

*Town of Ocean City*  
*Adopted Budget*  
*Fiscal Year 2014 - 2015*



TOWN OF OCEAN CITY, MARYLAND

ADOPTED BUDGET

FISCAL YEAR 2014-2015

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# TABLE OF CONTENTS

FY15 Adopted Budget

<b>Introductory Section</b> .....	1
<b>General Fund</b> .....	7
General Fund Revenue/Expenditure Graph.....	8
General Fund Summary .....	9
<b>General Government</b> .....	10
Legislative and Administrative .....	12
Engineering and Beach Replenishment .....	14
Planning and Community Development.....	16
<b>Public Safety</b> .....	20
Police .....	22
Communications, Electronics, Emergency Management .....	26
Volunteer Fire Division .....	28
Career Fire/EMS Division .....	30
Fire Marshal.....	32
<b>Public Works</b> .....	34
Public Works Administration and Construction .....	36
Public Works Maintenance Division .....	38
Solid Waste and Transfer Station .....	40
<b>Culture and Recreation</b> .....	42
Recreation.....	44
Parks .....	46
Beach Patrol.....	48
Town Sponsored Events and Festivals .....	50
Tourism Promotion.....	52
Miscellaneous .....	54
<b>Enterprise Funds</b> .....	56
Water .....	58
Wastewater .....	62
Transportation.....	64
Airport .....	68
Golf Course.....	72
Convention Center and Museum .....	76
<b>Internal Service Funds</b> .....	80
Information Technology .....	82
Service Center and Impound Lot.....	84
Vehicle and Equipment Trust .....	86
Risk Management .....	88
<b>Supplementary Information</b> .....	91
<b>Budget Ordinance</b> .....	97





# TOWN OF OCEAN CITY

*The White Marlin Capital of the World*

**TO:** The Honorable Mayor, Council President and Members of City Council  
**FROM:** David L. Recor, ICMA-CM, City Manager  
**RE:** Budget Message – Fiscal Year 2015 **Proposed** Operating Budget  
**DATE:** April 1, 2014

I am pleased to present the City Manager's Fiscal Year 2015 Proposed Operating Budget for the Town of Ocean City which totals \$151,361,282. The Proposed Operating Budget includes the Town's General Fund, all of the Enterprise Funds and Internal Service Funds in addition to the Pension & OPEB Trust. These spending plans reflect the priorities identified by the Mayor and Council's Strategic Planning Action Items and a commitment to continue to provide a high level of service to our residents and enhance our visitor experience while preserving our organization's long-term financial viability. The Fiscal Year 2015 Proposed Operating Budget is balanced and confirms that our distinguished community is clean, safe, healthy and strong – a place where the quality of life is unsurpassed.

## **Fiscal Year 2015 Proposed Operating Budget**

<b>FUND</b>	<b>BUDGET</b>
General Fund	\$79,351,270
Enterprise Funds	
- Water	\$7,516,873
- Wastewater	\$12,781,961
- Transportation	\$9,314,238
- Convention Center	\$8,130,176
- Airport	\$1,336,998
- Golf Course	\$2,112,462
Internal Service Funds	
- Information Technology	\$1,996,239
- Service Center	\$5,218,725
- Vehicle Trust	\$2,463,425
- Risk Management	\$2,342,993
Pension & OPEB Trust	\$16,424,555
Capital Improvement Project Funding	\$2,371,367
<b>TOTAL</b>	<b>\$151,361,282</b>

**Highlights – Proposed Fiscal Year 2015 Operating Budget**

- Expenditures for all Funds total \$151,361,282, an increase of 2.5% from Fiscal Year 2014.
  - General Fund revenues and expenditures equal \$79,351,270, an increase of 3% from Fiscal Year 2014.
  - Assessed value of all real property equal to \$8,517,156,880, an increase of \$28,029,607 or .33%.
  - Currently in third year of 3-Year Assessment Cycle. January 1, 2015, is the first year of a new 3-Year Assessment Cycle and all Ocean City residential and commercial property (with the exception of one section of commercial property, i.e., 25<sup>th</sup> Street north to the Delaware line) will be reassessed. That section of commercial property will be reassessed in year two of the Cycle. In year three, Ocean City properties will be reassessed to reflect alterations, additions, deletions and/or adjustments.
  - Property Tax Revenue Projection is based on the Constant Yield ad valorem tax rate (\$0.4704) plus \$0.01, or \$0.4804, which generates \$42,711,465 including personal property and corporation taxes.
  - One cent (\$0.01) on the real property tax rate is equivalent to \$851,795.
  - Includes use of \$775,000 in General Fund Balance for Capital Improvement Project funding (\$500,000 for Canal Dredging and \$175,000 for Bulkhead Replacement) and \$100,000 special appropriation for healthcare as previously approved by the Mayor and Council.
  - Includes \$1,871,277 in Street Paving funding.
  - Capital Improvement Project expenditures for General Fund supported projects total \$2,371,367 representing 3% of General Fund expenditures.
  - Provides an FY11 step increase on July 1, 2014, and FY15 step increase on January 1, 2015, equivalent to a 2.33% average salary adjustment for eligible FOP bargaining unit employees totaling \$164,676 (General Fund); does not provide a market adjustment (COLA).
  - Provides an FY15 step increase on July 1, 2014, equivalent to a 1.53% average salary adjustment for eligible IAFF bargaining unit employees totaling \$79,631 (General Fund); does not provide a market adjustment (COLA).
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- Provides an FY15 step increase on July 1, 2014, equivalent to a 2.89% average salary adjustment for eligible General non-bargaining unit employees totaling \$524,242 (General Fund); does not provide a market adjustment (COLA).
- Eliminates the EMS Billing position and adds three (3) new positions (Human Resources Training Manager, Communications Operator and Transportation Training Manager) and converts two (2) part-time positions to fulltime status (Private Events Coordinator and Convention Center Maintenance Worker) for a net increase of four (4) fulltime equivalents (FTEs).
- Provides \$4,500 to resume production of a second high quality Fall Newsletter which will be combined with the Annual Report to Citizens.
- Increases Water Usage rates by \$0.15 per 1,000 gallons as stipulated in Resolution 2010-7. No change to Water Fixture Charge. No change to Wastewater Fixture Charge. Final year of 2010 Rate Study.
- Increases the weekend Spring/Summer golf rack rate by \$4.00 at Eagle's Landing Golf Course.
- Reduces the General Fund transfer to the Transportation Fund by \$1,327,606, or 77%, by eliminating the \$1.00 per boarding bus fare based on quantitative statistical trend analysis of bus ridership.
- Maintains the General Fund Balance consistent with Mayor and Council policy of 15% of previous year General Fund expenditures equivalent to \$11.9 million.

### **Budget Preparation Process**

The development of the Town's operating budget involves three phases: formulating budget requests by Departments, Executive Review with the Budget Manager and City Manager, and Mayor and Council review and adoption. Each of the three phases is summarized as follows:

#### **Formulating Budget Requests by Departments: September – December**

- 1) The formative stage of the budget begins in September of the current fiscal year.
  - 2) Departments assess their budgetary needs and submit funding requests to the Budget Manager for review and discussion.
  - 3) Personnel, Information Technology and Vehicle replacement requests require supplemental information and are due by the end of October.
  - 4) Capital Improvement project requests also require supplemental information and are due by the end of November.
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- 5) Complete Department budget requests are due by the end of December.
- 6) Departments work directly with the Budget Manager throughout the entire budget process.
- 7) Revenue projections are derived from a review of current and projected economic indicators, current and proposed Federal and State legislation, knowledge of future events in the Town and an extensive quantitative review of historic trends.

**Executive Review with the Budget Manager and City Manager: January – February**

- 1) Funding requests from Departments are reviewed and evaluated for priority (link to Strategic Plan, Goals, Policy Agenda Priorities and Management Agenda Priorities).
- 2) Meetings are held between Departments, Budget Manager and City Manager to discuss budget requests.
- 3) Based on projected revenues, funding is proposed by the City Manager for the programs and services required to maintain an essential level of service or to provide for enhancements to programs and services identified as priorities by the Mayor and Council.
- 4) City Manager proposes the budget and presents an overview to the Mayor and Council the first week of April.
- 5) By law, local government budgets must be balanced, i.e., expenditures may not exceed revenues.

**Mayor and Council Review and Adoption: April – May**

- 1) Departments provide budget presentations to the Mayor and Council.
- 2) Mayor and Council determine and advertise the proposed real property tax rate.
- 3) Mayor and Council reviews the proposed budget and a public hearing is held to provide the public with an opportunity to comment to ensure the budget is responsive to citizen needs.
- 4) After careful and focused deliberation, the proposed budget, as modified for additions and/or deletions, is enacted by the Mayor and Council by Ordinance as the adopted budget. In addition, the Mayor and Council adopt the real property tax rate.
- 5) The budget can only be amended by the Mayor and Council after proper notice and a public hearing.
- 6) The Adopted Operating Budget takes effect on July 1, the beginning of the fiscal year.

**Mayor and Council Budget Review Schedule**

<b>Date</b>	<b>Action Item</b>
Tuesday, April 1, 2014	Mayor and Council Work Session <ul style="list-style-type: none"><li>• City Manager/Budget Manager presentation/overview of Fiscal Year 2015 Operating Budget</li><li>• Fiscal Year 2015 Budget Books distributed</li></ul>
Tuesday, April 2, 2014 – Friday, April 11, 2014	Mayor and Council Special Meetings <ul style="list-style-type: none"><li>• Department Budget Reviews and Wrap Up</li></ul>
Monday, May 5, 2014	Mayor and Council Regular Meeting <ul style="list-style-type: none"><li>• First Reading – Ordinance to Adopt Fiscal Year 2015 Operating Budget</li></ul>

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|----------------------|---|
| Monday, May 19, 2014 | <ul style="list-style-type: none"><li>• Public Hearing</li></ul> Mayor and Council Regular Meeting  |
| Monday, June 2, 2014 | <ul style="list-style-type: none"><li>• Second Reading – Ordinance to Adopt Fiscal Year 2015 Operating Budget</li></ul> Mayor and Council Regular Meeting |
|                      | <ul style="list-style-type: none"><li>• Alternative Date (if necessary)</li></ul>   |

**Mayor and Council’s Strategic Plan**

The Operating Budget, as a policy document, represents our continued commitment to prudent fiscal management and effective service delivery. Once adopted by the Mayor and Council, the Operating Budget establishes the direction for all Town government programs and services for the next fiscal year. It represents the synthesis of Mayor and Council direction and staff recommendations on how to best accomplish the Mayor and Council’s Five-Year Strategic Planning Goals, FY15 Policy Agenda and Management Agenda Priorities. The Fiscal Year 2015 Proposed Operating Budget responds to community needs in accordance available resources, established policies and sound administrative practices. With this in mind, the review and adoption of the annual Operating Budget is one of the Mayor and Council’s most important responsibilities as a legislative body.

The Mayor and Council’s Five-Year Strategic Planning Goals were first established in the Fall of 2012. Upon establishing a 15-year Vision Statement for the Town of Ocean City, and after engaging staff, residents and business leaders in the community, the Mayor and Council’s Strategic Plan will enable the Town to focus its limited resources on the most important priorities and continue to improve our visitor experience and the high quality of life our residents enjoy.

The Mayor and Council’s Five-Year Strategic Planning Goals served as the guiding principles in preparing the Fiscal Year 2015 Proposed Operating Budget. These policy statements and associated Action Items offer clear and thoughtful direction for achieving the Mayor and Council’s expectations.

**Five-Year Strategic Planning Goals**

- 1) 1<sup>st</sup> Class Resort and Tourist Destination
- 2) Financially Sound Town Government
- 3) More Livable Community for Residents
- 4) Excellent Service Through a High Performing Town Organization
- 5) Revitalized Ocean City: Development and Redevelopment

**Mayor and Council Adopted Fiscal Policies**

The Fiscal Year 2015 Proposed Operating Budget has also been prepared consistent with the Mayor and Council’s Adopted Fiscal Policies:

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- 1) The Town will maintain unassigned fund balance to pay for needs caused by unforeseen emergencies, to provide for unanticipated expenditures of a nonrecurring nature, or to meet unexpected increases in service costs. This reserve will be maintained at 12 – 15% of the General Fund operating budget.
- 2) The Town will utilize surplus in excess of reserve and cash flow requirements to invest in capital assets and/or to retire outstanding debt, if feasible.
- 3) The Town will pay for all current expenditures with current revenues. The Town will avoid budgetary procedures that balance current expenditures at the expense of meeting future years’ revenues or requiring short term borrowing.
- 4) The Town will strive to maintain sufficient retained earnings in Enterprise Funds to provide for working capital needs and system improvements.

**Organization of the Proposed Operating Budget**

The Town’s financial operations are budgeted and accounted for in a number of funds. A fund is a separate accounting unit.

**General Fund**

The Town’s General Fund is a governmental fund used to account for all monies received and distributed for general government purposes, including all assets, liabilities, reserves, fund balances, revenues and expenditures, which are not accounted for in any other fund or other special account. The General Fund includes administration, police protection, fire protection and emergency medical services, solid waste removal, community planning, construction and fire safety inspection, the construction and maintenance of streets and infrastructure, and recreation, parks, cultural and special events.

Each year, when the Town begins the budget process, budget staff utilizes comprehensive trend analysis to project revenues and estimate expenditures to fund current programs and services with our existing workforce. Unfortunately, rising costs of personnel, maintenance agreement obligations and equipment replacement needs result in increased expenditures for providing *the same* level of service each year. In addition, new policy decisions and the desire to enhance and expand levels of service affect and cause the need for additional resources in the annual budget.

**Projected Revenue**

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<b>Category</b>	<b>Projected</b>
Property Taxes	\$42,941,465
Other Taxes	\$16,270,600
Licenses and Permits	\$4,012,570

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Revenue From Other Agencies	\$4,850,273
Charges For Current Services	\$9,407,718
Fines and Forfeitures	\$710,000
Other Revenue	\$383,644
Prior Year Reserves	\$775,000
<b>TOTAL</b>	<b>\$79,351,270</b>

Fiscal Year 2015 Projected Revenue for Property Taxes is based on the Constant Yield ad valorem tax rate of \$0.4704 plus \$0.01 or \$0.4804 per \$100 of assessed valuation of real property. The additional \$0.01 above Constant Yield will generate an additional \$851,795 in Property Tax revenue for Fiscal Year 2015. Projected Revenue from Corporate and Personal property is based on a rate of \$1.29 per \$100 of assessed valuation and remains unchanged.

Other Taxes represents the second largest General Fund revenue category and includes income tax, highway user tax, admissions tax, room tax and excise taxes. Room Tax for Fiscal Year 2015 is projected at \$13,350,000.

While there are signs of economic recovery in Ocean City, Revenue Projections remain conservative and relatively flat. January 1, 2015, represents the first year of a new 3-Year Assessment Cycle and all Ocean City residential and commercial property (with the exception of one section of commercial property as previously defined) will be reassessed. That section of commercial property will be reassessed in year two of the Cycle. In year three, Ocean City properties will be reassessed to reflect alterations, additions, deletions and/or adjustments. We are optimistic that additional public and private investment as well as redevelopment initiatives and activities will lead to an increased property assessment roll.

**Proposed Expenditures**

<b>Category</b>	<b>Proposed</b>
General Government	\$4,072,459
Public Safety	\$34,288,986
General Public Works/Beach Maintenance	\$5,383,734
Sanitation and Waste Removal	\$5,629,302
Highways and Streets	\$5,425,812
Economic Development – Tourism	\$7,110,216
Culture and Recreation	\$7,747,273
Debt Service	\$5,129,093
<b>SUBTOTAL</b>	<b>\$74,786,875</b>
Transfers	
- Transportation Fund	\$395,082
- Airport Fund	\$264,435

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- Convention Center	\$1,443,092
- Capital Projects	\$2,371,367
- Vehicle Trust	\$90,419
<b>TOTAL</b>	<b>\$79,351,270</b>

Developing and finalizing the Proposed Operating Budget for Fiscal Year 2015 required a great deal of collaboration and cooperation from all Town departments. Department budget requests for Fiscal Year 2015 totaled \$4,335,201 above Fiscal Year 2014 funding levels equivalent to \$0.0509 on the real property tax rate. Executive Review resulted in expenditure reductions totaling \$2,523,786 (or \$0.0296) plus an additional \$847,000 in proposed new vehicle purchases.

The Fiscal Year 2015 Proposed Operating Budget is structured to preserve Ocean City’s exemplary quality of life and visitor experience. This begins with a financial commitment toward essential Public Safety services. The Proposed Operating Budget provides for an additional \$199,943 in Public Safety funding including \$33,065 for three (3) additional part-time seasonal Communications Dispatcher positions to staff the new “City Watch” Boardwalk surveillance program. Comcast connection costs related to this proactive Public Safety initiative are budgeted at \$52,800. The \$150,000 initial investment in IT backbone infrastructure as well as hardware costs was funded in the current fiscal year.

The Proposed Operating Budget also includes \$32,513 to reclassify eight (8) fulltime Public Safety Aide positions (non-sworn) in the Police Department to Custody Officer positions (non-sworn). In addition, as part of the new Police Chief’s restructuring plan, four (4) sworn Police Officer positions assigned to the Front Desk and Detention Area will be reassigned to the Patrol Division and replaced with four (4) new seasonal part-time Public Safety Aide positions (non-sworn) at a cost of \$40,701.

Funding in the amount of \$37,052 is also included in the Proposed Operating Budget for one (1) new fulltime Communications Operator. This new fulltime position will enable the Communications Division to assign three fulltime personnel to all shifts. In addition, this new fulltime position reduced the required number of part-time seasonal Communications Dispatchers initially proposed for staffing the new “City Watch” initiative from four (4) to three (3) positions.

Significant required maintenance and repairs to OC1, the Town’s Mobile Command Center used during Emergencies and large Special Events, are budgeted at \$12,500. In addition, a satellite phone for use during Emergency situations is funded at \$2,600. The Proposed Operating Budget also includes \$8,100 in match funding to supplement a like donation from the Ocean City Paramedic Foundation for procurement of a new storage/travel trailer for the Fire/EMS Dive Team.

Improvements to the Third Floor conference room at the Public Safety Building, including new conference room table, chairs and window treatments, are budgeted at \$14,700. Additional

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industrial kitchen equipment for the Public Safety Building (as home of the Town's Emergency Operations Center), including stove, oven and microwave, are funded at \$7,865. An industrial refrigerator was funded in the current fiscal year.

Other personnel adjustments funded in the Fiscal Year 2015 Proposed Operating Budget include a new fulltime Training Manager position in the Human Resources Department. This position will work directly with Town departments to identify and coordinate specific training needs and opportunities. In addition, the position will support the performance measurement/management review process as well as develop and administer a succession planning program for the Town.

A new fulltime Transportation Training Manager is also funded in the Proposed Operating Budget. This new position will be responsible for monitoring compliance with Federal Transportation Administration (FTA) and Maryland Transportation Administration (MTA) regulations to meet the Town's Federal Grant obligations. The new Transportation Training Manager position will also coordinate training of Transportation Division staff, identify and monitor facility and rolling stock preventative maintenance as well as administer drug and alcohol policies applicable to the Transportation Division.

The Proposed Operating Budget also funds the conversion of two (2) part-time positions to fulltime status. Due to the increasing demands and responsibilities associated with the growth and coordination of Private Event activities, funding for conversion of the Town's sole part-time Private Events Coordinator position to fulltime status is included in the Proposed Operating Budget. In addition, funding for the conversion of one (1) part-time Convention Center Maintenance Worker position is included in the Proposed Operating Budget due to the limitation of hours and impact of the Federal Affordable Care Act as well as Convention Center expansion. The conversion of these part-time positions will improve the consistency, dependability and reliability of our work force and their service to the Town.

On April 15, 2013, the Mayor and Council ratified contracts with the Fraternal Order of Police (FOP) and International Association of Fire Fighters (IAFF) collective bargaining units. Fiscal Year 2015 represents Year-Two of a Two-Year agreement with the FOP and Year-Two of a Three-Year Agreement with the IAFF. The Proposed Operating Budget includes funding for negotiated step increases for eligible bargaining unit employees as well as a step increase for all General Employees. The cost of Fiscal Year 2015 step increases for all affected Town employees' totals \$768,549. Note that ninety-nine of the Town's 531 employees, or 19%, are not eligible for a step increase in Fiscal Year 2015.

For the first time in three years, the Fiscal Year 2015 Proposed Operating Budget includes \$250,000 in funding to the Maryland Department of Natural Resources Beach Renourishment Fund. The Maryland Department of Natural Resources establishes the funding formula to maintain a minimum funding level for the Beach Renourishment Fund and the Fund balance is evaluated annually by the department. This contribution protects our community residents and preserves the Town's most important natural resource by ensuring a consistent schedule for beach renourishment in Ocean City.

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A number of significant maintenance projects are funded in the Proposed Operating Budget. For the second year in a row, \$500,000 is included for much needed Canal Dredging. In addition, \$175,000 for replacement of the Public Works compound bulkhead is included. These undertakings will be identified in the Town’s Five-Year Capital Improvement Plan as “pay-go” projects for Fiscal Year 2015.

Other important maintenance projects funded in the Proposed Operating Budget include:

<b>Project</b>	<b>Cost</b>
• Resurfacing of the Little Salisbury neighborhood basketball court on 94 <sup>th</sup> Street	\$25,500
• City Hall improvements	\$25,000
• Street Light Pole Repainting, Phase II	\$25,000
• Replacement of three (3) Concrete Planters and Placement of twelve (12) New Decorative Trash Cans on the Boardwalk	\$14,934
• Northside Park – Walkway and Drainage Repairs, Phase IX	\$9,000

The Economic Development – Tourism budget includes destination advertising, funding dedicated to the Tourism Advisory Board as well as funding for Town-promoted Special Events including Sun Fest, Winter Fest and Spring Fest. Fiscal Year 2015 Projected Revenue from Room Tax totals \$13,350,000. As required by Ordinance, \$5.3 million is dedicated to advertising, an increase of \$188,055, and an additional \$631,000 for marketing and promotional activities including, for the second year in a row, \$300,000 for in-kind service support for large Private/Special Events.

Culture and Recreation includes Recreation and Parks, Beach Patrol, Museum and fulltime Special Events staff. Ocean City has long boasted premier recreation programs and activities for both youths and adults including visitors and residents alike. Contracted Services for programs and activities has been increased by \$17,000 for Fiscal Year 2015. In addition, funding is proposed in Special Events for fireworks to celebrate the 25<sup>th</sup> Anniversary of Spring Fest, a new Fall event planned for Halloween and conversion of the part-time Private Events Coordinator position to fulltime status. Overall, funding for Culture and Recreation has been increased by \$213,204 in Fiscal Year 2015.

Debt Service costs in Fiscal Year 2015 decreased by \$185,351 due to the Refunding of 2004 Bonds in the current fiscal year. Fiscal Year 2015 Debt Service includes principal and interest on the 2013 Bond for the Beach Patrol Headquarters, roof replacements at the Service Center and Public Safety Building, Phase II Construction of the Performing Arts Center at the Convention Center and Wastewater capital.

The Fiscal Year 2015 Proposed Operating Budget also relies on a number of cost reduction strategies. For example, the Mayor and Council recently extended the Town’s “waste to energy” contract with Covanta Energy through 2021, a cost effective alternative to traditional

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curbside recycling programs. In addition, the Town has outsourced EMS billing, initiated an energy performance program with a potential savings of \$1 million and departments are effectively managing the hours of part-time employees and position vacancies shifting resources when and where necessary.

**Capital Improvement Project funding**

Following adoption of the Operating Budget for Fiscal Year 2015, the Mayor and Council will review and update the Town’s Five-Year Capital Improvement Program (CIP). The CIP identifies a schedule of planned physical improvements over the next five years as well as specific funding sources for capital projects over the entire period.

For Fiscal Year 2015, \$500,000 in “pay-go” funding from Fund Balance has been included for Canal Dredging as well as \$175,000 for bulkhead replacement at the Public Works compound. In addition, \$1,871,277 in “pay-go” funding for Street Paving has been identified. \$1,300,720 of this total is funded through a combination of parking fee revenue, casino revenue and State Highway User Fees. Additional funding in the amount of \$570,647 was made possible through reduction of the General Fund transfer to the Transportation Fund as a result of elimination of the \$1.00 per boarding bus fare option.

**Enterprise Funds**

Enterprise Funds are used for services provided to the public on a user charge basis similar to the operation of a commercial business. The Town operates Water, Wastewater, Transportation, Convention Center, Airport and the Golf Course as enterprises.

Transportation, Airport and the Convention Center continue to be partially funded by General Fund transfers in Fiscal Year 2015.

**General Fund Transfers to Enterprises**

<b>Fund</b>	<b>Proposed</b>
- Transportation	\$395,082
- Airport	\$264,435
- Convention Center	\$1,443,092
<b>TOTAL</b>	<b>\$2,102,609</b>

Note that the Fiscal Year 2015 General Fund transfer to the Transportation Fund has been reduced by \$1,327,606 or 77%. This reduction was made possible by eliminating the \$1.00 per boarding bus fare based on quantitative statistical trend analysis of bus ridership. The Proposed Operating Budget contemplates only the \$3.00 ride-all-day bus pass. Exclusive use of the ride-all-day pass will also greatly improve financial accountability in the Transportation Fund.

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As Airport Fund reserves have been depleted, the Fiscal Year 2015 Proposed Operating Budget includes a \$264,435 General Fund transfer to supplement Airport operations.

The General Fund transfer to the Convention Center increases by \$87,832 in the Proposed Operating Budget. This is due in large part to the \$20,000 funded as the Town's 50% cost share with the Maryland Stadium Authority for purchase of a \$40,000 forklift in Fiscal Year 2015. Conversion of the part-time Convention Center Maintenance Worker to fulltime status is also included at a net cost of \$13,495.

No General Fund transfer is planned for the Golf Course Fund in Fiscal Year 2015 as Projected Revenues are expected to continue to cover Estimated Expenditures. The Proposed Operating Budget includes \$10,000 in funding for "Endless Golf" marketing and promotion, a golf television show which will feature Eagle's Landing Golf Course.

While General Fund transfers continue to supplement specific enterprises, overall the Town's Enterprise Funds remain healthy. The Water and Wastewater Funds are entirely self-sufficient, funded completely by user fees and fixture charges and include over \$2.4 million in planned infrastructure improvements in Fiscal Year 2015.

### **Internal Service Funds**

The Town's Internal Service Funds are used to account for the financing of goods or services provided by one department of a government to other departments on a cost-reimbursement basis.

The Information Technology Fund accounts for hardware, software and other technology needs of all Town departments. Although the Proposed Operating Budget increases the IT Fund by \$126,504 (\$52,800 for Comcast connection costs related to the new "City Watch" program and \$62,500 for additional IT data storage capacity), more than \$97,813 in requested technology needs were eliminated from the original Department budget requests during IT or Executive Budget Review including the GovNow Tax & Accounts Receivable module estimated at \$12,743. In addition, the Network Backup Appliance and Offsite Replication System requested by Emergency Management was not funded based on the annual cost of \$119,000 (Network Backup Appliance and Offsite Replication System estimated at \$73,000 and Offsite Recovery Plan estimated at \$46,000). Engineering, IT and Emergency Management staff are working with the State of Maryland to investigate cost effective alternatives for this important Emergency Management resource.

The Fiscal Year 2015 Proposed Operating Budget includes \$5,250 in funding for the GovNow online Utility Billing module which will enable utility customers to pay their utility bills online as well as view their account data and consumption history. In addition, \$36,100 is included in the Proposed Operating Budget for continuation of the Network Switch replacement program to increase network connection capacity as well as dependability and reliability.

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The Risk Management Fund accounts for costs of providing workers' compensation and liability insurance coverage to other departments and to provide funds to pay claims, premiums, reserves and administrative costs of the program. An increase in treatment costs for worker's compensation claims and an increase in projected policy costs resulted in an increase of nearly \$58,000 in the Fiscal Year 2015 Proposed Operating Budget.

The Proposed Operating Budget provides \$1,516,100 in Vehicle and Equipment Trust funding for various department vehicle replacement requests including another new Ambulance at a cost of \$278,000, two (2) replacement Trash Trucks at a total cost of \$460,000 and a new Street Broom at a cost of \$180,000. A \$90,419 General Fund transfer to the Vehicle and Equipment Trust is required to fully cover these expenditures. Note that the Purchasing Manager implemented objective evaluation criteria during the Fiscal Year 2015 budget process including quantitative analysis of a vehicle's use life and ranking system. Approximately \$847,000 in vehicle replacement requests were eliminated between the Purchasing Manager's vehicle evaluation process and during Executive Review.

Funding for the Service Center is reduced in the Proposed Operating Budget by approximately \$58,000 due primarily to salary savings and reduction in fuel purchase costs.

### **Pension & OPEB Trust**

These Funds are used to account for the Town's anticipated future liability for retiree healthcare and pension costs. Annual funding is based on actuarial assumptions which are evaluated and determined annually by the Town's Actuary for pension plans and bi-annually for retiree healthcare. The Town anticipates a 6% increase in health insurance coverage and the Proposed Operating Budget increases Pension & OPEB Trust funding by \$335,423 for Fiscal Year 2015.

### **Town's Financial Condition**

A great way to look at the big picture of the Town's current fiscal position is through the Comprehensive Annual Financial Report (CAFR) prepared by our Finance Department. More perspective can be gained by reviewing the Statement of Net Assets. As of June 30, 2013, the City's total assets (our infrastructure, property, facilities and equipment) exceeded total liabilities by \$153 million, a 3.3% improvement from the previous fiscal year. Of this amount, \$25.7 million is unrestricted and may be used to meet the Town's ongoing obligations to citizens and creditors.

