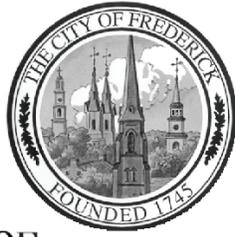


THE
City
OF
Frederick



Annual Budget Report

Fiscal Year
July 1, 2010 - June 30, 2011



THE CITY OF FREDERICK

ANNUAL BUDGET REPORT FOR FISCAL YEAR JULY 1, 2010 – JUNE 30, 2011

Prepared by the Department of Finance

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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 their 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 their 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.

Summary of Elected and Appointed Officials

Mayor

Randy McClement

Board of Alderman

Karen Lewis Young
President Pro Tem

Michael C. O'Connor
Shelley M. Aloï
Carol L. Krimm
Kelly M. Russell

Appointed Officials

Chief of Police
City Attorney
Deputy Director for Engineering
Deputy Director for Parks and Recreation
Deputy Director for Planning
Deputy Director for Operations
Director of Budget and Purchasing
Director of Community Action
Director of Economic Development
Director of Finance
Director of Public Works
Executive Assistant

Colonel Kim C. Dine
Saundra A. Nickols
Zachary J. Kershner
Roelkey I. Myers
Joseph A. Adkins
Marc Stachowski
M. Katherine Barkdoll
Michael R. Spurrier
Richard G. Griffin
Gerald D. Kolbfleisch
Vacant
Richard B. Weldon

State of the City Report

The state of our City is strong. In spite of recent economic turbulence, we retain strong financial ratings, solid reserves, and a manageable debt burden. Because of the dedicated service of people like Gerry Kolbfleisch, Director of Finance, and Katie Barkdoll, Budget Director, we have been awarded the Government Finance Officer's Association award for our fiscal stewardship for the 26th consecutive year, a firm validation of our overall economic health.

Overview of interesting happenings

This Administration was inaugurated on December 10, 2009. Ten days later, our City was hit with 23" of snow. If that was not enough to test our will, a month and a half later we were once again honored with the presence of 52" of snow. Through both events, our staff rose to the occasion and performed admirably. It also forged the start of the "all hands on deck...customer service attitude" of this Administration.

Our guiding principles

Customer orientation: Regarding customer service, it is my strong belief that while government's focus is clearly different than the private sector, each and every City employee is a servant of the citizens of Frederick. Our work should reflect that understanding each and every day.

Transparent governance: This government will strive to operate in the full light of day with complete disclosure. We will comply with the Maryland Open Meetings and Public Disclosure laws. More than just doing this to comply with any law, we do this because it is the correct thing to do.

Informed decision making: One of the very first things I told my staff was the Aldermen and I depend on access to both sides of every issue. Whether in an informal discussion or a formal voting session, the Board of Aldermen deserves all of the information available on a subject placed before them. This allows us to make the best decisions possible in a timely manner.

Job growth and economic opportunity: Even in the toughest economy, the City should be focused on expanding opportunity and helping the private sector to create jobs and wealth. I am looking at every opportunity to make this happen. One of the most important ways to help achieve this goal is development of a downtown hotel/conference center. In conjunction with the Chamber of Commerce, we've established a team to look at how best to fill this important void and continue our successful downtown development effort. Another way to create economic opportunity is to streamline the system. I have directed staff to review all the policies and procedures to see where we can streamline without affecting health and safety. We put into place a way to address more of the citizen requests at the staff level, which is improving our efficiency. This in turn translates to faster turn around of permits, thus helping the job market.

Civic outreach: The Neighborhood Advisory Councils (NACs) have served the City well. We can, and will, do even better in the future. As we improve our technology we will be able to enhance our outreach and create better ways to transmit and receive feedback from our customers. We will continue to include the NACs in the process of City Government wherever possible.

State of the City Report

Sustainable Frederick: Our citizens are demanding new and creative ways to reduce our impact on the environment. Whether it deals with our growth policies or our solid waste generation, we need to meet our future goals in the most responsible manner we can. We have taken steps to participate in the County's recycling program and to step up recycling availability at all City venues and sponsored events.

The City organization we need, not the one we want: We have set our priority to reflect the core functions essential to our primary mission: public safety and public works. We'll organize to survive the economic downturn and emerge better-focused and more efficient in the end.

Some of our accomplishments

- The FY 2011 budget development process was the most open and interactive the City has ever seen. The Aldermen and I shared all of the raw departmental budget data from the start. The City held open public sessions on Saturdays and again on Tuesday evenings in order to maximize citizen input. We initiated a program to involve the NACs in the budget process through a unique outreach and training process. This new process needs to be refined and is something we intend to build upon in future years.
- We conducted the first comprehensive organizational assessment in decades. Each job in the City organization was charted and analyzed. Potential job function duplication was identified, and in certain cases, assessments of detailed job duties were conducted. A comprehensive City organizational chart was prepared by the GIS/IT department, and was displayed throughout the budget process.
- We conducted an in depth assessment of the Capital Improvements Program, examining each project and making decisions about affordability and viability of all proposed capital projects. This gave the City a realistic report on what projects would move forward based on funds available, while still prioritizing other projects for future completion.
- In addition to working closely with the Aldermen on the budget, we've developed a reputation for being able to focus on the task at hand. I hope we will continue to maintain this close working relationship through out the entire term.
- We've begun work on two Small Area Plans, one for the revitalization of the Route 40 West corridor and another for the East side of Frederick. Our Planning Department is using technology to increase civic participation in these vital functions.
- Our GIS tool offers tremendous potential to improve our business processes and accountability. We'll work to expand and target those efforts to benefit our citizens and reduce our operating costs.

State of the City Report

- We've initiated a review of the City's Policies and Procedures Handbook for employees. I believe this will help to make our staff more efficient and in turn, help us through the financial concerns we all face.
- We continue to ensure that our City remains a safe place to live, work and visit. We have a strong and efficient police force and a highly respected Department of Public Works.

Our goals for the coming year

Continue to improve our budget process: We've made great progress, but much work remains to be done. The NAC outreach started with a NAC budget subcommittee, but we need to involve the NACs earlier to maximize their input.

Enhance the use of technology: We are implementing CityStat, which is a way to help keep all interested citizens informed on the status of projects throughout the city. We will continue to evolve this tool as a way to make resource allocation and management decisions based on data, not intuition.

Comprehensive benefits review: Our employee and retiree benefit programs are an important tool in recruitment and retention, but must be sustainable from a budgetary perspective. Led by our HR department, we'll thoroughly examine the full range of benefits and make recommendations to ensure we can keep the promises we make to our employees.

Improve public safety: Nothing matters more than maintaining a peaceful and safe community. We need to address the issue of attrition in the police force, and we'll take advantage of grants to do so. We also need to look at the future of the police headquarters, as the current facilities don't provide for optimal service. The Fraternal Order of Police contract will be up for negotiation this year and will reflect that careful balance between what we need and what we can afford.

Improving external government relations: We must continue to improve our relationships with County, State, and Federal leaders. Frederick City must have a visible presence in Annapolis during the Legislative Session. The Aldermen and I spent more time there this past General Assembly than many of my predecessors, and that commitment will continue. We're concentrating efforts on building stronger links to the County Commissioners. Even though we can't agree on every issue, we are doing our best to keep an open and honest relationship.

City lease negotiation: We will be negotiating the best deals possible for the use of City facilities, from Harry Grove Stadium to the cell phone infrastructure on our water towers.

Streamlining and improving our purchasing policies: We will implement a "Purchasing card" system, with the appropriate management controls, to reduce fixed costs and streamline routine purchases. We'll look at all aspects of our purchasing system to see that we incorporate best practices in everything we do.

State of the City Report

While this is not a complete, 100% list of accomplishments and goals, I believe it does provide a small “snippet” of what this Administration has accomplished and what we hope to accomplish in the future. While goals are great to set, I recognize that circumstances change and we need to be flexible enough to change with them. I also believe this Administration is more than capable of living up to that task.

The Aldermen and I comprise what I believe to be one of the strongest teams of City leaders in a long, long time. I thank them for their service and dedication to moving the City of Frederick forward in a positive way.

Respectfully submitted,

Randy McClement, Mayor
The City of Frederick
July 14, 2010

Community Profile

The City of Frederick is an incorporated municipal corporation of the State of Maryland. The City was first settled in 1745 and incorporated in 1816. Situated in the foothills of the Catoctin Mountains, Frederick is Maryland's fourth largest city and the county seat of Frederick County.

The City of Frederick covers an area of approximately 20.4 square miles at the intersection of Interstates 70, 270 and 340. The current population of 63,226 represents an increase of over 50% since 1990.

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. Other major employers are Bechtel, SAIC and MedImmune.

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. The downtown area was designated a Great American Main Street Community in 2005 by the National Trust for Historic Preservation. 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 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. All of these officials are elected at large to four year terms. The government offices are located in City Hall, at 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, permits, the municipal airport and water and sewer services.

Demographic and Statistical Profile

Community Profile:

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

Demographics:

Area in square miles: 20.4

Population

2000 52,767
 *2010 63,473
 *2015 projected 70,491
**City of Frederick Planning Dept. Estimate*

Median Age

2009 35.5

Age Composition (2009 ESRI Estimates)

Under 5 years 7.2%
 5-19 years 19.9%
 20-24 years 7.6%
 25-44 years 29.7%
 45-64 years 24.4%
 65-74 years 5.2%
 75+ 6.0%

Household Income and Expenditures (2009 ESRI Estimates)

Median Household Income \$60,759
 Per Capita \$29,217
 Median Home Value \$267,690
 Median Home Sale Price (Single Family) \$268,672
 Median Home Sale Price (Condo/Coop) \$165,000
 Median Rent \$639

Households and Housing Units

Total Housing Units 26,637
 Owner Occupied 52.9%
 Renter Occupied 41.2%
 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%
 Personal Income Tax Rate
 Real Property Tax Rate \$0.65
 Personal Property Tax Rate \$1.55
(property taxes are per \$100.00 of assessed value)

2009 Property Tax Assessed Valuation

Real Property \$5,877,472,266
 Personal Property \$ 156,520,834

Building Permits

Residential

Year	Permits Issued	Valuation
2009	388	\$32,622,170

Commercial

Year	Permits Issued	Valuation
2002	45	\$256,303,271
2003	43	\$239,799,050
2004	47	\$ 40,082,859
2005	45	\$ 74,875,046
2006	67	\$221,511,698
2007	194	\$113,773,624
2008	153	\$ 84,242,364
2009	121	\$ 50,498,858

Demographic and Statistical Profile

Service Statistics:

Police (2009)

Stations	1
Uniformed Police Officers	138
Police Vehicles	

Public Works (2009)

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	2499
Parking Areas	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
---------------------	---

Recreation (City Owned)

Parks	55
Parks in Acres	583
Golf Course	1
Swimming Pools	2
Tennis Courts	23
Municipal Stadiums	2
Fitness Center	1

Education: *(County Provided)*

Total Number of County Schools	63
Total Number of City Schools	14
Total Enrollment	40,210
City School Enrollment	10,867

Major Events:

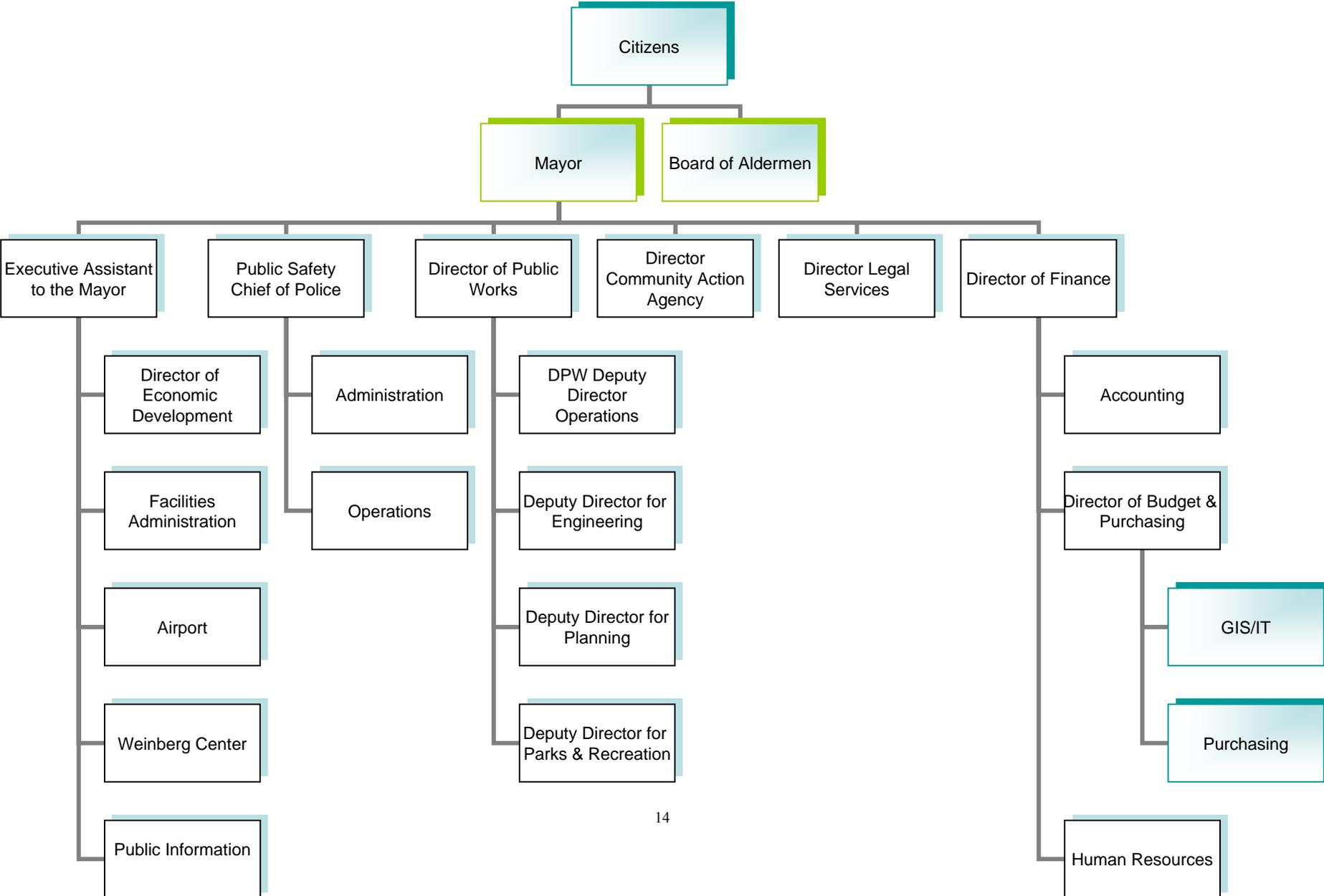
Festivals & Entertainment

In the Streets Festival	September
Frederick's 4 th Independence Day Celebration	July 4
Pangaea International Festival	May
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

Art, History & Recreation

Weinberg Center for the Performing Arts
Maryland Ensemble Theater
Delaplaine Visual Arts Center
Community Bridge Mural
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

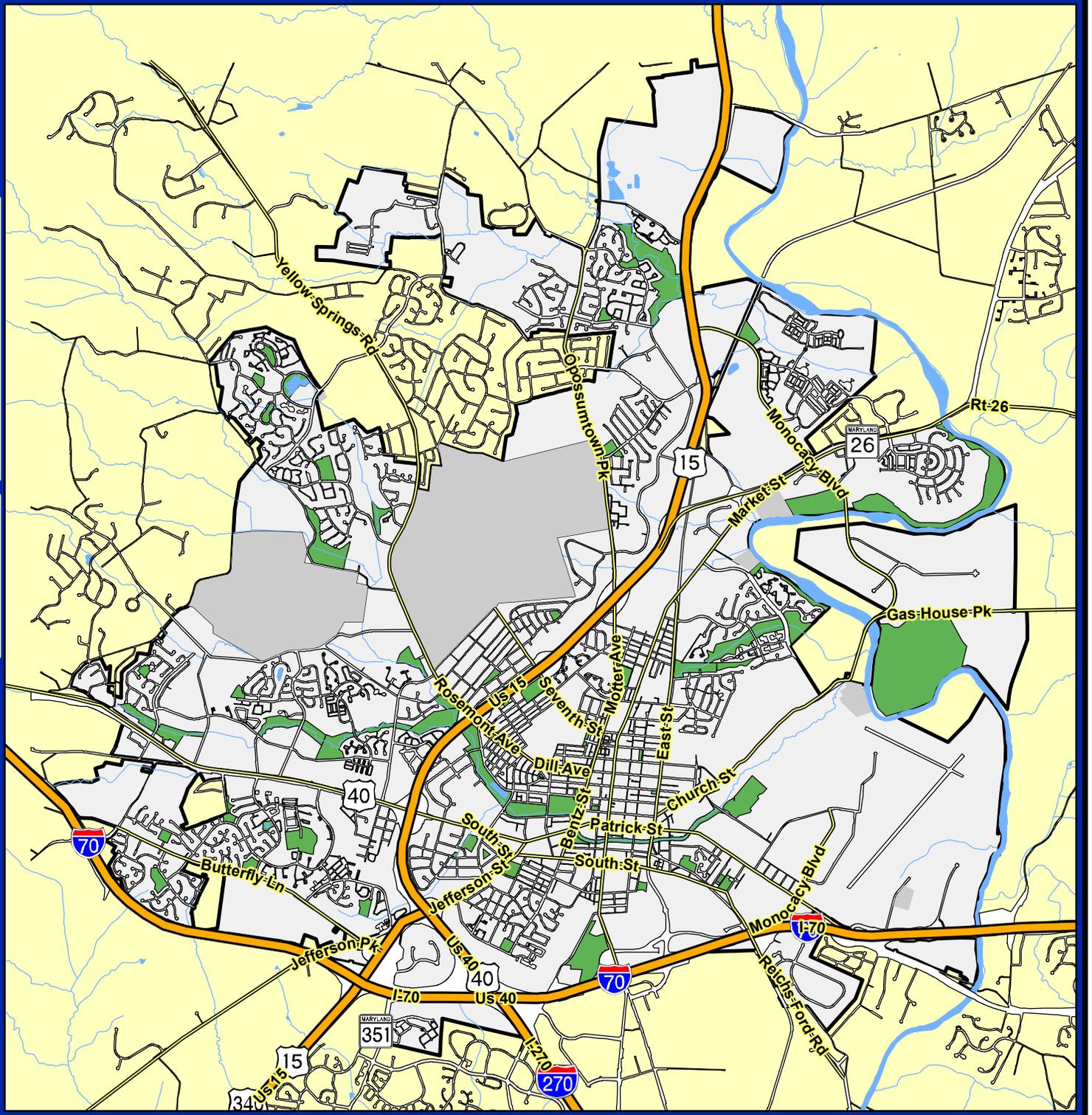
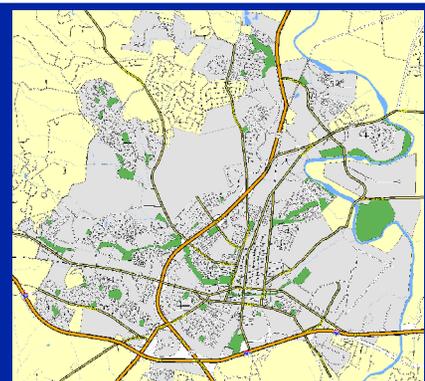
-  Major Roads
-  Highways
-  City Roads
-  Rivers and Lakes
-  Parks
-  City Boundary



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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 03/07
 Maps produced by: mbowman



Financial Management Policies

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.
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 five 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.
7. Over-expenditures at the departmental level are prohibited by Charter.

Annual operating budgets are adopted 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.

Financial Management Policies

Budgetary Information (continued)

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.

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.

Debt Ratios

The City of Frederick shall not issue direct tax-supported indebtedness that exceeds 2.5% of the total taxable assessed value within the City.

Debt Service on the City's tax supported indebtedness shall not exceed 13% of the General Fund budget.

