercial District. A New Jobs Tax Credit Program has also been established which will award a credit based on the expansion of a facility and the number of new, permanent, full time positions created over a two year period. These short term tax credits provide needed incentives for private sector capital reinvestment and revitalization in the properties of the area.

The City is considering annexation requests for two properties. Proposed development of these properties includes additional residential units, commercial space, park land, a future school site and a new water tower.

In January 2012, the Mayor and Board of Aldermen began the process of creating a strategic plan for the City. The objectives of the strategic plan are to create strategies, goals and performance based measurements to drive the budget in the short term and transcend multiple administrations in the long term. The main themes of the strategic plan are long term stability, economic development, public safety, infrastructure, environmental sustainability, quality of life, innovative government, planning and development.

SPECIAL ORDINANCE S-12-07

A SPECIAL ORDINANCE ESTABLISHING THE TAX RATE FOR THE ASSESSABLE PROPERTY IN THE CITY OF FREDERICK, MARYLAND, FOR THE FISCAL YEAR JULY 1, 2012, TO JUNE 30, 2013.

WHEREAS, by Section 107 of the Charter of The City of Frederick, Maryland, the City shall have the power to levy annually on the assessable property in said City and collect such taxes as in its judgment may be necessary to pay all the debts, obligations, and expenses of the City government which have been or may hereafter be lawfully incurred; and

WHEREAS, the Mayor and Board of Aldermen did meet in public on May 17, 2012, and did by majority impose and levy the proposed sum of Seventy-Three and 2/10 Cents (\$0.732) on each and every One Hundred Dollars (\$100.00) of assessable real property and One Dollar and Fifty-Five Cents (\$1.55) on each and every One Hundred Dollars (\$100.00) of assessable business personal property for the fiscal year July 1, 2012 to June 30, 2013, on taxable property within the corporate limits of The City of Frederick subject to assessment and taxation under the provisions of the Charter and Code of The City of Frederick, Maryland, and the laws of the State of Maryland.

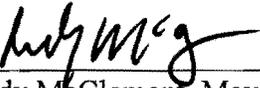
NOW, THEREFORE:

SECTION I: BE IT ENACTED AND ORDAINED BY THE MAYOR AND BOARD OF ALDERMEN OF THE CITY OF FREDERICK, that the sum of Seventy-Three and 2/10 Cents (\$0.732) on each and every One Hundred Dollars (\$100.00) of assessable real property, and One Dollar and Fifty-Five Cents (\$1.55) on each and every One Hundred Dollars (\$100.00) of assessable business personal property, be and the same are hereby imposed and levied for the fiscal year July 1, 2012 to June 30, 2013, on taxable property within the corporate limits of The City of Frederick subject to assessment and taxation under the provisions of the Charter and Code of The City of Frederick, Maryland, and the laws of the State of Maryland.

SECTION II: BE IT FURTHER ENACTED AND ORDAINED BY THE AUTHORITY

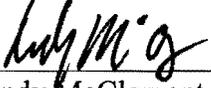
AFORESAID, that this Ordinance shall take effect on July 1, 2012.

APPROVED: May 17, 2012



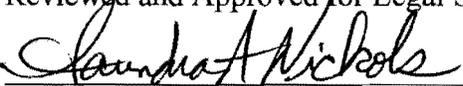
Randy McClement, Mayor

PASSED: May 17, 2012



Randy McClement, President
Board of Aldermen

Reviewed and Approved for Legal Sufficiency:



Legal Department

SPECIAL ORDINANCE S-12-08

A SPECIAL ORDINANCE PROVIDING FOR THE ADOPTION OF THE BUDGET OF THE CITY OF FREDERICK, MARYLAND FOR THE FISCAL YEAR JULY 1, 2012, TO JUNE 30, 2013.

WHEREAS, by Section 92 of the Charter of The City of Frederick, Maryland, it is provided that the budget shall be prepared and adopted in the form of an ordinance upon a favorable vote of at least a majority of the total membership of the Board of Aldermen; and

WHEREAS, the Mayor and Board of Aldermen did meet in public on May 17, 2012, and did by a majority vote to accept and approve the budget, as submitted by the Mayor in a public meeting of the Mayor and Board of Aldermen on March 28, 2012, and as amended by memoranda from the Mayor to the Board of Aldermen dated May 15, 2012, and as amended at the meeting of the Mayor and Board of Aldermen on May 17, 2012 and passed by a majority at the same meeting of the Mayor and Board of Aldermen on May 17, 2012 as required by Section 92 of the Charter of The City of Frederick, Maryland.

NOW, THEREFORE:

SECTION I: BE IT ENACTED AND ORDAINED BY THE MAYOR AND BOARD OF ALDERMEN OF THE CITY OF FREDERICK, that the budget for The City of Frederick, Maryland, for the fiscal year July 1, 2012, to June 30, 2013, as submitted at the meeting of the Mayor and Board of Aldermen on March 28, 2012, and as amended by memoranda from the Mayor to the Board of Aldermen dated May 15, 2012, and as amended at the meeting of the Mayor and Board of Aldermen on May 17, 2012 and passed by a majority at the same meeting of the Mayor and Board of Aldermen on May 17, 2012 as required by Section 92 of the Charter of The City of Frederick, Maryland, and incorporated herein by reference, be and the same is hereby adopted.

SECTION II: BE IT FURTHER ENACTED AND ORDAINED BY THE AUTHORITY

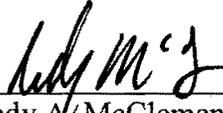
AFORESAID, that this Ordinance shall take effect on July 1, 2012.

APPROVED: May 17, 2012



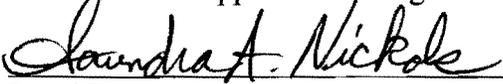
Randy A. McClement, Mayor

PASSED: May 17, 2012



Randy A. McClement, President
Board of Aldermen

Reviewed and Approved for Legal Sufficiency:



Legal Department

All Funds Summary

The City budget is organized by funds. A fund is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. All of the funds of the City can be divided into the following categories:

Governmental funds - Governmental funds are generally used to account for tax-supported activities. The City maintains five individual governmental funds including the General Fund, the Capital Improvements Program, the Weinberg Center for the Arts, and 2 fiduciary funds described below.

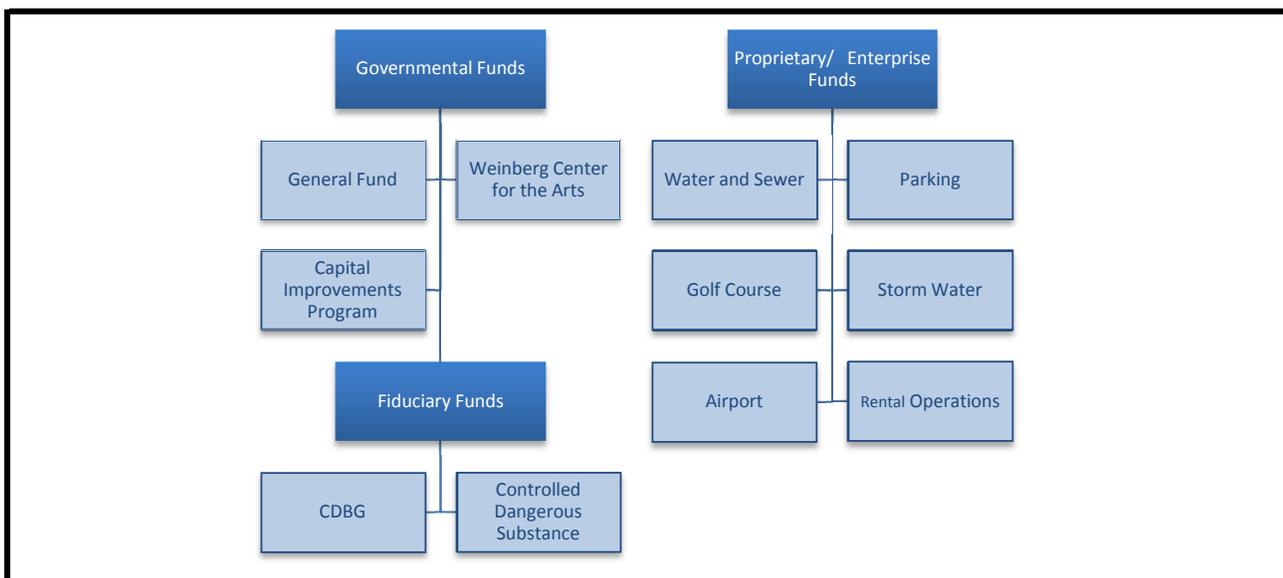
Proprietary funds - The City maintains enterprise funds used to report the functions presented as business type activities in the government-wide financial statements; specifically, Water and Sewer, Airport, Parking, Storm Water, Golf Course, and Rental Operations.

Fiduciary funds - Fiduciary funds are used to account for resources held for the benefit of parties outside the government. These funds are restricted by legal and regulatory provisions to finance specific activities. The City's fiduciary funds are used to account for Community Development Block Grants (CDBG) and Controlled Dangerous Substance revenue sources.

Capital Improvements Program - The Capital Improvements Program is used to account for financial resources and expenditures applied to the construction of capital facilities and the purchase of major items for all governmental fund types.

Fund Overview

The City's Budget Contains 10 Operating Funds and 1 Capital Fund



All Funds Summary

Revenues - All Funds

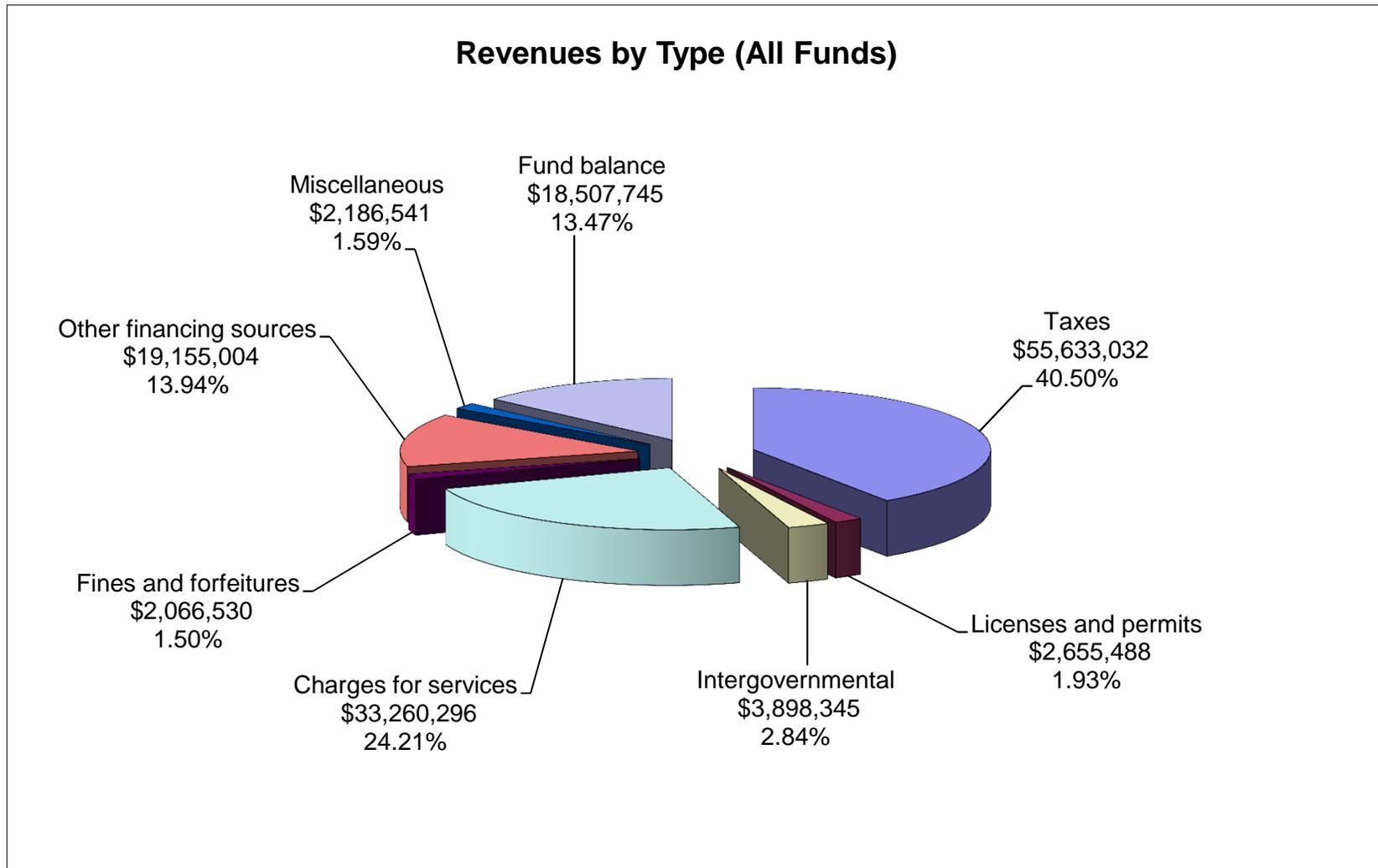
	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Actual
Taxes	55,633,032	47,910,631	16.12%	52,976,547
Licenses and permits	2,655,488	2,270,074	16.98%	1,982,722
Intergovernmental	3,898,345	9,483,535	-58.89%	9,078,434
Charges for services	33,260,296	32,042,739	3.80%	28,509,613
Fines and forfeitures	2,066,530	1,674,730	23.39%	1,256,858
Other financing sources	19,155,004	5,289,823	262.11%	10,253,731
Miscellaneous	2,186,541	1,882,053	16.18%	2,051,841
Fund balance	18,507,745	11,101,208	66.72%	-
Total Revenues	\$ 137,362,981	\$ 111,654,793	23.02%	\$ 106,109,746

Expenditures - All Funds

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Actual
Personnel	58,019,900	56,354,785	2.95%	55,348,958
Supplies	11,943,832	10,794,097	10.65%	9,719,978
Other services and expenses	13,628,234	10,851,599	25.59%	9,644,700
Capital outlay	1,822,776	280,341	550.20%	215,975
Depreciation	-	-	0.00%	7,143,393
Contingency	410,000	487,949	-15.97%	-
Debt service	33,211,146	19,912,380	66.79%	11,494,342
Transfers to other funds	9,519,105	4,454,553	113.69%	3,229,605
Fund balance (Reserves)	8,807,988	8,519,089	3.39%	-
Total Expenditures	\$ 137,362,981	\$ 111,654,793	23.02%	\$ 96,796,951

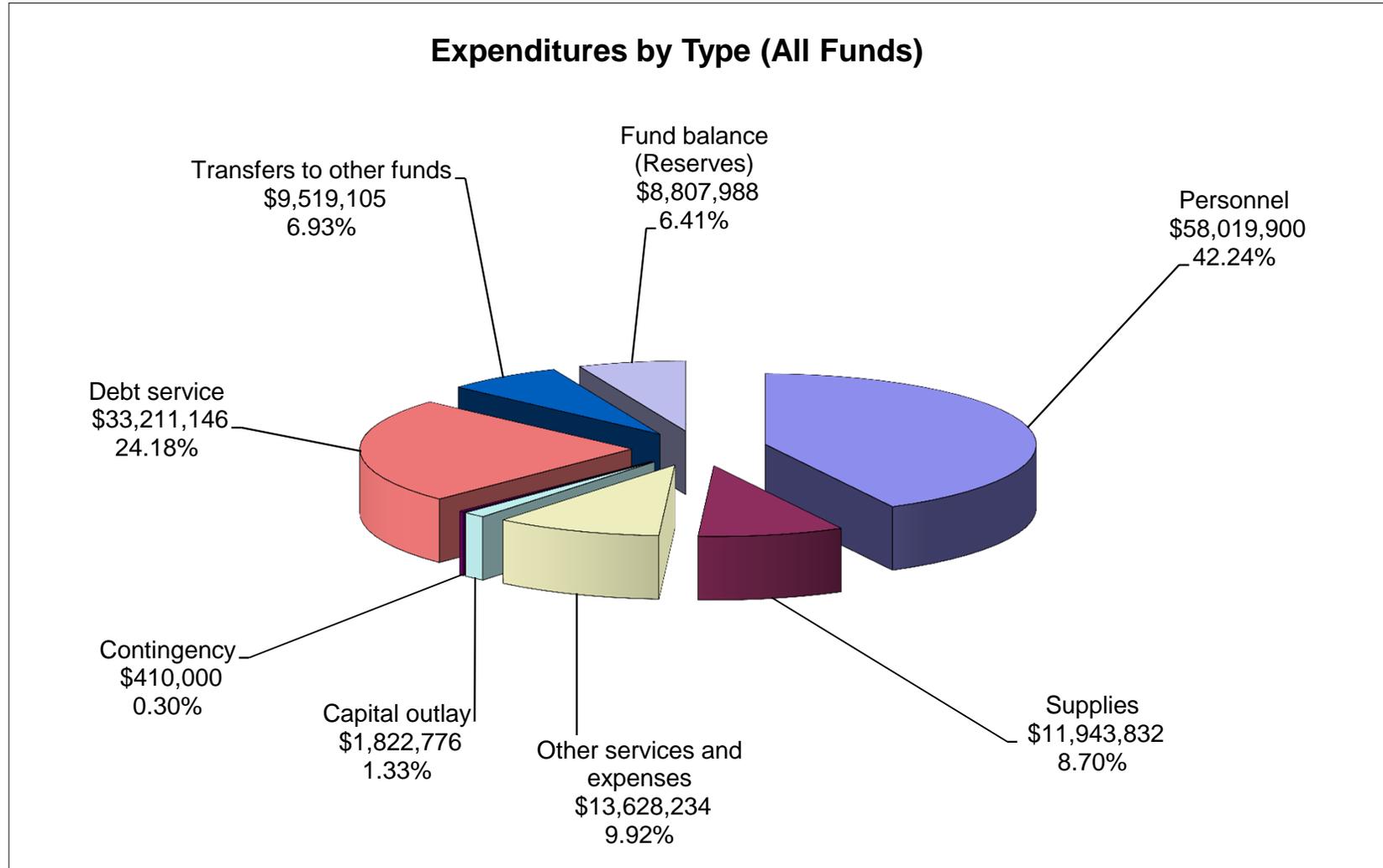
All Funds Summary

The following graph shows the breakdown of revenues by type for the FY 2013 Adopted Budget.



All Funds Summary

The following graph shows the breakdown of expenditures by type for the FY 2013 Adopted Budget.

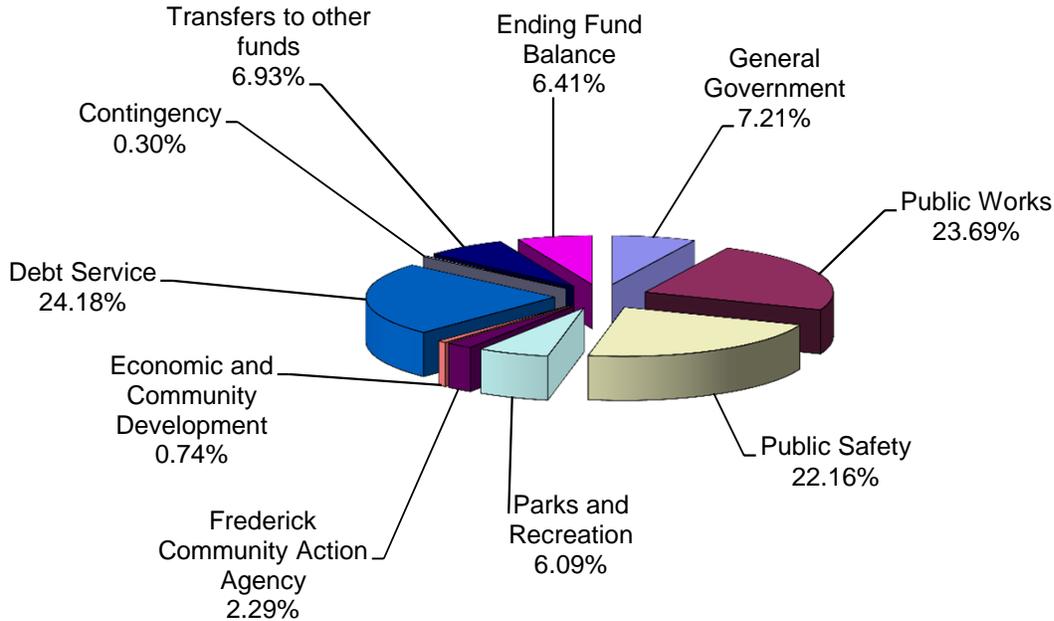


All Funds Summary

Expenditures by Category

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Actual
General Government	\$ 9,902,538	\$ 9,254,474	7.00%	\$ 8,989,912
Public Works	32,544,841	29,373,950	10.79%	34,252,275
Public Safety	30,441,263	28,245,865	7.77%	27,039,492
Parks and Recreation	8,368,467	7,530,137	11.13%	7,730,639
Frederick Community Action Agency	3,147,430	2,896,345	8.67%	2,992,830
Community Development	406,526	590,159	-31.12%	520,908
Economic Development	603,677	389,892	54.83%	546,948
Debt Service	33,211,146	19,912,380	66.79%	11,494,342
Contingency	410,000	487,949	-15.97%	-
Transfers to other funds	9,519,105	4,454,553	113.69%	3,229,605
Ending Fund Balance	8,807,988	8,519,089	3.39%	-
Total Expenditures	\$ 137,362,981	\$ 111,654,793	23.02%	\$ 96,796,951

Expenditures by Category (All Funds)



All Funds Summary

The schedule below shows the anticipated beginning and ending fund balance for the General and Enterprise funds (Fiduciary funds are not included). The uses of fund balance detailed below are within the financial administration policy guidelines as set forth by the Board of Aldermen. The fund balance is the accumulated total of all prior years' actual revenues in excess of expenditures.

FY 2013 Adopted Budget - Use of Fund Balance

	General Fund	Water and Sewer	Parking	Golf Course	Storm Water	Airport	Weinberg	Rental Operations	Total
Beginning fund balance	\$ 17,500,000	\$ 5,000,000	\$ 1,500,000	\$ -	\$ 1,500,000	\$ -	\$ -	\$ -	\$ 25,500,000
Revenues									
Operational revenues	64,255,788	23,229,700	4,443,056	1,673,000	1,830,000	906,413	841,089	-	97,179,046
Other financing sources	1,856,000	2,554,080	-	290,596	7,500	14,283,326	136,082	27,420	19,155,004
Miscellaneous	1,339,396	7,200	347,471	-	-	7,200	476,250	9,024	2,186,541
Use of fund balance:									
Capital improvements program	2,250,106	3,260,832	-	-	495,514	-	-	-	6,006,452
Capital purchases	1,469,676	-	104,356	-	-	-	-	-	1,574,032
Street maintenance program	1,262,000	-	-	-	-	-	-	-	1,262,000
Additional Pension contribution	400,000	-	-	-	-	-	-	-	400,000
Additional OPEB contribution	400,000	-	-	-	-	-	-	-	400,000
Reserves	8,807,988	-	-	-	-	-	-	-	8,807,988
Total use of fund balance	14,589,770	3,260,832	104,356	-	495,514	-	-	-	18,450,472
Total revenues	82,040,954	29,051,812	4,894,883	1,963,596	2,333,014	15,196,939	1,453,421	36,444	136,971,063
Expenditures									
Operational expenditures	59,488,239	14,524,277	2,115,014	1,883,368	925,422	632,107	1,453,421	36,444	81,058,292
One time expenditures	5,781,782	3,735,591	104,356	-	1,250,000	-	-	-	10,871,729
Debt service	7,098,537	8,941,944	2,425,513	80,228	100,092	14,564,832	-	-	33,211,146
Contingency	100,000	200,000	100,000	-	10,000	-	-	-	410,000
Other transfers	764,408	1,650,000	150,000	-	47,500	-	-	-	2,611,908
Reserves	8,807,988	-	-	-	-	-	-	-	8,807,988
Total expenditures	82,040,954	29,051,812	4,894,883	1,963,596	2,333,014	15,196,939	1,453,421	36,444	136,971,063
Ending fund balance	\$ 2,910,230	\$ 1,739,168	\$ 1,395,644	\$ -	\$ 1,004,486	\$ -	\$ -	\$ -	\$ 7,049,528

All Funds Summary

The following tables compare the FY 2013, FY 2012, and FY 2011 Adopted Budgets for all funds.

Revenues - All Funds

	FY 2013 Adopted	FY 2012 Adopted	FY 2011 Adopted
General Fund	\$ 82,040,954	\$ 74,006,180	\$ 76,512,816
Water and Sewer	29,051,812	25,093,513	25,026,992
Parking	4,894,883	5,715,628	4,928,546
Golf Course	1,963,596	1,698,000	2,187,054
Storm Water	2,333,014	1,653,240	1,632,300
Airport	15,196,939	1,564,279	1,634,932
Weinberg Center for the Arts	1,453,421	1,307,816	1,294,763
Rental Operations	36,444	62,521	34,278
Community Development	309,645	464,600	677,638
Controlled Dangerous Substance	82,273	89,016	86,848
Total Revenues	\$ 137,362,981	\$ 111,654,793	\$ 114,016,167

Expenditures - All Funds

	FY 2013 Adopted	FY 2012 Adopted	FY 2011 Adopted
General Fund	\$ 82,040,954	\$ 74,006,180	\$ 76,512,816
Water and Sewer	29,051,812	25,093,513	25,026,992
Parking	4,894,883	5,715,628	4,928,546
Golf Course	1,963,596	1,698,000	2,187,054
Storm Water	2,333,014	1,653,240	1,632,300
Airport	15,196,939	1,564,279	1,634,932
Weinberg Center for the Arts	1,453,421	1,307,816	1,294,763
Rental Operations	36,444	62,521	34,278
Community Development Block Grants	309,645	464,600	677,638
Controlled Dangerous Substance	82,273	89,016	86,848
Total Expenditures	\$ 137,362,981	\$ 111,654,793	\$ 114,016,167

All Funds Summary

General Fund				
	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Actual
Revenues:				
Taxes	\$ 55,633,032	\$ 47,910,631	16.12%	\$ 52,976,547
Licenses and permits	2,291,868	1,933,734	18.52%	1,687,458
Intergovernmental	3,402,508	8,850,164	-61.55%	8,502,862
Charges for services	1,591,330	1,438,768	10.60%	1,534,062
Fines and forfeitures	1,337,050	944,000	41.64%	486,457
Other financing sources	1,856,000	1,855,000	0.05%	2,409,772
Miscellaneous	1,339,396	1,113,594	20.28%	1,221,272
Fund balance	14,589,770	9,960,289	46.48%	-
Total revenues	82,040,954	74,006,180	10.86%	68,818,430
Expenditures:				
Personnel	47,479,596	45,873,948	3.50%	44,568,637
Supplies	4,844,961	4,200,062	15.35%	4,616,205
Other services and expenses	9,225,682	6,720,085	37.29%	6,156,772
Capital outlay	1,469,676	212,541	591.48%	197,975
Contingency	100,000	227,949	-56.13%	-
Debt service	7,098,537	7,298,490	-2.74%	7,063,538
Transfers to other funds	3,014,514	1,543,870	95.26%	1,362,247
Fund balance (Reserves)	8,807,988	7,929,235	11.08%	-
Total expenditures	82,040,954	74,006,180	10.86%	63,965,374
Net Surplus (Deficit)	\$ -	\$ -		\$ 4,853,056

Budget highlights

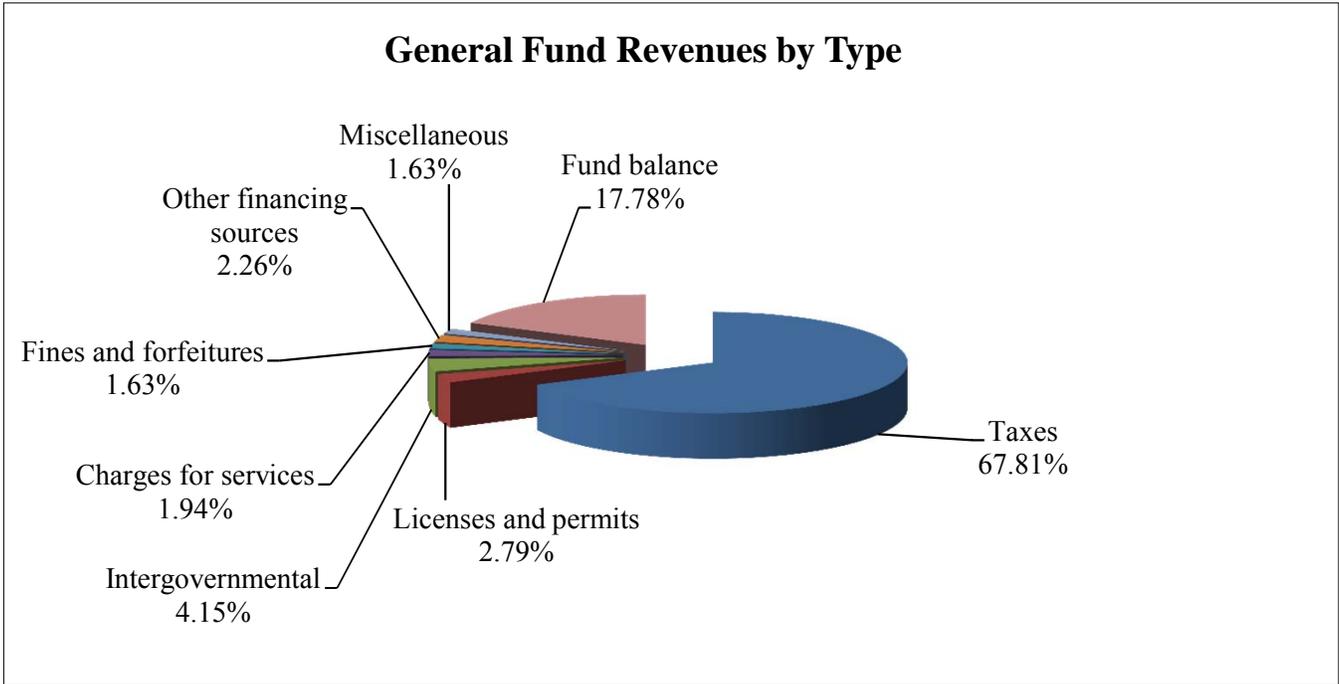
The FY 2013 budget includes the use of fund balance of \$5,781,782 for one time expenses including funding for transfers to the Capital Improvements Program, street maintenance, capital purchases, and contributions to the pension and other post employment benefits trusts.

Additional personnel was allocated to Code Enforcement, Permits, Construction Inspection, and the Police Department.

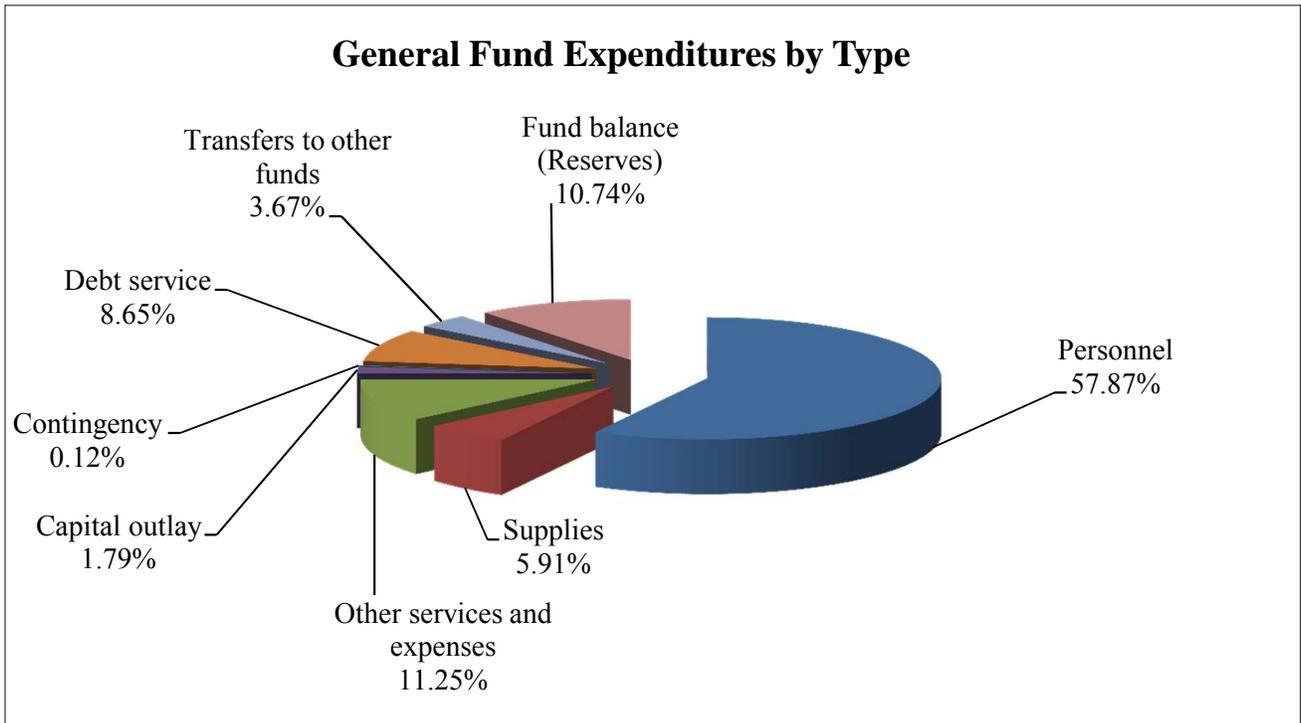
The rainy day fund reserve requirement increased \$878,753 from FY 2012.

All Funds Summary

The following graph shows the breakdown of revenues by type for the FY 2013 General Fund Adopted Budget



The following graph shows the breakdown of expenditures by type for the FY 2013 General Fund Adopted Budget.



All Funds Summary

Water and Sewer Fund				
	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Actual
Revenues:				
Licenses and permits	\$ 207,880	\$ 162,600	27.85%	\$ 181,518
Charges for services	22,996,320	22,323,448	3.01%	18,721,573
Fines and forfeitures	25,500	20,500	24.39%	20,634
Other financing sources	2,554,080	2,550,000	0.16%	3,369,174
Miscellaneous	7,200	7,000	2.86%	61,876
Fund balance	3,260,832	29,965	10782.14%	-
Total revenues	29,051,812	25,093,513	15.77%	22,354,775
Expenditures:				
Personnel	7,013,972	7,004,091	0.14%	7,362,580
Supplies	5,484,585	5,438,287	0.85%	4,080,468
Other services and expenses	2,025,720	1,853,148	9.31%	1,585,342
Capital outlay	328,500	20,000	1542.50%	-
Depreciation	-	-	0.00%	3,098,856
Contingency	200,000	200,000	0.00%	-
Debt service	8,941,944	8,927,987	0.16%	2,150,691
Transfers to other funds	5,057,091	1,650,000	206.49%	1,650,000
Total expenditures	29,051,812	25,093,513	15.77%	19,927,937
Net Surplus (Deficit)	\$ -	\$ -		\$ 2,426,838

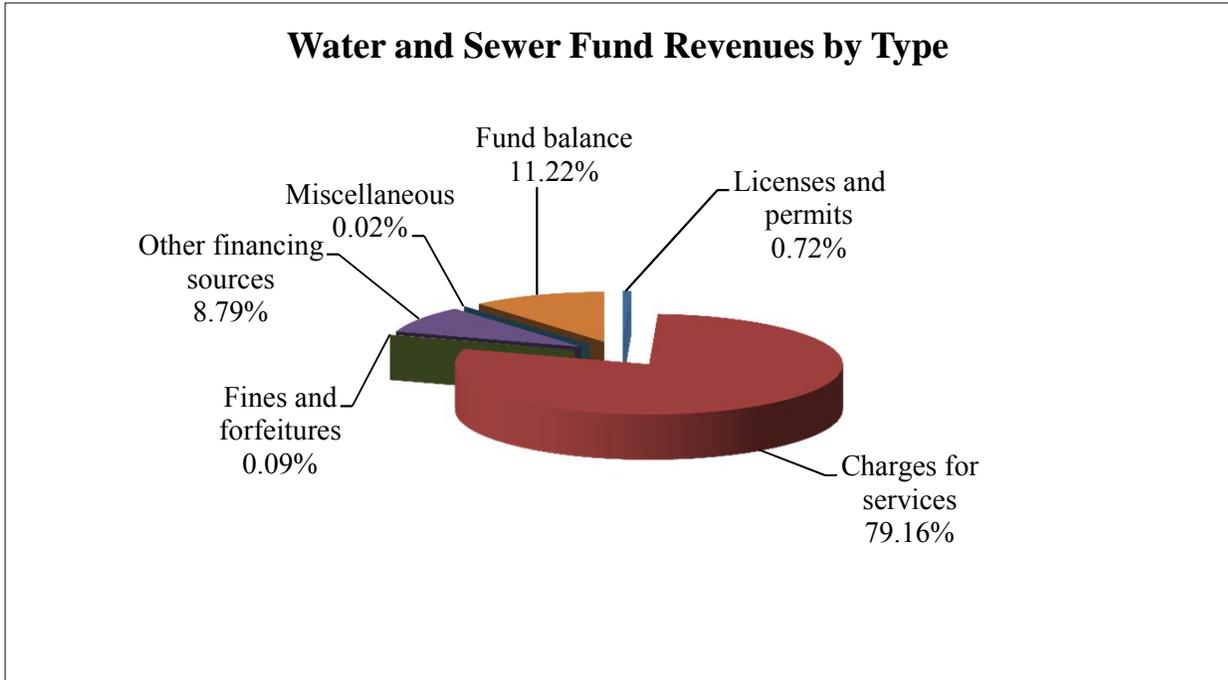
Budget highlights:

The FY 2013 budget includes a transfer to the Capital Improvements Program in the amount of \$3,407,091 to fund critical capital projects. No transfer was necessary in the prior year.

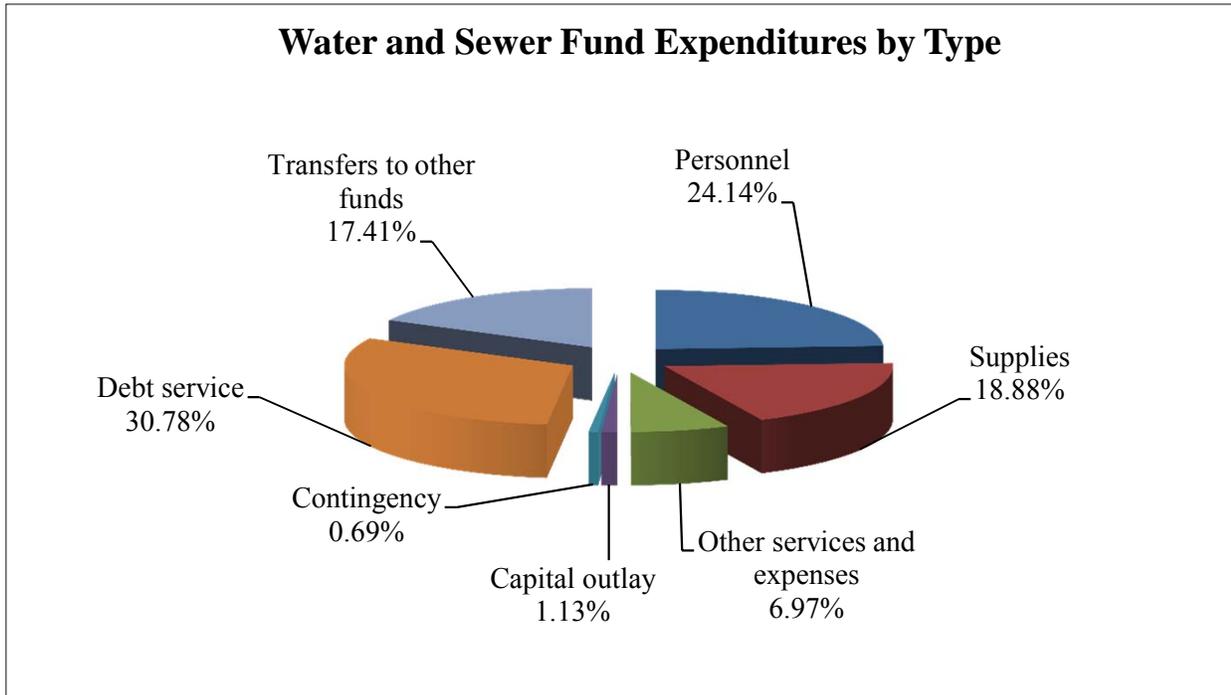
In addition, allocations were made to replace vehicles and equipment deemed critical for service delivery.

All Funds Summary

The following graph shows the breakdown of revenues by type for the FY 2013 Water and Sewer Fund Adopted Budget.



The following graph shows the breakdown of expenditures by type for the FY 2013 Water and Sewer Fund Adopted Budget.