Governmental accounting and financial reporting rules are sensibly requiring units of government to make a clearer and more complete assessment of their overall and long-term financial positions. Reporting on a full accrual basis of accounting represents a significant change to the overall financial reporting model previously used.

It is this type of holistic balance sheet statement that brings a healthy dose of business accounting to our public setting. Ocean City's balance sheet remains strong. The talents wisely

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spent are not just expenditures out the door; the expenditures are investments throughout this Operating Budget.

At a time when many local government bond ratings are being either downgraded or suspended, in Fiscal Year 2014 not only did the Town of Ocean City maintain its rating of AA- from Fitch ratings (quality companies) and Aa2 from Moody's Investors Service (high quality, very low credit risk) but Standard and Poor's *upgraded* the Town's rating from AA- to AA (Stable) prior to the December 2013 Bond sale. The improved rating was based on the Town's strong financial practices, thorough budget preparation and capital improvement planning. In spite of assessment declines, other characteristics that support the Town's improved rating include its stable, but limited, tourism-based economy coupled with adequate wealth and income factors, manageable debt burden and the effectiveness of the governing process to manage performance, address problems and changing conditions.

### **Summary**

With a new Three-Year Assessment Cycle beginning January 1, 2015, the Town is hopeful and optimistic for growth in its assessment base. However, there are always many competing demands for our limited financial resources. While a challenging situation, I am confident that our prudent fiscal practices and strategic budgeting approach positions us well for the new fiscal year. The Proposed Operating Budget avoids service level reductions, includes new programs and activities and the Town will continue to provide visitors and residents with the high level of service for which the Town is known.

Moving forward, we will continue to perform some organizational "fine-tuning" looking for more ways to optimize our existing workforce and better organize and deploy our employees to meet the needs of our dynamic Town. We will continue to improve efficiencies and focus resources toward achieving the Mayor and City Council's 5-Year Strategic Planning Goals and continue to work closely with Ocean City residents, business leaders and our community partners to strategically invest in efforts to strengthen our community.

I would like to thank the Mayor and Council for their guidance and support throughout the development of this Proposed Operating Budget. In addition, I would like to thank the Department Heads and staff who have contributed with creativity and sacrifice to make the Fiscal Year 2015 Proposed Operating Budget a reality. A special acknowledgement and thank you goes to Jennie Knapp, Budget Manager, who worked tirelessly coordinating the budget calendar and process.

The Town of Ocean City is a great place with many talented people and a diversity of interests. The business community works hard and our Town government strives to maintain that tradition. We do the hard work with talented staff and community partners. The Fiscal Year 2015 Proposed Operating Budget again balances a variety of needs and wants, focuses both short and long-term, and reflects strategic planning priorities and tactical results. Our objective now is to look outward and place our attention on not just maintaining the quality of life in Ocean City but improving it. Key projects such as street improvements, park improvements as

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well as the design and construction of a new Beach Patrol Headquarters building are all planned to improve the community and provide better service to our citizens and visitors alike.

Respectfully submitted this 1<sup>st</sup> day of April, 2014.

**City Manager's  
Fiscal Year 2015  
Proposed Operating Budget**

Tuesday, April 1, 2014

**GENERAL FUND**

	Actual Fiscal Year 2013	Revised Fiscal Year 2014	City Manager Proposed Fiscal Year 2015
<b>REVENUES</b>			
Property Taxes	\$41,364,182	\$41,912,140	\$42,711,465
Penalties and Interest	\$254,275	\$200,000	\$230,000
Other Taxes	\$15,611,881	\$15,893,153	\$16,270,600
Licenses and Permits	\$4,061,716	\$3,986,656	\$4,012,570
Revenues from Other Agencies	\$5,715,490	\$5,761,876	\$4,850,273
Charges for Current Services	\$8,738,383	\$9,217,805	\$9,407,718
Fines and Forfeitures	\$785,979	\$752,238	\$710,000
Other Revenue	\$558,694	\$431,285	\$383,644
<b>TOTAL REVENUES</b>	<b>\$77,090,600</b>	<b>\$74,511,690</b>	<b>\$78,576,270</b>
<b>EXPENDITURES</b>			
General Government	\$3,860,291	\$3,879,285	\$4,072,459
Public Safety	\$32,546,171	\$34,089,043	\$34,288,986
Public Works/Beach Maintenance	\$5,109,638	\$5,137,758	\$5,383,734
Sanitation and Waste Removal	\$5,389,174	\$5,645,750	\$5,629,302
Highways and Streets	\$5,727,860	\$5,175,780	\$5,425,812
Economic Development – Tourism	\$7,792,309	\$7,735,561	\$7,110,216
Culture and Recreation	\$7,259,523	\$7,534,069	\$7,747,273
Debt Service	\$4,469,029	\$5,314,444	\$5,129,093
<b>TOTAL EXPENDITURES</b>	<b>\$72,153,995</b>	<b>\$74,511,690</b>	<b>\$74,786,875</b>
EXCESS (DEFFICIENCY) OF REVENUES OVER EXPENDITURES	\$4,936,605	\$3,643,463	\$3,789,395
<b>OTHER FINANCING SOURCES (USES)</b>			
Operating Transfers – Out	(\$3,875,845)	(\$3,628,880)	(\$2,193,028)
Transfer to Capital Construction	(\$2,000,000)	(\$2,400,000)	(\$2,371,367)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(\$5,875,845)</b>	<b>(\$6,028,880)</b>	<b>(\$4,564,395)</b>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	(\$939,240)	(\$2,385,417)	(\$775,000)

**City Manager’s Budget Message – Fiscal Year 2015 Proposed Operating Budget**

**GENERAL FUND cont.**

	Actual Fiscal Year 2013	Revised Fiscal Year 2014	City Manager Proposed Fiscal Year 2015
<b>EXPENDITURES</b>			
<b>General Government</b>			
Legislative Division			
- Mayor and Council	\$347,512	\$357,266	\$361,964
- City Clerk	\$465,164	\$437,150	\$476,188
Executive and Administrative Division			
- City Manager	\$1,043,733	\$993,732	\$1,004,940
- Finance	\$1,976,407	\$2,035,596	\$2,013,579
- Human Resources	\$517,871	\$560,081	\$627,126
- Legal	\$531,772	\$296,127	\$450,981
Planning and Community Development	\$938,761	\$1,036,297	\$1,079,449
Special Appropriations	\$124,017	\$137,183	\$142,183
<b>TOTAL GENERAL GOVERNMENT</b>	<b>\$5,945,237</b>	<b>\$5,853,432</b>	<b>\$6,156,410</b>
<b>Public Safety</b>			
- Police	\$19,672,603	\$20,143,853	\$20,685,406
- Emergency Management/Communications/Electronics	\$2,443,719	\$2,514,363	\$2,670,282
- Fire/Emergency Medical Services	\$7,391,155	\$7,861,167	\$7,966,616
- Volunteer Fire Company	\$1,262,705	\$1,874,967	\$1,258,377
- Fire Marshal	\$1,086,718	\$1,098,416	\$1,074,254
- Construction & Inspection	\$639,000	\$596,277	\$634,051
<b>TOTAL PUBLIC SAFETY</b>	<b>\$32,494,900</b>	<b>\$34,089,043</b>	<b>\$34,288,986</b>
<b>Public Works/Beach Maintenance</b>	<b>\$5,109,638</b>	<b>\$5,137,758</b>	<b>\$5,383,734</b>
<b>Sanitation and Waste Removal</b>	<b>\$5,389,174</b>	<b>\$5,645,750</b>	<b>\$5,629,302</b>
<b>Highways and Streets</b>	<b>\$5,727,860</b>	<b>\$5,175,780</b>	<b>\$5,425,812</b>
<b>Economic Development – Tourism</b>	<b>\$7,792,309</b>	<b>\$7,735,561</b>	<b>\$7,110,216</b>
<b>Culture and Recreation</b>			
- Recreation	\$2,387,375	\$2,506,520	\$2,530,504
- Parks	\$1,717,369	\$1,802,810	\$1,869,126
- Beach Patrol	\$2,266,848	\$2,318,422	\$2,331,929
- Special Events	\$666,980	\$663,060	\$766,274

**City Manager’s Budget Message – Fiscal Year 2015 Proposed Operating Budget**

**Page 18**

- Museum	\$220,952	\$243,257	\$249,540
<b>TOTAL CULTURE AND RECREATION</b>	<b>\$7,259,523</b>	<b>\$7,534,069</b>	<b>\$7,747,273</b>
<b>Debt Service</b>			
- Principal	\$2,828,443	\$3,714,657	\$3,565,415
- Interest	\$1,640,586	\$1,599,787	\$1,563,678
<b>TOTAL DEBT SERVICE</b>	<b>\$4,460,029</b>	<b>\$5,314,444</b>	<b>\$5,129,193</b>
<b>TOTAL EXPENDITURES</b>	<b>\$72,153,995</b>	<b>\$74,511,690</b>	<b>\$74,786,875</b>

**ENTERPRISE FUNDS**

**WATER FUND**

	<b>Actual Fiscal Year 2013</b>	<b>Revised Fiscal Year 2014</b>	<b>City Manager Proposed Fiscal Year 2015</b>
<b>REVENUES</b>			
- All sources	\$7,081,398	\$7,309,936	\$7,516,873
<b>TOTAL REVENUES</b>	<b>\$7,081,398</b>	<b>\$7,309,936</b>	<b>\$7,516,873</b>
<b>EXPENDITURES</b>			
- Personnel	\$1,767,468	\$2,006,663	\$2,097,248
- Operating	\$3,025,146	\$3,010,603	\$3,172,165
- Other	\$2,135,617	\$2,432,216	\$2,247,460
<b>TOTAL EXPENDITURES</b>	<b>\$6,928,231</b>	<b>\$7,449,482</b>	<b>\$7,516,873</b>

**WASTEWATER FUND**

	<b>Actual Fiscal Year 2013</b>	<b>Revised Fiscal Year 2014</b>	<b>City Manager Proposed Fiscal Year 2015</b>
<b>REVENUES</b>			
- All sources	\$12,389,157	\$12,638,289	\$12,675,117
<b>TOTAL REVENUES</b>	<b>\$12,389,157</b>	<b>\$12,638,289</b>	<b>\$12,675,117</b>
<b>EXPENDITURES</b>			
- Personnel	\$3,813,650	\$4,098,768	\$4,174,500
- Operating	\$3,566,785	\$3,863,064	\$3,625,632
- Other	\$4,432,821	\$4,780,563	\$4,981,829
<b>TOTAL EXPENDITURES</b>	<b>\$11,813,256</b>	<b>\$12,742,395</b>	<b>\$12,781,961</b>

**TRANSPORTATION FUND**

	Actual Fiscal Year 2013	Revised Fiscal Year 2014	City Manager Proposed Fiscal Year 2015
<b>REVENUES</b>			
- All sources	\$5,185,932	\$8,088,091	\$8,919,156
<b>TOTAL REVENUES</b>	<b>\$5,185,932</b>	<b>\$8,088,091</b>	<b>\$8,919,156</b>
<b>EXPENDITURES</b>			
- Personnel	\$3,513,393	\$3,630,632	\$3,714,729
- Operating	\$3,387,860	\$3,403,823	\$3,267,509
- Other	\$212,676	\$2,774,324	\$2,332,000
<b>TOTAL EXPENDITURES</b>	<b>\$7,113,929</b>	<b>\$9,810,779</b>	<b>\$9,314,238</b>

**AIRPORT FUND**

	Actual Fiscal Year 2013	Revised Fiscal Year 2014	City Manager Proposed Fiscal Year 2015
<b>REVENUES</b>			
- All sources	\$1,878,062	\$1,261,715	\$1,072,563
<b>TOTAL REVENUES</b>	<b>\$1,878,062</b>	<b>\$1,261,715</b>	<b>\$1,072,563</b>
<b>EXPENDITURES</b>			
- Personnel	\$302,458	\$296,897	\$318,923
- Operating	\$1,111,185	\$1,057,776	\$875,098
- Other	\$590,396	\$142,974	\$142,977
<b>TOTAL EXPENDITURES</b>	<b>\$2,004,039</b>	<b>\$1,497,647</b>	<b>\$1,336,998</b>

**GOLF COURSE FUND**

	Actual Fiscal Year 2013	Revised Fiscal Year 2014	City Manager Proposed Fiscal Year 2015
<b>REVENUES</b>			
- All sources	\$2,034,326	\$2,157,123	\$2,112,462
<b>TOTAL REVENUES</b>	<b>\$2,034,326</b>	<b>\$2,157,123</b>	<b>\$2,112,462</b>
<b>EXPENDITURES</b>			
- Personnel	\$1,048,976	\$1,060,269	\$1,084,267
- Operating	\$961,648	\$1,086,065	\$1,024,758
- Other	\$18,099	\$10,789	\$3,437

**TOTAL EXPENDITURES                    \$2,028,723                    \$2,157,123                    \$2,112,462**

**CONVENTION CENTER FUND**

	<b>Actual Fiscal Year 2013</b>	<b>Revised Fiscal Year 2014</b>	<b>City Manager Proposed Fiscal Year 2015</b>
<b>REVENUES</b>			
- All sources	\$5,236,380	\$5,551,494	\$6,687,084
<b>TOTAL REVENUES</b>	<b>\$5,236,380</b>	<b>\$5,551,494</b>	<b>\$6,687,084</b>
<b>EXPENDITURES</b>			
- Personnel	\$2,768,312	\$2,896,622	\$2,991,499
- Operating	\$1,532,089	\$1,590,805	\$1,600,585
- Other	\$2,269,850	\$2,419,327	\$3,538,092
<b>TOTAL EXPENDITURES</b>	<b>\$6,570,251</b>	<b>\$6,906,754</b>	<b>\$8,130,176</b>

**INTERNAL SERVICE FUNDS**

**INFORMATION TECHNOLOGY FUND**

	<b>Actual Fiscal Year 2013</b>	<b>Revised Fiscal Year 2014</b>	<b>City Manager Proposed Fiscal Year 2015</b>
<b>REVENUES</b>			
- Department reimbursements	\$1,743,469	\$1,869,735	\$1,996,239
<b>TOTAL REVENUES</b>	<b>\$1,743,469</b>	<b>\$1,869,735</b>	<b>\$1,996,239</b>
<b>EXPENDITURES</b>			
- Personnel	\$914,062	\$958,627	\$997,502
- Operating	\$860,472	\$911,108	\$998,737
<b>TOTAL EXPENDITURES</b>	<b>\$1,774,534</b>	<b>\$1,869,735</b>	<b>\$1,996,239</b>

**SERVICE CENTER**

	<b>Actual Fiscal Year 2013</b>	<b>Revised Fiscal Year 2014</b>	<b>City Manager Proposed Fiscal Year 2015</b>
<b>REVENUES</b>			
- Department reimbursements	\$5,264,119	\$5,276,489	\$5,218,725
<b>TOTAL REVENUES</b>	<b>\$5,264,119</b>	<b>\$5,276,489</b>	<b>\$5,218,725</b>

**City Manager's Budget Message – Fiscal Year 2015 Proposed Operating Budget**

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**Page 21**

**EXPENDITURES**

- Personnel	\$1,831,577	\$1,860,429	\$1,831,182
- Operating	\$3,383,610	\$3,416,060	\$3,387,543
<b>TOTAL EXPENDITURES</b>	<b>\$5,215,187</b>	<b>\$5,276,489</b>	<b>\$5,218,725</b>

**VEHICLE AND EQUIPMENT TRUST FUND**

	<b>Actual Fiscal Year 2013</b>	<b>Revised Fiscal Year 2014</b>	<b>City Manager Proposed Fiscal Year 2015</b>
<b>REVENUES</b>			
- Department reimbursements	\$2,242,243	\$6,038,179	\$2,373,006
<b>TOTAL REVENUES</b>	<b>\$2,242,243</b>	<b>\$6,038,179</b>	<b>\$2,373,006</b>
<b>EXPENDITURES</b>			
- Operating	\$792,642	\$762,471	\$744,352
- Other	\$1,937,601	\$5,590,708	\$1,719,073
<b>TOTAL EXPENDITURES</b>	<b>\$2,730,243</b>	<b>\$6,353,179</b>	<b>\$2,463,425</b>

**RISK MANAGEMENT**

	<b>Actual Fiscal Year 2013</b>	<b>Revised Fiscal Year 2014</b>	<b>City Manager Proposed Fiscal Year 2015</b>
<b>REVENUES</b>			
- Department reimbursements	\$2,049,414	\$2,284,941	\$2,342,993
<b>TOTAL REVENUES</b>	<b>\$2,049,414</b>	<b>\$2,284,941</b>	<b>\$2,342,993</b>
<b>EXPENDITURES</b>			
- Personnel	\$234,880	\$248,506	\$258,356
- Operating	\$1,216,219	\$2,036,435	\$2,084,637
<b>TOTAL EXPENDITURES</b>	<b>\$1,451,099</b>	<b>\$2,284,941</b>	<b>\$2,342,993</b>

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# **INTRODUCTORY SECTION**

**TOWN OF OCEAN CITY  
FY 2015  
CALENDAR OF BUDGET PROCESS**

<b>08/10/13</b>	<b>Convention Center FY 15 Budget due to the Maryland Stadium Authority</b>
<b>09/27/13</b>	<b>Budget Packets Forwarded to Departments</b>
<b>10/31/13</b>	<b>IT requests and back-up due to Nancy Bloxom Personnel requests and back-up due to Wayne Evans Vehicle requests and back-up due to Ron Eckman and Catrice Parsons</b>
<b>11/30/12</b>	<b>CIP requests due to Terry McGean</b>
<b>12/17/13</b>	<b>Risk Management Budget meeting with City Manager</b>
<b>12/30/13</b>	<b>Department Budgets updated to City Manager level</b>
<b>02/10/14</b>	<b>Approximate Receipt of Property Tax Revenue Forecast for FY 2015</b>
<b>01/10/14-02/28/14</b>	<b>City Manager Review Process</b>
<b>04/01/14</b>	<b>Presentation of City Manager Budget Proposal to Council</b>
<b>04/03/14-04/10/14</b>	<b>Review of City Manager Budget Proposal, Public Requests and Recommendations by Mayor and Council</b>
<b>04/29/14</b>	<b>Final FY 15 Budget Wrap-Up</b>
<b>05/05/14</b>	<b>1<sup>st</sup> Reading of the FY 2015 Budget</b>
<b>05/19/14</b>	<b>2<sup>nd</sup> Reading of the FY 2015 Budget</b>

## TOWN OF OCEAN CITY

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The Town of Ocean City was incorporated by the State of Maryland in 1880. Ocean City is located approximately 150 miles from Washington, DC and 135 miles from Baltimore, Maryland. Ocean City is bordered on the north by Fenwick Island, Delaware; on the south by the inlet which separates Ocean City from Assateague Island; on the west by Sinepuxent Bay, Isle of Wight Bay and Assawoman Bay and on the east by the Atlantic Ocean.

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### FISCAL YEAR 2014-2015 ADOPTED BUDGET

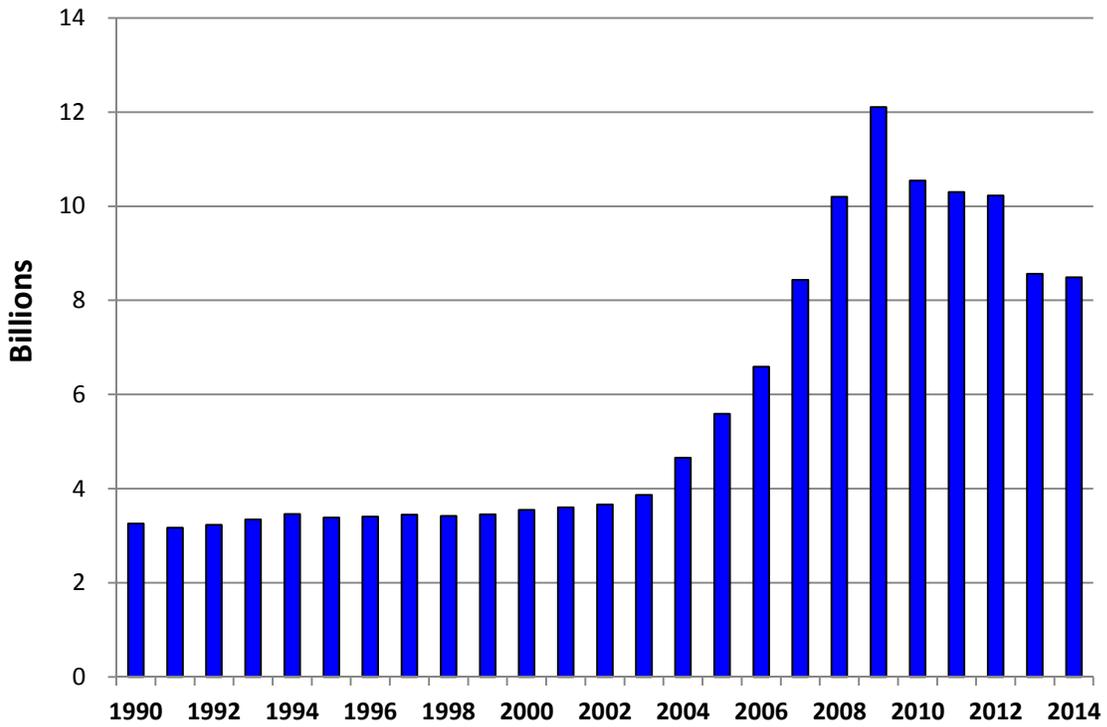
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This budget document presents the annual operating budget for fiscal year 2014-2015. It presents the revenue and expenditures for the Town's General Fund, Enterprise Funds: Water; Wastewater; Transportation Convention Center; Airport; and Golf Course, and the Internal Service Funds: Information Technology; Service Center, Vehicle Trust; and Risk Management.

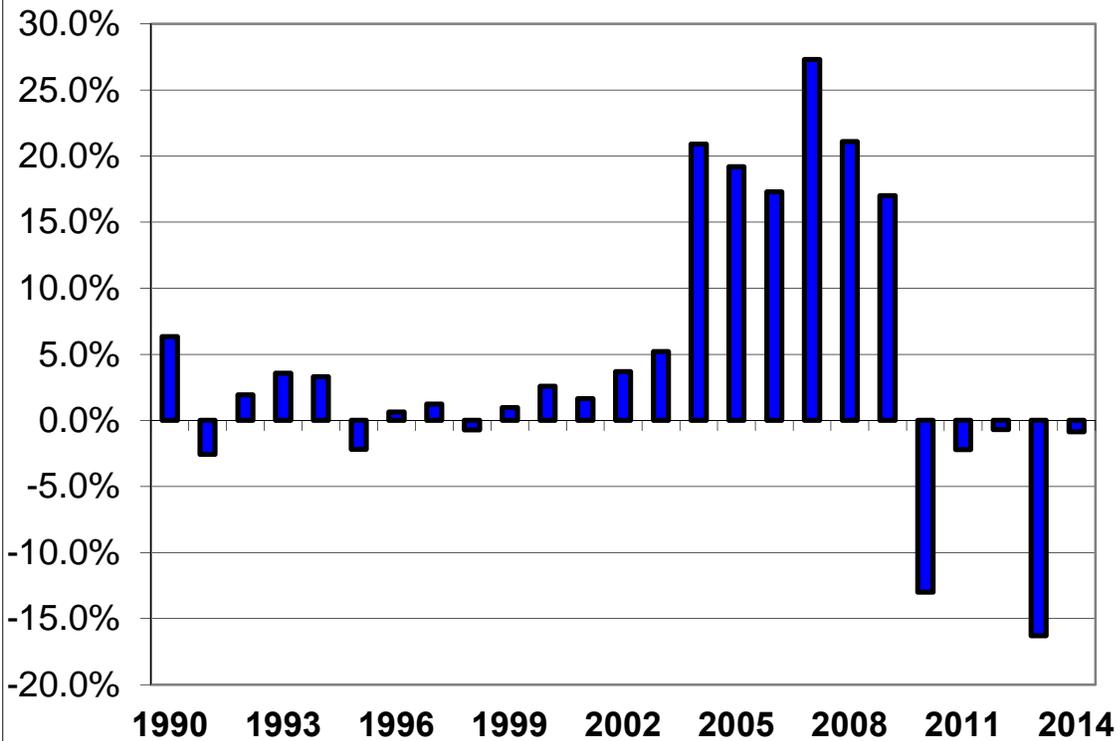
To aid the reader in evaluating costs and trends, each department within the General Fund and the operations of the Enterprise Funds and Internal Service Funds are summarized showing actual expenditures for fiscal year 2013, the revised budget for fiscal year 2014, and the proposed budget for fiscal year 2015. Revenues attributable to each department are deducted from the expenditure total to give the reader the amount of funding required by the department from taxpayers. Changes in revenue, personnel, and service operations are highlighted on the page facing the budget information.

Projected amounts for revenue and expenditures are subject to forecasting errors which are inherent in all such projections. The budget is, consequently, a plan based on current economic conditions, not a list of actual revenues and expenditures.

### Real Property Values 1990-2014



### % Change in Property Values 1990-2014



# CITY GOVERNMENT AND ADMINISTRATION

## General

The City has a Council-Manager form of government, under which the legislative and executive powers of the City (except for certain designated mayoral powers) are vested in the Council. The Council is composed of seven members, each of whom is elected by an "at-large" vote of the City's populace to serve a four-year term. The Council is empowered to elect one of its members as president, and the Mayor and Council appoints a Council member to serve as secretary. The Council has the power to: make all policy decisions for the City, subject to the provisions of the Charter; appoint the City Auditor, Town Attorney, City Manager, City Clerk and, in conjunction with the Mayor, the Chief of Police and members of all City boards, commissions and committees; establish salaries for all City officials and employees; and exercise direct supervision and control over the City Manager.

The Mayor is the chief representative of the City before all Federal, State and local governmental bodies, and is elected in a City-wide election every two years. The Mayor holds the power to veto all ordinances enacted by the Council as described below:

Each member of the Council has one vote, and in the absence of higher voting requirements, a simple majority of the Council is sufficient to pass legislation. All ordinances passed by the Council are delivered to the Mayor for his approval or disapproval. Any ordinance approved by the Mayor becomes law, and ordinances disapproved by the Mayor are returned to the Council and do not become law unless subsequently passed by a favorable vote of six members of the Council within 60 days of the time of the return of the ordinance. If, within 40 calendar days of such approval of any ordinance by the Mayor or passage of any ordinance over his veto, a petition, containing the signatures of not less than 40% of the number of voters at the most recent general election and requesting that the ordinance be submitted to a vote of the qualified voters for their approval or disapproval, is filed with the City's Clerk, such a vote must be held, and the ordinance will not become law until it is approved by a majority of such qualified City voters.

The City Manager is the chief administrative officer of the City, and is appointed by the Council. He is charged with the responsibility of hiring, supervising and discharging all City employees, except department heads, subject to Personnel regulations and other City, State of Maryland and Federal laws. He also recommends to the Council the appointment and discharge of all department heads, supervises all department heads during the term of their appointment, makes reports and recommendations to the Council concerning any municipal matter which may deserve Council attention and carries out other duties assigned by the Council.

Additionally, the City manager serves as the chief finance officer of the City and is responsible for all municipal financial affairs. Under the supervision of the Council, the City Manager has the authority and is required to (a) keep an accurate account of the receipts and disbursements of the funds of the City and to render annually to the Mayor and Council a succinct and detailed statement thereof, (b) prepare an annual budget to be submitted to the Council, (c) supervise and be responsible for the disbursement of all monies and have control over all expenditures to assure that budget appropriations are not exceeded, (d) maintain a general accounting system for the City in such form as the Council may require not contrary to State of Maryland law, (e) submit at the end of each fiscal year, and at such times as the Council may require, a complete financial report to the Council, (f) ascertain that all taxable property within the City is assessed for taxation, (g) collect all taxes, special assessments, license fees, liens, and all other revenues of the City, and all other revenues for which collection of City is responsible, and receive any funds receivable by the City, (h) have custody of all public monies belonging to or under the control of the City, and (i) do other things in relation to the fiscal or financial affairs of the City as the Council may require or as may be required elsewhere in the Charter.

The Council appoints a City Clerk to serve as its clerk, under the supervision of the City Manager. The City Clerk acts as custodian of all records of the Council.

The City's governmental services are carried out by various specialized departments, each of which is run by a department head, who is appointed by majority vote of the Council and supervised by the City Manager.

## **BUDGET**

The City's budget is prepared each year for the Council by the City Manager. At least 32 days before the beginning of any fiscal year, the City Manager is required to submit the budget to the Council. The budget must provide a complete financial plan for the budget year and contain estimates of anticipated revenues and planned expenditures for the coming year. Before adopting the budget, the Council must hold a public hearing thereon after two weeks' prior notice in one or more newspapers having general circulation within the City. The Council may insert new items or may increase or decrease the items of the budget. In instances in which the Council increases the total proposed expenditures, it must also increase the total anticipated revenues in the amount at least equal to such total proposed expenditures. The budget must be prepared and adopted in the form of an ordinance. A favorable vote of at least a majority of the total elected membership of the Council is necessary for the adoption of the budget.

The Charter provides that no City money be expended without having been appropriated by the Council. The Council (by a two-thirds vote), however, is empowered to make supplementary appropriations from (1) unexpended and unencumbered funds set aside for contingencies in the City's budget, (2) Federal, State or private grants which were not included in the budget for the current fiscal year, (3) revenues received from anticipated sources but in excess of budget estimates therefore, and (4) revenue received or to be received from sources not anticipated in the budget for the current fiscal year, including, but not limited to, the proceeds from the public or private sale of general obligation bonds and bond anticipation notes authorized and issued after the adoption of the budget for capital improvements, capital projects and capital expenditures of any nature whatsoever to be financed in whole or in part by such general obligation bonds or bond anticipation notes, and the proceeds from the sale of tax anticipation notes authorized and issued after the adoption of the budget in accordance with the City's charter.