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

Financial Management Policies

Debt Ratios (continued)

The City recognizes that underlying and contingent debt can create tax rate differentials for residents and businesses within the City. Therefore, the City of Frederick will limit the amount of such indebtedness it authorizes to not more than 1% of total taxable assessed value.

Financial Administration Policies

The City of Frederick 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.

The Mayor and Board of Aldermen shall have complete discretion over the definition of an unforeseen emergency. However, any use of the “Rainy Day” reserve must be approved by a supermajority (majority plus one) of the Mayor and Board of Aldermen.

If use of the “Rainy Day” balance is approved by a supermajority, the City’s unreserved, undesignated General Fund balance shall be restored to the 12% level within the next two fiscal years by enactment of a financial plan designed to meet this objective.

The City of Frederick will use one-time monies for one-time expenditures. One-time monies can be defined as prior year surpluses in excess of the “Rainy Day” reserve requirement, or other windfalls such as asset sales. One-time expenditures will generally consist of pay-as-you-go capital spending, but could be other one-time spending. In any event, one-time resources shall not be used to fund recurring operating expenditures.

Accounting, Auditing, and Financial Reporting Policies

The basis of accounting and budgeting within governmental funds used by The City of Frederick is modified accrual, as well as the “current resource measurement focus.” Under this method of accounting, revenue is recorded when it is measurable and available to fund current appropriations. Enterprise funds follow the accrual basis of accounting, as well as the “capital maintenance measurement focus.” Revenues are recognized when earned and expenditures are recorded when incurred.

An independent audit of The City of Frederick is performed annually.

The City of Frederick issues a Comprehensive Annual Financial Report (CAFR) in accordance with Generally Accepted Accounting Principles (GAAP) outlined by the Government Accounting Standards Board (GASB).

Budget Overview

Budget Summary

The City of Frederick has not been immune to the current economic conditions facing local governments across the country. The desire to provide Frederick City citizens with high quality services balanced against the revenues available to fund those services proved to be a significant challenge while preparing the FY 2011 budget.

The overall City's FY 2011 budget is \$114,016,167, which is a \$612,607 (.53%) decrease from the FY 2010 adopted budget. The General Fund budget is \$2,762,773 (3.5%) less than the adopted FY 2010 budget.

Revenue predictions have indicated the City will realize a decline in Personal Income Tax revenue of \$1,000,000, along with State of Maryland cuts to Highway User Revenues of \$2,337,078.

Employee and employee benefits costs remain the largest expense at approximately 50% of the overall budget. During budget planning, the Mayor performed a comprehensive organization evaluation to determine if the City could operate with greater efficiency. This review resulted in a 4.7% decrease in the City's workforce. The City will not give employees a cost of living increase or a merit increase in FY 2011, except where the City is contractually obligated to provide them.

The City continues to work towards a sustainable employee benefits package. Total employee benefits have increased by 3% over FY 2010. However, employee pension costs have increased 15%. The City was able to offset some of this increase by changing the employee share of health insurance. In FY 2010, employees paid 15% of health insurance costs. In FY 2011, employees will pay 25% of health insurance costs. In addition, the tuition reimbursement and the retirement gift program have been suspended for FY 2011. A full comprehensive review of all City benefits is expected to occur in early FY 2011.

The recession has also impacted our utility revenues as residential and commercial development has declined. A 20% rate increase in the Water and Sewer and Storm Water funds were necessary to meet the needs of current customers and to support capital expenditures associated with providing these services. An increase to parking rates was also approved in the budget to assist in meeting the current and future parking demands in the City.

The ability to fund future capital projects is of great concern. The Capital Improvements Program was revamped leaving only projects that are both imminent and necessary to the City.

Budget Overview

Budget Summary (continued)

Outstanding debt as of June 30, 2010 is \$236,055,375, a \$120,827,260 increase from June 30, 2009. While debt service has increased only 1.72% over FY 2010, it has increased 99% over FY 2009. In FY 2011, debt service is 17.79% of the overall City budget. Debt service was 12.7% of the overall City budget in FY 2009.

The budget was balanced without raising the property tax rate for Frederick City residents. The City will continue to provide the high quality services the public expects while we continue our focus on fiscal responsibility and sustainability.

Budget Goals

The preparation of the FY 2011 budget focused on the following goals:

1. Avoid an increase in the City's property tax rate.
2. Restore financial stability to the operating budgets and to the Capital Improvements Program.
3. Avoid any reduction in services to City residents.

FY 2011 Budget Plan

The 60th Administration of the City took office at the same time the FY 2011 budget process was beginning. In the first week of office, the Mayor implemented a "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 each expenditure 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 April 17, 2010.

Budget Overview

FY 2011 Budget Plan (continued)

The following are the adjustments made to the budget from the initial requests to the adopted budget:

General Fund

Revenue:

Beginning Revenue	\$ 70,514,649
Increase in beginning fund balance estimates	4,672,456
Increase in fee estimates	137,250
Increase in tax setoff payment from Frederick County	615,902
Transfer in from Capital Improvements Program	520,000
Other miscellaneous adjustments	52,559
Total Adopted Revenue	\$ 76,512,816

Expenditures:

Expenditures - Initial Requests	\$ 79,036,531
Positions removed from budget	(1,176,790)
Change in estimate of health insurance rate increase	(203,604)
Change in health insurance cost share for employees to 75%	(243,807)
Maintenance items from Capital Improvements Program	520,000
Remove purchase of 15 police cars	(517,000)
Reduction of estimate for County IT services	(187,100)
Reduce contributions to MOU partners	(91,500)
Reduce scope of summer parks program	(16,367)
Other miscellaneous adjustments	(607,547)
Total Adopted Expenditures	\$ 76,512,816

Budget Overview

FY 2011 Budget Plan (continued)

Water and Sewer Fund:

Revenue:

Beginning Revenue	\$ 16,087,570
Increase in beginning fund balance	
estimates	5,000,000
20% rate increase	3,167,800
Transfer in from special assessments	
and impact fees	771,622
Total Adopted Revenue	\$ 25,026,992

Expenditures:

Expenditures - Initial Requests	\$ 23,767,367
Positions removed from budget	(138,415)
Change in estimate of health insurance	
rate increase	(31,488)
Change in health insurance cost share	
for employees to 75%	(85,645)
Increase in fees associated with the	
Potomac Water Sewer Agreement	1,500,000
Other miscellaneous adjustments	15,173
Total Adopted Expenditures	\$ 25,026,992

Other Funds:

Revenue:

Beginning Revenue	\$ 11,258,468
Increase in beginning fund balance	
estimates	205,133
Change in transfer from General Fund	398,437
Increase grant revenue	16,896
Change in fee estimates	597,425
Total Adopted Revenue	\$ 12,476,359

Expenditures:

Expenditures - Initial Requests	\$ 11,555,956
Positions removed from budget	(51,536)
Change in estimate of health insurance	
rate increase	(9,645)
Change in health insurance cost share	
for employees to 75%	(36,703)
Increase in program donations	51,536
Maintenance items from Capital	
Improvements Program	253,000
Other miscellaneous adjustments	713,751
Total Adopted Expenditures	\$ 12,476,359

Budget Overview

Future Considerations:

In preparation for the FY 2012 budget, we need to consider the following:

1. Property in the City of Frederick will be reassessed on January 1, 2011 effective on July 1, 2011. A decrease in total assessed value will impact property tax revenue and debt limits.
2. The cost of employee benefits plans and the ability to sustain the plans in future years.
3. Capital purchases and maintenance items which were pushed out to later years. These items are necessary and will need to be addressed.
4. Major upgrades needed to the Waste Water Treatment Plant.
5. Review of current debt and restructuring opportunities to allow for the completion of projects in the Capital Improvements Plan.

FY 2011 Budget Calendar

FY2011 BUDGET WORKSHOPS

Saturday, March 6, 2010: Budget Workshop (Municipal Annex Building)

9:00AM -4:00 PM with a break from 12:00 PM -1:00PM

Agenda:

9:00 AM – 12:00 noon

- DPW Operations (1 Presentation for Operations)
- Engineering
- Planning
- Parks & Recreation

1:00 PM – 4:00 PM

- Frederick Community Action Agency

Saturday, March 27, 2010: Budget Workshop (Municipal Annex Building)

9:00AM- 4:00 PM with a break from 12:00 PM–1:00PM

Agenda:

9:00 AM – 12:00 noon

- Police Department

1:00 PM – 4:00 PM

- Administration
- Mayor's Office
- Legal
- Elections
- Facilities
- Community Promotion
- Airport
- Economic Development
- Weinberg

Saturday, April 17, 2010: Presentation of Balanced Budget Workshop (Municipal

Annex Building) 9:00 AM - 4:00 PM with a break from
12:00 PM – 1:00 PM

FY 2011 Budget Calendar

FY2011 BUDGET PUBLIC HEARINGS

Tuesday, April 20, 2010: 7:00 – 9:00 PM – City Hall Board Room

Tuesday, April 27, 2010: 7:00 - 9:00 PM – City Hall Board Room

Tuesday, May 4, 2010: 7:00 – 9:00 PM – City Hall Board Room

Tuesday, May 11, 2010: 7:00– 9:00 PM – City Hall Board Room

The FY2011 Tax Rate and Budget is scheduled to be adopted on May 19, 2010 at the regular meeting of the Mayor and Board of Aldermen.

All Budget Workshops and Public Hearings will be televised live on The City of Frederick Government Cable Channel 99 and streamed on the City of Frederick Website, www.cityoffrederick.com. Click on the Channel 99 logo, then click on “live meetings”.

SPECIAL ORDINANCE S-10-04

A SPECIAL ORDINANCE ESTABLISHING THE TAX RATE FOR THE ASSESSABLE PROPERTY IN THE CITY OF FREDERICK, MARYLAND, FOR THE FISCAL YEAR JULY 1, 2010, TO JUNE 30, 2011.

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 20, 2010, and did by majority impose and levy the proposed sum of Sixty-Five Cents (\$0.65) 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, 2010 to June 30, 2011, 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:

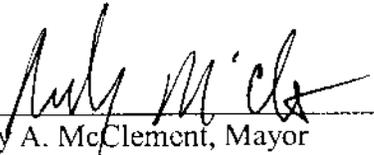
SECTION I: BE IT ENACTED AND ORDAINED BY THE MAYOR AND BOARD OF ALDERMEN OF THE CITY OF FREDERICK, that the sum of Sixty-Five Cents (\$0.65) on each and every One Hundred Dollars (\$100.00) of assessable real property, and One Dollar and Fifty-Five Cents (\$1.55) on each and every One Hundred Dollars (\$100.00) of assessable business personal property, be and the same are hereby imposed and levied for the fiscal year July 1, 2010 to June 30, 2011, 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

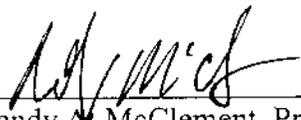
AFORESAID, that this Ordinance shall take effect on July 1, 2010.

APPROVED: May 20, 2010

PASSED: May 20, 2010

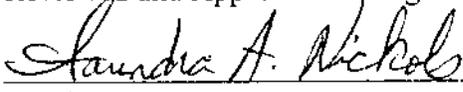


Randy A. McClement, Mayor



Randy A. McClement, President
Board of Aldermen

Reviewed and Approved for Legal Sufficiency:



Legal Department

SPECIAL ORDINANCE S-10- 05

A SPECIAL ORDINANCE PROVIDING FOR THE ADOPTION OF THE BUDGET OF THE CITY OF FREDERICK, MARYLAND FOR THE FISCAL YEAR JULY 1, 2010, TO JUNE 30, 2011.

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 20, 2010, 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 April 17, 2010, and as amended by memoranda from the Mayor to the Board of Aldermen dated May 14, 2010 and May 20, 2010, and passed by a majority at the meeting of the Mayor and Board of Aldermen on May 20, 2010 as required by Section 92 of the Charter of The City of Frederick, Maryland.

NOW, THEREFORE:

SECTION 1: 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, 2010, to June 30, 2011, as submitted at the meeting of the Mayor and Board of Aldermen on April 17, 2010, and as amended by memoranda from the Mayor to the Board of Aldermen dated May 14, 2010 and May 20, 2010, and passed by a majority at the meeting of the Mayor and Board of Aldermen on May 20, 2010 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.

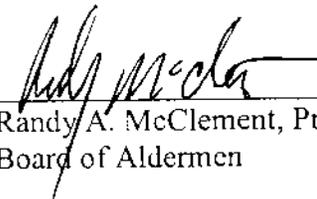
SECTION II: BE IT FURTHER ENACTED AND ORDAINED BY THE AUTHORITY
AFORESAID, that this Ordinance shall take effect on July 1, 2010.

APPROVED: May 20, 2010



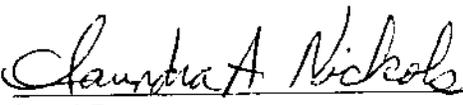
Randy A. McClement, Mayor

PASSED: May 20, 2010



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 that is 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:

General Fund - The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.

Enterprise Funds - The City maintains enterprise funds that are used to report the same functions presented as business type activities in the government-wide financial statements; specifically, water and sewer, airport, parking, storm water management, golf course, the Weinberg Center for the Arts, and rental operations.

Special Revenue Funds - Special Revenue 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 and Controlled Dangerous Substance revenue sources.

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

The following tables summarize the FY11 Adopted budget for the General, Enterprise, and Fiduciary Funds.

FY2011 Adopted Revenues and Expenditures by Fund

	Revenues	Expenditures	Surplus (Deficit)
General Fund	\$ 76,512,816	\$ 76,512,816	\$ -
Water and Sewer	25,026,992	25,026,992	-
Parking	4,928,546	4,928,546	-
Golf Course	2,187,054	2,187,054	-
Airport	1,634,932	1,634,932	-
Storm Water	1,632,300	1,632,300	-
Weinberg Center for the Arts	1,294,763	1,294,763	-
Rental Operations	34,278	34,278	-
Community Development	677,638	677,638	-
Controlled Dangerous Substance	86,848	86,848	-
Grand Total	\$ 114,016,167	\$ 114,016,167	\$ -

All Funds Summary

The schedule below shows the anticipated beginning and ending fund balance for the general and enterprise funds. The fund balance is the accumulated total of all prior years' actual revenues in excess of expenditures. Maintaining an appropriate fund balance level is critical to ensuring the City can react to emergency situations and fluctuations in revenue cycles.

FY 2011 Adopted Budget - Use of Fund Balance

	General Fund	Water and Sewer	Parking	Golf Course	Airport	Storm Water	Weinberg	Rental Operations
Beginning balance	\$ 9,422,456	\$ 5,000,000	\$ 204,235	\$ -	\$ -	\$ -	\$ -	\$ 7,050
Revenues								
Taxes	50,946,547	-	-	-	-	-	-	-
Licenses and permits	1,659,850	151,050	112,450	-	-	-	-	-
Intergovernmental	8,614,270	-	115,000	-	-	-	51,000	-
Charges for services	1,454,276	18,863,220	3,476,588	1,749,500	887,362	1,624,800	888,450	-
Fines and forfeitures	982,750	11,400	643,273	-	-	-	-	-
Other financing sources	2,377,500	956,622	15,000	435,054	739,370	7,500	152,513	17,232
Miscellaneous	1,055,167	44,700	362,000	2,500	8,200	-	202,800	9,996
Total revenues	67,090,360	20,026,992	4,724,311	2,187,054	1,634,932	1,632,300	1,294,763	27,228
Expenditures								
General government	9,439,351	270,135	-	-	-	-	-	-
Public safety	28,107,157	266,479	-	-	-	-	-	-
Public works	12,902,039	13,666,742	2,072,335	-	642,002	747,126	-	-
Parks and recreation	4,904,306	-	-	1,699,682	-	-	1,294,763	-
Economic and community development	549,930	-	-	-	-	-	-	34,278
Frederick Community Action Agency	3,354,167	-	-	-	-	-	-	-
Debt service	7,075,703	8,973,636	2,656,211	487,372	992,930	98,244	-	-
Contingency	250,000	200,000	50,000	-	-	10,000	-	-
Total expenditures	66,582,653	23,376,992	4,778,546	2,187,054	1,634,932	855,370	1,294,763	34,278
Other financing sources / (uses)	(891,883)	(1,650,000)	(150,000)	-	-	(47,500)	-	-
Ending balance	\$ 9,038,280	\$ -	\$ -	\$ -	\$ -	\$ 729,430	\$ -	\$ -

All Funds Summary

Revenues - All Funds

	FY 2009 Actual	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Taxes	\$ 46,809,634	\$ 51,291,720	\$ 50,946,547	-0.67%
Licenses and permits	1,715,893	1,949,500	1,923,350	-1.34%
Intergovernmental	11,301,975	11,686,536	9,457,908	-19.07%
Charges for services	22,404,392	24,997,141	28,944,196	15.79%
Fines and forfeitures	1,256,494	1,250,643	1,665,423	33.17%
Other financing sources	35,479,679	8,028,906	4,693,291	-41.55%
Miscellaneous	2,251,555	1,879,536	1,692,863	-9.93%
Fund balance	-	13,544,792	14,692,589	8.47%
Total Revenues	\$ 121,219,622	\$ 114,628,774	\$ 114,016,167	-0.53%

Expenditures - All Funds

	FY 2009 Actual	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Personnel	\$ 52,128,305	\$ 56,358,487	\$ 56,416,264	0.10%
Supplies	9,218,378	9,894,103	11,080,407	11.99%
Other services and expenses	13,932,601	11,907,756	12,374,707	3.92%
Capital outlay	2,635,500	956,288	843,600	-11.78%
Depreciation	6,524,117	-	-	
Loss of disposal of assets	1,063,911	-	-	
Contingency	-	760,000	510,000	-32.89%
Debt service	10,179,123	19,941,212	20,284,096	1.72%
Transfers to other funds	23,880,528	6,309,863	2,739,383	-56.59%
Fund balance (Reserves)	-	8,501,065	9,767,710	14.90%
Total Expenditures	\$ 119,562,463	\$ 114,628,774	\$ 114,016,167	-0.53%

All Funds Summary

General Fund				
	FY 2009 Actual	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Revenues:				
Taxes	\$ 46,809,634	\$ 51,291,720	\$ 50,946,547	-0.67%
Licenses and permits	1,467,999	1,711,925	1,659,850	-3.04%
Intergovernmental	10,780,460	10,827,025	8,614,270	-20.44%
Charges for services	1,446,961	1,506,415	1,454,276	-3.46%
Fines and forfeitures	571,380	546,525	982,750	79.82%
Other financing sources	7,885,899	1,990,283	2,377,500	19.46%
Miscellaneous	1,296,565	1,301,696	1,055,167	-18.94%
Fund balance	-	10,100,000	9,422,456	-6.71%
Total revenues	70,258,898	79,275,589	76,512,816	-3.49%
Expenses:				
Personnel	42,482,245	46,011,574	46,120,414	0.24%
Supplies	4,851,265	4,765,967	4,530,028	-4.95%
Other services and expenses	10,637,619	7,871,091	7,798,008	-0.93%
Capital outlay	2,620,500	487,538	808,500	65.83%
Contingency	-	500,000	250,000	-50.00%
Debt service	6,591,550	6,903,231	7,075,703	2.50%
Transfers to other funds	3,855,523	4,235,123	891,883	-78.94%
Fund balance (Reserves)	-	8,501,065	9,038,280	6.32%
Total expenses	71,038,702	79,275,589	76,512,816	-3.49%
Net Surplus (Deficit)	\$ (779,804)	\$ -	\$ -	