All Funds Summary

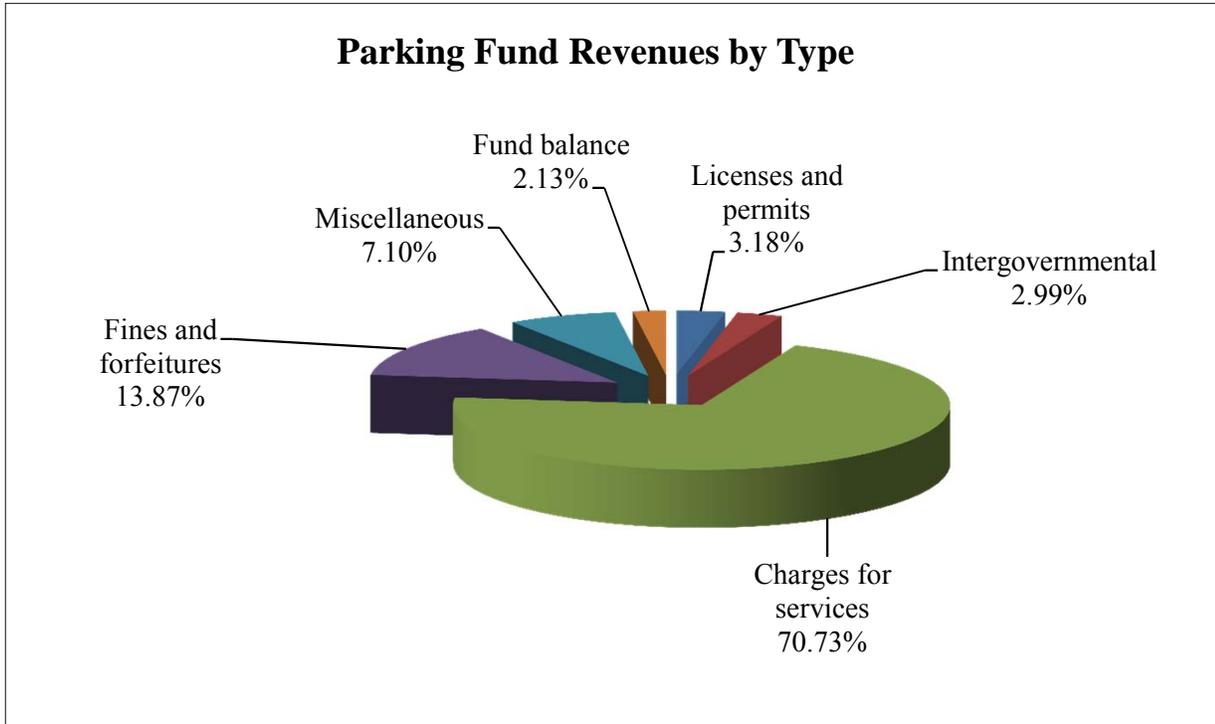
Parking Fund				
	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Actual
Revenues:				
Licenses and permits	\$ 155,740	\$ 173,740	-10.36%	\$ 113,746
Intergovernmental	146,192	128,250	13.99%	90,608
Charges for services	3,462,144	3,357,028	3.13%	3,206,059
Fines and forfeitures	678,980	685,230	-0.91%	691,047
Other financing sources	-	-	0.00%	246,511
Miscellaneous	347,471	347,471	0.00%	365,585
Fund balance	104,356	1,023,909	-89.81%	-
Total revenues	4,894,883	5,715,628	-14.36%	4,713,556
Expenditures:				
Personnel	1,076,978	1,003,429	7.33%	918,262
Supplies	475,702	334,800	42.09%	270,552
Other services and expenses	666,690	600,885	10.95%	271,737
Depreciation	-	-	0.00%	1,619,929
Contingency	100,000	50,000	100.00%	-
Debt service	2,425,513	2,576,514	-5.86%	1,357,944
Transfers to other funds	150,000	1,150,000	-86.96%	150,000
Total expenditures	4,894,883	5,715,628	-14.36%	4,588,424
Net Surplus (Deficit)	\$ -	\$ -		\$ 125,132

Budget highlights

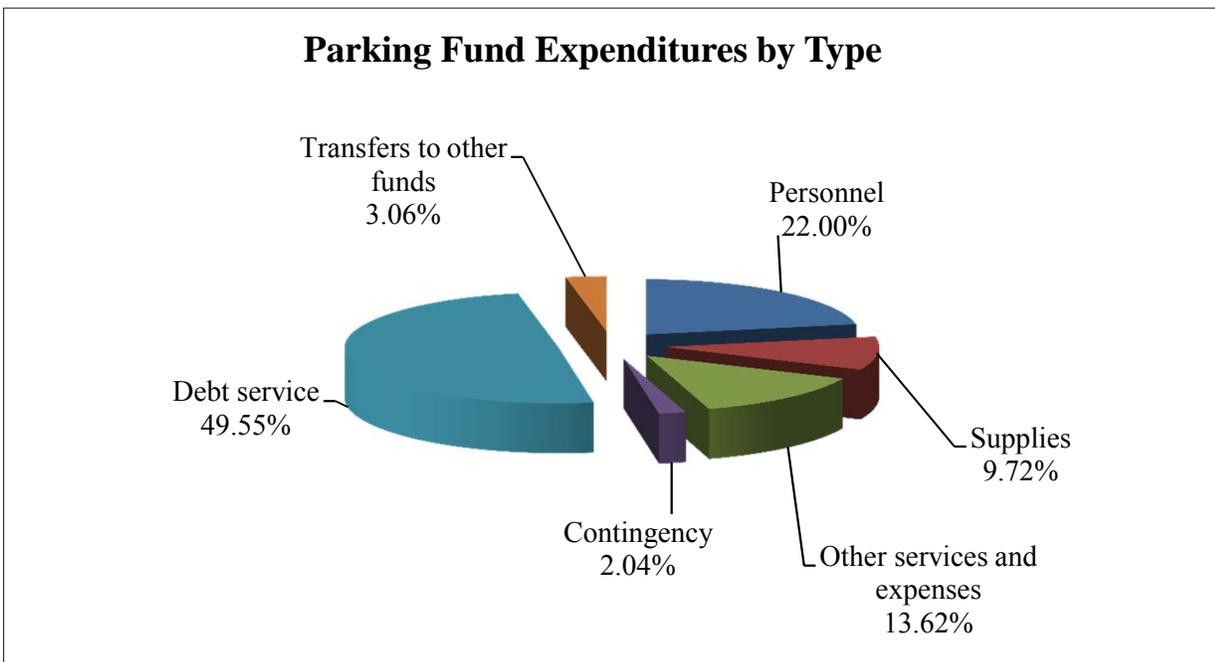
In FY 2012, a transfer of \$1,000,000 was made to the Capital Improvements Program to fund major repairs to the Church Street garage. No such allocation was necessary in FY 2013. The increase in supply costs is due to the need to upgrade the credit card software systems in all decks to remain compliant with Federal regulations.

All Funds Summary

The following graph shows the breakdown of revenues by type for the FY 2013 Parking Fund Adopted Budget.



The following graph shows the breakdown of expenditures by type for the FY 2013 Parking Fund Adopted Budget.



All Funds Summary

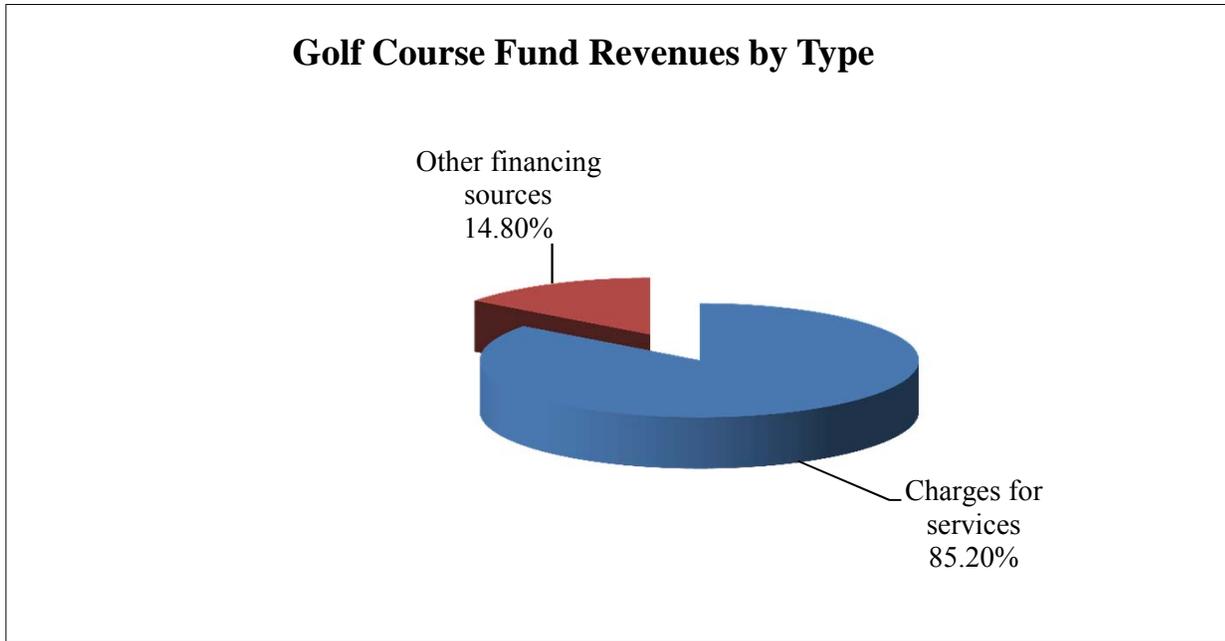
Golf Course Fund				
	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Actual
Revenues:				
Charges for services	\$ 1,673,000	\$ 1,697,500	-1.44%	\$ 1,498,862
Other financing sources	290,596	-	100.00%	14,343
Miscellaneous	-	500	-100.00%	7,250
Total revenues	1,963,596	1,698,000	15.64%	1,520,455
Expenditures:				
Personnel	961,794	975,742	-1.43%	976,332
Supplies	819,510	500,750	63.66%	496,288
Other services and expenses	102,064	86,796	17.59%	101,288
Depreciation	-	-	0.00%	198,164
Debt service	80,228	76,629	4.70%	57,841
Transfers to other funds	-	58,083	100.00%	-
Total expenditures	1,963,596	1,698,000	15.64%	1,829,913
Net Surplus (Deficit)	\$ -	\$ -		\$ (309,458)

Budget highlights

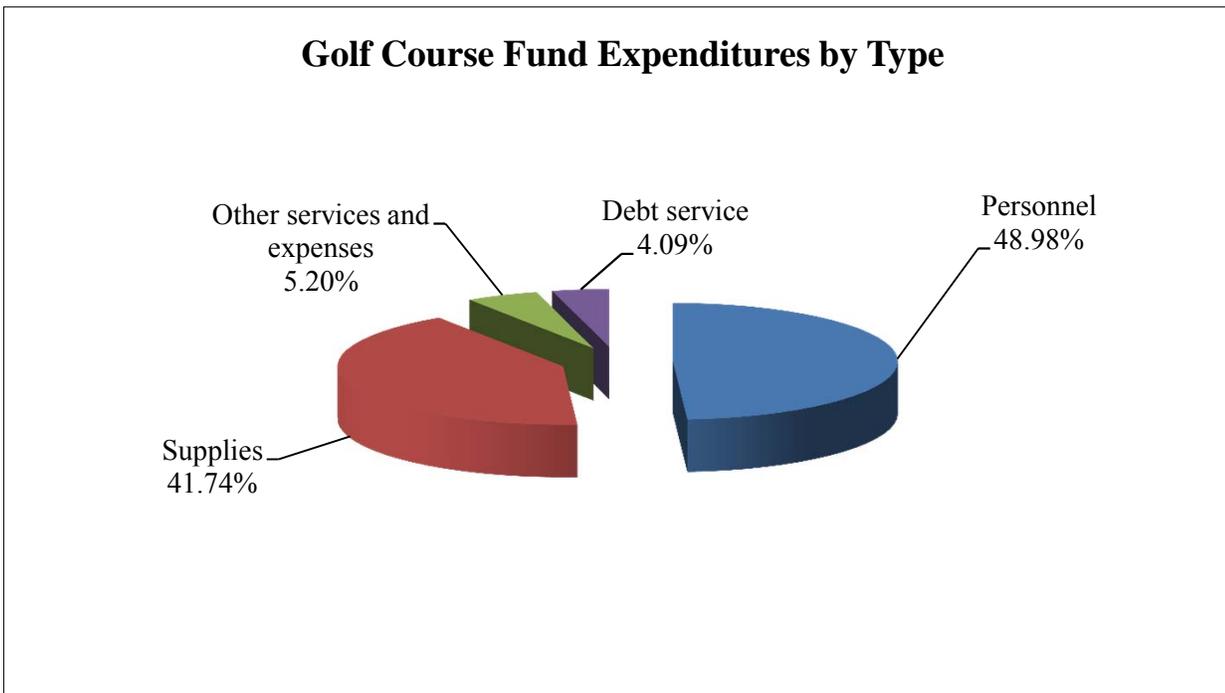
The FY 2013 budget includes an allocation to replace the fleet of golf carts. The current fleet is well past it's useful life and is no longer functioning as needed for continued operations.

All Funds Summary

The following graph shows the breakdown of revenues by type for the FY 2013 Golf Course Fund Adopted Budget.



The following graph shows the breakdown of expenditures by type for the FY 2013 Golf Course Fund Adopted Budget.



All Funds Summary

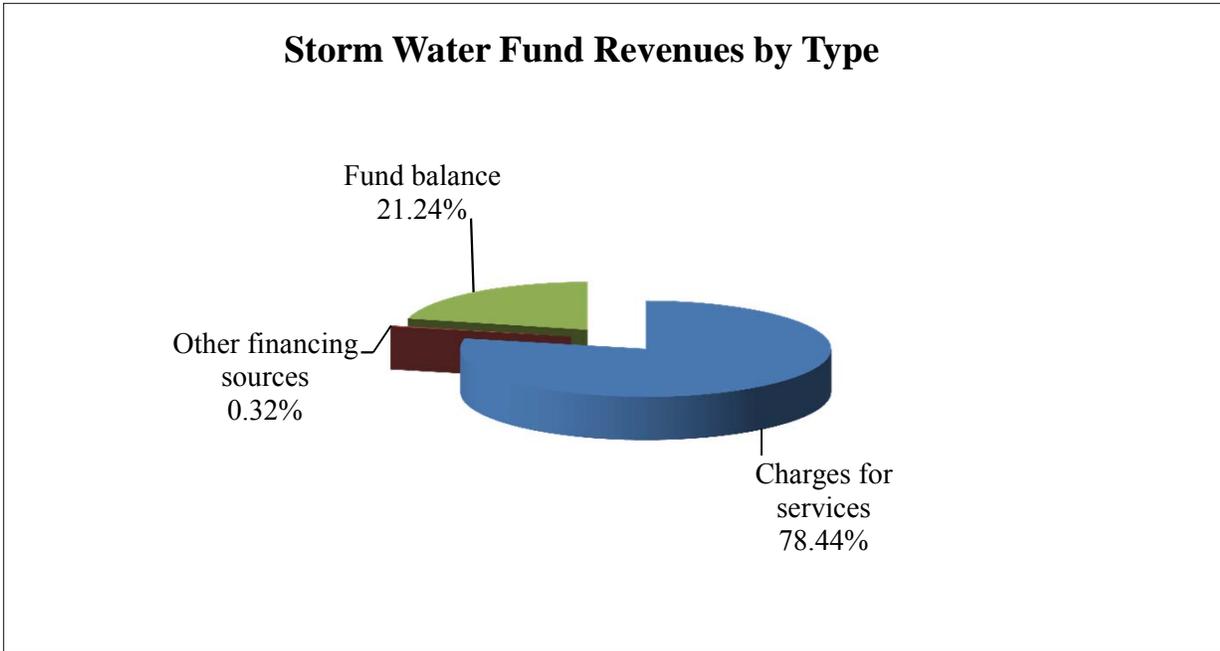
Storm Water Fund				
	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Actual
Revenues:				
Charges for services	\$ 1,830,000	\$ 1,653,240	10.69%	\$ 1,729,604
Other financing sources	7,500	-	0.00%	728,682
Miscellaneous	-	-	0.00%	1,453
Fund balance	495,514	-	0.00%	-
Total revenues	2,333,014	1,653,240	41.12%	2,459,739
Expenditures:				
Personnel	628,558	627,698	0.14%	650,919
Supplies	104,445	94,900	10.06%	76,924
Other services and expenses	192,419	170,894	12.60%	142,067
Capital outlay	-	15,500	-100.00%	-
Depreciation	-	-	0.00%	1,589,797
Contingency	10,000	10,000	0.00%	-
Debt service	100,092	96,894	3.30%	53,288
Transfers to other funds	1,297,500	47,500	0.00%	67,358
Fund balance (Reserves)	-	589,854	0.00%	-
Total expenditures	2,333,014	1,653,240	41.12%	2,580,353
Net Surplus (Deficit)	\$ -	\$ -		\$ (120,614)

Budget highlights

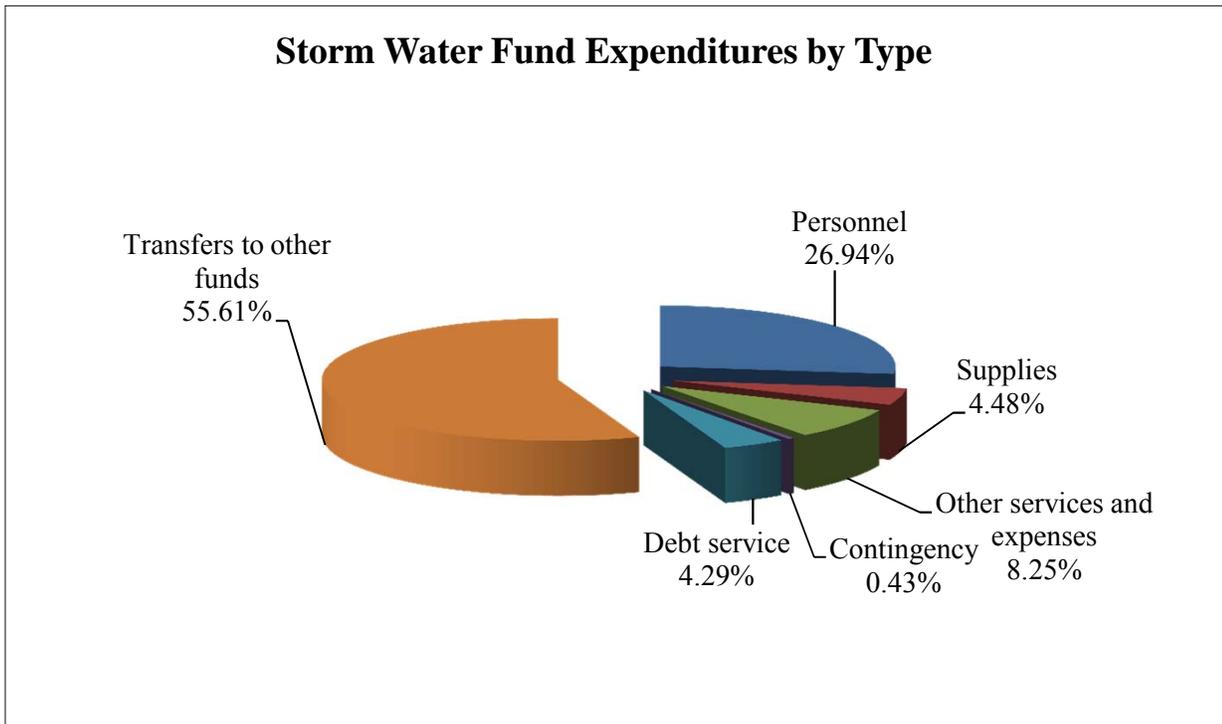
The FY 2013 budget includes a transfer of \$1,250,000 to the Capital Improvements Program to fund necessary storm water management projects. Additional allocations have been made for the cleaning of Carroll Creek and other necessary maintenance items.

All Funds Summary

The following graph shows the breakdown of revenues by type for the FY 2013 Storm Water Fund Adopted Budget.



The following graph shows the breakdown of expenditures by type for the FY 2013 Storm Water Fund Adopted Budget.



All Funds Summary

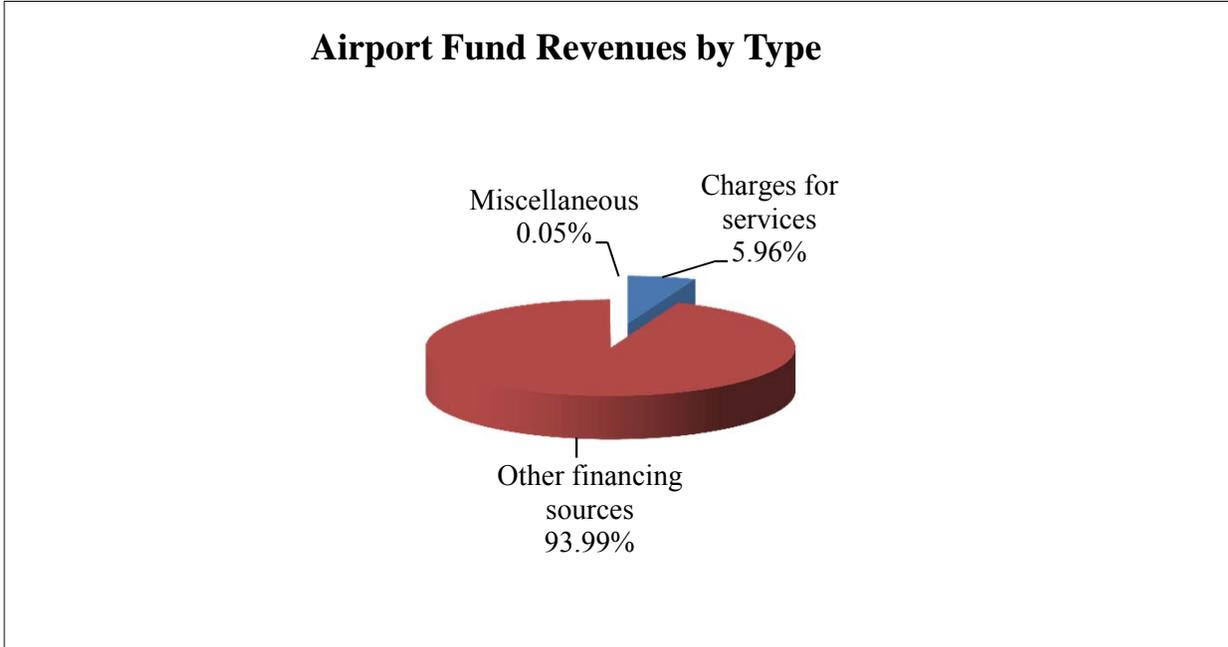
Airport Fund				
	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Actual
Revenues:				
Charges for services	\$ 906,413	\$ 853,505	6.20%	\$ 817,465
Other financing sources	14,283,326	710,774	1909.55%	3,371,202
Miscellaneous	7,200	-	100.00%	14,792
Total revenues	15,196,939	1,564,279	871.50%	4,203,459
Expenditures:				
Personnel	292,587	297,748	-1.73%	279,973
Supplies	102,500	107,500	-4.65%	87,750
Other services and expenses	237,020	218,065	8.69%	180,591
Depreciation	-	-	0.00%	621,437
Loss on disposal of assets	-	-	0.00%	-
Debt service	14,564,832	935,866	1456.29%	811,040
Transfers to other funds	-	5,100	-100.00%	-
Total expenditures	15,196,939	1,564,279	871.50%	1,980,791
Net Surplus (Deficit)	\$ -	\$ -		\$ 2,222,668

Budget highlights

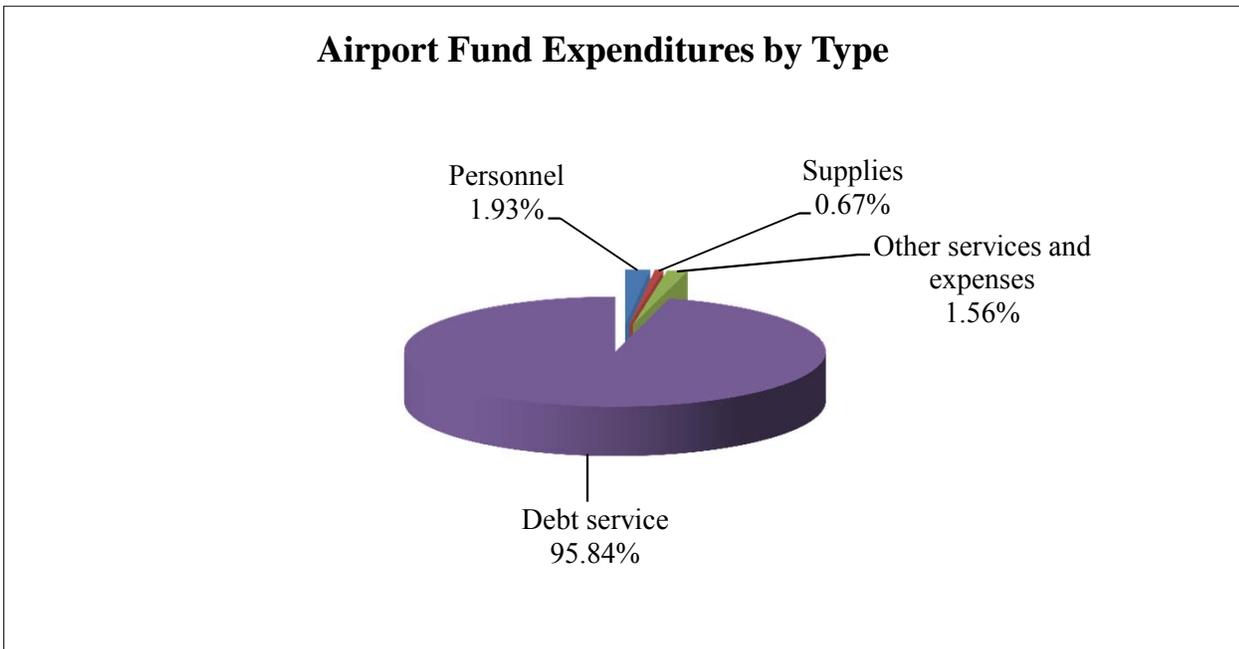
The FY 2013 budget includes the anticipated refinancing of the \$13,655,000 balloon payment due on certain Airport bonds. In addition, this will be the first full year of operations at the air traffic control tower. While the tower is staffed by the FAA, the City is responsible for the other items needed for operations; i.e. maintenance, utilities, and insurance.

All Funds Summary

The following graph shows the breakdown of revenues by type for the FY 2013 Airport Fund Adopted Budget.



The following graph shows the breakdown of expenditures by type for the FY 2013 Airport Fund Adopted Budget.



All Funds Summary

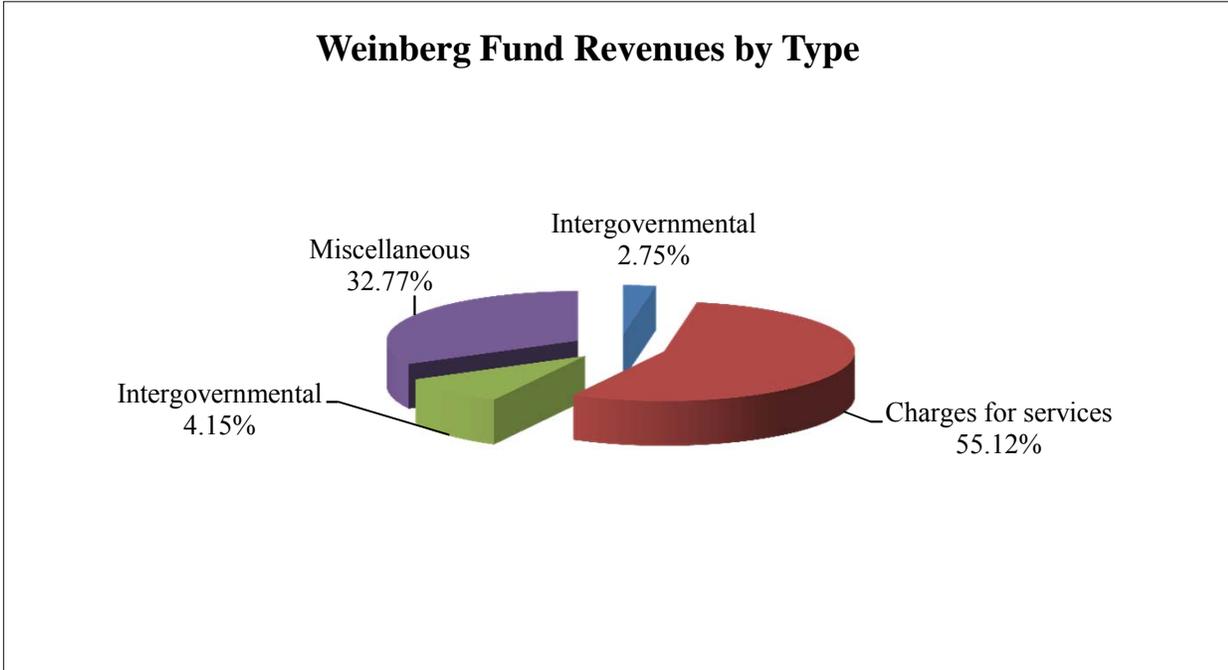
Weinberg Fund				
	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Actual
Revenues:				
Intergovernmental	\$ 40,000	\$ 41,121	-2.73%	\$ 47,416
Charges for services	801,089	718,950	11.42%	1,001,988
Other financing sources	136,082	147,745	-7.89%	91,706
Miscellaneous	476,250	400,000	19.06%	369,258
Total revenues	1,453,421	1,307,816	11.13%	1,510,368
Expenditures:				
Personnel	461,876	419,386	10.13%	398,739
Supplies	93,000	81,450	14.18%	83,703
Other services and expenses	898,545	806,980	11.35%	952,730
Total expenditures	1,453,421	1,307,816	11.13%	1,435,172
Net Surplus (Deficit)	\$ -	\$ -		\$ 75,196

Budget highlights

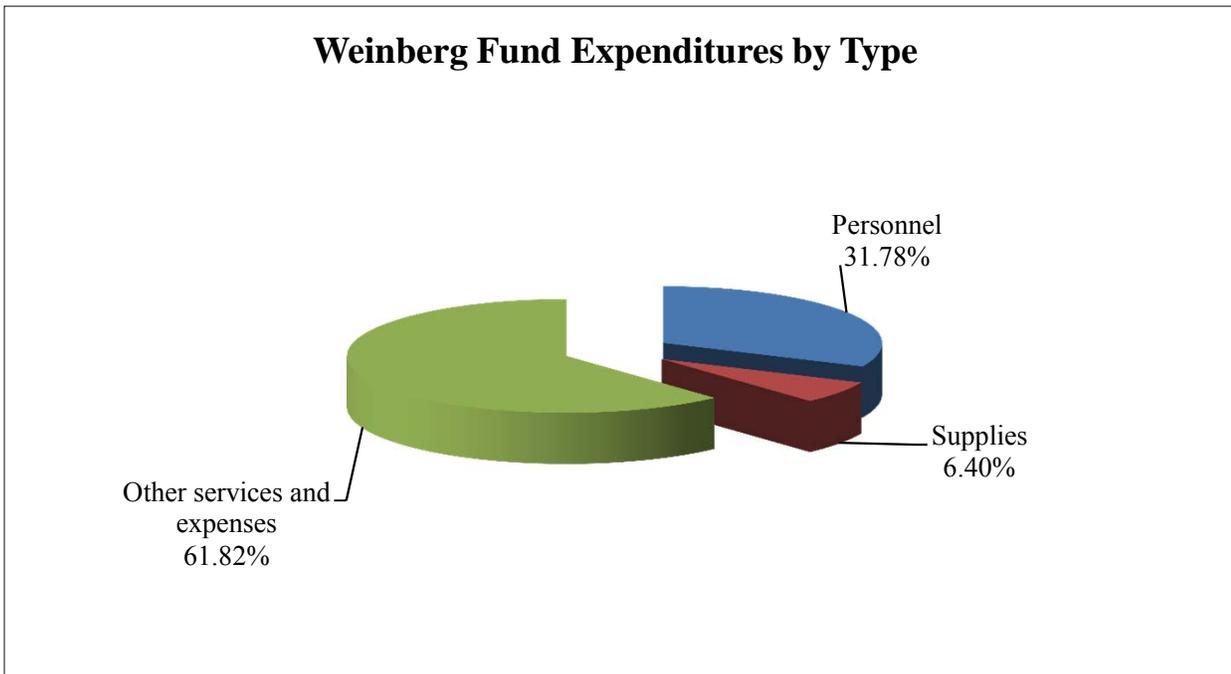
The FY 2013 budget includes the addition of a part time position to assist with marketing and development. The remainder of the increase is due to inclusion in the budget of activity of the Weinberg Board of Directors, a separate nonprofit group that supports the Center. The actual activity of the Board is included in the City's financial statements and this change makes the budget consistent with the City's reporting practices.

All Funds Summary

The following graph shows the breakdown of revenues by type for the FY 2013 Weinberg Fund Adopted Budget.



The following graph shows the breakdown of expenditures by type for the FY 2013 Weinberg Fund Adopted Budget.



All Funds Summary

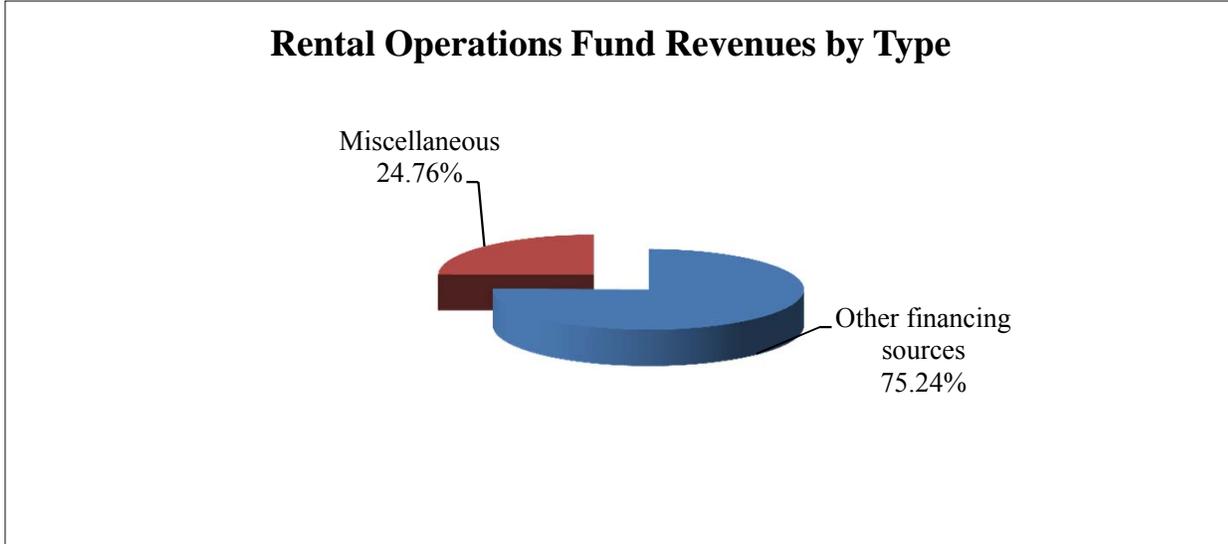
Rental Operations Fund				
	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Actual
Revenues:				
Other financing sources	\$ 27,420	\$ 26,304	4.24%	\$ 22,341
Miscellaneous	9,024	13,188	-31.57%	8,488
Fund balance	-	23,029	-100.00%	-
Total revenues	36,444	62,521	-41.71%	30,829
Expenditures:				
Personnel	27,029	35,311	-23.45%	33,141
Supplies	3,629	1,500	141.93%	1,394
Other services and expenses	5,786	5,710	1.33%	8,001
Capital outlay	-	20,000	-100.00%	-
Depreciation	-	-	0.00%	15,210
Total expenditures	36,444	62,521	-41.71%	57,746
Net Surplus (Deficit)	\$ -	\$ -		\$ (26,917)

Budget highlights

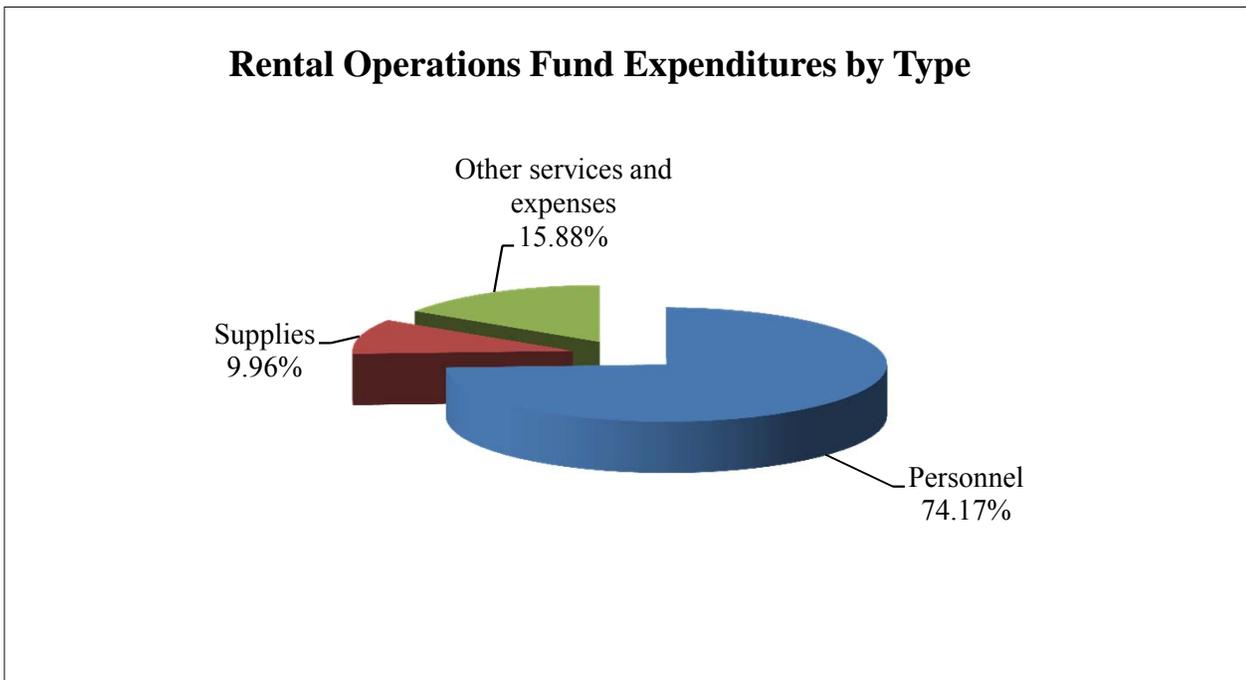
In FY 2012, available fund balance was used for building improvements. No such improvements are necessary in FY 2013. Also, less staff has been allocated to this fund resulting in a decrease in personnel costs.

All Funds Summary

The following graph shows the breakdown of revenues by type for the FY 2013 Rental Operations Fund Adopted Budget.



The following graph shows the breakdown of expenditures by type for the FY 2013 Rental Operations Fund Adopted Budget.



All Funds Summary

Community Development Fund

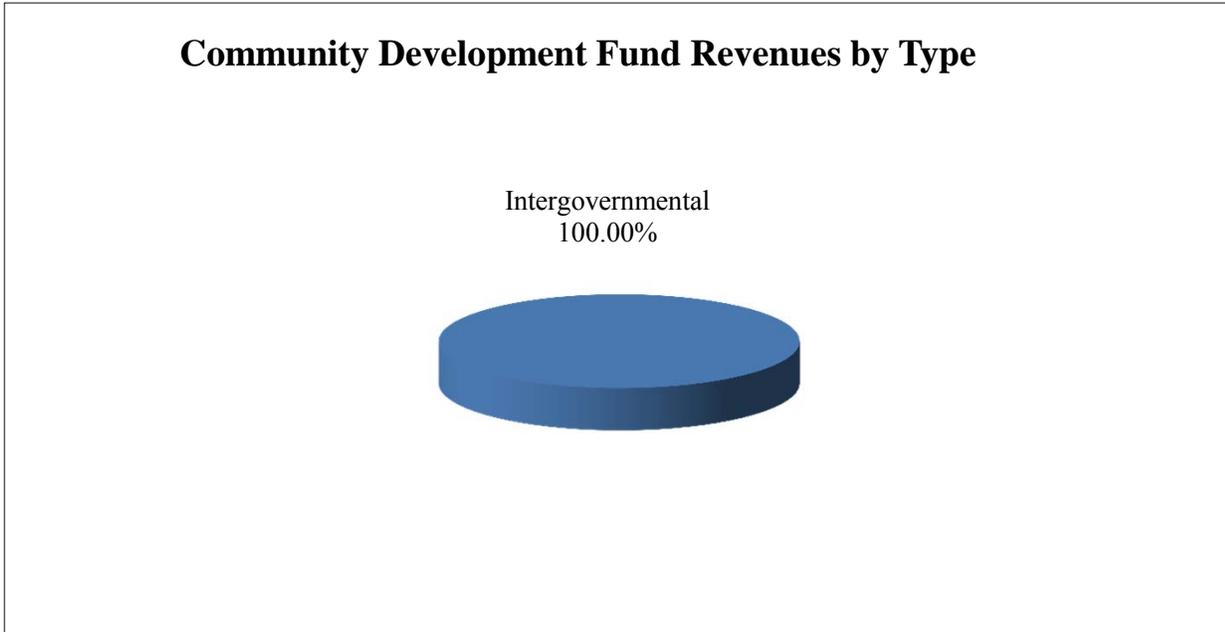
	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Actual
Revenues:				
Intergovernmental	\$ 309,645	\$ 464,000	-33.27%	\$ 437,548
Charges for services	-	300	-100.00%	-
Other financing sources	-	-	0.00%	-
Miscellaneous	-	300	-100.00%	683
Total revenues	309,645	464,600	-33.35%	438,231
Expenditures:				
Personnel	77,510	117,432	-34.00%	160,375
Supplies	500	3,000	-83.33%	1,191
Other services and expenses	231,635	344,168	-32.70%	225,586
Total expenditures	309,645	464,600	-33.35%	387,152
Net Surplus (Deficit)	\$ -	\$ -		\$ 51,079

Budget highlights

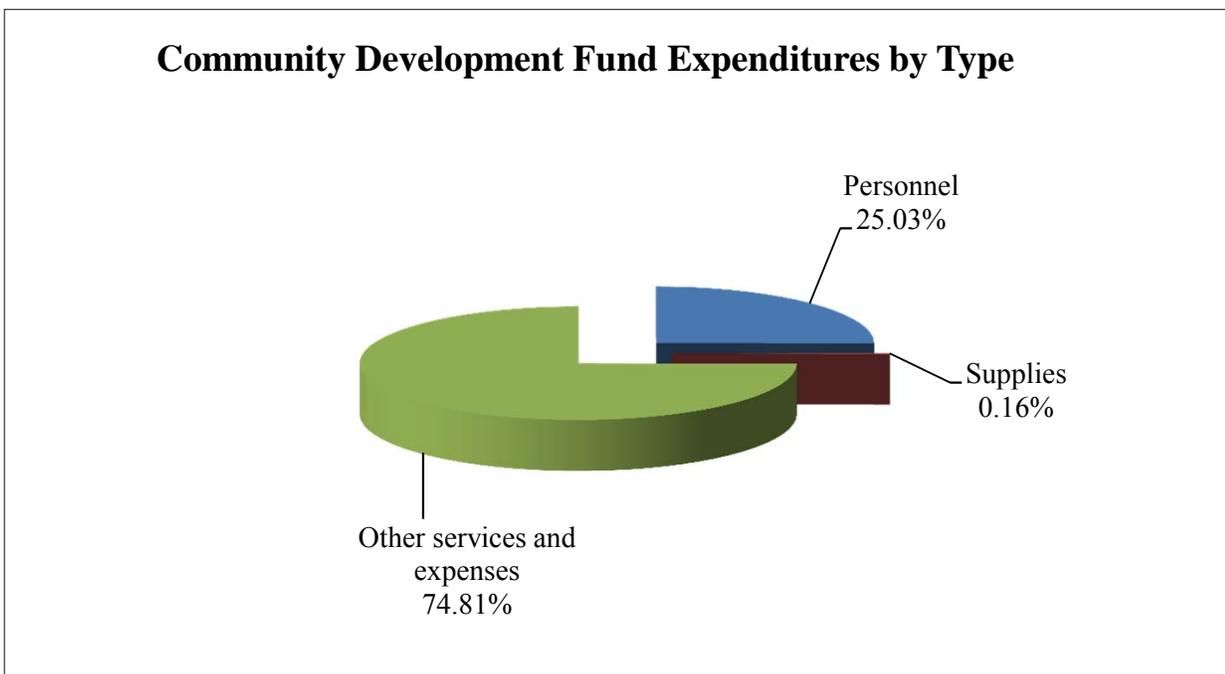
The reduction in budget from FY 2012 to FY 2013 is due to reduced funding for the Community Development Block Grant, resulting in a change in personnel allocation and other services provided by grant funds.

All Funds Summary

The following graph shows the breakdown of revenues by type for the FY 2013 Community Development Fund Adopted Budget.



The following graph shows the breakdown of expenditures by type for the FY 2013 Community Development Fund Adopted Budget.