The Charter also provides that the Council (by a two-thirds vote) may, to the extent that there are no unappropriated revenues therefore, authorize the issuance of tax anticipation notes in order to provide revenue to deal with (1) public emergencies affecting the City's health, welfare, property or safety, or (2) occurrences, conditions or events that were unforeseen or unanticipated, in whole or in part, at the time the budget was adopted by the Council. Such tax anticipation notes may be sold by public or private sale.

The City budget is prepared on a "line item" basis, specifying the department and activity involved. Transfers of budgeted items may be accomplished with the approval of the City manager within a fund. Budget amendments that establish additional revenue equal to or in excess of new appropriations or move appropriations from one fund to another must be approved by the City Council. All expenditures with an anticipated dollar value in excess of \$10,000 must follow the competitive sealed bid process as outlined in the Town of Ocean City Purchasing Manual.

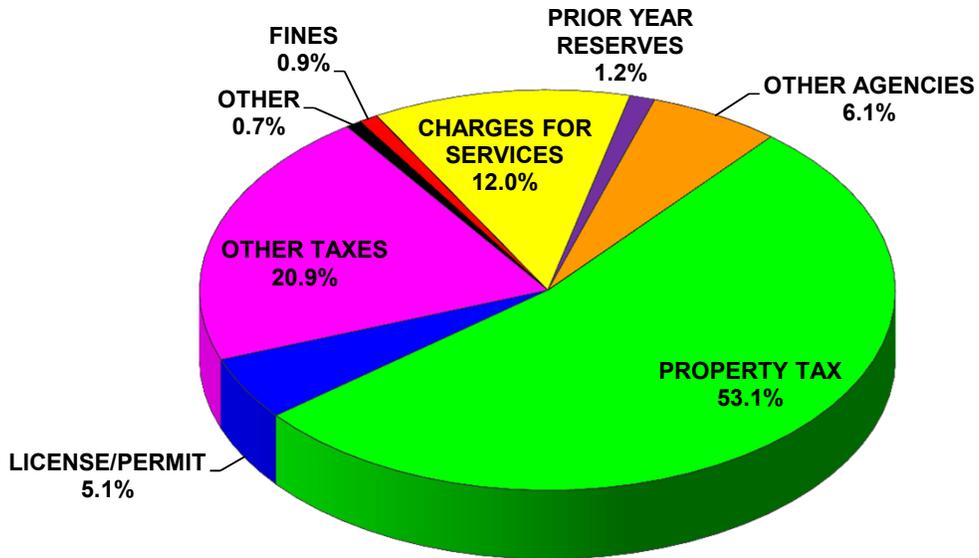
### **Budgetary Guidelines and Policies**

The City has certain established guidelines and policies relating to the operating budget and the City's capital budget, which are used by the City Manager in allocating the City's resources and by the Council and the Mayor in assessing proposed spending plans. The operating budget policies provide, among other things, for: the City to pay for all current expenditures with current revenues; the budget to provide for adequate maintenance of capital plant and for its orderly replacement; the City to maintain a budgetary control system to help it adhere to the budget; the City Manager to prepare regular reports comparing actual revenues and expenditures to budgeted amounts; and neither the council, the Mayor nor the City Manager to take any budgetary action which would unbalance the budget, unless additional revenues can be secured. As a result of the guidelines relating to the capital budget, the City currently makes all capital improvements in accordance with an adopted capital improvement plan; the City has a multi-year plan of capital improvements which is updated annually; the City has an annual capital budget in which expenditures are accounted for in the separate capital projects fund; a maintenance and replacement schedule is followed in the preparation of City budgets; and for each capital project, the City Manager identifies potential funding sources before a request for its approval is submitted to the Council.

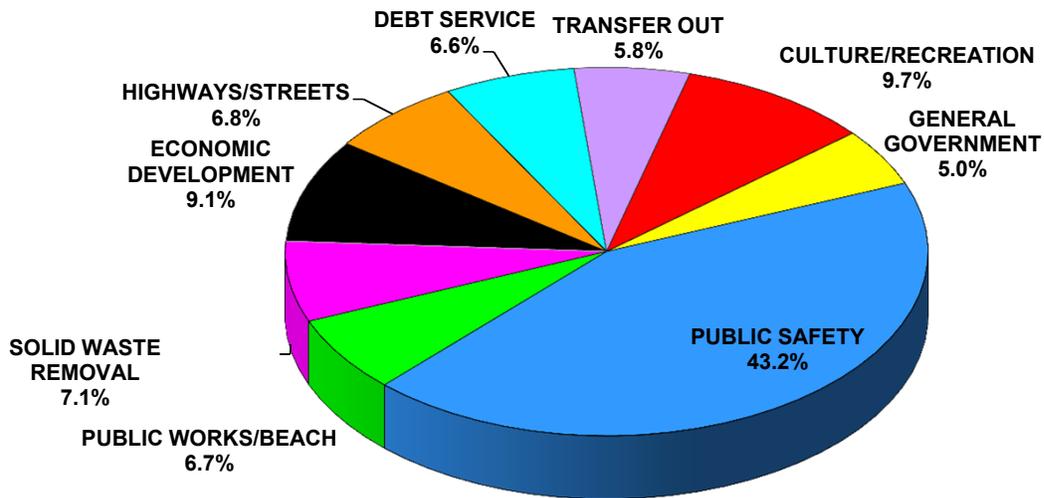
## **GENERAL FUND**

**The General Fund is the principal fund of the Town and is used to account for all activities of the Town not included in other specified funds. The general fund accounts for the normal recurring activities of the Town. These activities include general government, public safety, beach maintenance, maintenance of public buildings and highways and other public works. They are funded primarily by property and sales taxes on individuals and businesses, and grants from other governmental units.**

## General Fund Revenue FY 15



## General Fund Expenditures FY15



TOWN OF OCEAN CITY  
GENERAL FUND  
COMPARATIVE STATEMENT OF REVENUES AND EXPENDITURES  
YEARS ENDED JUNE 30, 2013 (ACTUAL), 2014 (BUDGETED) AND 2015(ADOPTED)

	ACTUAL 2013	REVISED BUDGET 2014	CITY MANAGER PROPOSED 2015	COUNCIL ADOPTED 2015
<b>REVENUES</b>				
Property Taxes	\$ 41,364,182	\$ 41,912,140	\$ 42,711,465	41,859,670
Penalties And Interest	254,275	200,000	230,000	230,000
Other Taxes	15,611,881	15,963,405	16,270,600	16,520,600
Licenses And Permits	4,061,716	4,051,556	4,012,570	4,062,570
Revenue From Other Agencies	5,715,490	5,873,981	4,850,273	4,855,273
Charges For Current Services	8,738,383	9,242,120	9,407,718	9,497,633
Fines And Forfeitures	785,979	784,609	710,000	710,000
Other Revenue	558,694	578,417	383,644	567,759
Bond Issuance	0	979,579	0	0
Discounts Taken	0	0	0	0
<b>TOTAL REVENUES</b>	<u>77,090,600</u>	<u>79,585,807</u>	<u>78,576,270</u>	<u>78,303,505</u>
<b>EXPENDITURES</b>				
General Government	3,860,291	3,879,285	4,072,459	4,000,086
Public Safety	32,546,171	35,097,004	34,288,986	34,216,710
Public Works/Beach Maintenance	5,109,638	5,447,895	5,383,734	5,302,911
Sanitation And Waste Removal	5,389,174	5,645,750	5,629,302	5,616,940
Highways And Streets	5,727,860	5,178,020	5,425,812	5,402,696
Economic Development-Tourism	7,792,309	7,923,676	7,110,216	7,184,880
Culture & Recreation	7,259,523	7,402,438	7,747,273	7,697,061
Debt Service	4,469,029	5,339,468	5,129,093	5,220,163
<b>TOTAL EXPENDITURES</b>	<u>72,153,995</u>	<u>75,913,536</u>	<u>74,786,875</u>	<u>74,641,447</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>4,936,605</u>	<u>3,672,271</u>	<u>3,789,395</u>	<u>3,662,058</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Operating Transfers-Out	(3,875,845)	(3,675,128)	(2,193,028)	(3,043,166)
Transfer To Capital Construction	(2,000,000)	(2,400,000)	(2,371,367)	(1,550,720)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(5,875,845)</u>	<u>(6,075,128)</u>	<u>(4,564,395)</u>	<u>(4,593,886)</u>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES</b>	<u>\$ (939,240)</u>	<u>\$ (2,402,857)</u>	<u>\$ (775,000)</u>	<u>(931,828)</u>

## **GENERAL GOVERNMENT**

**General Government consists of four divisions: the Legislative division; the Executive/Administrative division; Special Appropriations, and Planning and Community Development. For the purposes of this book, Planning and Community Development and Construction Inspection have been combined due to shared revenue from the plan review process.**

### **LEGISLATIVE DIVISION**

**This division consists of the Mayor and Council and the City Clerk's departments and includes the Board of Elections, Ethics Committee, Noise Board, Pension Trustees and Beach Mediation Board. The Mayor and seven Council members constitute the legislative and policy making body of the Town government. They enact ordinances and resolutions, review and adopt the budget, consider planning and zoning matters referred to them by the Planning Commission and establish programs and general policies for the welfare of the Town and its citizens.**

### **EXECUTIVE AND ADMINISTRATIVE DIVISION**

**This division consists of the City Manager, Finance, Human Resources and Legal divisions. These divisions are responsible for executing the Town Council's policies, ordinances, resolutions, and service objectives; keeping the Mayor and Council informed as to conditions of the Town's services, infrastructure and financial status. Other duties include billing and customer service for taxes, licenses and utility systems, accounting, auditing, capital financing, debt management, and budgeting.**

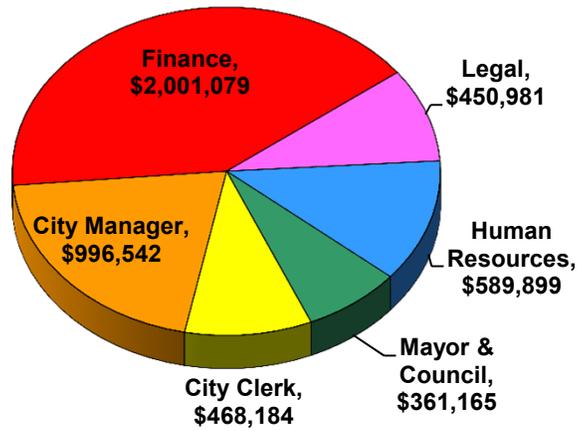
### **SPECIAL APPROPRIATIONS**

**This division includes grants made by the Town to various organizations. For purposes of this book, expenses are combined with debt service and Transfers to Other Funds and are shown in a separate section labeled "Miscellaneous".**

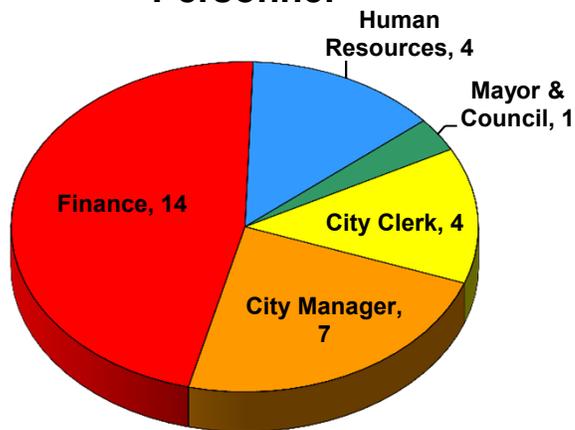
### **PLANNING AND COMMUNITY DEVELOPMENT**

**The department of Planning and Community Development consists of the divisions of Planning & Zoning and Code Enforcement. The department is responsible for preparing general and specific plans for the development of the Town, and for the administration of codes and regulations that implement those plans. The department administers and enforces the adopted Standard Building Code that includes issuing building permits and inspecting construction. The department is also responsible for providing staff support to various boards and commissions, including the Planning and Zoning Commission; Board of Zoning Appeals; Board of Port Wardens; and Board of Adjustments and Appeals.**

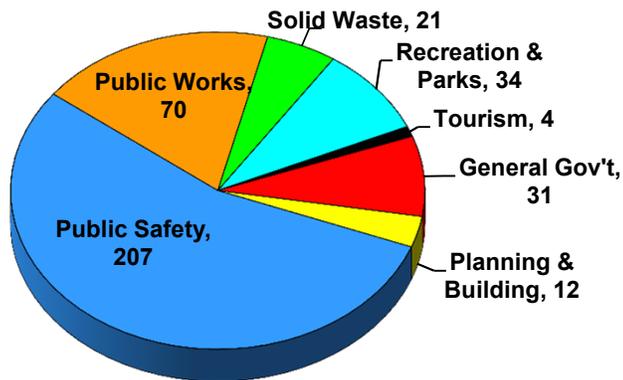
### FY 15 Departmental Expenses



### FY 15 General Government Full Time Personnel



### FY 15 Full Time General Fund Personnel



**TOWN OF OCEAN CITY  
FISCAL YEAR 2015 BUDGET**

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**LEGISLATIVE AND ADMINISTRATIVE DIVISIONS**

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**BUDGET HIGHLIGHTS:**

**PERSONNEL CHANGES:**

There are thirty-one employees in these divisions. An EMS Revenue Specialist position was eliminated in the Finance department and a Training Manager position was approved in the Human Resources department. Full-time wage increases include a step increase in January 2015. Health insurance premiums are projected to increase 6% beginning in January 2015. Increases in health care costs and retiree health are offset by reductions in projected worker's compensation, unemployment and pension costs for this division.

**CHANGES IN OPERATIONS:**

Contracted Services include professional services such as legal fees and consultants, maintenance, travel and training, printing and dues. Legal expenses account for \$416,731 of the Contracted Services line item in this division. Negotiation of the FOP labor contract has been scheduled for FY 15, and \$100,000 in legal fees has been included. No contract negotiations were included in the FY 14 budget. An allowance for other employment issues that may arise has been included at \$175,000. The annual Town audit is included in this line item at a cost of \$55,000. Banking services fees are budgeted to decrease \$9,600, to \$50,400. EMS billing fees have been included at \$100,000 and are offset by increased projected revenue. Printing and postage for two issues of the Town newsletter are also included. Travel and Training costs in this division increase marginally, and include on-site Laserfiche training budgeted in the Human Resources department. Other training in this division includes the Government Finance Officer's conference, and the National Hurricane conference for two council members and for the City Manager. Postage has been included at a cost of \$125,000, an increase of \$30,160 from the FY 14 budget. Purchases for Resale in the Finance division for FY 13 included tow signs that will not be purchased in FY 15. The Intragovernmental allocation for the Information Technology department decreases \$35,066 for this division. Allocations for Risk Management also decrease while the allocation for Vehicle Lease increases. No capital outlay has been requested.

**SUMMARY COMMENTS:**

These divisions are responsible for overall Town management, business functions, and record-keeping. The Mayor & Council, City Clerk, City Manager, Finance, Legal and Human Resources divisions are included in the summary. Administrative costs to manage the Town's various enterprise funds are allocated based on total expenses, number of personnel, and number of transactions performed for each fund. This reimbursement totals \$2,083,951 for FY 2015.

TOWN OF OCEAN CITY  
FISCAL YEAR 2015 BUDGET  
GENERAL FUND EXPENDITURES  
LEGISLATIVE AND ADMINISTRATIVE DIVISIONS

EXPENDITURES	ACTUAL 2013	REVISED 2014	CITY MANAGER PROPOSED 2015	COUNCIL ADOPTED 2015
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 2,213,280	2,192,367	\$ 2,291,780	\$ 2,235,876
EMPLOYEE BENEFITS	1,171,586	1,155,896	1,195,650	1,184,626
	<u>3,384,866</u>	<u>3,348,263</u>	<u>3,487,430</u>	<u>3,420,502</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	911,191	763,887	928,416	928,416
SUPPLIES & MATERIALS	236,165	177,702	175,565	175,565
ENERGY	0	0	0	0
VEHICLE SUPPLIES & REPAIR	5,828	5,568	6,162	6,162
INTRAGOVERNMENTAL	344,409	384,532	337,205	337,205
	<u>1,497,593</u>	<u>1,331,689</u>	<u>1,447,348</u>	<u>1,447,348</u>
OTHER FINANCIAL USES:				
DEBT SERVICE	0	0	0	0
TRANSFER OUT	0	0	0	0
CAPITAL OUTLAY	0	0	0	0
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
 TOTAL EXPENDITURES	 \$ <u>4,882,459</u>	 \$ <u>4,679,952</u>	 \$ <u>4,934,778</u>	 \$ <u>4,867,850</u>
LESS REVENUE GENERATED BY DIVISION				
REIMBURSEMENT FROM OTHER FUNDS FOR ADMINISTRATIVE SERVICES	<u>(2,084,945)</u>	<u>(1,974,147)</u>	<u>(2,083,951)</u>	<u>(2,083,951)</u>
TOTAL TOWN CONTRIBUTION	<u>\$ 2,797,514</u>	<u>\$ 2,705,805</u>	<u>\$ 2,850,827</u>	<u>\$ 2,783,899</u>

	ACTUAL 2013	REVISED 2014	CITY MANAGER PROPOSED 2015	COUNCIL ADOPTED 2015
MAYOR & COUNCIL	347,512	357,266	361,964	361,165
CITY CLERK	465,164	467,150	476,188	468,184
CITY MANAGER	1,043,733	939,732	1,004,940	996,542
FINANCE	1,976,407	2,035,596	2,013,579	2,001,079
LEGAL	531,772	320,127	450,981	450,981
HUMAN RESOURCES	517,871	560,081	627,126	589,899
	<u>4,882,459</u>	<u>4,679,952</u>	<u>4,934,778</u>	<u>4,867,850</u>

**TOWN OF OCEAN CITY  
FISCAL YEAR 2015 BUDGET**

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**ENGINEERING AND BEACH REPLENISHMENT**

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**BUDGET HIGHLIGHTS:**

**PERSONNEL CHANGES:**

Six full-time employees are budgeted in Engineering. An Office Associate position previously budgeted in Planning and Zoning was transferred to this division in FY 14. A step increase has been included for employees city-wide beginning in January. Projected increases in benefit costs have been partially offset by a reduction in the allocation for worker's compensation in this division.

**CHANGES IN OPERATIONS:**

Payment to the State of Maryland for the beach maintenance fund is the largest expense in Engineering. No payment was required in FY 13 or in FY 14, but \$250,000 has been included for FY 15. Payments made to this fund in the past include a payment of \$325,339 in FY 11 and a payment of \$429,012 in FY 12. Contracted Services include payments for storm water projects and professional services. In FY 13 and FY 14 funding for storm water projects was added to the budget throughout the fiscal year. No professional services comparable to these have been included in FY 15. Consulting services for Energy procurement bids have been included for \$5,000. ADA improvements at various locations have been included at \$3,000, and legal fees have been included at \$18,000. Supplies and Materials also reflects funding in FY 13 and FY 14 of storm water management projects. In FY 15, only basic supplies have been included. Vehicle Supplies and Repairs are budgeted to increase as the estimated costs for fuel and parts are expected to increase. Allocations for IT Services, vehicle lease and insurance all decrease for this division. No capital outlay has been requested.

**MAJOR 2014-2015 PROGRAM OBJECTIVES:**

The City Engineer has been given oversight of the Information Technology division as well as the Engineering and Beach Replenishment divisions. The City Engineer is also responsible for the Town's Capital Improvements Plan. Projects for FY 15 include completion of the Convention Center auditorium project, renovation of Fire Station 4 and Fire headquarters and construction of the Beach Patrol headquarters. Other duties handled by this division include stormwater/grading issues, energy management and electric procurement.

TOWN OF OCEAN CITY  
FISCAL YEAR 2015 BUDGET  
GENERAL FUND EXPENDITURES  
ENGINEERING AND BEACH REPLENISHMENT

EXPENDITURES	ACTUAL 2013	REVISED 2014	CITY MANAGER PROPOSED 2015	COUNCIL ADOPTED 2015
<b>PERSONNEL COSTS:</b>				
SALARY AND WAGES	\$ 566,200	\$ 504,099	\$ 520,455	\$ 516,253
EMPLOYEE BENEFITS	262,768	279,878	285,119	284,798
	<u>828,968</u>	<u>783,977</u>	<u>805,574</u>	<u>801,051</u>
<b>OPERATING EXPENSES:</b>				
BEACH RENOURISHMENT	0	0	250,000	0
CONTRACTED SERVICES	28,422	84,588	35,843	285,843
SUPPLIES & MATERIALS	13,299	26,521	9,917	9,917
VEHICLE SUPPLIES & REPAIR	13,686	13,361	14,015	14,015
INTRAGOVERNMENTAL	29,299	29,462	26,998	26,998
	<u>84,706</u>	<u>153,932</u>	<u>336,773</u>	<u>336,773</u>
<b>OTHER FINANCIAL USES:</b>				
DEBT SERVICE	0	0	0	0
TRANSFER OUT	0	0	0	0
CAPITAL OUTLAY	0	0	0	0
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL EXPENDITURES	\$ <u>913,674</u>	\$ <u>937,909</u>	\$ <u>1,142,347</u>	\$ <u>1,137,824</u>
<b>LESS REVENUE GENERATED BY DIVISION</b>				
STATE - STORMWATER MGMT	(10,425)	0	0	0
STORMWATER MGT REVIEW	(26,614)	(57,906)	(5,000)	(5,000)
	<u>(37,039)</u>	<u>(57,906)</u>	<u>(5,000)</u>	<u>(5,000)</u>
TOTAL TOWN CONTRIBUTION	\$ <u>876,635</u>	\$ <u>880,003</u>	\$ <u>1,137,347</u>	\$ <u>1,132,824</u>

**TOWN OF OCEAN CITY  
FISCAL YEAR 2015 BUDGET**

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**PLANNING AND COMMUNITY DEVELOPMENT DIVISION**

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**BUDGET HIGHLIGHTS:**

**REVENUE:**

Building Permit Revenue, the largest revenue generator in this division, has been budgeted at \$637,000. Total revenue for this division is budgeted \$41,720 higher than the FY 14 revised budget. The Town contribution to funding of this division was \$823,874 in FY 14, which has increased to \$850,983 in FY 15.

**PERSONNEL CHANGES:**

There are currently 12 employees in these two divisions. In FY 09, there were 15. The GIS coordinator position was transferred from the Engineering department in FY 14. A step increase for all full-time employees has been budgeted beginning in January. Part-time positions funded in this division include an Office Associate, a boardwalk code enforcement officer and a planning intern for assistance with the comprehensive plan. Health insurance, retiree health, and retirement costs increase for this division and are partially offset by a reduction in the allocation for worker's compensation.

**CHANGES IN OPERATIONS:**

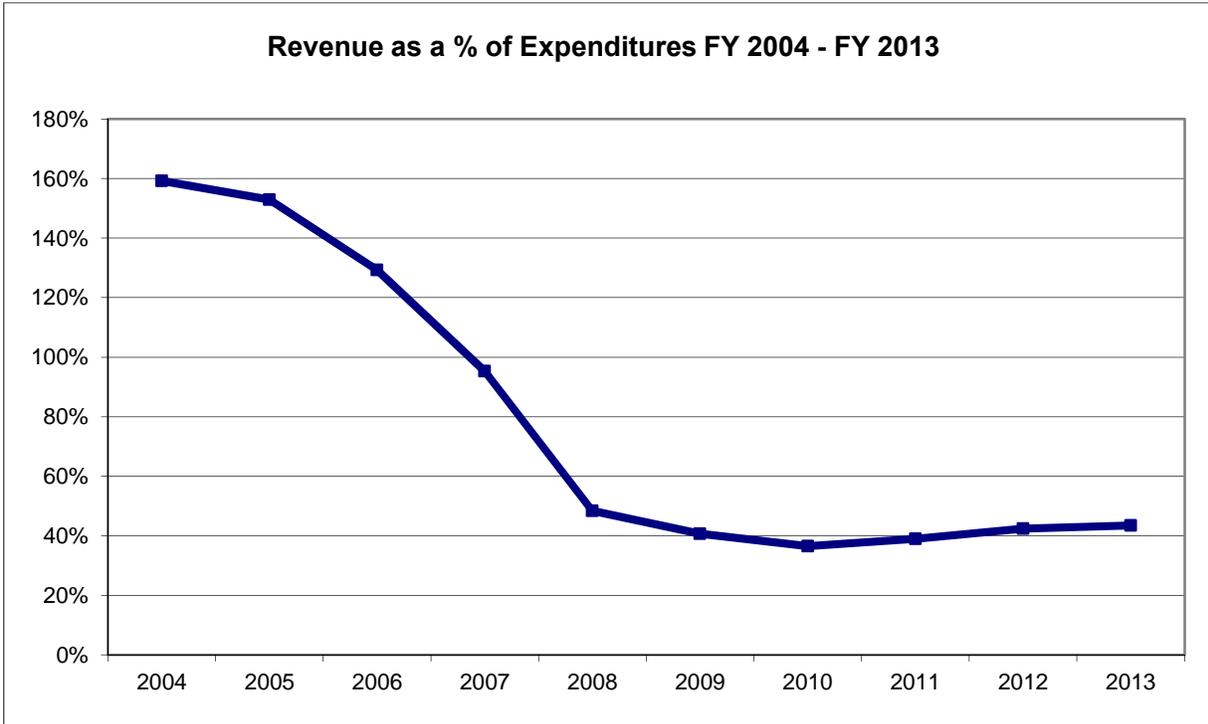
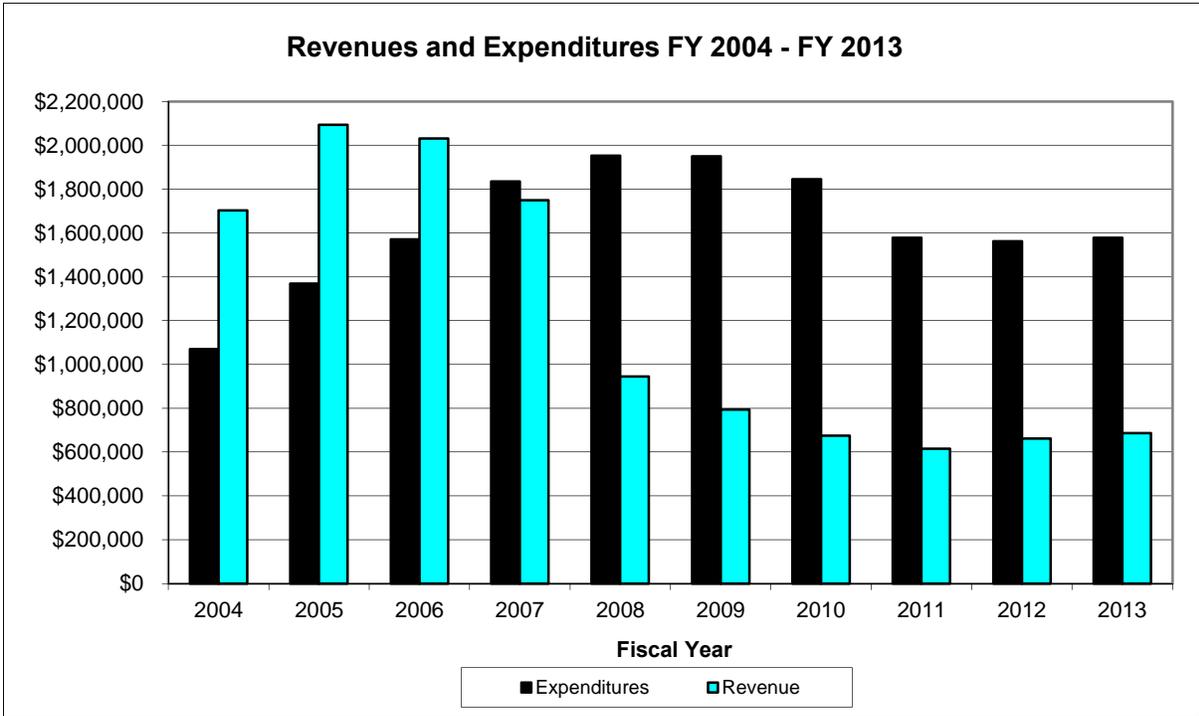
Contracted Services remain virtually unchanged. Training costs are budgeted at \$9,578 and include attendance at the National Planning conference in Seattle, the American Association of Code Enforcement conference in Chicago and a number of local training seminars. Training for the GIS Coordinator has been included as well as certification for the Zoning Analyst and the Planner positions. Legal services from the City attorney and for the boards account for \$27,000 of this line item. Other items funded in Contracted Services include equipment maintenance, dues and advertising. Funding for the Ocean City Development Corporation has again been included. The City's contribution continues to be \$100,000 with an anticipated \$100,000 contribution from Worcester County. Vehicle fuel, parts and labor costs are anticipated to decrease for this division. Fuel costs are budgeted at the average number of gallons used for the past two fiscal years. Intragovernmental allocations for IT Services and vehicle lease increase for this division.