All Funds Summary

Water and Sewer Fund				
	FY 2009 Actual	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Revenues:				
Licenses and permits	\$ 157,848	\$ 127,800	\$ 151,050	18.19%
Charges for services	13,631,900	15,913,995	18,863,220	18.53%
Fines and forfeitures	7,175	8,750	11,400	30.29%
Other financing sources	6,476,285	4,556,985	956,622	-79.01%
Miscellaneous	53,853	1,850	44,700	2316.22%
Fund balance	-	3,057,574	5,000,000	63.53%
Total revenues	20,327,061	23,666,954	25,026,992	5.75%
Expenses:				
Personnel	6,476,235	6,920,038	6,835,383	-1.22%
Supplies	3,333,358	3,911,776	5,296,258	35.39%
Other services and expenses	1,469,537	1,717,349	2,054,715	19.64%
Capital outlay	-	402,000	17,000	-95.77%
Depreciation	3,041,640	-	-	0.00%
Loss on disposal of assets	1,063,911	-	-	0.00%
Contingency	-	200,000	200,000	0.00%
Debt service	2,171,518	8,872,008	8,973,636	1.15%
Transfers to other funds	1,638,455	1,643,783	1,650,000	0.38%
Total expenses	19,194,654	23,666,954	25,026,992	5.75%
Net Surplus (Deficit)	\$ 1,132,407	\$ -	\$ -	

All Funds Summary

Controlled Dangerous Substance Fund

	FY 2009 Actual	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Revenues:				
Fines and forfeitures	\$ 20,428	\$ 27,000	\$ 28,000	3.70%
Miscellaneous	7,119	1,500	-	-100.00%
Fund balance	-	24,141	58,848	143.77%
Total revenues	27,547	52,641	86,848	64.98%
Expenses:				
Supplies	3,647	11,500	42,080	265.91%
Other services and expenses	17,243	29,391	44,768	52.32%
Capital outlay	15,000	11,750	-	-100.00%
Total expenses	35,890	52,641	86,848	64.98%
Net Surplus (Deficit)	\$ (8,343)	\$ -	\$ -	

Weinberg Fund

	FY 2009 Actual	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Revenues:				
Intergovernmental	\$ 47,375	\$ 42,000	\$ 51,000	21.43%
Charges for services	874,488	591,133	888,450	50.30%
Other financing sources	90,523	178,500	152,513	-14.56%
Miscellaneous	464,919	181,194	202,800	11.92%
Total revenues	1,477,305	992,827	1,294,763	30.41%
Expenses:				
Personnel	374,898	376,934	405,304	7.53%
Supplies	88,496	72,000	77,200	7.22%
Other services and expenses	822,277	543,893	812,259	49.34%
Total expenses	1,285,671	992,827	1,294,763	30.41%
Net Surplus (Deficit)	\$ 191,634	\$ -	\$ -	

All Funds Summary

Community Development Fund

	FY 2009 Actual	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Revenues:				
Intergovernmental	\$ 352,970	\$ 722,511	\$ 677,638	-6.21%
Charges for services	300	1,000	-	-100.00%
Miscellaneous	5,028	1,000		-100.00%
Total revenues	358,298	724,511	677,638	-6.47%
Expenses:				
Personnel	197,147	194,564	174,091	-10.52%
Supplies	3,359	6,300	3,356	-46.73%
Other services and expenses	107,301	446,647	500,191	11.99%
Transfers to other funds	56,750	77,000	-	-100.00%
Total expenses	364,557	724,511	677,638	-6.47%
Net Surplus (Deficit)	\$ (6,259)	\$ -	\$ -	

Rental Operations Fund

	FY 2009 Actual	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Revenues:				
Charges for services	\$ 568	\$ -	\$ -	0.00%
Other financing sources	21,755	28,312	17,232	-39.14%
Miscellaneous	21,052	13,596	9,996	-26.48%
Fund balance		16,831	7,050	-58.11%
Total revenues	43,375	58,739	34,278	-41.64%
Expenses:				
Personnel	28,566	25,435	28,066	10.34%
Supplies	450	2,000	1,000	-50.00%
Other services and expenses	10,751	31,304	5,212	-83.35%
Depreciation	6,811			0.00%
Total expenses	46,578	58,739	34,278	-41.64%
Net Surplus (Deficit)	\$ (3,203)	\$ -	\$ -	

All Funds Summary

Golf Course Fund				
	FY 2009 Actual	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Revenues:				
Charges for services	\$ 1,521,047	\$ 1,734,000	\$ 1,749,500	0.89%
Other financing sources	6,719	484,826	435,054	-10.27%
Miscellaneous	4,336	8,500	2,500	-70.59%
Total revenues	1,532,102	2,227,326	2,187,054	-1.81%
Expenses:				
Personnel	912,938	971,162	980,606	0.97%
Supplies	517,181	602,300	580,950	-3.54%
Other services and expenses	108,067	124,239	120,026	-3.39%
Capital outlay	-	19,000	18,100	-4.74%
Depreciation	164,124	-	-	0.00%
Loss on disposal of assets	-	-	-	0.00%
Debt service	79,420	510,625	487,372	-4.55%
Total expenses	1,781,730	2,227,326	2,187,054	-1.81%
Net Surplus (Deficit)	\$ (249,628)	\$ -	\$ -	

Airport Fund				
	FY 2009 Actual	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Revenues:				
Charges for services	\$ 855,664	\$ 842,924	\$ 887,362	5.27%
Other financing sources	6,710,051	750,000	739,370	-1.42%
Miscellaneous	31,474	8,200	8,200	0.00%
Total revenues	7,597,189	1,601,124	1,634,932	2.11%
Expenses:				
Personnel	256,129	302,217	286,910	-5.06%
Supplies	65,489	86,800	88,000	1.38%
Other services and expenses	252,356	289,562	267,092	-7.76%
Depreciation	628,074	-	-	0.00%
Loss on disposal of assets	-	-	-	0.00%
Debt service	352,028	922,545	992,930	7.63%
Transfers to other funds	2,566,244	-	-	0.00%
Total expenses	4,120,320	1,601,124	1,634,932	2.11%
Net Surplus (Deficit)	\$ 3,476,869	\$ -	\$ -	

All Funds Summary

Parking Fund				
	FY 2009 Actual	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Revenues:				
Licenses and permits	\$ 90,046	\$ 109,775	\$ 112,450	2.44%
Intergovernmental	121,170	95,000	115,000	21.05%
Charges for services	2,758,193	3,198,074	3,476,588	8.71%
Fines and forfeitures	657,511	668,368	643,273	-3.75%
Other financing sources	13,453,833	40,000	15,000	-62.50%
Miscellaneous	365,560	362,000	362,000	0.00%
Fund balance	-	346,246	204,235	-41.01%
Total revenues	17,446,313	4,819,463	4,928,546	2.26%
Expenses:				
Personnel	886,907	991,593	1,000,225	0.87%
Supplies	277,108	342,815	367,010	7.06%
Other services and expenses	337,219	566,729	705,100	24.42%
Capital outlay	-	36,000	-	-100.00%
Depreciation	1,110,695	-	-	0.00%
Contingency	-	50,000	50,000	0.00%
Debt service	978,239	2,682,326	2,656,211	-0.97%
Transfers to other funds	14,472,594	150,000	150,000	0.00%
Total expenses	18,062,762	4,819,463	4,928,546	2.26%
Net Surplus (Deficit)	\$ (616,449)	\$ -	\$ -	

All Funds Summary

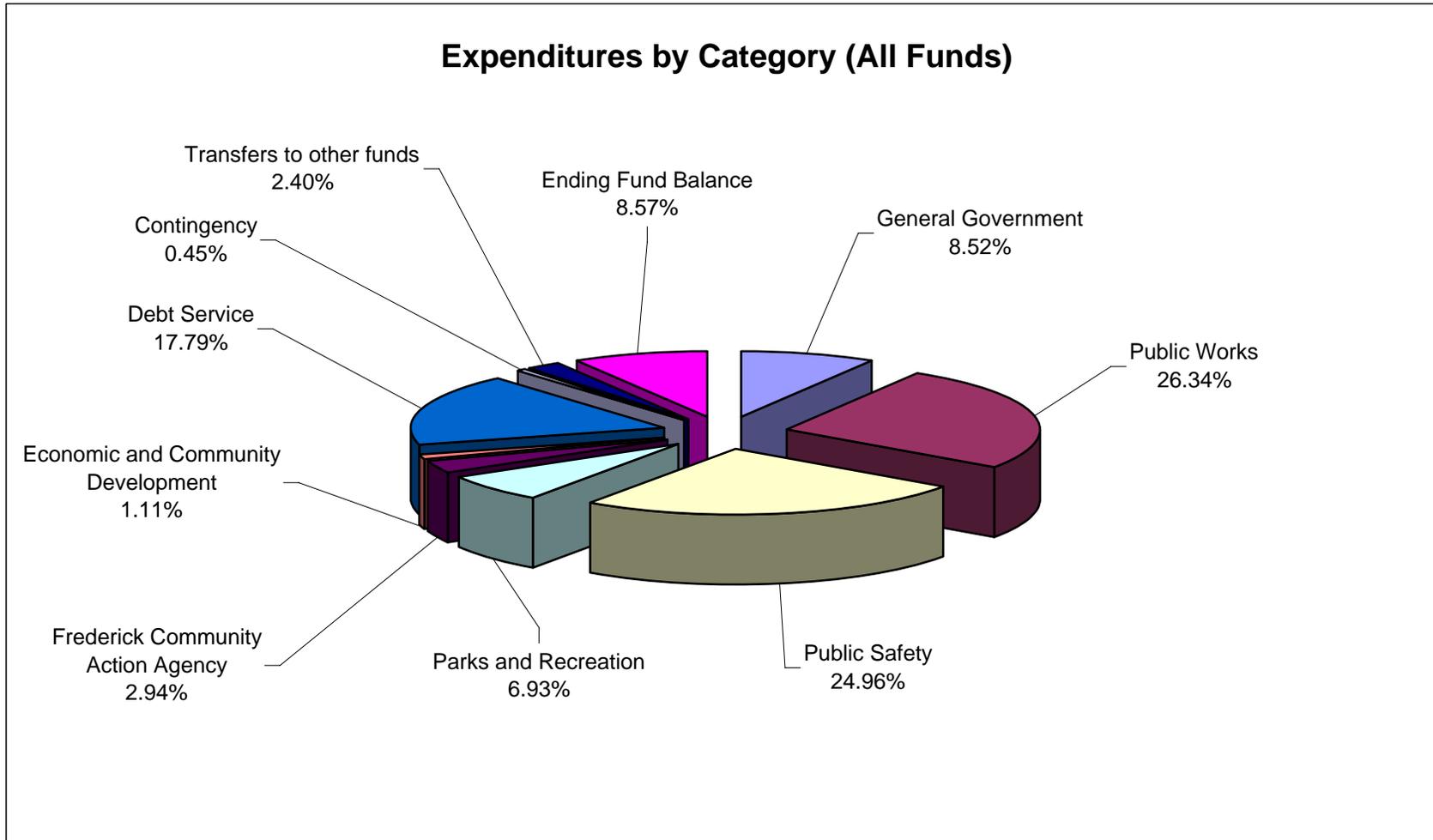
Storm Water				
	FY 2009 Actual	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Revenues:				
Charges for services	\$ 1,315,271	\$ 1,209,600	\$ 1,624,800	34.33%
Other financing sources	834,614	-	-	0.00%
Miscellaneous	1,649	-	7,500	0.00%
Total revenues	2,151,534	1,209,600	1,632,300	34.95%
Expenses:				
Personnel	513,240	564,970	585,265	3.59%
Supplies	78,025	92,645	94,525	2.03%
Other services and expenses	170,231	287,551	67,336	-76.58%
Depreciation	1,572,773	-	-	0.00%
Contingency	-	10,000	10,000	0.00%
Debt service	6,368	50,477	98,244	94.63%
Transfers to other funds	1,290,962	203,957	47,500	0.00%
Fund balance (Reserves)	-	-	729,430	0.00%
Total expenses	3,631,599	1,209,600	1,632,300	34.95%
Net Surplus (Deficit)	\$ (1,480,065)	\$ -	\$ -	

All Funds Summary

Expenditures by Category

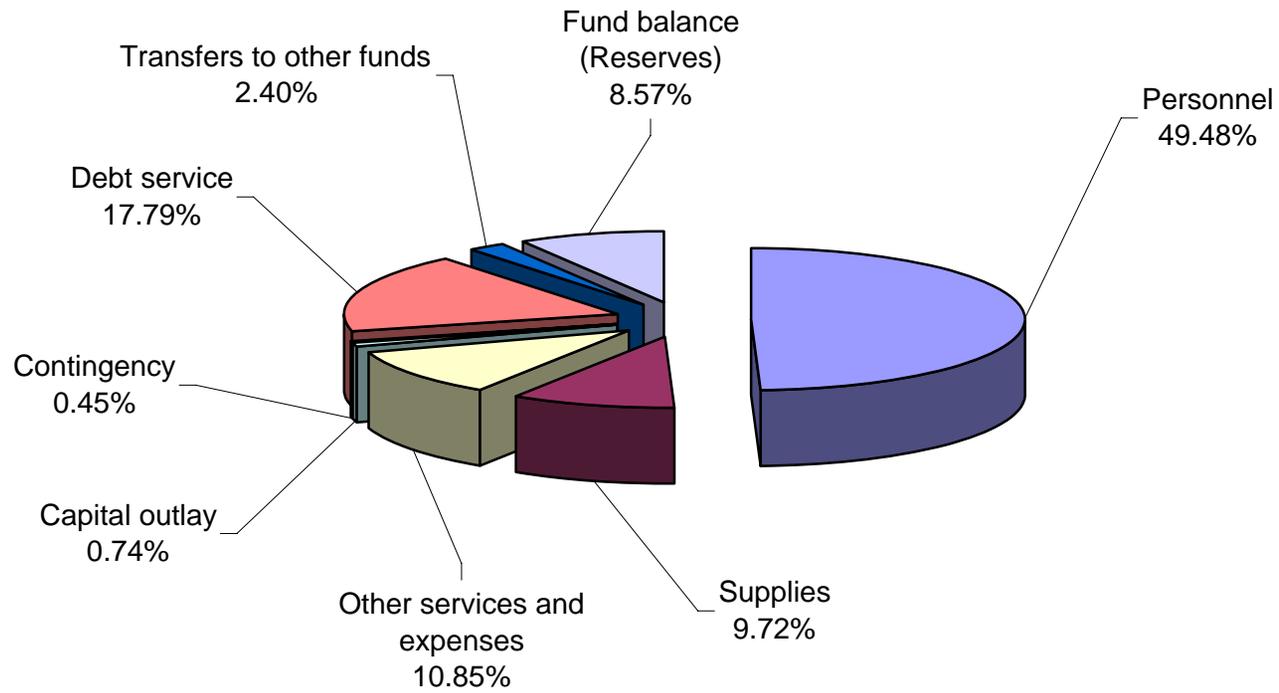
	FY 2009 Actual	FY 2010 Adopted	FY 2011 Adopted	Percent Change
General Government	\$ 13,197,156	\$ 10,493,254	\$ 9,709,486	-7.47%
Public Works	32,706,192	28,584,425	30,030,244	5.06%
Public Safety	27,491,843	27,307,975	28,460,484	4.22%
Parks and Recreation	8,417,412	7,883,090	7,898,751	0.20%
Frederick Community				
Action Agency	2,638,572	3,449,262	3,354,167	-2.76%
Community Development	532,408	892,497	787,211	-11.80%
Economic Development	575,979	583,131	474,635	-18.61%
Debt Service	10,179,123	19,941,212	20,284,096	1.72%
Contingency	-	760,000	510,000	-32.89%
Transfers to other funds	23,823,778	6,232,863	2,739,383	-56.05%
Ending Fund Balance	-	8,501,065	9,767,710	14.90%
Total Expenditures	\$ 119,562,463	\$ 114,628,774	\$ 114,016,167	-0.53%

All Funds Summary



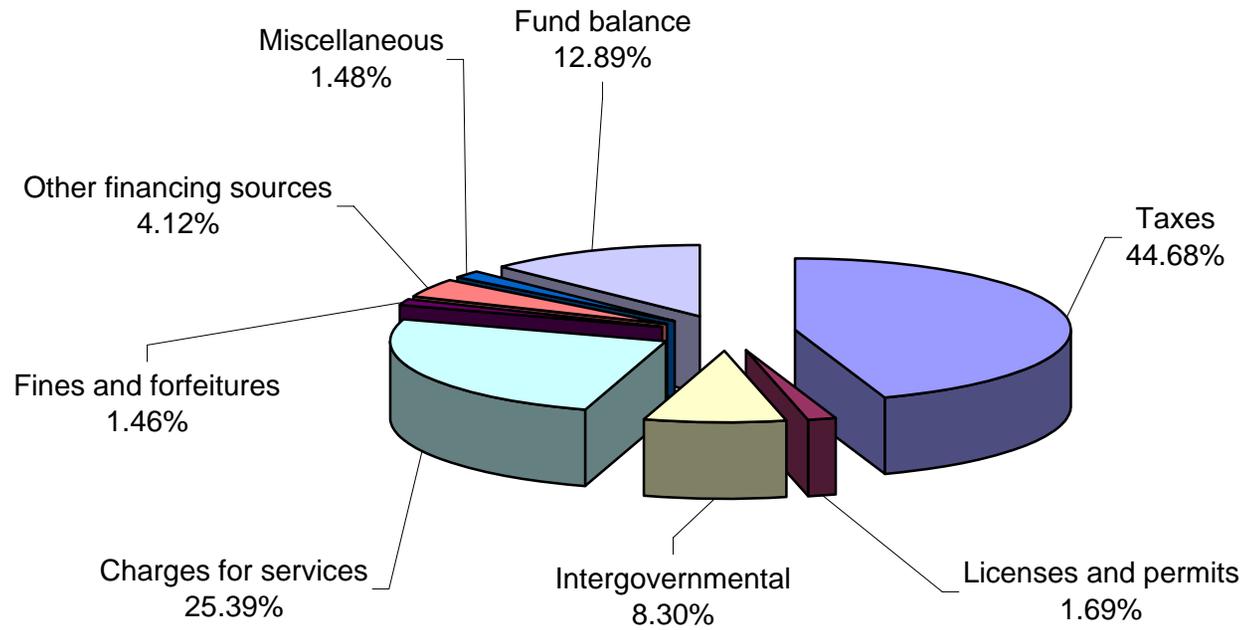
All Funds Summary

Expenditures by Type (All Funds)



All Funds Summary

Revenues by Type (All Funds)



All Funds Summary

The following tables compare the FY 2009, FY 2010, and FY 2011 Adopted Budgets for all funds.

Revenues - All Funds

	FY 2009 Adopted	FY 2010 Adopted	FY 2011 Adopted
General Fund	\$ 83,182,019	\$ 79,275,589	\$ 76,512,816
Water and Sewer	22,819,409	23,666,954	25,026,992
Parking	4,449,612	4,819,463	4,928,546
Golf Course	3,238,319	2,227,326	2,187,054
Airport	1,009,801	1,601,124	1,634,932
Storm Water	1,161,000	1,209,600	1,632,300
Weinberg Center for the Arts	958,765	992,827	1,294,763
Rental Operations	40,764	58,739	34,278
Community Development	678,183	724,511	677,638
Controlled Dangerous Substance	102,600	52,641	86,848
Total Revenues	\$ 117,640,472	\$ 114,628,774	\$ 114,016,167

Expenditures - All Funds

	FY 2009 Adopted	FY 2010 Adopted	FY 2011 Adopted
General Fund	\$ 83,182,019	\$ 79,275,589	\$ 76,512,816
Water and Sewer	22,819,409	23,666,954	25,026,992
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Weinberg Center for the Arts	958,765	992,827	1,294,763
Rental Operations	40,764	58,739	34,278
Community Development Block Gra	678,183	724,511	677,638
Controlled Dangerous Substance	102,600	52,641	86,848
Total Revenues	\$ 117,640,472	\$ 114,628,774	\$ 114,016,167

All Funds Summary

The following table summarizes the changes in full time equivalents from FY 2009 to FY 2011 for all funds.