All Funds Summary

Controlled Dangerous Substance Fund

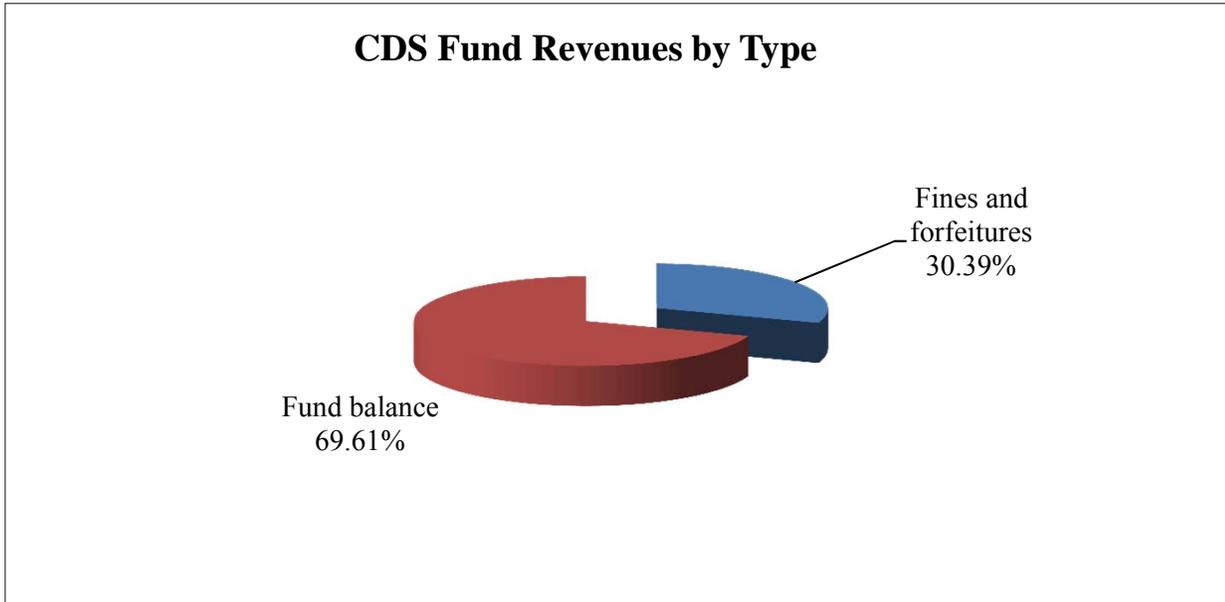
	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Actual
Revenues:				
Fines and forfeitures	\$ 25,000	\$ 25,000	0.00%	\$ 58,720
Miscellaneous	-	-	0.00%	1,184
Fund balance	57,273	64,016	-10.53%	-
Total revenues	82,273	89,016	-7.58%	59,904
Expenditures:				
Supplies	15,000	31,848	-52.90%	5,503
Other services and expenses	42,673	44,868	-4.89%	20,586
Capital outlay	24,600	12,300	100.00%	18,000
Total expenditures	82,273	89,016	-7.58%	44,089
Net Surplus (Deficit)	\$ -	\$ -		\$ 15,815

Budget highlights

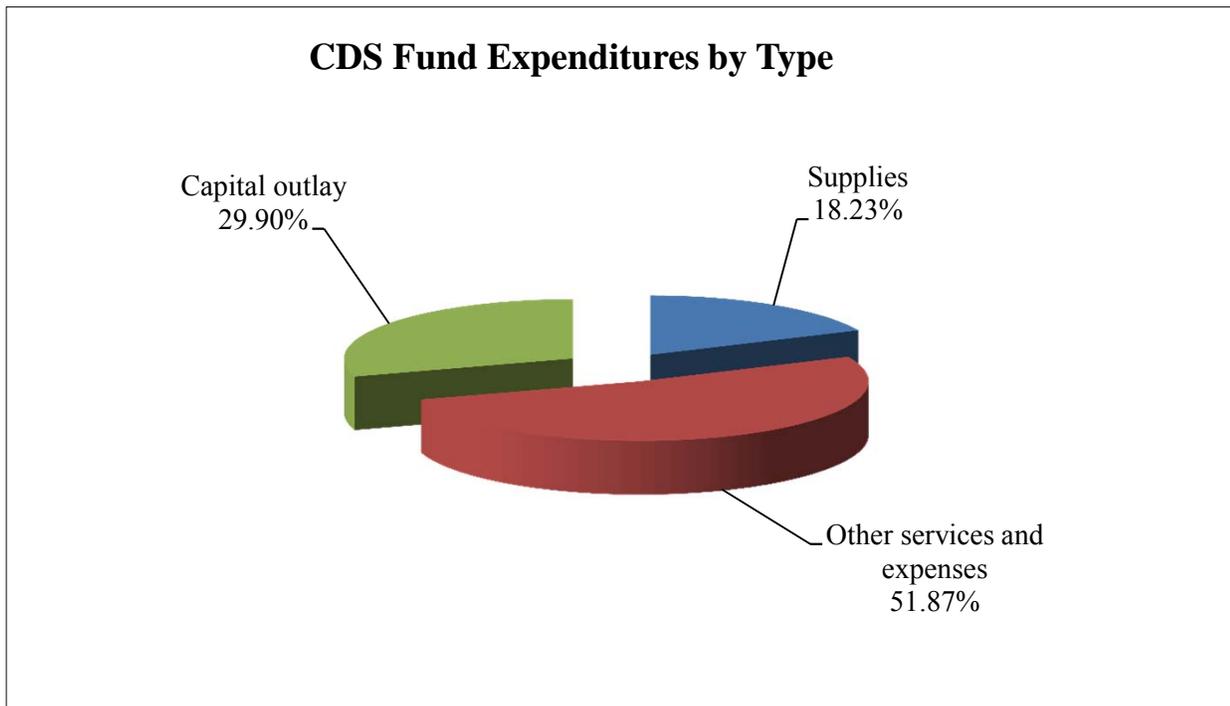
The budget in this fund remains relatively consistent as it is designated for revenues derived from seized property and expenditures for preventing drug related crimes. In FY 2013, the City plans on purchasing 2 K-9s from this fund.

All Funds Summary

The following graph shows the breakdown of revenues by type for the FY 2013 Controlled Dangerous Substance (CDS) Fund Adopted Budget.



The following graph shows the breakdown of expenditures by type for the FY 2013 Controlled Dangerous Substance (CDS) Fund Adopted Budget.



All Funds Summary

The following table summarizes the changes in full time equivalents from FY 2011 to FY 2013 for all funds.

Full Time Equivalent Positions by Fund

	FY 2013 Adopted	FY 2012 Adopted	FY 2011 Adopted
General Fund	461.41	449.02	466.69
Water and Sewer	76.11	76.11	74.81
Parking 18.06		16.22	17.03
Golf Course	15.92	15.70	19.85
Airport	2.50	2.50	2.50
Storm Water	7.55	7.45	7.05
Weinberg Center for the Arts	7.38	6.80	6.31
Rental Operations	0.50	0.50	0.50
Community Development	1.00	1.40	2.00
Controlled Dangerous Substance	-	-	-
Total	590.43	575.70	596.74

Full Time Equivalent Positions by Category

	FY 2013 Adopted	FY 2012 Adopted	FY 2011 Adopted
General Government	77.16	75.01	77.14
Public Works	193.33	191.50	188.08
Public Safety	201.27	194.65	204.88
Parks and Recreation	71.52	69.68	77.33
Frederick Community			
Action Agency	43.15	40.46	43.81
Community Development	1.00	1.40	2.50
Economic Development	3.00	3.00	3.00
Total	590.43	575.70	596.74

**Adopted
Position Changes**

ADOPTED NEW POSITIONS					
PROPOSED TITLE	COMMENTS	DEPARTMENT	CURRENT GRADE	REQUESTED GRADE	BUDGET IMPACT
Code Enforcement Inspector		Code Enforcement		7	\$ 59,350
Junior Plans Reviewer		Permits/Inspections		10	\$ 55,086
Project Inspector		Construction Inspection		8	\$ 47,217
Assistant Manager of Marketing and Development	Part Time	Weinberg Center		7	\$ 21,858
Secretary	Part Time	Code Enforcement		5	\$ 18,743
(3) Police Officers		Police		112-1	\$ 96,109
Annex Receptionist	Part Time	Permits / Inspections		n/a	\$ 13,435
(2) Parking Associates	Part Time	Parking		5	\$ -
Physician	Part Time - grant funded	FCAA		n/a	\$ 19,033

**Adopted
Position Changes**

ADOPTED UPGRADES					
CURRENT TITLE	PROPOSED TITLE	DEPARTMENT	CURRENT GRADE	REQUESTED GRADE	BUDGET IMPACT
Public Information Coordinator	Public Information Coordinator	Mayor's Office	9	10	\$ 5,537
Police Officer	Police Officer	Police	112-3	112-5	\$ 5,718

ADOPTED TITLE CHANGES					
CURRENT TITLE	PROPOSED TITLE	DEPARTMENT	CURRENT GRADE	REQUESTED GRADE	BUDGET IMPACT
Benefits Coordinator	HR Administrator III- Benefits	Human Resources	8	8	\$ -
Administrative Assistant	HR Administrator I	Human Resources	6	6	\$ -
Administrative Assistant	HR Administrator I	Human Resources	6	6	\$ -
Housing Program Financial Specialist	CDBG Administrator	Community Development	8	8	\$ -
Nurse Practitioner	Nurse Practitioner / Physician Assistant	FCAA	13	13	\$ -
Senior Building Inspector	Building Division Manager and Senior Building Inspector	Permits / Inspections	13	13	\$ -
Secretary Security		Mayor's Office	5	2	\$ -
Office Admin & Operations Support Supervisor	Support Services Supervisor	DPW Admin	9	9	\$ -

Debt Summary

Legal debt limit

The City Charter establishes a debt limit of 8% of the total assessed value of all taxable property, including both real and business property. Debt issued for the purpose of financing and paying for the construction, operation, maintenance, and repair of the water supply and treatment facilities and the sewage collection and treatment facilities are not included in the calculation of the amount of debt subject to this limitation.

The following is the estimated legal debt limit calculation for FY 2013:

Estimated assessed valuations	\$ 6,327,135,929
8% debt limit	\$ 506,170,874
Amount of debt applicable to debt limit as of July 1, 2012	\$ 216,853,310
Less: Water and Sewer debt	<u>(107,275,007)</u>
Total amount of debt subject to debt limit	<u>109,578,303</u>
Legal debt margin	<u>\$ 396,592,571</u>

Other ratios

Per the debt and financial policies, the City maintains the following debt ratios:

- The City will not issue direct tax supported indebtedness that exceed 2.5% of the total taxable value within the City.

Estimated assessed valuations	\$ 6,327,135,929
Tax supported debt	\$ 67,734,303
% of tax supported debt to estimated assessments of tax property	1.07%

- Debt service on the City's tax supported indebtedness may not exceed 13% of the General Fund budget.

General Fund budget, less reserves	\$ 73,232,966
General Fund debt service	\$ 7,080,118
% of debt service to budget	9.67%

Debt Summary

- The City will strive to maintain a 10-year debt payout ratio of a least 50%.

Total debt outstanding as of July 1, 2012	\$ 216,853,310
10 year payout of outstanding debt	\$ 127,294,534
10 year debt payout ratio	58.70%

Future debt plans

As outlined in the Capital Improvements Program, the City anticipates borrowing approximately \$45,205,000 in the next fiscal year. The majority of this financing (80%) will be for the upgrade to the Gas House Pike Wastewater Treatment Plant and will be in the form of low interest loans provided by the Maryland Water Quality State Revolving Loan Fund.

\$8,500,000 in General Obligation Bonds are expected to be sold for the completion of the Carroll Creek Linear Park project. This debt will be tax supported.

In addition, the City plans on refinancing a \$13,655,000 balloon payment due on certain Airport bonds. These bonds were originally sold to provide short-term cash flow for the purchase of Federal Aviation Administration (FAA) approved land acquisitions. These funds are expected to be reimbursed by the FAA, however due to Federal budget issues, the timeline for reimbursement has changed.

These new borrowings are not expected to cause the City to be out of compliance with its debt policies.

Debt Service Schedule - All Funds

	Date of Issue	Date of Maturity	Range of Interest Rates	Original Issue Amount	Beginning Bal. Outstanding 7/1/2012	Principal Payments, or (Increase) or Decrease FY '13	Ending Bal. Outstanding 6/30/2013	Estimated Interest Expense FY '13
General Long Term Obligations:								
General Long Term Debt:								
General Obligation Bonds:								
General Purpose	09/01/02	09/01/23	2.50-5.00	\$ 24,603,000	\$ 15,899,000	\$ 1,144,000	\$ 14,755,000	\$ 609,933
General Purpose	03/26/09	03/26/29	3.00-5.00	4,115,000	3,985,000	105,000	3,880,000	172,344
General Purpose	03/26/09	03/26/29	3.00-5.00	38,700,000	38,295,000	1,730,000	36,565,000	1,639,944
General Purpose	12/15/11	12/15/22	2.00-2.75	<u>7,752,000</u>	<u>7,752,000</u>	<u>1,361,000</u>	<u>6,391,000</u>	<u>149,408</u>
Total General Obligation Bonds				\$ <u>75,170,000</u>	\$ <u>65,931,000</u>	\$ <u>4,340,000</u>	\$ <u>61,591,000</u>	\$ <u>2,571,629</u>
Notes Payable: (State Economic Development Loans)								
MILA Loan - Trading Lane	06/01/95	06/01/22	5.93	\$ 176,447	\$ 101,896	\$ 7,708	\$ 94,188	\$ 5,873
Community Energy Loan	10/01/07	10/01/14	2.00	<u>115,003</u>	<u>34,508</u>	<u>17,083</u>	<u>17,425</u>	<u>605</u>
Total Notes Payable				<u>291,450</u>	<u>136,404</u>	<u>24,791</u>	<u>111,613</u>	<u>6,478</u>
Total General Long Term Debt				\$ <u>75,461,450</u>	\$ <u>66,067,404</u>	\$ <u>4,364,791</u>	\$ <u>61,702,613</u>	\$ <u>2,578,107</u>
Tax Increment Financing:	12/01/99	12/01/24	3.71-5.95	<u>2,500,000</u>	<u>1,666,899</u>	<u>99,098</u>	<u>1,567,801</u>	<u>38,122</u>
Total General Long Term Obligations				\$ <u>77,961,450</u>	\$ <u>67,734,303</u>	\$ <u>4,463,889</u>	\$ <u>63,270,414</u>	\$ <u>2,616,229</u>

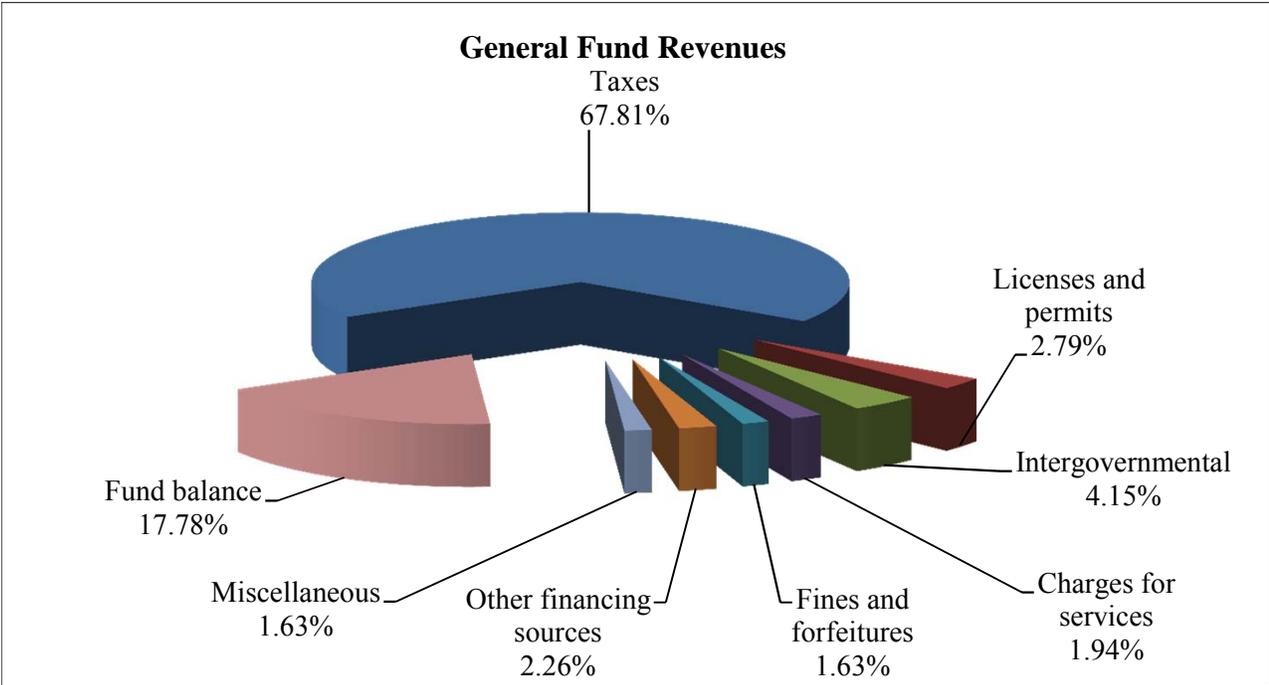
Debt Service Schedule - All Funds

	Date of Issue	Date of Maturity	Range of Interest Rates	Original Issue Amount	Beginning Bal. Outstanding 7/1/2012	Principal Payments, or (Increase) or Decrease FY '13	Ending Bal. Outstanding 6/30/2013	Estimated Interest Expense FY '13
Enterprise Fund Obligations:								
Enterprise Fund Debt:								
General Obligation Bonds:								
Water and Sewer	08/01/01	08/01/22	2.30	\$ 5,300,000	\$ 2,950,007	\$ 265,740	\$ 2,684,267	\$ 67,850
Water and Sewer	09/01/02	09/01/23	2.50-5.00	1,852,000	1,196,000	86,000	1,110,000	45,882
Water and Sewer	08/01/05	08/01/26	4.00-5.00	49,222,000	42,339,000	2,362,000	39,977,000	1,841,640
Water and Sewer	03/26/09	03/26/34	3.00-5.00	49,875,000	49,630,000	620,000	49,010,000	2,327,263
Water and Sewer	12/15/11	12/15/22	2.00-2.75	3,485,000	3,485,000	525,000	2,960,000	68,708
Water and Sewer	12/15/11	12/15/22	2.00-4.00	7,675,000	7,675,000	350,000	7,325,000	232,300
Parking Facilities	08/01/05	08/01/26	4.00-5.00	20,028,000	10,741,000	618,000	10,123,000	467,248
Parking Facilities	03/26/09	03/29/29	3.26-6.93	12,000,000	10,850,000	395,000	10,455,000	695,764
Parking Facilities	12/15/11	12/15/22	2.00-2.75	1,988,000	1,988,000	204,000	1,784,000	40,873
Storm Water	03/26/09	03/29/29	3.00-5.00	1,230,000	1,140,000	50,000	1,090,000	50,019
Airport	03/26/09	03/26/13	4.52	13,655,000	13,655,000	13,655,000	0	617,206
Airport	12/15/11	12/15/22	2.00-2.50	2,555,000	2,555,000	235,000	2,320,000	50,825
Golf Course Facilities	03/26/09	03/29/29	3.00-5.00	985,000	915,000	40,000	875,000	40,169
Total Enterprise Fund General Obligation Debt				\$ 169,850,000	\$ 149,119,007	\$ 19,405,740	\$ 129,713,267	\$ 6,545,747
Total Long Term Obligations				\$ 247,811,450	\$ 216,853,310	\$ 23,869,629	\$ 192,983,681	\$ 9,161,976

General Fund Revenue Summary

The following chart compares General Fund revenue sources. Revenue trends and other pertinent information is discussed in detail later in this section.

Revenues				
	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Actual
Taxes	\$ 55,633,032	\$ 47,910,631	16.12%	\$ 52,976,547
Licenses and permits	2,291,868	1,933,734	18.52%	1,687,458
Intergovernmental	3,402,508	8,850,164	-61.55%	8,502,862
Charges for services	1,591,330	1,438,768	10.60%	1,534,062
Fines and forfeitures	1,337,050	944,000	41.64%	486,457
Other financing sources	1,856,000	1,855,000	0.05%	2,409,772
Miscellaneous	1,339,396	1,113,594	20.28%	1,221,272
Fund balance	14,589,770	9,960,289	46.48%	-
Total Revenues	\$ 82,040,954	\$ 74,006,180	10.86%	\$ 68,818,430



General Fund Revenues - Property Taxes

Property taxes are generated based on the assessed value of real property and on the assessed value of business property. The tax rate is the amount charged per \$100 of assessed value, as determined by the State Department of Assessments and Taxation.

The Mayor and Board of Aldermen establish the tax rate each year through the adoption of a special ordinance.

The City is under a tri-annual assessment period for real property and increases are limited to 5% under the City's Homestead Tax Credit. The last assessment was completed in January 2011 for the FY 2013 budget cycle.

The following chart shows the estimated assessed value of taxable property:

Fiscal Year	Real Property		Business Property	
	Estimated Assessed Value	Direct Tax Rate	Estimated Assessed Value	Direct Tax Rate
2003	3,356,541,848	0.640	172,173,441	1.55
2004	3,500,070,576	0.640	163,929,676	1.55
2005	3,644,565,359	0.690	165,417,459	1.55
2006	4,138,633,781	0.690	162,163,125	1.55
2007	4,675,591,445	0.690	161,366,880	1.55
2008	5,299,468,558	0.670	156,302,412	1.55
2009	5,877,472,266	0.650	156,520,834	1.55
2010	6,304,484,509	0.650	154,396,152	1.55
2011	6,757,160,186	0.650	154,500,000	1.55
2012	6,105,851,403	0.650	154,389,000	1.55
2013	6,167,135,929	0.732*	160,000,000	1.55

*tax rate reflective of change to tax differential method for tax setoff. See page 81 for details.

The following chart shows actual and projected revenues for real and business property taxes:

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Actual	FY 2010 Actual
Real Property	\$ 45,143,435	\$ 39,717,881	13.66%	\$ 43,956,310	\$ 41,108,547
Business Property	3,739,597	2,392,750	56.29%	2,446,518	2,393,138
Total Property Taxes	\$ 48,883,032	\$ 42,110,631	16.08%	\$ 46,402,828	\$ 43,501,685

Tax Differential

Residents who live in municipalities (incorporated towns and cities) pay property taxes to both municipal and county governments. By paying the same rate as County residents who do not reside within a municipality, City residents experience double taxation on services provided by the municipal, rather than the county government. These services include police, road maintenance, planning, and parks and recreation.

In the past, The City of Frederick has received a direct payment from Frederick County for the cost of these services. This direct payment to a municipality is known as a tax rebate.

In spring 2011, The City of Frederick and Frederick County Government began discussing the resolution of this double taxation in the property tax code. The City and County elected to use a property tax differential for residents who reside in The City of Frederick. Under this type of plan, the County tax rate is lowered to offset the cost of services not provided by the County for City residents.

To continue to provide the same level of service, The City of Frederick FY 2013 budget increased the municipal property tax rate by \$0.08 while the County rate is decreased for City residents by \$0.12. **When City and County property taxes are combined, City of Frederick property owners will experience a \$0.04 overall decrease in property taxes while continuing to receive the same level of service.**

	FY 2013 Adopted	FY 2012 Adopted	Change
Real Property			
Real Property - The City of Frederick	\$ 0.7320	\$ 0.6500	\$ 0.0820
Real Property - Frederick County	<u>0.8130</u>	<u>0.9360</u>	<u>(0.1230)</u>
Total Taxes	<u>\$ 1.5450</u>	<u>\$ 1.5860</u>	<u>\$ (0.0410)</u>
Real property taxes calculated on \$200,000 of assessed value:			
The City of Frederick	\$ 1,464	\$ 1,300	\$ 164
Frederick County	<u>1,626</u>	<u>1,872</u>	<u>\$ (246)</u>
Total Taxes	<u>\$ 3,090</u>	<u>\$ 3,172</u>	<u>\$ (82)</u>

§6-305 and §6-306 of the Maryland Annotated Code governs the procedure for the setting of tax differential in Maryland counties. Currently, seven counties in Maryland provide tax rate differential for the municipalities. Frederick County will join the ranks of Allegany, Anne Arundel, Calvert, Caroline, Charles, Talbot and Washington counties.

General Fund - Revenues by Source

Taxes

The real property assessment used to calculate the FY 2013 tax revenue budget is \$6,167,135,929. This is a 1 % increase from the FY 2012 assessment. The 13.66% increase in real property tax revenues is due to the change to tax differential as detailed on page 81.

Business property taxes have increased 56% due to an increase in the assessment of one company who relocated a significant amount of manufacturing equipment to the City during FY 2012.

Other taxes are budgeted based on historical information.

	Taxes		
	FY 2013 Adopted	FY 2012 Adopted	FY 2011 Actual
Real property: Revenues from taxes on assessed value of real property	\$ 45,143,435	\$ 39,717,881	\$ 43,956,310
Business property: Revenues from taxes on assessed values of certain business property	2,630,597	1,433,750	1,491,617
Public utilities: Revenues from taxes on assessed value of certain property of public utilities	1,109,000	959,000	954,901
Personal income taxes: City's share of income taxes received by the State for returns filed from Frederick	6,500,000	5,550,000	6,090,857
Admissions and amusements: Taxes on gross receipts from admissions, the use or rental of recreation or sports equipment, and the sale of merchandise, refreshments, or services where entertainment is provided	300,000	300,000	317,816
Other: Interest, credits, additions, abatements, discounts and other miscellaneous tax adjustments	(50,000)	(50,000)	165,046
Total taxes	\$ 55,633,032	\$ 47,910,631	\$ 52,976,547

General Fund - Revenues by Source

Licenses and permits

These revenues are budgeted based on trends and historical information. The increase in building permits is due to an upward trend in the construction industry.

Licenses and permits

	FY 2013 Adopted	FY 2012 Adopted	FY 2011 Actual
Alcoholic beverage licenses: City's share of fees charged from licenses issued to allow sale of beer, wine, and liquor	\$ 55,000	\$ 78,000	\$ 81,900
Traders licenses: Fees collected by the State from City businesses	150,000	145,000	153,540
Building permits and inspections : Revenue from permits issued for construction, electrical work, fire protection and plan review	1,178,268	1,109,100	882,187
Cable television: Franchise fees for cable television in the City	875,000	500,000	519,423
Other: Occupational licenses, road closures, appeals, vending permits, parade permits, and other miscellaneous permits	33,600	101,634	50,408
Total licenses and permits	\$ 2,291,868	\$ 1,933,734	\$ 1,687,458

General Fund - Revenues by Source

Intergovernmental

These revenues are from various funding agreements and grants from other governmental agencies. Grants vary from year to year based on availability. Highway user fees were cut drastically by the State in FY 2010 and have continued to remain at this low level.

The decrease in tax setoff is due to the change to tax differential as detailed on page 81.

Intergovernmental

	FY 2013 Adopted	FY 2012 Adopted	FY 2011 Actual
Tax setoff: Reimbursements to the City by Frederick County for services the City provides but for which the County collects tax revenue	\$ -	\$ 5,016,903	\$ 5,016,903
Frederick Community Action Agency: Various Federal, State, and local grants to support the Frederick Community Action Agency	1,900,365	1,818,862	1,742,450
Police: Various Federal, State, and local grants to support the Frederick Police Department	764,100	1,103,463	1,050,359
Highway user revenue: City's share of gasoline tax and motor vehicle registrations collected by the State	430,266	656,916	205,601
Other: Costs assumed by Frederick County and other miscellaneous intergovernmental revenues	307,777	254,020	487,549
Total intergovernmental	\$ 3,402,508	\$ 8,850,164	\$ 8,502,862

General Fund - Revenues by Source

Charges for services

Fees are projected based on historical information and evaluation of programs anticipated in the budget year. Decreases in development inspection and review fees are a result of the decline in the construction industry from FY 2011 to FY 2013.

Charges for services

	FY 2013 Adopted	FY 2012 Adopted	FY 2011 Actual
Filing fees: Charges relating to zoning such as map enhancements, text amendments, and use permits	\$ 127,160	\$ 142,000	\$ 142,458
Development inspection and review fees: Charges for plan review by the Engineering Department and inspection of new development	279,522	225,000	424,717
General services: Reimbursement for services provided by the City for non-City events (Frederick Marathon, Festival of the Arts, etc.)	88,570	99,400	86,594
Charges for repairs: Reimbursement from individuals for damages done to City property	15,450	49,003	34,096
Recreation fees: Revenues from gym memberships, camps, various recreation programs, classes, and use of City swimming pools	894,750	866,330	792,757
Other: Legal review fees, police academy training, maintenance for Memorial Park, trash collection, bulk trash	185,878	57,035	53,440
Total charges for services	\$ 1,591,330	\$ 1,438,768	\$ 1,534,062

General Fund - Revenues by Source

Fines and forfeitures

Fines and forfeitures are budgeted based on historical information. Speed camera enforcement was a new program introduced in FY 2012. The City continually monitors the effectiveness of this program and adjusts the projections accordingly.

Fines and forfeitures

	FY 2013 Adopted	FY 2012 Adopted	FY 2011 Actual
Municipal infractions: Fines for City code violations	\$ 6,800	\$ 9,000	\$ 6,555
Red light cameras: Fines generated by red light traffic violations at various locations in the City	400,000	425,000	415,627
False alarm fees: Fines imposed for repeat false alarms	30,000	60,000	64,275
Speed camera citations: Fines generated by speeding violations at various locations in the City	900,000	450,000	-
Park enforcement fines: Revenues from miscellaneous park infractions	250	-	-
Total fines and forfeitures	\$ 1,337,050	\$ 944,000	\$ 486,457

General Fund - Revenues by Source

Other financing sources

Revenues from the sale of capital assets are not usually budgeted but are included in the actual results for the year.

Other financing sources

	FY 2013 Adopted	FY 2012 Adopted	FY 2011 Actual
Interfund transfers: Transfers from other funds to the General Fund. Typically for overhead costs.	\$ 1,847,500	\$ 1,847,500	\$ 2,367,500
Insurance reimbursements: Proceeds from insurance for replacement or repair of assets	5,000	5,000	14,982
Sale of capital assets: Proceeds from sale of assets	3,500	2,500	27,290
Total other financing sources	\$ 1,856,000	\$ 1,855,000	\$ 2,409,772

Miscellaneous revenues

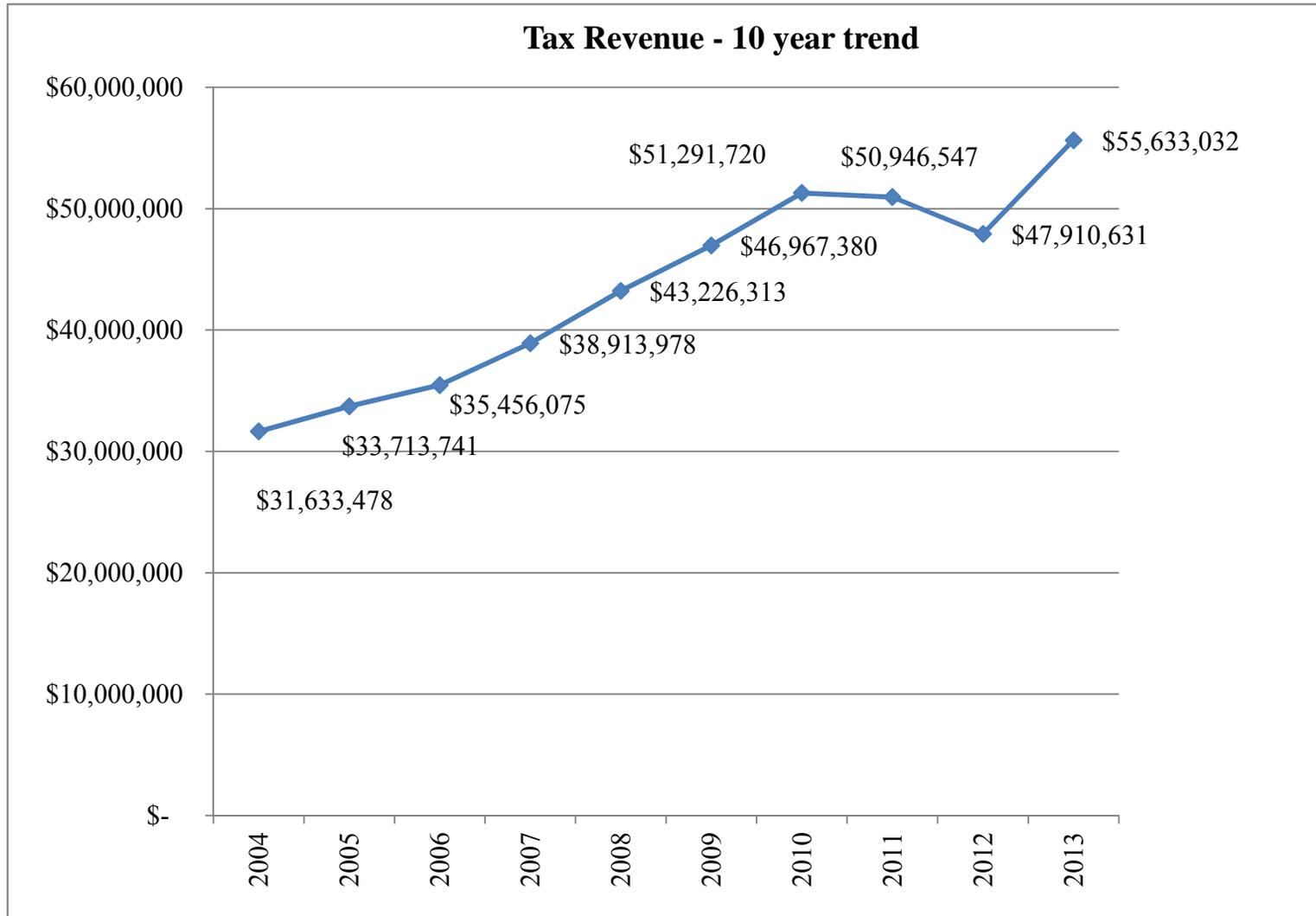
Increases in miscellaneous revenue are due to an increase in the rental of City facilities. Other items are budgeted based on historical information.

Miscellaneous revenues

	FY 2013 Adopted	FY 2012 Adopted	FY 2011 Actual
Investment interest : Earnings on cash in bank	\$ 160,000	\$ 200,000	\$ 184,158
Rents : Revenues generated by the rental of City facilities.	669,450	530,237	606,078
Donations : Donations made to the City by individuals or organizations	16,500	8,500	26,511
Other miscellaneous receipts: Return check fees, discounts earned, and other various receipts	493,446	374,857	404,525
Total miscellaneous revenues	\$ 1,339,396	\$ 1,113,594	\$ 1,221,272

General Fund Revenue

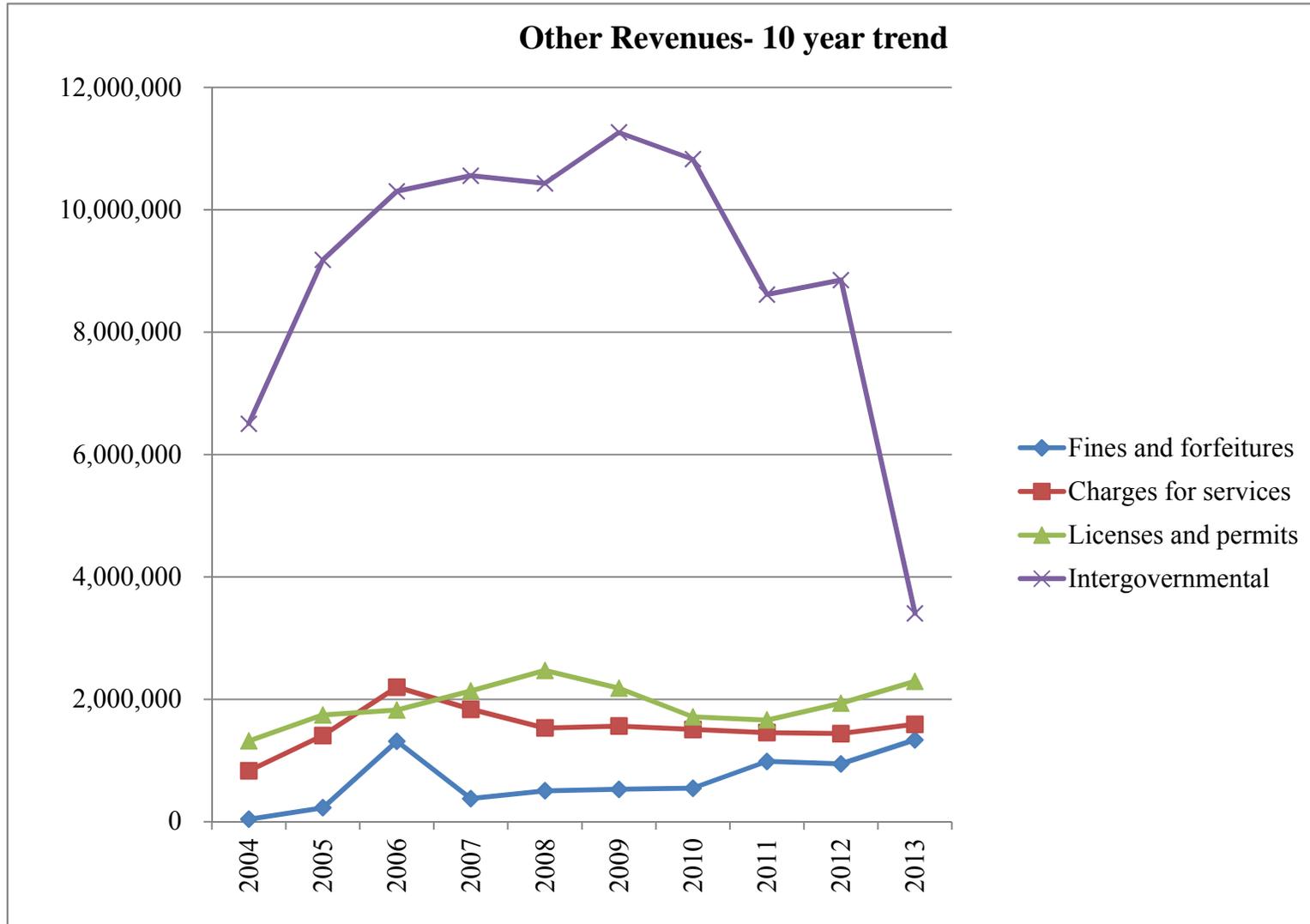
The following graph shows the 10 year history of budgeted tax revenue:



Note tax revenue in FY 2013 includes the change to the tax differential system.

General Fund Revenue

The following graph shows the 10 year history of other major General Fund revenue streams:



Note intergovernmental revenue in FY 2013 includes the change to the tax differential system.