**MAJOR PROGRAM OBJECTIVES:**

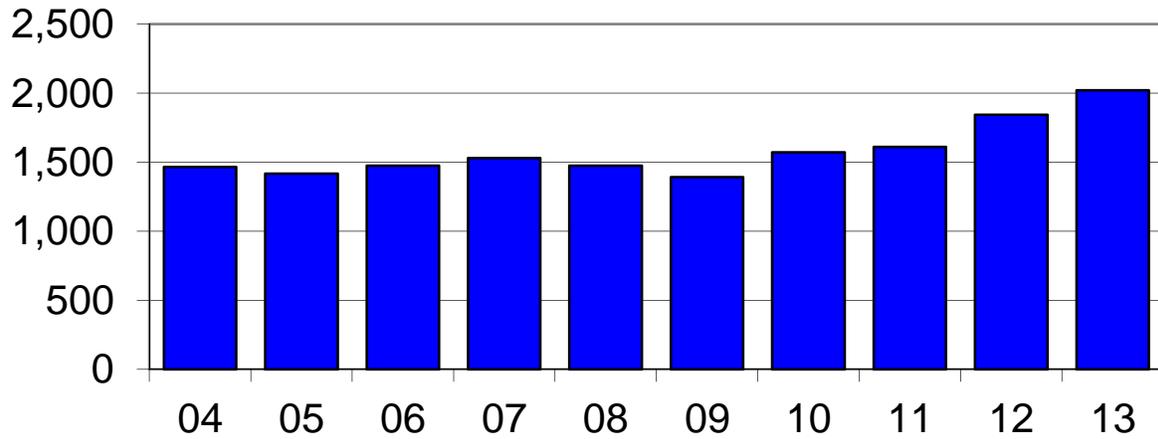
For FY 15, the department will coordinate and complete the 2013 Sustainable Community Plan and update the 2006 Comprehensive Plan. The department will continue to provide professional and efficient review and approval of development plans while providing support to local Boards and Commissions. An analysis of staff processes for internal and external customers will be conducted, and improvements will be implemented immediately. The department will continue to represent the interest of Ocean City by participating in the efforts of the Ocean City Development Corporation, the Maryland Coastal Bays Program and other appropriate entities dedicated to improving the town and region.

TOWN OF OCEAN CITY  
FISCAL YEAR 2015 BUDGET  
GENERAL FUND EXPENDITURES  
PLANNING AND COMMUNITY DEVELOPMENT DIVISION

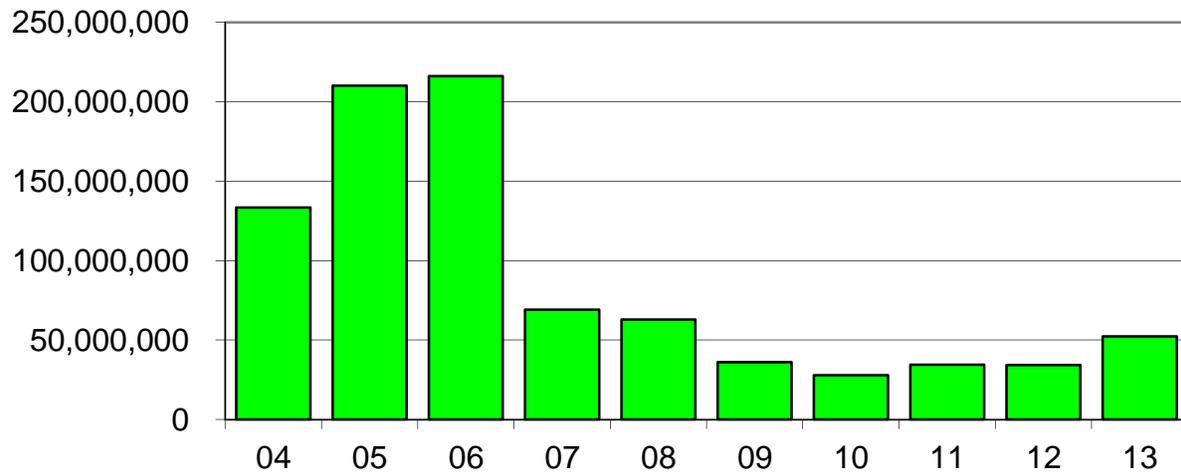
EXPENDITURES	ACTUAL 2013	REVISED 2014	CITY MANAGER PROPOSED 2015	COUNCIL ADOPTED 2015
<b>PERSONNEL COSTS:</b>				
SALARY AND WAGES	784,690	\$ 860,233	\$ 887,790	\$ 876,553
EMPLOYEE BENEFITS	461,533	437,921	449,806	448,946
	<u>1,246,223</u>	<u>1,298,154</u>	<u>1,337,596</u>	<u>1,325,499</u>
<b>OPERATING EXPENSES:</b>				
CONTRACTED SERVICES	61,580	50,482	49,690	49,690
CONTRIBUTION TO OCDC	190,000	200,000	200,000	200,000
SUPPLIES & MATERIALS	5,378	4,471	5,660	5,660
ENERGY	0	0	0	0
VEHICLE SUPPLIES & REPAIR	13,519	12,940	12,076	12,076
INTRAGOVERNMENTAL	61,061	66,527	108,478	108,478
	<u>331,538</u>	<u>334,420</u>	<u>375,904</u>	<u>375,904</u>
<b>OTHER FINANCIAL USES:</b>				
DEBT SERVICE	0	0	0	0
TRANSFER OUT	0	0	0	0
CAPITAL OUTLAY	0	0	0	0
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL EXPENDITURES	<u>\$ 1,577,761</u>	<u>\$ 1,632,574</u>	<u>\$ 1,713,500</u>	<u>\$ 1,701,403</u>
<b>LESS REVENUE GENERATED BY DIVISION</b>				
SITE PLAN REVIEW - STAFF	(21,709)	(20,000)	(25,000)	(25,000)
PUBLIC HEARING - PLAN & ZONING	(450)	(2,000)	(2,000)	(2,000)
PLAN REVIEW - PLAN & ZONING	(11,770)	(10,000)	(12,500)	(12,500)
PUBLIC HEARING - ZONING APPEALS	(20,856)	(20,000)	(20,000)	(20,000)
PUBLIC HEARING - PORT WARDENS	(21,902)	(16,000)	(18,000)	(18,000)
MINOR REVIEW - PORT WARDENS	(3,864)	(3,000)	(4,000)	(4,000)
MOBILE HOME PERMITS	(1,586)	(1,200)	(1,200)	(1,200)
BUILDING PERMITS	(569,586)	(609,000)	(587,000)	(637,000)
TEMPORARY TRAILER PERMITS	(17,159)	(16,000)	(16,920)	(16,920)
SIGN PERMITS	(12,397)	(8,500)	(10,500)	(10,500)
O C DEVELOPMENT CORP GRANT	(90,000)	(100,000)	(100,000)	(100,000)
ADJUSTMENT & APPEALS HEARING	(4,972)	(3,000)	(3,300)	(3,300)
	<u>(776,251)</u>	<u>(808,700)</u>	<u>(800,420)</u>	<u>(850,420)</u>
TOTAL TOWN CONTRIBUTION	<u>\$ 801,510</u>	<u>\$ 823,874</u>	<u>\$ 913,080</u>	<u>\$ 850,983</u>



### Total Permits Issued CY 04- CY 13



### Valuation of Permits CY 04- CY 13



## **PUBLIC SAFETY**

**Public Safety consists of the following budgets: Police; Communications; Emergency Management; Electronics; Volunteer Fire Company; Career Fire/Emergency Medical Services (EMS); Fire Marshal and the Construction Inspection division of Planning and Community Development. In this book, Construction Inspection has been combined with Planning and Community Development due to revenue shared through the plan review process.**

### **POLICE**

**The Ocean City Police department provides 24-hour police service with 130 full-time employees augmented by 158 temporary employees during the summer season. Police operations are conducted from the Public Safety Building at 65<sup>th</sup> Street. This department is comprised of four divisions: Administration, Services, Criminal Investigation, and Patrol. A seasonal substation is located on Worcester Street on the boardwalk. In addition to regular patrol assignments, police support units function for narcotics enforcement; training; records; detention; K-9; traffic; equestrian unit; animal control; and a quick response team.**

### **COMMUNICATIONS/ELECTRONICS/EMERGENCY MANAGEMENT**

**The Communications department has three major areas of responsibility: operation of the Emergency Communications Center; maintenance of the citywide radio system; and operation of an Emergency Management program. Located in the Public Safety Building at 65<sup>th</sup> St, the Communications center operates 24 hours per day, receiving and dispatching calls for service for the Police, EMS, the Fire Company, and other City departments. In addition, the Center monitors weather radar and is linked with other Federal, State and Local agencies to provide information or warnings to response agencies and the public. Maintenance of the radio system is managed by a two-person staff that provides general electronic support to the departments. An Emergency Planner coordinates all planning, response and recovery for potential emergencies or disasters. A key part of this program is the maintenance of the Emergency Operations Plan and the management of the Emergency Operations Center.**

### **VOLUNTEER FIRE COMPANY**

**Since its creation in 1905, the Ocean City Volunteer Fire Company, Inc. has provided fire and rescue services for Ocean City. The OCVFC is a volunteer organization with approximately 290 members who respond out of five stations housing nine engines, three aerial trucks, two rescue units, a special hazards unit (HazMat) and 11 other specialized apparatus. In partnership with the Fire/EMS division, the OCVFC responded to 1,252 calls for service in 2013. All volunteer fire fighters are certified to national fire fighting standards. The company has a special hazards unit with members certified in Hazardous Materials Response. This unit**

## PUBLIC SAFETY (CONTINUED)

### VOLUNTEER FIRE COMPANY (CONTINUED)

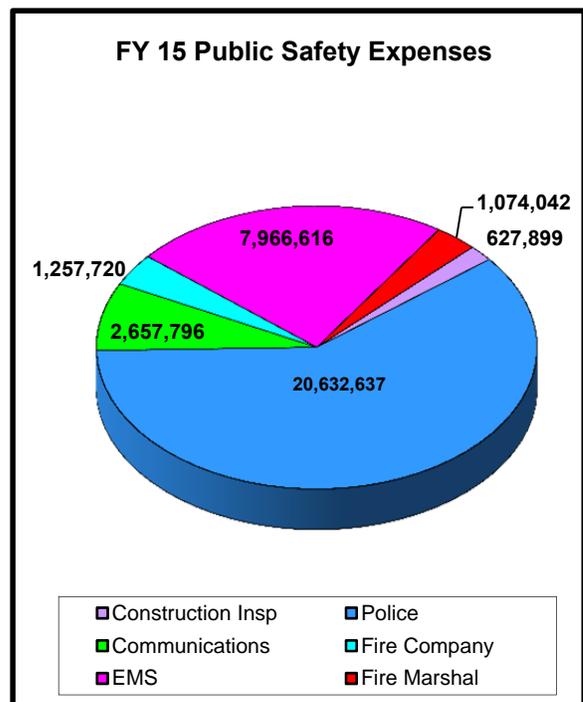
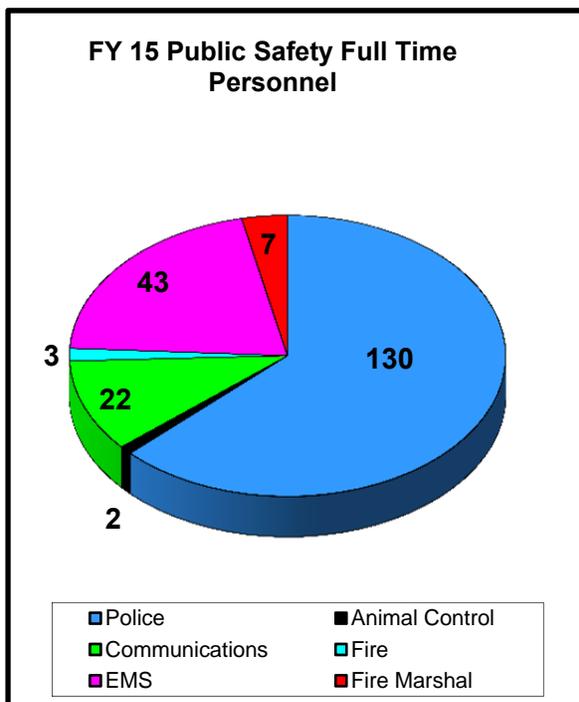
provides HazMat response to Ocean City and surrounding areas. The OCVFC is one of the largest volunteer fire companies in the state and is noted for its professionalism and expertise.

### CAREER FIRE/EMERGENCY MEDICAL SERVICES

Ocean City Fire/EMS division responds to approximately 4,400 calls for service each year. The department traveled over 62,000 miles providing emergency services to the residents and visitors. There are 43 full-time field personnel and 67 part-time personnel. All personnel are trained to national standards for fire suppression, rescue, and emergency medical operations that require a minimum of 120 hours of continuing education. Personnel receive training in Advanced Cardiac Life Support, Basic Trauma Life Support, and Pediatric Advanced Life Support. The department is also involved in public education. It participates in the annual Health Fair sponsored by A.A.R.P., gives free blood pressure monitoring, and conducts a number of CPR classes.

### FIRE MARSHAL

The Ocean City Fire Marshal's Office is committed to preserving lives, and protecting property from fire, explosions, and other hazards with a goal to make Ocean City virtually fire free. This can only be accomplished through detailed and continuous fire safety/life safety inspections and increased Fire Protection programs. The Fire Prevention programs are formulated to educate all of our citizens, both young and old. Duties of the Fire Marshal's office include management of fire investigations, bomb and incendiary device incidents and hazardous materials events.



**TOWN OF OCEAN CITY  
FISCAL YEAR 2015 BUDGET**

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**POLICE DIVISION**

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**BUDGET HIGHLIGHTS:**

**REVENUE CHANGES:**

State Police Aid was reduced 35% in FY 10, but was restored to full funding in FY 14, and should remain at full funding for FY 15. Grants received in FY 13 totaled \$182,066 and will be added to the FY 15 budget as received. Also shown in FY 13 is the balance of a donation for the Mounted Unit. Revenue received from forfeited assets will be recognized as needed. Revenue from parking fines is budgeted at the FY 13 actual level. Revenue from tow fines is projected to increase, with a corresponding increase on the expense side. Building rental for District Court will not change in FY 15.

**PERSONNEL CHANGES:**

Retirement of long-time officers and replacement with lower ranking officers has resulted in savings in this division. Increments included for full-time positions total \$164,676. Full-time salaries in the Patrol division have been funded at 98% to account for future retirements of senior staff and position vacancies, a reduction of \$88,895. Also included in full-time salaries is a reclassification of the eight Public Safety officer positions to Custody officer at a cost of \$32,513. Part time salaries increase \$89,774. Four additional seasonal staff for the detention area were approved at a cost of \$40,701, and are in lieu of four additional full-time civilian staff. Additional weeks for seasonal officers have been approved in the Patrol division. Funding for a part-time horse groom was approved one day per week for 46 weeks and six weeks seasonally at a cost of \$6,400. Overtime costs are budgeted to increase \$26,000 in the Criminal Investigation division. All benefit categories increase, most notably for pension and the allocation for worker's compensation. Worker's compensation increases \$141,439 and pension increases \$143,542. Projected unemployment expense decreases \$16,000 for this department. Overall salaries and benefits increase \$544,213 from FY 14.

**CHANGES IN OPERATIONS:**

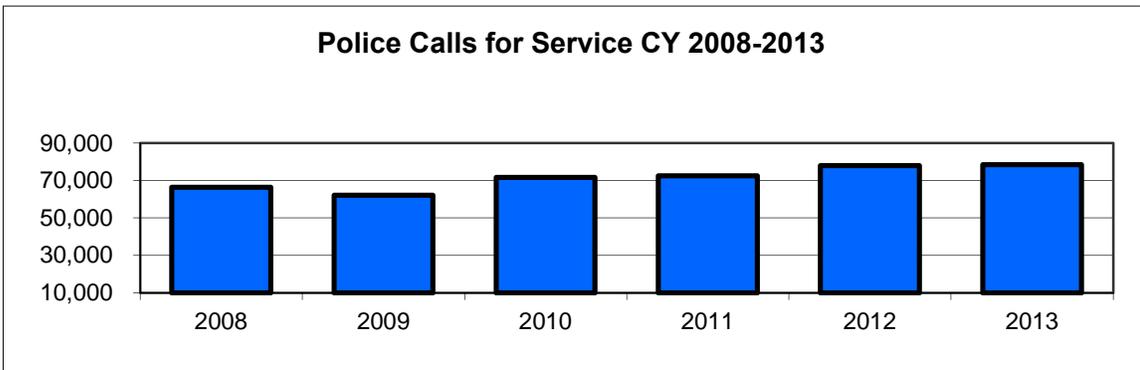
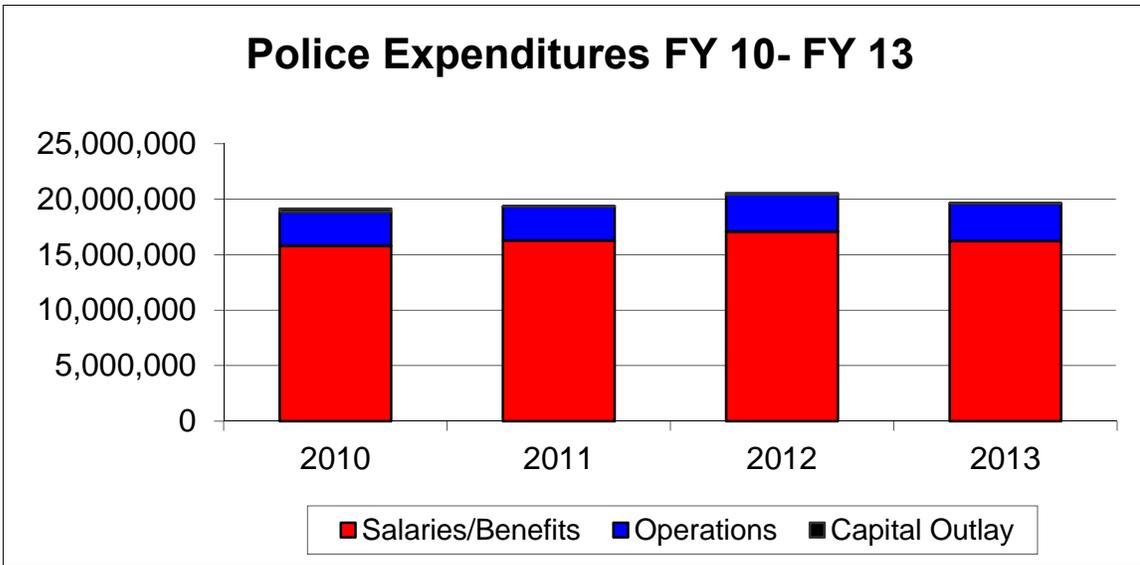
Contracted Services includes \$256,000 in towing expenses and \$117,240 for communications expense. Training and Travel has been budgeted at \$185,418, the same level as FY 14, and includes \$50,000 for court-related travel, and \$32,400 for mandated training expenses. Also included in this line item is \$30,000 for consultants for legal and policy review and \$8,450 for psychological testing for seasonal officers. The contract with Bay Pines Farm to cover the cost of the year-round horse groom is included at a cost of \$25,160. Professional Services and legal services decrease nearly \$16,000 overall. General building and equipment maintenance decreases \$158,352. The FY 14 budget included an automatic transfer switch replacement at \$16,192 and purchase orders brought forward from FY 13 in the amount of \$23,710, as well as replacement of the detention area door access control system. Supplies and Materials include all operational supplies and uniform costs. The light bars, sirens and striping for four marked and one unmarked Police vehicles have been included in this line item at a cost of \$18,800. Ammunition purchases are also included in this line item at a cost of \$44,047. Replacement uniforms and items included in the Fraternal Order of Police contract are also included in this line item at a cost of \$197,889. A replacement conference room table, chairs and window treatments were requested, but deleted by the Mayor and Council. Operational Supplies also includes \$7,865 in requested funding for an industrial stove, oven and microwave. Energy costs are expected to increase in FY 15 and are based on the actual expense for the past twelve months. Vehicle fuel costs are expected to decrease in FY 15, vehicle parts costs are projected to remain the same and vehicle labor costs are projected to increase. The Police department's portion of the CAD/RMS maintenance costs have been charged through Intragovernmental expenses. Maintenance and support cost this department \$107,119 annually. Overall, the allocation for IT services increases \$41,779. Vehicle lease payments to the Vehicle Trust Fund increase \$21,045 in FY 15. Insurance costs decrease as the General Liability policy costs specifically for this division decrease. Capital outlay in FY 13 and FY 14 was purchased with Homeland Security grants or with forfeiture funds. No capital outlay has been budgeted for this division. Three Chevy Tahoes and two Chevy Caprices were approved in the Vehicle Trust Fund.

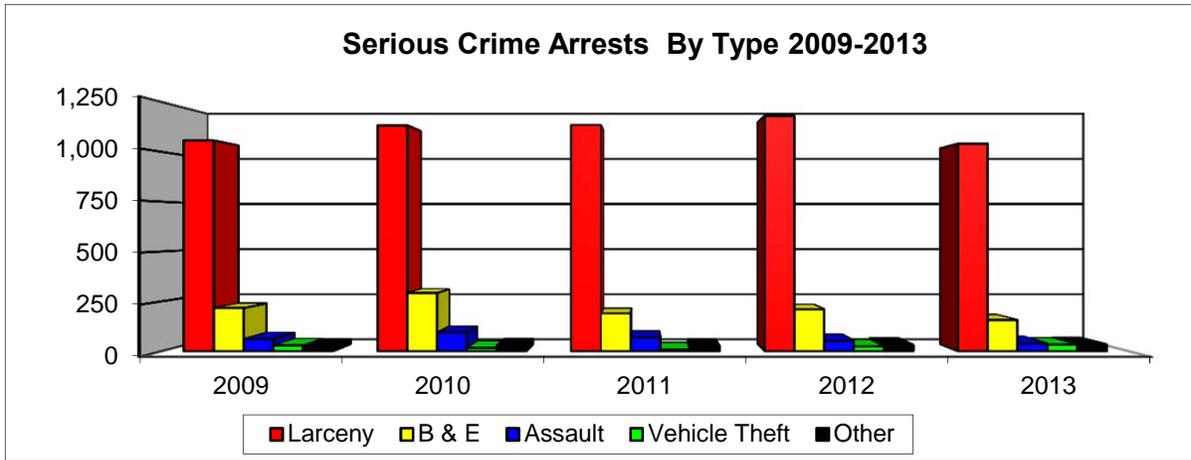
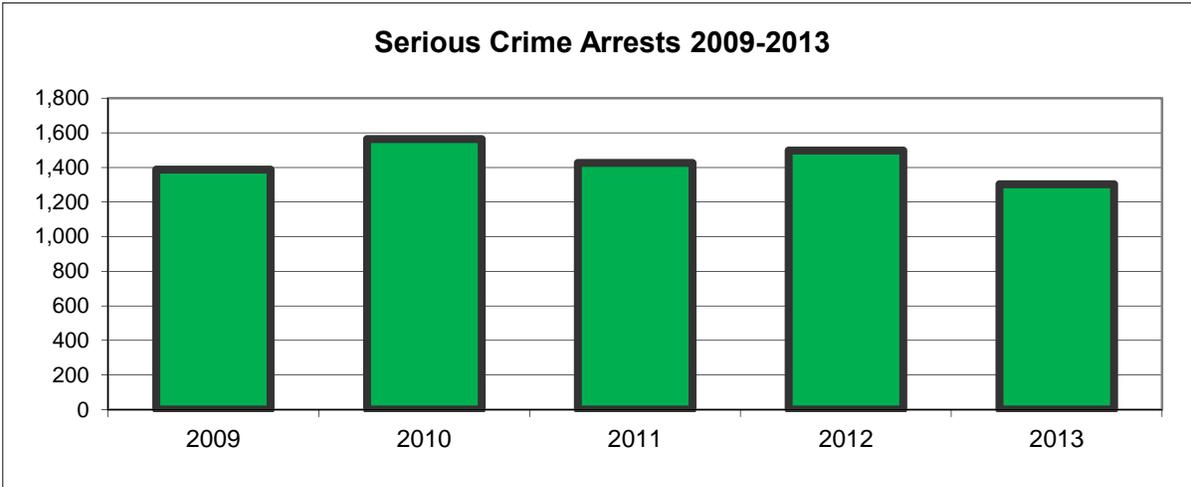
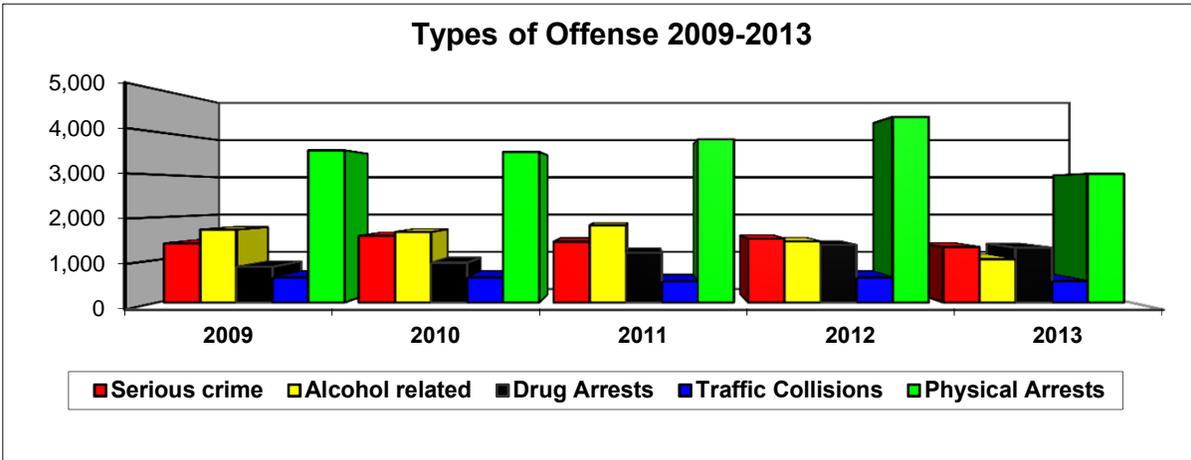
TOWN OF OCEAN CITY  
FISCAL YEAR 2015 BUDGET  
GENERAL FUND EXPENDITURES  
POLICE DIVISION

EXPENDITURES	ACTUAL 2013	REVISED 2014	CITY MANAGER PROPOSED 2015	COUNCIL ADOPTED 2015
<b>PERSONNEL COSTS:</b>				
SALARY AND WAGES	\$ 10,480,051	\$ 10,586,833	\$ 10,747,867	\$ 10,728,026
EMPLOYEE BENEFITS	5,731,532	5,938,403	6,343,878	6,341,423
	<u>16,211,583</u>	<u>16,525,236</u>	<u>17,091,745</u>	<u>17,069,449</u>
<b>OPERATING EXPENSES:</b>				
CONTRACTED SERVICES	882,603	970,495	927,140	922,580
MAINTENANCE	123,852	340,266	181,914	181,914
SUPPLIES & MATERIALS	589,660	678,003	619,037	604,337
ENERGY	233,423	213,000	227,800	227,800
VEHICLE SUPPLIES & REPAIR	748,961	718,104	715,882	715,882
INTRAGOVERNMENTAL	821,035	850,413	921,888	910,675
	<u>3,399,534</u>	<u>3,770,281</u>	<u>3,593,661</u>	<u>3,563,188</u>
<b>OTHER FINANCIAL USES:</b>				
DEBT SERVICE	0	0	0	0
TRANSFER OUT	0	0	0	0
CAPITAL OUTLAY	61,486	742,456	0	0
	<u>61,486</u>	<u>742,456</u>	<u>0</u>	<u>0</u>
TOTAL EXPENDITURES	<u>\$ 19,672,603</u>	<u>\$ 21,037,973</u>	<u>\$ 20,685,406</u>	<u>\$ 20,632,637</u>
<b>LESS REVENUE GENERATED BY DIVISION</b>				
ANIMAL LICENSES	(795)	(1,000)	(950)	(950)
NOISE PERMITS	(206,946)	(212,000)	(210,000)	(210,000)
PARKING FINES	(274,870)	(310,000)	(280,000)	(280,000)
STATE-POLICE AID	(280,592)	(397,169)	(397,169)	(397,169)
STATE - TRAFFIC GRANTS	(27,862)	(25,000)	(25,000)	0
STATE - OTHER GRANTS	(92,314)	(49,126)	0	(25,000)
STATE - EMG MGT GRANT	(61,486)	(65,455)	0	0
FEDERAL -" BLOCK GRANTS"	(404)	0	0	0
FINGERPRINTING	(2,774)	(2,000)	(2,000)	(2,000)
DONATIONS	(167,469)	(119,959)	0	0
DOG VIOLATIONS	0	0	0	0
POLICE TOW FINES	(278,255)	(240,000)	(260,000)	(260,000)
PRIVATE TOW FINES	(84,934)	(95,000)	(95,000)	(95,000)
FALSE ALARMS	(1,626)	(2,500)	(2,500)	(2,500)
MUNICIPAL INFRACTIONS	(32,730)	(45,000)	(30,000)	(30,000)
BUILDING RENTAL	(164,299)	(160,044)	(160,044)	(160,044)
IMPOUNDED VEHICLES/FUNDS	(111,939)	(89,609)	(40,000)	(40,000)
	<u>(1,789,295)</u>	<u>(1,813,862)</u>	<u>(1,502,663)</u>	<u>(1,502,663)</u>
<b>TOTAL TOWN CONTRIBUTION</b>	<u>\$ 17,883,309</u>	<u>\$ 19,224,111</u>	<u>\$ 19,182,743</u>	<u>\$ 19,129,974</u>

OCEAN CITY POLICE DEPARTMENT  
 FULL-TIME SWORN PERSONNEL ALLOCATIONS  
 2013, 2014, BUDGET 2015

	FY-2013	FY-2014	FY-2015
Chief	1	1	1
Captain	3	3	3
Lieutenant	9	9	9
Sergeant	12	12	13
Corporal	18	18	17
PFC	36	32	33
Officer	26	30	29
	<u>105</u>	<u>105</u>	<u>105</u>





**TOWN OF OCEAN CITY  
FISCAL YEAR 2015 BUDGET**

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**COMMUNICATIONS, ELECTRONICS, EMERGENCY MANAGEMENT**

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**BUDGET HIGHLIGHTS:**

**REVENUE CHANGES:**

Continued participation in the Emergency Management Assistance (EMA) funding from the Federal Emergency Management Agency. A grant equivalent to the partial salary and benefits of the Emergency Management Director has been included. A portion of the Homeland Securities grant funds will be allocated to cover the partial salary and benefits of the Emergency Planner. Apparent decreases reflect Homeland Security funds received in FY 2013 and FY 2014. Any future funding received from this agency will be added to the budget in a future budget amendment. The estimate for antenna rents for the Ocean Pines tower decreases slightly.