Full Time Equivalent Positions by Fund

	FY 2009 Adopted	FY 2010 Adopted	FY 2011 Adopted
General Fund	488.20	496.75	466.69
Water and Sewer	77.29	75.68	74.81
Parking	13.09	16.26	17.03
Golf Course	22.17	18.77	19.85
Airport	3.50	2.86	2.50
Storm Water	7.10	7.07	7.05
Weinberg Center for the Arts	5.44	6.31	6.31
Rental Operations	0.50	0.50	0.50
Community Development	2.75	2.50	2.00
Controlled Dangerous Substance	-	-	-
Total	620.04	626.70	596.74

Full Time Equivalent Positions by Category

	FY 2009 Adopted	FY 2010 Adopted	FY 2011 Adopted
General Government	88.18	84.69	77.14
Public Works	194.76	197.72	188.08
Public Safety	212.70	212.00	204.88
Parks and Recreation	80.95	79.75	77.33
Frederick Community			
Action Agency	36.95	46.04	43.81
Community Development	3.50	3.50	2.50
Economic Development	3.00	3.00	3.00
Total	620.04	626.70	596.74

**Positions Removed from
FY 2011 Budget**

<u>Department Name</u>	<u>Title</u>	<u>Fund</u>
Mayor's Office	Community Outreach Specialist	General
Mayor's Office	Legislative Assistant	General
Mayor's Office	Administrative Assistant	General
Legal	Asst. City Attorney General	General
Finance	Accounting Clerk II	General
Finance	Grants Coordinator	General
Information Technology	Information Technology Manager	General
Information Technology	Webmaster/Developer	General
Human Resources	Employment Specialist	General
Human Resources	Human Resource Assistant	General
Planning	Planner II	General
Planning	Historic Preservation Planner	General
Facilities Administration	Facilities Administrator	General
Police	Fleet Manager	General
Permits/Inspections	Division Manager	General / Water Sewer
Permits/Inspections	Senior Plans Reviewer	General
Permits/Inspections	Permits Technician	General
Construction Inspection	DPW Projects Manager	General/Water Sewer /Storm Water
Construction Inspection	Project Inspector	General
Department of Public Works	Director of Public Works	General/Water Sewer /Storm Water
Maintenance of Machinery/Equipment	Helper	General
Engineering	Traffic Engineering Tech	General
Water Services	Asst. Water Superintendent	Water Sewer
Airport	Asst Airport Manager	Airport
Parks	Administrative Assistant	General
Parks	Carroll Creek Park Attendant	General
Recreation Center	Parks Enforcement Officer	General
Golf Course	Asst. Golf Course Superintendent	Golf
Golf Course	Operator I	Golf
Community Development	Housing Rehab Specialist	Community Development

Long Term Debt Summary

	Date of Issue	Date of Maturity	Range of Interest Rates	Original Issue Amount	Beginning Bal. Outstanding 7/1/2010	Principal Payments, or (Increase) or Decrease FY '11	Ending Bal. Outstanding 6/30/2011	Estimated Interest Expense FY '11
*** General Long Term Obligations:								
**General Long Term Debt:								
*General Obligation Bonds:								
General Purpose	08/01/01	08/01/22	3.25-5.00	\$ 25,530,000	\$ 11,732,000	\$ 2,220,000	\$ 9,512,000	\$ 463,330
General Purpose	09/01/02	09/01/23	2.50-5.00	24,603,000	18,052,000	1,056,000	16,996,000	683,619
General Purpose	11/01/08	11/01/12	3.29	650,000	400,000	250,000	150,000	9,048
General Purpose	03/26/09	03/26/29	3.00-5.00	4,115,000	4,115,000	30,000	4,085,000	177,244
General Purpose	03/26/09	03/26/29	3.00-5.00	<u>38,700,000</u>	<u>38,700,000</u>	<u>95,000</u>	<u>38,605,000</u>	<u>1,652,894</u>
*Total General Obligation Bonds				\$ <u>93,598,000</u>	\$ <u>72,999,000</u>	\$ <u>3,651,000</u>	\$ <u>69,348,000</u>	\$ <u>2,986,135</u>
*Notes Payable: (State Economic Development Loans)								
MILA Loan - Trading Lane	06/01/95	06/01/22	5.93	\$ 176,447	\$ 116,015	\$ 6,852	\$ 109,163	\$ 6,729
Community Energy Loan	10/01/07	10/01/14	2.00	<u>\$ 115,003</u>	<u>\$ 67,670</u>	<u>\$ 16,416</u>	<u>\$ 51,254</u>	<u>\$ 1,272</u>
*Total Notes Payable				<u>291,450</u>	<u>183,685</u>	<u>23,268</u>	<u>160,417</u>	<u>8,001</u>
**Total General Long Term Debt				\$ <u>93,889,450</u>	\$ <u>73,182,685</u>	\$ <u>3,674,268</u>	\$ <u>69,508,417</u>	\$ <u>2,994,136</u>
**Tax Increment Financing:	12/01/99	12/01/24	3.71-5.95	\$ <u>2,500,000</u>	\$ <u>1,848,711</u>	\$ <u>88,280</u>	\$ <u>1,760,431</u>	\$ <u>42,280</u>
*** Total General Long Term Obligations				\$ <u>96,389,450</u>	\$ <u>75,031,396</u>	\$ <u>3,762,548</u>	\$ <u>71,268,848</u>	\$ <u>3,036,416</u>

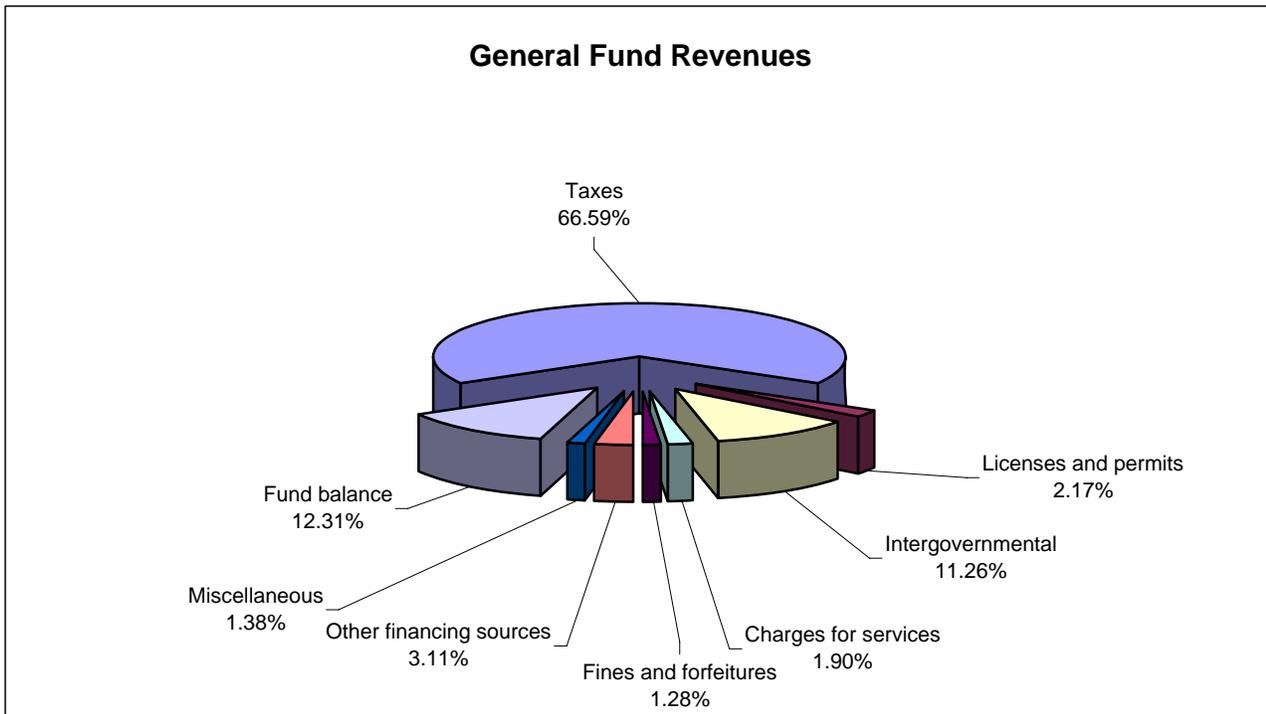
Long Term Debt Summary

	Date of Issue	Date of Maturity	Range of Interest Rates	Original Issue Amount	Beginning Bal. Outstanding 7/1/2010	Principal Payments, or (Increase) or Decrease FY '11	Ending Bal. Outstanding 6/30/2011	Estimated Interest Expense FY '11
*** Enterprise Fund Obligations:								
**Enterprise Fund Debt:								
*General Obligation Bonds:								
Water and Sewer	08/01/01	08/01/22	2.30	\$ 5,300,000	\$ 3,463,697	\$ 253,925	\$ 3,209,772	\$ 79,665
Water and Sewer	08/01/01	08/01/24	3.25-5.00	10,870,000	4,933,000	798,000	4,135,000	199,574
Water and Sewer	09/01/02	09/01/23	2.50-5.00	1,852,000	1,358,000	79,000	1,279,000	51,434
Water and Sewer	08/01/05	08/01/26	4.00-5.00	49,222,000	46,845,000	2,218,000	44,627,000	2,070,540
Water and Sewer	11/01/08	11/01/12	3.29	367,000	227,000	140,000	87,000	5,165
Water and Sewer	11/01/08	11/01/29	4.39	8,700,000	8,422,300	290,100	8,132,200	363,371
Water and Sewer	03/26/09	03/26/34	3.00-5.00	49,875,000	49,875,000	20,000	49,855,000	2,336,863
Parking Facilities	08/01/01	08/01/22	3.25-5.00	5,125,000	2,430,000	232,000	2,198,000	103,952
Parking Facilities	08/01/05	08/01/26	4.00-5.00	20,028,000	11,930,000	587,000	11,343,000	527,473
Parking Facilities	11/01/08	11/01/12	3.29	283,000	173,000	110,000	63,000	3,882
Parking Facilities	03/26/09	03/29/29	3.26-6.93	12,000,000	11,595,000	365,000	11,230,000	721,536
Storm Water	03/26/09	03/29/29	3.00-5.00	1,230,000	1,230,000	45,000	1,185,000	53,169
Airport	08/01/01	08/01/22	4.00-5.00	4,095,000	2,860,000	185,000	2,675,000	133,435
Airport	03/26/09	03/26/29	3.00-5.00	640,000	640,000	25,000	615,000	27,650
Airport	03/26/09	03/26/13	4.52	13,655,000	13,655,000	0	13,655,000	617,206
Golf Course Facilities	10/19/94	10/01/11	2.84	2,568,013	401,984	401,984	0	5,708
Golf Course Facilities	03/26/09	03/29/29	3.00-5.00	985,000	985,000	35,000	950,000	42,619
*Total Enterprise Fund General Obligation Debt				\$ 186,795,013	\$ 161,023,981	\$ 5,785,009	\$ 155,238,972	\$ 7,343,242
*** Total Long Term Obligations				\$ 283,184,463	\$ 236,055,377	\$ 9,547,557	\$ 226,507,820	\$ 10,379,658

General Fund Revenue Summary

The following chart compares General Fund revenue sources. The percent change from FY 2010 to FY 2011 shows the trends affecting the City's revenue streams.

Revenues				
	FY 2009 Actual	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Taxes	\$ 46,809,634	\$ 51,291,720	\$ 50,946,547	-0.67%
Licenses and permits	1,467,999	1,711,925	1,659,850	-3.04%
Intergovernmental	10,780,460	10,827,025	8,614,270	-20.44%
Charges for services	1,446,961	1,506,415	1,454,276	-3.46%
Fines and forfeitures	571,380	546,525	982,750	79.82%
Other financing sources	7,885,899	1,990,283	2,377,500	19.46%
Miscellaneous	1,296,565	1,301,696	1,055,167	-18.94%
Fund balance	-	10,100,000	9,422,456	-6.71%
Total Revenues	\$ 70,258,898	\$ 79,275,589	\$ 76,512,816	-3.49%



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 next assessment will be completed in January 2011 for the FY 2012 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
2002	\$ 3,118,925,484	0.62	\$ 161,659,484	1.55
2003	3,356,541,848	0.64	172,173,441	1.55
2004	3,500,070,576	0.64	163,929,676	1.55
2005	3,644,565,359	0.69	165,417,459	1.55
2006	4,138,633,781	0.69	162,163,125	1.55
2007	4,675,591,445	0.69	161,366,880	1.55
2008	5,299,468,558	0.67	156,302,412	1.55
2009	5,877,472,266	0.65	156,520,834	1.55
2010	6,304,484,509	0.65	154,396,152	1.55
2011	6,757,160,186	0.65	154,500,000	1.55

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

	FY 2008 Actual	FY 2009 Actual	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Real Property	\$ 35,507,709	\$ 38,204,842	\$ 42,448,470	\$ 43,296,807	2.00%
Business Property	2,422,688	2,426,074	2,403,250	2,397,740	-0.23%
Total	\$ 37,930,397	\$ 40,630,916	\$ 44,851,720	\$ 45,694,547	1.88%

General Fund - Revenues by Source

Taxes

The real property assessment used to calculate the FY 2011 tax revenue budget is \$6,757,160,186. This is a 7% increase over the FY 2010 assessment of \$6,304,484,509. The adopted tax rate for FY 2011 is \$.65 per \$100 of assessed value for real property and \$1.55 per \$100 of assessed value for business property.

	Taxes		
	FY 2009 Actual	FY 2010 Adopted	FY 2011 Adopted
Real Property: Revenues from taxes on assessed value of real property	\$ 38,204,842	\$ 42,448,470	\$ 43,296,807
Business Property: Revenues from taxes on assessed values of certain business property	1,472,831	1,439,250	1,433,740
Public Utilities: Revenues from taxes on assessed value of certain property of public utilities	953,243	964,000	964,000
Personal Income Taxes: City's share of income taxes received by the State for returns filed from Frederick.	5,806,339	6,000,000	5,000,000
Admissions and Amusements: City's share of taxes on gross receipts from admissions related to Harry Grove Stadium	346,904	410,000	335,000
Other: Interest, credits, additions, abatements, discounts and other miscellaneous tax adjustments	25,475	30,000	(83,000)
Total Taxes	\$ 46,809,634	\$ 51,291,720	\$ 50,946,547

General Fund - Revenues by Source

Licenses and Permits

These revenues are budgeted based on trends and historical information. The decrease in building permits is due to a downward trend in the construction industry.

Licenses and Permits

	FY 2009 Actual	FY 2010 Adopted	FY 2011 Adopted
Alcoholic Beverage Licenses: City's share of fees charged from licenses issued to allow sale of beer, wine, and liquor	\$ 78,762	\$ 70,000	\$ 70,000
Traders Licenses: Fees collected by the State from City businesses	155,393	145,000	145,000
Building Permits and Inspections : Revenue from permits issued for construction, electrical work, fire protection and plan review	757,107	1,005,750	943,000
Cable Television: Franchise fees for cable television in the City	448,042	420,000	475,000
Other: Occupational licenses, road closures, appeals, vending permits, parade permits, and other miscellaneous permits	28,695	71,175	26,850
Total Licenses and Permits	\$ 1,467,999	\$ 1,711,925	\$ 1,659,850

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.

Intergovernmental

	FY 2009 Actual	FY 2010 Adopted	FY 2011 Adopted
Tax Setoff: Reimbursements to the City by Frederick County for services the City provides but for which the County collects tax revenue	\$ 5,011,040	\$ 4,395,138	\$ 5,011,040
Frederick Community Action Agency: Various Federal, State, and local grants to support the Frederick Community Action Agency	1,431,763	2,310,270	2,420,599
Police: Various Federal, State, and local grants to support the Frederick Police Department	1,416,146	1,395,464	790,625
Highway User Revenue: City's share of gasoline tax and motor vehicle registrations collected by the State	2,647,095	2,438,885	101,807
Other: Costs assumed by Frederick County and other miscellaneous intergovernmental revenues	274,416	287,268	290,199
Total Intergovernmental	\$ 10,780,460	\$ 10,827,025	\$ 8,614,270

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 filing fees are a result of the decline in the construction industry from FY 2009 to FY 2011.

Charges for Services

	FY 2009 Actual	FY 2010 Adopted	FY 2011 Adopted
Filing Fees: Charges relating to zoning such as map enhancements, text amendments, and use permits	\$ 235,819	\$ 228,000	\$ 157,000
Development Inspection and Review Fees: Charges for plan review by the Engineering department and inspection of new development	272,927	240,000	276,000
General Services: Reimbursement for services provided by the City for non-City events (Frederick Marathon, Festival of the Arts, etc.)	95,941	79,337	57,606
Charges for Repairs: Reimbursement from individuals for damages done to City property	25,002	22,680	28,324
Recreation Fees: Revenues from gym memberships, camps, various recreation programs, classes, and use of City swimming pools	753,297	889,600	876,996
Other: Legal review fees, police academy training, maintenance for Memorial Park, trash collection, bulk trash	63,975	46,798	58,350
Total Charges for Services	\$ 1,446,961	\$ 1,506,415	\$ 1,454,276

General Fund - Revenues by Source

Fines and Forfeitures

Fines and forfeitures are budgeted based on historical information. Speed camera enforcement is a new program which will be introduced in the City during FY 2011.

Fines and Forfeitures

	FY 2009 Actual	FY 2010 Adopted	FY 2011 Adopted
Municipal Infractions: Fines for City code violations	\$ 15,261	\$ 17,500	\$ 12,500
Red Light Cameras: Fines generated by red light traffic violations at various locations in the City	488,260	460,000	450,000
False Alarm Fees: Fines imposed for repeat false alarms	67,225	67,000	70,000
Speed Camera Citations: Fines generated by speeding violations at various locations in the City	-	-	450,000
Park Enforcement Fines: Revenues from miscellaneous park infractions	634	2,025	250
Total Fines and Forfeitures	\$ 571,380	\$ 546,525	\$ 982,750

Miscellaneous Revenues

Decreases in miscellaneous revenue are due to investment earnings. The City is realizing a lower interest rate than in previous years and has a smaller balance of cash on hand.

Miscellaneous Revenues

	FY 2009 Actual	FY 2010 Adopted	FY 2011 Adopted
Investment Interest : Earnings on cash in bank	\$ 500,511	\$ 503,759	\$ 203,172
Rents : Revenues generated by the rental of City facilities.	483,399	422,337	507,945
Donations : Donations made to the City by individuals or organizations	65,961	4,500	5,600
Other Miscellaneous Receipts: Return check fees, discounts earned, and other various receipts	246,694	371,100	338,450
Total Miscellaneous Revenues	\$ 1,296,565	\$ 1,301,696	\$ 1,055,167

General Fund - Revenues by Source

Other Financing Sources

Revenues from other financing sources such as debt proceeds and sale of capital assets are not usually budgeted but are included in the actual results for the year.