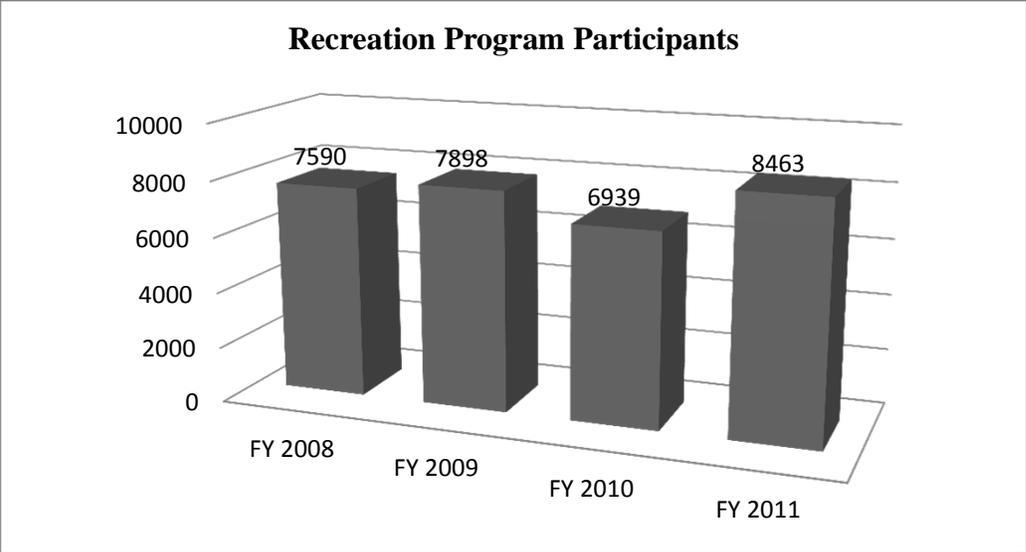
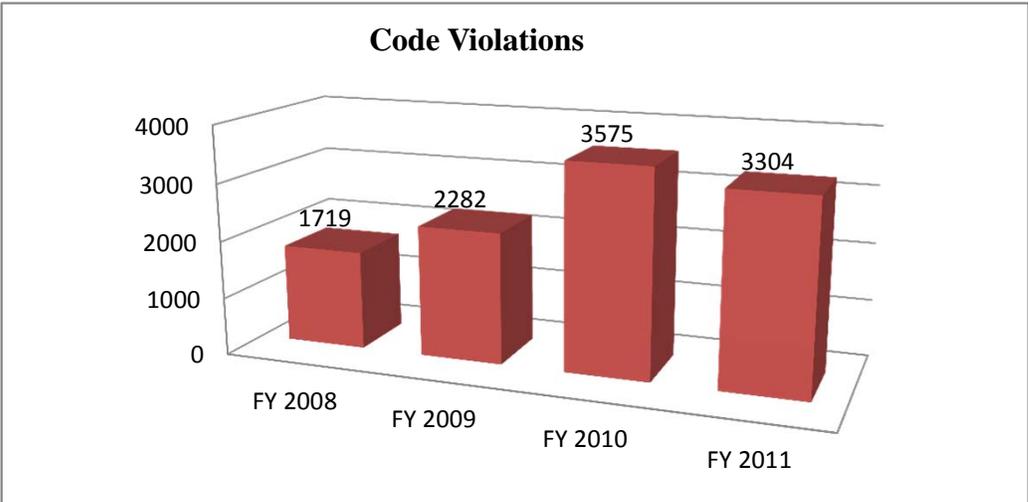
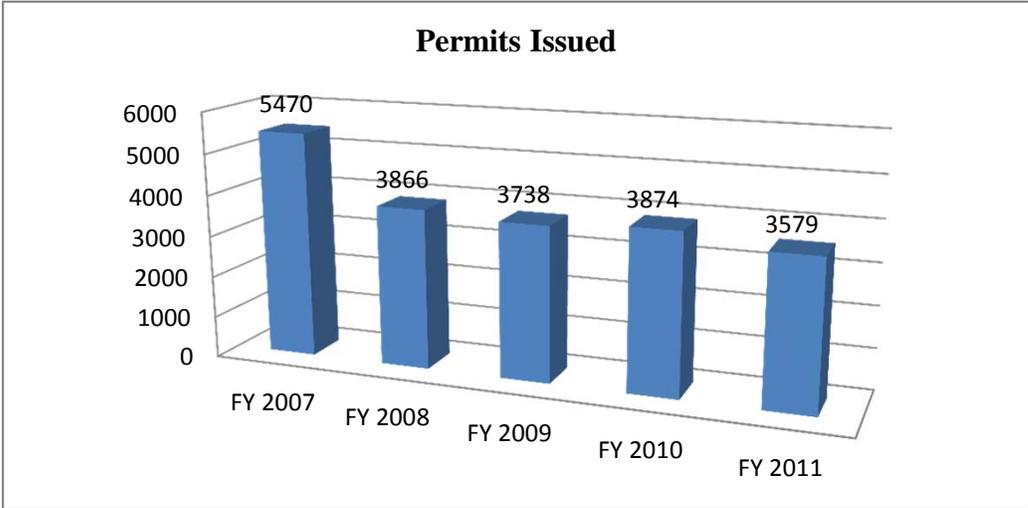
General Fund - Expenditures

Expenditures by Department				
	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Actual
Mayor's Office	\$ 1,078,135	\$ 956,340	12.74%	\$ 1,063,742
Legal	762,195	743,635	2.50%	685,439
Election Board	3,508	3,508	0.00%	522
Finance	1,220,250	1,105,589	10.37%	1,059,172
Purchasing	632,514	628,373	0.66%	597,633
Information Technology	852,682	697,758	22.20%	646,755
Geographic Information Systems	235,866	229,454	2.79%	343,328
Audio Visual	187,290	124,040	100.00%	-
Human Resources	684,140	609,328	12.28%	492,021
Safety	199,394	198,788	0.30%	191,570
Planning	1,109,855	1,075,202	3.22%	1,054,308
Code Enforcement	606,087	525,051	15.43%	574,042
Facility Maintenance	889,780	854,770	4.10%	816,036
Asset Management	493,741	505,736	-2.37%	474,518
Municipal Annex	389,458	392,239	-0.71%	375,837
Community Promotion	65,364	57,799	13.09%	71,409
Special Events	220,600	280,220	-21.28%	267,328
Police	27,840,201	25,817,823	7.83%	24,726,117
Fire	335,143	337,503	-0.70%	338,122
Building Inspection	1,042,469	966,933	7.81%	950,984
Electrical Inspection	303,350	300,177	1.06%	283,179
DPW Projects	515,850	439,051	17.49%	423,550
General Administration - DPW	1,396,472	1,176,984	18.65%	1,191,777
Maintenance - Equipment				
and Machinery	1,087,059	1,015,227	7.08%	969,915
Engineering	1,345,991	1,306,828	3.00%	1,274,615
Waste Collection	3,838,994	3,531,953	8.69%	3,480,323
Street Maintenance	3,545,718	2,009,608	76.44%	1,896,307
Snow Removal	337,306	243,047	38.78%	460,638
Street Lights and Signals	2,318,990	2,200,328	5.39%	2,058,444
Traffic Lines and Signs	608,169	635,589	-4.31%	586,074
Bus Maintenance	30,122	29,447	2.29%	46,701
Grounds Maintenance	3,133,562	2,861,425	9.51%	2,836,352
Harry Grove Stadium	178,951	136,971	30.65%	135,746
Recreation Centers	1,328,947	1,260,357	5.44%	1,177,734
Burck Street Center	16,300	14,925	100.00%	-
Summer Playground Program	113,913	114,202	-0.25%	97,203

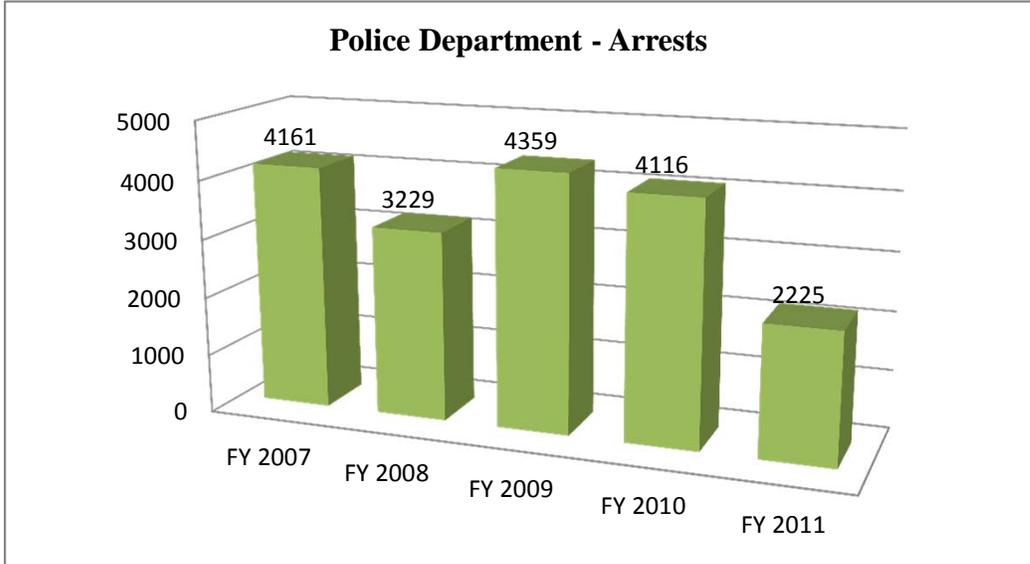
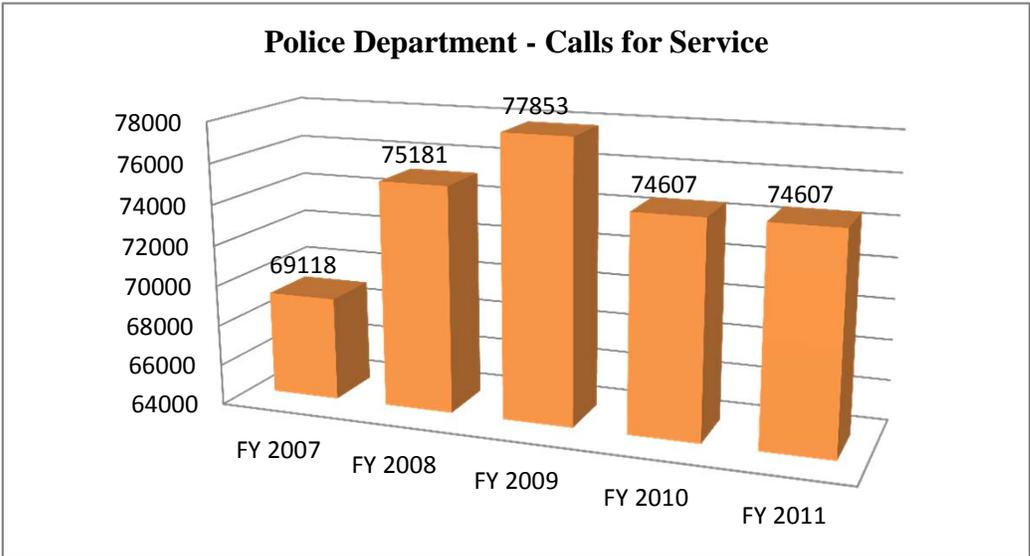
General Fund - Expenditures

Expenditures by Department				
	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Actual
Swimming Pools	260,005	271,153	-4.11%	276,360
Community Development	60,437	63,038	-4.13%	76,010
Economic Development	603,677	389,892	54.83%	546,948
Frederick Community				
Action Agency	3,147,430	2,896,345	8.67%	2,992,830
Debt Service	7,098,537	7,298,490	-2.74%	7,063,538
Interfund Transfers	3,014,514	1,543,870	95.26%	1,362,247
Contingency	100,000	227,949	-56.13%	-
Fund Balance (Reserves)	8,807,988	7,929,235	11.08%	-
Total Expenditures	\$ 82,040,954	\$ 74,006,180	10.86%	\$ 63,965,374

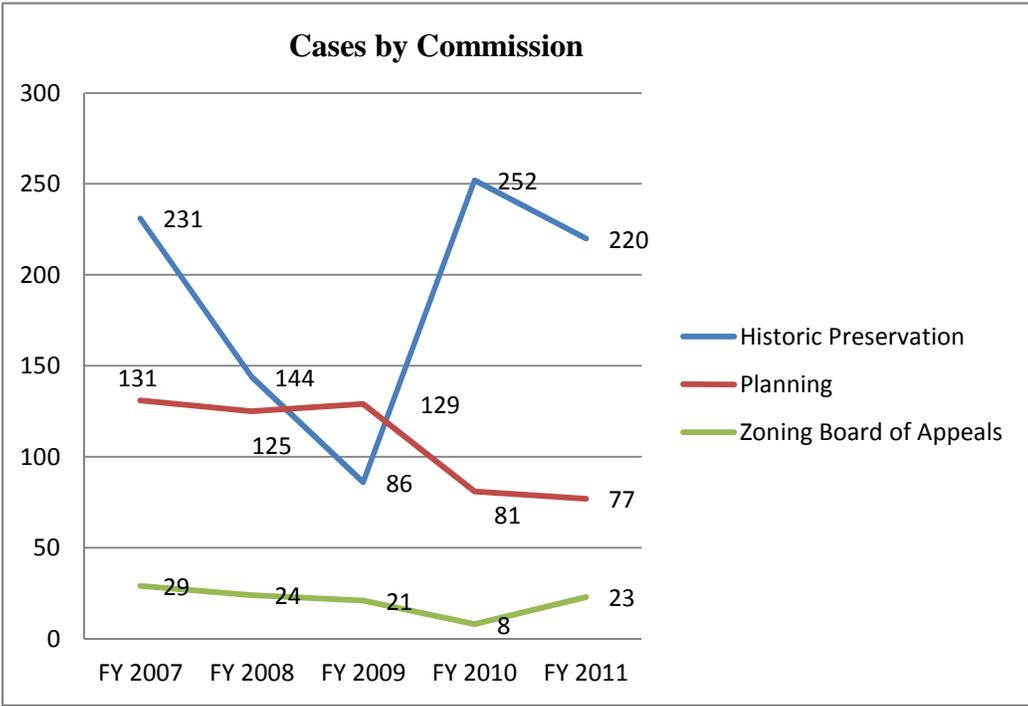
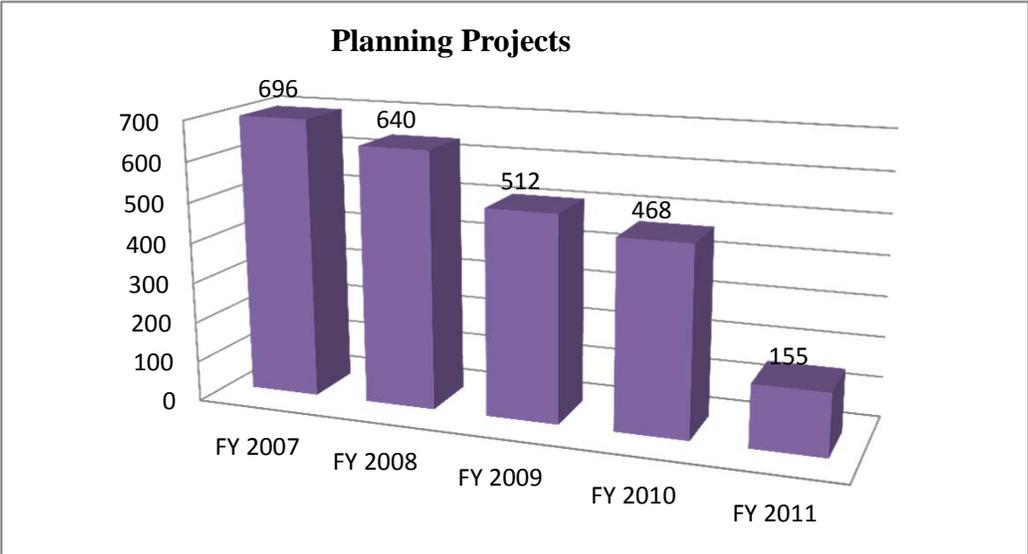
General Fund - Operating Indicators



General Fund - Operating Indicators



General Fund - Operating Indicators



General Fund - Office of the Mayor and Board of Aldermen

MISSION STATEMENT

To deliver quality customer service to City residents and promote accessible open government through the enhancement of communications between departments; and to provide administrative support, leadership and guidance to City staff.

ACTIVITY BACKGROUND

The Mayor and Board of Aldermen (5) are the elected officials of The City of Frederick. The Mayor shall see that the ordinances of the City are executed and shall be the President of the Board of Aldermen, and the head of the administrative branch of the government. The Mayor shall be responsible for the administration of the City's affairs, including preparation of the annual report, preparation of the budget, the supervision of finances, the supervision of purchases, the appointment and discharge of officers and employees and the creation of committees.

The Board of Aldermen serve as the legislative branch of the government and have the power to pass ordinances, not contrary to the Constitution, the laws of Maryland or the City Charter, as it may deem necessary for the good government of the City.

TRENDS

The Mayor and the Board of Aldermen examine the City's spending priorities annually during the budget process and through quarterly budget updates with the goal of developing a fiscally responsible plan that can be updated quickly as conditions change. The Mayor's office FY 2013 budget includes a new initiative which allows the Alderman an allowance of \$1,000 each for training or other expenditures deemed necessary by the individual Aldermen. The Mayor's office has also budgeted for a new copier in the upcoming year.

Budget Summary

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Actual
Personnel	\$ 870,814	\$ 763,884	14.00%	\$ 853,563
Other Operating Expenditures	207,321	192,456	7.72%	210,179
Total Expenditures	\$ 1,078,135	\$ 956,340	12.74%	\$ 1,063,742

Full Time Equivalent Positions

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Adopted
Office of the Mayor and Board of Aldermen	7.70	7.70	0.00%	9.20

General Fund - Legal Department

MISSION STATEMENT

To provide quality legal advice and representation to the Mayor, Board of Aldermen, City agencies, City staff, and all City boards and commissions in an efficient, timely and cost effective manner for the benefit of the citizens of The City of Frederick.

ACTIVITY BACKGROUND

The Legal Department provides the City with comprehensive legal services, including: 1) Advisory – provide legal advice to the Mayor and Board of Aldermen, City staff and departments, and various boards and commissions, to ensure legally sound decisions in developing and carrying out City laws, regulations and policies; 2) Legislative – prepare ordinances, resolutions and related documents; 3) Civil Litigation – initiate or defend lawsuits which cannot otherwise be avoided; 4) Enforcement – fairly and effectively enforce all municipal infractions of City ordinances, including building and zoning code violations; and 5) Transactional – draft/review for legal sufficiency contracts, agreements, deeds, and all other documents in which the City is a party.

TRENDS

In FY 2012, the Mayor and Board of Aldermen started a comprehensive review of the City Charter with the intent of completing this process during FY 2013. The budget for FY 2013 includes costs associated with the advertising and printing of these changes.

Budget Summary

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Actual
Personnel	\$ 599,416	\$ 605,083	-0.94%	\$ 562,999
Other Operating Expenditures	162,779	138,552	17.49%	122,440
Total Expenditures	\$ 762,195	\$ 743,635	2.50%	\$ 685,439

Full Time Equivalent Positions

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Adopted
Legal	6.00	6.00	0.00%	6.00

General Fund - Election Board

MISSION STATEMENT

To successfully manage all municipal elections in The City of Frederick, providing scheduling, personnel, machinery and supplies.

ACTIVITY BACKGROUND

The Election Board Department captures the City's share of the cost of City elections. Generally, a City election occurs every four years. During an election year, there will be an increase in the annual request. The associated supplies and other expenses are charged to this Department.

TRENDS

The budget for the Election Board is has not changed as FY 2013 is not an election year. Costs will increase during FY 2014 when the next City election will take place.

Budget Summary

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Actual
Other Operating Expenditures	\$ 3,508	\$ 3,508	0.00%	\$ 522
Total Expenditures	\$ 3,508	\$ 3,508	0.00%	\$ 522

General Fund - Finance Department

MISSION STATEMENT

To support the operation of City government by effectively and efficiently budgeting, managing, processing, controlling, recording and reporting financial transactions of the City.

ACTIVITY BACKGROUND

The Finance Department is responsible for overseeing the citywide financial, budgeting, accounting, purchasing, accounts payable, accounts receivable, payroll, cash management and risk management functions. The Department processes 17,000 payroll checks, 10,000 disbursements checks and 82,000 cash receipts per year. In addition, the Department bills approximately 17,000 water and sewer accounts on a quarterly basis. Responsibilities include management of approximately \$85 million in investments.

TRENDS

During FY 2012, the City moved to a new financial software package which will allow for credit card payments for utilities, miscellaneous accounts receivable, and business tax bills. This initiative has been long requested and will provide City residents with an additional option for bill payment. The Finance budget has been increased to account for the fees associated with accepting credit card payments for these services.

Budget Summary

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Actual
Personnel	\$ 963,728	\$ 956,428	0.76%	\$ 909,870
Other Operating Expenditures	256,522	149,161	71.98%	149,302
Total Expenditures	\$ 1,220,250	\$ 1,105,589	10.37%	\$ 1,059,172

Full Time Equivalent Positions

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Adopted
Finance	8.50	8.50	0.00%	8.50

General Fund - Purchasing Department

MISSION STATEMENT

To provide efficient, effective and fair procurement in support of the provision of services to Frederick citizens.

ACTIVITY BACKGROUND

There are five functional areas within the Department: purchasing, accounts payable, central supply warehouse, mail services and surplus management. The Department facilitates all aspects of City procurement, inclusive of informal purchase orders, formal bids, request for proposals and request for qualifications. Approximately 8,000 purchase orders are issued per year, for around \$40 million. Approximately 10,000 invoices per year are processed in accounts payable. The central supply warehouse stocks around 3,000 items. The Department also handles the delivery of mail and warehouse materials, registration for all City vehicles, maintaining petty cash for DPW and maintenance of the City gas pumping system.

TRENDS

There has been little change in the funding of the Purchasing Department. The Department has continued to streamline the City's procurement process and has used available technology to move to an almost paperless environment. This has enabled the City to manage procurement in a more effective manner, thus containing the costs associated with the Department.

Budget Summary

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Actual
Personnel	\$ 599,127	\$ 597,888	0.21%	\$ 569,003
Other Operating Expenditures	33,387	30,485	9.52%	28,630
Total Expenditures	\$ 632,514	\$ 628,373	0.66%	\$ 597,633

Full Time Equivalent Positions

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Adopted
Purchasing	7.50	7.50	0.00%	7.73

General Fund - Information Technology Department

MISSION STATEMENT

To support City departmental computer technology needs with the goal of maximizing employee efficiency and effectiveness.

ACTIVITY BACKGROUND

The Information Technology (IT) Department is responsible for researching, implementing and maintaining current information system technology. It currently maintains the City's wide area/local area network, which includes over 300 computers in multiple locations connected via fiber optics, T1, DSL and point to point wireless. The Department keeps abreast of new technologies, servers, and applications, with the goal of creating efficiencies. The IT Department has implemented a disaster recovery plan, an improved backup system, server consolidation via VMware virtual server, and migration to a new municipal software package.

TRENDS

Based on direction from the Mayor, the IT function within the City experienced a shift in personnel. Departments which had appropriations for IT services were brought under the IT Department in the FY 2013 budget. There were also funds allocated for the expansion of the storage area network, additional training, and offsite email collocation.

Budget Summary

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Actual
Personnel	\$ 350,042	\$ 304,233	15.06%	\$ 206,864
Other Operating Expenditures	502,640	393,525	27.73%	439,891
Total Expenditures	\$ 852,682	\$ 697,758	22.20%	\$ 646,755

Full Time Equivalent Positions

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Adopted
Information Technology	4.20	3.20	31.25%	2.00

General Fund - Geographic Information System Department

MISSION STATEMENT

The mission of The City of Frederick GIS Department is to provide an updated and accurate enterprise-wide Geographic Information System service that is utilized by Departments, Agencies and citizens to improve efficiency and decision processes.

ACTIVITY BACKGROUND

The GIS Department is responsible for the implementation of a fully functional, comprehensive City of Frederick Geographic Information System with all associated hardware, software, and data infrastructure. It is clear that there are numerous ways GIS can provide City of Frederick services more effectively and efficiently. The Department is tasked with providing information and analysis to all Departments and staff. It currently maintains around 200 GIS layers and around 150,000 individual features through a variety of software platforms. The GIS Department launched the SpiresGIS online mapping system in several years ago for staff and public use. From the initial launching SpiresGIS has blossomed into the main application used by city staff to locate geographically based data. Since then demand for new applications has grown every year. This surge in usage has resulted in an increased demand for similar websites and analysis that provide up to the minute data information to staff and the public. Staff has also launched Transparent Frederick in the past year. Transparent Frederick is the City's initiative to enable citizens to see their tax dollars in action through an easy to use application. Transparent Frederick provides the public unprecedented access to the City's financial data.

TRENDS

In an effort to keep GIS staff current on software and other trends in the industry, additional training funds have been allocated in the FY 2013 budget.

Budget Summary

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Actual
Personnel	\$ 178,512	\$ 177,689	0.46%	\$ 301,242
Other Operating Expenditures	57,354	51,765	10.80%	42,086
Total Expenditures	\$ 235,866	\$ 229,454	2.79%	\$ 343,328

Full Time Equivalent Positions

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Adopted
GIS	2.20	2.20	0.00%	3.40

General Fund – Audio Visual Department

MISSION STATEMENT

Delivering a complete and concise stream of information and alerts to inform and prepare our citizens and staff through audio and visual media.

ACTIVITY BACKGROUND

The City of Frederick’s Audio Visual Department manages the programming and content of Channel 99, as well as provides AV support throughout the City. Channel 99 keeps City residents up to date on the latest information regarding City happenings and alerts. The Audio Visual Department also handles the maintenance of security camera and video equipment throughout the City. From public City meetings and City events to local weather and traffic, Channel 99 is continuously providing relevant and current information to City residents.

TRENDS

In FY 2012, the Audio Visual function was separated from the Mayor’s Office to form a new department. While the services remain unchanged, a separate department allows for better cost information associated with providing these functions. The increase in funding for FY 2013 is due to equipment upgrades needed to ensure continued operations.

Budget Summary

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Actual
Personnel	\$ 90,270	\$ 88,173	2.38%	n/a
Other Operating Expenditures	97,020	35,867	170.50%	n/a
Total Expenditures	\$ 187,290	\$ 124,040	50.99%	n/a

Full Time Equivalent Positions

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Adopted
Audio Visual	1.50	1.50	0.00%	n/a

General Fund - Human Resources Department

MISSION STATEMENT

To promote a service delivery philosophy among City employees, by which employees are empowered to deliver prompt, quality, effective, professional and cost-effective services to citizens and visitors, in order to make The City of Frederick a better place to live, work and visit. To partner with the leadership, managers, supervisors and employees to provide quality HR services across a wide range of HR functions to attract, develop, motivate and retain a diverse workforce within a supportive work environment.

ACTIVITY BACKGROUND

The HR Department supports a diverse workforce of about 535 full-time, and 250 part-time employees, and retirees. Human Resources manages a full range of HR functions, including: recruiting and hiring, new employee orientation, benefits and compensation, employee relations, training and development, performance management, policy & procedure development and communication, and HR compliance.

TRENDS

Human Resources plays a critical role in current times by providing new and progressive ways to help the City effectively utilize its human capital. One major initiative being spearheaded by the Human Resources Department is pension and other post-employment benefits reform. The additional appropriation in the FY 2013 budget relates to actuarial and legal services associated with bringing such reform to fruition.

Budget Summary

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Actual
Personnel	\$ 471,501	\$ 483,285	-2.44%	\$ 398,376
Other Operating Expenditures	212,639	126,043	68.70%	93,645
Total Expenditures	\$ 684,140	\$ 609,328	12.28%	\$ 492,021

Full Time Equivalent Positions

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Adopted
Human Resources	5.00	5.00	0.00%	4.00

General Fund - Occupational Safety and Health Department

MISSION STATEMENT

To develop, organize, coordinate, administer and manage the City's risk management/loss prevention programs to protect the City from exposure to risk that could have adverse consequences to the City's operations, financial position or community reputation.

ACTIVITY BACKGROUND

The Department provides general direction and supervision of the Risk Management staff, overseeing and directing all loss control initiatives, such as: the development, implementation and evaluation of a diverse range of policies and procedures, hazard control and training initiatives, budget preparation and maintenance, as well as workers compensation claims management, drug and alcohol testing, fleet safety and modified duty return to work. The Department also ensures compliance with Federal, State and local occupational safety and health rules and regulations.

The Department liaisons with all levels of management and labor, providing loss control direction and support. The Department additionally interfaces with insurance representatives/consultants, City contractors, and Federal, State and local officials fostering a positive relationship to achieve the City's goals.

TRENDS

The Occupational Safety and Health Department is dedicated to the Mayor's goal, "to commit all necessary resources to eliminate the causes of workplace accidents, to control employee health hazard exposures and to promote off-the-job safety and health." This goal continues to be met with little variation in funding requirements.

Budget Summary

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Actual
Personnel	\$ 194,720	\$ 194,678	0.02%	\$ 184,976
Other Operating Expenditures	4,674	4,110	13.72%	6,594
Total Expenditures	\$ 199,394	\$ 198,788	0.30%	\$ 191,570

Full Time Equivalent Positions

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Adopted
Safety	2.00	2.00	0.00%	2.00

General Fund - Planning Department

MISSION STATEMENT

To serve the public by promoting the orderly physical development of The City of Frederick by preserving the unique architectural heritage; by providing sound advice and technical expertise to our elected and appointed officials in understanding community issues and priorities; and by facilitating the involvement of the citizens to shape the City's future.

ACTIVITY BACKGROUND

The Planning Department is responsible for land use planning, zoning administration, development review, and historic preservation, as well as other urban development activities. The Department also provides staff support to the Planning Commission, Zoning Board of Appeals, and the Historic District Commission. A major responsibility of the Planning Department is to prepare and maintain the City's Comprehensive Plan. The more short-term or maintenance responsibilities of the Department include preparation of State reports, assessing rezoning petitions, updating the City's land development regulations, and producing neighborhood plans. The Department is also tasked with reviewing proposed subdivisions, site plans and building permit applications to insure compliance with the City's Comprehensive Plan, Land Management Code, and other local regulations.

TRENDS

The Planning Department has continued to operate with the same resource allocation for the past several years. While high quality services are still being provided, this could become an issue as development in the City begins an upward trend.

Budget Summary

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Actual
Personnel	\$ 1,026,471	\$ 989,168	3.77%	\$ 988,933
Other Operating Expenditures	83,384	86,034	-3.08%	65,375
Total Expenditures	\$ 1,109,855	\$ 1,075,202	3.22%	\$ 1,054,308

Full Time Equivalent Positions

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Adopted
Planning	11.00	10.60	3.77%	11.50

General Fund - Code Enforcement Department

MISSION STATEMENT

To promote and maintain a safe and desirable living and working environment through a proactive effort in the enforcement of laws, regulations and ordinances that help to improve the quality of life for all its citizens.

ACTIVITY BACKGROUND

The Code Enforcement Department is responsible for addressing violations of the City's zoning, land development, building code, property management and rental housing regulations. Code Enforcement assists property owners in achieving compliance with the regulations by coordinating the provisions of City services and offering remedial alternatives.

TRENDS

Addressing neighborhood quality of life issues has become one of the City's top priorities. As the City grows, zoning violations and deteriorated properties have increased. With neighborhoods becoming more organized and wanting community concerns addressed, additional staff and other resources have been allocated to insure the preservation of property values, the elimination of land use conflicts, and the abatement of local nuisances.

Budget Summary

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Actual
Personnel	\$ 566,458	\$ 495,368	14.35%	\$ 546,583
Other Operating Expenditures	39,629	29,683	33.51%	27,459
Total Expenditures	\$ 606,087	\$ 525,051	15.43%	\$ 574,042

Full Time Equivalent Positions

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Adopted
Code Enforcement	7.50	6.00	25.00%	8.00

General Fund - Facility Maintenance Department

MISSION STATEMENT

To maximize the use of City facilities through preventative maintenance, timely repair and appropriate modification.

ACTIVITY BACKGROUND

This Department provides for the new construction, renovation, and repair of all City facilities, including the park system. This allows the City to execute a wide array of construction, fabrication, and repair projects in a timely and cost-efficient manner. The Department includes a diverse group of highly skilled tradesmen who are becoming increasingly cross-trained to allow for better job planning and scheduling. The City continues to use this group for important projects whose success depends on concise scheduling and prompt deadlines. The Department also handles graffiti removal and office relocation.

TRENDS

Most City facilities are older structures, which affects both the frequency and types of repairs needed. This Department has become more involved in coordinating and affecting extensive renovations to parkland which involves the integration of nonprofit groups, contractors, and other City Departments. Anticipated increases are associated with the rising costs for fuel and materials.

Budget Summary

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Actual
Personnel	\$ 843,525	\$ 816,964	3.25%	\$ 774,719
Other Operating Expenditures	46,255	37,806	22.35%	41,317
Total Expenditures	\$ 889,780	\$ 854,770	4.10%	\$ 816,036

Full Time Equivalent Positions

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Adopted
Facilities Maintenance	10.20	10.20	0.00%	10.20

General Fund - Asset Management Department

MISSION STATEMENT

To acquire, maintain, manage and sell all City properties, as necessary, with the goal of providing adequate office space in support of the provision of services to the citizens of Frederick, and the goal of supporting City projects with respect to land-related issues.

ACTIVITY BACKGROUND

Facilities Administration is responsible for the asset management of all City owned or operated buildings. This includes the coordination and oversight of planning, estimating, and directing activities associated with maintenance, renovation, and new construction for City properties. Also included are operating budgets for City Hall and the Municipal Annex. The unit reviews plans and specifications to ensure continuity of development for new construction and renovation of City owned properties; coordinates the maintenance or replacement of facilities systems utilizing City staff or contract services; participates in functions involving lease preparation, proposals, and negotiations; manages the acquisition and disposition of City owned property; represents the City on specific project development issues affecting City owned properties; serves as designated ADA Coordinator for City. Finally, the Facility Administrator represents the City with County, State, and Federal governmental agencies.

TRENDS

Facility Administration will continue its evaluation of outsourcing services and a preventative maintenance program in order to reduce fixed costs. Utilities will remain the same with fixed contracts in place. There is a potential for long term increases in some utility cost due to increasing rates fueled by the increase in oil prices.

Budget Summary

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Actual
Personnel	\$ 133,178	\$ 143,331	-7.08%	\$ 138,632
Other Operating Expenditures	360,563	362,405	-0.51%	335,886
Total Expenditures	\$ 493,741	\$ 505,736	-2.37%	\$ 474,518

Full Time Equivalent Positions

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Adopted
Asset Management	1.61	1.61	0.00%	1.61

General Fund - Asset Management Department

Budget Summary- Municipal Annex

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Actual
Other Operating Expenditures	\$ 389,458	\$ 392,239	-0.71%	\$ 375,837
Total Expenditures	\$ 389,458	\$ 392,239	-0.71%	\$ 375,837

General Fund - Community Promotions

MISSION STATEMENT

To promote community activities that are consistent with the mission and goals of The City of Frederick.

ACTIVITY BACKGROUND

The Community Promotions Department contains all sponsorships being provided by the City to other independent organizations. The City currently supports the Delaplaine Visual Arts Center in the amount of \$50,000 and the Child Advocacy Center in the amount of \$12,000.

The Department also funds the City owned Carillon in Baker Park and the Carrillonneur.

TRENDS

The City has continued to be supportive of many and varied community promotion efforts, particularly for services that the City might theoretically provide, but currently does not. Increases in the FY 2013 budget are due to the donation to the Child Advocacy Center and an increase in the number of Carillon performances from 14 to 28.

Budget Summary

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Actual
Other Operating Expenditures	\$ 65,364	\$ 57,799	13.09%	\$ 71,409
Total Expenditures	\$ 65,364	\$ 57,799	13.09%	\$ 71,409

General Fund - Office Of Special Events

MISSION STATEMENT

In partnership with Celebrate Frederick, Inc., a dynamic non-profit organization comprised of volunteers and the corporate community, to provide free or low cost, diverse events that offer the community a shared cultural experience.

ACTIVITY BACKGROUND

The Office of Special Events (OSE) works in conjunction with Celebrate Frederick, Inc. to produce fifteen “City sanctioned” events annually. These events, administered by OSE, bring over 250,000 people into the City each year. A contract between Celebrate Frederick and the City outlines the relationship with OSE. OSE strives to follow the trends of the day to make the events grow and become more culturally and economically diverse. A majority of the events remain FREE to the public enabling all facets of the community to enjoy each program. The partnership between the City, Celebrate Frederick, the event volunteers and the generosity of the business community enables the Frederick community to enjoy a quality of life that is unmatched by any other city.

TRENDS

Many of the events planned have longevity of over 25 years including Frederick’s 4th – An Independence Day Celebration, the Summer Concert Series and In The Street. OSE receives grants from the Tourism Council of Frederick County and the Frederick Arts Council to support program development and advertising. OSE continues to build partnerships with other organizations in the community who share a similar mission. The Department was reorganized in FY 2012, resulting in a loss of .75 FTEs. It is anticipated the Department will still provide the same level of service as in previous years.

Budget Summary

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Actual
Personnel	\$ 208,743	\$ 267,424	-21.94%	\$ 248,458
Other Operating Expenditures	11,857	12,796	-7.34%	18,870
Total Expenditures	\$ 220,600	\$ 280,220	-21.28%	\$ 267,328

Full Time Equivalent Positions

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Adopted
Office of Special Events	2.25	3.00	-25.00%	3.00

General Fund - Police Department

MISSION STATEMENT

To provide professional police services in partnership with our community.

ACTIVITY BACKGROUND

The Frederick Police Department is a progressive, innovative, and community oriented agency committed to ensuring Frederick City's exceptional quality of life. Our employees are driven to ensure customer satisfaction and provide professional police service in partnership with our community. We believe that our commitment to provide enlightened, effective, and sophisticated police services, while maximizing the intelligent and innovative use of technology, makes Frederick a unique and wonderful place where all residents thrive. Our residents enjoy the close-knit feeling of community and our officers are an integral part of their lives as well as activities in Frederick. Frederick Police Officers are highly trained and motivated and have the highest respect for all residents. They never tolerate the taking of one's dignity and realize that the police exist to serve the public as police power derives from the people. We expect excellence, responsiveness, and respect in all we do. We believe that policing is the epitome of public service.

TRENDS

Public safety continues to be a top priority for the Mayor and the Board of Aldermen. In FY 2013, funding was approved for 7 new officers. In addition, funds were allocated for the purchase of much needed computer equipment, Police vehicles, an evidence storage system, and software to manage evidence and seized property.

Budget Summary

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Actual
Personnel	\$ 24,407,451	\$ 23,367,495	4.45%	\$ 22,963,442
Other Operating Expenditures	3,432,750	2,450,328	40.09%	1,762,675
Total Expenditures	\$ 27,840,201	\$ 25,817,823	7.83%	\$ 24,726,117

Full Time Equivalent Positions

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Adopted
Police	183.67	179.57	2.28%	181.80

General Fund - Building Department

MISSION STATEMENT

To serve the Community by ensuring that the health, safety and welfare of the citizens are addressed through its responsibilities in the administration and enforcement of all adopted building, life safety and construction codes of The City of Frederick. In its commitment to excellence in community growth and development, the Building Department will strive to afford an efficient and responsive environment by providing consistent, organized and courteous service to the public.

ACTIVITY BACKGROUND

The Building Department provides permitting, building and fire plan review and inspection services to citizens, developers, and builders ensuring compliance with all applicable codes and regulations as they relate to the construction industry

TRENDS

The Building Department strives to provide licensing, permitting and inspection services in a timely, professional manner. After review of current permitting trends, an immediate need was identified for an additional plans reviewer. In addition, it was determined the process would be more efficient if the Department had a receptionist to guide and direct residents. A part time position was added to meet this need.

Budget Summary

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Actual
Personnel	\$ 987,980	\$ 914,743	8.01%	\$ 911,688
Other Operating Expenditures	54,489	52,190	4.41%	39,296
Total Expenditures	\$ 1,042,469	\$ 966,933	7.81%	\$ 950,984

Full Time Equivalent Positions

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Adopted
Building Inspection	9.90	8.40	17.86%	8.40

**General Fund - Building Department
Electrical Division**

MISSION STATEMENT

To serve the Community by ensuring that the health, safety and welfare of the citizens are addressed through its responsibilities in the administration and enforcement of all adopted building, life safety and construction codes of The City of Frederick. In its commitment to excellence in community growth and development, the Building Department will strive to afford an efficient and responsive environment by providing consistent, organized and courteous service to the public.

ACTIVITY BACKGROUND

The Electrical Division provides licensing, permitting and inspection services to the community to ensure compliance with adopted electrical codes.

TRENDS

The Electrical Division strives to provide licensing, permitting and inspection services in a timely, professional manner. By keeping abreast of advances in technology, the training of personnel, and providing sufficient support to address demand, the department will be able to effectively and efficiently maintain the desired level of services for our community.

Budget Summary

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Actual
Personnel	\$ 291,505	\$ 288,503	1.04%	\$ 274,805
Other Operating Expenditures	11,845	11,674	1.46%	8,374
Total Expenditures	\$ 303,350	\$ 300,177	1.06%	\$ 283,179

Full Time Equivalent Positions

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Adopted
Electrical Inspection	2.80	2.80	0.00%	2.80

General Fund – DPW Projects

MISSION STATEMENT

To ensure the health, safety, mobility and welfare of the citizens of The City of Frederick through the administration and enforcement of adopted construction ordinances and codes and other pertinent regulations, and to offer an efficient and responsive environment by providing consistent, organized and courteous construction inspection and project management services to the public.

ACTIVITY BACKGROUND

The DPW Projects Department provides contract inspection services for Capital Improvements Program projects and development inspection services for both on-site construction and work performed within the City's rights-of-way. Inspection services include quality control of construction practices, forestation inspections, contract time and budget oversight.

TRENDS

City expansion has created an increased demand for contract and development inspection, so much so that this Department has been reorganized, renamed DPW Projects Department and now reports directly to the Deputy Director of Public Works-Operations. The cost of running the Department has increased as the need for an additional project inspector has been identified and funded in the FY 2013 budget.

Budget Summary

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Actual
Personnel	\$ 492,679	\$ 418,883	17.62%	\$ 401,580
Other Operating Expenditures	23,171	20,168	14.89%	21,970
Total Expenditures	\$ 515,850	\$ 439,051	17.49%	\$ 423,550

Full Time Equivalent Positions

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Adopted
Construction Inspection	4.90	3.88	26.29%	4.88

General Fund - Public Works General Administration

MISSION STATEMENT

To safely manage highly skilled employees to provide and maintain essential services/facilities (water, sewer, storm water, street, parks, and sanitation) for The City of Frederick residents, businesses and visitors.

ACTIVITY BACKGROUND

The Public Works General Administration Department provides overall management and planning support for the 19 separate budgetary departments. General Administration establishes policies, procedures and programs that reflect regulating laws, as well as the goals and objectives of the City's operations.

In addition, the Department's operations support team provides administrative support for the Assistant Deputy Director, the Deputy Director and all DPW Operations Departments. We provide oversight of the DPW buildings and compound (security cameras, building maintenance and repair cost oversight, training room and conference room scheduling, etc.).

TRENDS

The operation of the Department faces many challenges as a result of City growth, increased Federal, State and local regulations, cost of labor, increased internal demands, and aging vehicles, buildings, and equipment. The FY 2013 budget includes \$200,000 of capital funding to replace the heating and air conditioning unit in the main building.

Budget Summary

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Actual
Personnel	\$ 863,502	\$ 845,847	2.09%	\$ 833,698
Other Operating Expenditures	532,970	331,137	60.95%	358,079
Total Expenditures	\$ 1,396,472	\$ 1,176,984	18.65%	\$ 1,191,777

Full Time Equivalent Positions

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Adopted
Public Works General Administration	11.44	11.21	2.05%	15.36

General Fund - Maintenance Shop

MISSION STATEMENT

To support the provision of services to City citizens by keeping the City fleet and equipment in a safe and operable condition.

ACTIVITY BACKGROUND

The Vehicle and Equipment Maintenance Shop provides maintenance and repair services for vehicles (e.g., cars, light, medium, and heavy-duty trucks), large equipment (e.g., heavy equipment, trailer-mounted equipment), small equipment (e.g., tractors, mowers, trimmers, chain saws and other misc. small equipment) and ancillary equipment (e.g., generators). The City fleet has grown to 525 vehicles and pieces of equipment to include high priority public-safety-critical police cruisers, refuse equipment, as well as critical city infrastructure maintenance vehicles and units. The Department provides additional services such as safety and D.O.T. inspections, snow removal equipment readiness and repair support, CDL Driver Training, and the car wash facility.

TRENDS

The workload of the Department continues to grow, both in quantity and complexity. The FY 2013 budget includes allocations for equipment purchases needed to continue providing services to the rest of the City.

Budget Summary

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Actual
Personnel	\$ 906,236	\$ 918,743	-1.36%	\$ 874,264
Other Operating Expenditures	180,823	96,484	87.41%	95,651
Total Expenditures	\$ 1,087,059	\$ 1,015,227	7.08%	\$ 969,915

Full Time Equivalent Positions

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Adopted
Maintenance Shop	10.00	10.00	0.00%	10.00

General Fund - Engineering Department

MISSION STATEMENT

To provide engineering and surveying expertise for the protection of the public health, safety, and welfare. Services include engineering and surveying oversight, property research, mapping, development review, utility planning, transportation planning, design and management of capital projects, permitting, and coordination with other local, State and Federal agencies. The Department is dedicated to providing superior customer service in a professional and efficient manner.

ACTIVITY BACKGROUND

The Engineering Department provides engineering review of all proposed public improvements and is responsible for planning, design and direction of capital projects such as roads, bridges, water, drainage and sewerage systems. For design projects not performed in-house, the Department also procures necessary consulting services for design and analysis of these projects. In addition, the Engineering Department is responsible for City surveying, traffic engineering, engineering pertaining to land development and infrastructure planning, water allocation and floodplain management. The Engineering Department maintains approximately 25,000 drawings of improvement plans, site plans, plats of subdivision, street maps as well as maps of all sewer and water line locations. The Department serves as caretaker of all development and construction documents pertaining to the infrastructure of the City.

TRENDS

The Engineering Department continues to provide the various services of the Department in a timely, professional manner and to utilize available technology to improve communication and access to the Department's resources. The FY 2013 budget includes the purchase of new traffic counter equipment to replacement equipment that is currently inoperable.

Budget Summary

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Actual
Personnel	\$ 1,245,037	\$ 1,223,452	1.76%	\$ 1,218,099
Other Operating Expenditures	100,954	83,376	21.08%	56,516
Total Expenditures	\$ 1,345,991	\$ 1,306,828	3.00%	\$ 1,274,615

Full Time Equivalent Positions

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Adopted
Engineering	12.40	12.40	0.00%	14.00

General Fund - Waste Collection and Disposal Department

MISSION STATEMENT

To remove and dispose of all solid waste in the City, according to City policy, in support of the health, safety and welfare of the citizens of Frederick.

ACTIVITY BACKGROUND

The Sanitation Department provides solid waste services to an estimated 18,000 residences, businesses, and institutions. The City offers semi-weekly service, which requires the Department to operate on a six-day-a-week schedule. Collection operations take place in the early morning hours to achieve the greatest efficiencies and minimize safety hazards. Commercial customers receive twice-weekly collection services except for the core of the downtown commercial area where the City provides six-day-a-week collection services to approximately 460 commercial and governmental customers. In May of 2006, the City implemented a Yard Waste Collection Program in response to a new Frederick County ordinance banning yard waste from the refuse disposal area of the County landfill. All waste is taken to the Frederick County Landfill where the City maintains a disposal contract.