**PERSONNEL CHANGES:**

Twenty-two positions are funded in this division. One additional Communications operator positions has been funded, while a Training Coordinator position and six additional Communication operator positions were requested, but have not been funded. Also requested, but not funded were an Emergency Planner position and an Electronic Equipment Specialist position. Funding continues for one Emergency Planner position and grant funds will be used to partially offset this cost. Wage increments for full-time employees have been included and are partially offset by retirement of senior staff. Three seasonal Dispatcher positions were added to staff the "City Watch" surveillance program at a cost of \$33,065. Benefit costs include health insurance for the requested full-time position. All benefit categories increase, notably worker's compensation and pension. .

**CHANGES IN OPERATIONS:**

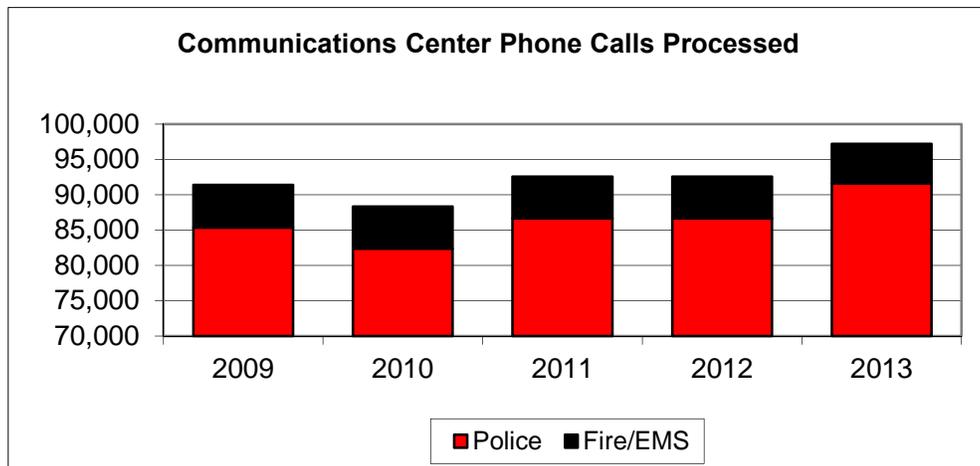
Contracted Services includes equipment maintenance, training costs, printing and other services. Training covered by grants in FY 14 has not been included in FY 15, resulting in savings of \$21,344. Training has been budgeted at the FY 14 level and includes OSSI training for two Communications operators, and attendance at the International Association of Emergency Manager's conference. Attendance at the APCO national conference for three employees has also been included. Maintenance costs increase and include the HVAC contracts for the Electronics shop and the radio towers. Supplies & Materials include operational and uniform costs for the three divisions. Satellite modem and router replacement was budgeted in FY 14 at a cost of \$6,250. A mobile satellite phone for the Emergency Management division has been funded at a cost of \$2,600. Energy costs increase and are based on the actual expense for the past twelve months. Vehicle Supplies and Repair includes \$2,500 for body rust repair to OC1 and \$10,000 to repair the light tower radio mast. Intragovernmental expenses increase and include \$52,800 for the Comcast connection for the boardwalk surveillance project and an additional \$23,963 for this department's PC allocation through IT. Allocation for insurance costs also increases for this division. Capital outlay decreases because equipment purchased with Homeland Security grant funds included in FY 2013 and FY 2014 has not been included in FY 2015.

**SUMMARY COMMENTS:**

The Emergency Communications Center continues to receive and dispatch increasing numbers of calls for service. The Electronics division staff are challenged to maintain the Town's aging radio system equipment and to pursue replacement options. The replacement radio system was identified as a top priority in the most recent Strategic Plan. Emergency Management's focus will be comprehensive revisions of the Emergency Operations Plan, to conduct public safety exercises and to further develop a Community Disaster Recovery Plan

TOWN OF OCEAN CITY  
FISCAL YEAR 2015 BUDGET  
GENERAL FUND EXPENDITURES  
COMMUNICATIONS, ELECTRONICS, EMERGENCY MANAGEMENT

EXPENDITURES	ACTUAL 2013	REVISED 2014	CITY MANAGER PROPOSED 2015	COUNCIL ADOPTED 2015
<b>PERSONNEL COSTS:</b>				
SALARY AND WAGES	\$ 1,337,162	\$ 1,365,997	\$ 1,427,376	\$ 1,415,777
EMPLOYEE BENEFITS	679,336	744,938	812,473	811,586
	<u>2,016,498</u>	<u>2,110,935</u>	<u>2,239,849</u>	<u>2,227,363</u>
<b>OPERATING EXPENSES:</b>				
CONTRACTED SERVICES	142,089	129,286	85,516	85,516
MAINTENANCE	24,359	30,078	30,626	30,626
SUPPLIES & MATERIALS	49,495	55,672	46,856	46,856
ENERGY	36,472	32,775	40,808	40,808
VEHICLE SUPPLIES & REPAIR	20,772	16,670	34,359	34,359
INTRAGOVERNMENTAL	96,016	108,463	192,268	192,268
	<u>369,203</u>	<u>372,944</u>	<u>430,433</u>	<u>430,433</u>
<b>OTHER FINANCIAL USES:</b>				
DEBT SERVICE	0	0	0	0
TRANSFER OUT	0	0	0	0
CAPITAL OUTLAY	58,018	73,765	0	0
	<u>58,018</u>	<u>73,765</u>	<u>0</u>	<u>0</u>
<b>TOTAL EXPENDITURES</b>	<b>\$ <u>2,443,719</u></b>	<b>\$ <u>2,557,644</u></b>	<b>\$ <u>2,670,282</u></b>	<b>\$ <u>2,657,796</u></b>
<b>LESS REVENUE GENERATED BY DIVISION</b>				
STATE EMERGENCY MGT. GRANT	(109,500)	(169,515)	(109,500)	(114,500)
OTHER GRANTS	(13,799)	(65,144)	0	0
ANTENNA RENTS	(68,398)	(59,000)	(58,000)	(58,000)
	<u>(177,898)</u>	<u>(228,515)</u>	<u>(167,500)</u>	<u>(172,500)</u>
<b>TOTAL TOWN CONTRIBUTION</b>	<b>\$ <u><u>2,265,821</u></u></b>	<b>\$ <u><u>2,329,129</u></u></b>	<b>\$ <u><u>2,502,782</u></u></b>	<b>\$ <u><u>2,485,296</u></u></b>



**TOWN OF OCEAN CITY  
FISCAL YEAR 2015 BUDGET**

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**VOLUNTEER FIRE DIVISION**

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**BUDGET HIGHLIGHTS:**

**PERSONNEL CHANGES:**

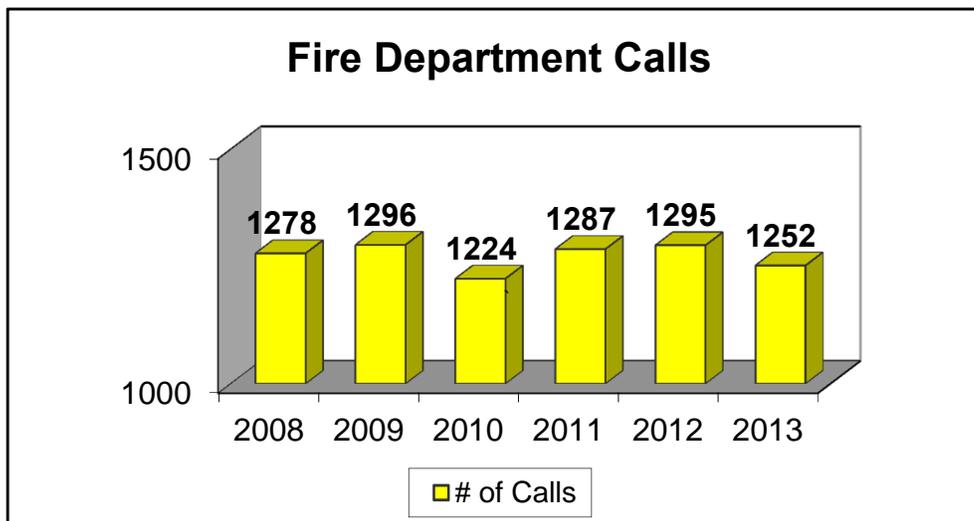
There are three full-time positions in this division, two firefighter/mechanics and one clerical position. The Chief's part-time office associate position was transferred to the EMS division in 2014. Wage increments have been included for the three full-time positions. All benefit categories are projected to increase, in particular, worker's compensation and pension.

**CHANGES IN OPERATIONS:**

Contracted Services include such items as: training, fire company physicals, equipment maintenance, communications, and fire company insurance policies. Approved training has been reduced from the FY 14 revised budget. The online learning management system has been deleted resulting in a cost savings of \$3,000. Communications expense increases \$5,595 as the number of replacement pagers increased from 15 to 20 and the number of Verizon wireless cards increased from 11 to 20. The Fire Company insurance policies are budgeted at \$64,730, a slight reduction from FY 14. Comprehensive physicals for volunteer firemen have been budgeted at a cost of \$34,202, an increase of \$9,202. Required maintenance for the marine unit at 500 and 1,000 hours of operation has also been included. Building and equipment maintenance are projected to decrease \$6,000 in the FY 15 adopted budget. Operational supplies include items such as replacement hose, nozzles, air bottles, and fire fighter turnout gear. This line item decreases \$609,711 from the FY 14 revised budget, which included \$583,325 for replacement of the department's Self-Contained breathing apparatus. A grant was received to cover \$383,325 of this cost. Also included in FY 14 was \$30,000 for equipment for the pumper/tanker. Twenty sets of replacement fire gear at a cost of \$38,000 have been included. Energy costs are projected to increase. Vehicle fuel costs have been budgeted to decrease next fiscal year, and are based on the average number of gallons used in the past two fiscal years. An allowance for fuel costs for the fire boat has been included at \$20,000. Vehicle maintenance costs also increase and include an allowance of \$3,410 for parts for the fire boat. Routine items such as tires, brake drums and valves for the other fire apparatus have been included. Allocations for IT increase in FY 15, as the equipment approved in IT for this department and the maintenance for Fire Company programs increases. Maintenance on the OSSI program for this division totals \$12,731. Capital outlay reflects the Town's contribution to the fire equipment fund of \$173,910. Purchases made with Homeland Security grants were included in capital outlay in FY 13 and in FY 14.

TOWN OF OCEAN CITY  
FISCAL YEAR 2015 BUDGET  
GENERAL FUND EXPENDITURES  
VOLUNTEER FIRE DIVISION

EXPENDITURES	ACTUAL 2013	REVISED 2014	CITY MANAGER PROPOSED 2015	COUNCIL ADOPTED 2015
<b>PERSONNEL COSTS:</b>				
SALARY AND WAGES	\$ 198,761	\$ 176,003	\$ 178,392	\$ 177,782
EMPLOYEE BENEFITS	145,181	151,886	164,778	164,731
	<u>343,942</u>	<u>327,889</u>	<u>343,170</u>	<u>342,513</u>
<b>OPERATING EXPENSES:</b>				
CONTRACTED SERVICES	161,925	171,690	177,256	177,256
MAINTENANCE	84,403	57,527	51,527	51,527
SUPPLIES & MATERIALS	160,901	774,025	164,314	164,314
ENERGY	59,002	55,900	60,500	60,500
VEHICLE SUPPLIES & REPAIR	187,073	225,881	215,704	215,704
INTRAGOVERNMENTAL	86,974	67,346	71,996	71,996
	<u>740,278</u>	<u>1,352,369</u>	<u>741,297</u>	<u>741,297</u>
<b>OTHER FINANCIAL USES:</b>				
DEBT SERVICE	0	0	0	0
TRANSFER OUT	0	0	0	0
CAPITAL OUTLAY	177,485	187,209	173,910	173,910
	<u>177,485</u>	<u>187,209</u>	<u>173,910</u>	<u>173,910</u>
TOTAL EXPENDITURES	<u>\$ 1,261,705</u>	<u>\$ 1,867,467</u>	<u>\$ 1,258,377</u>	<u>\$ 1,257,720</u>
<b>LESS REVENUE GENERATED BY DIVISION</b>				
EMERGENCY MGT GRANTS	(3,575)	(437,874)	0	0
FALSE ALARM FINES	(1,626)	(2,500)	(2,500)	(2,500)
	<u>(5,201)</u>	<u>(440,374)</u>	<u>(2,500)</u>	<u>(2,500)</u>
<b>TOTAL TOWN CONTRIBUTION</b>	<u>\$ 1,256,505</u>	<u>\$ 1,427,093</u>	<u>\$ 1,255,877</u>	<u>\$ 1,255,220</u>



**TOWN OF OCEAN CITY  
FISCAL YEAR 2015 BUDGET**

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**CAREER FIRE/EMS DIVISION**

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**BUDGET HIGHLIGHTS:**

**REVENUE CHANGES:**

A new fee schedule was adopted for FY 14. There will be no differentiation in charges to residents of Ocean City and residents of West Ocean City. Fees consist of an Advanced Life Support or a Basic Life Support charge depending upon the level of service rendered and a charge for mileage. Basic Life Support fees were increased from \$325 to \$425, advanced life support level one fees were increased from \$415 to \$600 and advanced life support level two fees were increased from \$550 to \$650. The mileage rate was increased from \$8 per mile to \$15 per mile. Revenue for FY 14 is projected to increase \$300,000 due to the increase in fees. Worcester County reimburses the Town \$187 per run for in-town and \$748 per run for out-of-town calls. The per-paramedic subsidy remained at \$5,000, and the per-ambulance subsidy remained at \$10,000. County grants have been included at \$1,178,041.

**PERSONNEL CHANGES:**

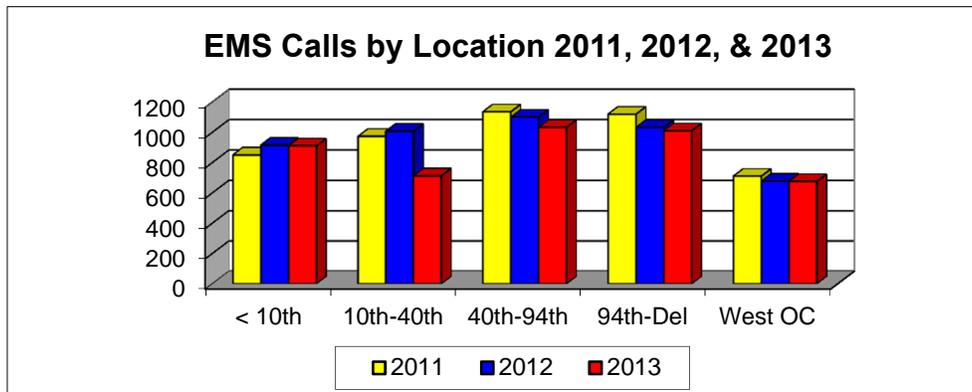
The FY 15 budget includes forty-three full-time positions. Positions included are: a Fire Chief, a Deputy Chief, an Assistant Chief, six Captains, seven Lieutenants, and twenty-seven Firefighter/EMTs. Six Firefighter/EMT positions converted to part-time in FY 13 were converted back to full-time employees in FY 14. A reduction was made in part-time staffing to partially offset the conversion to full-time. The FY 15 budget includes one step increase as negotiated in the last IAFF contract. Retirement of senior staff offsets the cost of the wage increments. Projected overtime expenses decrease by nearly \$86,000. A part-time Office Associate position, funded in the Volunteer division until FY 14 has been transferred to the Career division. Retiree health insurance and Pension funding estimates increase for this division, but are offset by reductions in health insurance and the allocation for worker's compensation.

**CHANGES IN OPERATIONS:**

Contracted Services includes \$46,901 for required physicals for all Fire/EMS personnel. This cost includes the cost of a comprehensive physical, stress ECGs and blood tests for haz mat technicians. Training and travel costs, also included here, are budgeted at \$14,145. Funding has been approved by the Paramedic Foundation for an additional \$3,200 in training. Marine firefighter training was requested for six employees at a cost of \$14,285, but was eliminated during City Manager review. Equipment maintenance costs are expected to decrease in FY 14. Dive Team equipment maintenance is included at \$16,220 as is the maintenance contract on the defibrillators, \$14,355 and maintenance on other EMS equipment. Supplies and Materials include medical and training supplies and uniform costs and are budgeted to decrease \$6,811. Items funded by the Paramedic Foundation were included in FY 14. Textbooks for EMS training will be funded by the Paramedic Foundation in FY 15. Water Rescue Team supplies are included at a cost of \$21,148. A Stair Chair and a bariatric stretcher and power load system were requested, but not funded. Uniform costs have been reduced \$3,755 from FY 14. Energy costs are anticipated to remain the same. Vehicle fuel costs are expected to decrease in FY 15, but estimates for vehicle parts and labor have been increased. Intragovernmental allocations for vehicle lease and for IT Services increase in FY 15. Capital outlay represents half the cost of a dive response trailer, with the Paramedic Foundation funding the other half. Funds to purchase a generator and to provide interior finishes were budgeted in Operational Supplies, with the Paramedic Foundation providing half the funding. Replacements were requested for an ambulance and a Chevy Suburban. The ambulance was funded through Vehicle Trust.

TOWN OF OCEAN CITY  
FISCAL YEAR 2015 BUDGET  
GENERAL FUND EXPENDITURES  
CAREER FIRE/EMS DIVISION

EXPENDITURES	ACTUAL 2013	REVISED 2014	CITY MANAGER PROPOSED 2015	COUNCIL ADOPTED 2015
<b>PERSONNEL COSTS:</b>				
SALARY AND WAGES	\$ 4,475,771	\$ 4,636,052	\$ 4,638,426	\$ 4,638,426
EMPLOYEE BENEFITS	2,107,511	2,370,853	2,413,293	2,413,293
	<u>6,583,282</u>	<u>7,006,905</u>	<u>7,051,719</u>	<u>7,051,719</u>
<b>OPERATING EXPENSES:</b>				
CONTRACTED SERVICES	97,278	108,373	107,302	107,302
MAINTENANCE	41,267	54,951	47,721	47,721
SUPPLIES & MATERIALS	230,329	269,985	237,891	237,891
ENERGY	25,043	23,550	23,540	23,540
VEHICLE SUPPLIES & REPAIR	204,412	203,611	215,654	215,654
INTRAGOVERNMENTAL	209,544	225,301	276,789	276,789
	<u>807,873</u>	<u>885,771</u>	<u>908,897</u>	<u>908,897</u>
<b>OTHER FINANCIAL USES:</b>				
DEBT SERVICE	0	0	0	0
TRANSFER OUT	0	0	0	0
CAPITAL OUTLAY	0	0	6,000	6,000
	<u>0</u>	<u>0</u>	<u>6,000</u>	<u>6,000</u>
TOTAL EXPENDITURES	<u>\$ 7,391,155</u>	<u>\$ 7,892,676</u>	<u>\$ 7,966,616</u>	<u>\$ 7,966,616</u>
<b>LESS REVENUE GENERATED BY DIVISION</b>				
AMBULANCE SERVICE FEES	(923,718)	(1,212,612)	(1,250,000)	(1,250,000)
COUNTY OPERATING GRANT	(1,181,255)	(1,166,581)	(1,178,041)	(1,178,041)
	<u>(2,104,973)</u>	<u>(2,379,193)</u>	<u>(2,428,041)</u>	<u>(2,428,041)</u>
<b>TOTAL TOWN CONTRIBUTION</b>	<u>\$ 5,286,182</u>	<u>\$ 5,513,483</u>	<u>\$ 5,538,575</u>	<u>\$ 5,538,575</u>



**TOWN OF OCEAN CITY**  
**FISCAL YEAR 2015 BUDGET**  

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**FIRE MARSHAL DIVISION**

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**BUDGET HIGHLIGHTS:**

**REVENUE CHANGES:**

A 20% surcharge for Fire Marshal plan review is added to Planning & Zoning review fees. This method has been more successful in recovering costs associated with the process than methods used in the past. Fire Marshal revenue is budgeted at \$152,000, which reflects a \$15,000 increase in anticipated fees. In FY 13 and FY 14, funds received from Homeland Security grants were included.

**PERSONNEL CHANGES:**

Seven full-time employees are included in this division. One full-time fire marshal position was eliminated in FY 11. In FY 12, the Assistant Chief - Deputy Fire Marshal position was eliminated through reorganization after the retirement of the Deputy Chief Fire Marshal. Wage increments for all full-time employees have been included. Savings are realized through the retirement of a long-time employee. Increases in health insurance and retirement costs have been offset by a reduction in the allocation for worker's compensation.

**CHANGES IN OPERATIONS:**

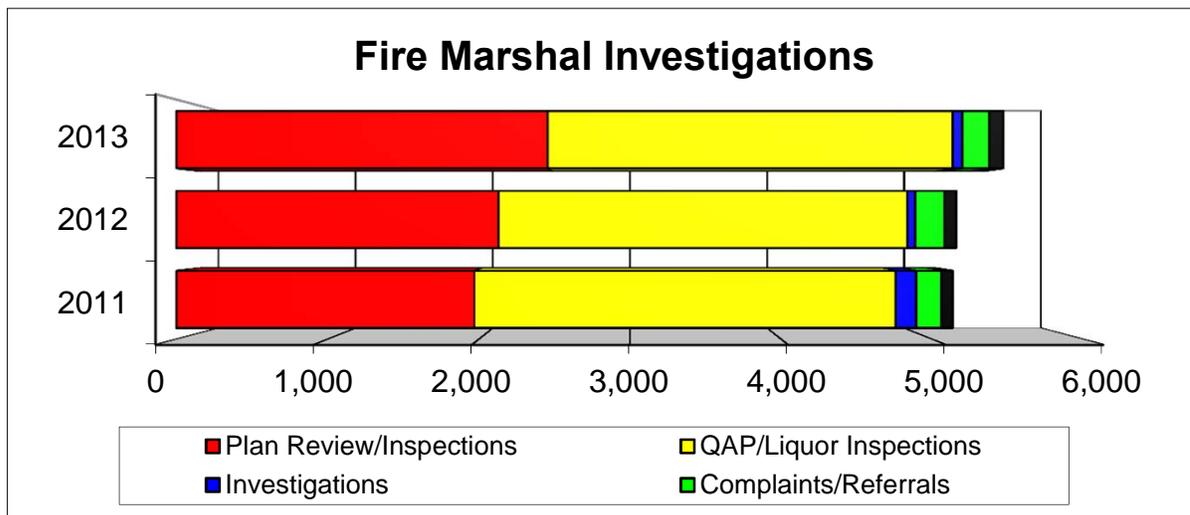
Equipment maintenance no longer includes the maintenance contract on the bomb robot. As the cost of the contract was scheduled to increase from \$7,900 to \$12,800, maintenance will be completed in-house. An allowance for repair parts has been included in Operational Supplies. Also included in Equipment maintenance is the contract for the Hazardous materials ID maintenance at a cost of \$5,300. Items covered by Homeland Security grants were included in the FY 13 and FY 14 budgets. Comprehensive physicals, communications expense, and training are examples of costs included in Contracted Services. Training has been budgeted at \$6,089 and includes hazardous materials training, monthly bomb training and attendance for one employee at the International Association of Bomb Technicians conference. Operational Supplies decrease, and include \$5,400 for repair parts for the bomb robot. Uniform costs are funded at the FY 14 adopted level. The safety shoe allowance increased from \$90 to \$190 per pair as part of the most recent bargaining agreement. Items funded with Homeland Security grants were included in FY 13 and FY 14, resulting in higher expenses in those two fiscal years. Vehicle fuel has been budgeted at the average number of gallons used over the past two years. Vehicle maintenance costs increase and reflect the three year average amount spent. Intragovernmental expenses in FY 15 reflect a decrease in the allocation for vehicle lease and an increase in the allocation for IT services. No capital outlay has been included for this division. Purchases made with Homeland Security grants were included in FY 13 and FY 14. Any items covered in future grants will be added as the grants are received. Two crew cab pickups were requested, and one was funded in the Vehicle Trust Fund.

**SUMMARY COMMENTS:**

Plan reviews and building inspections have increased somewhat over the past year. Fire and arson investigations have increased slightly over the past several years. After the 9/11 tragedy, bomb calls and suspicious package calls are more frequent. The Fire Marshal, Assistant Fire Marshal and three Deputy Fire Marshals are trained in the recognition, identification and disposal procedures of potentially dangerous items.

TOWN OF OCEAN CITY  
FISCAL YEAR 2015 BUDGET  
GENERAL FUND EXPENDITURES  
FIRE MARSHAL DIVISION

EXPENDITURES	ACTUAL 2013	REVISED 2014	CITY MANAGER PROPOSED 2015	COUNCIL ADOPTED 2015
<b>PERSONNEL COSTS:</b>				
SALARY AND WAGES	\$ 548,306	\$ 543,695	\$ 555,536	\$ 555,340
EMPLOYEE BENEFITS	379,125	371,916	373,498	373,482
	<u>927,431</u>	<u>915,611</u>	<u>929,034</u>	<u>928,822</u>
<b>OPERATING EXPENSES:</b>				
CONTRACTED SERVICES	10,772	17,722	18,100	18,100
MAINTENANCE	20,646	21,675	14,425	14,425
SUPPLIES & MATERIALS	30,167	43,813	29,248	29,248
ENERGY	0	0	0	0
VEHICLE SUPPLIES & REPAIR	31,241	30,468	34,182	34,182
INTRAGOVERNMENTAL	54,739	49,997	49,265	49,265
	<u>147,565</u>	<u>163,675</u>	<u>145,220</u>	<u>145,220</u>
<b>OTHER FINANCIAL USES:</b>				
DEBT SERVICE	0	0	0	0
TRANSFER OUT	0	0	0	0
CAPITAL OUTLAY	11,722	19,130	0	0
	<u>11,722</u>	<u>19,130</u>	<u>0</u>	<u>0</u>
<b>TOTAL EXPENDITURES</b>	<b>\$ <u>1,086,718</u></b>	<b>\$ <u>1,098,416</u></b>	<b>\$ <u>1,074,254</u></b>	<b>\$ <u>1,074,042</u></b>
<b>LESS REVENUE GENERATED BY DIVISION</b>				
STATE EMERGENCY MGT. GRANT	(11,722)	(79,433)	0	0
SITE PLAN REVIEW	(54,164)	(50,000)	(65,000)	(65,000)
SPECIAL REVIEW FEES	(8,841)	(8,000)	(10,000)	(10,000)
QUALITY ASSURANCE	(62,662)	(73,000)	(70,000)	(70,000)
INSPECTION FEES	(6,650)	(6,000)	(7,000)	(7,000)
	<u>(144,039)</u>	<u>(216,433)</u>	<u>(152,000)</u>	<u>(152,000)</u>
<b>TOTAL TOWN CONTRIBUTION</b>	<b>\$ <u>942,679</u></b>	<b>\$ <u>881,983</u></b>	<b>\$ <u>922,254</u></b>	<b>\$ <u>922,042</u></b>



## **PUBLIC WORKS**

**Public Works has four main divisions: Engineering/Beach Replenishment; Public Works Administration and Construction; Public Works Maintenance; and Solid Waste. Engineering is located at City Hall on 3<sup>rd</sup> Street, while the other Public Works departments are located at 65<sup>th</sup> Street in the Public Works complex. In the budget ordinance, these departments are itemized as Public Works/Beach Maintenance, Sanitation and Waste Removal, and Highways and Streets.**

### **ENGINEERING/BEACH REPLENISHMENT**

**These divisions are responsible for the design, construction management, and long-term planning associated with the Town's infrastructure, and the Beach Replenishment program. Engineering also oversees Information Technology.**

### **PUBLIC WORKS ADMINISTRATION AND CONSTRUCTION**

**Public Works Administration shares responsibility for the design, construction management, and long-term planning associated with the Town's infrastructure. They also oversee the Transportation and Airport divisions as well as Water and Wastewater. The Construction division is responsible for maintaining Ocean City's 63 miles of streets, 38 miles of storm drains, and 15 miles of alleys in addition to the majority of the City's buildings, street lights, and beach crossovers. Major street renovations, minor bulkhead repairs, paving of alleys, snow removal, sidewalk construction and maintenance and storm damage clean-up and repairs are also the responsibility of this division.**