Other Financing Sources

	FY 2009 Actual	FY 2010 Adopted	FY 2011 Adopted
Debt Proceeds and Related Costs : Revenues realized from bond issue	\$ 5,205,053	\$ -	\$ -
Interfund Transfers: Transfers from other funds to the general fund. Typically for overhead costs.	1,891,488	1,918,283	2,367,500
Insurance Reimbursements: Proceeds from insurance for replacement or repair of assets	110,633	30,000	5,000
Sale of Capital Assets: Proceeds from sale of assets	678,725	42,000	5,000
Fund Balance: Source of funding relied upon to balance the budget. This funding is the accumulation of surplus from prior years.	-	10,100,000	9,422,456
Total Other Financing Sources	\$ 7,885,899	\$ 12,090,283	\$ 11,799,956

General Fund - Expenditures

Expenditures by Department				
	FY 2009 Actual	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Mayor's Office	\$ 1,255,763	\$ 1,359,381	\$ 1,116,690	-17.85%
Legal	534,159	676,057	649,535	-3.92%
Election Board	3,868	141,390	3,830	-97.29%
Finance	1,103,737	1,093,755	1,132,770	3.57%
Purchasing	514,050	625,886	614,215	-1.86%
Information Technology	744,325	919,960	821,657	-10.69%
Geographic Information Systems	323,493	381,400	431,434	13.12%
Human Resources	578,392	561,661	536,433	-4.49%
Safety	198,239	207,064	199,213	-3.79%
Planning	1,093,357	1,169,570	1,108,802	-5.20%
Code Enforcement	572,850	621,636	639,929	2.94%
Facility Maintenance	690,012	829,277	842,087	1.54%
Asset Management	529,392	620,894	566,454	-8.77%
Municipal Annex	407,853	440,312	424,790	-3.53%
Community Promotion	4,161,193	288,837	70,324	-75.65%
Special Events	266,267	287,332	281,188	-2.14%
Police	25,008,853	24,591,032	25,986,163	5.67%
Fire	283,182	339,426	337,934	-0.44%
Building Inspection	1,095,626	1,124,915	975,841	-13.25%
Electrical Inspection	253,654	279,344	271,335	-2.87%
DPW Projects	495,787	611,133	535,884	-12.31%
General Administration - DPW	1,222,467	1,303,272	1,240,332	-4.83%
Maintenance - Equipment and Machinery	1,009,478	1,029,533	1,004,329	-2.45%
Engineering	1,145,728	1,463,303	1,430,785	-2.22%
Waste Collection	3,867,067	3,906,341	3,800,666	-2.71%
Street Maintenance	1,733,324	1,892,743	1,942,419	2.62%
Snow Removal	358,541	310,511	358,553	15.47%
Street Lights and Signals	1,840,218	2,143,249	2,467,940	15.15%
Traffic Lines and Signs	482,288	555,420	610,083	9.84%
Bus Maintenance	53,211	46,334	46,932	1.29%
Grounds Maintenance	3,706,529	3,273,818	3,072,849	-6.14%
Harry Grove Stadium	102,169	143,300	134,573	-6.09%
Recreation Centers	1,203,685	1,342,444	1,312,252	-2.25%
Summer Playground Program	120,572	145,517	112,901	-22.41%
Swimming Pools	296,476	268,483	271,731	1.21%
Community Development	121,273	109,247	75,295	-31.08%

General Fund - Expenditures

Expenditures by Department

	FY 2009 Actual	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Economic Development	575,979	583,131	474,635	-18.61%
Frederick Community				
Action Agency	2,638,572	3,449,262	3,354,167	-2.76%
Debt Service	6,591,550	6,903,231	7,075,703	2.50%
Interfund Transfers	3,855,523	4,235,123	891,883	-78.94%
Contingency	-	500,000	250,000	-50.00%
Fund Balance (Reserves)	-	8,501,065	9,038,280	6.32%
Total Expenditures	\$ 71,038,702	\$ 79,275,589	\$ 76,512,816	-3.49%

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 providing 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 city 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 city 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

Some challenging economic issues have faced the City of Frederick in recent times. The recession has slowed new growth and contributed to the rise in fuel and utility costs, unsteady stock market performance and increased insurance premiums. The Mayor and the Board of Aldermen continue to examine City spending priorities and develop a fiscally responsible plan for the City's future.

Budget Summary

	FY 2009 Actual	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Personnel	\$ 989,147	\$ 1,070,932	\$ 878,160	-18.00%
Other Operating Expenditures	266,616	288,449	238,530	-17.31%
Total Expenditures	\$ 1,255,763	\$ 1,359,381	\$ 1,116,690	-17.85%

Full Time Equivalent Positions

	FY 2009 Adopted	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Office of the Mayor and Board of Aldermen	10.50	11.00	9.20	-16.36%

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 – drafting/review for legal sufficiency contracts, agreements, deeds, and all other documents in which the City is a party.

TRENDS

The local, State and nationwide trend is toward increased litigation. As citizens' groups become more sophisticated and active in the governmental process and their community, it is anticipated that litigation will continue to increase. The use of mediation as a form of conflict resolution is a trend that municipalities are embracing, particularly in light of the increased use of court-ordered mandatory mediation across the State. Environmental issues are of increasing significance as increasing local, State and national regulatory controls collide with a finite supply of natural resources, including water and developable land.

Budget Summary

	FY 2009 Actual	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Personnel	\$ 499,759	\$ 582,261	\$ 73,677	-1.47%
Other Operating Expenditures	34,400	93,796	75,858	-19.12%
Total Expenditures	\$ 534,159	\$ 676,057	\$ 649,535	-3.92%

Full Time Equivalent Positions

	FY 2009 Adopted	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Legal Department	7.00	6.00	6.00	0.00%

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 expected to change as the City assumes a bigger role in the administration of its elections.

Budget Summary

	FY 2009 Actual	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Other Operating Expenditures	\$ 3,868	\$ 141,390	\$ 3,830	-97.29%
Total Expenditures	\$ 3,868	\$ 141,390	\$ 3,830	-97.29%

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

The Finance Department anticipates upgrading its section of the City's web site www.cityoffrederick.com. Current budget and annual reports as well as contact information will be available. In the future, it is anticipated that on-line credit card payment of miscellaneous accounts receivables and business tax bills will be initiated. The City has also initiated the option of ACH bill collection for certain recurring recreation fees. It is anticipated that this feature will be expanded to other types of revenue sources as well.

The City is also in the early stages of a financial software conversion and anticipates that this endeavor should be completed during the upcoming fiscal year.

Budget Summary

	FY 2009 Actual	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Personnel	\$ 942,987	\$ 946,415	\$ 915,782	-3.24%
Other Operating Expenditures	160,750	147,340	216,988	47.27%
Total Expenditures	\$ 1,103,737	\$ 1,093,755	\$ 1,132,770	3.57%

Full Time Equivalent Positions

	FY 2009 Adopted	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Finance Department	10.25	9.25	8.50	-8.11%

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

Continued development of the City Purchasing Web Page has allowed the capability of posting all formal solicitations inclusive of plans and specifications, expanded the City vendor database and broadened vendor response to solicitations. The Department will continue implementation of On-line Auctions for disposal of surplus items as they become available, as well as maintaining an active vendor database, ensuring that all information is accurate for City utilization for solicitations. The Purchasing Department looks forward to increasing local vendor participation through the implementation of a Local/State Vendor Preference Policy. The Department further anticipates enhancing research and continuing to advise the departments of current market trends in ordering commodities.

Budget Summary

	FY 2009 Actual	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Personnel	\$ 481,371	\$ 574,713	\$ 571,946	-0.48%
Other Operating Expenditures	32,679	51,173	42,269	-17.40%
Total Expenditures	\$ 514,050	\$ 625,886	\$ 614,215	-1.86%

Full Time Equivalent Positions

	FY 2009 Adopted	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Purchasing Department	7.73	7.73	7.73	0.00%

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 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 is currently implementing a disaster recovery plan, an improved backup system, server consolidation via VMware virtual server, and migration to a new municipal software package.

TRENDS

New technology and the Internet are enabling the City to communicate more effectively, efficiently and timely than was possible in the near past. Further development is planned with the goal of keeping citizens informed and up-to-date on City operations. The department will continue to upgrade its servers and desktops to the latest operating systems and will implement several products to help increase the efficiency and quality of work in the upcoming year. Web site enhancements are planned, including the capability to look up the status of account balances, permits, other development review and on-line bill paying.

Budget Summary

	FY 2009 Actual	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Personnel	\$ 341,192	\$ 374,188	\$ 219,781	-41.26%
Other Operating Expenditures	403,133	545,772	601,876	10.28%
Total Expenditures	\$ 744,325	\$ 919,960	\$ 821,657	-10.69%

Full Time Equivalent Positions

	FY 2009 Adopted	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Information Technology	4.00	4.00	2.00	-50.00%

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 city departments and staff. It currently maintains around 100 GIS layers and around 100,000 individual features through a variety of software platforms. The GIS department launched the SpiresGIS online mapping system in August 2006 for staff and public use. The department is currently undertaking a project to begin to capture all utility and asset infrastructure. Staff continues to work with Public Works staff to increase efficiencies throughout their daily processes. This data along with the completed cadastral and planimetric base layers will improve the overall efficiency and effectiveness of the enterprise GIS.

TRENDS

Since going live the SpiresGIS online mapping site has grown exponentially in popularity. That 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. This trend will continue as more people gain access to high speed internet connections, and become increasingly aware of the capabilities of SpiresGIS. Staff is also moving towards adopting a biannual aerial orthophoto update schedule. The State of Maryland is also in the process of adopting a statewide biannual orthophoto update. By partnering with the State, the City can acquire orthophotos at a desired resolution while benefiting from much lower prices due to the economies of scale. These photos are used daily by most City departments and are vital to data analysis. Staff has recently begun benefitting from 3D modeling real world scenarios. These 3D modeling requests will continue to grow as other staff become aware of its benefits. As staff completes mapping of all utilities, Public Works will begin to see the efficiencies gained in mapping all features.

General Fund - Geographic Information System Department

Budget Summary

	FY 2009 Actual	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Personnel	\$ 234,748	\$ 290,393	\$ 302,494	4.17%
Other Operating Expenditures	88,745	91,007	128,940	41.68%
Total Expenditures	\$ 323,493	\$ 381,400	\$ 431,434	13.12%

Full Time Equivalent Positions

	FY 2009 Adopted	FY 2010 Adopted	FY 2011 Adopted	Percent Change
GIS Department	3.40	3.40	3.40	0.00%

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

Our people interact with citizens to serve and protect their needs. They are our most valuable asset. Human Resources plays a critical role in current times by providing new and progressive ways to help the City effectively utilize its human capital. As a strategic business partner, HR plays an important role in fostering a workplace culture which promotes a service delivery philosophy among City employees, encouraging them to seek creative and flexible solutions to problems, to provide sensitive service to residents, to be efficient and results oriented, and to establish partnerships with the community in making The City of Frederick a better place to live, work and visit.

Budget Summary

	FY 2009 Actual	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Personnel	\$ 461,617	\$ 439,256	\$ 404,612	-7.89%
Other Operating Expenditures	116,775	122,405	131,821	7.69%
Total Expenditures	\$ 578,392	\$ 561,661	\$ 536,433	-4.49%

Full Time Equivalent Positions

	FY 2009 Adopted	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Human Resources Department	6.00	5.00	4.00	-20.00%

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 City 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 Risk Manager will liaison with all levels of management and labor, providing loss control direction and support. The Risk Manager will additionally interface with insurance representatives/consultants, City contractors, and Federal, State and local officials fostering a positive relationship to achieve the City's goal.

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".

PERFORMANCE INDICATORS

Accident History

CY 2005	CY 2006	CY 2007	CY 2008	CY 2009	CY 2010
132	149	143	165	168	91

Workers Compensation Claims

FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
59	97	83	93	78	71

General Fund - Occupational Safety and Health Department

Budget Summary

	FY 2009 Actual	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Personnel	\$ 174,295	\$ 195,684	\$ 187,805	-4.03%
Other Operating Expenditures	23,944	11,380	11,408	0.25%
Total Expenditures	\$ 198,239	\$ 207,064	\$ 199,213	-3.79%

Full Time Equivalent Positions

	FY 2009 Adopted	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Safety Department	2.00	2.00	2.00	0.00%

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, 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

With Frederick County continuing to express concern over growth in the County and proposing additional restrictions on residential development, and with the City of Frederick's proposed annexations, there is increased interest in infill development, particularly in the downtown. This has placed additional demands on the existing staff to meet the needs of the development community wanting to reinvest in the downtown, while still preserving the historic character of the Fredericktown Historic District. Finally, the Planning Department maintains a limited neighborhood planning effort to address the problems that residents experience daily. However, without further provision of planning resources, neighborhood planning services can only be provided on a very limited basis.

Budget Summary

	FY 2009 Actual	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Personnel	\$ 990,966	\$ 1,087,995	\$ 1,039,800	-4.43%
Other Operating Expenditures	102,391	81,575	69,002	-15.41%
Total Expenditures	\$ 1,093,357	\$ 1,169,570	\$ 1,108,802	-5.20%

Full Time Equivalent Positions

	FY 2009 Adopted	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Planning Department	13.5	12.5	11.5	-8.00%

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 2009 Actual	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Personnel	\$ 483,012	\$ 582,798	\$ 610,676	4.78%
Other Operating Expenditures	89,838	38,838	29,253	-24.68%
Total Expenditures	\$ 572,850	\$ 621,636	\$ 639,929	2.94%

Full Time Equivalent Positions

	FY 2009 Adopted	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Code Enforcement Department	8.00	8.00	8.00	0.00%

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. Other City departments will continue to rely on this group to bring in quality construction and renovation projects at very reasonable rates.

Budget Summary

	FY 2009 Actual	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Personnel	\$ 649,292	\$ 781,733	\$ 801,845	2.57%
Other Operating Expenditures	40,720	47,544	40,242	-15.36%
Total Expenditures	\$ 690,012	\$ 829,277	\$ 842,087	1.54%

Full Time Equivalent Positions

	FY 2009 Adopted	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Facility Maintenance Department	10.20	10.20	10.20	0.00%

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 the 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. We may also experience additional expenses at the Municipal Annex due to the facility exiting from its initial warranty period.

Budget Summary

	FY 2009 Actual	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Personnel	\$ 202,107	\$ 209,101	\$ 146,741	-29.82%
Other Operating Expenditures	327,285	411,793	419,713	1.92%
Total Expenditures	\$ 529,392	\$ 620,894	\$ 566,454	-8.77%

General Fund - Asset Management Department

Full Time Equivalent Positions

	FY 2009 Adopted	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Asset Management Department	2.60	2.61	1.61	-38.31%

Budget Summary- Municipal Annex

	FY 2009 Actual	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Other Operating Expenditures	\$ 407,853	\$ 440,312	\$ 424,790	-3.53%
Total Expenditures	\$ 407,853	\$ 440,312	\$ 424,790	-3.53%

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 is supporting the Delaplaine Visual Arts Center in the amount of \$50,000 and the Neighborhood Advisory Councils 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. Emphasis is placed on the number of City citizens served.

Budget Summary

	FY 2009 Actual	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Other Operating Expenditures	\$ 4,161,193	\$ 288,837	\$ 70,324	-75.65%
Total Expenditures	\$ 4,161,193	\$ 288,837	\$ 70,324	-75.65%

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 offer free or low cost, diverse events that offer the community a shared cultural experience.

ACTIVITY BACKGROUND

The Office of Special Events 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 of Frederick, Celebrate Frederick, the event volunteers and the generosity of 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. The Office continues to focus on growing the events and adding new programs, like Pangaea Frederick-A Festival Celebrating our Heritage, which celebrates the growing and diverse population of Frederick. OSE receives grants from the Tourism Council of Frederick County and the Frederick Arts Council to support program development and advertising. The Office continues to build partnerships with other organizations in the community who share a similar mission. OSE raises annual corporate sponsorships to fund the events. OSE is represented on the Downtown Frederick Partnership promotion committee, Tourism Marketing committee, and has worked with Economic Development on community related projects. In addition, OSE will also offer logistical advice to city departments and others for event coordination.

Budget Summary

	FY 2009 Actual	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Personnel	\$ 225,561	\$ 244,782	\$ 249,568	1.96%
Other Operating Expenditures	40,706	42,550	31,620	-25.69%
Total Expenditures	\$ 266,267	\$ 287,332	\$ 281,188	-2.14%

Full Time Equivalent Positions

	FY 2009 Adopted	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Office of Special Events	3.00	3.00	3.00	0.00%

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 ensuring customer satisfaction and providing 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 of 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.

The Frederick Police Department is a full service, nationally accredited police agency providing police services to the more than 60,000 residents of Frederick as well as hundreds of thousands of yearly visitors. With a total FY10 budgeted strength of 145 sworn officers and 43.8 full-time civilians, the agency provides an array of multi-faceted police services through multiple divisions within the agency in an effort to keep our quality of life high and effectively prevent and combat crime.

TRENDS

- There is a continued increase in citizens' requests for police services in the form of calls for service and demands for special event coverage. The Department handled 77,000 calls for service in 2009, representing a 4.4% increase over 2008.
- The City of Frederick continues to grow with the pending 2009 annexation requests approaching 700 acres, adding to the corporate limits and area of responsibility. Now that the moratorium on additional annexations has been lifted, additional requests are expected.
- The Frederick Police Department continues to affect approximately 50% of all arrests occurring in Frederick County. (According to the FCSO Central Booking Statistics)
- The Department is engaging in a multi-faceted approach to combat gangs, which essentially utilizes each division in the agency.

General Fund - Police Department

Budget Summary

	FY 2009 Actual	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Personnel	\$ 21,168,746	\$ 22,070,251	\$ 23,368,372	5.88%
Other Operating Expenditures	3,840,107	2,520,781	2,617,791	3.85%
Total Expenditures	\$ 25,008,853	\$ 24,591,032	\$ 25,986,163	5.67%

Full Time Equivalent Positions

	FY 2009 Adopted	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Police Department	192.70	192.70	188.80	-2.02%

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.

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.

The City's growth activity has varied in recent years due to the economy. Growth is anticipated in FY11. Following is a summary of FY08, FY09 and FY10 (year to date):

	<u>Number of Permits</u>	<u>Fees Collected</u>
FY08	1,811	\$ 1,449,597
FY09	1,888	\$ 731,873
FY10 (YTD)	1,366	\$ 792,659

General Fund - Building Department

Budget Summary

	FY 2009 Actual	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Personnel	\$ 1,028,676	\$ 1,065,879	\$ 919,326	-13.75%
Other Operating Expenditures	66,950	59,036	56,515	-4.27%
Total Expenditures	\$ 1,095,626	\$ 1,124,915	\$ 975,841	-13.25%

Full Time Equivalent Positions

	FY 2009 Adopted	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Building Inspection Department	10.80	10.40	8.40	-19.23%

**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.

The City's growth activity has varied in recent years due to the economy. Growth is anticipated in FY11. Following is a summary of FY08, FY09 and FY10 (year to date):

	<u>Number of Permits</u>	<u>Fees Collected</u>
FY08	359	\$ 30,234
FY09	235	\$ 20,847
FY10 (YTD)	286	\$ 24,352

Budget Summary

	FY 2009 Actual	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Personnel	\$ 245,381	\$ 265,091	\$ 259,620	-2.06%
Other Operating Expenditures	8,273	14,253	11,715	-17.81%
Total Expenditures	\$ 253,654	\$ 279,344	\$ 271,335	-2.87%

Full Time Equivalent Positions

	FY 2009 Adopted	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Electrical Inspection	3.10	2.80	2.80	0.00%

General Fund - Construction Inspection

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 Division provides contract inspection services for Capital Improvement Program (CIP) 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 will increase as payroll and operating expenses rise. By keeping abreast of advances in technology, training of personnel, and providing sufficient support to address an ever-increasing demand, the department will be able to effectively and efficiently maintain the growing needs of our community and its citizens.

Budget Summary

	FY 2009 Actual	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Personnel	\$ 429,229	\$ 576,723	\$ 503,812	-12.64%
Other Operating Expenditures	66,558	34,410	32,072	-6.79%
Total Expenditures	\$ 495,787	\$ 611,133	\$ 535,884	-12.31%

Full Time Equivalent Positions

	FY 2009 Adopted	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Construction Inspection	6.10	6.10	4.88	-20.00%

General Fund - Public Works General Administration

MISSION STATEMENT

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

ACTIVITY BACKGROUND

The General Administration Department of Public Works Operations 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 General Administration's Operations Support team provides: administrative support for the Assistant Deputy Director, the Deputy Director and all DPW Operations Departments including: Water Treatment, Water Quality, Water Distribution, Sewer Collection, Inflow and Infiltration, Storm Water Management, Wastewater Treatment, Water and Sewer Facility Maintenance, Waste Collection and Disposal, Building and Maintenance, Street Maintenance, all Snow related operations, Street Sweeping, Vehicle and Equipment Maintenance, Street Light and Traffic Control, Traffic Lines (Paint & Sign), Safety and Loss Control, and General Administration. 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 of Public Works for Operations will face many challenges in the upcoming years as a result of 1) city growth, 2) increased federal, state and local regulations, 3) cost of labor, 4) increased internal demands, 5) an aging vehicle and equipment fleet, and 6) economic issues. The City is still growing which directly increases our workload – providing citizen services, infrastructure growth, maintenance and repairs, etc. We have been able to offset this increased workload with improved equipment and processes. However, additional manpower is going to be an inevitable necessity. Regulatory agencies that influence our efforts continue to impose new requirements (i.e. unfunded mandates), which impact our ability to perform our duties with the current level of resources. Some examples are the Safe Drinking Water Act, the Storm Water NPDES Phase II Discharge Permit Program, OSHA regulations, updates to the Uniform Manual of Traffic Control Devices, and the Enhanced Nutrient Removal Program for Wastewater Treatment Processing.