TRENDS

With the success of recycling efforts, the City will be moving towards weekly service for residential customers. Over time, this should result in savings of operational costs. The FY 2013 budget accounts for the increase in fuel and supply costs and the purchase of a replacement truck.

Budget Summary

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Actual
Personnel	\$ 1,738,745	\$ 1,749,629	-0.62%	\$ 1,645,816
Other Operating Expenditures	2,100,249	1,782,324	17.84%	1,834,507
Total Expenditures	\$ 3,838,994	\$ 3,531,953	8.69%	\$ 3,480,323

Full Time Equivalent Positions

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Adopted
Waste Collection	23.34	23.34	0.00%	23.29

General Fund - Street Maintenance Department

MISSION STATEMENT

To ensure safety and efficient flow of vehicular and pedestrian traffic through the maintenance of all City-owned streets, alleys, bikeways and sidewalks.

ACTIVITY BACKGROUND

The Street Maintenance Department is responsible for the maintenance of all of the City-owned streets and alleys, including the concrete curb and gutter. This work includes full depth and skin patching, crack sealing, asphalt grinding, and pothole patching. This Department also is responsible for special bulk trash collection and the annual leaf collection. General grading, excavation and construction support are also a part of this Department.

TRENDS

The City of Frederick has an estimated 250 miles of roads. The average street should have the cracks sealed at year 10 and 15. At years 20 - 30 the road should be resurfaced. The level of funding in prior years has not been adequate to properly maintain the roads to the current condition level. Long term State Highway User Revenue funding was cut drastically in FY 2010 and has not been restored. The FY 2013 budget utilizes approximately \$1,700,000 of fund balance to help increase the City's efforts to maintain roads.

Budget Summary

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Actual
Personnel	\$ 1,319,463	\$ 1,305,364	1.08%	\$ 1,234,190
Other Operating Expenditures	2,226,255	704,244	216.12%	662,117
Total Expenditures	\$ 3,545,718	\$ 2,009,608	76.44%	\$ 1,896,307

Full Time Equivalent Positions

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Adopted
Street Maintenance	12.30	12.64	-2.69%	13.66

General Fund - Snow Removal Department

MISSION STATEMENT

To maximize the safety of the City's roads by promptly removing snowfall and ice.

ACTIVITY BACKGROUND

The Snow Removal Department is responsible for the removal of snow and ice from the City streets and alleys, City-owned sidewalks, parking lots and parking decks, the parks and the Frederick Municipal Airport.

This Department has no full time employees or vehicles and equipment assigned to it, but relies on the use of employees from all City Departments, and vehicles and equipment from all DPW Departments. This work is performed with the use of deicing chemicals and skid preventing abrasives, and snowplows mounted to dump trucks, loaders, pickup trucks, and Jeeps, as well as walk-behind snow blowers and spreaders for sidewalks and paths.

TRENDS

The FY 2013 budget includes costs associated with outfitting vehicles purchased by other Departments with the appropriate snow removal equipment. There is also an increased allocation for salt and ice melting chemicals.

Budget Summary

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Actual
Other Operating Expenditures	\$ 337,306	\$ 243,047	38.78%	\$ 460,638
Total Expenditures	\$ 337,306	\$ 243,047	38.78%	\$ 460,638

General Fund - Street Lights and Traffic Signals

MISSION STATEMENT

To help provide public safety for both vehicular and pedestrian traffic within The City of Frederick by maintaining the streetlights and traffic signals. To ensure safe and effective electrical and HVAC climate control services in City owned facilities.

ACTIVITY BACKGROUND

Street Light and Traffic Control maintains approximately 9,000 street lights and approximately 71 signalized intersections. This Department also maintains all electrical and HVAC needs for approximately 40 city-owned facilities. Plan review and electrical inspections for contractor installed streetlights and traffic lights are performed by Department electricians. Street Light and Traffic Control also handled over 5800 Miss Utility requests for locates.

TRENDS

The City will continue initiatives to upgrade traffic controls and traffic signals and will also continue to upgrade streetlights to more reliable and energy efficient technology. The FY 2013 budget includes costs associated with light upgrades, and replacement equipment as well as increased maintenance and utility costs.

Budget Summary

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Actual
Personnel	\$ 1,188,152	\$ 1,187,742	0.03%	\$ 1,072,270
Other Operating Expenditures	1,130,838	1,012,586	11.68%	986,174
Total Expenditures	\$ 2,318,990	\$ 2,200,328	5.39%	\$ 2,058,444

Full Time Equivalent Positions

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Adopted
Street Lights and Signals	14.20	14.20	0.00%	13.90

General Fund - Traffic Lines

MISSION STATEMENT

To help provide public safety for both vehicular and pedestrian traffic within The City of Frederick by maintaining the roadway signs and pavement markings

ACTIVITY BACKGROUND

The Traffic Lines Department maintains all of the signs in The City of Frederick. There are approximately 30,000 signs, of many different types. The Department installs and maintains all traffic control pavement markings, including traffic arrows, yellow curbs, center lines, lane lines, edge lines and parking stalls, using traffic paint and thermoplastic materials. This Department also installs all meter posts in the City parking decks.

TRENDS

Funds have been allocated in this Department for new machinery needed to meet the federal guidelines for sign inventory and for a sign CAD system. In FY 2012, a vehicle was replaced in this Department; however new fleet isn't needed in FY 2013.

Budget Summary

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Actual
Personnel	\$ 417,932	\$ 433,075	-3.50%	\$ 433,085
Other Operating Expenditures	190,237	202,514	-6.06%	152,989
Total Expenditures	\$ 608,169	\$ 635,589	-4.31%	\$ 586,074

Full Time Equivalent Positions

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Adopted
Traffic Lines	5.43	5.43	0.00%	6.48

General Fund - Parks Department

MISSION STATEMENT

To provide maintenance and beautification of parks, City owned facility grounds and roadsides, as well as tree trimming, in support of the excellent quality of life of The City of Frederick.

ACTIVITY BACKGROUND

The Parks Division is responsible for the “Green Industry” operations of the City and special event support. The Department maintains the parks, roadsides, and park facilities and is responsible for managing the landscaping, trees, benches, trash, sidewalks, bathrooms, pavilions, tables, playgrounds, sports fields, fencing, vandalism repair, construction, creeks, ponds and waterways. The current management scope is in excess of 65 different maintenance areas with more than 948 acres of grounds, 30 miles of roadsides and 7,500 street trees. The City works with professional, civic, and community groups in the improvement of these areas. Frederick has been a Tree City USA for over 25 years and a Maryland PLANT Community for the last 19 years. The City has been a recipient of the Growth Award five times. This Division also helps with the setup and clean up efforts of the City’s special events and assists with leaf cleanup, bulk cleanup, and snow removal. Currently, the Division’s initiatives are to support an increasing number of parks and special events, completion of Capital Improvements Program projects, and to improve landscaping at City facilities while restructuring maintenance where possible.

TRENDS

In the last several years, the demand has increased for the quality of maintenance of all park and facility areas. Not only do people want and need open areas for sports activities, the same is to be said for the passive areas as well. There is an increase of expectations for these areas to be highly maintained. The FY 2013 budget provides for repairs to highly used tennis courts and other necessary park improvements. There is also an allocation for a vehicle replacement crucial to service delivery.

Budget Summary

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Actual
Personnel	\$ 2,218,185	\$ 2,232,717	-0.65%	\$ 2,154,845
Other Operating Expenditures	915,377	628,708	45.60%	681,507
Total Expenditures	\$ 3,133,562	\$ 2,861,425	9.51%	\$ 2,836,352

Full Time Equivalent Positions

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Adopted
Parks	25.25	25.25	0.00%	28.25

General Fund - Recreation Department

MISSION STATEMENT

To provide quality recreational activities and special events to all Frederick City citizens by utilizing and safely maintaining parks, swimming pools, sports facilities and golf course for public use and benefit.

ACTIVITY BACKGROUND

The Recreation Department's programs include: sports leagues, sport instruction, fitness, dance, self-defense and crafts. The Department also provides and schedules public activities in the City park system, Board of Education facilities and sports complexes.

TRENDS

As the City continues to grow, the Recreation Department continues to increase offerings of programs for all of the City's residents. The FY 2013 budget is reflective of increased services with corresponding increases in staff, supplies, and contract instructors.

Budget Summary

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Actual
Personnel	\$ 967,385	\$ 939,094	3.01%	\$ 872,362
Other Operating Expenditures	361,562	321,263	12.86%	305,372
Total Expenditures	\$ 1,328,947	\$ 1,260,357	5.52%	\$ 1,177,734

Full Time Equivalent Positions

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Adopted
Recreation	18.43	17.57	4.89%	18.96

General Fund - Summer Playground Department

MISSION STATEMENT

To provide daytime recreational alternatives during summer for the citizens of Frederick.

ACTIVITY BACKGROUND

Currently the Department offers the Summer Playground Program at two locations, providing an eight week program for children ages 6 – 14. Two day camps are offered for children ages 6 – 12 at Whittier and Talley. The Whittier Camp runs for four two-week sessions and the Talley Camp has four two-week sessions and one nine-week session. Both have extended care options. There is a pre-school program for children ages 4 & 5 called the Angels in the Park that runs with four two-week sessions, with full or half day options, and extended care. The Department also currently runs four sports clinics for youth ages 6 – 17.

TRENDS

With more working parents there is a larger demand for extended care during summer months for youth. The City's day camp program continues to grow for that reason. These programs operate with longer hours and are open rain or shine.

Budget Summary

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Actual
Personnel	\$ 96,590	\$ 96,828	-0.25%	\$ 82,134
Other Operating Expenditures	17,323	17,374	-0.29%	15,069
Total Expenditures	\$ 113,913	\$ 114,202	-0.25%	\$ 97,203

Full Time Equivalent Positions

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Adopted
Summer Playground	2.26	2.18	3.67%	1.72

General Fund - Swimming Pools

MISSION STATEMENT

To provide water related recreational opportunities to the citizens of Frederick.

ACTIVITY BACKGROUND

This Division of the Recreation Department manages the 2 municipal swimming pools - the Diggs Pool in Mullinix Park and the Thomas Pool in Baker Park. Both are outdoor facilities that are open to the public from Memorial Day weekend to the first day of school. Swimming instruction and concessions are both available during the summer.

TRENDS

Renovations at the Thomas and Diggs Pools have expanded the water recreation opportunities for the community. Both pools offer a wide variety of water play activities and have seen record breaking usage during the past summer. Pools are staffed primarily with seasonal workers and are managed by an outside contractor.

Budget Summary

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Actual
Personnel	\$ 74,779	\$ 73,759	1.38%	\$ 71,857
Other Operating Expenditures	185,226	197,394	-6.16%	204,503
Total Expenditures	\$ 260,005	\$ 271,153	-4.11%	\$ 276,360

Full Time Equivalent Positions

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Adopted
Swimming Pools	2.28	2.18	4.59%	2.24

General Fund - Economic Development

MISSION STATEMENT

To increase economic opportunity for the citizens of Frederick through job creation, revitalization and reinvestment.

ACTIVITY BACKGROUND

The Department of Economic Development (DED) works to retain and expand the 3,500 businesses and 49,000 jobs in the City and to recruit new businesses. The Department promotes Frederick using the “Great American Business Destination” and “Be a Major Element in Frederick” marketing programs and fosters entrepreneurship through partnerships with FITCI, TEDCO, Chamber, and OED. Staff attend trade shows, conferences, and other economic development events to promote Frederick. The Department advocates for infrastructure development including roads, water, sewer and broadband. The DED is focused on downtown revitalization (Carroll Creek Park, Main Street Program, Arts and Entertainment District, Brownfields Development, Infill Development), partnering with Downtown Frederick Partnership and Tourism Council of Frederick County . Additionally, the staff is focused on corridor revitalization including the Golden Mile Revitalization District, East Street, Thomas Johnson Drive, and Route 15.

TRENDS

In FY 2013, the Mayor and Board of Aldermen make a significant investment in economic development efforts. Funding has been provided for increased trade show appearances, data study updates, advertising, and industry consultants. In addition, funds have been allocated to provide a match for business incentive programs offered by the State.

Budget Summary

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Actual
Personnel	\$ 290,733	\$ 292,641	-0.65%	\$ 279,035
Other Operating Expenditures	312,944	97,251	221.79%	267,913
Total Expenditures	\$ 603,677	\$ 389,892	54.83%	\$ 546,948

Full Time Equivalent Positions

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Adopted
Economic Development	3.00	3.00	0.00%	3.00

General Fund - Frederick Community Action Agency

MISSION STATEMENT

To operate programs and services that ameliorate the causes and effects of poverty in Frederick County, Maryland.

ACTIVITY BACKGROUND

Through a wide array of programs and services, the Frederick Community Action Agency (FCAA) provides food, shelter, medical care, housing, transportation and other forms of assistance to help families and individuals that are low-income or homeless. Started in 1968, the FCAA is sponsored by The City of Frederick and Friends for Neighborhood Progress, Inc. with support from the United Way of Frederick County. At present, the FCAA operates 20 different programs and services that range from a soup kitchen to a primary health care clinic. The FCAA is the federally designated Community Action Agency for all of Frederick County and provides services on a countywide basis. The major programs and services operated by the FCAA can be categorized into 6 broad program areas: food and nutrition programs; outreach and transportation programs; health care programs; homeless service programs; case management and housing counseling programs; and weatherization and housing assistance programs.

TRENDS

The FCAA is primarily grant funded, with 72% of revenues provided by outside support. Programs and services offered by the FCAA continue to grow, especially in the following key areas of service: primary health care programs and the expansion of the medical clinic; housing counseling programs including default/foreclosure counseling and homebuyer education; a “green jobs” training program for unemployed workers; and home weatherization services; a major expansion of the national weatherization assistance network is being funded through the American Recovery and Reinvestment Act of 2009.

Budget Summary

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Actual
Personnel	\$ 2,340,088	\$ 2,147,031	8.99%	\$ 2,076,551
Other Operating Expenditures	807,342	749,314	7.74%	916,279
Total Expenditures	\$ 3,147,430	\$ 2,896,345	8.67%	\$ 2,992,830

Full Time Equivalent Positions

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Adopted
FCAA	42.65	39.96	6.73%	43.81

Water and Sewer Fund

The Water and Sewer Fund is an enterprise fund used to account for the activity associated with the operation of the City's water and sewer system. The Fund's primary source of revenue is user fees from water and sewer customers. Water and Sewer rates are set each year by the Mayor and Board of Aldermen, with the goal of recovering the costs to provide water and sewer services to existing customers. A 10% rate increase is included in the proposed budget.

Revenues

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Actual
Licenses and permits	\$ 207,880	\$ 162,600	27.85%	\$ 181,518
Charges for services	22,996,320	22,323,448	3.01%	18,721,573
Fines and forfeitures	25,500	20,500	24.39%	20,634
Other financing sources	2,554,080	2,550,000	0.16%	3,369,174
Miscellaneous	7,200	7,000	2.86%	61,876
Fund balance	3,260,832	29,965	10782.14%	-
Total Revenues	\$ 29,051,812	\$ 25,093,513	15.77%	\$ 22,354,775

Expenditures by Department

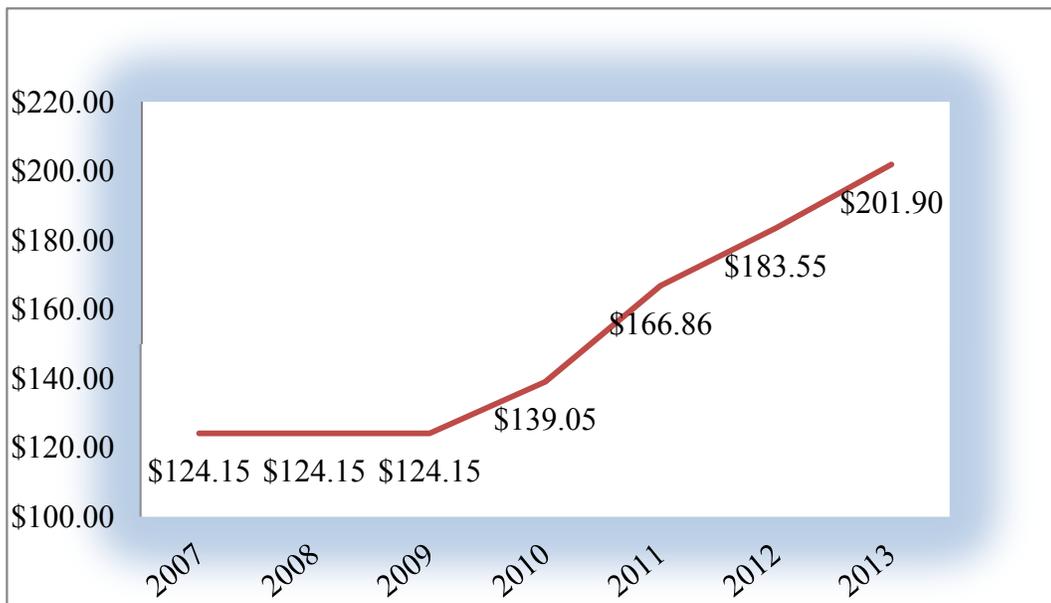
	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Actual
Finance	\$ 271,679	\$ 266,644	1.89%	\$ 276,252
Plumbing Inspection	321,977	295,362	9.01%	273,451
Water Services	2,498,900	2,322,767	7.58%	3,453,289
Water Quality	347,682	376,499	-7.65%	368,217
Water Treatment	5,637,973	5,539,883	1.77%	4,594,056
Wastewater Treatment Plant	3,443,146	3,398,526	1.31%	4,280,611
Sewer Maintenance	910,249	747,805	21.72%	1,354,753
Inflow and Infiltration	367,451	357,217	2.86%	433,837
Plant Maintenance	1,053,720	1,010,823	4.24%	1,092,780
Debt Service	8,941,944	8,927,987	0.16%	2,150,691
Interfund Transfers	5,057,091	1,650,000	206.49%	1,650,000
Contingency	200,000	200,000	0.00%	-
Total Expenditures	\$ 29,051,812	\$ 25,093,513	15.77%	\$ 19,927,937

Water and Sewer Fund

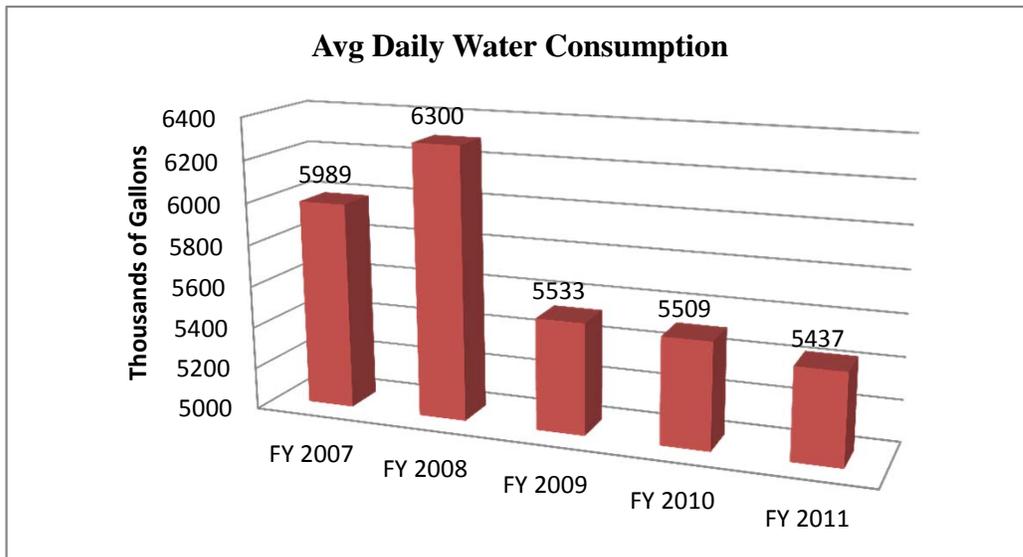
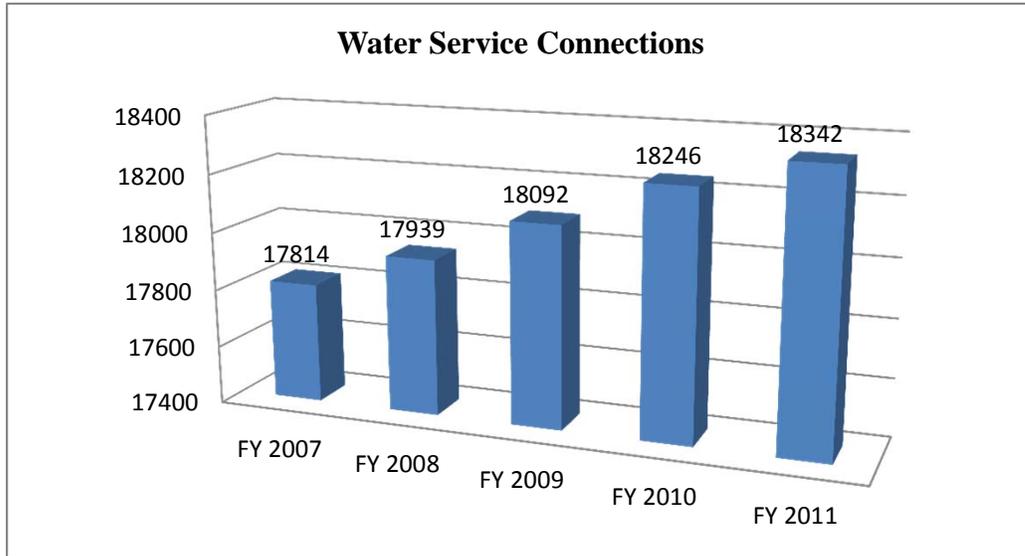
Water & Sewer Rate Comparison
Quarterly Rates

		FY 2013 Rates	FY 2012 Rates	%
Tier				Increase
<6000		\$ 3.32	\$ 3.01	10%
6001-16000		4.80	4.37	10%
16001-24000		5.08	4.62	10%
24001-32000		5.31	4.83	10%
>32001		5.76	5.24	10%
Base Charge				
Meter Size	75	\$ 34.94	\$ 31.77	10%
Meter Size	100	48.92	44.47	10%
Meter Size	125	55.90	50.82	10%
Meter Size	150	62.96	57.23	10%
Meter Size	200	101.33	92.11	10%
Meter Size	300	384.32	349.38	10%
Meter Size	400	489.13	444.66	10%
Meter Size	600	733.68	666.99	10%
Meter Size	800	1,013.19	921.09	10%

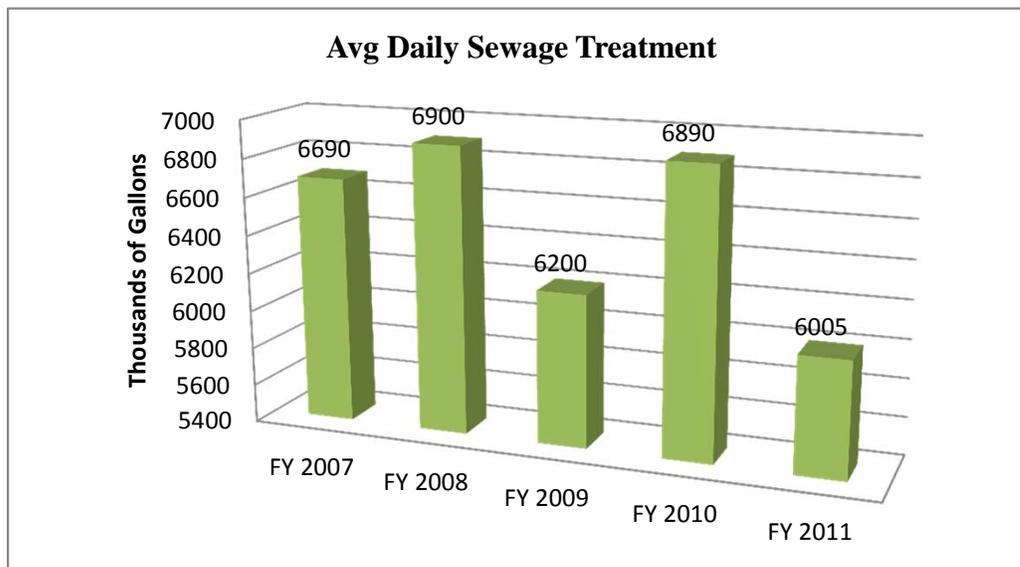
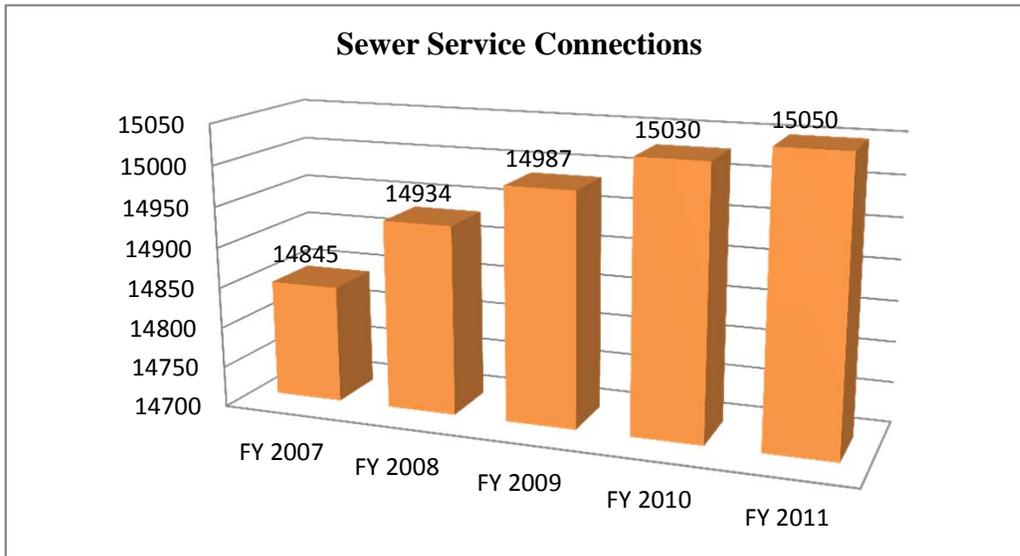
The following graph shows the average quarterly residential water bill from 2007 - 2013:



Water and Sewer Fund - Operating Indicators



Water and Sewer Fund - Operating Indicators



Water and Sewer Fund - Finance Department

MISSION STATEMENT

To support the operation of the City government by effectively and efficiently processing, controlling and recording all financial transactions of the City.

ACTIVITY BACKGROUND

The Finance Department is responsible for the billing and collections of approximately 17,000 water and sewer accounts on a quarterly basis.

TRENDS

With the anticipated software update for utility billing, the City will move toward easier on-line payments and electronic invoicing. The City anticipates this endeavor should be completed during the upcoming fiscal year.

Budget Summary

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Actual
Personnel	\$ 203,577	\$ 202,852	0.36%	\$ 229,025
Other Operating Expenditures	68,102	63,792	6.76%	47,227
Total Expenditures	\$ 271,679	\$ 266,644	1.89%	\$ 276,252

Full Time Equivalent Positions

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Adopted
Finance Department	3.00	3.00	0.00%	3.00

**Water and Sewer Fund - Building Department
Plumbing Division**

MISSION STATEMENT

To serve the Community by ensuring the health, safety, and welfare of the citizens are addressed through its responsibilities in the administration and enforcement of all adopted building, life safety, and construction codes of The City of Frederick. In its commitment to excellence in community growth and development, the Building Department will strive to afford an efficient and responsive environment by providing consistent, organized, and courteous service to the public.

ACTIVITY BACKGROUND

The Plumbing Division provides licensing, permitting and inspection services to the community to ensure compliance with adopted plumbing and gas codes.

TRENDS

The Division provides licensing, permitting and inspection services in a timely, professional manner. By keeping abreast of advances in technology, the training of personnel, and providing sufficient support to address demand, the Department will be able to effectively and efficiently maintain the desired level of services for our community.

Budget Summary

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Actual
Personnel	\$ 309,824	\$ 283,581	9.25%	\$ 264,652
Other Operating Expenditures	12,153	11,781	3.16%	8,799
Total Expenditures	\$ 321,977	\$ 295,362	9.01%	\$ 273,451

Full Time Equivalent Positions

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Adopted
Plumbing Inspection	2.80	2.80	0.00%	2.80

Water and Sewer Fund - Water Services Department

MISSION STATEMENT

To provide an operational, well-maintained distribution system in support of the provision of water to residents of The City of Frederick.

ACTIVITY BACKGROUND

The Water Services Department is responsible for delivering water to the citizens of the City and Frederick County. The Department operates and maintains over 320 miles of water mains and services, over 2500 fire hydrants, 6 storage tanks with 6.75 million gallons capacity, and 3 water boosting stations. The Department is also responsible for metering and reading over 18,100 accounts each quarter. Preventive maintenance programs performed by the Department include valve maintenance, hydrant flushing, and leak detection and repair. The Department handles over 4,800 requests a year for service.

The Department also responds to emergencies 24/7, 365 days a year for water and any other Department that needs assistance. This Department maintains and monitors interconnectors with Frederick County and Fort Detrick.

TRENDS

With the aging system, breakdowns are occurring more often, repairs are more expensive and there is a greater use of man hours per job. Increased staffing will be necessary in the near future. The FY 2013 budget allocation includes anticipated increases in supplies, fuel, and maintenance contracts. There is also funding provided for a replacement vehicle and leak deduction equipment.

Budget Summary

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Actual
Personnel	\$ 1,581,137	\$ 1,569,232	0.76%	\$ 1,642,451
Other Operating Expenditures	917,763	753,535	21.79%	1,810,838
Total Expenditures	\$ 2,498,900	\$ 2,322,767	7.58%	\$ 3,453,289

Full Time Equivalent Positions

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Adopted
Water Services	16.60	16.60	0.00%	15.30

Water and Sewer Fund - Water Quality Department

MISSION STATEMENT

To provide efficient and reliable laboratory, field-testing, and other regulatory support services in the provision of drinking water and the treatment of wastewater for the citizens of The City of Frederick.

ACTIVITY BACKGROUND

The Water Quality Department performs and manages water related regulatory compliance monitoring for plant process control, distribution quality control, customer drinking water complaint investigations, and other special testing and reporting services as needed under the City's Water and Sewer Fund. Most of our activities are mandated under the Federal Clean Water Act (CWA) and Safe Drinking Water Act (SDWA).

TRENDS

The drinking water testing functions, especially the need for contract testing, have increased significantly in the past few years. Further special sampling and testing will be required under the Safe Drinking Water Act (SDWA) as the new provisions of the disinfection byproducts, microbial and lead and copper rules are implemented over the next few years. Along with this increased testing has come increased reporting and other administrative duties associated with the regulatory compliance program.

Future upgrades at the water and wastewater plants and increased drinking water monitoring requirements may require upgraded lab equipment and expanded laboratory and office facilities to meet the City's need for testing services. Additional lab personnel may also be required in future years due to the increased monitoring and reporting workload.

Budget Summary

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Actual
Personnel	\$ 268,774	\$ 268,223	0.21%	\$ 286,965
Other Operating Expenditures	78,908	108,276	-27.12%	81,252
Total Expenditures	\$ 347,682	\$ 376,499	-7.65%	\$ 368,217

Full Time Equivalent Positions

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Adopted
Water Quality	3.13	3.13	0.00%	3.13

Water and Sewer Fund - Water Treatment Department

MISSION STATEMENT

To supply the residents of The City of Frederick with an adequate amount of safe and aesthetically pleasing water.

ACTIVITY BACKGROUND

The Water Treatment Department is tasked with the operation and maintenance of four treatment facilities: Monocacy River, Linganore Creek, L.R. Dingle, and Fishing Creek and three additional water resources: the Well Field (wells 3,4 and 7) at Schifferstadt Boulevard, L.R Dingle Tuscarora Rechlorination System and the Ballenger Creek Water Interconnection Station. Using the four water treatment facilities listed above, the Department takes water from the source, gives it a complete treatment method, including pH, fluoridation, chlorination, flocculation, sedimentation and filtration (according to State of Maryland Department of Environment and EPA guidelines and regulations) and pumps it into the water tanks and distribution system for use.

TRENDS

The water treatment field is experiencing advancements in communication technology (Supervisory Control and Data Acquisition, or SCADA). The City has a very diverse system, being physically spread throughout the City. Further implementation of SCADA will allow staff to see what is happening at these facilities regarding processes and status of equipment without physically being on site. This allows centralization of offices and generates greater productivity. This is also a very valuable tool in dealing with the threat of terrorism.

The water treatment field has seen and will continue to see more intense regulation by many enhanced EPA and MDE regulations. This has increased the requirement for accountability in both monitoring and reporting practices.

Budget Summary

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Actual
Personnel	\$ 1,626,822	\$ 1,642,758	-0.97%	\$ 1,760,332
Other Operating Expenditures	4,011,151	3,897,125	2.93%	2,833,724
Total Expenditures	\$ 5,637,973	\$ 5,539,883	1.77%	\$ 4,594,056

Full Time Equivalent Positions

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Adopted
Water Treatment	18.33	18.33	0.00%	18.33

Water and Sewer Fund - Wastewater Treatment Department

MISSION STATEMENT

To collect and treat through physical, biological and chemical processes all wastewater generated by The City of Frederick and to ensure that all treated wastewater returned to the environment meets the discharge quality standards as set forth by Federal and State regulatory compliance agencies. We perform hundreds of sample analysis tests through the City's Water Quality Department to ensure optimal discharge standards are met in the most cost effective manner.

ACTIVITY BACKGROUND

The Wastewater Treatment Department (WWTP) is designed and responsible for the collection and treatment of 8.0 million gallons of wastewater per day, generated by The City of Frederick. The objective of the WWTP is to meet discharge permit requirements while maintaining the safety, health, and well being of the citizens, the environment and plant employees. Although the plant primarily collects and treats residential wastewater, several industries and commercial businesses located within the City also discharge wastewater into the plant from their respective production activities. These may contain significant quantities of toxic pollutants and other substances that can adversely affect system performance. Consequently, the plant administers and maintains an industrial pretreatment program, which establishes monitoring and pretreatment standards at the industry's site as outlined in the Code of Laws of The City of Frederick, Appendix L, Industrial Pretreatment Ordinance.

TRENDS

The trend in environmental issues today is to enact tighter and stricter regulations because of our dwindling or depleting natural resources. Many of these regulations have an impact on our cost and way of doing business. For example, the upgrade for the WWTP to ENR to further improve the quality of the Chesapeake Bay, via removal of excess nitrogen and phosphorus in the treatment process, is currently underway.

Budget Summary

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Actual
Personnel	\$ 1,277,449	\$ 1,290,427	-1.01%	\$ 1,368,394
Other Operating Expenditures	2,165,697	2,108,099	2.73%	2,912,217
Total Expenditures	\$ 3,443,146	\$ 3,398,526	1.31%	\$ 4,280,611

Full Time Equivalent Positions

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Adopted
Waste Water Treatment Plant	13.23	13.23	0.00%	13.23

Water and Sewer Fund - Sewer Maintenance Department

MISSION STATEMENT

To provide an operational and well maintained collection system in support of the provision of water to residents of The City of Frederick.

ACTIVITY BACKGROUND

The Sewer Maintenance Department is responsible for maintaining the safe travel of raw sewage from the homeowner's property to the Wastewater Treatment Plant. The Department operates and maintains over 161 miles of sewer mains, 4365 manholes, over 15,000 services and 9 lift stations. Preventive maintenance programs performed by the Department includes, but is not limited to, preventive maintenance of sewer house connections (TVing, servicing and inventorying/GPS) jet cleaning main lines, repairs made to main lines, service lines, and responding to all sewer related calls through out the City. The Department also handles Miss Utility locates for City's sewer and storm drain systems.

TRENDS

Increased preventive and proactive maintenance has led to a decrease in sewer related complaints. Efforts continue to repair problem sewers, reduce sewer blockages and eliminate inflow and infiltration. Trenchless rehabilitation methods are being utilized to repair deteriorated sewers. The FY 2013 budget provides an increased allocation for replacement vehicles and equipment critical for continued service delivery.

Budget Summary

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Actual
Personnel	\$ 553,273	\$ 549,943	0.61%	\$ 555,748
Other Operating Expenditures	356,976	197,862	80.47%	799,005
Total Expenditures	\$ 910,249	\$ 747,805	21.74%	\$ 1,354,753

Full Time Equivalent Positions

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Adopted
Sewer Maintenance	5.66	5.66	0.00%	5.66

Water and Sewer Fund - Inflow and Infiltration Department

MISSION STATEMENT

To identify and reduce inflow & infiltration (I&I) into the City's sanitary system, helping to prevent sanitary sewer overflows and reduce the amount of ground water unnecessarily treated by the Wastewater Treatment Plant.

ACTIVITY BACKGROUND

The I&I Department is responsible for TVing all of the sanitary sewer mains running throughout the City as well as TVing all new developments insuring that the City is getting a sealed and completely functional sewer system. They also read flow meters and weather stations placed throughout the City to help identify potential inflow or infiltration areas. This Department is currently working with the GIS Department to locate and identify all of the City's utilities and handicap ramps. With the data that is collect by the camera truck and a GPS unit the GIS Department is able to put this data online where it can be used for I&I studies, sewer related problems and Miss Utility locates. Additionally, the Engineering Department is looking to use this data to create an in-house sewer master plan instead of outsourcing the complete master plan. Currently we are also performing the same tasks in the Storm Drain Department but this data is used to help us map the storm drain system as part of an agreement with MDE for our NPDES Phase II Storm Water Permit.

TRENDS

The inflow and infiltration program has led to a drastic reduction in I&I within the sanitary sewer system, which in turn reduces the wastewater treatment burden. There is a constant ongoing program to keep on top of the I&I problem, and to identify areas with I&I for future rehabilitation. This helps the City maximize the capacity of its wastewater treatment facility. The City has invested additional resources in FY 2013 for main line repairs and I&I reduction.

Budget Summary

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Actual
Personnel	\$ 273,632	\$ 282,192	-3.03%	\$ 290,314
Other Operating Expenditures	93,819	75,025	25.05%	143,523
Total Expenditures	\$ 367,451	\$ 357,217	2.86%	\$ 433,837

Full Time Equivalent Positions

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Adopted
Inflow and Infiltration	3.23	3.23	0.00%	3.23

Water and Sewer Fund - Water and Sewer Facilities Maintenance

MISSION STATEMENT

To maintain all water and sewer facilities of The City of Frederick so they are safety compliant and operable within permit requirements.

ACTIVITY BACKGROUND

The Water and Sewer Facilities Maintenance Department is responsible for maintaining all 35 water and sewer facilities in the City. This includes 11 sanitary lift stations, 1 wastewater treatment plant, 4 water treatment facilities, 2 reservoirs, 3 wells, 6 water storage tanks, 3 booster pumping stations, and 5 storm water management facilities. We provide preventive and predictive maintenance services as well as repairs and improvements as needed. We also administer many maintenance contracts and agreements for professional services and support the design and construction process for capital improvements.

TRENDS

The City's water system is growing with new facilities and improvements planned for the future. We have experienced a considerable back-log of work over the last several years due to increased involvement in improvements and project related work. The FY 2013 budget includes the replacement of a vehicle that has been taken out of service.

Budget Summary

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Actual
Personnel	\$ 919,484	\$ 913,943	0.61%	\$ 962,397
Other Operating Expenditures	134,236	96,880	38.56%	130,383
Total Expenditures	\$ 1,053,720	\$ 1,010,823	4.24%	\$ 1,092,780

Full Time Equivalent Positions

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Adopted
Plant Maintenance	10.13	10.13	0.00%	10.13

Parking Fund

MISSION STATEMENT

To support existing land uses, assist the City's economic development initiatives, and preserve parking for its residents, by providing adequate and high quality parking resources and related services for all user groups that need to park within the City.

ACTIVITY BACKGROUND

The Parking Department is responsible for the parking in the downtown business district. The Department oversees and is responsible for five parking garages, 700 parking meters, 3 parking lots and the parking enforcement program. The primary mission of the Department is to provide convenient, clean and safe parking for the residents, visitors, employees and business patrons of downtown Frederick. We do this by implementing programs and policies that balance the conflicting needs of these parking customers, given the scarce parking resources available downtown.

TRENDS

The City is experiencing tremendous growth and though we have the new East All Saints Street Garage operational, we see the need for one new additional parking garage in the future. The location of this garage will be in the East Street corridor, specifically, the corner of East Street and South Street. Due to anticipated development, this area has been identified as the highest need area at this time. We will be looking to add parking where we can and keep up with the expected development around town.

As a result of our parking programs and policies, parking issues have significantly reduced during the past 17 years; however, with the continued growth of the downtown we need to ensure that additional parking facilities are secured to compliment this growth. Major renovations are taking place in FY 2013 in the Church Street Parking Deck with funds allocated in FY 2012. This project should extend the useful life by 7 -10 years after which the City plans on a complete demolition and rebuild of this deck.

Parking Fund

REVENUES

The Fund's primary source of revenue is user charges attributed to the City's 5 parking decks and parking meters located in the downtown area. Rates are set by the Mayor and Board of Aldermen with the goal of covering the expenses of the parking system.

	Revenues			
	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Actual
Licenses and permits	\$ 155,740	\$ 173,740	-10.36%	\$ 113,746
Intergovernmental	146,192	128,250	13.99%	90,608
Charges for services	3,462,144	3,357,028	3.13%	3,206,059
Fines and forfeitures	678,980	685,230	-0.91%	691,047
Other financing sources	-	-	0.00%	246,511
Miscellaneous	347,471	347,471	0.00%	365,585
Fund balance	104,356	1,023,909	-89.81%	-
Total Revenues	\$ 4,894,883	\$ 5,715,628	-14.36%	\$4,713,556

STAFFING AND EXPENDITURES

	Expenditures by Department			
	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Actual
Public Parking	\$ 838,868	\$ 797,543	5.18%	\$ 724,206
Church Street Deck	357,213	275,724	29.55%	195,834
Court Street Deck	283,166	217,757	30.04%	397,267
Carroll Creek Deck	346,267	317,963	8.90%	385,534
West Patrick Street Deck	227,556	184,588	23.28%	833,501
East All Saints Street Deck	166,300	145,539	14.26%	544,138
Debt Service	2,425,513	2,576,514	-5.86%	1,357,944
Interfund Transfers	150,000	1,150,000	-86.96%	150,000
Contingency	100,000	50,000	100.00%	-
Total Expenditures	\$ 4,894,883	\$ 5,715,628	-14.36%	\$4,588,424

Parking Fund

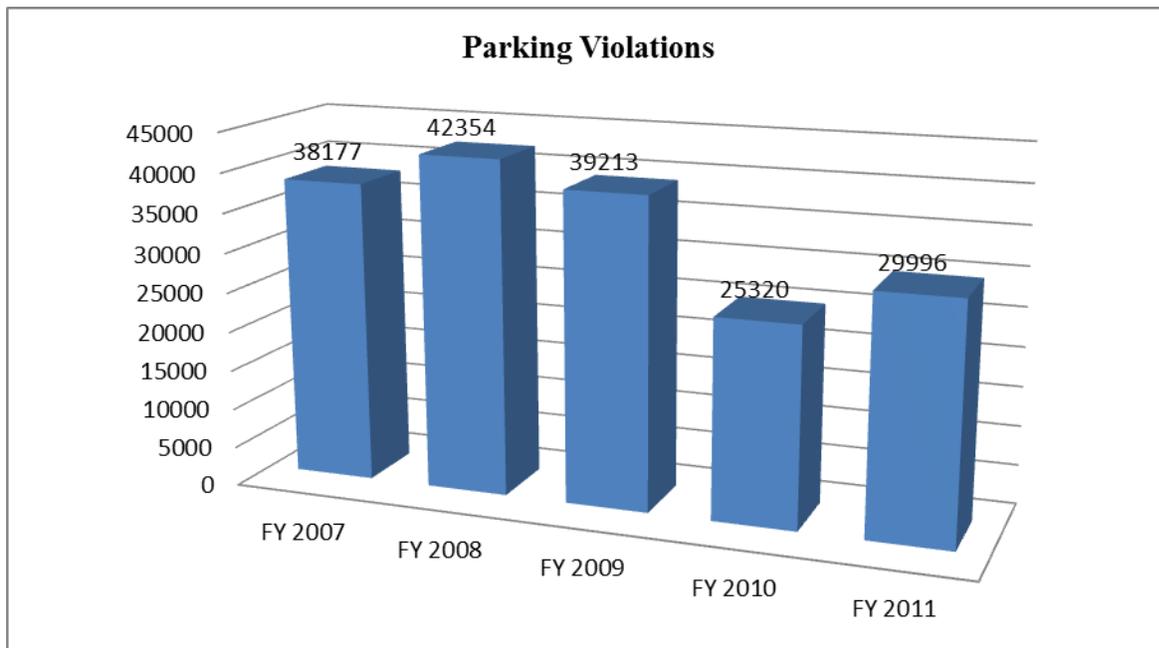
Budget Summary

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Actual
Personnel	\$ 1,076,978	\$ 1,003,429	7.33%	\$ 918,262
Other Operating Expenditures	3,817,905	4,712,199	-18.98%	3,670,162
Total Expenditures	\$ 4,894,883	\$ 5,715,628	-14.36%	\$4,588,424

Full Time Equivalent Positions

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Adopted
Parking	18.06	16.22	11.34%	17.03

OPERATING INDICATOR



Clustered Spires Municipal Golf Course

MISSION STATEMENT

Promotes family enjoyment through recreation, exercise and green space appreciation.