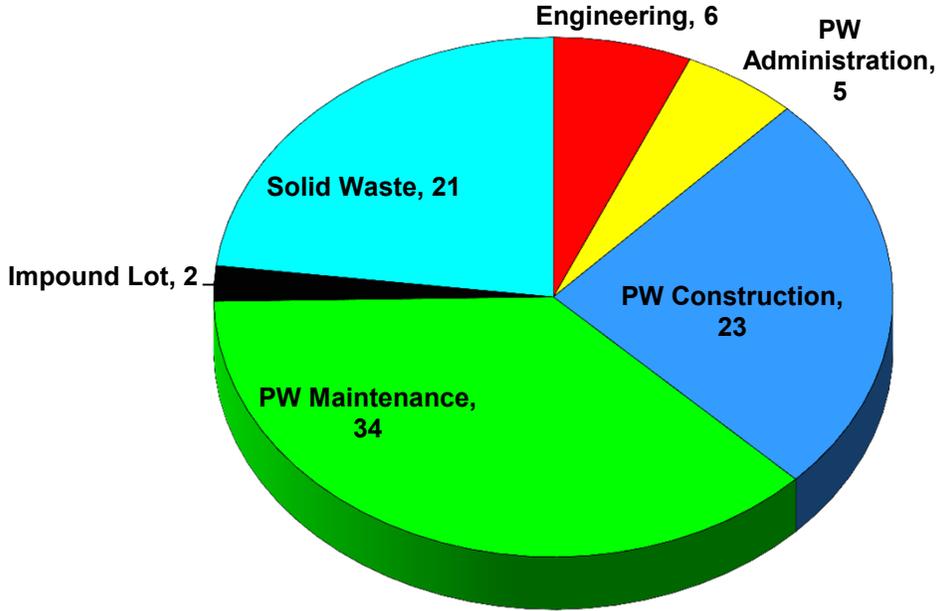
### **PUBLIC WORKS MAINTENANCE**

**The Maintenance Division is responsible for the daily upkeep of Ocean City's 10 miles of beach and 2 1/2 miles of boardwalk, the seawall, street cleaning, the Cale parking system, signage, set-up of special events and janitorial service.**

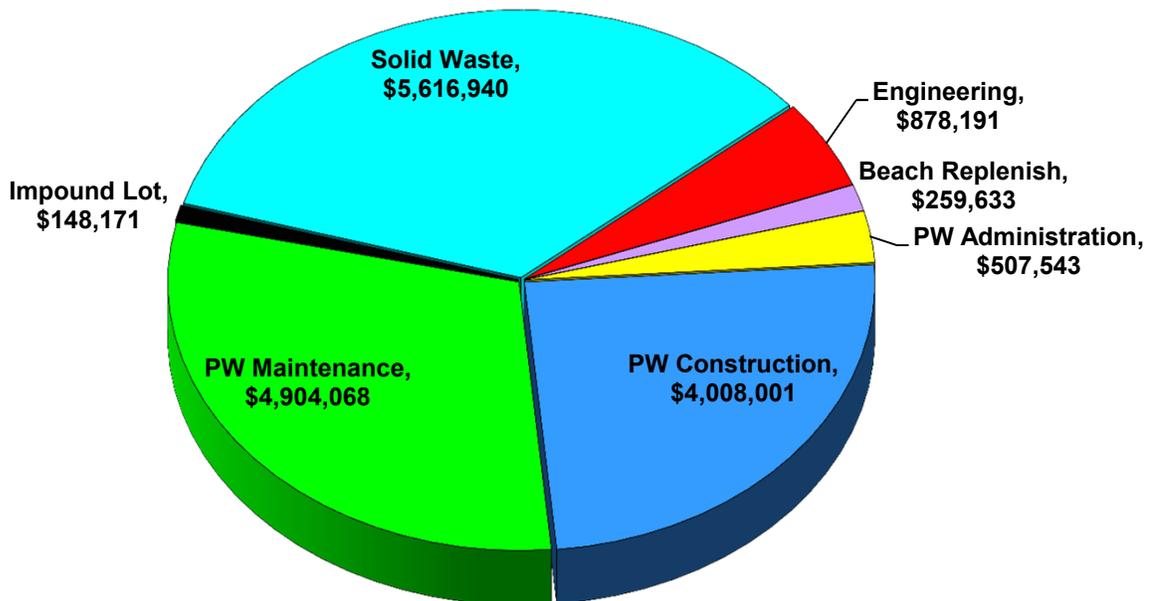
### **SOLID WASTE AND TRANSFER STATION**

**The Solid Waste division is responsible for the collection, processing, and disposal of residential and commercial refuse. In FY 2007, the bulk pickup collection service was moved to this division. The department operates over 25 collection vehicles. Collection services to residents and visitors were changed in FY 09 to summer season and off-season service. Service to single-family homes and mobile homes is twice a week from mid-May through mid-October and once a week the rest of the year. Service to multi-family units is twice a week from mid-October through mid-May and five times per week from mid-May through mid-October. Service to commercial establishments is twice a week from mid-October through mid-May and five days per week from mid-May through mid-October. If service is required more than five days per week, an additional fee is charged. FY 15 is the second year of the contract with Covanta for the disposal of all solid waste.**

### FY 15 Public Works Full Time Personnel



### FY 15 Public Works Expenses



**TOWN OF OCEAN CITY  
FISCAL YEAR 2015 BUDGET**

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**PUBLIC WORKS ADMINISTRATION AND CONSTRUCTION**

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**BUDGET HIGHLIGHTS:**

**REVENUE CHANGES:**

Sidewalk condemnations are anticipated to increase \$10,088 in FY 15. One-half of this cost is billable to the owners of the condemned sidewalks. The expenses of Public Works Administration are allocated to the divisions of Public Works as General Overhead Expense. The allocation charged to Water, Wastewater, Transportation and Airport is shown here as a reimbursement to the General Fund.

**PERSONNEL CHANGES:**

Since FY 09, eight full-time positions have been eliminated from this division and six employees have been transferred to other City divisions to fill vacancies there. A full-time Facilities Manager position was funded, and a full-time carpenter was added to this division through an elimination of a position in the Transfer Station division in FY 14. Currently, there are five employees in the Administrative division and twenty-three employees in the Construction division. A step increase has been included for all eligible full-time employees. In addition, deductions for Public Works labor charged to Water and Wastewater capital projects and to Street Paving decreases \$39,400, resulting in a higher expense for this division. All benefit costs except worker's compensation increase in this division. The allocation for worker's compensation decreases nearly \$60,000.

**CHANGES IN OPERATIONS:**

Sidewalk replacement and condemnation is the significant cost in the Contracted Services line item, and has been budgeted at \$74,175. Costs for concrete disposal are included at \$17,500. Building Maintenance covers maintenance for city-owned buildings such as City Hall, the Art League and the Public Works office buildings. Routine building maintenance and the HVAC contracts for these locations have been budgeted at \$44,913. A continuation of the light pole painting project has been funded at \$25,000. Funding for Phase I of City Hall maintenance and the light pole painting were approved by the Council on October 1, 2013. Repair and repainting of the doors, handrails and soffits at District Court and replacement of the District Court roof were included in FY 13. Supplies for Streets and Storm Drains have been budgeted at \$133,150. Replacement light poles have been budgeted at a cost of \$12,000. Snow removal supplies are also included in this category, and \$12,000 has been budgeted. Replacement equipment including boardwalk replacement light poles, a generator, tools, tamps, and chainsaws have been budgeted. ARC flash safety gear will be provided through our uniform contractor as part of the uniform allowance. A solar powered arrow board, eliminated during wrap-up in FY 14 was funded as part of the amended budget. In Energy, street lighting is the major expense and has been budgeted at \$627,000. Vehicle repairs and maintenance have been budgeted at the three year average for this department. Fuel has been calculated using the two year average number of gallons. Allocations for vehicle lease and IT services increase and are partially offset by a reduction in the allocation for Insurance. Capital outlay reflects replacement of the Public Works complex bulkhead replacement, which has been funded through use of fund balance. Roof replacement at the City Garage was funded in FY 14. A roller and two replacement pickups were requested in Vehicle Trust. The roller and one pickup have been funded.

TOWN OF OCEAN CITY  
FISCAL YEAR 2015 BUDGET  
GENERAL FUND EXPENDITURES  
PUBLIC WORKS ADMINISTRATION AND CONSTRUCTION

EXPENDITURES	ACTUAL 2013	REVISED 2014	CITY MANAGER PROPOSED 2015	COUNCIL ADOPTED 2015
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 1,468,352	\$ 1,451,165	\$ 1,521,403	\$ 1,504,923
EMPLOYEE BENEFITS	1,004,504	1,071,784	1,140,584	1,139,323
	<u>2,472,856</u>	<u>2,522,949</u>	<u>2,661,987</u>	<u>2,644,246</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	128,276	215,745	193,699	193,699
MAINTENANCE	87,752	103,144	73,028	48,028
SUPPLIES & MATERIALS	255,185	292,790	260,140	260,140
ENERGY	759,510	683,476	791,300	791,300
VEHICLE SUPPLIES & REPAIR	399,091	425,690	410,522	410,522
INTRAGOVERNMENTAL	283,191	239,602	261,810	261,810
	<u>1,913,005</u>	<u>1,960,447</u>	<u>1,990,499</u>	<u>1,965,499</u>
OTHER FINANCIAL USES:				
DEBT SERVICE	0	0	0	0
TRANSFER OUT	0	0	0	0
CAPITAL OUTLAY	1,802	157,471	175,000	175,000
	<u>1,802</u>	<u>157,471</u>	<u>175,000</u>	<u>175,000</u>
TOTAL EXPENDITURES	<u>\$ 4,387,663</u>	<u>\$ 4,640,867</u>	<u>\$ 4,827,486</u>	<u>\$ 4,784,745</u>
LESS REVENUE GENERATED BY DIVISION				
REIMBURSEMENT FROM OTHER FUNDS FOR				
ADMINISTRATIVE SERVICES	(284,311)	(283,827)	(269,201)	(269,201)
FRANCHISE FEES - VEHICLE	(71,200)	(71,200)	(71,200)	(71,200)
STATE - STREET AID	(84,289)	(26,363)	(26,363)	(26,363)
STREET CUT FEES	(1,394)	(1,500)	(1,500)	(1,500)
SIDEWALK PAYMENTS	(24,789)	(27,000)	(37,088)	(37,088)
	<u>(465,983)</u>	<u>(409,890)</u>	<u>(405,352)</u>	<u>(405,352)</u>
TOTAL TOWN CONTRIBUTION	<u>\$ 3,921,680</u>	<u>\$ 4,230,977</u>	<u>\$ 4,422,134</u>	<u>\$ 4,379,393</u>

**TOWN OF OCEAN CITY  
FISCAL YEAR 2015 BUDGET**

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**PUBLIC WORKS MAINTENANCE DIVISION**

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**BUDGET HIGHLIGHTS:**

**REVENUE CHANGES:**

Two changes were made in the Inlet Lot rates for FY 14, yielding \$134,000 in additional anticipated revenue. Parking rates were increased from \$2.50 per hour to \$3.00 per hour for weekends in season, and parking permits were implemented for July 4<sup>th</sup>. For FY 15, rates on Fridays in season were increased from \$20.50 to \$3.00 and a second tier parking permit was included for July 4<sup>th</sup>, yielding an anticipated \$47,415. The current photo franchise terminates on November 30<sup>th</sup>, 2014. A 10% increase is effective January 1<sup>st</sup>, 2015. Parking revenue for City Hall and the Public Safety building lots was included, yielding an anticipated \$42,500 in additional revenue.

**PERSONNEL CHANGES:**

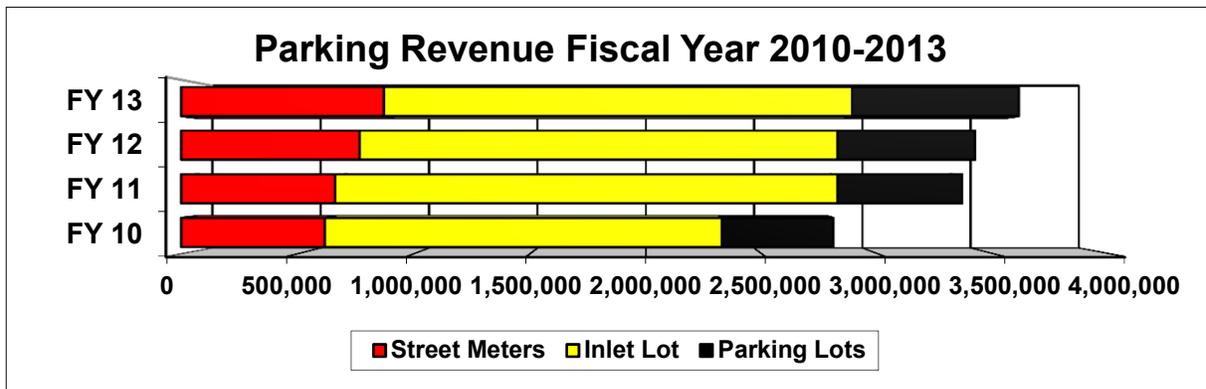
Thirty-three positions were funded in this division in FY 14. One additional full-time Maintenance Worker position has been added in FY 15. Funding for this position was made available by the transfer of an equivalent full-time position from the Solid Waste division. In FY 2009, thirty-eight full-time positions were funded in this division. Potential reclassification of two Maintenance Worker positions to Cale Technicians have been funded in this budget. In addition to wage increments for all eligible employees, overtime has been increased \$3,500. Additional funding has also been included in the Janitorial division to provide janitorial service for the Parks department building. In FY 14, four additional part-time positions were funded in the Street division to staff private events. In other divisions, the number of weeks for part-time employees were extended in FY 14. Part-time salaries have been reduced \$13,396 in FY 15. All types of benefits increase for this division with the exception of projected Unemployment expense, which decreases \$10,500.

**CHANGES IN OPERATIONS:**

Credit Card fees for use of the Cale parking meters have been budgeted at \$130,000 in FY 15, a reduction of \$5,000. Other expenses in Contracted Services include tipping fees for this division, and printing of tickets for the Inlet Lot. Also included in this account in previous years, was \$71,387 for boardwalk bench refurbishment in FY 13 and \$75,598 in FY 14. Other maintenance items added to the FY 14 budget in Budget Amendment #1, included boardwalk dumpster screen painting, boardwalk arch painting and concrete repairs totaling \$80,000. Building and equipment maintenance decreases \$56,016. The FY 14 budget included \$45,000 for repairs to the Whiteside building. The FY 15 budget again includes \$16,200 for the maintenance contract on the Cale meters. Supplies and Materials includes \$68,000 for supplies for Special Events, \$10,000 for parts for the Cale machines, two roll-off dumpster containers at a total cost of \$8,000, a new beach box blade, and one replacement change machine. A replacement pressure washer and trailer and replacement concrete planters and decorative trashcans were requested in FY 15, but funded in FY 14 through budget amendment. Other supplies include comfort station supplies, replacement banners for the boardwalk, beach ramp supplies and replacement sand fence. A replacement sign machine was purchased in FY 14. A modem upgrade for the Cale units was requested, but was funded in FY 14. Vehicle maintenance is expected to increase and has been budgeted at the three year average cost. Vehicle lease decreases for this division, but the allocations for IT services and insurance increase. No capital outlay has been budgeted. The expense in FY 13 reflects repairs to the Inlet Lot as a result of Hurricane Sandy. A beach cleaner and replacement pickup have been approved in the Vehicle Trust Fund. A replacement street broom was partially funded, while a barrel dumper and a forklift were requested, but were not funded.

TOWN OF OCEAN CITY  
FISCAL YEAR 2015 BUDGET  
GENERAL FUND EXPENDITURES  
PUBLIC WORKS MAINTENANCE DIVISION

EXPENDITURES	ACTUAL 2013	REVISED 2014	CITY MANAGER PROPOSED 2015	COUNCIL ADOPTED 2015
<b>PERSONNEL COSTS:</b>				
SALARY AND WAGES	\$ 2,070,084	\$ 2,071,897	\$ 2,181,377	\$ 2,158,619
EMPLOYEE BENEFITS	1,111,962	1,134,498	1,193,480	1,191,741
	<u>3,182,046</u>	<u>3,206,395</u>	<u>3,374,857</u>	<u>3,350,360</u>
<b>OPERATING EXPENSES:</b>				
CONTRACTED SERVICES	473,298	450,986	278,838	278,838
MAINTENANCE	38,389	98,823	42,807	42,807
SUPPLIES & MATERIALS	374,293	511,415	365,965	335,031
ENERGY	84,943	76,247	77,754	77,754
VEHICLE SUPPLIES & REPAIR	498,810	491,913	503,489	503,489
INTRAGOVERNMENTAL	325,174	307,118	315,789	315,789
	<u>1,794,907</u>	<u>1,936,502</u>	<u>1,584,642</u>	<u>1,553,708</u>
<b>OTHER FINANCIAL USES:</b>				
DEBT SERVICE	0	0	0	0
TRANSFER OUT	0	0	0	0
CAPITAL OUTLAY	33,994	473	0	0
	<u>33,994</u>	<u>473</u>	<u>0</u>	<u>0</u>
<b>TOTAL EXPENDITURES</b>	<b>\$ <u>5,010,947</u></b>	<b>\$ <u>5,143,370</u></b>	<b>\$ <u>4,959,499</u></b>	<b>\$ <u>4,904,068</u></b>
<b>LESS REVENUE GENERATED BY DIVISION</b>				
STREET PARKING METER REVENUE	(872,410)	(905,450)	(905,000)	(905,000)
PARKING LOT REVENUE	(719,119)	(757,500)	(760,000)	(802,500)
INLET PARKING LOT REVENUE	(2,015,041)	(2,089,000)	(2,120,000)	(2,167,415)
RESIDENTIAL PARKING PERMITS	(1,490)	(1,450)	(1,500)	(1,500)
FRANCHISE FEES-PHOTO	(395,000)	(395,000)	(434,500)	(434,500)
SERVICE CHARGES	(21,777)	(20,500)	(21,500)	(21,500)
	<u>(4,024,837)</u>	<u>(4,168,900)</u>	<u>(4,242,500)</u>	<u>(4,332,415)</u>
<b>TOTAL TOWN CONTRIBUTION</b>	<b>\$ <u>986,110</u></b>	<b>\$ <u>974,470</u></b>	<b>\$ <u>716,999</u></b>	<b>\$ <u>571,653</u></b>



**TOWN OF OCEAN CITY  
FISCAL YEAR 2015 BUDGET**

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**SOLID WASTE AND TRANSFER STATION**

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**BUDGET HIGHLIGHTS:**

**REVENUE CHANGES:**

Revenue from recycling sales includes only revenue from the sale of white goods and is expected to increase slightly for FY 15. Wastewheelers and dumpster parts are sold to the public, and it is anticipated that \$19,000 will be collected from this effort. Solid Waste collection fees charged to establishments requiring trash collection more than five times per week are expected to remain the same. Bulk collection fees for the collection of one item and the collection of up to three items were increased in FY 14. It is anticipated that an additional \$3,750 will be collected from this increase.

**PERSONNEL CHANGES:**

The FY 15 budget includes funding for twenty-one full-time positions, one position fewer than FY 14. The position vacancy was transferred to the Public Works Maintenance division. Since FY 09, twenty-three positions have been eliminated in this division. Three positions were eliminated at the Transfer Station in FY 10 as the Town contracted with East Coast Resources to haul the City's trash to a Waste to Energy facility for conversion to electricity. All full-time positions in the Recycling division were eliminated in FY 11 as the recyclables were added to the East Coast Resources contract. Three additional positions were eliminated and one was converted to a full-time carpenter position in Buildings & Grounds. Wage increments have been included for all eligible full-time employees. A seasonal Solid Waste Worker II position was added to replace the eliminated full-time position. Increases in retiree health and pension are offset by projected reductions in health insurance, worker's compensation and unemployment.

**CHANGES IN OPERATIONS:**

Contracted Services includes building and equipment maintenance costs, travel and training, communications and dues. In FY 14, \$5,000 was included to repair the decorative aluminum façade at the Transfer Station building. Equipment maintenance costs are also anticipated to decrease in FY 15. A cell phone has been requested for the supervisors to share. Transport/Tipping Fees reflects the contract with Covanta, our waste hauler. The increase in contract costs is due to an increase in the fuel adjustment surcharge. The contract was renegotiated in FY 14 and has been budgeted at \$1,959,750; an increase of \$53,935 over FY 14. The price per ton is estimated to increase from \$56.89 to \$58.50 per ton. Supplies and Materials includes \$15,000 for the purchase of 175 wastewheelers that will be resold to the public. Three 55 gallon containers of bulk motor oil have been included at a cost of \$2,200. Decorative trash containers for the City's bus stops were requested, but not funded. Vehicle Supplies and Repair is the second major expense category in this division. Fuel costs are expected to decrease slightly and vehicle fuel has been budgeted for the two year average number of gallons. Labor costs are projected to decrease for FY 15 and are based on actual expenses for the past twelve months. Painting for several of the older trash trucks was requested in the FY 14 budget, eliminated at the Mayor and Council level during the budget process and added to the budget by the Council on October 1, 2014. Intragovernmental expenses include an increase in the allocations for vehicle lease and for IT services, and a slight reduction in the insurance allocation. No capital outlay has been requested. One front-end trash truck and one side-load trash truck have been included in the Vehicle Trust fund for FY 15.

TOWN OF OCEAN CITY  
FISCAL YEAR 2015 BUDGET  
GENERAL FUND EXPENDITURES  
SOLID WASTE AND TRANSFER STATION DIVISION

EXPENDITURES	ACTUAL 2013	REVISED 2014	CITY MANAGER PROPOSED 2015	COUNCIL ADOPTED 2015
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 1,217,502	\$ 1,265,505	\$ 1,287,217	\$ 1,275,733
EMPLOYEE BENEFITS	844,084	960,100	872,685	871,807
	<u>2,061,586</u>	<u>2,225,605</u>	<u>2,159,902</u>	<u>2,147,540</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	55,040	61,263	55,149	55,149
TRANSPORT/TIPPING FEES	1,870,272	1,905,815	1,959,750	1,959,750
SUPPLIES & MATERIALS	53,685	79,839	68,523	68,523
ENERGY	44,148	36,540	46,275	46,275
VEHICLE SUPPLIES & REPAIR	983,529	1,018,878	978,527	978,527
INTRAGOVERNMENTAL	320,914	317,810	361,176	361,176
	<u>3,327,588</u>	<u>3,420,145</u>	<u>3,469,400</u>	<u>3,469,400</u>
OTHER FINANCIAL USES:				
DEBT SERVICE	0	0	0	0
TRANSFER OUT	0	0	0	0
CAPITAL OUTLAY	0	0	0	0
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL EXPENDITURES	<u>\$ 5,389,174</u>	<u>\$ 5,645,750</u>	<u>\$ 5,629,302</u>	<u>\$ 5,616,940</u>
LESS REVENUE GENERATED BY DIVISION				
SALES - RECYCLING	(37,380)	(30,000)	(31,000)	(31,000)
SALES - CONTAINERS	(1,273)	(19,000)	(19,000)	(19,000)
SOLID WASTE COLLECTION	(24,490)	(30,000)	(30,000)	(30,000)
BULK PICK UP FEE	(22,275)	(26,025)	(26,025)	(26,025)
	<u>(85,418)</u>	<u>(105,025)</u>	<u>(106,025)</u>	<u>(106,025)</u>
TOTAL TOWN CONTRIBUTION	<u>\$ 5,303,756</u>	<u>\$ 5,540,725</u>	<u>\$ 5,523,277</u>	<u>\$ 5,510,915</u>

# **CULTURE AND RECREATION**

## **RECREATION**

The Ocean City Recreation and Parks Department's Recreation division incorporates three divisions of service for the community: Administration, Programs, and Senior Citizens. The Programs and Senior Citizens divisions concentrate on providing year-round leisure opportunities for Ocean City residents, as well as managing satellite facilities such as the Ocean City Tennis Center, Ocean Bowl Skate Park, and two Concession stands. Over 200 programs are organized annually, offering upwards of 10,000 program hours. The Administration division is the unit of planning and oversight for the department of Recreation and Parks, offering supervision and management, capital planning, facility cleaning and maintenance, registrations, facility reservations, and customer services.

## **PARKS**

The division of Parks is a unit of the Department of Recreation and Parks with broad responsibilities for the maintenance and improvement of 16 parks and recreation facilities, public lands at 30 locations and many medians, rights of way and streetscapes. The Division of Parks also provides valuable support to Recreation, Beach Patrol, Special Events, and interdepartmental labor for many important capital projects such as streetscaping and park development. The Division is located in the Parks headquarters at Northside Park and is organized into work crews assigned to geographical zones of responsibility, landscaping and special projects.

## **BEACH PATROL**

The Beach Patrol provides for the safety and well being of the beach patrons of the Town who participate in beach and ocean related activities. This mission includes educating the public, preventing potential accidents, and intervening when necessary and appropriate both on the beach and in the adjacent Atlantic Ocean waters. The Beach Patrol fulfills its mission by:

1. Recruiting and testing the most highly qualified candidates.
2. Employing qualified individuals for positions within the administration of the organization, as well as competent Surf Rescue Technicians (SRTs), and public-minded Surfing Beach Facilitators.
3. Training personnel with the most current information, technology, and equipment.
4. Outfitting personnel with current, well maintained, and appropriate equipment.

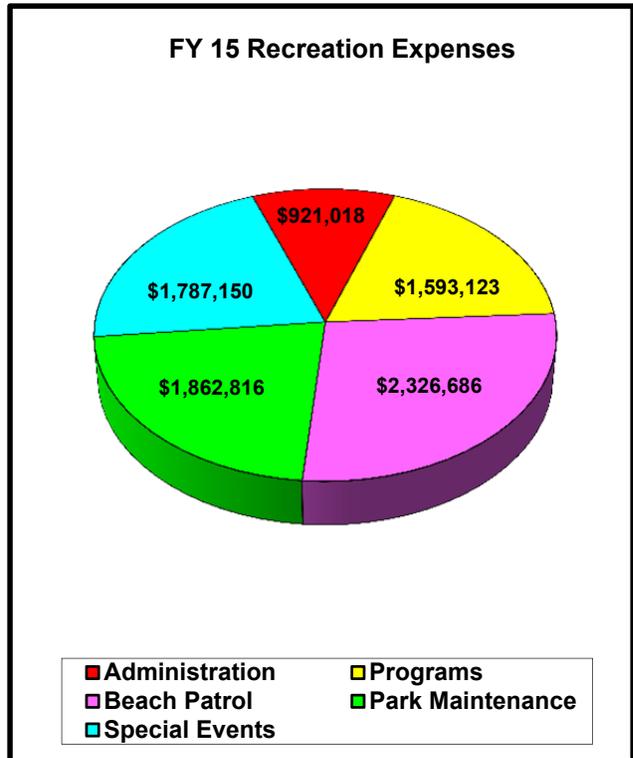
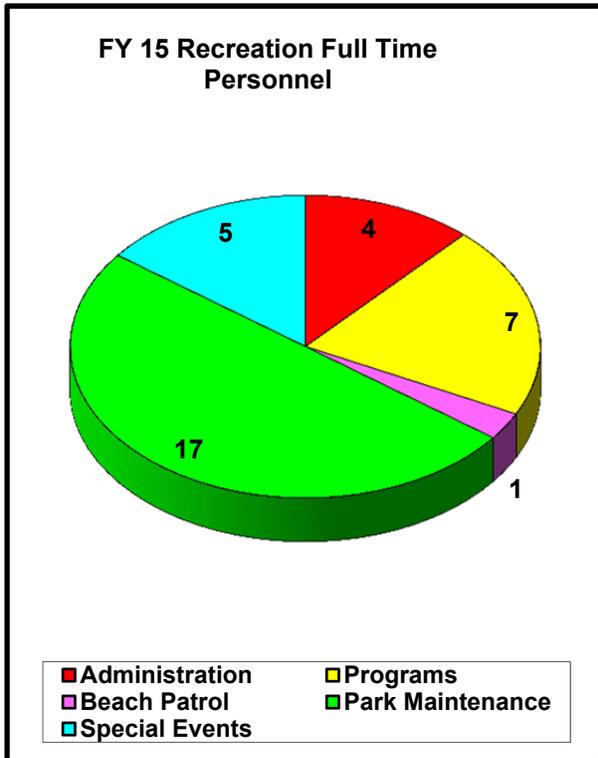
The Beach Patrol provides Surf Rescue Technicians for the entire 10 miles of ocean beaches, seven days a week from the Saturday of Memorial Day weekend through the Sunday of Sunfest weekend (late September), which gives Ocean City one of the

**BEACH PATROL (CONTINUED)**

longest guarded seasons on the east coast. The division also responds to medical emergencies, finds and returns lost persons (mostly children), enforces local ordinances, establishes and monitors the rotating Surfing Beaches, conducts children’s camps and beach safety education programs. The Beach Patrol continues to operate between September and May; to close down the previous season, conduct a recruiting campaign, administer pre-employment physical testing sessions, hold Surf Rescue Training Academies, prepare for the upcoming season and hold monthly meetings with staff. Beginning in FY 15, the Beach Patrol division will report to the Emergency Services Director.

**TOWN SPONSORED EVENTS AND FESTIVALS**

The Special Events division, has responsibility to plan, coordinate, and execute festivals and special events for the Town, including Springfest, Art’s Alive, Sundaes in the Park, Fourth of July Fireworks on the Beach, and at Northside Park, Concerts on the Beach, Sunset Park party nights, Sunfest, and the Winterfest of Lights. The division is also responsible for the oversight and administration of private events conducted on town property, such as the Ocean City Airshow. High profile events are designed to promote economic development in Ocean City by attracting tourism to the community that produces additional net revenues for businesses, individuals, and the local government. Several events are designed to provide seasonal recreational services for the community.



**TOWN OF OCEAN CITY**  
**FISCAL YEAR 2015 BUDGET**

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**RECREATION DIVISION**

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**BUDGET HIGHLIGHTS:**

**REVENUE CHANGES:**

No Open Space funds are expected in FY 15. Projected Program revenue increases over \$14,000 and includes revenue for many new programs and camps. Fees received from facilities rental are budgeted at the FY 13 actual level. Franchise fees from the kayak concession at Northside Park are included at \$41,900. Overall, Recreation revenue is projected to increase over \$50,000.