General Fund - Public Works General Administration

Budget Summary

	FY 2009 Actual	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Personnel	\$ 876,262	\$ 870,272	\$ 837,846	-3.73%
Other Operating Expenditures	346,205	433,000	402,486	-7.05%
Total Expenditures	\$ 1,222,467	\$ 1,303,272	\$ 1,240,332	-4.83%

Full Time Equivalent Positions

	FY 2009 Adopted	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Public Works General Administration	11.98	14.56	5.36	-63.19%

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 Department 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 and maintenance.

TRENDS

The workload of this department continues to grow, both in quantity and complexity. This is due to several factors: 1) an ever-increasing fleet of vehicles and equipment, 2) increased longevity of fleet assets, and 3) more complex vehicle and equipment subsystems such as Electronic Engine, Transmissions, Body and Climate Controls, Anti-Lock Brakes / Traction Controls, and Hybrid Vehicles. Historically, this department has resisted the outsourcing of repairs in order to limit downtime and control overall costs. This could change in the future because it is not cost effective for the City to purchase every piece of diagnostic equipment as well as train staff on every vehicle / system for all manufacturers. With the addition of automated refuse equipment and the high maintenance relationship, it will become necessary to hire additional staff for this task. This department also provides welding and metal fabrication for many departments. This service provides considerable savings for the City. With the increased number of projects throughout the City as well as size, time and logistical factors, it is becoming necessary to consider expansion in this area in the future as well.

Budget Summary

	FY 2009 Actual	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Personnel	\$ 878,999	\$ 911,987	\$ 898,507	-1.48%
Other Operating Expenditures	130,479	117,546	105,822	-9.97%
Total Expenditures	\$ 1,009,478	\$ 1,029,533	\$ 1,004,329	-2.45%

Full Time Equivalent Positions

	FY 2009 Adopted	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Maintenance Shop	11.00	10.00	10.00	0.00%

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 will continue 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 departments' resources.

The department consists of five divisions: Surveying and Mapping, Land Development, Utilities Planning, Traffic Engineering and Building. The department continues to take on additional capital projects, specifically dealing with roadway improvements. These include projects to increase capacity of existing roads, construction of new roads and improvements to failing intersections. These projects focus on relieving congestion and increasing public safety. Some projects of focus include Monocacy Boulevard Central Section, Riverside Center Park Improvements, a parking lot at the Deck 6 property and extension of the Baker Park Shared Use Path. The department will focus on ensuring that public and private development projects provide adequate infrastructure.

General Fund - Engineering Department

Budget Summary

	FY 2009 Actual	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Personnel	\$ 1,046,590	\$ 1,329,608	\$ 1,337,422	0.59%
Other Operating Expenditures	99,138	133,695	93,363	-30.17%
Total Expenditures	\$ 1,145,728	\$ 1,463,303	\$ 1,430,785	-2.22%

Full Time Equivalent Positions

	FY 2009 Adopted	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Engineering Department	15.00	14.00	14.00	0.00%

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

The City's automated trash collection program for single family homes was deemed successful by the Board of Aldermen and has expanded to 9600 homes. Automated trash collection is a technologically advanced system of refuse collection that allows one person to safely and efficiently collect curbside refuse. The system is called "automated" because a special truck, equipped with a mechanical arm, automatically lifts and empties the trash container without the driver leaving the cab of the truck.

Budget Summary

	FY 2009 Actual	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Personnel	\$ 1,551,867	\$ 1,788,860	\$ 1,702,281	-4.84%
Other Operating Expenditures	2,315,200	2,117,481	2,098,385	-0.90%
Total Expenditures	\$ 3,867,067	\$ 3,906,341	\$ 3,800,666	-2.71%

Full Time Equivalent Positions

	FY 2009 Adopted	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Waste Collection Department	23.20	23.25	23.29	0.17%

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 city street should have the cracks sealed at year 10 and 15. At years 20 - 30 the road should be resurfaced. Current level of funding is not adequate to properly maintain the roads to the current condition level. Long term State Highway User Revenue funding has been cut drastically in recent years due to the State budget crisis. In the future, we will need to increase the level of funding, staffing and road reconstruction projects since a backlog has been developing.

Budget Summary

	FY 2009 Actual	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Personnel	\$ 1,273,074	\$ 1,331,447	\$ 1,304,196	-2.05%
Other Operating Expenditures	460,250	561,296	638,223	13.71%
Total Expenditures	\$ 1,733,324	\$ 1,892,743	\$ 1,942,419	2.62%

Full Time Equivalent Positions

	FY 2009 Adopted	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Street Maintenance	13.20	13.66	13.66	0.00%

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

With the construction of new subdivisions, with cul-de-sacs and alleys, more small trucks are being used for plowing, because the larger dump trucks cannot maneuver efficiently through these areas.

Budget Summary

	FY 2009 Actual	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Other Operating Expenditures	\$ 358,541	\$ 310,511	\$ 358,553	15.47%
Total Expenditures	\$ 358,541	\$ 310,511	\$ 358,553	15.47%

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 & 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.

Budget Summary

	FY 2009 Actual	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Personnel	\$ 948,057	\$ 1,115,105	\$ 1,119,026	0.35%
Other Operating Expenditures	892,161	1,028,144	1,348,914	31.20%
Total Expenditures	\$ 1,840,218	\$ 2,143,249	\$ 2,467,940	15.15%

Full Time Equivalent Positions

	FY 2009 Adopted	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Street Lights and Signals	13.90	13.90	13.90	0.00%

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 Paint and Sign 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, centerlines, 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

There is a change to The U.S. Department of Transportation, Federal Highway Administration guidelines and standards that will directly impact the material cost to the City of Frederick. The Department is requesting no additional dollars for the FY11 budget but anticipate a significant increase the future.

Budget Summary

	FY 2009 Actual	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Personnel	\$ 345,082	\$ 396,899	\$ 449,711	13.31%
Other Operating Expenditures	137,206	158,521	160,372	1.17%
Total Expenditures	\$ 482,288	\$ 555,420	\$ 610,083	9.84%

Full Time Equivalent Positions

	FY 2009 Adopted	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Traffic Lines Department	5.50	6.48	6.48	0.00%

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 are 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 CIP park projects, and to improve landscaping at City facilities while restructuring maintenance where possible.

TRENDS

In the last several years, the demand for increasing the quality of maintenance of all park and facility areas throughout the United States is on the increase. 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. Additionally, the need for a reduction of response time to internal and external customers is being addressed. Another issue on the rise is trash removal in the Parks. Staff are being rescheduled to cover up to 7 days a week in the busiest seasons in order to keep up with the increasing needs of the residents. Due to budgetary constraints, several services are being streamlined in order to accommodate these increased needs and the time between routine maintenance will increase in lower priority areas.

General Fund - Parks Department

Budget Summary

	FY 2009 Actual	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Personnel	\$ 2,235,074	\$ 2,441,918	\$ 2,322,407	-4.89%
Other Operating Expenditures	1,471,455	831,900	750,442	-9.79%
Total Expenditures	\$ 3,706,529	\$ 3,273,818	\$ 3,072,849	-6.14%

Full Time Equivalent Positions

	FY 2009 Adopted	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Parks Department	30.96	30.05	28.25	-5.99%

General Fund - Recreation Department

MISSION STATEMENT

To provide quality recreational activities and special events to all Frederick City citizens. By doing so, 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 offer programs and services for all of the City's residents. There is a continuous need for more parks, ball fields, and gymnasiums for organized programs and leagues for both youth and adult.

Budget Summary

	FY 2009 Actual	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Personnel	\$ 873,219	\$ 973,430	\$ 932,885	-4.17%
Other Operating Expenditures	330,466	369,014	379,367	2.81%
Total Expenditures	\$ 1,203,685	\$ 1,342,444	\$ 1,312,252	-2.25%

Full Time Equivalent Positions

	FY 2009 Adopted	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Recreation Department	17.43	19.58	18.96	-3.17%

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 for 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 2009 Actual	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Personnel	\$ 97,346	\$ 118,608	\$ 95,427	-19.54%
Other Operating Expenditures	23,226	26,909	17,474	-35.06%
Total Expenditures	\$ 120,572	\$ 145,517	\$ 112,901	-22.41%

Full Time Equivalent Positions

	FY 2009 Adopted	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Summer Playground	2.75	2.84	1.72	-39.44%

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 Labor Day. Swimming instruction and concessions are both available during the summer.

TRENDS

Based on the National Parks and Recreation Association standards, it is recommended that there be 1 pool for every 10,000 population. Frederick's population is 60,000 and will be building an additional indoor aquatic facility on the west side of the city where there is a large youth population. Renovations at both the Thomas and Diggs pools have expanded the water recreation opportunities for the community. Both pools now offer a wide variety of water play activities.

Budget Summary

	FY 2009 Actual	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Personnel	\$ 71,912	\$ 72,299	\$ 73,272	1.35%
Other Operating Expenditures	224,564	196,184	198,459	1.16%
Total Expenditures	\$ 296,476	\$ 268,483	\$ 271,731	1.21%

Full Time Equivalent Positions

	FY 2009 Adopted	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Swimming Pools	2.20	2.20	2.24	1.82%

General Fund - Economic Development

MISSION STATEMENT

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

ACTIVITY BACKGROUND

Job Creation – Retention, Expansion, and Recruitment – The Department of Economic Development works to retain and expand the 3,500 businesses and 49,000 jobs in the City and 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, Route 15.

TRENDS

The City of Frederick is one of the largest cities in Maryland. Frederick County has been one of the leading job creation centers in the State and much of that growth continues to occur in the City. The City has experienced high demand for commercial development at businesses like BPSolar, MedImmune, Wells Fargo Home Mortgage, Charles River Labs, and Fort Detrick. Residential and commercial growth places increasing pressure on infrastructure, including roads, water and county schools. Forty percent of the City’s population commutes to jobs in Montgomery County, Baltimore and Northern Virginia. DED works hand-in-hand with the Frederick County Office of Economic Development to recruit and retain jobs for our citizens, thereby increasing quality of life while decreasing vehicle trips and distance traveled to work. As a historic city, Frederick has many aging neighborhoods and commercial districts that need special attention. As the City grows, the diversity of its population increases, leading to an increased need for specialized services and businesses.

General Fund - Economic Development

Budget Summary

	FY 2009 Actual	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Personnel	\$ 266,973	\$ 285,141	\$ 281,031	-1.44%
Other Operating Expenditures	309,006	297,990	193,604	-35.03%
Total Expenditures	\$ 575,979	\$ 583,131	\$ 474,635	-18.61%

Full Time Equivalent Positions

	FY 2009 Adopted	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Economic Development	3.00	3.00	3.00	0.00%

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 Frederick Community Action Agency is sponsored by the City of Frederick and the Friends for Neighborhood Progress, Inc. with support from the Frederick County Government and the United Way of Frederick County. At present, the FCAA operates twenty (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 seven (7) broad program areas: Food and Nutrition Programs; Outreach and Transportation Programs; Health Care Programs; Homeless Service Programs; Case Management and Housing Counseling Programs; Weatherization and Housing Assistance Programs; and Youth Programs through a partnership with the Boys & Girls Club of Frederick County.

TRENDS

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.

General Fund - Frederick Community Action Agency

Budget Summary

	FY 2009 Actual	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Personnel	\$ 1,901,906	\$ 2,417,294	\$ 2,249,538	-6.94%
Other Operating Expenditures	736,666	1,031,968	1,104,629	7.04%
Total Expenditures	\$ 2,638,572	\$ 3,449,262	\$ 3,354,167	-2.76%

Full Time Equivalent Positions

	FY 2009 Adopted	FY 2010 Adopted	FY 2011 Adopted	Percent Change
FCAA	36.95	46.04	43.81	-4.84%

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 charges from water and sewer customers. Water and Sewer rates are set each year by the Mayor and Board of Aldermen. Rates are set with the goal of covering the costs of providing water and sewer services to existing customers.

Revenues

	FY 2009 Actual	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Licenses and permits	\$ 157,848	\$ 127,800	\$ 151,050	18.19%
Charges for services	13,631,900	15,913,995	18,863,220	18.53%
Fines and forfeitures	7,175	8,750	11,400	30.29%
Other financing sources	6,476,285	4,556,985	956,622	-79.01%
Miscellaneous	53,853	1,850	44,700	2316.22%
Fund balance	-	3,057,574	5,000,000	63.53%
Total Revenues	\$ 20,327,061	\$ 23,666,954	\$ 25,026,992	5.75%

Expenditures by Department

	FY 2009 Actual	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Finance	\$ 220,206	\$ 268,842	\$ 270,135	0.48%
Plumbing Inspection	318,851	309,484	266,479	-13.90%
Water Services	3,363,888	2,489,102	2,319,606	-6.81%
Water Quality	341,554	369,463	348,434	-5.69%
Water Treatment	4,580,630	3,838,327	5,110,290	33.14%
Wastewater Treatment Plant	3,971,133	3,189,647	3,768,657	18.15%
Sewer Maintenance	1,289,533	793,695	688,241	-13.29%
Inflow and Infiltration	292,422	675,597	392,716	-41.87%
Plant Maintenance	1,006,464	1,017,006	1,038,798	2.14%
Debt Service	2,171,518	8,872,008	8,973,636	1.15%
Interfund Transfers	1,638,455	1,643,783	1,650,000	0.38%
Contingency	-	200,000	200,000	0.00%
Total Expenditures	\$ 19,194,654	\$ 23,666,954	\$ 25,026,992	5.75%

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

The Finance Department anticipates upgrading its section of the City's web site www.cityoffrederick.com. Current budget and annual reports as well as contact information will be available. In the future, it is anticipated that the City will move toward easier on-line payments. The City is also in the early stages of a financial software conversion and anticipates that this endeavor should be completed during the upcoming fiscal year.

Budget Summary

	FY 2009 Actual	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Personnel	\$ 167,278	\$ 206,871	\$ 203,636	-1.56%
Other Operating Expenditures	52,928	61,971	66,499	7.31%
Total Expenditures	\$ 220,206	\$ 268,842	\$ 270,135	0.48%

Full Time Equivalent Positions

	FY 2009 Adopted	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Finance Department	3.00	3.00	3.00	0.00%

**Water and Sewer Fund - Building Department
Plumbing 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 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.

The City's growth activity has varied in recent years due to the economy. Growth is anticipated in FY11. Following is a summary of FY08, FY09 and FY10 (year to date):

	<u>Number of Permits</u>	<u>Fees Collected</u>
FY08	465	\$ 22,215
FY09	414	\$ 28,750
FY10 (YTD)	406	\$ 17,245

Budget Summary

	FY 2009 Actual	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Personnel	\$ 306,850	\$ 294,216	\$ 254,073	-13.64%
Other Operating Expenditures	12,001	15,268	12,406	-18.75%
Total Expenditures	\$ 318,851	\$ 309,484	\$ 266,479	-13.90%

Full Time Equivalent Positions

	FY 2009 Adopted	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Plumbing Inspection	3.10	2.80	2.80	0.00%

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 of Frederick 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 of our 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.

Budget Summary

	FY 2009 Actual	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Personnel	\$ 1,412,457	\$ 1,530,727	\$ 1,469,168	-4.02%
Other Operating Expenditures	1,951,431	958,375	850,438	-11.26%
Total Expenditures	\$ 3,363,888	\$ 2,489,102	\$ 2,319,606	-6.81%

Full Time Equivalent Positions

	FY 2009 Adopted	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Water Services Department	17.10	15.79	15.30	-3.10%

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.

The City's "Consumer Confidence Report" on drinking water quality continues to be prepared annually as mandated by the SDWA, and we continue to meet all regulatory requirements. Our drinking water complaint investigations and new pipeline testing needs vary from year to year, but the overall demand for new line testing has stabilized over the last year due to slower development and that trend is expected to continue during FY 11.

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 FY 11 due to the increased monitoring and reporting workload.

Budget Summary

	FY 2009 Actual	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Personnel	\$ 235,601	\$ 258,840	\$ 263,597	1.84%
Other Operating Expenditures	105,953	110,623	84,837	-23.31%
Total Expenditures	\$ 341,554	\$ 369,463	\$ 348,434	-5.69%

Full Time Equivalent Positions

	FY 2009 Adopted	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Water Quality Department	3.14	3.14	3.13	-0.32%

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, give 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 County. 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 agencies regulations. This has increased the requirement for accountability in both monitoring and reporting practices.

Budget Summary

	FY 2009 Actual	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Personnel	\$ 1,538,036	\$ 1,672,999	\$ 1,703,334	1.81%
Other Operating Expenditures	3,042,594	2,165,328	3,406,956	57.34%
Total Expenditures	\$ 4,580,630	\$ 3,838,327	\$ 5,110,290	33.14%

Full Time Equivalent Positions

	FY 2009 Adopted	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Water Treatment Department	18.34	18.34	18.33	-0.05%

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. New and stricter regulations are constantly being proposed that are of a concern to the water and sewer industry and any of these many regulations, if enacted, would have an impact on our cost and way of doing business. For example, the expansion and 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 being designed.

Water and Sewer Fund - Wastewater Treatment Department

Budget Summary

	FY 2009 Actual	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Personnel	\$ 1,232,868	\$ 1,242,931	\$ 1,239,505	-0.28%
Other Operating Expenditures	2,738,265	1,946,716	2,529,152	29.92%
Total Expenditures	\$ 3,971,133	\$ 3,189,647	\$ 3,768,657	18.15%

Full Time Equivalent Positions

	FY 2009 Adopted	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Waste Water Treatment Plant	13.24	13.24	13.23	-0.08%

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 Collection Department is responsible for maintaining the safe travel of raw sewage from the homeowner's property to the Waste Water 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 system and in the near future Miss Utility will be requiring us to locate storm drains (proposed to start this year).

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.

Budget Summary

	FY 2009 Actual	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Personnel	\$ 517,072	\$ 554,671	\$ 525,249	-5.30%
Other Operating Expenditures	772,461	239,024	162,992	-31.81%
Total Expenditures	\$ 1,289,533	\$ 793,695	\$ 688,241	-13.29%

Full Time Equivalent Positions

	FY 2009 Adopted	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Sewer Maintenance	6.13	6.13	5.66	-7.67%

Water and Sewer Fund - Inflow and Infiltration Department

MISSION STATEMENT

To identify and reduce Inflow & Infiltration into the City's sanitary system helping to prevent sanitary sewer overflows and reduce the amount of ground water unnecessarily treated by the Waste Water 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 that are placed through out 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 on-line 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. We are also striving to make the work safer and more efficient with the use of updated equipment.

Budget Summary

	FY 2009 Actual	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Personnel	\$ 232,737	\$ 262,528	\$ 264,593	0.79%
Other Operating Expenditures	59,685	413,069	128,123	-68.98%
Total Expenditures	\$ 292,422	\$ 675,597	\$ 392,716	-41.87%

Full Time Equivalent Positions

	FY 2009 Adopted	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Inflow and Infiltration	3.24	3.24	3.23	-0.31%

Water and Sewer Fund - Water and Sewer Facilities Maintenance

MISSION STATEMENT

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

ACTIVITY BACKGROUND

The Water and Sewer Facilities Maintenance Department is responsible for maintaining all thirty five water and sewer facilities in the City of Frederick. This includes eleven (11) sanitary lift stations, one (1) wastewater treatment plant, four (4) water treatment facilities, two (2) reservoirs, three (3) wells, six (6) water storage tanks, three (3) booster pumping stations, and five (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 capitol improvements.