ACTIVITY BACKGROUND

Clustered Spires is an 18-hole golf course with 2 putting greens, a practice bunker, a grass driving range, and a restaurant. The newly renovated clubhouse offers a professional club fitting room with state of the art equipment to measure club speed and swing. Tee times may be reserved 5 days in advance by calling or visiting the Pro Shop.

The facility provides a complete golf experience to the Frederick region. The total facility is approximately 175 acres and attracts 30,000 players per year. We provide junior golf instruction camps, tournament play from amateur to professional level, fundraisers and league play.

TRENDS

Clustered Spires has improved service and conditions in order to compete with both private and public courses in the area. Construction of Monocacy Boulevard has improved access to the Course, which will enhance our growth. The FY 2013 budget allocation includes the complete replacement of the golf cart fleet, which is over ten years old and well past its useful life.

REVENUES

Revenue is generated through green fees, cart rentals, driving range fees, snack bar, and pro shop sales. Fluctuations in revenues are typically related to the weather, which determines how many days per year the golf course can open.

Revenues				
	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Actual
Charges for services	\$ 1,673,000	\$ 1,697,500	-1.44%	\$ 1,498,862
Other financing sources	290,596	-	100.00%	14,343
Miscellaneous	-	500	-100.00%	7,250
Total Revenues	\$ 1,963,596	\$ 1,698,000	15.64%	\$ 1,520,455

Clustered Spires Municipal Golf Course

STAFFING AND EXPENDITURES

Expenditures by Department

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Actual
Maintenance	\$ 592,540	\$ 582,333	1.75%	\$ 795,452
Clubhouse	1,028,267	724,131	42.00%	689,939
Restaurant	262,561	256,824	2.23%	286,681
Debt Service	80,228	76,629	4.70%	57,841
Interfund transfers	-	58,083	-100.00%	-
Total Expenditures	\$ 1,963,596	\$ 1,698,000	15.64%	\$ 1,829,913

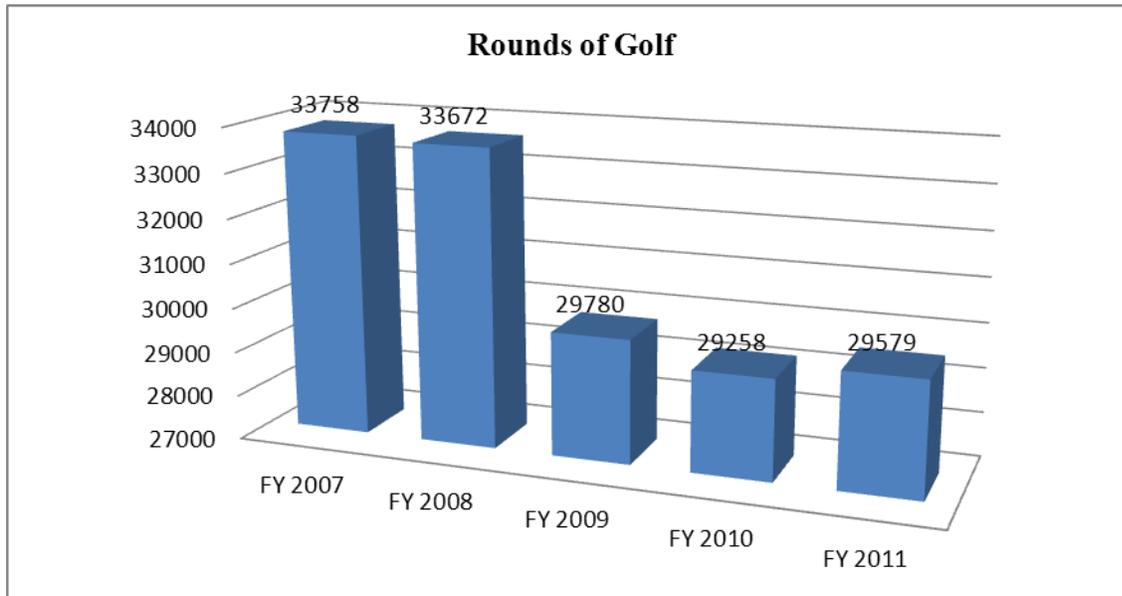
Budget Summary

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Actual
Personnel	\$ 961,794	\$ 975,742	-1.43%	\$ 976,332
Other Operating Expenditures	1,001,802	722,258	38.70%	853,581
Total Expenditures	\$ 1,963,596	\$ 1,698,000	15.64%	\$ 1,829,913

Full Time Equivalent Positions

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Adopted
Golf Course	15.92	15.70	1.40%	19.85

OPERATING INDICATOR



Storm Water Fund

MISSION STATEMENT

To support the health, safety and welfare of the citizens of Frederick by installing, maintaining and repairing the storm water collection system.

ACTIVITY BACKGROUND

The purpose of the Storm Water Fund is to maintain 210 miles of storm drain lines, 4 open channel swells, 2004 manholes, 5244 intakes, 31 storm water ponds, 10 storm water underground facilities and 4 storm water pumping stations along Carroll Creek.

Preventive maintenance programs performed by the Fund include, but are not limited to, the repair of deteriorating intakes/structures, cleaning of debris from Carroll Creek spillway as well as removing debris throughout the entire Carroll Creek flood system, cleaning debris from intakes throughout the City, jetting main lines and pre and post storm inspections of known trouble areas throughout the City.

Street sweeping is critical to improve the quality of storm runoff and provide a sanitary environment for downtown businesses, residents and visitors. The City's major thoroughfares receive weekly sweeping, the downtown area receives twice-weekly sweeping and the downtown commercial areas (Market and Patrick Streets) receive daily sweeping. All other areas receive twice-monthly sweeping. This operation is run during the day and in the evenings.

TRENDS

Storm Water fees are expected to rise to cover the increasing cost of State Chesapeake Bay initiatives and stricter regulations in general. Increased preventative maintenance efforts have led to a decrease in complaints and fewer flood prone areas throughout the City. There is an allocation of \$1,250,000 to upgrade the storm sewer infrastructure in the FY 2013 budget.

REVENUES

Revenue is generated through user fees of the storm water system.

	Revenues			
	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Actual
Charges for services	\$ 1,830,000	\$ 1,653,240	10.69%	\$ 1,729,604
Other financing sources	7,500	-	0.00%	728,682
Miscellaneous	-	-	0.00%	1,453
Fund balance	495,514	-	100.00%	-
Total Revenues	\$ 2,333,014	\$ 1,653,240	41.12%	\$ 2,459,739

Storm Water Fund

STAFFING AND EXPENDITURES

Expenditures by Department

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Actual
Street Sweeping	\$ 310,157	\$ 324,275	-4.35%	\$ 390,385
Storm Water	615,265	584,717	5.22%	2,069,322
Debt Service	100,092	96,894	3.30%	53,288
Interfund Transfers	1,297,500	47,500	2631.58%	67,358
Contingency	10,000	10,000	0.00%	-
Fund Balance (Reserves)	-	589,854	0.00%	-
Total Expenditures	\$ 2,333,014	\$ 1,653,240	41.12%	\$ 2,580,353

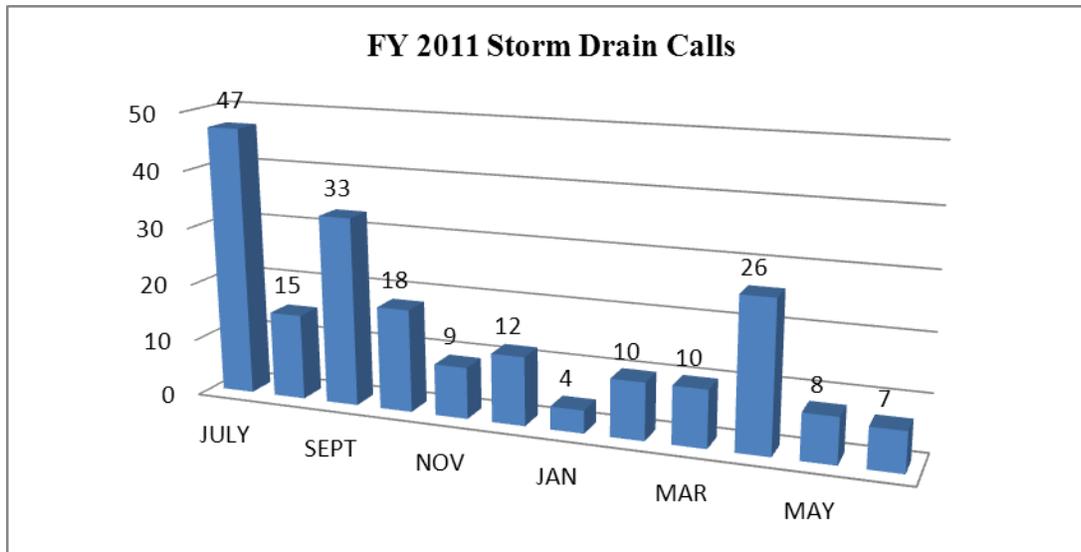
Budget Summary

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Actual
Personnel	\$ 628,558	\$ 627,698	0.14%	\$ 650,919
Other Operating Expenditures	1,704,456	1,025,542	66.20%	1,929,434
Total Expenditures	\$ 2,333,014	\$ 1,653,240	41.12%	\$ 2,580,353

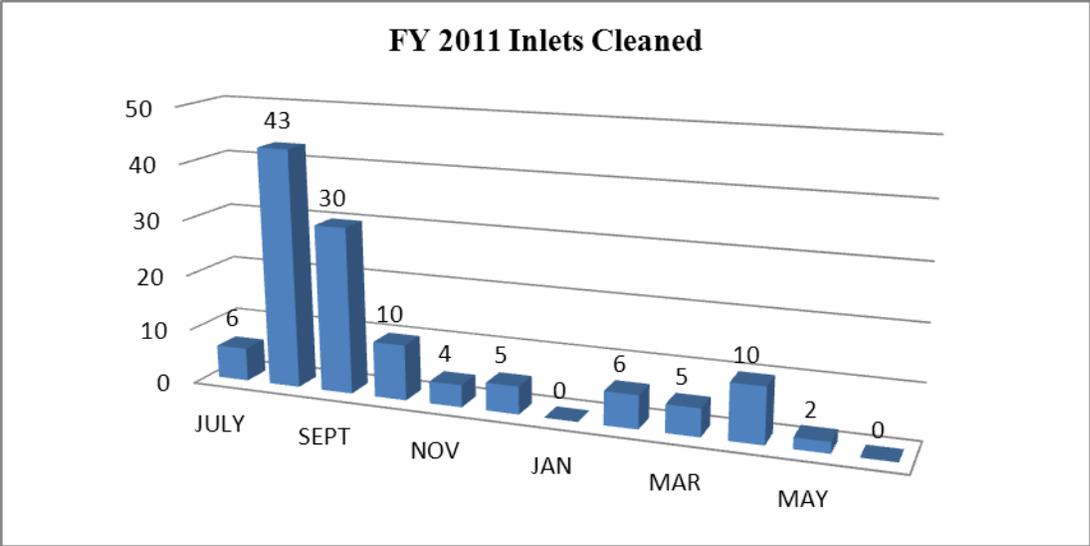
Full Time Equivalent Positions

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Adopted
Storm Water	7.55	7.45	1.34%	7.05

OPERATING INDICATORS



Storm Water Fund



Frederick Municipal Airport

MISSION STATEMENT

To provide aviation services to our based tenants and the air transportation industry. To foster and develop aviation in The City of Frederick and Frederick County, Maryland and to provide general aviation relief to commercial airports located within the Baltimore – Washington Corridor.

ACTIVITY BACKGROUND

The Frederick Municipal Airport is located at the junction of I-70 and I-270, and provides direct interstate access to Baltimore and Washington, D.C. This and other factors have led to significant local population growth and economic development, which are accommodated by the Airport’s well-developed airside facilities. The Airport supports the second highest level of based aircraft and annual operations in Maryland. The following services are offered at the Airport:

Fuel sales (100LL and Jet A)	Airport restaurant	Aircraft T-hangar storage
Major and minor power plant repair	Flight Instruction	Aircraft Tie-down
Major and minor airframe repair	Aircraft charter & rental	Aircraft sales
Avionics repair & Installation	Car rental	Helicopter Medevac
Aerial photography and survey		

TRENDS

Future development plans include the extension of Runway 5/23 to 6,000 feet, implementation of additional aircraft storage units and a perimeter fence. With the planned development projects, the Airport will be able to accommodate the anticipated growth over the next five years.

REVENUES

Revenues are generated through fees charged to Airport users for the services listed above. The FY 2013 budget includes the refinancing of the principal payment on the Bond Anticipation Note that matures in March 2013.

Revenues				
	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Actual
Charges for services	\$ 906,413	\$ 853,505	6.20%	\$ 817,465
Other financing sources	14,283,326	710,774	1909.55%	3,371,202
Miscellaneous	7,200	-	100.00%	14,792
Total Revenues	\$ 15,196,939	\$ 1,564,279	871.50%	\$ 4,203,459

Frederick Municipal Airport

STAFFING AND EXPENDITURES

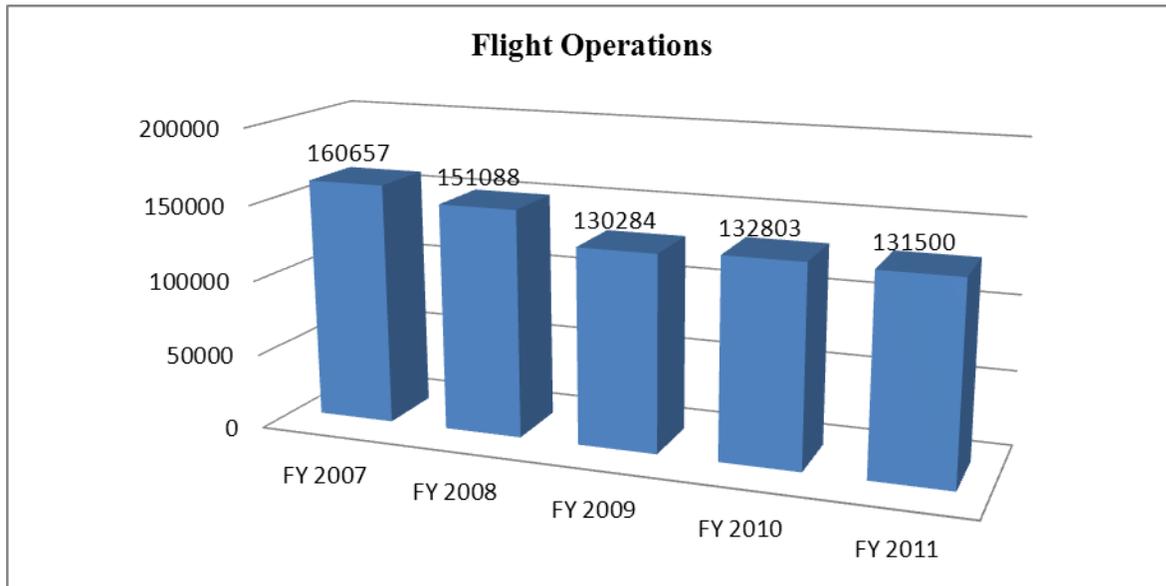
Budget Summary

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Actual
Personnel	\$ 292,587	\$ 297,748	-1.73%	\$ 279,973
Other Operating Expenditures	14,904,352	1,266,531	1076.79%	1,700,818
Total Expenditures	\$ 15,196,939	\$ 1,564,279	871.50%	\$ 1,980,791

Full Time Equivalent Positions

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Adopted
Airport	2.50	2.50	0.00%	2.50

OPERATING INDICATOR



Weinberg Center for the Arts

MISSION STATEMENT

To entice, enliven, educate, and enchant patrons of all ages and interests by providing quality, diverse, professional arts programs to the community.

ACTIVITY BACKGROUND

The Weinberg Center presents professional performing arts for the community and provides a professionally staffed rental space for use by community arts organizations. As an arts presenter, the Weinberg provides an attractive alternative to traveling to venues in Washington and Baltimore. Many of the artists presented by the Weinberg have been or will be seen on stage at Wolftrap, the Kennedy Center and other major venues across the country. The Center has organized *smARTS!* educational programming in partnership with the Frederick County Public School System. This series of performances enhances and supports the curriculum of the public and private schools in the area, serving about 12,000 school children annually. The Center also hosts over 20 community arts organizations. It is also important to note the Weinberg Center actively solicits corporate sponsorships for *LIVE!* at the Weinberg events, individual and corporate memberships, in addition to grant funding for operating and programming costs and State bond funding for capital improvements.

TRENDS

Recent studies have documented the importance of arts in education. The arts are also an important tool for economic development. A study conducted by the Maryland State Arts Council determined that for every dollar spent on the arts, an additional \$2.30 was spent in restaurants, hotels, parking, etc. Using this multiplier, over \$6 million will be spent in and around the area each year due specifically to the operation of the Weinberg Center.

REVENUES

The majority of revenues for the Weinberg are generated through rental, ticket, merchandise, and concession sales. In FY 2013 the revenues and expenditures associated with the Weinberg Board of Directors, a separate nonprofit group that supports the Weinberg Center, were included in the adopted budget.

Revenues

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Actual
Intergovernmental	\$ 40,000	\$ 41,121	-2.73%	\$ 47,416
Charges for Services	801,089	718,950	11.42%	1,001,988
Other financing sources	136,082	147,745	-7.89%	91,706
Miscellaneous	476,250	400,000	19.06%	369,258
Total Revenues	\$ 1,453,421	\$ 1,307,816	11.13%	\$ 1,510,368

Weinberg Center for the Arts

STAFFING AND EXPENDITURES

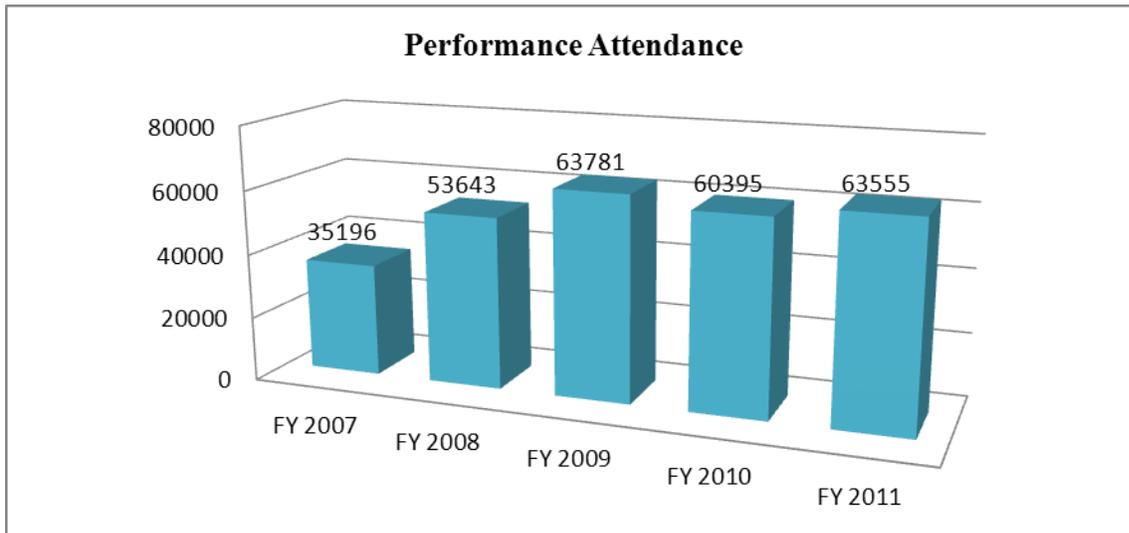
Budget Summary

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Actual
Personnel	\$ 461,876	\$ 419,386	10.13%	\$ 398,739
Other Operating Expenditures	991,545	888,430	11.61%	\$ 1,036,433
Total Expenditures	\$ 1,453,421	\$ 1,307,816	11.13%	\$ 1,435,172

Full Time Equivalent Positions

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Adopted
Weinberg Center for the Arts	7.38	6.80	8.53%	6.31

OPERATING INDICATOR



Rental Operations Fund

MISSION STATEMENT

To provide low rent housing opportunities to disadvantaged and low-income people.

ACTIVITY BACKGROUND

The Frederick Community Action Agency manages 5 units of project-based Section 8 housing owned by The City of Frederick.

REVENUES

Revenues are generated through rental income and HUD subsidies.

Revenues				
	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Actual
Other financing sources	\$ 27,420	\$ 26,304	4.24%	\$ 22,341
Miscellaneous	9,024	13,188	-31.57%	8,488
Fund balance	-	23,029	-100.00%	-
Total Revenues	\$ 36,444	\$ 62,521	-41.71%	\$ 30,829

STAFFING AND EXPENDITURES

Budget Summary				
	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Actual
Personnel	\$ 27,029	\$ 35,311	-23.45%	\$ 33,141
Other Operating Expenditures	9,415	27,210	-65.40%	\$ 24,605
Total Expenditures	\$ 36,444	\$ 62,521	-41.71%	\$ 57,746

Full Time Equivalent Positions

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Adopted
Rentals Operations	0.50	0.50	0.00%	0.50

Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of specific revenue sources restricted by legal and regulatory provisions to finance specific activities. The City has 2 such funds: the Community Development Block Grant and the Controlled Dangerous Substance Fund.

Community Development Block Grant

The Community Development Block Grant (CDBG) Program is a grant from the U.S. Department of Housing and Urban Development, and is involved in various non-CDBG activities such as affordable housing, community development and housing rehabilitation.

CDBG activities

- General administration: record keeping, environmental reviews and required reporting
- Planning: 5-year Consolidated Plan, annual action plans and neighborhood planning
- Activities to affirmatively further fair housing, including staff support of Frederick's Fair Housing Commission
- Oversight and monitoring of CDBG funded activities by the City and by sub-recipients
- Administration of housing rehabilitation programs & loan portfolio management

Non-CDBG

- Administration of the Maryland Department of Housing and Community Development Special Loan Program for housing rehabilitation and lead based paint remediation
- Participation with others in various community development programs

Budget Summary

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Actual
Personnel	\$ 77,510	\$ 117,432	-34.00%	\$ 160,375
Other Operating Expenditures	232,135	347,168	-33.13%	226,777
Total Expenditures	\$ 309,645	\$ 464,600	-33.35%	\$ 387,152

Full Time Equivalent Positions

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Adopted
CDBG	1.00	1.40	-28.57%	2.00

Special Revenue Funds

Controlled Dangerous Substance Fund

The Controlled Dangerous Substance Fund is a small cost center used to account for property seized during drug related arrests. Proceeds can be used for police activities related to drug activity.

Budget Summary

	FY 2013 Adopted	FY 2012 Adopted	Percent Change	FY 2011 Actual
Other Operating Expenditures	\$ 82,273	\$ 89,016	-7.58%	\$ 59,904
Total Expenditures	\$ 82,273	\$ 89,016	-7.58%	\$ 59,904

Capital Improvements Program

Overview

The Capital Improvements Program (CIP) is a multi-year plan for the City's capital investments. Projects included in the CIP usually fall into one of the following categories:

- Project or Asset has a useful life of more than 3 years, preferably 10.
- Project or Asset will take longer than 3 years to design, purchase, or contract.
- Project or Asset will cost more than \$100,000.
- Project or Asset is a strong candidate for outside (Federal/State) grant funding.
- Project or Asset adds significant new demonstrable capacity or capability to the City.
- Project or Asset is not a repair, refurbishment, or ongoing maintenance item.
- Project or Asset is critical to the mission and goals of the City and is sufficient to justify incurring debt in order to fund it.

The recommended CIP includes 6 years of projected capital needs. The first year of the program is adopted by the Mayor and Board of Aldermen during the regular budget process. The remaining 5 years serve as the financial plan for future investments. The CIP is reviewed and updated as part the regular budget process and can be amended with approval by the Board of Aldermen.

CIP Summary

The FY 2013 CIP totals \$72,641,071 and is broken down by the following project types:

	<u>FY 2013</u>
Facilities	\$ 500,000
Roads	1,120,106
Roadside Infrastructure	825,000
Parks	12,970,000
Water	2,539,613
Sewer	53,336,352
Parking	100,000
Stormwater	<u>1,250,000</u>
Total	<u>\$ 72,641,071</u>

Major projects include completion of Carroll Creek Linear Park and upgrades to the Gas House Pike Wastewater Treatment Plant. The total FY 2013 allocations for these projects are approximately 90% of the FY 2013 adopted CIP.

Capital Improvements Program

Carroll Creek Linear Park #410001

Spanning 5 City administrations and 30 years, the Carroll Creek Linear Park project is nearing fruition. The project was conceived in response to devastation caused by Carroll Creek flooding in both 1972 and the historic flood of 1976. In 1983, conduit construction began and was completed 10 years later.



The Carroll Creek Commission began planning for Carroll Creek Park as construction started on the flood control project and in 1991, the City adopted the final Carroll Creek Master Plan. The overall design was for a creek side park through historic downtown Frederick. The park plan called for commercial, residential, cultural, and recreational development. Construction of the park officially began in April 2005 and was completed in June 2006.

In FY 2013, \$12,500,000 has been allocated for the next phase of the park completing the connection from East Street to Patrick Street. There are over \$100,000,000 in proposed private projects or future development plans along this section of the Creek that are in various stages of design and approvals.

Completion of City improvements is critical for these projects to move forward.

The City was awarded a \$3,000,000 Maryland Transportation Enhancement Grant to assist with construction costs of the next phase. \$1,000,000 will be funded by Frederick County and developer contributions. The remaining \$8,500,000 is expected to be funded by bond proceeds.



Capital Improvements Program

Gas House Pike Wastewater Treatment Plant Upgrades #370008, #370010, #370011

The City owns and operates the Gas House Pike Waste Water Treatment Plant (WWTP) which has a permitted effluent discharge capacity of 8.0 million gallons per day (MGD) and currently treats and discharges an annual average effluent flow of approximately 7.0 MGD. The Gas House Pike WWTP provides preliminary treatment, primary clarification, an activated sludge process for secondary biological nutrient removal, effluent disinfection with chlorine, and final cascade post aeration. Final effluent from the facility is discharged to the Monocacy River, with a portion of the treated effluent used for irrigation of an adjacent golf course from March 1 through November 30. A combination of primary sludge and thickened secondary sludge is anaerobically digested, dewatered, and disposed of off-site, via contract services with Synagro, for land application.

Over the course of several years, the City worked with the Maryland Department of the Environment (MDE) to evaluate State required upgrades to the plant and obtain funding needed to be in accordance with MDE's Enhanced Nutrient Removal (ENR) standards designed to control the amount of nutrient discharge in the Chesapeake Bay.

This upgrade spans 3 separate CIP projects. Project #370008 was the original project which also included expansion and upgrades which occurred in prior years. Once MDE funding was secured, 2 new CIP projects, #370010 and #370011, were created to mirror MDE funding and ease reporting requirements.

The total cost of the upgrade is estimated to be \$62,860,000. MDE is providing approximately \$26,550,000 in grant funding and \$36,310,000 in low interest loans through the Maryland Water Quality State Revolving Loan Fund. Rate increases are anticipated in future to service debt associated with the project.



**Capital Improvements Program
Source of Funds**

Project Number	Project Name	Operating Funds	Debt Issue	Grants	Other	Total
General Fund:						
120005	Conference Center	\$ 250,000	\$ -	\$ 250,000	\$ -	\$ 500,000
310004	Monocacy Blvd / Rt 15 Interchange	455,000	-	-	-	455,000
320007	Opossumtown Pike / TJ Drive Intersection	365,106	-	70,000	-	435,106
320018	Christophers Crossing Corridor	230,000	-	-	-	230,000
340000	Streetlight Upgrades	300,000	-	-	-	300,000
340102	Sidewalk Retrofit	100,000	-	-	-	100,000
340401	New Traffic Signal Construction	225,000	-	-	-	225,000
380001	Shared Use Path Improvement	200,000	-	-	-	200,000
410001	Carroll Creek Linear Park	-	8,500,000	3,400,000	600,000	12,500,000
410017	Clover Ridge Park	35,000	-	-	-	35,000
450102	Harry Grove Stadium Improvements	-	-	-	255,000	255,000
480157	Weinberg Center Lights and Sound	90,000	-	-	90,000	180,000
Total General Fund		\$ 2,250,106	\$ 8,500,000	\$ 3,720,000	\$ 945,000	\$ 15,415,106

**Capital Improvements Program
Source of Funds**

Project Number	Project Name	Operating Funds	Debt Issue	Grants	Other	Total
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Water and Sewer Fund:

360011	New Design Water Treatment Plant	\$ 500,000	\$ -	\$ -	\$ -	\$ 500,000
360018	Water Loss Reduction	1,000,000	-	-	-	1,000,000
360022	Water Resource Project	-	-	15,266	54,639	69,905
360028	East Street Interchange Utilities	(29,054)	-	-	-	(29,054)
360031	Fishing Creek Pipeline	1,000,000	-	-	-	1,000,000
360601	Watershed Land Acquisition	(21,012)	-	-	19,774	(1,238)
370003	Shookstown Interceptor Sewer	(92,843)	-	-	-	(92,843)
370007	Wastewater Flowmeter Replacement	550,000	-	-	-	550,000
370008	Gas House Pike WWTP Upgrades	-	(10,495,902)	-	15,494	(10,480,408)
370009	Ballenger-McKinney WWTP	-	(296,105)	-	296,105	-
370010	Gas House Pike WWTP Solids Rehab	-	3,029,270	2,988,613	-	6,017,883
370011	Gas House Pike WWTP - ENR Upgrade	-	33,279,416	23,562,304	-	56,841,720
370300	Inflow and Infiltration Reduction	500,000	-	-	-	500,000
Total Water and Sewer Fund		\$ 3,407,091	\$ 25,516,679	\$ 26,566,183	\$ 386,012	\$ 55,875,965

Airport Fund:

380062	Property Acquisition - Bowman's Farm	\$ -	\$ 275,875	\$ (275,875)	\$ -	\$ -
380068	Acquire Waffle House	-	119,000	(119,000)	-	-
Total Airport Fund		\$ -	\$ 394,875	\$ (394,875)	\$ -	\$ -

Parking Fund:

380413	Church Street Deck - Rehab/Rebuild	(125,000)	-	225,000	-	100,000
Total Parking Fund		\$ (125,000)	\$ -	\$ 225,000	\$ -	\$ 100,000

Capital Improvements Program Source of Funds

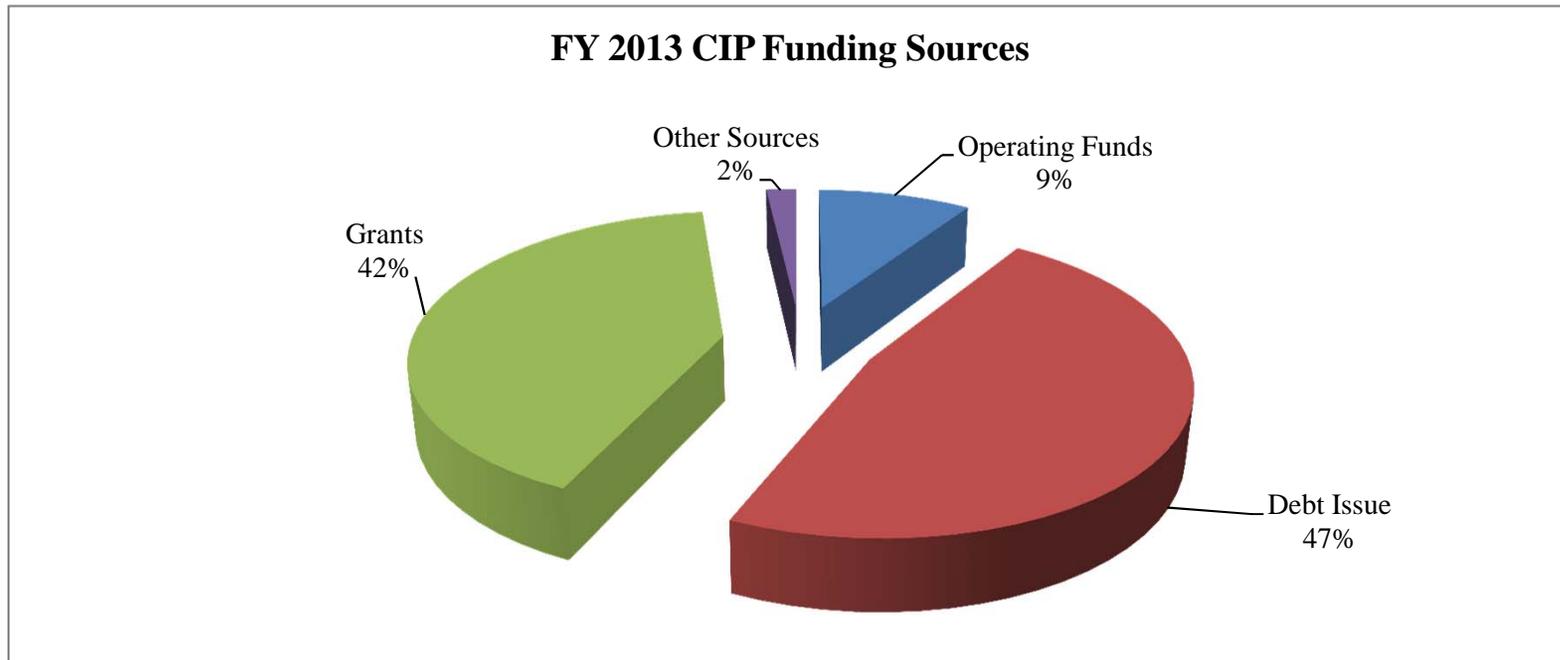
Project Number	Project Name	Operating Funds	Debt Issue	Grants	Other	Total
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Storm Water:

350020	Carroll Creek Flood Control Project	1,250,000	-		-	1,250,000
Total Storm Water		\$ 1,250,000	\$ -	\$ -	\$ -	\$ 1,250,000

Total FY 2013 CIP Funding	\$ 6,782,197	\$ 34,411,554	\$ 30,116,308	\$ 1,331,012	\$ 72,641,071
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Note: () Brackets indicate a reduction in funding.



**Capital Improvements Program
Expenditure Summary**

Project Number	Project Name	Planning / Engineering	Construction	Other	Total
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General Fund:

120005	Conference Center	\$ 500,000	\$ -	\$ -	\$ 500,000
310004	Monocacy Blvd / Rt 15 Interchange	455,000	-	-	455,000
320007	Opossumtown Pike / TJ Drive Intersection	-	435,106	-	435,106
320018	Christophers Crossing Corridor	30,000	200,000	-	230,000
340000	Streetlight Upgrades	-	300,000	-	300,000
340102	Sidewalk Retrofit	-	100,000	-	100,000
340401	New Traffic Signal Construction	40,000	185,000	-	225,000
380001	Shared Use Path Improvement	-	200,000	-	200,000
410001	Carroll Creek Linear Park	-	12,500,000	-	12,500,000
410017	Clover Ridge Park	35,000	-	-	35,000
450102	Harry Grove Stadium Improvements	-	-	255,000	255,000
480157	Weinberg Center Lights and Sound	-	180,000	-	180,000
Total General Fund		\$ 1,060,000	\$ 14,100,106	\$ 255,000	\$ 15,415,106

**Capital Improvements Program
Expenditure Summary**

Project Number	Project Name	Planning / Engineering	Construction	Other	Total
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Water and Sewer Fund:

360011	New Design Water Treatment Plant	\$ -	\$ 500,000	\$ -	\$ 500,000
360018	Water Loss Reduction	-	1,000,000	-	1,000,000
360022	Water Resource Project	18,374	59,374	(7,843)	69,905
360028	East Street Interchange Utilities	-	(29,054)	-	(29,054)
360031	Fishing Creek Pipeline	100,000	800,000	100,000	1,000,000
360601	Watershed Land Acquisition	6,790	15,400	(23,428)	(1,238)
370003	Shookstown Interceptor Sewer	(19,952)	232,109	(305,000)	(92,843)
370007	Wastewater Flowmeter Replacement	200,000	350,000	-	550,000
370008	Gas House Pike WWTP Upgrades	(42,078)	(10,438,330)	-	(10,480,408)
370009	Ballenger-McKinney WWTP	-	-	-	-
370010	Gas House Pike WWTP Solids Rehab	586,931	5,430,952	-	6,017,883
370011	Gas House Pike WWTP - ENR Upgrade	9,473,620	47,368,100	-	56,841,720
370300	Inflow and Infiltration Reduction	-	500,000	-	500,000
Total Water and Sewer Fund		\$ 10,323,685	\$ 45,788,551	\$ (236,271)	\$ 55,875,965

Airport Fund:

380062	Property Acquisition - Bowman's Farm	\$ -	\$ -	\$ -	\$ -
380068	Acquire Waffle House	-	-	-	-
Total Airport Fund		\$ -	\$ -	\$ -	\$ -

Parking Fund:

380413	Church Street Deck - Rehab/Rebuild	-	100,000	-	100,000
Total Parking Fund		\$ -	\$ 100,000	\$ -	\$ 100,000

Capital Improvements Program Expenditure Summary

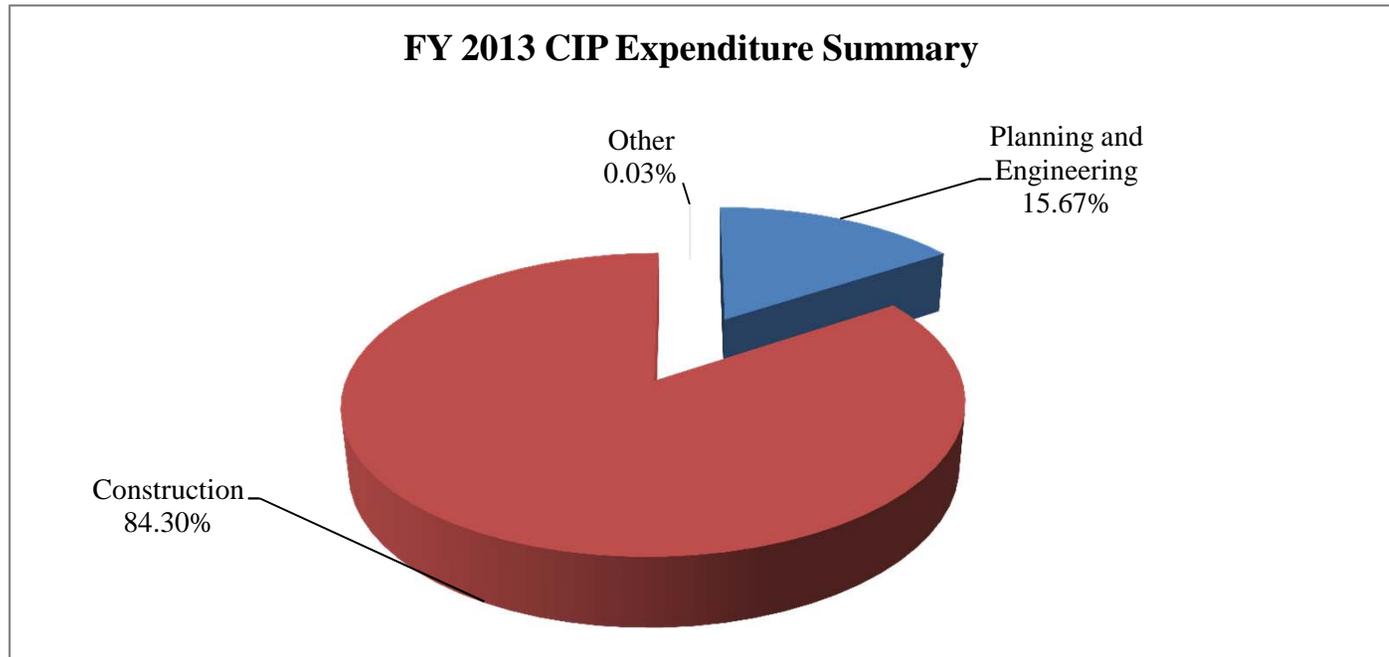
Project Number	Project Name	Planning / Engineering	Construction	Other	Total
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Storm Water:

350020	Carroll Creek Flood Control Project	-	1,250,000	-	1,250,000
Total Storm Water		\$ -	\$ 1,250,000	\$ -	\$ 1,250,000

Total FY 2013 CIP Expenditures	\$ 11,383,685	\$ 61,238,657	\$ 18,729	\$ 72,641,071
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Note: () Brackets indicate a reduction in funding.