**PERSONNEL CHANGES:**

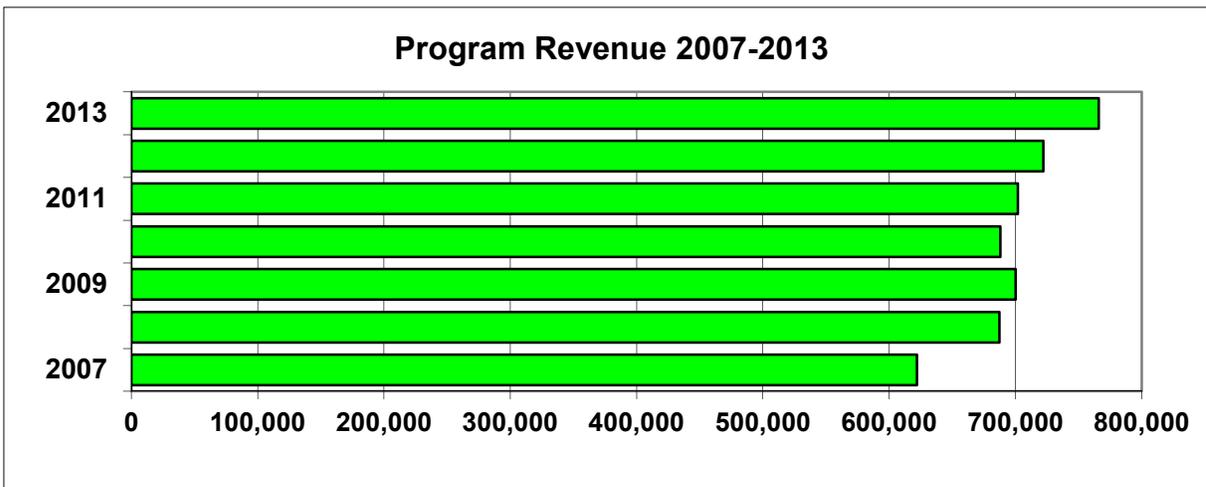
Wage increments have been included for the five full-time employees in the Administrative division and the seven full-time employees in the Programs division. The Recreation Director position is budgeted at mid-point of the current grade. Conversion of an existing part-time Facility Monitor to full-time was requested, but not funded. Part-time salaries increase \$17,373 and include a seasonal facility monitor position in the Administrative division, staffing for an additional week of Camp Horizon, and increased funding for new and existing program part-time staff. Projected increases in health insurance, retiree health and pension are partially offset by a reduction in the allocation for worker's compensation.

**CHANGES IN OPERATIONS:**

Contracted Services include payments to Sports camp directors, building maintenance, equipment maintenance, equipment rental, and training and travel. Expanded programs include boy's basketball league, youth flag football and a co-Rec Softball league. Art Camp has also been expanded. Contracted Services for Programs increase \$8,636. The East gym women's shower stall replacement was added to the FY 14 budget in budget amendment # 1. Replacement soccer field bathroom doors, and flooring and carpeting in the soccer field scorekeeper's room were requested in FY 15, but funded in FY 14. Funds to repair the ceiling in the East gym have not been included. Overall building maintenance decreases \$37,138 in FY 15, as many urgent matters were funded in FY 14. Legal fees and credit card fees for the Special Events division, previously budgeted in Recreation have been transferred to the Special Events division. Training costs include attendance at the National Recreation and Parks Association conference for the Director, Assistant Director and the Recreation Superintendent. The second year of a Supervisors Management School has also been included. Contracted Services also includes the costs for Senior programs including the bowling alley rental for the Senior Bowling League and the Senior Valentine's party. A cell phone has been requested for the Recreation Superintendent. Supply & Material costs for both the Programs division and the Administrative division remain basically the same, and include supplies for all program offerings. Energy costs are expected to increase in FY 15. Vehicle expenses for fuel, parts and labor are expected to decrease slightly. Intragovernmental allocations for vehicle lease and IT services increase. No capital outlay has been budgeted in FY 15. The FY 13 and FY 14 budgets included beach wheelchair purchases. No vehicles were requested.

TOWN OF OCEAN CITY  
FISCAL YEAR 2015 BUDGET  
GENERAL FUND EXPENDITURES  
RECREATION, PROGRAMS AND SENIORS

EXPENDITURES	ACTUAL 2013	REVISED 2014	CITY MANAGER PROPOSED 2015	COUNCIL ADOPTED 2015
<b>PERSONNEL COSTS:</b>				
SALARY AND WAGES	\$ 1,189,436	\$ 1,202,772	\$ 1,232,330	\$ 1,221,492
EMPLOYEE BENEFITS	451,440	476,818	491,442	490,612
	<u>1,640,876</u>	<u>1,679,590</u>	<u>1,723,772</u>	<u>1,712,104</u>
<b>OPERATING EXPENSES:</b>				
CONTRACTED SERVICES	393,146	457,856	411,274	406,679
SUPPLIES & MATERIALS	164,795	179,365	184,998	184,998
ENERGY	90,830	84,089	94,550	94,550
VEHICLE SUPPLIES & REPAIR	9,722	11,684	10,688	10,688
INTRAGOVERNMENTAL	85,556	94,136	105,122	105,122
	<u>744,049</u>	<u>827,130</u>	<u>806,632</u>	<u>802,037</u>
<b>OTHER FINANCIAL USES:</b>				
DEBT SERVICE	0	0	0	0
TRANSFER OUT	0	0	0	0
CAPITAL OUTLAY	2,450	2,450	0	0
	<u>2,450</u>	<u>2,450</u>	<u>0</u>	<u>0</u>
TOTAL EXPENDITURES	<u>\$ 2,387,375</u>	<u>\$ 2,509,170</u>	<u>\$ 2,530,404</u>	<u>\$ 2,514,141</u>
<b>LESS REVENUE GENERATED BY DIVISION</b>				
STATE GRANT - OPEN SPACE	0	0	0	0
COUNTY-RECREATION GRANT	(90,000)	(100,000)	(100,000)	(100,000)
RECREATION FRANCHISE	0	0	(41,900)	(41,900)
PROGRAM REVENUE	(765,913)	(786,085)	(800,725)	(800,725)
ADMISSIONS/RENTAL	(104,848)	(110,000)	(104,200)	(104,200)
CONCESSION REVENUE	(64,435)	(73,000)	(72,000)	(72,000)
ADVERTISING REVENUE	(3,400)	(2,000)	(3,000)	(3,000)
MEALS - SENIOR CITIZENS	(9,310)	(9,000)	(9,000)	(9,000)
MISCELLANEOUS	(35)	(75)	(75)	(75)
	<u>(1,037,941)</u>	<u>(1,080,160)</u>	<u>(1,130,900)</u>	<u>(1,130,900)</u>
<b>TOTAL TOWN CONTRIBUTION</b>	<u>\$ 1,349,434</u>	<u>\$ 1,429,010</u>	<u>\$ 1,399,504</u>	<u>\$ 1,383,241</u>



**TOWN OF OCEAN CITY**  
**FISCAL YEAR 2015 BUDGET**

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**PARKS DIVISION**

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**BUDGET HIGHLIGHTS:**

**REVENUE CHANGES:**

A Community Parks and Playgrounds grant for an outdoor exercise area at Northside Park was shown in FY 13. A grant for a shade structure at the Skateboard Park is anticipated in FY 14. No funds are anticipated in FY 15.

**PERSONNEL CHANGES:**

Five full-time positions have been eliminated in this division since FY '09. Currently, there are seventeen full-time employees in this division. Step increases have been included for all eligible full-time employees. Part-time wages have been reduced and overtime costs have been increased slightly. FY 13 labor costs appear to be lower because the deductions have been made for labor charged to the Town festivals. FY 14 reflects deductions for Sunfest and Winterfest, but not for Springfest. FY 15 has not been adjusted for festival labor. Once these costs have been determined in FY 15, wages will be reduced in this department and transferred to the festivals. Contributions for retiree health, pension and health insurance increase for this division and are partially offset by a reduction in the allocation for worker's compensation.

**CHANGES IN OPERATIONS:**

Contracted Services in this division include maintenance for the parks and landscaping throughout the Town. Replacement of the Tennis Center fence for courts one through six was included in the FY 14 budget at a cost of \$45,000. Redecking of the Northside Park pier was also included at a cost of \$19,000. Contract mowing of city-owned median strips, bulkheads undeveloped lots, etc. has been included at \$18,975 in FY 15. Walkway and drainage repairs at Northside Park have been budgeted at \$9,000. Also included is \$25,500 to resurface the basketball court in Little Salisbury, and \$5,900 to repaint the Winterfest tree pole. Items requested but not funded in FY 15 include footbridge painting, and bominite patio cleaning and resurfacing at Northside Park. The patio resurfacing was funded in FY 14 through a subsequent budget amendment. All other expenses in this line item cover routine maintenance. Training costs are also included in Contracted Services and include attendance at the Sports Turf Management Association conference for the Superintendent and the first year of Supervisors Management School. Normal maintenance and supply costs have been budgeted for FY 15. Supplies include athletic field supplies, landscaping supplies, and general maintenance supplies. A 52" replacement mower at a cost of \$9,000 is the only item of budgeted replacement equipment. Special Appropriations reflects the budget for requests from the Beautification Committee. Energy costs are expected to increase. Vehicle parts and labor are projected to increase, but are partially offset by reductions in fuel usage. Vehicle Lease and insurance costs increase for this division. Capital outlay in FY 13 included \$119,978 for the outdoor exercise area at Northside Park, which was offset with the Community Parks grant. No capital outlay has been included in FY 15. Two replacement pickup trucks were requested, but only one was funded in Vehicle Trust.

TOWN OF OCEAN CITY  
FISCAL YEAR 2015 BUDGET  
GENERAL FUND EXPENDITURES  
PARKS DIVISION

EXPENDITURES	ACTUAL 2013	REVISED 2014	CITY MANAGER PROPOSED 2015	COUNCIL ADOPTED 2015
<b>PERSONNEL COSTS:</b>				
SALARY AND WAGES	\$ 722,078	\$ 745,316	\$ 899,720	\$ 888,378
EMPLOYEE BENEFITS	461,158	464,070	530,311	529,443
	<u>1,183,236</u>	<u>1,209,386</u>	<u>1,430,031</u>	<u>1,417,821</u>
<b>OPERATING EXPENSES:</b>				
CONTRACTED SERVICES	77,135	140,361	86,067	91,967
SUPPLIES & MATERIALS	135,854	138,025	136,646	136,646
SPECIAL APPROPRIATIONS	3,967	5,750	5,625	5,625
ENERGY	22,623	21,003	25,322	25,322
VEHICLE SUPPLIES & REPAIR	105,127	99,879	101,554	101,554
INTRAGOVERNMENTAL	69,449	54,325	83,881	83,881
	<u>414,155</u>	<u>459,343</u>	<u>439,095</u>	<u>444,995</u>
<b>OTHER FINANCIAL USES:</b>				
DEBT SERVICE	0	0	0	0
TRANSFER OUT	0	0	0	0
CAPITAL OUTLAY	119,978	0	0	0
	<u>119,978</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL EXPENDITURES	<u>\$ 1,717,369</u>	<u>\$ 1,668,729</u>	<u>\$ 1,869,126</u>	<u>\$ 1,862,816</u>
 TOTAL TOWN CONTRIBUTION	 <u>\$ 1,717,369</u>	 <u>\$ 1,668,729</u>	 <u>\$ 1,869,126</u>	 <u>\$ 1,862,816</u>
 <b>LESS REVENUE GENERATED BY DIVISION</b>				
COMMUNITY PARKS GRANT	<u>(119,000)</u>	<u>0</u>	<u>0</u>	<u>0</u>
 TOTAL TOWN CONTRIBUTION	 <u>\$ 1,598,369</u>	 <u>\$ 1,668,729</u>	 <u>\$ 1,869,126</u>	 <u>\$ 1,862,816</u>

**TOWN OF OCEAN CITY  
FISCAL YEAR 2015 BUDGET**

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**BEACH PATROL DIVISION**

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**BUDGET HIGHLIGHTS:**

**REVENUE CHANGES:**

Beach Stand revenue increases and reflects the latest bids. Panama Jack continues to provide sun protection products to our employees but no longer provides a sponsorship of our Beach Safety Seminar program. Participation in our Junior Beach Patrol Program is expected to generate \$19,500 from program registration and uniform sales.

**PERSONNEL CHANGES:**

Part-time hours have been budgeted at the same level as in FY 14. Two hundred eight part-time employees are employed by the Beach Patrol. Interdepartmental labor for Public Works employees to build and repair beach stands has been reduced. A full-time year-round lieutenant position has been included since FY 07. Wage increments have been included for all full-time employees. The allocation for worker's compensation expense decreases, but the projected unemployment expense increases for this division. Required contributions for health insurance, retiree health and pension also increase slightly.

**CHANGES IN OPERATIONS:**

Contracted Services include building maintenance for all Beach Patrol facilities, rental of testing facilities for Beach Patrol try-outs, telephone service and radio maintenance costs. Travel costs for senior officers to return for work weekends and to attend try-outs have been reduced. Certification costs for the American Red Cross have been included at \$19.00 each for 180 certifications. American Heart Association certification is also included at a cost of \$720. All Beach Patrol members must be certified. Both uniform purchases and operational supplies were budgeted at the FY 14 approved level. Operational Supplies include three replacement ATVs and a rescue watercraft at a cost of \$24,100. Replacement equipment including first aid supplies, rescue boards and materials to replace beach patrol stands have also been included. Estimates for vehicle fuel, parts and labor have been increased for FY 15. Vehicle lease and the allocation for insurance expense increase, while the allocation for IT services decreases for this division. No capital outlay has been requested.

TOWN OF OCEAN CITY  
FISCAL YEAR 2015 BUDGET  
GENERAL FUND EXPENDITURES  
BEACH PATROL DIVISION

EXPENDITURES	ACTUAL 2013	REVISED 2014	CITY MANAGER PROPOSED 2015	COUNCIL ADOPTED 2015
<b>PERSONNEL COSTS:</b>				
SALARY AND WAGES	\$ 1,836,886	\$ 1,875,273	\$ 1,871,144	\$ 1,866,274
EMPLOYEE BENEFITS	208,990	213,405	220,305	219,932
	<u>2,045,876</u>	<u>2,088,678</u>	<u>2,091,449</u>	<u>2,086,206</u>
<b>OPERATING EXPENSES:</b>				
CONTRACTED SERVICES	36,987	44,530	41,059	41,059
SUPPLIES & MATERIALS	76,919	96,742	89,265	89,265
ENERGY	5,827	5,162	6,200	6,200
VEHICLE SUPPLIES & REPAIR	52,833	39,938	44,002	44,002
INTRAGOVERNMENTAL	48,406	43,372	59,954	59,954
	<u>220,972</u>	<u>229,744</u>	<u>240,480</u>	<u>240,480</u>
<b>OTHER FINANCIAL USES:</b>				
DEBT SERVICE	0	0	0	0
TRANSFER OUT	0	0	0	0
CAPITAL OUTLAY	0	0	0	0
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL EXPENDITURES	\$ <u>2,266,848</u>	\$ <u>2,318,422</u>	\$ <u>2,331,929</u>	\$ <u>2,326,686</u>
<b>LESS REVENUE GENERATED BY DIVISION</b>				
BEACH PATROL MISC	(17,186)	(19,500)	(19,500)	(19,500)
SPONSORSHIPS	(14,500)	0	0	0
FRANCHISE FEES-BEACH STAND	(802,361)	(819,620)	(888,046)	(888,046)
	<u>(834,047)</u>	<u>(839,120)</u>	<u>(907,546)</u>	<u>(907,546)</u>
TOTAL TOWN CONTRIBUTION	\$ <u><u>1,432,801</u></u>	\$ <u><u>1,479,302</u></u>	\$ <u><u>1,424,383</u></u>	\$ <u><u>1,419,140</u></u>

**TOWN OF OCEAN CITY  
FISCAL YEAR 2015 BUDGET**

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**TOWN SPONSORED EVENTS AND FESTIVALS**

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**BUDGET HIGHLIGHTS:**

**REVENUE CHANGES:**

Private Event Revenue includes revenue from Bikefest, the Car cruises and application and permit fees. Winterfest fees remain at \$5 for everyone twelve and older. Winterfest revenue has been budgeted at the actual amount collected in FY 14. Revenue for Sunfest is expected to decrease slightly and revenue for Springfest merchandise sales is expected to increase. Corporate Sponsorships include funds received from Coke and Esskay. The beverage franchise is budgeted at \$65,000.

**PERSONNEL CHANGES:**

Since FY 09, the full-time staff has been reduced from six full-time positions to four. One of the two positions, the Private Events Coordinator was converted from full-time to part-time. The FY 15 approved budget includes the conversion of this position back to full-time. This conversion was also requested in FY 14, but the Mayor & Council did not authorize. Wage increments have been included for all eligible full-time staff. Salary expenses in the FY 13 actual column include costs for labor from other city departments for Sunfest, Winterfest and Springfest. FY 14 reflects the costs for Sunfest and Winterfest, but has not yet been adjusted to include Springfest labor costs. The FY 15 budget does not reflect any labor costs for any other City department. All festival labor has been budgeted in the employee's home account and will be transferred to the festival account at the conclusion of the festival. Benefits include health insurance for the converted position. All benefit categories increase except for projected Unemployment expense, which decreases slightly.

**CHANGES IN OPERATIONS:**

Contracted Services includes the annual allocation per MOU to the Airshow for \$35,000. Entertainment expenses for the Town's festivals continue to be the major expenditure for festivals. \$334,500 has been budgeted for entertainment costs for all events and festivals in FY 15. Entertainment in Sunset Park has been included at \$3,500. Fireworks and entertainment for New Year's Eve have been budgeted at \$12,000 to take place at Northside Park at the Winterfest site. Fireworks in celebration of Springfest's 25<sup>th</sup> anniversary have been included at \$8,200. Funds have also been included for a Halloween celebration. Other major expenditures in this division are tent rental, accommodations for the entertainers and back-up services for the shows. Legal fees and credit card fees previously included in the Recreation budget have been transferred to this department. Refurbishment of Winterfest displays has been budgeted at \$25,684 in the Contracted Services line item. Other items requested but not funded include: restoration of downtown pole wreaths, additional funds for refurbishment of Winterfest displays, fireworks for Sunfest's 40<sup>th</sup> anniversary and a promotional DVD for Springfest and Sunfest. Supplies and Materials decrease for Winterfest. In FY 13, the budget included a 20<sup>th</sup> anniversary display budgeted at \$25,000, the replacement of 25 pole mounted lights for the downtown area, \$12,500, and a light display for the Worcester Street water tower, \$12,500. The FY 14 budget included \$28,800 to purchase 24 trees of light for Coastal Highway. Twelve Christmas trees for Baltimore Avenue were requested in the FY 15 budget, but ultimately funded in FY 14. A new Winterfest light display was requested, but not funded. A replacement storage trailer to store the Winterfest decorations has been budgeted at \$8,500. Energy costs for the festivals are expected to increase, as the Town is now being charged for gas. Allocations for IT Services and Insurance increase for this department. In the past, the insurance allocation for Special Events was combined with Recreation and funded through their department. Replacement picnic tables have been included in capital outlay. No vehicles were requested.

TOWN OF OCEAN CITY  
FISCAL YEAR 2015 BUDGET  
GENERAL FUND EXPENDITURES  
TOWN SPONSORED EVENTS AND FESTIVALS

EXPENDITURES	ACTUAL 2013	REVISED 2014	CITY MANAGER PROPOSED 2015	COUNCIL ADOPTED 2015
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 580,108	\$ 535,590	\$ 391,566	\$ 380,248
EMPLOYEE BENEFITS	200,761	207,973	177,664	168,443
	<u>780,869</u>	<u>743,563</u>	<u>569,230</u>	<u>548,691</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	856,634	883,095	931,004	931,004
SUPPLIES & MATERIALS	265,394	285,879	239,080	211,080
SPECIAL APPROPRIATIONS	21,999	0	0	
ENERGY	24,331	28,970	50,190	44,190
VEHICLE SUPPLIES & REPAIR	5,365	5,535	5,364	5,364
INTRAGOVERNMENTAL	19,534	18,778	45,021	45,021
	<u>1,193,257</u>	<u>1,222,257</u>	<u>1,270,659</u>	<u>1,236,659</u>
OTHER FINANCIAL USES:				
DEBT SERVICE	0	0	0	0
TRANSFER OUT	0	0	0	0
CAPITAL OUTLAY	0	3,600	1,800	1,800
	<u>0</u>	<u>3,600</u>	<u>1,800</u>	<u>1,800</u>
TOTAL EXPENDITURES	<u>\$ 1,974,126</u>	<u>\$ 1,969,420</u>	<u>\$ 1,841,689</u>	<u>\$ 1,787,150</u>
LESS REVENUE GENERATED BY DIVISION				
SUNFEST REVENUE	(456,461)	(450,000)	(432,550)	(432,550)
SPRINGFEST REVENUE	(404,875)	(385,000)	(395,000)	(395,000)
WINTERFEST REVENUE	(490,838)	(497,850)	(480,134)	(480,134)
SPECIAL EVENT REVENUE	(42,339)	(50,000)	(50,000)	(50,000)
PRIVATE EVENT REVENUE	(182,921)	(167,000)	(155,500)	(155,500)
CORPORATE SPONSORSHIP	(55,500)	(70,000)	(70,000)	(70,000)
	<u>(1,632,934)</u>	<u>(1,619,850)</u>	<u>(1,583,184)</u>	<u>(1,583,184)</u>
TOTAL TOWN CONTRIBUTION	<u>\$ 341,192</u>	<u>\$ 349,570</u>	<u>\$ 258,505</u>	<u>\$ 203,966</u>

**TOWN OF OCEAN CITY  
FISCAL YEAR 2015 BUDGET**

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**TOURISM PROMOTIONS**

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**BUDGET HIGHLIGHTS:**

**REVENUE CHANGES:**

The State Tourism grant has not been included in FY 15 as the amount of this grant is uncertain. \$359,022 was received in FY 13 and \$450,000 was received in FY 14. A portion of Room Tax has been dedicated to funding the Town advertising budget, Tourism Advisory Board sponsored private events, and funding for City support of Town sponsored and private events. The County Tourism grant was restored in FY 14 and is anticipated in FY 15.

**PERSONNEL CHANGES:**

Staffing in this division has been reduced from five full-time employees in FY 09 to two full-time employees in FY 15. Those positions are the Tourism Director and an Office Associate. Wage increments have been included for all eligible full-time employees. The Visitor's Center is staffed by part-time employees. In FY 15, a part-time Office Associate position has been added to the budget. Pension, retiree health, and health insurance costs increase for this division, while the allocation for worker's compensation is reduced.

**CHANGES IN OPERATIONS:**

Advertising is the main expense in the department. \$5,413,444 has been budgeted for advertising in FY 15. The FY 14 adopted budget for advertising totaled \$5,114,278, and was increased \$570,000 in Budget Amendment # 1. A portion of this increase, \$120,000, resulted from a projected increase in Room Tax for FY 14. An additional \$450,000 was recognized from the State Advertising grant. The funding formula outlined in the FY 08 ordinance has been followed for FY 15. 2.0% of the estimated gross room receipts has been budgeted for FY 15. Expenses in Contracted Services include marketing research, Team MD, a postage and handling fee for the Visitor's Guide and the travel and exhibit space for bus tour travel and trade shows. Marketing research has been reduced from \$40,000 in FY 14 to \$10,000 in FY 15. The Visitor's Guide postage and handling fees remain at \$20,000. Tourism Advisory Board, "TAB" is also funded by the Room Tax formula and is spent on Council approved special events and promotions. FY 12 was the first year for the allocation. It has been funded at \$300,000 for four consecutive fiscal years. In FY 13, funds were encumbered but not spent at year-end. Those funds were added to the appropriation for FY 14. Office supplies and promotional giveaways are funded in the Supplies and Materials line item. In FY 13, funds were included for a giveaway at a Toronto Golf show that were not included in subsequent years. In FY 15, the allocation for IT services increases. No capital outlay has been requested.

TOWN OF OCEAN CITY  
FISCAL YEAR 2015 BUDGET  
GENERAL FUND EXPENDITURES  
TOURISM PROMOTIONS

EXPENDITURES	ACTUAL 2013	REVISED 2014	CITY MANAGER PROPOSED 2015	COUNCIL ADOPTED 2015
<b>PERSONNEL COSTS:</b>				
SALARY AND WAGES	\$ 150,866	\$ 155,239	\$ 171,394	\$ 169,121
EMPLOYEE BENEFITS	60,909	77,625	79,262	79,088
	<u>211,775</u>	<u>232,864</u>	<u>250,656</u>	<u>248,209</u>
<b>OPERATING EXPENSES:</b>				
CONTRACTED SERVICES	100,408	167,325	136,628	136,628
ADVERTISING	5,915,737	5,714,278	5,302,333	5,413,444
TAB FUNDING	210,213	464,986	300,000	300,000
SUPPLIES & MATERIALS	23,433	16,872	14,872	14,872
ENERGY	8,014	7,437	7,750	7,750
VEHICLE SUPPLIES & REPAIR	2,033	1,356	1,700	1,700
INTRAGOVERNMENTAL	13,549	11,998	20,862	20,862
	<u>6,273,387</u>	<u>6,384,252</u>	<u>5,784,145</u>	<u>5,895,256</u>
<b>OTHER FINANCIAL USES:</b>				
DEBT SERVICE	0	0	0	0
TRANSFER OUT	0	0	0	0
CAPITAL OUTLAY	0	0	0	0
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL EXPENDITURES	<u>\$ 6,485,162</u>	<u>\$ 6,617,116</u>	<u>\$ 6,034,801</u>	<u>\$ 6,143,465</u>
<b>LESS REVENUE GENERATED BY DIVISION</b>				
ROOM TAX	(5,784,846)	(5,628,030)	(5,633,333)	(5,744,444)
STATE - TOURISM GRANT	(359,022)	(450,000)	0	0
COUNTY-TOURISM GRANT	0	(300,000)	(300,000)	(300,000)
SALES/OTHER MISC.	(332)	0	0	0
	<u>(6,144,200)</u>	<u>(6,378,030)</u>	<u>(5,933,333)</u>	<u>(6,044,444)</u>
<b>TOTAL TOWN CONTRIBUTION</b>	<u>\$ 340,962</u>	<u>\$ 239,086</u>	<u>\$ 101,468</u>	<u>\$ 99,021</u>

**TOWN OF OCEAN CITY  
FISCAL YEAR 2015 BUDGET  
MISCELLANEOUS DIVISION**

ACTIVITIES:

This division includes expenditures for activities that cannot be attributed to any individual department within the general fund, such as debt service payments and special appropriations. The General Fund also transfers funds to the Transportation, Convention Center, and Airport Funds to subsidize their operations.

BUDGET HIGHLIGHTS:

	<u>Amount Requested</u>	<u>Council Adopted</u>
Special Appropriations includes requested grants to:		
OC Drug and Alcohol Abuse Prevention/Play It Safe	\$ 7,500	\$ 7,500
Diakonia	56,000	40,000
Atlantic General Hospital	50,000	0
Worcester Youth & Family Counseling	15,000	9,000
Cricket Center	14,333	14,333
Life Crisis Center	8,000	8,000
Stephen Decatur After Prom Party	750	750
Town Cats	2,500	1,500
Delmarva Cat Connection	2,500	1,500
Community Cats Coalition	2,500	1,500
White Marlin Catch/Release Program	5,000	5,000
Wor Wic	<u>20,000</u>	<u>10,000</u>
Total	\$ 184,083	\$ 99,083
Interfund Transfers:		
Town events at Convention Center	\$ 40,000	\$ 40,000
Rent of Airport Land (Lion's Club)	3,600	3,600
Debt Service includes principal and interest for:		
DNR Loans		55,815
2004 Refunding Bonds		318,701
2005 Municipal Purpose Bonds		452,727
2006 Airport G.O. Bond		308,551
2007 Municipal Refunding Bonds		1,265,936
2009 Municipal Refunding Bonds		533,603
2010 Municipal Purpose Bonds		345,547
2012 Municipal Purpose Bonds		1,454,289
2013 Municipal Purpose Bonds		377,879
2014 Municipal Purpose Bonds		<u>107,115</u>
Total		\$ 5,220,163
Transfers to Other Funds consist of the following:		
Operating Transfers:		
Transportation		\$ 1,300,787
Airport		262,069
Convention Center		1,480,310
Capital Projects		1,550,720

TOWN OF OCEAN CITY  
 FISCAL YEAR 2015 BUDGET  
 GENERAL FUND EXPENDITURES  
 MISCELLANEOUS DIVISION

EXPENDITURES	ACTUAL 2013	REVISED 2014	CITY MANAGER PROPOSED 2015	COUNCIL ADOPTED 2015
OPERATING EXPENSES:				
SPECIAL APPROPRIATIONS	\$ 124,017	\$ 137,183	\$ 142,183	\$ 142,683
DEBT SERVICE - PRINCIPAL	2,828,443	3,714,657	3,565,415	3,656,846
INTEREST EXPENSE	1,640,586	1,617,372	1,563,678	1,563,317
TRANSFER TO TRANSPORTATION	1,927,997	1,722,688	395,082	1,300,787
TRANSFER TO AIRPORT	125,977	256,932	264,435	262,069
TRANSFER TO GOLF COURSE	0	0	0	0
TRANSFER TO CONVENTION CENTER	1,333,871	1,355,260	1,443,092	1,480,310
TRANSFER TO VEHICLE TRUST	488,000	340,248	90,419	0
TRANSFER TO CAPITAL CONSTRUCTION	2,000,000	2,400,000	2,371,367	1,550,720
 TOTAL EXPENDITURES	 \$ 10,468,891	 \$ 11,544,340	 \$ 9,835,671	 \$ 9,956,732
 TOTAL TOWN CONTRIBUTION	 \$ 10,468,891	 \$ 11,544,340	 \$ 9,835,671	 \$ 9,956,732

## **ENTERPRISE FUNDS**

**Enterprise Funds are used to account for the acquisition, operation and maintenance of governmental facilities and services that are entirely or predominantly self-supported by user charges. The operations of Enterprise Funds are accounted for in such a manner as to show a profit or loss similar to comparable private enterprises. The following activities of the Town are reported in this section:**

### **WATER FUND**

**The Water Fund operates three water treatment plants that combined produce approximately 1.1 billion gallons of potable water annually. With 6 towers and 1 booster pump station, the fund delivers water to 7,582 metered connections through 141 miles of distribution lines. Additional connections to 847 fire hydrants are also provided utilizing the Supervisory Control and Data Acquisition System (SCADA). The system can be monitored and controlled from various locations. All treatment processes are monitored and necessary adjustments made, by licensed operators that meet and maintain both State and Federal standards.**

### **WASTEWATER FUND**

**The Wastewater Department is responsible for maintaining the collection system with over 150 miles of mains and one mile of Ocean Outfall piping. All treatment processes comply with Maryland Department of the Environment (MDE) and the Environmental Protection Agency (EPA) standards and are strictly monitored and maintained by Maryland certified operators and technicians. Primary and secondary sludge are both land applied and the secondary treated effluent is discharged approximately one mile offshore into the Atlantic Ocean. The Wastewater Treatment Plant is permitted for 14 million gallons per day (mgd).**

### **TRANSPORTATION FUND**

**The Transportation fund operates the Municipal Bus System and Boardwalk Trams. Bus service is provided 24 hours a day, year round. In FY 14, the third shift winter bus route was discontinued. For the past several years, two fare options were available, \$1 per boarding or \$3 ride all day. In FY 15, the \$1 per boarding option was eliminated. The ADA-Paratransit Bus service operates seven days a week, year-round from the hours of 7:00 am – 11:00 pm. The Boardwalk Trams operate from Springfest through Sunfest.**

### **AIRPORT FUND**

**The Ocean City Municipal Airport is located off Route 611 in West Ocean City and offers year-round services for general aviation aircraft. Services provided by the Airport include aircraft fueling, storage, maintenance and aviation training. The Airport users also provide other services such as sightseeing, aerial photography, aerial spraying and skydiving. The Ocean City Airport allows aviation enthusiasts,**

## ENTERPRISE FUNDS (CONTINUED)

### AIRPORT FUND (CONTINUED)

tourists, businesses, and government agencies quick and efficient access to Ocean City and Worcester County.