TRENDS

The City's water system is growing with new facilities and/or improvements planned for its future. We have experienced a considerable back-log of work over the last several years due to increased involvement in improvements and/or project related work. We have experienced technology advancements in SCADA/instrumentation related assignments which have caused training deficiencies and more time needed for these tasks.

Budget Summary

	FY 2009 Actual	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Personnel	\$ 833,336	\$ 896,255	\$ 912,228	1.78%
Other Operating Expenditures	173,128	120,751	126,570	4.82%
Total Expenditures	\$ 1,006,464	\$ 1,017,006	\$ 1,038,798	2.14%

Full Time Equivalent Positions

	FY 2009 Adopted	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Plant Maintenance	10.00	10.00	10.13	1.30%

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. The issue of our aging parking decks will come into play in the next few years, as we refurbish these 17 and 35 year old structures.

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 2009 Actual	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Licenses and permits	\$ 90,046	\$ 109,775	\$ 112,450	2.44%
Intergovernmental	121,170	95,000	115,000	21.05%
Charges for services	2,758,193	3,198,074	3,476,588	8.71%
Fines and forfeitures	657,511	668,368	643,273	-3.75%
Other financing sources	13,453,833	40,000	15,000	-62.50%
Miscellaneous	365,560	362,000	362,000	0.00%
Fund balance	-	346,246	204,235	-41.01%
Total Revenues	\$ 17,446,313	\$ 4,819,463	\$ 4,928,546	2.26%

STAFFING AND EXPENDITURES

Expenditures by Department				
	FY 2009 Actual	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Public Parking	\$ 730,048	\$ 845,977	\$ 799,285	-5.52%
Church Street Deck	283,198	241,281	333,710	38.31%
Court Street Deck	386,549	310,911	212,899	-31.52%
Carroll Creek Deck	382,947	228,777	384,066	67.88%
West Patrick Street Deck	829,187	240,291	214,543	-10.72%
East All Saints Street Deck	-	69,900	127,832	82.88%
Debt Service	978,239	2,682,326	2,656,211	-0.97%
Interfund Transfers	14,472,594	150,000	150,000	0.00%
Contingency	-	50,000	50,000	0.00%
Total Expenditures	\$ 18,062,762	\$ 4,819,463	\$ 4,928,546	2.26%

Parking Fund

Budget Summary

	FY 2009 Actual	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Personnel	\$ 886,907	\$ 991,593	\$ 1,000,225	0.87%
Other Operating Expenditures	17,175,855	3,827,870	3,928,321	2.62%
Total Expenditures	\$ 18,062,762	\$ 4,819,463	\$ 4,928,546	2.26%

Full Time Equivalent Positions

	FY 2009 Adopted	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Parking Fund	13.09	16.26	17.03	4.74%

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, and a grass driving range, as well as a restaurant. The newly renovated clubhouse now offers a professional club fitting room with state of the art equipment to measure your 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 over 50,000 players per year. We provide junior golf instruction camps, tournament play, from amateur to professional level, fundraisers and league play.

TRENDS

Current trends are well stated in a Washington Golf article that discussed how a decade of movement toward upscale public courses has had a trickle down effect on the municipal level. Clustered Spires has improved service and conditions in order to compete. Courses like ours provide a tremendous service by providing affordable golf to those who can't afford the sixty to one hundred dollars to play the upscale courses. Clustered Spires proves local governments can operate a high quality golf course while still providing greens fees at a reasonable cost. Construction of Monocacy Boulevard has improved access to the course, which will enhance our growth.

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 2009 Actual	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Charges for services	\$ 1,521,047	\$ 1,734,000	\$ 1,749,500	0.89%
Other financing sources	6,719	484,826	435,054	-10.27%
Miscellaneous	4,336	8,500	2,500	-70.59%
Total Revenues	\$ 1,532,102	\$ 2,227,326	\$ 2,187,054	-1.81%

Clustered Spires Municipal Golf Course

STAFFING AND EXPENDITURES

Expenditures by Department

	FY 2009 Actual	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Maintenance	\$ 719,726	\$ 596,931	\$ 599,487	0.43%
Clubhouse	657,368	760,015	760,574	0.07%
Restaurant	325,216	359,755	339,621	-5.60%
Debt Service	79,420	510,625	487,372	-4.55%
Total Expenditures	\$ 1,781,730	\$ 2,227,326	\$ 2,187,054	-1.81%

Budget Summary

	FY 2009 Actual	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Personnel	\$ 912,938	\$ 971,162	\$ 980,606	0.97%
Other Operating Expenditures	868,792	1,256,164	1,206,448	-3.96%
Total Expenditures	\$ 1,781,730	\$ 2,227,326	\$ 2,187,054	-1.81%

Full Time Equivalent Positions

	FY 2009 Adopted	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Golf Course Fund	22.17	18.77	19.85	5.75%

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		

In addition to these services, the Aircraft Owners and Pilots Association (AOPA) and AVEMCO, a national aviation insurance provider, are located immediately adjacent to the Airport. The aviation and business activity at the Airport helps to generate a positive economic impact on the local community.

TRENDS

The Airport has completed its 20 Year Master Plan Update. Future development plans include the extension of Runway 5/23 to 6,000 feet, the construction of an Air Traffic Control Tower, implementation of additional aircraft storage units, as well as a perimeter fence. As part of the City's Capital Improvement Program, the Airport has completed the acquisition of all properties in fee simple as identified in the approved Master Plan, and is currently in the process of acquiring (11) aviation easements for the purpose of removing obstructions to the Runway 5 approach. With the planned development projects, the Airport will be able to accommodate the anticipated growth over the next five years.

Frederick Municipal Airport

REVENUES

Revenues are generated through fees charged to airport users for the services listed above.

Revenues				
	FY 2009 Actual	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Charges for services	\$ 855,664	\$ 842,924	\$ 887,362	5.27%
Other financing sources	6,710,051	750,000	739,370	-1.42%
Miscellaneous	31,474	8,200	8,200	0.00%
Total Revenues	\$ 7,597,189	\$ 1,601,124	\$ 1,634,932	2.11%

STAFFING AND EXPENDITURES

Budget Summary				
	FY 2009 Actual	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Personnel	\$ 256,129	\$ 302,217	\$ 286,910	-5.06%
Other Operating Expenditures	3,864,191	1,298,907	1,348,022	3.78%
Total Expenditures	\$ 4,120,320	\$ 1,601,124	\$ 1,634,932	2.11%

Full Time Equivalent Positions

	FY 2009 Adopted	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Airport Fund	3.50	2.86	2.50	-12.59%

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 City owned Storm Water Ponds, 10 City owned Storm Water Underground Facilities, and 4 Storm Water pumping stations along Carroll Creek.

Preventive maintenance programs performed by the fund includes, but is 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 through out the City, jetting main lines, pre & post storm inspections of known trouble areas throughout the City.

Street sweeping is critical to continuing 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. Efforts to upgrade the storm sewer infrastructure are continuing.

REVENUES

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

	Revenues			
	FY 2009 Actual	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Charges for services	\$ 1,315,271	\$ 1,209,600	\$ 1,624,800	34.33%
Other financing sources	834,614	-	7,500	0.00%
Miscellaneous	1,649	-	-	0.00%
Total Revenues	\$ 2,151,534	\$ 1,209,600	\$ 1,632,300	34.95%

Storm Water Fund

STAFFING AND EXPENDITURES

Expenditures by Department

	FY 2009 Actual	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Street Sweeping	\$ 338,445	\$ 307,774	\$ 325,118	5.64%
Storm Water	1,995,824	637,392	422,008	-33.79%
Debt Service	6,368	50,477	98,244	94.63%
Interfund Transfers	1,290,962	203,957	47,500	-76.71%
Contingency	-	10,000	10,000	0.00%
Fund Balance (Reserves)	-	-	729,430	0.00%
Total Expenditures	\$ 3,631,559	\$ 1,209,600	\$ 1,632,300	34.95%

Budget Summary

	FY 2009 Actual	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Personnel	\$ 513,240	\$ 564,970	\$ 585,265	3.59%
Other Operating Expenditures	3,118,359	644,630	1,047,035	62.42%
Total Expenditures	\$ 3,631,599	\$ 1,209,600	\$ 1,632,300	34.95%

Full Time Equivalent Positions

	FY 2009 Adopted	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Storm Water Fund	7.10	7.07	7.05	-0.28%

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. There is a combined audience attendance of approximately 65,000 people per year. It is also important to note that the Weinberg Center is actively soliciting corporate sponsorship 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 that multiplier, over six million dollars will be spent in and around the area each year due specifically to the operation of the Weinberg Center. The Weinberg continues to lobby Frederick County and the State of Maryland to become equal partners with the City in supporting the operations of the Center and has previously garnered (and will continue to seek) similar support for long overdue renovation projects. In an effort to close the annual operating deficit, block booking and partnering with other arts presenters in the Mid-Atlantic region will be aggressively sought.

Weinberg Center for the Arts

REVENUES

The majority of revenues for the Weinberg are generated through rentals, ticket, merchandise, and concession sales.

Revenues

	FY 2009 Actual	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Intergovernmental	\$ 47,375	\$ 42,000	\$ 51,000	21.43%
Charges for Services	874,488	591,133	888,450	50.30%
Other financing sources	90,523	178,500	52,513	-14.56%
Miscellaneous	464,919	181,194	202,800	11.92%
Total Revenues	\$ 1,477,305	\$ 992,827	\$ 1,294,763	30.41%

STAFFING AND EXPENDITURES

Budget Summary

	FY 2009 Actual	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Personnel	\$ 374,898	\$ 376,934	\$ 405,304	7.53%
Other Operating Expenditures	910,773	615,893	889,459	44.42%
Total Expenditures	\$ 1,285,671	\$ 992,827	\$ 1,294,763	30.41%

Full Time Equivalent Positions

	FY 2009 Adopted	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Weinberg Center for the Arts	5.44	6.31	6.31	0.00%

Rental Operations Fund

MISSION STATEMENT

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

ACTIVITY BACKGROUND

The Frederick Community Action Agency manages five (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 2009 Actual	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Charges for Services	\$ 568	\$ -	\$ -	0.00%
Other financing sources	21,755	28,312	17,232	-39.14%
Miscellaneous	21,052	13,596	9,996	-26.48%
Fund balance	-	16,831	7,050	-58.11%
Total Revenues	\$ 43,375	\$ 58,739	\$ 34,278	-41.64%

STAFFING AND EXPENDITURES

Budget Summary				
	FY 2009 Actual	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Personnel	\$ 28,566	\$ 25,435	\$ 28,066	10.34%
Other Operating Expenditures	18,012	33,304	6,212	-81.35%
Total Expenditures	\$ 46,578	\$ 58,739	\$ 34,278	-41.64%

Full Time Equivalent Positions

	FY 2009 Adopted	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Rental Operations	0.50	0.50	0.50	0.00%

Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are restricted by legal and regulatory provisions to finance specific activities. The City has two (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, required reporting
- Planning: Five-year Consolidated Plan, Annual Action Plans, 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 Md. DHCD Special Loan Program- Housing Rehabilitation and Lead Based Paint remediation
- Participation with others in various community development programs such as – Community Legacy by the MD Department of Housing and Community Development

Budget Summary

	FY 2009 Actual	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Personnel	\$ 197,147	\$ 194,564	\$ 174,091	-10.52%
Other Operating Expenditures	167,410	529,947	503,547	-4.98%
Total Expenditures	\$ 364,557	\$ 724,511	\$ 677,638	-6.47%

Full Time Equivalent Positions

	FY 2009 Adopted	FY 2010 Adopted	FY 2011 Adopted	Percent Change
CDBG	2.75	2.50	2.00	-20.00%

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 2009 Actual	FY 2010 Adopted	FY 2011 Adopted	Percent Change
Other Operating Expenditures	\$ 35,890	\$ 52,641	\$ 86,848	64.98%
Total Expenditures	\$ 35,890	\$ 52,641	\$ 86,848	64.98%

Capital Improvements Program

FY 2011 - FY 2016

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:

- 1.) Project or Asset has a useful life of more than 3 years, preferably 10
- 2.) Project or Asset will take longer than 3 years to design/purchase/construct
- 3.) Project or Asset costs more than \$100,000 minimum
- 4.) Project or Asset is a strong candidate for outside (federal/state) grant funding
- 5.) Project or Asset adds significant new demonstrable capacity/capability to the City
- 6.) Project or Asset is NOT a repair, refurbishment or ongoing maintenance item
- 7.) Project or Asset is critical to the mission/goals of the City and is sufficient to justify incurring debt in order to pay for it

The recommended CIP includes six years of projected capital needs. The first year of the program is adopted by the Mayor and Board of Aldermen and becomes the capital budget for the year. The remaining 5 years of the CIP serves as the financial plan or future investments. The CIP is reviewed and updated each year as part of the budget process.

The Operating and Capital budgets of the City have a direct relationship. The cost of operations and maintenance of a new capital project will need to be absorbed in the operating budget. In addition, these projects are typically financed for a period of 20 years. The debt service associated with financing is paid out of operating funds. Therefore, it is important to evaluate capital projects as a part of the overall budget for the City.

The following schedules represent summary CIP information. For a detailed description of each project, please refer to The City of Frederick's Capital Improvement Plan Publication which can be found on the City's website: www.cityoffrederick.com.

Capital Improvements Program Funding Summary

Project Number	Project Name	Operating Funds	Bonds	Other	Total
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General Fund:

110004	Mobil Radio Replacement w/ Digital	\$ -	\$ (84,216)	\$ -	\$ (84,216)
210005	Municipal Facilities	(20,000)	-	-	(20,000)
210009	New Police Headquarters		(500,000)	(2,659,000)	(3,159,000)
310303	Gas House Pike Improvements	(34,682)	-	194,129	159,447
310304	Monocacy Blvd - Central Section	-	584,216	-	584,216
320013	Annual Street Resurfacing	(200,000)	-	-	(200,000)
320016	Yellow Springs / Tuscany Dr Imprv	-	-	80,000	80,000
340000	Streetlight Upgrades	(300,000)	-	-	(300,000)
340102	Sidewalk Retrofit	-	-	(36,338)	(36,338)
410001	Carroll Creek Linear Park	-	-	500,000	500,000
410025	Comprehensive Park Rehabilitation	-	-	23,500	23,500
Total General Fund		\$ (554,682)	\$ -	\$ (1,897,709)	\$ (2,452,391)

Water and Sewer Fund:

360005	Mountain Customers - Safe Water	\$ (411,659)	\$ -	\$ -	\$ (411,659)
360021	Disinfection / Disinfection By-product	(201,362)	-	-	(201,362)
360022	Water Resource Project	-	-	60,000	60,000
360029	Rocky Spgs/ Bowers Rd Water Main	-	(1,140,000)	-	(1,140,000)
360032	SCADA System	250,000	-	-	250,000
360601	Watershed Land Acquisition	(97,110)	-	-	(97,110)
110002	Geographic Information System	-	(43,000)	-	(43,000)
370005	Sewer Master Plan	(380,901)	-	-	(380,901)
370009	Ballenger-McKinney WWTP	-	1,183,000	-	1,183,000
370300	Inflow and Infiltration Reduction	-	-	41,570	41,570
Total Water and Sewer Fund		(841,032)	-	101,570	(739,462)

Golf Course Fund:

450008	Golf Course Renovation	\$ (1,789)	\$ -	\$ (18,000)	\$ (19,789)
Total Golf Course Fund		\$ (1,789)	\$ -	\$ (18,000)	\$ (19,789)

Parking Fund:

380410	Carroll Creek Parking Deck Repairs	\$ (900,000)	\$ -	\$ -	\$ (900,000)
380411	Deck Preventive Maintenance	(252,853)	-	-	(252,853)
Total Parking Fund		\$ (1,152,853)	\$ -	\$ -	\$ (1,152,853)

Storm Water Fund:

350001	South Street Storm Drain	\$ -	\$ 88,000	\$ -	\$ 88,000
350003	Storm Water Basin	(150,000)	-	-	(150,000)
110002	Geographic Information System	-	(88,000)	-	(88,000)
Total Stormwater Fund		\$ (150,000)	\$ -	\$ -	\$ (150,000)

Total FY 2011 CIP Funding		\$ (2,700,356)	\$ -	\$ (1,814,139)	\$ (4,514,495)
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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:

110004	Mobil Radio Replacement w/ Digital	\$ -	\$ -	\$ (84,216)	\$ (84,216)
210005	Municipal Facilities	-	(14,000)	(6,000)	(20,000)
210009	New Police Headquarters	(159,000)	(2,500,000)	(500,000)	(3,159,000)
310303	Gas House Pike Improvements	-	150,369	9,078	159,447
310304	Monocacy Blvd - Central Section	-	584,216	-	584,216
320013	Annual Street Resurfacing	-	(200,000)	-	(200,000)
320016	Yellow Springs / Tuscan Dr Imprv	(90,000)	170,000	-	80,000
340000	Streetlight Upgrades	-	(300,000)	-	(300,000)
340102	Sidewalk Retrofit	-	(36,338)	-	(36,338)
410001	Carroll Creek Linear Park	-	500,000	-	500,000
410025	Comprehensive Park Rehabilitation	-	23,500	-	23,500
Total General Fund		\$ (249,000)	\$ (1,622,253)	\$ (581,138)	\$ (2,452,391)

Water and Sewer Fund:

360005	Mountain Customers - Safe Water	\$ (160,000)	\$ (251,659)	\$ -	\$ (411,659)
360021	Disinfection / Disinfection By-product	(134,921)	(67,511)	1,070	(201,362)
360022	Water Resource Project	-	-	60,000	60,000
360029	Rocky Spgs/ Bowers Rd Water Main	(526,782)	(519,502)	(93,716)	(1,140,000)
360032	SCADA System	-	250,000	-	250,000
360601	Watershed Land Acquisition	-	-	(97,110)	(97,110)
110002	Geographic Information System	(25,000)	-	(18,000)	(43,000)
370005	Sewer Master Plan	(380,901)	-	-	(380,901)
370009	Ballenger-McKinney WWTP	-	1,183,000	-	1,183,000
370300	Inflow and Infiltration Reduction	-	41,570	-	41,570
Total Water and Sewer Fund		(1,227,604)	635,898	(147,756)	(739,462)

Golf Course Fund:

450008	Golf Course Renovation	\$ -	\$ (12,000)	\$ (7,789)	\$ (19,789)
Total Golf Course Fund		\$ -	\$ (12,000)	\$ (7,789)	\$ (19,789)

Parking Fund:

380410	Carroll Creek Parking Deck Repairs	\$ (100,000)	\$ (800,000)	\$ -	\$ (900,000)
380411	Deck Preventive Maintenance	(20,000)	(232,853)	-	(252,853)
Total Parking Fund		\$ (120,000)	\$ (1,032,853)	\$ -	\$ (1,152,853)

Storm Water Fund:

350001	South Street Storm Drain	\$ -	\$ 67,971	\$ 20,029	\$ 88,000
350003	Storm Water Basin	(150,000)	-	-	(150,000)
110002	Geographic Information System	(75,000)	-	(13,000)	(88,000)
Total Stormwater Fund		\$ (225,000)	\$ 67,971	\$ 7,029	\$ (150,000)

Total FY 2011 CIP Expenditures		\$ (1,821,604)	\$ (1,963,237)	\$ (729,654)	\$ (4,514,495)
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Note: () Brackets indicate a reduction in expenditure budget.