**Capital Improvements Program
Project Summary**

Project Number	Project Name	Prior Years	FY 2013	FY 2014	FY 2015	FY 2016- FY 2018	Total
General Fund:							
110006	Joint Communications	\$ 1,000,000	\$ -	\$ -	\$ -	\$ -	\$ 1,000,000
120005	Conference Center	-	500,000	-	-	-	500,000
310004	Monocacy Blvd / Rt 15 Interchange	1,000,000	455,000	-	-	-	1,455,000
310304	Monocacy Blvd - Central Section	15,419,119	-	-	-	36,380,000	51,799,119
320007	Opossumtown Pike / TJ Drive	2,205,495	435,106	1,248,712	180,000	-	4,069,313
320018	Christophers Crossing Corridor	48,000	230,000	-	-	-	278,000
340000	Streetlight Upgrades	3,188,147	300,000	-	-	-	3,488,147
340006	Streetlight Replacement - ARRA	455,494	-	-	-	-	455,494
340102	Sidewalk Retrofit	593,296	100,000	-	-	-	693,296
340401	New Traffic Signal Construction	664,420	225,000	30,000	225,000	285,000	1,429,420
340402	Traffic Light Conversion - ARRA	164,732	-	-	-	-	164,732
380001	Shared Use Path Plan Imps	705,009	200,000	120,000	120,000	120,000	1,265,009
380006	Way Finding	640,000	-	-	-	-	640,000
410001	Carroll Creek Linear Park	22,769,000	12,500,000	-	-	-	35,269,000
410007	Riverside Center Park	960,480	-	-	610,050	-	1,570,530
410011	Avalon Park	-	-	-	384,000	-	384,000
410017	Clover Ridge Park	-	35,000	403,000	-	-	438,000
411202	West Side Regional Park	18,889,000	-	50,000	200,000	200,000	19,339,000
450102	Harry Grove Stadium Improvements	4,100,000	255,000	52,500	500,000	345,000	5,252,500
480157	Weinberg Center Lights and Sound	-	180,000	-	-	-	180,000
Total General Fund		\$ 72,802,192	\$ 15,415,106	\$ 1,904,212	\$ 2,219,050	\$ 37,330,000	\$ 129,670,560

**Capital Improvements Program
Project Summary**

Project Number	Project Name	Prior Years	FY 2013	FY 2014	FY 2015	FY 2016- FY 2018	Total
Water and Sewer Fund:							
310304	Monocacy Blvd- Central Section	\$ 7,014,000	\$ -	\$ -	\$ -	\$ 1,700,000	\$ 8,714,000
360009	Water Distribution	11,931,350	-	500,000	-	1,000,000	13,431,350
360011	New Design Water Plant Expansion	51,750,000	500,000	-	-	-	52,250,000
360015	North Side Water Tank	1,150,000	-	2,000,000	-	-	3,150,000
360018	Water Loss Reduction	5,165,275	1,000,000	1,000,000	2,000,000	6,000,000	15,165,275
360022	Water Resource Project	5,033,255	69,905	8,000,000	-	-	13,103,160
360023	Ballenger Creek Interconnect	2,612,322	-	-	-	-	2,612,322
360025	Water & Sewer Security	220,000	-	-	-	-	220,000
360028	East Street Interchange Utilities	250,000	(29,054)	-	-	-	220,946
360029	Rocky Sgs/Bowers Rd Water Main	4,486,782	-	-	-	-	4,486,782
360031	Fishing Creek Pipeline	80,000	1,000,000	12,500,000	-	-	13,580,000
360032	SCADA System	500,000	-	-	-	-	500,000
360601	Watershed Land Acquisition	763,353	(1,238)	-	-	-	762,115
370003	Shookstown Interceptor Sewer	898,000	(92,843)	-	-	-	805,157
370007	Wastewater Flowmeter	320,000	550,000	200,000	-	-	1,070,000
370008	Gas House Pike WWTP	20,373,551	(10,480,408)	-	-	-	9,893,143
370009	Ballenger -McKinney WWTP	17,483,000	-	-	-	-	17,483,000
370010	Gas House Pike WWTP Solids Rehab	-	6,017,883	-	-	-	6,017,883
370011	Gas House Pike WWTP ENR Upgrade	-	56,841,720	-	-	-	56,841,720
370300	Inflow and Infiltration Reduction	5,091,837	500,000	-	-	-	5,591,837
Total Water and Sewer Fund		\$ 135,122,725	\$ 55,875,965	\$ 24,200,000	\$ 2,000,000	\$ 8,700,000	\$ 225,898,690

**Capital Improvements Program
Project Summary**

Project Number	Project Name	Prior Years	FY 2013	FY 2014	FY 2015	FY 2016- FY 2018	Total
Airport Fund:							
380051	FAA Part 77	\$ 856,000	\$ -	\$ -	\$ -	\$ -	\$ 856,000
380054	Airport Property Acquisitions	17,114,000	-	-	-	-	17,114,000
380062	Bowman's Farm Acquisition	5,550,000	-	-	-	-	5,550,000
380067	Bailes Lane Demolition & Site Work	1,368,200	-	-	3,500,000	5,300,000	10,168,200
380068	Waffle House - Acquire / Remove	2,400,000	-	-	-	-	2,400,000
380071	Tulip Hill Houses - Acquire / Remove	1,000,000	-	500,000	-	-	1,500,000
380077	Air Traffic Control Tower	4,832,462	-	-	-	-	4,832,462
Total Airport Fund		\$ 33,120,662	\$ -	\$ 500,000	\$ 3,500,000	\$ 5,300,000	\$ 42,420,662
Parking Fund:							
380408	Site G Deck #6	1,135,000	-	-	-	15,730,000	16,865,000
380413	Church Street Deck - Rehab	1,105,864	100,000	200,000	-	13,500,000	14,905,864
Total Parking Fund		\$ 2,240,864	\$ 100,000	\$ 200,000	\$ -	\$ 29,230,000	\$ 31,770,864
Storm Water:							
350001	South Street Storm Drain	\$ 836,894	\$ -	\$ -	\$ -	\$ 4,000,000	\$ 4,836,894
350020	Carroll Creek Flood Control Project	54,655,005	1,250,000	-	-	-	55,905,005
Total Storm Water		\$ 55,491,899	\$ 1,250,000	\$ -	\$ -	\$ 4,000,000	\$ 60,741,899
Grand Total		\$ 298,778,342	\$ 72,641,071	\$ 26,804,212	\$ 7,719,050	\$ 84,560,000	\$ 490,502,675

Note: () Brackets indicate a reduction in funding and expenditure budget

Capital Improvements Program - General Fund

Project # 110006
Project Name: Joint Communications
Project Manager: FPD Technical Services Bureau Administrator

Description:

Expansion of the Frederick County Emergency Communications Center to accommodate the relocation of the Frederick Police Department dispatchers. This project also requires the procurement of hardware/software to accommodate consolidation of dispatch centers and utilization of a single consolidated County/City radio network.

Expenditures	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
Equipment	\$ 1,000,000	\$ -	\$ -	\$ -	\$ -	\$ 1,000,000
Total	\$ 1,000,000	\$ -	\$ -	\$ -	\$ -	\$ 1,000,000

Funding Sources	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
City Operating	\$ 1,000,000	\$ -	\$ -	\$ -	\$ -	\$ 1,000,000
Total	\$ 1,000,000	\$ -	\$ -	\$ -	\$ -	\$ 1,000,000

Operational Impact:

The purpose of this project is to create a more efficient system in dispatch and service delivery. At this time, the City does not anticipate any changes in staffing or other operating expenses.

	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
Police Department	\$ -	\$ -				

Capital Improvements Program - General Fund

Project # 120005
Project Name: Conference Center
Project Manager: Director of Economic Development

Description:

Fund the acquisition, planning, design (including placement, height and massing of a hotel facility on a designated property), geotechnical expenses and funds to retain any professional experts to assist the Downtown Frederick Hotel Advisory Team facilitate the construction of a full service hotel in Downtown Frederick.

Expenditures	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
Planning/Engineering	\$ -	\$ 500,000	\$ -	\$ -	\$ -	\$ 500,000
Total	\$ -	\$ 500,000	\$ -	\$ -	\$ -	\$ 500,000

Funding Sources	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
City Operating	\$ -	\$ 250,000	\$ -	\$ -	\$ -	\$ 250,000
State Grant	-	250,000	-	-	-	250,000
Total	\$ -	\$ 500,000	\$ -	\$ -	\$ -	\$ 500,000

Operational Impact:

This project is intended to be a public-private partnership where a private entity will construction and operate the Conference Center.

	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
Economic Develop	\$ -	\$ -				

Capital Improvements Program - General Fund

Project # 310004
Project Name: Monocacy Blvd / Rt 15 Interchange
Project Manager: Deputy Director of Engineering

Description:

The engineering and design for the construction of an interchange at Monocacy Blvd and Route 15. A memorandum of understanding between the City, Frederick County, and the State of Maryland was entered into in order to fund the design with the State responsible for managing the project. This interchange will provide a safe and vital link to the east and west sides of the City on the north side of town.

Expenditures	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
Planning/Engineering	\$ 1,000,000	\$ 455,000	\$ -	\$ -	\$ -	\$ 1,455,000
Total	\$ 1,000,000	\$ 455,000	\$ -	\$ -	\$ -	\$ 1,455,000

Funding Sources	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
City Operating	\$ 500,000	\$ 455,000	\$ -	\$ -	\$ -	\$ 955,000
Debt Issue	500,000	-	-	-	-	500,000
Total	\$ 1,000,000	\$ 455,000	\$ -	\$ -	\$ -	\$ 1,455,000

Operational Impact:

The completion of this project will increase road maintenance costs in out years, however it is not expected to increase staffing levels.

	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
Street Maintenance	\$ -	\$ -	\$ -	\$ -	\$ 2,500	\$ 2,500

Capital Improvements Program - General Fund

Project # 310304
Project Name: Monocacy Blvd - Central Section
Project Manager: Deputy Director of Engineering

Description:

The design and construction of Monocacy Blvd Central Section, including the bridge over the Monocacy River, extension of Schifferstadt Blvd and East Church St to connect with Monocacy Blvd, and the bridge over Carroll Creek. Monocacy Blvd in this section will be a four lane road with associated curb, gutter, sidewalks, and bike paths. This project also includes associated water and sewer infrastructure. This project will relieve congestion and provide additional choices for motorists to travel without entering already congested arterials.

Expenditures	Prior	FY 13	FY 14	FY 15	FY 16 - FY 18	Total
Planning/Engineering	\$ 2,080,000	\$ -	\$ -	\$ -	\$ -	\$ 2,080,000
Construction	5,739,119	-	-	-	34,368,000	40,107,119
Other	7,600,000	-	-	-	2,012,000	9,612,000
Total	\$ 15,419,119	\$ -	\$ -	\$ -	\$ 36,380,000	\$ 51,799,119

Funding Sources	Prior	FY 13	FY 14	FY 15	FY 16 - FY 18	Total
City Operating	\$ 2,134,904	\$ -	\$ -	\$ -	\$ 680,000	\$ 2,814,904
Debt Issue	12,520,778	-	-	-	35,700,000	48,220,778
Other	763,437	-	-	-	-	763,437
Total	\$ 15,419,119	\$ -	\$ -	\$ -	\$ 36,380,000	\$ 51,799,119

Operational Impact:

The completion of this project will increase road maintenance costs in out years, however it is not expected to increase staffing levels.

	Prior	FY 13	FY 14	FY 15	FY 16 - FY 18	Total
Street Maintenance	\$ -	\$ -	\$ 5,000	\$ 5,000	\$ 15,000	\$ 25,000

Capital Improvements Program - General Fund

Project # 320007
Project Name: Opossumtown Pike / Thomas Johnson Drive Intersection
Project Manager: Deputy Director of Engineering

Description:

Widen the entire intersection to provide additional turn lanes. This intersection is currently failing during peak periods and this project will greatly improve operations. The project is also needed to correspond with the SHA project that will rebuild and widen the Opossumtown Pike/Motter Avenue Bridge over US 15.

Expenditures	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
Planning/Engineering	\$ 26,000	\$ -	\$ -	\$ -	\$ -	\$ 26,000
Construction	1,327,495	435,106	1,248,712	180,000	-	3,191,313
Other	852,000	-	-	-	-	852,000
Total	\$ 2,205,495	\$ 435,106	\$ 1,248,712	\$ 180,000	\$ -	\$ 4,069,313

Funding Sources	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
City Operating	\$ 901,495	\$ 365,106	\$ 998,712	\$ -	\$ -	\$ 2,265,313
Debt Issue	1,087,000	-	-	-	-	1,087,000
County Grant	-	70,000	250,000	180,000	-	500,000
Other	217,000	-	-	-	-	217,000
Total	\$ 2,205,495	\$ 435,106	\$ 1,248,712	\$ 180,000	\$ -	\$ 4,069,313

Operational Impact:

The completion of this project will increase road maintenance costs in out years, however it is not expected to increase current staffing levels.

	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
Street Maintenance	\$ -	\$ 500	\$ 500	\$ 500	\$ 1,500	\$ 3,000

Capital Improvements Program - General Fund

Project # 320018
Project Name: Christophers Crossing Corridor and Intersection Improvements
Project Manager: Deputy Director of Engineering

Description:

Complete intersection improvements in the Christophers Crossing Corridor in accordance with the Corridor Study completed in 2009. The recommendations contained in the document reflect the improvements of data collection in 2008. Prior to moving forward with the planned and programmed improvements, reevaluation of the forecasts will take place to insure the improvement is needed.

Expenditures	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
Planning/Engineering	\$ 41,000	\$ 30,000	\$ -	\$ -	\$ -	\$ 71,000
Construction	7,000	200,000	-	-	-	207,000
Total	\$ 48,000	\$ 230,000	\$ -	\$ -	\$ -	\$ 278,000

Funding Sources	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
City Operating	\$ 48,000	\$ 230,000	\$ -	\$ -	\$ -	\$ 278,000
Total	\$ 48,000	\$ 230,000	\$ -	\$ -	\$ -	\$ 278,000

Operational Impact:

The completion of this project will increase road maintenance costs in out years, however it is not expected to increase current staffing levels.

	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
Street Maintenance	\$ -	\$ 200	\$ 200	\$ 200	\$ 600	\$ 1,200

Capital Improvements Program - General Fund

Project # 340000
Project Name: Street Light Upgrades
Project Manager: Superintendent of Lights and Signals

Description:

This multi-year project allows the City's Street Light and Traffic Control Department to upgrade all streetlights currently powered by direct bury series circuits. All of these streetlights will be converted to parallel circuits routed in conduit and their present lamp systems, both incandescent and high-pressure-sodium will be converted to QL induction lamps (low pressure mercury discharge).

Expenditures	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
Construction	\$ 3,188,147	\$ 300,000	\$ -	\$ -	\$ -	\$ 3,488,147
Total	\$ 3,188,147	\$ 300,000	\$ -	\$ -	\$ -	\$ 3,488,147

Funding Sources	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
City Operating	\$ 3,037,047	\$ 300,000	\$ -	\$ -	\$ -	\$ 3,337,047
State Grant	31,100	-	-	-	-	31,100
Other	120,000	-	-	-	-	120,000
Total	\$ 3,188,147	\$ 300,000	\$ -	\$ -	\$ -	\$ 3,488,147

Operational Impact:

The City's upgrade of the existing high-voltage, series street lighting circuits will improve system safety and availability, and will reduce operating and maintenance costs.

	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
Street Lights	\$ (10,000)	\$ (12,000)	\$ (12,000)	\$ (12,000)	\$ (48,000)	\$ (94,000)

Capital Improvements Program - General Fund

Project # 340006
Project Name: Street Light Replacement - ARRA
Project Manager: Superintendent of Street Lights and Signals

Description:

This multi-year project was funded with an ARRA grant and allows the City's Street Light and Traffic Control Department to upgrade all streetlights currently powered by direct-bury series circuits. All of these streetlights will be converted to parallel circuits routed in conduit and their present lamp systems, both incandescent and high-pressure-sodium will be converted to QL induction lamps (low pressure mercury discharge).

Expenditures	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
Construction	\$ 455,494	\$ -	\$ -	\$ -	\$ -	\$ 455,494
Total	\$ 455,494	\$ -	\$ -	\$ -	\$ -	\$ 455,494

Funding Sources	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
City Operating	\$ 250,346	\$ -	\$ -	\$ -	\$ -	\$ 250,346
Federal Grant	205,148	-	-	-	-	205,148
Total	\$ 455,494	\$ -	\$ -	\$ -	\$ -	\$ 455,494

Operational Impact:

The City's upgrade of the existing high-voltage, series street lighting circuits will improve system safety and availability, and will reduce operating and maintenance costs.

	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
Street Lights	\$ (2,500)	\$ (2,500)	\$ (2,500)	\$ (2,500)	\$ (7,500)	\$ (17,500)

Capital Improvements Program- General Fund

Project # 340102
Project Name: Sidewalk Retrofit
Project Manager: Deputy Director of Engineering

Description:

This project is part of an on-going initiative to utilize State Highway Administration matching funds to construct sidewalks in urbanized areas along State highways. Funding sources vary in terms of the need for pedestrian improvements; either for safety or for access to transit facilities. Future sections will include missing links along the north and south sides of MD26 east of Monocacy Blvd to Waterside/Sebastian Ct, and the east and west sides of Baughman’s Lane north of West Patrick Street.

Expenditures	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
Planning/Engineering	\$ 43,500	\$ -	\$ -	\$ -	\$ -	\$ 43,500
Construction	549,796	100,000	-	-	-	649,796
Total	\$ 593,296	\$ 100,000	\$ -	\$ -	\$ -	\$ 693,296

Funding Sources	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
City Operating	\$ 190,524	\$ 100,000	\$ -	\$ -	\$ -	\$ 290,524
State Grant	301,114	-	-	-	-	301,114
Other	101,658	-	-	-	-	101,658
Total	\$ 593,296	\$ 100,000	\$ -	\$ -	\$ -	\$ 693,296

Operational Impact:

The completion of this project will increase sidewalk maintenance costs in out years, however it is not expected to increase current staffing levels.

	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
Street Maintenance	\$ 500	\$ 500	\$ 500	\$ 500	\$ 1,500	\$ 3,500

Capital Improvements Program - General Fund

Project # 340401
Project Name: New Traffic Signal Construction
Project Manager: Deputy Director of Engineering

Description:

This project will provide funding for new traffic signals as the need arises throughout the year. It will also upgrade existing signal detection, controllers, interconnect capability, and will provide battery backup at key locations. This project will also include safety improvements to address pedestrian deficiencies at intersections.

Expenditures	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
Planning/Engineering	\$ 70,000	\$ 40,000	\$ -	\$ 40,000	\$ 40,000	\$ 190,000
Construction	584,420	185,000	30,000	185,000	245,000	1,229,420
Other	10,000	-	-	-	-	10,000
Total	\$ 664,420	\$ 225,000	\$ 30,000	\$ 225,000	\$ 285,000	\$ 1,429,420

Funding Sources	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
City Operating	\$ 664,420	\$ 225,000	\$ 30,000	\$ 225,000	\$ 285,000	\$ 1,429,420
Total	\$ 664,420	\$ 225,000	\$ 30,000	\$ 225,000	\$ 285,000	\$ 1,429,420

Operational Impact:

The purpose of this project is to replace existing signals and improve safety. It is not anticipated for this project to have an effect on the City's operating costs or staffing levels.

	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
Street Lights	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Capital Improvements Program - General Fund

Project # 340402
Project Name: Traffic Light Conversion - ARRA
Project Manager: Deputy Director of Operations

Description:

This ARRA Funded project will assist the City in reducing energy costs by replacing old incandescent light bulbs with light emitting diodes in traffic signals. There are currently 68 traffic signals to be replaced within the City’s boundaries. All installation/labor will be completed by the City’s Lighting Division with an expected completion date of one year after grant is received.

Expenditures	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
Construction	\$ 164,732	\$ -	\$ -	\$ -	\$ -	\$ 164,732
Total	\$ 164,732	\$ -	\$ -	\$ -	\$ -	\$ 164,732

Funding Sources	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
City Operating	\$ 38,580	\$ -	\$ -	\$ -	\$ -	\$ 38,580
Federal Grant	109,552	-	-	-	-	109,552
Other	16,600	-	-	-	-	16,600
Total	\$ 164,732	\$ -	\$ -	\$ -	\$ -	\$ 164,732

Operational Impact:

This project will reduce energy costs by replacing old lights with LED's in traffic signals.

	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
Street Lights	\$ (1,500)	\$ (1,500)	\$ (1,500)	\$ (1,500)	\$ (4,500)	\$ (10,500)

Capital Improvements Program - General Fund

Project # 380001
Project Name: Shared Use Path Improvements
Project Manager: Deputy Director of Parks and Recreations

Description:

This project is to provide a 10' Shared Use Path from Bentz Street through Baker Park to Route 15 and ultimately up to the Whittier development. This would allow for a more safe access for bicycles and pedestrians from the west to the east of US15.

Expenditures	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
Planning/Engineering	\$ 40,000	\$ -	\$ -	\$ -	\$ -	\$ 40,000
Construction	665,009	200,000	120,000	120,000	120,000	1,225,009
Total	\$ 705,009	\$ 200,000	\$ 120,000	\$ 120,000	\$ 120,000	\$ 1,265,009

Funding Sources	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
City Operating	\$ 150,009	\$ 200,000	\$ 90,000	\$ 90,000	\$ 90,000	\$ 620,009
Debt Issue	80,000	-	-	-	-	80,000
State Grant	125,000	-	30,000	30,000	30,000	215,000
Other	350,000	-	-	-	-	350,000
Total	\$ 705,009	\$ 200,000	\$ 120,000	\$ 120,000	\$ 120,000	\$ 1,265,009

Operational Impact:

This project will increase repair and maintenance costs for the Parks Department, however it will not increase current staffing levels.

	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
Parks	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500	\$ 4,500	\$ 10,500

Capital Improvements Program - General Fund

Project # 380006
Project Name: Wayfinding
Project Manager: Deputy Director of Planning

Description:

The scope of this project is to identify old signs to be removed, design a new consistent signage program in conjunction with the State’s Tourism Area and Corridor Sign Program (TAC) program, and develop a plan to install and remove the signage in a coordinated effort in the downtown area.

Expenditures	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
Construction	\$ 640,000	\$ -	\$ -	\$ -	\$ -	\$ 640,000
Total	\$ 640,000	\$ -	\$ -	\$ -	\$ -	\$ 640,000

Funding Sources	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
City Operating	\$ 360,000	\$ -	\$ -	\$ -	\$ -	\$ 360,000
Other	280,000	-	-	-	-	280,000
Total	\$ 640,000	\$ -	\$ -	\$ -	\$ -	\$ 640,000

Operational Impact:

The City's way finding signage program will increase maintenance and repair costs for damaged signs.

	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
Traffic Lines/Signs	\$ -	\$ 500	\$ 500	\$ 500	\$ 1,500	\$ 3,000

Capital Improvements Program - General Fund

Project # 410001
Project Name: Carroll Creek Linear Park
Project Manager: Deputy Director of Parks and Recreation

Description:

To construct Carroll Creek Park improvements along the 1.3 mile long flood control corridor through historic Downtown Frederick. Private development of key opportunity sites along Carroll Creek Park and East Street together with construction of public park improvements along the length of the park is critical to bring the vision to fruition. Completion of the park will provide development opportunities, create jobs and services and enhance the tax base of the City.

Expenditures	Prior	FY 13	FY 14	FY 15	FY 16 - FY 18	Total
Planning/Engineering	\$ 4,659,300	\$ -	\$ -	\$ -	\$ -	\$ 4,659,300
Construction	17,972,700	12,500,000	-	-	-	30,472,700
Other	137,000	-	-	-	-	137,000
Total	\$ 22,769,000	\$ 12,500,000	\$ -	\$ -	\$ -	\$ 35,269,000

Funding Sources	Prior	FY 13	FY 14	FY 15	FY 16 - FY 18	Total
City Operating	\$ 250,000	\$ -	\$ -	\$ -	\$ -	\$ 250,000
Debt Issue	13,329,421	8,500,000	-	-	-	21,829,421
State Grant	4,662,000	3,000,000	-	-	-	7,662,000
County Grant	600,000	400,000	-	-	-	1,000,000
Other	3,927,579	600,000	-	-	-	4,527,579
Total	\$ 22,769,000	\$ 12,500,000	\$ -	\$ -	\$ -	\$ 35,269,000

Operational Impact:

The completion of the Carroll Creek Linear Park will result in an increase in park maintenance costs, police patrol costs, and utility costs. Additional Police and Park staff could become necessary in out years.

	Prior	FY 13	FY 14	FY 15	FY 16 - FY 18	Total
Various	\$ -	\$ -	\$ 15,000	\$ 15,000	\$ 45,000	\$ 75,000

Capital Improvements Program - General Fund

Project # 410007
Project Name: Riverside Center Park
Project Manager: Deputy Director of Parks and Recreation

Description:

This is a phased project for this existing park that will ultimately provide an access road and parking spaces as well as additional multi-use field space for activities. The park resides entirely in the 100-year flood plain so obtaining environmental permits is a critical step in the design approval process.

Expenditures	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
Planning/Engineering	\$ 86,000	\$ -	\$ -	\$ -	\$ -	\$ 86,000
Construction	874,480	-	-	-	-	874,480
Other	-	-	-	610,050	-	610,050
Total	\$ 960,480	\$ -	\$ -	\$ 610,050	\$ -	\$ 1,570,530

Funding Sources	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
City Operating	\$ -	\$ -	\$ -	\$ 610,050	\$ -	\$ 610,050
Other	960,480	-	-	-	-	960,480
Total	\$ 960,480	\$ -	\$ -	\$ 610,050	\$ -	\$ 1,570,530

Operational Impact:

The completion of Riverside Center Park will increase park maintenance expenses in out years, however additional staffing is not anticipated.

	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
Parks	\$ -	\$ -	\$ -	\$ -	\$ 5,000	\$ 5,000

Capital Improvements Program - General Fund

Project # 410011
Project Name: Commons of Avalon Park
Project Manager: Deputy Director of Parks and Recreation

Description:

The scope of this project includes the design and construction of the following features in this park: 19-space parking lot with 1 handicapped space and 1 entrance/exit off of Waverly Drive; a multi-aged playground unit meeting all standard playground safety specifications; 750 linear feet of 4' path connecting all park features; 2 single table picnic pavilions; 5 lighted tennis courts with 8' high chain link fence for an estimated 510 linear feet and water fountains.

Expenditures	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
Planning/Engineering	\$ -	\$ -	\$ -	\$ 30,000	\$ -	\$ 30,000
Construction	-	-	-	354,000	-	354,000
Total	\$ -	\$ -	\$ -	\$ 384,000	\$ -	\$ 384,000

Funding Sources	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
City Operating	\$ -	\$ -	\$ -	\$ 384,000	\$ -	\$ 384,000
Total	\$ -	\$ -	\$ -	\$ 384,000	\$ -	\$ 384,000

Operational Impact:

The completion of Commons of Avalon Park will increase park maintenance expenses in out years, however additional staffing is not anticipated.

	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
Parks	\$ -	\$ -	\$ -	\$ -	\$ 5,000	\$ 5,000

Capital Improvements Program - General Fund

Project # 410017
Project Name: Clover Ridge Park
Project Manager: Deputy Director of Parks and Recreation

Description:

The park plan has been approved by the Parks & Recreation Commission for an approximately 30-acre park. The design consists of 2 tot lots, open space, soccer field, little league field, 34-space parking lot and 3 small pavilions.

Expenditures	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
Planning/Engineering	\$ -	\$ 35,000	\$ -	\$ -	\$ -	\$ 35,000
Construction	-	-	403,000	-	-	403,000
Total	\$ -	\$ 35,000	\$ 403,000	\$ -	\$ -	\$ 438,000

Funding Sources	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
City Operating	\$ -	\$ 35,000	\$ 403,000	\$ -	\$ -	\$ 438,000
Total	\$ -	\$ 35,000	\$ 403,000	\$ -	\$ -	\$ 438,000

Operational Impact:

The completion of Clover Ridge Park will increase park maintenance expenses in out years, however additional staffing is not anticipated.

	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
Parks	\$ -	\$ -	\$ -	\$ 1,500	\$ 4,500	\$ 6,000

Capital Improvements Program- General Fund

Project # 411202
Project Name: West Side Regional Park
Project Manager: Deputy Director of Parks and Recreation

Description:

The City has purchased a large tract of land, 148 acres, on the west side of town to provide the following elements: numerous lighted sports fields, adequate parking, indoor aquatic center, water park and DPW Annex. There will be upgrades made to the Butterfly Lane / Route 180 intersection helping overall traffic flow. The first phase is to develop the 35 acres that have been put into POS protection. These 35 acres are on the west side of the park and will consist of 4 multi-purpose fields and parking. The road frontage perk will be a future aquatic center.

Expenditures	Prior	FY 13	FY 14	FY 15	FY 16 - FY 18	Total
Planning/Engineering	\$ 889,000	\$ -	\$ 50,000	\$ -	\$ -	\$ 939,000
Construction	-	-	-	200,000	200,000	400,000
Other	18,000,000	-	-	-	-	18,000,000
Total	\$ 18,889,000	\$ -	\$ 50,000	\$ 200,000	\$ 200,000	\$ 19,339,000

Funding Sources	Prior	FY 13	FY 14	FY 15	FY 16 - FY 18	Total
City Operating	\$ -	\$ -	\$ 50,000	\$ 200,000	\$ 200,000	\$ 450,000
Debt Issue	18,000,000	-	-	-	-	18,000,000
State Grant	889,000	-	-	-	-	889,000
Total	\$ 18,889,000	\$ -	\$ 50,000	\$ 200,000	\$ 200,000	\$ 19,339,000

Operational Impact:

This is a long term project for the City. Current operating costs include the maintenance of the land. The park is not expected to be constructed in the foreseeable future.

	Prior	FY 13	FY 14	FY 15	FY 16 - FY 18	Total
Parks	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500	\$ 4,500	\$ 10,500

Capital Improvements Program - General Fund

Project # 450102
Project Name: Harry Grove Stadium Improvements
Project Manager: Facilities Administrator

Description:

Upgrade Harry Grove Stadium to be in full compliance with NAPBL standards, meet ADA and other building codes, improve fan amenities, and upgrade the physical condition of the stadium. Various repairs and updating finishes will also be completed. Improvement costs will be shared with the Frederick Keys, the primary tenant and user of the stadium.

Expenditures	Prior	FY 13	FY 14	FY 15	FY 16 - FY 18	Total
Planning/Engineering	\$ 800,000	\$ -	\$ -	\$ -	\$ -	\$ 800,000
Construction	3,300,000	-	-	500,000	345,000	4,145,000
Other	-	255,000	52,500	-	-	307,500
Total	\$ 4,100,000	\$ 255,000	\$ 52,500	\$ 500,000	\$ 345,000	\$ 5,252,500

Funding Sources	Prior	FY 13	FY 14	FY 15	FY 16 - FY 18	Total
City Operating	\$ 100,000	\$ -	\$ -	\$ 250,000	\$ 172,500	\$ 522,500
Debt Issue	2,000,000	-	-	-	-	2,000,000
State Grant	2,000,000	-	-	-	-	2,000,000
Other	-	255,000	52,500	250,000	172,500	730,000
Total	\$ 4,100,000	\$ 255,000	\$ 52,500	\$ 500,000	\$ 345,000	\$ 5,252,500

Operational Impact:

Continued improvements to Harry Grove Stadium will upgrade the physical condition of the stadium. It is anticipated this will reduce maintenance costs associated with the stadium, however estimates are not available at this time.

	Prior	FY 13	FY 14	FY 15	FY 16 - FY 18	Total
Asset Management	\$ -	\$ -				

Capital Improvements Program - General Fund

Project # 480157
Project Name: Weinberg Center Lights and Sound
Project Manager: Facilities Administrator

Description:

The current speaker system at the Weinberg Center for the Arts, while an improvement over what was installed prior to 2001, is not adequate by current standards. The NTL720 Self-Powered Line Array System being proposed to replace the current speaker system provides a cleaner and more controllable sound placement to all areas of the theater. 50% of this project is being funded with private donations.

Expenditures	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
Construction	\$ -	\$ 180,000	\$ -	\$ -	\$ -	\$ 180,000
Total	\$ -	\$ 180,000	\$ -	\$ -	\$ -	\$ 180,000

Funding Sources	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
City Operating	\$ -	\$ 90,000	\$ -	\$ -	\$ -	\$ 90,000
Other	-	90,000	-	-	-	90,000
Total	\$ -	\$ 180,000	\$ -	\$ -	\$ -	\$ 180,000

Operational Impact:

This project is to replace existing equipment and is not anticipated to effect current operating costs.

	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
Weinberg	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Capital Improvements Program - Water and Sewer Fund

Project # 310304
Project Name: Monocacy Blvd - Central Section, Water and Sewer
Project Manager: Deputy Director of Engineering

Description:

This is the water and sewer infrastructure associated with the design and construction of Monocacy Blvd Central Section as detailed on page 173.

Expenditures	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
Construction	\$ 7,014,000	\$ -	\$ -	\$ -	\$ 1,700,000	\$ 8,714,000
Total	\$ 7,014,000	\$ -	\$ -	\$ -	\$ 1,700,000	\$ 8,714,000

Funding Sources	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
City Operating	\$ -	\$ -	\$ -	\$ -	\$ 1,100,000	\$ 1,100,000
Debt Issue	7,014,000	-	-	-	600,000	7,614,000
Total	\$ 7,014,000	\$ -	\$ -	\$ -	\$ 1,700,000	\$ 8,714,000

Operational Impact:

Additional water and sewer infrastructure will increase maintenance costs, however additional staffing needs are not anticipated.

	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
Water and Sewer	\$ -	\$ 2,000	\$ 2,000	\$ 2,000	\$ 6,000	\$ 12,000

Capital Improvements Program - Water and Sewer Fund

Project # 360009
Project Name: Water Distribution
Project Manager: Deputy Director of Operations

Description:

This project will require: the hiring of a design/builder to complete the City's water distribution system improvements per the City's Water and Sewer Master Plan (Chester 2000 & Dayton-Knight 2006). The design/builder will complete the design and construct the water main improvements, provide traffic control, public information notices, permits, easements, permanent patching and/or mill-overlay and restoration of all work sites per City specifications.

Expenditures	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
Planning/Engineering	\$ 534,291	\$ -	\$ -	\$ -	\$ -	\$ 534,291
Construction	11,397,059	-	500,000	-	1,000,000	12,897,059
Total	\$ 11,931,350	\$ -	\$ 500,000	\$ -	\$ 1,000,000	\$ 13,431,350

Funding Sources	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
City Operating	\$ 140,252	\$ -	\$ 500,000	\$ -	\$ 1,000,000	\$ 1,640,252
Debt Issue	11,252,146	-	-	-	-	11,252,146
Other	538,952	-	-	-	-	538,952
Total	\$ 11,931,350	\$ -	\$ 500,000	\$ -	\$ 1,000,000	\$ 13,431,350

Operational Impact:

Continuation of improvements to the City's water distribution system will decrease the repairs and maintenance costs of the aging system.

	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
Water Services	\$ (100,000)	\$ (25,000)	\$ (25,000)	\$ (30,000)	\$ (75,000)	\$ (255,000)

Capital Improvements Program - Water and Sewer Fund

Project # 360011
Project Name: New Design Water Treatment Plant
Project Manager: Deputy Director of Operations

Description:

The scope of this project includes City funding of a proportionate share of the design, easement acquisition and construction of County owned water supply infrastructures. This project will allow the County to provide the City with 8 MGD Maximum potable water from the Potomac source as is defined by the Potomac River Water Supply Agreement.

Expenditures	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
Planning/Engineering	\$ 1,835,000	\$ -	\$ -	\$ -	\$ -	\$ 1,835,000
Construction	49,200,000	500,000	-	-	-	49,700,000
Other	715,000	-	-	-	-	715,000
Total	\$ 51,750,000	\$ 500,000	\$ -	\$ -	\$ -	\$ 52,250,000

Funding Sources	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
City Operating	\$ -	\$ 500,000	\$ -	\$ -	\$ -	\$ 500,000
Debt Issue	51,750,000	-	-	-	-	51,750,000
Total	\$ 51,750,000	\$ 500,000	\$ -	\$ -	\$ -	\$ 52,250,000

Operational Impact:

Increased costs are attributed to water purchased by the City from the County but are expected to be offset by revenues in future years. The amount shown is net of expected user fees.

	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
Water Treatment	\$ 1,500,000	\$ 1,500,000	\$ 1,250,000	\$ 1,000,000	\$ 750,000	\$ 6,000,000

Capital Improvements Program - Water and Sewer Fund

Project # 360015
Project Name: North Side Water Tank
Project Manager: Deputy Director of Operations

Description:

This project requires land be acquired, a design be produced and a contractor be hired for the construction of 1,500,000 gallon steel, above ground, potable water storage tank, SCADA controls and ~ 2200 linear feet of 20” transmission main to connect to a 20” water main along Thomas Johnson drive (assuming Hayward Road BOE site).

Expenditures	Prior	FY 13	FY 14	FY 15	FY 16 - FY 18	Total
Planning/Engineering	\$ 150,000	\$ -	\$ -	\$ -	\$ -	\$ 150,000
Construction	-	-	2,000,000	-	-	2,000,000
Other	1,000,000	-	-	-	-	1,000,000
Total	\$ 1,150,000	\$ -	\$ 2,000,000	\$ -	\$ -	\$ 3,150,000

Funding Sources	Prior	FY 13	FY 14	FY 15	FY 16 - FY 18	Total
City Operating	\$ 150,000	\$ -	\$ 2,000,000	\$ -	\$ -	\$ 2,150,000
Other	1,000,000	-	-	-	-	1,000,000
Total	\$ 1,150,000	\$ -	\$ 2,000,000	\$ -	\$ -	\$ 3,150,000

Operational Impact:

Once completed, this project will increase maintenance costs, however those increases can not be estimated at this time.

	Prior	FY 13	FY 14	FY 15	FY 16 - FY 18	Total
Water Services	\$ -	\$ -				

Capital Improvements Program - Water and Sewer Fund

Project # 360018
Project Name: Water Loss Reduction
Project Manager: Assistant Deputy Director of Operations

Description:

This project is an ongoing 2-phase project. Phase I will be the completion (and ongoing) of a study of the City's water distribution system to identify the parts of this system that either are or have a high probability of losing water through leaks. The study will provide recommendations for corrective actions, cost estimates and prioritization. Phase II will implement the corrections based on the annual level of funding. This will include but not limited to replacement of main, services, metering, leak detection, etc. The area covered is any part of the City's distribution system.

Expenditures	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
Planning/Engineering	\$ 819,275	\$ -	\$ 300,000	\$ -	\$ -	\$ 1,119,275
Construction	4,346,000	1,000,000	700,000	2,000,000	6,000,000	14,046,000
Total	\$ 5,165,275	\$ 1,000,000	\$ 1,000,000	\$ 2,000,000	\$ 6,000,000	\$ 15,165,275

Funding Sources	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
City Operating	\$ -	\$ 1,000,000	\$ 1,000,000	\$ 2,000,000	\$ 6,000,000	\$ 10,000,000
Debt Issue	5,165,275	-	-	-	-	5,165,275
Total	\$ 5,165,275	\$ 1,000,000	\$ 1,000,000	\$ 2,000,000	\$ 6,000,000	\$ 15,165,275

Operational Impact:

The continuation of this project will improve the efficiency of the City's water system by repairing areas in the system that have a high probability of leaks. This project will reduce the overall expense of maintaining a water system.

	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
Water Services	\$ (50,000)	\$ (100,000)	\$ (150,000)	\$ (200,000)	\$ (750,000)	\$ (1,250,000)

Capital Improvements Program - Water and Sewer Fund

Project # 360022
Project Name: Water Resource Project
Project Manager: Deputy Director of Operations

Description:

Develop new permanent water sources for the City's potable supply system in order to increase or obtain additional water supply. Construct new water supply infrastructure needed to supplement the City's existing sources of the supply during the next 2 –5 years. These sources consist of new production wells, surface water intake structure modifications, treatment modifications or expansions, pipelines or other infrastructure which may be necessary to integrate these new sources of supply into the water distribution system.

Expenditures	Prior	FY 13	FY 14	FY 15	FY 16 - FY 18	Total
Planning/Engineering	\$ 2,076,000	\$ 18,374	\$ -	\$ -	\$ -	\$ 2,094,374
Construction	2,754,000	59,374	8,000,000	-	-	10,813,374
Other	203,255	(7,843)	-	-	-	195,412
Total	\$ 5,033,255	\$ 69,905	\$ 8,000,000	\$ -	\$ -	\$ 13,103,160

Funding Sources	Prior	FY 13	FY 14	FY 15	FY 16 - FY 18	Total
City Operating	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt Issue	4,973,255	-	8,000,000	-	-	12,973,255
Federal Grant	-	15,266	-	-	-	15,266
Other	60,000	54,639	-	-	-	114,639
Total	\$ 5,033,255	\$ 69,905	\$ 8,000,000	\$ -	\$ -	\$ 13,103,160

Operational Impact:

This project is to develop new permanent water sources for the City. This is a long term project where the operating effects will not be determined until future years.

	Prior	FY 13	FY 14	FY 15	FY 16 - FY 18	Total
Water Service	\$ -	\$ -				

Capital Improvements Program - Water and Sewer Fund

Project # 360023
Project Name: Ballenger Creek Interconnect
Project Manager: Deputy Director of Operations

Description:

Design and construction of approximately 2,200 feet of 24-inch water transmission main and associated chemical enhancement facility to allow the transfer of 2.0 to 4.0 million gallons per day (MGD) of potable water from the Frederick County water system to the City water distribution system by October 2008 as planned in the Optimization phase of the New Design Water Plant Expansion Project – CIP 360011. Total system must be constructed to transfer and treat 1.5 MGD initially and 5.0 MGD (8 MGD Maximum) in the future.

Expenditures	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
Planning/Engineering	\$ 221,000	\$ -	\$ -	\$ -	\$ -	\$ 221,000
Construction	2,285,322	-	-	-	-	2,285,322
Other	106,000	-	-	-	-	106,000
Total	\$ 2,612,322	\$ -	\$ -	\$ -	\$ -	\$ 2,612,322

Funding Sources	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
City Operating	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ 100,000
Debt Issue	2,512,322	-	-	-	-	2,512,322
Total	\$ 2,612,322	\$ -	\$ -	\$ -	\$ -	\$ 2,612,322

Operational Impact:

Operating impacts have been included with CIP #360011, New Design Water Plant Expansion.

	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
Water Treatment	\$ -	\$ -				

Capital Improvements Program - Water and Sewer Fund

Project # 360025
Project Name: Water and Sewer Security
Project Manager: Superintendent of Water Treatment

Description:

To determine and implement security improvements to the City's Water and Sewer System based on the recommendations of the Environmental Protection Agency (EPA) required Vulnerability Assessment of the City's Water Treatment Plants (WTP's) that was completed (2003) by the City's Water Treatment Superintendent. Our plan is to implement security measures at the City's Wastewater Treatment Plant (WWTP) based on the same assessments. At a minimum this project will require: (1) The study of what type of WTP/WWTP security measures will be needed; (2) The development of the specifications to prepare a bid for a security product and installation of the product; (3) The selection of a contractor to install/purchase the security product and obtain a Frederick County Building and Soil Erosion Permit if applicable; and (4) Installation of the security product.

Expenditures	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
Construction	\$ 220,000	\$ -	\$ -	\$ -	\$ -	\$ 220,000
Total	\$ 220,000	\$ -	\$ -	\$ -	\$ -	\$ 220,000

Funding Sources	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
City Operating	\$ 220,000	\$ -	\$ -	\$ -	\$ -	\$ 220,000
Total	\$ 220,000	\$ -	\$ -	\$ -	\$ -	\$ 220,000

Operational Impact:

This project is not expected to have an impact on operating expenses.

	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
Water Treatment	\$ -	\$ -				

Capital Improvements Program - Water and Sewer Fund

Project # 360028
Project Name: East Street Interchange Utilities
Project Manager: Deputy Director of Engineering

Description:

This project and funding is the estimated City's share to State Highway Administration (SHA) for engineering and relocation costs for City utilities that will be in conflict with the future I-70/Walser Drive interchange and East Street extension.

Expenditures	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
Planning/Engineering	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ 50,000
Construction	200,000	(29,054)	-	-	-	170,946
Total	\$ 250,000	\$ (29,054)	\$ -	\$ -	\$ -	\$ 220,946

Funding Sources	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
City Operating	\$ 250,000	\$ (29,054)	\$ -	\$ -	\$ -	\$ 220,946
Total	\$ 250,000	\$ (29,054)	\$ -	\$ -	\$ -	\$ 220,946

Operational Impact:

This project is not expected to have an impact on operating expenses.

	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
Water Services	\$ -	\$ -				

Capital Improvements Program - Water and Sewer Fund

Project # 360029
Project Name: Rocky Springs/ Bowers Road Water Transmission Main
Project Manager: Deputy Director of Operations

Description:

Design and construction of approximately 15,000 feet of 16-inch water transmission main along Bowers Road and Kemp Lane to connect the Bowers and Whittier storage tanks to include acquisition of all necessary permits and easements and the design-build of approximately 1200 feet of a 12 inch transmission connection loop to the Linganore Transmission Main. This project is to include the acquisition of all necessary permits and easements.

Expenditures	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
Construction	\$ 4,480,498	\$ -	\$ -	\$ -	\$ -	\$ 4,480,498
Other	6,284	-	-	-	-	6,284
Total	\$ 4,486,782	\$ -	\$ -	\$ -	\$ -	\$ 4,486,782

Funding Sources	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
City Operating	\$ 76,000	\$ -	\$ -	\$ -	\$ -	\$ 76,000
Debt Issue	4,410,782	-	-	-	-	4,410,782
Total	\$ 4,486,782	\$ -	\$ -	\$ -	\$ -	\$ 4,486,782

Operational Impact:

This project will provide redundancy and operational backup to the Whittier storage tank and will result in an increase in maintenance costs.

	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
Water Services	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 7,500	\$ 17,500

Capital Improvements Program - Water and Sewer Fund

Project # 360031
Project Name: Fishing Creek Pipeline
Project Manager: Deputy Director of Operations

Description:

This project provides for constructing approximately 31,700 feet of 18-inch water main from Fishing Creek Reservoir to the Lester Dingle Treatment Plant. The water main is intended to replace the existing pipeline between the reservoir and the plant. The existing pipeline is a 12-inch/18-inch diameter, lead-jointed cast iron pipe constructed in ~1899. The pipe is exposed in areas, corroded and subject to leakage and damage due to its original placement and alignment. Replacement will provide for a more dependable source of water from the reservoir. This project is recommended in the 2006 update to the Water Master Plan by Dayton & Knight Ltd.

Expenditures	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
Planning/Engineering	\$ 25,000	\$ 100,000	\$ -	\$ -	\$ -	\$ 125,000
Construction	-	800,000	12,500,000	-	-	13,300,000
Other	55,000	100,000	-	-	-	155,000
Total	\$ 80,000	\$ 1,000,000	\$ 12,500,000	\$ -	\$ -	\$ 13,580,000

Funding Sources	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
City Operating	\$ 80,000	\$ 1,000,000	\$ -	\$ -	\$ -	\$ 1,080,000
Debt Issue	-	-	12,500,000	-	-	12,500,000
Total	\$ 80,000	\$ 1,000,000	\$ 12,500,000	\$ -	\$ -	\$ 13,580,000

Operational Impact:

This water main will replace existing pipeline and is expected to decrease maintenance costs.

	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
Water Services	\$ -	\$ -	\$ -	\$ (15,000)	\$ (45,000)	\$ (60,000)

Capital Improvements Program - Water and Sewer Fund

Project # 360032
Project Name: SCADA System
Project Manager: Superintendent of Water and Sewer Facilities Maintenance

Description:

To make all necessary improvements to the existing SCADA (Supervisory Control and Data Acquisition) System that will enhance the operability, security, and management of our water treatment and distribution/collection system. The work anticipated will address communications infrastructure, hardware replacements/modifications, new I/O devices for additional monitoring, control, and security, adding HMI (Human Machine Interface) clients to management areas, etc. In some cases, these activities will be coordinated with improvements or construction of new facilities as determined by each individual project.

Expenditures	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
Planning/Engineering	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ 100,000
Construction	400,000	-	-	-	-	400,000
Total	\$ 500,000	\$ -	\$ -	\$ -	\$ -	\$ 500,000

Funding Sources	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
City Operating	\$ 500,000	\$ -	\$ -	\$ -	\$ -	\$ 500,000
Total	\$ 500,000	\$ -	\$ -	\$ -	\$ -	\$ 500,000

Operational Impact:

Improvements to the SCADA System will result in an increase in support and maintenance costs.

	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
Water Treatment	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 7,500	\$ 17,500

Capital Improvements Program - Water and Sewer Fund

Project # 360601
Project Name: Watershed Land Acquisition
Project Manager: Deputy Director of Operations

Description:

This project funds the annual acquisition of available property within the City watershed as land becomes available to purchase.

Expenditures	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
Planning/Engineering	\$ 52,216	\$ 6,790	\$ -	\$ -	\$ -	\$ 59,006
Construction	13,147	15,400	-	-	-	28,547
Other	697,990	(23,428)	-	-	-	674,562
Total	\$ 763,353	\$ (1,238)	\$ -	\$ -	\$ -	\$ 762,115

Funding Sources	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
City Operating	\$ 402,890	\$ (21,012)	\$ -	\$ -	\$ -	\$ 381,878
Other	360,463	19,774	-	-	-	380,237
Total	\$ 763,353	\$ (1,238)	\$ -	\$ -	\$ -	\$ 762,115

Operational Impact:

It is not anticipated for this project to effect future operating costs.

	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
Water Services	\$ -	\$ -				

Capital Improvements Program - Water and Sewer Fund

Project # 370003
Project Name: Shookstown Interceptor Sewer
Project Manager: Deputy Director of Operations

Description:

These projects are combined to facilitate simultaneous construction only. The requirements of these projects will include the hiring of an engineer to design construction plans to widen approximately 1400' of 2 lane road way, from Willowdale to Lake Coventry, to a 4 lane minor arterial undivided roadway with standard City street amenities. Additional deliverables from the designer will include the extension of water and sewer along the project area, storm water control, electric utility relocation, traffic control plan and coordination with the Waverly-View Design Team for their portion of the roadway improvements. After the design is complete the City will hire a contractor to install the improvements.

Expenditures	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
Planning/Engineering	\$ 43,000	\$ (19,952)	\$ -	\$ -	\$ -	\$ 23,048
Construction	550,000	232,109	-	-	-	782,109
Other	305,000	(305,000)	-	-	-	-
Total	\$ 898,000	\$ (92,843)	\$ -	\$ -	\$ -	\$ 805,157

Funding Sources	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
City Operating	\$ 398,000	\$ (92,843)	\$ -	\$ -	\$ -	\$ 305,157
Other	500,000	-	-	-	-	500,000
Total	\$ 898,000	\$ (92,843)	\$ -	\$ -	\$ -	\$ 805,157

Operational Impact:

The project is necessary because of the failed Lake Coventry Subdivision developer funded project and is not anticipated to effect on-going operating costs.

	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
Water Services	\$ -	\$ -				

Capital Improvements Program - Water and Sewer Fund

Project # 370007
Project Name: Wastewater Flowmeter Replacement
Project Manager: Deputy Director of Operations

Description:

A jointly purchased comprehensive sewer basin study will be necessary to determine ultimate flow ownership between the City and County and identify potential improvements needed to address capacity issues in the shared system. Immediate improvements as identified in the study will be constructed under this CIP along with necessary repairs as identified during the study process.

Expenditures	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
Planning/Engineering	\$ 50,000	\$ 200,000	\$ -	\$ -	\$ -	\$ 250,000
Construction	140,000	350,000	200,000	-	-	690,000
Other	130,000	-	-	-	-	130,000
Total	\$ 320,000	\$ 550,000	\$ 200,000	\$ -	\$ -	\$ 1,070,000

Funding Sources	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
City Operating	\$ 320,000	\$ 550,000	\$ 200,000	\$ -	\$ -	\$ 1,070,000
Total	\$ 320,000	\$ 550,000	\$ 200,000	\$ -	\$ -	\$ 1,070,000

Operational Impact:

This project is not expected to have an impact on operating expenses.

	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
Wastewater	\$ -	\$ -				

Capital Improvements Program - Water and Sewer Fund

Project # 370008
Project Name: Gas House Pike WWTP Expansion and Improvements
Project Manager: Deputy Director of Operations

Description:

This project provides for the installation of the City's Wastewater Treatment Plant improvements that are recommended in the Malcolm-Pirnie Wastewater Treatment Expansion Study (MPWWTPS) completed in 2/2004 and the Whitman-Requardt Facilities Plan - 2/2010. Funding for Enhanced Nutrient Removal (ENR) and solids processing upgrades has been obtained through the Maryland Department of the Environment. These pieces of this project have been assigned to separate projects #370010 and #370011 to ease in reporting requirements.

Expenditures	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
Planning/Engineering	\$ 858,000	\$ (42,078)	\$ -	\$ -	\$ -	\$ 815,922
Construction	19,495,551	(10,438,330)	-	-	-	9,057,221
Other	20,000	-	-	-	-	20,000
Total	\$ 20,373,551	\$ (10,480,408)	\$ -	\$ -	\$ -	\$ 9,893,143

Funding Sources	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
City Operating	\$ 197,421	\$ -	\$ -	\$ -	\$ -	\$ 197,421
Debt Issue	20,176,130	(10,495,902)	-	-	-	9,680,228
Other	-	15,494	-	-	-	15,494
Total	\$ 20,373,551	\$ (10,480,408)	\$ -	\$ -	\$ -	\$ 9,893,143

Operational Impact:

Completion of this project will result in a decrease of maintenance and repair costs at the plant.

	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
Wastewater	\$ (25,000)	\$ (25,000)	\$ (25,000)	\$ (25,000)	\$ (75,000)	\$ (175,000)

Capital Improvements Program - Water and Sewer Fund

Project # 370009
Project Name: Ballenger-McKinney WWTP
Project Manager: Deputy Director of Operations

Description:

The scope of this project includes City funding of a proportionate share per the 1990 Monocacy Interceptor Sewer Capital Funding Agreement with Frederick County for the design, easement acquisition and construction of County owned wastewater treatment infrastructures. This project will allow the County to provide the City with 3 MGD Maximum sewer capacity from the upgraded Ballenger McKinney Wastewater Treatment Plant as is defined by the 1990 Monocacy Interceptor Sewer Capital Funding Agreement. The City's portion of this project has been funded with low interest loans provided by the Maryland Department of the Environment.

Expenditures	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
Construction	\$ 17,483,000	\$ -	\$ -	\$ -	\$ -	\$ 17,483,000
Total	\$ 17,483,000	\$ -	\$ -	\$ -	\$ -	\$ 17,483,000

Funding Sources	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
Debt Issue	\$ 17,483,000	\$ (296,105)	\$ -	\$ -	\$ -	\$ 17,186,895
Other	-	296,105	-	-	-	296,105
Total	\$ 17,483,000	\$ -	\$ -	\$ -	\$ -	\$ 17,483,000

Operational Impact:

This project is the City's portion of a County owned and operated facility. Future effects on operating costs can not be determined at this time.

	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
Wastewater	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Capital Improvements Program - Water and Sewer Fund

Project # 370010
Project Name: Gas House Pike WWTP Solids Processing Rehab
Project Manager: Deputy Director of Operations

Description:

Design and construct improvements to the solids handling and gas recovery system while utilizing green technology to harvest methane and reuse energy for plant processes. Funding for this project has been obtain through the Maryland Department of the Environment from grants and low interest loans.

Expenditures	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
Planning/Engineering	\$ -	\$ 586,931	\$ -	\$ -	\$ -	\$ 586,931
Construction	-	5,430,952	-	-	-	5,430,952
Total	\$ -	\$ 6,017,883	\$ -	\$ -	\$ -	\$ 6,017,883

Funding Sources	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
Debt Issue	\$ -	\$ 3,029,270	\$ -	\$ -	\$ -	\$ 3,029,270
State Grant	-	2,988,613	-	-	-	2,988,613
Total	\$ -	\$ 6,017,883	\$ -	\$ -	\$ -	\$ 6,017,883

Operational Impact:

Completion of this project will result in decreasing costs associated with the current method of sludge disposal. The green component is expected to lower the cost for utilities.

	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
Wastewater	\$ -	\$ -	\$ (400,000)	\$ (410,000)	\$ (1,230,000)	\$ (2,040,000)

Capital Improvements Program - Water and Sewer Fund

Project # 370011
Project Name: Gas House Pike WWTP ENR Upgrade
Project Manager: Deputy Director of Operations

Description:

The improvements to the plant are necessary to be in compliance with State Enhanced Nutrient Removal (ENR) requirements and include: solids building mixing system, influent pump station modernization; sand filter building flow increases; and grit separation process upgrades. Funding for this project has been obtain through the Maryland Department of the Environment from grants and low interest loans.

Expenditures	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
Planning/Engineering	\$ -	\$ 9,473,620	\$ -	\$ -	\$ -	\$ 9,473,620
Construction	-	47,368,100	-	-	-	47,368,100
Total	\$ -	\$ 56,841,720	\$ -	\$ -	\$ -	\$ 56,841,720

Funding Sources	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
Debt Issue	\$ -	\$ 33,279,416	\$ -	\$ -	\$ -	\$ 33,279,416
State Grant	-	23,562,304	-	-	-	23,562,304
Total	\$ -	\$ 56,841,720	\$ -	\$ -	\$ -	\$ 56,841,720

Operational Impact:

Completion of this project will result in a decrease of maintenance and repair costs at the plant but is not expected to impact staffing levels.

	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
Wastewater	\$ -	\$ -	\$ -	\$ -	\$ (100,000)	\$ (100,000)

Capital Improvements Program - Water and Sewer Fund

Project # 370300
Project Name: Inflow and Infiltration Reduction
Project Manager: Deputy Director of Operations

Description:

The intent of this multi-year project is to provide deliverables (equipment, rehabilitation, repairs or new technology) that will reduce inflow and infiltration to the City's sanitary sewer system. Sanitary sewer collection systems maintenance and operations best management practices require periodic improvements to the system to reduce inflow/infiltration (I/I) of ground water that does not need to be processed through the wastewater treatment plant. This ongoing CIP project provides a funding source for new technology purchases and targets locations that are determined to contribute to the I/I problem.

Expenditures	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
Planning/Engineering	\$ 512,000	\$ -	\$ -	\$ -	\$ -	\$ 512,000
Construction	4,079,837	500,000	-	-	-	4,579,837
Other	500,000	-	-	-	-	500,000
Total	\$ 5,091,837	\$ 500,000	\$ -	\$ -	\$ -	\$ 5,591,837

Funding Sources	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
City Operating	\$ 1,073,267	\$ 500,000	\$ -	\$ -	\$ -	\$ 1,573,267
Debt Issue	1,950,000	-	-	-	-	1,950,000
State Grant	100,000	-	-	-	-	100,000
Other	1,968,570	-	-	-	-	1,968,570
Total	\$ 5,091,837	\$ 500,000	\$ -	\$ -	\$ -	\$ 5,591,837

Operational Impact:

This program helps to manage the costs associated with the treatment of wastewater by keeping the plant running efficiently.

	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
Wastewater	\$ (50,000)	\$ (10,000)	\$ (10,000)	\$ (5,000)	\$ (30,000)	\$ (105,000)

Capital Improvements Program - Airport Fund

Project # 380051
Project Name: FAA Part 77
Project Manager: Airport Manager

Description:

The scope of this project is to acquire easements over 11 properties in the Tulip Hill Subdivision, and to trim/remove trees that penetrate the 34:1 approach surface for Runway 5, as identified in the 1999 Obstruction Removal Program. The Airport has procured the services of a property acquisition specialist to obtain easements from each of these 11 property owners to allow for removal of these trees. This project will be funded through the FAA and the MAA. To date, seven of eleven easements have been acquired.

Expenditures	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
Other	\$ 856,000	\$ -	\$ -	\$ -	\$ -	\$ 856,000
Total	\$ 856,000	\$ -	\$ -	\$ -	\$ -	\$ 856,000

Funding Sources	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
City Operating	\$ 12,000	\$ -	\$ -	\$ -	\$ -	\$ 12,000
Federal Grant	813,000	-	-	-	-	813,000
State Grant	20,000	-	-	-	-	20,000
County Grant	11,000	-	-	-	-	11,000
Total	\$ 856,000	\$ -	\$ -	\$ -	\$ -	\$ 856,000

Operational Impact:

This project is not expected to have an impact on operating expenses.

	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
Airport	\$ -	\$ -				

Capital Improvements Program - Airport Fund

Project # 380054
Project Name: Airport Property Acquisitions
Project Manager: Airport Manager

Description:

The scope of this project is to purchase properties to remove obstructions that are within the Runway 5 Object Free Area (ROFA) and/or the Runway 5 Runway Protection Zone (RPZ). This project will be funded primarily by the FAA.

Expenditures	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
Other	\$ 17,114,000	\$ -	\$ -	\$ -	\$ -	\$ 17,114,000
Total	\$ 17,114,000	\$ -	\$ -	\$ -	\$ -	\$ 17,114,000

Funding Sources	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
City Operating	\$ 1,263,000	\$ -	\$ -	\$ -	\$ -	\$ 1,263,000
Federal Grant	15,250,000	-	-	-	-	15,250,000
State Grant	401,000	-	-	-	-	401,000
County Grant	200,000	-	-	-	-	200,000
Total	\$ 17,114,000	\$ -	\$ -	\$ -	\$ -	\$ 17,114,000

Operational Impact:

The effect on operating budgets will be the maintenance on these properties until they can be demolished.

	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
Airport	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 7,500	\$ 17,500

Capital Improvements Program - Airport Fund

Project # 380062
Project Name: Property Acquisition - Bowman's Farm
Project Manager: Airport Manager

Description:

The Bowman Farm property acquisition plan is to secure approximately 34 acres of land for the future expansion of the Airport. Once the 34 acre tract is acquired, the Airport will be better positioned for future needed expansion in accordance with the 1999 Airport Master Plan for east side development over the next decade. Until an FAA grant is obtained, the City will have to provide interim financing to purchase this property. When funding is available, the Airport will request reimbursement from the FAA for the purchase price of this property.

Expenditures	Prior	FY 13	FY 14	FY 15	FY 16 - FY 18	Total
Other	\$ 5,550,000	\$ -	\$ -	\$ -	\$ -	\$ 5,550,000
Total	\$ 5,550,000	\$ -	\$ -	\$ -	\$ -	\$ 5,550,000

Funding Sources	Prior	FY 13	FY 14	FY 15	FY 16 - FY 18	Total
City Operating	\$ 71,000	\$ -	\$ -	\$ -	\$ -	\$ 71,000
Debt Issue	-	275,875	-	-	-	275,875
Federal Grant	5,272,000	(277,000)	-	-	-	4,995,000
State Grant	139,000	(250)	-	-	-	138,750
County Grant	68,000	1,375	-	-	-	69,375
Total	\$ 5,550,000	\$ -	\$ -	\$ -	\$ -	\$ 5,550,000

Operational Impact:

This property acquisition allows for a place card for future development on the east side of the Airport. It is not anticipated for there to be an impact on operations for the foreseeable future.

	Prior	FY 13	FY 14	FY 15	FY 16 - FY 18	Total
Airport	\$ -	\$ -				

Capital Improvements Program - Airport Fund

Project # 380067
Project Name: Bailes Lane Demolition and Site Work
Project Manager: Airport Manager

Description:

The scope of this project is for the demolition of structures on the properties along Bailes Lane that are within the Runway 5 Object Free Area (ROFA) and/or the Runway 5 Runway Protection Zone (RPZ), for site work to meet City and State grading and soil and erosion control guidelines and to allow reuse of the properties for Airport use.

Expenditures	Prior	FY 13	FY 14	FY 15	FY 16 - FY 18	Total
Planning/Engineering	\$ 835,200	\$ -	\$ -	\$ -	\$ -	\$ 835,200
Construction	33,000	-	-	3,500,000	5,300,000	8,833,000
Other	500,000	-	-	-	-	500,000
Total	\$ 1,368,200	\$ -	\$ -	\$ 3,500,000	\$ 5,300,000	\$ 10,168,200

Funding Sources	Prior	FY 13	FY 14	FY 15	FY 16 - FY 18	Total
City Operating	\$ 18,228	\$ -	\$ -	\$ 218,750	\$ 331,250	\$ 568,228
Federal Grant	1,298,290	-	-	3,150,000	4,770,000	9,218,290
State Grant	34,454	-	-	87,500	132,500	254,454
County Grant	17,228	-	-	43,750	66,250	127,228
Total	\$ 1,368,200	\$ -	\$ -	\$ 3,500,000	\$ 5,300,000	\$ 10,168,200

Operational Impact:

This project will not effect future operating budgets.

	Prior	FY 13	FY 14	FY 15	FY 16 - FY 18	Total
Airport	\$ -	\$ -				

Capital Improvements Program - Airport Fund

Project # 380068
Project Name: Acquire and Remove Waffle House
Project Manager: Airport Manager

Description:

The scope of this project is to acquire and demolish the Waffle House Restaurant, Parcel A54, located at 1316 E. Patrick St. (0.44 acres) located within the future extension of the Runway 5 Runway Protection Zone (RPZ).

Expenditures	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
Construction	\$ 75,000	\$ -	\$ -	\$ -	\$ -	\$ 75,000
Other	2,325,000	-	-	-	-	2,325,000
Total	\$ 2,400,000	\$ -	\$ -	\$ -	\$ -	\$ 2,400,000

Funding Sources	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
City Operating	\$ 31,000	\$ -	\$ -	\$ -	\$ -	\$ 31,000
Debt Issue	-	119,000	-	-	-	119,000
Federal Grant	2,280,000	(120,000)	-	-	-	2,160,000
State Grant	60,000	-	-	-	-	60,000
County Grant	29,000	1,000	-	-	-	30,000
Total	\$ 2,400,000	\$ -	\$ -	\$ -	\$ -	\$ 2,400,000

Operational Impact:

Maintenance costs will increase until this building can be demolished.

	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
Airport	\$ 2,500	\$ 2,500	\$ 2,500	\$ -	\$ -	\$ 7,500

Capital Improvements Program - Airport Fund

Project # 380071
Project Name: Acquisition and Demolition of Tulip Hill Houses
Project Manager: Airport Manager

Description:

The scope of this project includes the demolition of the three homes in Tulip Hill Subdivision, located at 6202, 6204 and 6206 Fairfax Court (ALP Parcels A40, A41 and A25). The properties are now owned by the City but currently awaiting FAA reimbursement. The homes are located within the proposed extension of the Runway 5 Runway Protection Zone (RPZ) and must be demolished prior to the Runway 5, 23 and 30 extension projects.

Expenditures	Prior	FY 13	FY 14	FY 15	FY 16 - FY 18	Total
Construction	\$ 22,000	\$ -	\$ 500,000	\$ -	\$ -	\$ 522,000
Other	978,000	-	-	-	-	978,000
Total	\$ 1,000,000	\$ -	\$ 500,000	\$ -	\$ -	\$ 1,500,000

Funding Sources	Prior	FY 13	FY 14	FY 15	FY 16 - FY 18	Total
City Operating	\$ 14,000	\$ -	\$ 31,250	\$ -	\$ -	\$ 45,250
Federal Grant	950,000	-	450,000	-	-	1,400,000
State Grant	25,000	-	12,500	-	-	37,500
County Grant	11,000	-	6,250	-	-	17,250
Total	\$ 1,000,000	\$ -	\$ 500,000	\$ -	\$ -	\$ 1,500,000

Operational Impact:

Maintenance costs will increase until these buildings can be demolished.

	Prior	FY 13	FY 14	FY 15	FY 16 - FY 18	Total
Airport	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ -	\$ 4,000

Capital Improvements Program - Airport Fund

Project # 380077

Project Name: Air Traffic Control Tower and Associated Infrastructure Projects

Project Manager: Airport Manager

Description:

The scope of this project is to construct an air traffic control tower, on Airport property, in accordance with FAA regulations. An all-weather, paved access road will be constructed to the site from the existing City roadway system. Vehicle parking will be provided adjacent to the building on a paved lot. Funding for this project was provided by the FAA with dollars made available through the American Recovery and Reinvestment Act (ARRA).

Expenditures	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
Planning/Engineering	\$ 550,000	\$ -	\$ -	\$ -	\$ -	\$ 550,000
Construction	3,707,462	-	-	-	-	3,707,462
Other	575,000	-	-	-	-	575,000
Total	\$ 4,832,462	\$ -	\$ -	\$ -	\$ -	\$ 4,832,462

Funding Sources	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
Federal Grant	\$ 4,832,462	\$ -	\$ -	\$ -	\$ -	\$ 4,832,462
Total	\$ 4,832,462	\$ -	\$ -	\$ -	\$ -	\$ 4,832,462

Operational Impact:

The tower began operations in late FY 2012. Staffing is provided by the FAA, however the City is responsible for maintenance, utilities, insurance, and other misc. expenses.

	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
Airport	\$ -	\$ 26,500	\$ 27,300	\$ 28,200	\$ 29,000	\$ 111,000

Capital Improvements Program - Parking Fund

Project # 380408
Project Name: Site G Parking Deck #6
Project Manager: Superintendent of Parking

Description:

The proposed project is to build Deck 6 with a total capacity of 650 to 1100 spaces on a portion of Site G. Site G is located within the area between S. Carroll St., E. South St., S. East St and Commerce Street. This new deck will support the planned activities on Site G: Tourism, BOE Central Office and Hope VI, as well as other nearby projects such as Site F, the Schaffer Building and the East Street extension to I-70.

Expenditures	Prior	FY 13	FY 14	FY 15	FY 16 - FY 18	Total
Planning/Engineering	\$ 1,135,000	\$ -	\$ -	\$ -	\$ 230,000	\$ 1,365,000
Construction	-	-	-	-	15,500,000	15,500,000
Total	\$ 1,135,000	\$ -	\$ -	\$ -	\$ 15,730,000	\$ 16,865,000

Funding Sources	Prior	FY 13	FY 14	FY 15	FY 16 - FY 18	Total
Debt Issue	\$ 1,135,000	\$ -	\$ -	\$ -	\$ 15,730,000	\$ 16,865,000
Total	\$ 1,135,000	\$ -	\$ -	\$ -	\$ 15,730,000	\$ 16,865,000

Operational Impact:

Completion of this project will increase the Parking Fund budget to include the operation of the new deck. Staffing levels are expected to increase by 2 full time equivalent positions. Expenditures are net of operating revenue.

	Prior	FY 13	FY 14	FY 15	FY 16 - FY 18	Total
Parking	\$ -	\$ -	\$ -	\$ -	\$ 250,000	\$ 250,000

Capital Improvements Program - Parking Fund

Project # 380413
Project Name: Church Street Deck - Rehab/Rebuild
Project Manager: Superintendent of Parking

Description:

To perform repairs to the existing Church Street Garage that will provide a repair solution to restore the deteriorated slabs of the garage and provide an additional lifespan of 3-5 years. Plans are to demolish and rebuild the garage in FY 2017.

Expenditures	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
Planning/Engineering	\$ -	\$ -	\$ 200,000	\$ -	\$ -	\$ 200,000
Construction	1,105,864	100,000	-	-	13,500,000	14,705,864
Total	\$ 1,105,864	\$ 100,000	\$ 200,000	\$ -	\$ 13,500,000	\$ 14,905,864

Funding Sources	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
City Operating	\$ 1,000,000	\$ (125,000)	\$ 124,000	\$ -	\$ -	\$ 999,000
Debt Issue	105,864	-	-	-	13,500,000	13,605,864
County Grant	-	225,000	76,000	-	-	301,000
Total	\$ 1,105,864	\$ 100,000	\$ 200,000	\$ -	\$ 13,500,000	\$ 14,905,864

Operational Impact:

Completion of this project will reduce maintenance and repair costs in this aging facility.

	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
Parking	\$ -	\$ (5,000)	\$ (5,000)	\$ (5,000)	\$ (15,000)	\$ (30,000)

Capital Improvements Program - Stormwater Fund

Project # 350001
Project Name: South Street Storm Drain
Project Manager: Deputy Director of Operations

Description:

Provide a storm drain system capable of conveying a 10-year storm in a 433 acre drainage area bounded by South Wisner Street, a line extending south from Wisner Street to I-70, I-70, East South Street/Reich's Ford Road, Tilco Drive, Cambridge Drive and Fairfax Court in the Tulip Hill Subdivision, East Patrick Street, Davis Avenue, Harding Alley north of and parallel to East Patrick Street, the racetrack at the fairgrounds, Maryland Avenue, and by Sagner Avenue to its intersection with South Wisner Street.

Expenditures	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
Planning/Engineering	\$ 146,000	\$ -	\$ -	\$ -	\$ -	\$ 146,000
Construction	670,865	-	-	-	4,000,000	4,670,865
Other	20,029	-	-	-	-	20,029
Total	\$ 836,894	\$ -	\$ -	\$ -	\$ 4,000,000	\$ 4,836,894

Funding Sources	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
City Operating	\$ 475,000	\$ -	\$ -	\$ -	\$ -	\$ 475,000
Debt Issue	361,894	-	-	-	4,000,000	4,361,894
Total	\$ 836,894	\$ -	\$ -	\$ -	\$ 4,000,000	\$ 4,836,894

Operational Impact:

Operating expenses will increase from this project to provide for routine maintenance of the new storm drains.

	<u>Prior</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16 - FY 18</u>	<u>Total</u>
Stormwater	\$ -	\$ -	\$ -	\$ -	\$ 15,000	\$ 15,000

Capital Improvements Program - Stormwater Fund

Project # 350020
Project Name: Carroll Creek Flood Control Project
Project Manager: Deputy Director of Engineering

Description:

Construct an approximately 3,750 sq. ft. brick and block building, with public restrooms for Carroll Creek Park, on top of Pumping Station No. 3; remove electrical controls from the dry well below grade and reinstall inside the new building; and install a backup level sensor that will provide continuous remote data on water levels in the pumping station wet well.

Expenditures	Prior	FY 13	FY 14	FY 15	FY 16 - FY 18	Total
Planning/Engineering	\$ 6,926,800	\$ -	\$ -	\$ -	\$ -	\$ 6,926,800
Construction	41,013,205	1,250,000	-	-	-	42,263,205
Other	6,715,000	-	-	-	-	6,715,000
Total	\$ 54,655,005	\$ 1,250,000	\$ -	\$ -	\$ -	\$ 55,905,005

Funding Sources	Prior	FY 13	FY 14	FY 15	FY 16 - FY 18	Total
City Operating	\$ 6,389,629	\$ 1,250,000	\$ -	\$ -	\$ -	\$ 7,639,629
Debt Issue	15,122,809	-	-	-	-	15,122,809
Federal Grant	508,731	-	-	-	-	508,731
State Grant	20,065,200	-	-	-	-	20,065,200
County Grant	12,128,000	-	-	-	-	12,128,000
Other	440,636	-	-	-	-	440,636
Total	\$ 54,655,005	\$ 1,250,000	\$ -	\$ -	\$ -	\$ 55,905,005

Operational Impact:

Increased operating costs are anticipated for building and restroom maintenance.

	Prior	FY 13	FY 14	FY 15	FY 16 - FY 18	Total
Stormwater	\$ -	\$ -	\$ 2,500	\$ 2,500	\$ 7,500	\$ 12,500

Glossary of Accounting and Budget Terms

ACCOUNTING SYSTEM – The total structure of records and procedures that identify, record, classify, summarize, and report information on the financial position and results of operations of a government.

ACCRUAL BASIS OF ACCOUNTING – The method of accounting where transactions are recognized when they occur, regardless of the timing of related cash flows.

APPROPRIATIONS – The legal authorizations made by the Mayor and Board of Aldermen to the departments, offices, and agencies of the City which approves their budgets and allows them to make expenditures and incur obligations for purposes with the accounts approved.

ASSESSABLE BASE – The total value of all real and personal property in the City which is used as a basis for levying taxes. Tax exempt property is excluded from the assessable base.

BALANCED BUDGET – A budget that has operating revenues equal to operating expenditures.

BOND – A written promise to pay a specified amount of money, called the principal amount, at specific dates in the future called maturity dates along with interest at specific rate.

BOND ANTICIPATION NOTES – Short-term interest-bearing notes issued by a government in anticipation of bonds to be issued at a later date. The notes are retired from proceeds of the bond to which they are related.

BONDS ISSUED – Bonds sold.

BOND RATING – A rating that indicates the probability of timely repayment of principal and interest on bonds issued.

BUDGET – A financial plan containing estimated revenues and expenses for an organization. The plans are prepared by the individual departments and reviewed and submitted by the Mayor to the Board of Aldermen for their review and approval.

BUDGET YEAR – The fiscal year for which the budget is being considered. (See also FISCAL YEAR.)

CAPITAL IMPROVEMENTS PROGRAM (CIP) – The annual updated 6-year plan or schedule of projected expenditures for buildings, public facilities, and other improvements which are of significant value and have a useful life of several years. The City's program includes estimated project costs, sources of funding, and timing of work for each project. The Capital Improvements Program is the basis for the annual CIP appropriations and any new bond issues.

Glossary of Accounting and Budget Terms

CAPITAL EXPENSES (OUTLAY) – Departmental expenditures which generally result in the acquisition of furniture, equipment, and/or computers, which have a value of less than \$5,000 and have an estimated useful life in excess of three years. Capital expenses are reflected in the budget document in each department requesting the items.

CAPITAL PROJECTS – A specific activity or element of the Capital Improvements Program involving expenditures and funding for the creation of permanent facilities or other public assets having a relatively long useful life.

CDBG – See Community Development Block Grant

CDS – See Controlled Dangerous Substance

CIP – See Capital Improvements Program

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) – A general purpose, federal grant primarily used to promote rehabilitation and development of residential and commercial neighborhoods, and to meet all urgent community development needs.

CONTROLLED DANGEROUS SUBSTANCE (CDS) – A fund used to account for revenues generated from seized property during drug related arrests. Proceeds can be used by the Police for drug related expenditures.

CURRENT YEAR – The fiscal year that is prior to the budget year.

DEBT ISSUANCE – The sale or issuance of any type of debt instrument, such as bonds.

DEBT LIMIT – The statutory or constitutional maximum debt that an issuer can legally incur.

DEBT RATIOS – The ratios that provide measures of assessing debt load and ability to repay debt, which play a part in the determination of credit ratings. They also are used to evaluate the City's debt position over time against its own standards and policies.

DEBT SERVICE – The payment of principal and interest on borrowed funds such as bonds.

DEFICIT – The amount by which a government's budget outlays exceed its budget revenues for a given period, usually a fiscal year.

DEPARTMENT – The major organizational divisions in the City with overall responsibility for one or more activities or functions of the City.

DEPRECIATION – An allocation made for the decrease in value of physical assets through wear, deterioration, or obsolescence.

Glossary of Accounting and Budget Terms

ENCUMBRANCE – A firm commitment to pay for future goods and services formally documented with a contract or agreement that may extend over more than one budget year. Both encumbrances and planned expenditures on a project must fit within a department’s appropriation.

ENTERPRISE FUND – A fund used to account for operations that are financed and operated in a manner similar to private business enterprises, where the costs of providing goods or services to the general public are financed or recovered primarily through user charges.

EXPENDITURE – An actual payment made by check, inter-fund transfer, or by recordation of an amount due for goods received or services rendered.

FIDUCIARY FUND – The trust and agency funds used to account for assets held by a government unit in a trustee capacity or as an agent for individuals, private organizations, other government units and/or other funds.

FISCAL POLICIES – The City’s financial management policies relating to operating budgets, accounting, Capital Improvements Program, General Fund balance levels, debt, and investments.

FISCAL YEAR – An organization’s accounting or financial year. The City’s fiscal year starts July 1 and ends June 30.

FIXED ASSET – Assets of a long-term character which are intended to continue to be held and used. Examples of fixed assets include items such as land, buildings, machinery, furniture, and other equipment.

FULL-TIME EQUIVALENT – Indicates the authorized number of employees in a department by position type. This includes part-time employees on a pro-rated basis.

FUND – A fiscal and accounting entity with a self- balancing set of accounts recording cash and all other financial resources or assets, together with all related liabilities or outside claims to those assets; and the remaining unclaimed net worth or residual equity in those assets, which are segregated for the purpose of carrying on specific activities or attaining specific program objectives.

FUND BALANCE – The cumulative difference between expenditures and revenue accumulated over the life of a fund. A negative fund balance is usually referred to as a deficit.

FY – See Fiscal Year

GAAP – See Generally Accepted Accounting Principles.

GASB – See Governmental Accounting Standards Board.

Glossary of Accounting and Budget Terms

GENERAL FUND – The major operating fund of the City used to account for all financial resources and activities, except those accounted for in one of the City’s other funds.

GENERALLY ACCEPTED ACCOUNTING PRINCIPLES (GAAP) – Uniform minimum standards for financial accounting and recording, encompassing the conventions, rules, and procedures that define accepted accounting principles as determined through common practice or as promulgated by the Governmental Accounting Standards Board, Financial Accounting Standards Board, or various other accounting standard setting bodies.

GOVERNMENTAL ACCOUNTING STANDARDS BOARD (GASB) – This organization was established as an arm of the Financial Accounting Foundation in April 1984 to promulgate standards of financial accounting and reporting with respect to activities and transactions of state and local governmental entities.

GOVERNMENTAL FUNDS - Funds generally used to account for tax-supported activities. There are five different types of governmental funds: the general fund, special revenue funds, debt service funds, capital projects funds and permanent funds.

GRANTS – A transfer of county, state or federal monies to the City, usually for specific programs or activities.

INFRASTRUCTURE – The physical assets of a city (streets, water, sewer, public buildings, and/or parks) upon which the continuance and growth of a community depend.

INTERFUND TRANSFERS – Payments made from one operating fund to another as a contribution to defray a portion of the recipients fund’s costs.

INTERGOVERNMENTAL REVENUES – The revenues from other governments in the form of grants, entitlements, shared revenues, or payments in lieu of taxes.

LEVY – (Verb) To impose taxes or special assessments for the support of governmental activities. (Noun) A tax or special assessment imposed by a government.

LIABILITIES – Debts or other legal obligations arising out of transactions in the past that must be liquidated, renewed, or refunded at some future date. This term does not include encumbrances.

LINE-ITEM BUDGET – The traditional form of budgeting, where proposed expenditures are based on individual types of expenditures within a department or program. The City of Frederick budget is a line item budget with summary and program information to aid in obtaining a more complete picture of the budget.

LONG-TERM DEBT – Debt or obligations of the City with a final maturity or payment date of greater than one year.

Glossary of Accounting and Budget Terms

MODIFIED ACCURAL BASIS OF ACCOUNTING – The accrual basis of accounting adapted to the governmental fund type. It is a modified version of the full accrual basis of accounting in that it, in general, measures financial flow (tax and spend) of an organization, rather than capital accumulation (profit or loss).

NET BONDED DEBT – Gross bonded debt less any cash or other assets available and earmarked for its retirement.

NON-DEPARTMENTAL OPERATING EXPENDITURES – Operating expenditures which are not charged directly to specific departments but are cost to the City as a whole, such as debt service payments and general liability insurance.

OBLIGATIONS – Amounts that a government may be required legally to meet out of its resources. They include not only actual liabilities, but also unliquidated encumbrances.

OPEB – See Other Post Employment Benefits.

OPERATING BUDGET – The portion of the City’s budget that provides resources for the day-to-day operations of the City.

ORDINANCE – A formal legislative enactment by the governing board of a municipality. If it is not in conflict with any higher form of law, such as a state statute or constitutional provision, it has the full force and effect of law within the boundaries of the municipality to which it applies. The difference between an ordinance and resolution is that the latter requires less legal formality and has a lower legal status. Ordinarily, the statutes or charter will specify or imply those legislative actions that must be enacted by ordinance and those which may be enacted by resolution.

OTHER POST EMPLOYMENT BENEFITS (OPEB) – Post employment benefits that an employee will begin to receive at the start of retirement. This does not include pension benefits paid to the retired employee. Other post employment benefits that a retiree can be compensated for are life insurance premiums, healthcare premiums and deferred-compensation arrangements.

PAY-AS-YOU-GO – Capital expenditures which are funded from current revenues.

PAYMENT IN LIEU OF TAXES – Payments made by entities not legally required to pay taxes in order for them to receive the same services as private taxpayers.

PERSONNEL (COSTS) – Expenditures that include salary costs for full-time, part-time, temporary and contract employees, overtime expenses and all associated fringe benefits.

PRIOR YEAR(S) – The fiscal year(s) proceeding the current year.

Glossary of Accounting and Budget Terms

PROJECTIONS – The estimate of budget authority, outlays, receipts, or other amounts extending several years into the future. Projections generally are intended to indicate the budgetary implications of existing or proposed programs.

PROPOSED BUDGET – Reflects the budget or line-item amount recommended by the Mayor to the Board of Aldermen for their review and consideration. It reflects either his assessment of what is needed to accomplish the department’s objectives, or the limited resources available to accomplish the intended objectives.

RESOLUTION – A special or temporary order of a legislative body that requires less legal formality than an ordinance or statute.

REVENUE – Income received by the City to support its program of services to the community. It includes sources such as property taxes, admission fees, service charges, and Federal and State grants, to name just a few.

RFP – Request for Proposals. Federal mandate to request proposals from potential contractors for outsourced government services.

SHORT-TERM DEBT – Debt or obligations of the City due within one year or less.

SPECIAL ASSESSMENT – A compulsory levy made against certain properties to defray part or all of the cost of a specific improvement or service deemed to primarily benefit those properties.

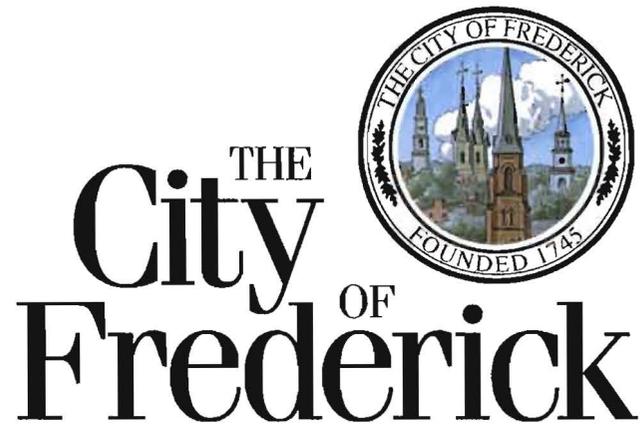
TAX BASE – All forms of wealth under the City’s jurisdiction that are taxable.

TAX RATE – The amount levied for every \$100 of assessed property value, as determined by the Maryland State Assessment Department on both real and personal property within The City of Frederick limits.

TAX SETOFF PAYMENT – A payment received from the County for services it does not have to provide citizens and taxpayers of the City because the City provides the services.

UNDESIGNATED FUND BALANCE – Funds remaining from the prior year, which are available for appropriation and expenditure in the current year.

UNRESERVED FUND BALANCE – That portion of a fund balance for which no binding commitments have been made.



RANDY A. McCLEMENT, MAYOR

ALDERMEN

KAREN LEWIS YOUNG, *PRES. PRO TEM*

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