**Capital Improvements Program
FY 2011 - FY 2016 Summary**

Funding Summary by Fund

General Fund	Total Amount	Prior Years	FY 2011	FY 2012	FY2013	FY2014	FY2015	FY2016
Operating Funds	\$ 22,258,409	\$ 14,221,091	\$ (554,682)	\$ 1,300,000	\$ 4,470,000	\$ 1,017,000	\$ 1,805,000	\$ -
Bonds	77,023,888	57,893,888	-	6,380,000	12,000,000	750,000	-	-
Other	43,363,694	23,111,403	(1,897,709)	8,000,000	8,000,000	6,150,000	-	-
Total	\$ 142,645,991	\$ 95,226,382	\$ (2,452,391)	\$ 15,680,000	\$ 24,470,000	\$ 7,917,000	\$ 1,805,000	\$ -

Water and Sewer	Total Amount	Prior Years	FY 2011	FY 2012	FY2013	FY2014	FY2015	FY2016
Operating Funds	\$ 31,141,809	\$ 5,282,841	\$ (841,032)	\$ 2,900,000	\$ 9,300,000	\$ 8,500,000	\$ 4,000,000	\$ 2,000,000
Bonds	125,824,360	112,716,360	-	608,000	-	12,500,000	-	-
Other	43,024,033	2,922,463	101,570	-	13,000,000	13,000,000	14,000,000	-
Total	\$ 199,990,202	\$ 120,921,664	\$ (739,462)	\$ 3,508,000	\$ 22,300,000	\$ 34,000,000	\$ 18,000,000	\$ 2,000,000

Golf Course	Total Amount	Prior Years	FY 2011	FY 2012	FY2013	FY2014	FY2015	FY2016
Operating Funds	\$ 211	\$ 2,000	\$ (1,789)	\$ -	\$ -	\$ -	\$ -	\$ -
Bonds	982,000	1,000,000	(18,000)	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total	\$ 982,211	\$ 1,002,000	\$ (19,789)	\$ -	\$ -	\$ -	\$ -	\$ -

Airport	Total Amount	Prior Years	FY 2011	FY 2012	FY2013	FY2014	FY2015	FY2016
Operating Funds	\$ 1,646,000	\$ 1,483,000	\$ -	\$ 44,000	\$ 46,000	\$ 37,000	\$ 36,000	\$ -
Bonds	8,025,000	650,000	-	2,000,000	5,375,000	-	-	-
Other	41,001,000	26,968,000	-	3,956,000	4,554,000	2,719,000	2,804,000	-
Total	\$ 50,672,000	\$ 29,101,000	\$ -	\$ 6,000,000	\$ 9,975,000	\$ 2,756,000	\$ 2,840,000	\$ -

Note: () Brackets indicate a reduction in funding.

**Capital Improvements Program
FY 2011 - FY 2016 Summary**

Parking	Total Amount	Prior Years	FY 2011	FY 2012	FY2013	FY2014	FY2015	FY2016
Operating Funds	\$ 82,147	\$ 1,235,000	\$ (1,152,853)	\$ -	\$ -	\$ -	\$ -	\$ -
Bonds	54,250,000	27,520,000	-	15,730,000	1,000,000	10,000,000	-	-
Other	4,575,000	4,575,000	-	-	-	-	-	-
Total	\$ 58,907,147	\$ 33,330,000	\$ (1,152,853)	\$ 15,730,000	\$ 1,000,000	\$ 10,000,000	\$ -	\$ -

Storm Water	Total Amount	Prior Years	FY 2011	FY 2012	FY2013	FY2014	FY2015	FY2016
Operating Funds	\$ 7,889,629	\$ 7,014,629	\$ (150,000)	\$ 1,025,000	\$ -	\$ -	\$ -	\$ -
Bonds	19,546,703	15,546,703	-	2,000,000	2,000,000	-	-	-
Other	33,142,567	33,142,567	-	-	-	-	-	-
Total	\$ 60,578,899	\$ 55,703,899	\$ (150,000)	\$ 3,025,000	\$ 2,000,000	\$ -	\$ -	\$ -

Grand Total	Total Amount	Prior Years	FY 2011	FY 2012	FY2013	FY2014	FY2015	FY2016
Operating Funds	\$ 63,018,205	\$ 29,238,561	\$ (2,700,356)	\$ 5,269,000	\$ 13,816,000	\$ 9,554,000	\$ 5,841,000	\$ 2,000,000
Bonds	285,651,951	215,326,951	(18,000)	26,718,000	20,375,000	23,250,000	-	-
Other	165,106,294	90,719,433	(1,796,139)	11,956,000	25,554,000	21,869,000	16,804,000	-
Grand Total	\$ 513,776,450	\$ 335,284,945	\$ (4,514,495)	\$ 43,943,000	\$ 59,745,000	\$ 54,673,000	\$ 22,645,000	\$ 2,000,000

Note: () Brackets indicate a reduction in funding.

**Capital Improvements Program
FY 2011 - FY 2016 Summary**

Expenditure Summary by Fund

General Fund	Total Amount	Prior Years	FY 2011	FY 2012	FY2013	FY2014	FY2015	FY2016
Planning/Engineering	\$ 13,482,039	\$ 11,491,039	\$ (249,000)	\$ 205,000	\$ 1,735,000	\$ 230,000	\$ 70,000	\$ -
Construction	95,853,531	54,000,784	(1,622,253)	12,298,000	21,805,000	7,637,000	1,735,000	-
Other	33,310,421	29,734,559	(581,138)	3,177,000	930,000	50,000	-	-
Total	\$ 142,645,991	\$ 95,226,382	\$ (2,452,391)	\$ 15,680,000	\$ 24,470,000	\$ 7,917,000	\$ 1,805,000	\$ -

Water and Sewer	Total Amount	Prior Years	FY 2011	FY 2012	FY2013	FY2014	FY2015	FY2016
Planning/Engineering	\$ 10,941,294	\$ 10,860,898	\$ (1,227,604)	\$ 508,000	\$ 800,000	\$ -	\$ -	\$ -
Construction	185,011,564	106,975,666	635,898	3,000,000	20,400,000	34,000,000	18,000,000	2,000,000
Other	4,037,344	3,085,100	(147,756)	-	1,100,000	-	-	-
Total	\$ 199,990,202	\$ 120,921,664	\$ (739,462)	\$ 3,508,000	\$ 22,300,000	\$ 34,000,000	\$ 18,000,000	\$ 2,000,000

Golf Course	Total Amount	Prior Years	FY 2011	FY 2012	FY2013	FY2014	FY2015	FY2016
Planning/Engineering	\$ 50,000	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Construction	932,000	944,000	(12,000)	-	-	-	-	-
Other	211	8,000	(7,789)	-	-	-	-	-
Total	\$ 982,211	\$ 1,002,000	\$ (19,789)	\$ -	\$ -	\$ -	\$ -	\$ -

Airport	Total Amount	Prior Years	FY 2011	FY 2012	FY2013	FY2014	FY2015	FY2016
Planning/Engineering	\$ 2,122,000	\$ 1,566,000	\$ -	\$ -	\$ -	\$ 556,000	\$ -	\$ -
Construction	21,145,000	130,000	-	6,000,000	9,975,000	2,200,000	2,840,000	-
Other	27,405,000	27,405,000	-	-	-	-	-	-
Total	\$ 50,672,000	\$ 29,101,000	\$ -	\$ 6,000,000	\$ 9,975,000	\$ 2,756,000	\$ 2,840,000	\$ -

Note: () Brackets indicate a reduction in expenditure budget.

**Capital Improvements Program
FY 2011 - FY 2016 Summary**

Parking	Total Amount	Prior Years	FY 2011	FY 2012	FY2013	FY2014	FY2015	FY2016
Planning/Engineering	\$ 5,065,000	\$ 3,955,000	\$ (120,000)	\$ 230,000	\$ 1,000,000	\$ -	\$ -	\$ -
Construction	51,142,147	26,675,000	(1,032,853)	15,500,000	-	10,000,000	-	-
Other	2,700,000	2,700,000	-	-	-	-	-	-
Total	\$ 58,907,147	\$ 33,330,000	\$ (1,152,853)	\$ 15,730,000	\$ 1,000,000	\$ 10,000,000	\$ -	\$ -

Storm Water	Total Amount	Prior Years	FY 2011	FY 2012	FY2013	FY2014	FY2015	FY2016
Planning/Engineering	\$ 7,117,800	\$ 7,342,800	\$ (225,000)	\$ -	\$ -	\$ -	\$ -	\$ -
Construction	46,709,070	41,616,099	67,971	3,025,000	2,000,000	-	-	-
Other	6,752,029	6,745,000	7,029	-	-	-	-	-
Total	\$ 60,578,899	\$ 55,703,899	\$ (150,000)	\$ 3,025,000	\$ 2,000,000	\$ -	\$ -	\$ -

Grand Total	Total Amount	Prior Years	FY 2011	FY 2012	FY2013	FY2014	FY2015	FY2016
Planning/Engineering	\$ 38,778,133	\$ 35,265,737	\$ (1,821,604)	\$ 943,000	\$ 3,535,000	\$ 786,000	\$ 70,000	\$ -
Construction	400,793,312	230,341,549	(1,963,237)	39,823,000	54,180,000	53,837,000	22,575,000	2,000,000
Other	74,205,005	69,677,659	(729,654)	3,177,000	2,030,000	50,000	-	-
Grand Total	\$ 513,776,450	\$ 335,284,945	\$ (4,514,495)	\$ 43,943,000	\$ 59,745,000	\$ 54,673,000	\$ 22,645,000	\$ 2,000,000

Note: () Brackets indicate a reduction in expenditure budget.

**Capital Improvements Program
FY 2011 - FY 2016 Project Summary**

Project Number	Project Name	Prior Years	FY 2011	FY 2012	FY 2013	FY 2014 - FY 2016	Total
General Fund:							
110002	Geographic Information System	\$ 524,395	\$ -	\$ -	\$ -	\$ -	\$ 524,395
110004	Digital Radio Replacement	1,123,000	(84,216)	-	-	-	1,038,784
110006	Joint Communications	-	-	500,000	500,000	-	1,000,000
120002	DPW Building A Roof Replacemen	600,000	-	-	-	-	600,000
120003	New DPW Storage Building	-	-	-	1,000,000	-	1,000,000
210005	Municipal Facilities	3,987,827	(20,000)	-	-	-	3,967,827
210009	New Police Headquarters	3,250,000	(3,159,000)	-	-	-	91,000
310004	Monocacy Blvd / Rt 15 Interchange	1,000,000	-	-	1,530,000	-	2,530,000
310303	Gas House Pike Imps	5,843,534	159,447	-	-	-	6,002,981
310304	Monocacy Blvd - Central Section	14,834,903	584,216	13,880,000	17,000,000	5,500,000	51,799,119
320004	Shookstown Road Improvements	1,152,000	-	-	-	-	1,152,000
320007	Opossumtown Pike / TJ Drive Imps	828,095	-	500,000	3,000,000	-	4,328,095
320008	Patrick / Monocacy Blvd Imps	55,000	-	120,000	-	-	175,000
320013	Annual Street Resurfacing	2,939,707	(200,000)	-	-	-	2,739,707
320014	Walter Martz Road Imps	-	-	250,000	600,000	-	850,000
320016	Yellow Springs / Tuscany Dr Imps	140,000	80,000	-	580,000	750,000	1,550,000
320020	East St Area Network Imps	457,148	-	-	-	-	457,148
320234	East St Enhancement Phase I	1,017,742	-	-	-	-	1,017,742
330003	Old Camp Road Bridge	-	-	-	-	650,000	650,000
340000	Streetlight Upgrades	3,157,047	(300,000)	-	-	-	2,857,047
340005	Pedestrian Signal at US 40 / Wav	268,052	-	-	-	-	268,052
340006	Streetlight Replacement - ARRA	455,494	-	-	-	-	455,494
340102	Sidewalk Retrofit	630,319	(36,338)	-	-	-	593,981
340401	New Traffic Signal Construction	634,420	-	30,000	225,000	255,000	1,144,420
340402	Traffic Light Conversion - ARRA	148,132	-	-	-	-	148,132
380001	Shared Use Path Plan Imps	675,009	-	-	-	-	675,009
380006	Way Finding	640,000	-	-	-	-	640,000
410001	Carroll Creek Linear Park	22,419,000	500,000	-	-	-	22,919,000
410007	Riverside Center Park	960,480	-	-	-	-	960,480
410008	Walnut Ridge Park	387,971	-	-	-	-	387,971

**Capital Improvements Program
FY 2011 - FY 2016 Project Summary**

Project Number	Project Name	Prior Years	FY 2011	FY 2012	FY 2013	FY 2014 - FY 2016	Total
410011	Avalon Park	-	-	-	-	384,000	384,000
410017	Clover Ridge Park	-	-	-	35,000	403,000	438,000
410024	Carrollton Park	90,000	-	-	-	-	90,000
410025	Comprehensive Park Rehabilitation	207,000	23,500	-	-	-	230,500
410026	Culler Lake Restoration	-	-	-	-	1,380,000	1,380,000
411201	Hill Street Regional Park	3,811,107	-	400,000	-	-	4,211,107
411202	West Side Regional Park	18,889,000	-	-	-	400,000	19,289,000
450102	Grove Stadium Imps	4,100,000	-	-	-	-	4,100,000
Total General Fund		\$ 95,226,382	\$ (2,452,391)	\$ 15,680,000	\$ 24,470,000	\$ 9,722,000	\$ 142,645,991

Water and Sewer Fund:

360005	Mountain Customers Conversion	\$ 460,000	\$ (411,659)	\$ -	\$ -	\$ -	\$ 48,341
310304	Monocacy Blvd- Central Section	7,014,000	-	1,100,000	600,000	-	8,714,000
360009	Water Distribution	12,705,000	-	-	-	-	12,705,000
360011	New Design Water Plant Expansion	51,750,000	-	-	-	-	51,750,000
360015	North Side Water Tank	150,000	-	-	1,500,000	2,500,000	4,150,000
360017	Water Master Plan Update	365,687	-	-	-	-	365,687
360018	Water Loss Reduction	5,311,000	-	2,000,000	2,000,000	6,000,000	15,311,000
360021	Disinfection / By Products	291,000	(201,362)	-	-	-	89,638
360022	Water Resource Project	5,068,000	60,000	-	-	-	5,128,000
360023	Ballenger Creek Interconnect	2,809,000	-	-	-	-	2,809,000
360024	Patrick St Water Main	8,190,252	-	-	-	-	8,190,252
360025	Water & Sewer Security	220,000	-	-	-	-	220,000
360028	East Street Interchange Utilities	250,000	-	-	-	-	250,000
360029	Bowers/Whitter Connector Pipeline	5,626,782	(1,140,000)	-	-	-	4,486,782
360031	Fishing Creek Pipeline	80,000	-	-	1,000,000	12,500,000	13,580,000
360032	SCADA System	250,000	250,000	-	-	-	500,000
360033	Lake Linganore	29,900	-	200,000	200,000	-	429,900
360601	Watershed Land Acquisition	860,463	(97,110)	-	-	-	763,353
110002	Geographic Information System	100,000	(43,000)	-	-	-	57,000
370003	Shookstown Interceptor Sewer	898,000	-	-	-	-	898,000

**Capital Improvements Program
FY 2011 - FY 2016 Project Summary**

Project Number	Project Name	Prior Years	FY 2011	FY 2012	FY 2013	FY 2014 - FY 2016	Total
370005	Sewer Master Plan	381,313	(380,901)	-	-	-	412
370007	Wastewater Flow Meter	320,000	-	200,000	-	-	520,000
370008	Gas House Pike WWTP	11,241,000	-	8,000	17,000,000	33,000,000	61,249,000
370009	Ballenger -McKinney WWTP	1,500,000	1,183,000	-	-	-	2,683,000
370300	Inflow and Infiltration Reduction	5,050,267	41,570	-	-	-	5,091,837
Total Water and Sewer Fund		\$ 120,921,664	\$ (739,462)	\$ 3,508,000	\$ 22,300,000	\$ 54,000,000	\$ 199,990,202

Golf Course Fund:

450008	Golf Course Renovation	\$ 1,002,000	\$ (19,789)	\$ -	\$ -	\$ -	\$ 982,211
Total Golf Course Fund		\$ 1,002,000	\$ (19,789)	\$ -	\$ -	\$ -	\$ 982,211

Airport Fund:

380051	FAA Part 77	\$ 856,000	\$ -	\$ -	\$ -	\$ -	\$ 856,000
380054	Airport Property Acquisitions	17,114,000	-	-	-	-	17,114,000
380056	Airport Fencing and Security	100,000	-	-	-	-	100,000
380060	Purchase FCC Training Building	32,000	-	-	-	-	32,000
380062	Bowman's Farm Acquisition	5,550,000	-	-	-	-	5,550,000
380064	Tom's Property Acquisition	50,000	-	-	-	-	50,000
380065	Runway 5-23 and 30 Extension	-	-	-	-	3,396,000	3,396,000
380067	Bailes Lane Demolition & Site Wor	950,000	-	3,500,000	3,100,000	2,200,000	9,750,000
380068	Waffle House - Acquire / Remove	2,400,000	-	-	-	-	2,400,000
380071	Tulip Hill Houses - Acquire / Remo	1,000,000	-	-	500,000	-	1,500,000
380077	Air Traffic Control Tower	650,000	-	1,000,000	4,875,000	-	6,525,000
380083	Airport Perimeter Road	-	-	1,500,000	1,500,000	-	3,000,000
380084	Environmental Study	399,000	-	-	-	-	399,000
Total Airport Fund		\$ 29,101,000	\$ -	\$ 6,000,000	\$ 9,975,000	\$ 5,596,000	\$ 50,672,000

**Capital Improvements Program
FY 2011 - FY 2016 Project Summary**

Project Number	Project Name	Prior Years	FY 2011	FY 2012	FY 2013	FY 2014 - FY 2016	Total
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Parking Fund:

380401	Parking Deck #4	\$ 18,425,000	\$ -	\$ -	\$ -	\$ -	\$ 18,425,000
380402	Parking Deck #5	12,250,000	-	-	-	-	12,250,000
380408	Site G Deck #6	1,135,000	-	15,730,000	1,000,000	10,000,000	27,865,000
380410	Carroll Creek Parking Deck Repairs	900,000	(900,000)	-	-	-	-
380411	Deck Preventive Maintenance	320,000	(252,853)	-	-	-	67,147
380412	Parking Decks Lighting - ARRA	300,000	-	-	-	-	300,000
Total Parking Fund		\$ 33,330,000	\$ (1,152,853)	\$ 15,730,000	\$ 1,000,000	\$ 10,000,000	\$ 58,907,147

Storm Water:

350001	South Street Storm Drain	\$ 748,894	\$ 88,000	\$ 2,000,000	\$ 2,000,000	\$ -	\$ 4,836,894
350003	Storm Water Master Plan	150,000	(150,000)	-	-	-	-
110002	Geographic Information System	150,000	(88,000)	-	-	-	62,000
350020	Carroll Creek Flood Control Project	54,655,005	-	1,025,000	-	-	55,680,005
Total Storm Water		\$ 55,703,899	\$ (150,000)	\$ 3,025,000	\$ 2,000,000	\$ -	\$ 60,578,899

Grand Total		\$ 335,284,945	\$ (4,514,495)	\$ 43,943,000	\$ 59,745,000	\$ 79,318,000	\$ 513,776,450
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Note: () Brackets indicate a reduction in funding and expenditure budget

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.)

Glossary of Accounting and Budget Terms

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 improvement program is the basis for the annual CIP appropriations and any new bond issues.

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.

Glossary of Accounting and Budget Terms

DEPARTMENT – The major organizational divisions in the City government 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.

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.

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 department by position type. This includes part-time staffing 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

Glossary of Accounting and Budget Terms

GAAP – See Generally Accepted Accounting Principles.

GASB – See Governmental Accounting Standards Board.

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 Boards, 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.

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.

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.

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 that they may 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.

PROJECTIONS – The estimate of budget authority, outlays, receipts, or other amounts extending several years into the future. Projections generally are intended to indicated the budgetary implications of existing or proposed programs.

Glossary of Accounting and Budget Terms

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.

SPECIAL REVENUE GRANT FUND – This fund was created to account for operating grant revenues from various agencies – federal, state, and local.

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. The City currently receives payments from the County for police, parks, and planning 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.