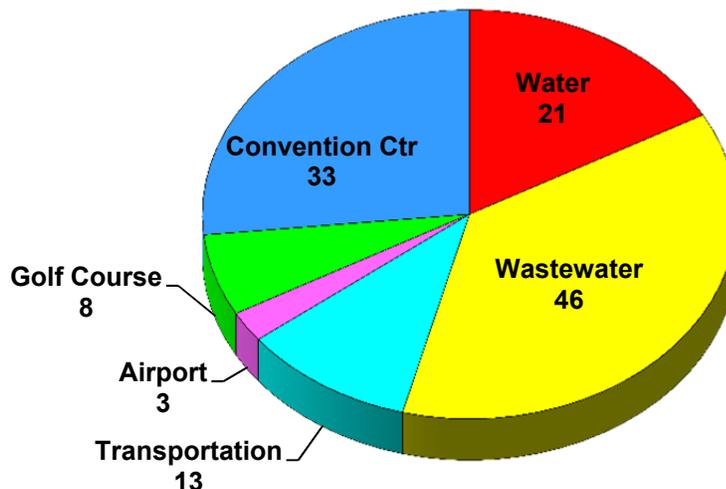
### GOLF COURSE FUND

Eagle's Landing, the Town's Golf Course, operates as an Enterprise Fund, and offers a 7,000 yard, eighteen hole course on an award winning layout with a restaurant and golf shop. The maintenance division maintains the grounds and greens; services equipment and golf carts; and provides support to other departments on chemical applications and insect control measures. The operations division handles the day-to-day operations of the golf course, including all customer transactions.

### CONVENTION CENTER FUND

This fund accounts for the activities of the Roland E. Powell Convention Center. The facility hosts numerous conventions, trade shows, large-scale meetings and various entertainment events during the year. These events will attract an estimated 550,000 exhibitors, attendees, and vendors to the facility and the Town, which creates an economic impact to the Town hotels, restaurants, and retail sales. Revenue for the building's operations will be generated from hall rental and expanded events services. A Performing Arts Center is scheduled for completion in December 2014.

**FY 15 Enterprise Fund Full-Time Personnel**



**TOWN OF OCEAN CITY  
FISCAL YEAR 2015 BUDGET**

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**WATER FUND**

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**BUDGET HIGHLIGHTS:**

**REVENUE CHANGES:**

In accordance with ordinance 2010-7, the metered rate increases from \$3.25 to \$3.40 per 1,000 gallons, and the fixture rate remains at \$2.60 per equivalent fixture. These rates have been incorporated in the FY 15 budget. Water connection charges are expected to increase. Capacity, or Impact fees were enacted in FY 2005 and were increased to \$126 per fixture in the FY 11 budget. Capacity fees are anticipated to result in \$89,964 to fund Water department capital projects. The FY 15 budget does not require funding from fund balance in the Water fund.

**PERSONNEL CHANGES:**

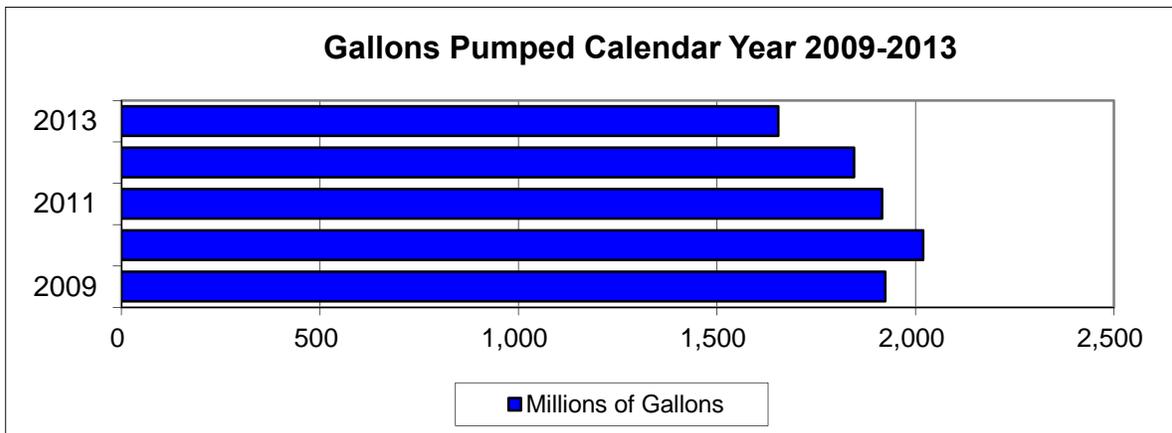
Twenty-one full-time positions are included in the Water Fund. Wage increments have been included for all eligible full-time employees. Three additional positions are currently shared with the Wastewater Fund. They are: an Office Associate, a Purchasing Technician and a SCADA Technician. No deductions have been made for Water department wages that are charged to Water capital projects. Interdepartmental labor has been budgeted at \$36,000 for the use of Public Works' manpower. Deductions have been made from Public Works for like amounts. Increases are projected for health insurance, retiree health insurance and pension.

**CHANGES IN OPERATIONS:**

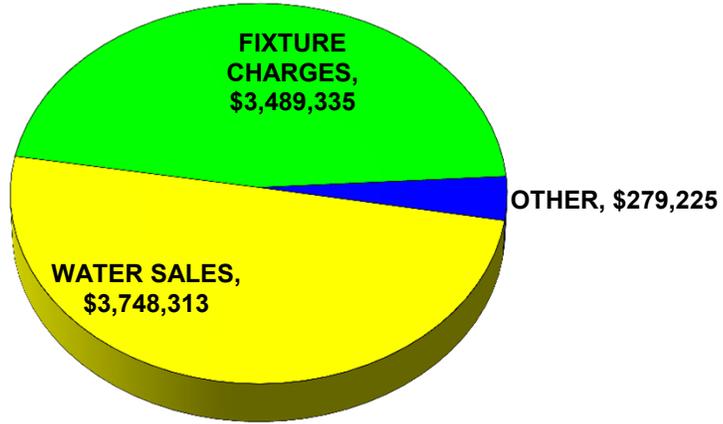
The Contracted Services line item includes professional and contracted services. Professional Services, which include engineering services and tank painting inspection services are budgeted at \$155,796, the same level as FY 14. A hydrant maintenance program was funded at \$80,000 in FY 14. The Maintenance line item includes costs for building and equipment maintenance. The main item included in this category is the painting and inspection services for the 15<sup>th</sup> Street water tower, which is budgeted at \$750,000. Plant building maintenance is funded at \$12,000 and includes repair of broken railing at well houses and the water treatment plants, replacement of damaged rain gutters at the 15<sup>th</sup> street water treatment plant and interior painting at 15<sup>th</sup> street. Routine equipment maintenance, such as well maintenance, has also been included in this category and totals \$268,200. Funds to upgrade the PLC filter panels at 15<sup>th</sup> street are included at a cost of \$50,000. Costs for Supplies and Materials are expected to decrease in FY 15. Water chemicals are budgeted at \$239,966. Supplies for repairs to water pipes, fire hydrants and valves are included at \$110,000. A wall-mount chlorine, PH and turbidity analyzer was funded in FY 14. Energy costs are expected to increase. Vehicle fuel has been budgeted at the average number of gallons used for the past two years. Vehicle parts and labor costs are expected to increase for the Distribution division. Repainting of a Case backhoe has been included at a cost of \$8,900. Intragovernmental allocations increase for General Overhead and Insurance, but decrease for Vehicle Lease and IT services. Reductions in debt service costs are due to the refunding of the 2004 bond issue. Transfer to capital projects includes \$175,000 for water main upgrades, \$375,000 for St. Louis Avenue water main Phase 2, \$800,000 for the Disinfection byproduct project and \$170,600 for 42<sup>nd</sup> Street C well reconstruction. No capital outlay has been requested.

TOWN OF OCEAN CITY  
FISCAL YEAR 2015 BUDGET  
WATER FUND

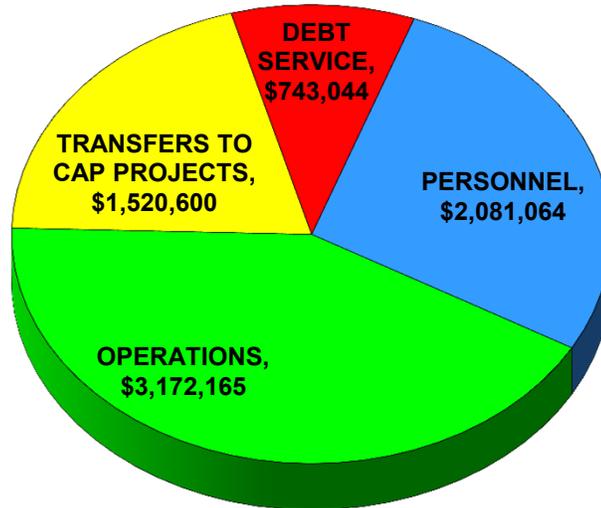
EXPENDITURES	ACTUAL 2013	REVISED 2014	CITY MANAGER PROPOSED 2015	COUNCIL ADOPTED 2015
<b>PERSONNEL COSTS:</b>				
SALARY AND WAGES	\$ 1,124,529	\$ 1,305,887	\$ 1,356,552	\$ 1,341,518
EMPLOYEE BENEFITS	642,939	711,726	740,696	739,546
	<u>1,767,468</u>	<u>2,017,613</u>	<u>2,097,248</u>	<u>2,081,064</u>
<b>OPERATING EXPENSES:</b>				
CONTRACTED SERVICES	392,164	360,919	287,491	287,491
MAINTENANCE	994,870	978,290	1,160,000	1,160,000
SUPPLIES & MATERIALS	444,808	498,839	475,396	475,396
ENERGY	347,247	352,241	364,000	364,000
VEHICLE SUPPLIES & REPAIR	146,862	129,109	144,940	144,940
INTRAGOVERNMENTAL	699,195	680,255	740,338	740,338
	<u>3,025,146</u>	<u>2,999,653</u>	<u>3,172,165</u>	<u>3,172,165</u>
<b>OTHER FINANCIAL USES:</b>				
DEBT SERVICE	1,080,617	1,067,216	743,044	743,044
TRANSFER TO RESERVES	0	0	0	0
TRANSFER TO CAP PROJECTS	1,055,000	1,365,000	1,504,416	1,520,600
CAPITAL OUTLAY	0	0	0	0
	<u>2,135,617</u>	<u>2,432,216</u>	<u>2,247,460</u>	<u>2,263,644</u>
<b>TOTAL EXPENDITURES</b>	<b>\$ <u>6,928,231</u></b>	<b>\$ <u>7,449,482</u></b>	<b>\$ <u>7,516,873</u></b>	<b>\$ <u>7,516,873</u></b>
<b>LESS REVENUE GENERATED BY DEPARTMENT</b>				
WATER SALES	(3,368,484)	(3,551,295)	(3,748,313)	(3,748,313)
WATER FIXTURE CHARGE	(3,511,121)	(3,494,483)	(3,489,335)	(3,489,335)
CAPACITY FEES	(44,163)	(75,600)	(89,964)	(89,964)
INTEREST	(40,188)	(21,000)	(19,015)	(19,015)
WATER VACANT LOT CHARGE	(30,538)	(30,202)	(31,824)	(31,824)
WATER CONNECTION CHARGES	(36,143)	(107,356)	(108,422)	(108,422)
SALES - MATERIALS & SERVICE	(50,761)	(30,000)	(30,000)	(30,000)
	<u>(7,081,398)</u>	<u>(7,309,936)</u>	<u>(7,516,873)</u>	<u>(7,516,873)</u>
<b>REVENUE (OVER)/UNDER EXPENDITURES</b>	<b>\$ <u>(153,167)</u></b>	<b>\$ <u>139,546</u></b>	<b><u>0</u></b>	<b>\$ <u>0</u></b>



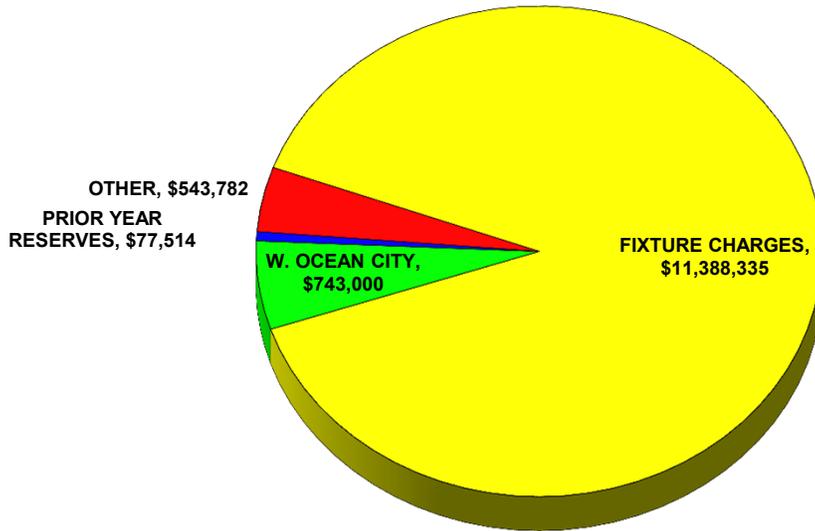
### Water Fund Revenue 2015 Adopted



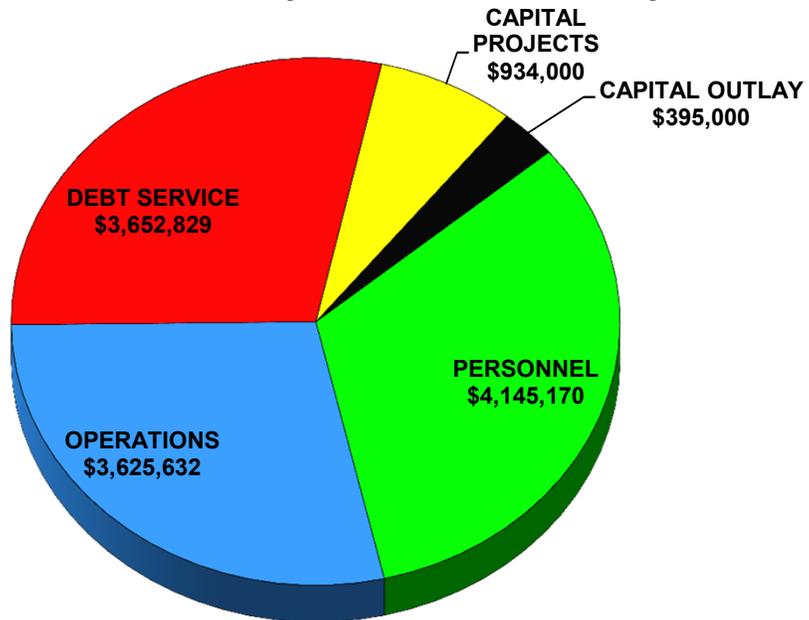
### Water Fund Expenditures 2015 Adopted



### Wastewater Fund Revenue 2015 Adopted



### Wastewater Fund Expenditures 2015 Adopted



**TOWN OF OCEAN CITY**  
**FISCAL YEAR 2015 BUDGET**

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**WASTEWATER FUND**

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**BUDGET HIGHLIGHTS:**

**REVENUE CHANGES:**

In accordance with Resolution 2010-7, the rates for wastewater service remain at \$8.45 per quarter. The estimate for the number of fixtures decreases from FY 14, resulting in slightly less revenue. Capacity fees are based on new capacity and are expected to generate \$157,080 in FY 15. Capacity fees are used to fund Wastewater department capital projects. Service to West Ocean City is budgeted at the average revenue received, \$743,000. Federal Government grants include the Build America Bond interest subsidy. Wastewater fund balance in the amount of \$77,514 must be used to support this budget.

**PERSONNEL CHANGES:**

Forty-six positions are funded in the Wastewater Fund. Three positions are currently shared with Water: an Office Associate, the Purchasing Technician and a SCADA Technician. Wage increments have been included for all eligible full-time employees. A seasonal truck driver position was funded in the Treatment Plant division in FY 14, but has not been requested in FY 15. Increases are projected in all benefit categories, with the largest increases in health insurance, retiree health and pension.

**CHANGES IN OPERATIONS:**

Contracted Services include services provided by professional architects and engineers and tipping fees. Professional Services are expected to decrease \$25,600 in FY 15. A holding tank odor control study was included at \$20,000 in the FY 14 budget. Tipping fees were budgeted at \$507,000 in the FY 14 budget. This estimate has been reduced to \$210,000 for FY 15. EOT disposal fees have also been funded at an estimated cost of \$175,000. Permit fees paid to the Maryland Department of the Environment have been budgeted at \$8,000. Contracted Services also includes ocean outfall inspection fees, which are reduced \$70,000 from the FY 14 budgeted amount. Building maintenance has been budgeted at \$244,990. Most of this cost is routine plant maintenance, but \$30,000 has been included to replace the roof on the Effluent building, and \$25,000 has been included for concrete rehabilitation. Plant equipment maintenance has been budgeted at \$261,200. Replacement of the west thermoblender heater has been included at \$35,000. All other maintenance is routine. Supplies and Materials increase \$57,880 from FY 14. Approximately \$411,850 of this line item is budgeted to purchase chemicals for wastewater treatment. A hoist system for wet well entry has been included at \$12,620 and a BOD incubator replacement for the lab has been funded at \$8,000. Energy costs have been budgeted to increase and include propane for the biosolids building at \$51,000. Vehicle fuel cost estimates were reduced for this department. Intragovernmental allocations for Vehicle Lease, General Overhead and insurance increase, while the allocation for IT services decreases. Debt service in FY 15 includes principal and interest for the 2013 bond issue, whose costs are partially offset by savings from the refunding of the 2004 bond issue. Capital outlay includes \$350,000 to replace the East Fournier press, \$20,000 to purchase a Biosolids truck scale and \$25,000 to replace nitrogen testing equipment for the lab. Transfer to capital projects includes \$500,000 for sewer main upgrades and \$434,000 for St. Louis Avenue Phase III. A ½ ton 2wd pickup was approved in the Vehicle Trust fund. A replacement dump truck was requested but not approved.

TOWN OF OCEAN CITY  
FISCAL YEAR 2015 BUDGET  
WASTEWATER FUND

EXPENDITURES	ACTUAL 2013	REVISED 2014	CITY MANAGER PROPOSED 2015	COUNCIL ADOPTED 2015
<b>PERSONNEL COSTS:</b>				
SALARY AND WAGES	\$ 2,470,705	\$ 2,643,554	\$ 2,641,903	\$ 2,614,658
EMPLOYEE BENEFITS	1,342,945	1,455,214	1,532,597	1,530,512
	<u>3,813,650</u>	<u>4,098,768</u>	<u>4,174,500</u>	<u>4,145,170</u>
<b>OPERATING EXPENSES:</b>				
CONTRACTED SERVICES	667,172	887,881	656,041	656,041
MAINTENANCE	507,276	705,152	543,515	543,515
SUPPLIES & MATERIALS	699,192	569,804	627,684	627,684
ENERGY	531,439	568,514	587,652	587,652
VEHICLE SUPPLIES & REPAIR	188,072	192,803	187,035	187,035
INTRAGOVERNMENTAL	973,634	986,910	1,023,705	1,023,705
	<u>3,566,785</u>	<u>3,911,064</u>	<u>3,625,632</u>	<u>3,625,632</u>
<b>OTHER FINANCIAL USES:</b>				
DEBT SERVICE	3,308,612	3,525,246	3,652,829	3,652,829
TRANSFER TO RESERVES	0	0	0	0
TRANSFER TO CAPITAL PROJECTS	801,765	3,095,940	934,000	934,000
CAPITAL OUTLAY	322,444	67,406	395,000	395,000
	<u>4,432,821</u>	<u>6,688,592</u>	<u>4,981,829</u>	<u>4,981,829</u>
<b>TOTAL EXPENDITURES</b>	<b>\$ <u>11,813,256</u></b>	<b>\$ <u>14,698,424</u></b>	<b>\$ <u>12,781,961</u></b>	<b>\$ <u>12,752,631</u></b>
<b>LESS REVENUE GENERATED BY DEPARTMENT</b>				
FIXTURE CHARGES	(11,155,564)	(11,404,390)	(11,388,335)	(11,388,335)
INTEREST	(36,655)	(33,000)	(36,000)	(36,000)
VACANT LOT CHARGE	(37,833)	(38,333)	(40,392)	(40,392)
CONNECTION CHARGES	(3,000)	(8,000)	(8,000)	(8,000)
SALES - MATERIALS & SERVICES	(24,750)	(9,600)	(9,600)	(9,600)
SERVICE TO WEST OCEAN CITY	(744,796)	(773,000)	(743,000)	(743,000)
PLUMBING PERMITS	(66,480)	(68,000)	(66,000)	(66,000)
LAB FEES	(88,388)	(92,000)	(90,000)	(90,000)
CAPACITY FEES	(77,110)	(132,000)	(157,080)	(157,080)
INTEREST EARNED ON INVESTMENTS	(1,151)	(5,000)	(5,000)	(5,000)
FEDERAL GOVERNMENT GRANTS	(150,430)	(119,966)	(128,710)	(128,710)
MISCELLANEOUS	(3,000)	(38,146)	(3,000)	(3,000)
PROCEEDS OF LONG TERM DEBT	0	(1,470,127)	0	0
	<u>(12,389,157)</u>	<u>(14,191,562)</u>	<u>(12,675,117)</u>	<u>(12,675,117)</u>
<b>REVENUE (OVER)/UNDER EXPENDITURES</b>	<b>\$ <u>(575,901)</u></b>	<b>\$ <u>506,862</u></b>	<b>\$ <u>106,844</u></b>	<b>\$ <u>77,514</u></b>

Fixture Charge	7.95	8.20	8.45
Vacant Lot	18.60	19.20	19.80

**TOWN OF OCEAN CITY**  
**FISCAL YEAR 2015 BUDGET**

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**TRANSPORTATION FUND**

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**BUDGET HIGHLIGHTS:**

**REVENUE CHANGES:**

In February 2011, bus fare was increased from \$2 ride-all-day to \$3 ride-all-day, or \$1 per boarding, resulting in an increase in estimated bus revenue. The FY 15 budget eliminates the \$1 per boarding option, resulting in additional projected bus revenue of \$488,505 over the FY 14 projected revenue, and reducing the required General Fund contribution from \$1,933,700 to \$1,300,787. Tram fare will continue to be \$3.00 one-way seven days a week. \$1,088,620 is the projected tram revenue for FY 15. Bus advertising is estimated at \$210,000 in FY 15. Federal and State operating grants are budgeted at \$825,782, the same level since FY 07. Capital grants include the purchase of five transit buses, previously funded through the Vehicle Trust Fund.

**PERSONNEL CHANGES:**

Since FY '09, four full-time positions were eliminated in this division. Thirteen full-time employees were funded in FY 14. A Training and Compliance Manager position was requested in FY 15, but not funded. Part time salaries in the bus division were increased \$18,201. A grade increase has been requested for the ADA drivers to take effect in October, which will allow the bus drivers and ADA van drivers to be used interchangeably. The cost of this potential upgrade is \$9,923. Nearly 200 seasonal employees are employed by the Transportation department. In FY 15, training hours were increased for the seasonal staff. Part time hours for the Tram division employees remain the same. Budgeted hours for the operation of the medical transport program have also been included. Overtime in the bus division remains at the FY 14 level. In the FY 14 budget, the third bus shift was eliminated on weekdays during the winter months, at a savings of over \$30,000 in part-time bus salaries. In the Employee benefits category, costs for health insurance, retiree health and pension increase, while the allocation for worker's compensation and the projected costs for Unemployment decrease. Unemployment accounts for \$510,000 of the Employee Benefits line item for FY 15, which is a \$29,000 reduction from the FY 14 budgeted amount.

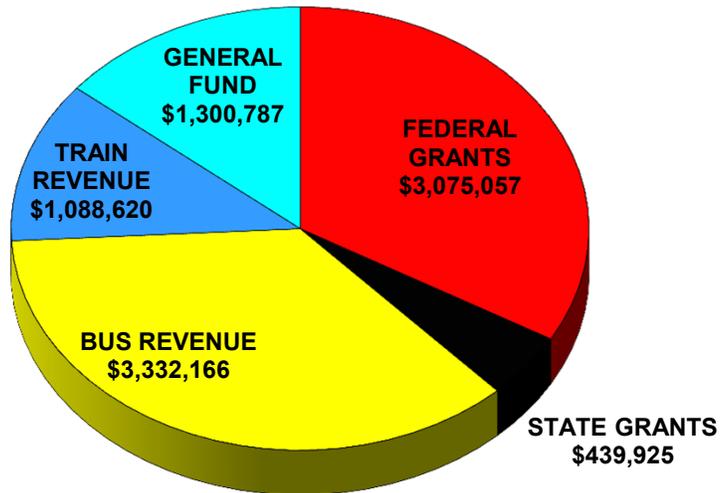
**OPERATIONAL CHANGES:**

Contracted Services include building and equipment maintenance, printing, dues and credit card fees. In FY 15, rehabilitation of the Park and Ride building has been included at \$50,000, however, 90% of the cost will be covered by MTA grants if approved. Operational Supplies decrease because the FY 14 budget included grant-funded bus passenger shelters. Currency counters have been included in the FY 15 budget and will also be covered by 90% grant funding if approved. Tram uniform purchases have been included at a cost of \$5,000. Energy costs increase slightly. Vehicle fuel is a major expense for this department and was budgeted at \$937,953, an increase of \$33,810. Parts and labor for the bus division have been budgeted at \$1,235,000. Grant funds in the amount of \$540,000 have been requested to offset this cost. Intragovernmental allocations for General Overhead expense and Property & Liability insurance decrease, while the allocations for Vehicle lease and IT services increase. Overall, Intragovernmental allocations decrease \$41,503. Vehicle lease in the bus division only covers the amount for vehicle insurance costs. Vehicle Lease in the Administrative and Tram divisions includes an amount for vehicle lease and for vehicle insurance. Beginning in FY 14, funds that would normally have been transferred to the Vehicle Trust Fund have been retained in this fund to offset the local match for the requested buses. Capital Outlay includes five transit buses budgeted at \$454,000 each, and a replacement ADA van, budgeted at \$62,000. 90% of this cost will be covered by FTA/MTA grants if approved.

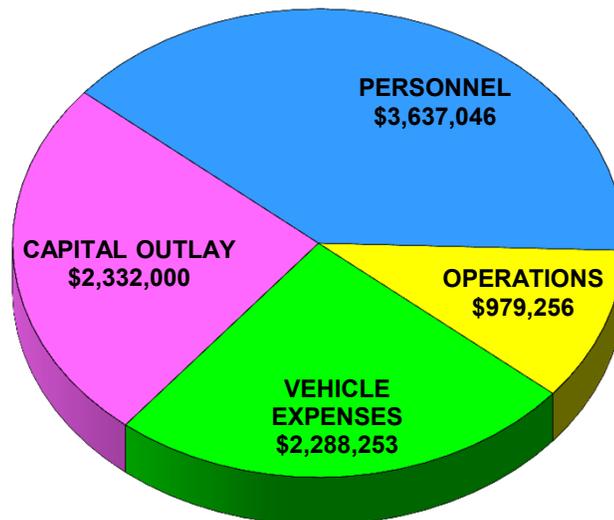
TOWN OF OCEAN CITY  
FISCAL YEAR 2015 BUDGET  
TRANSPORTATION FUND

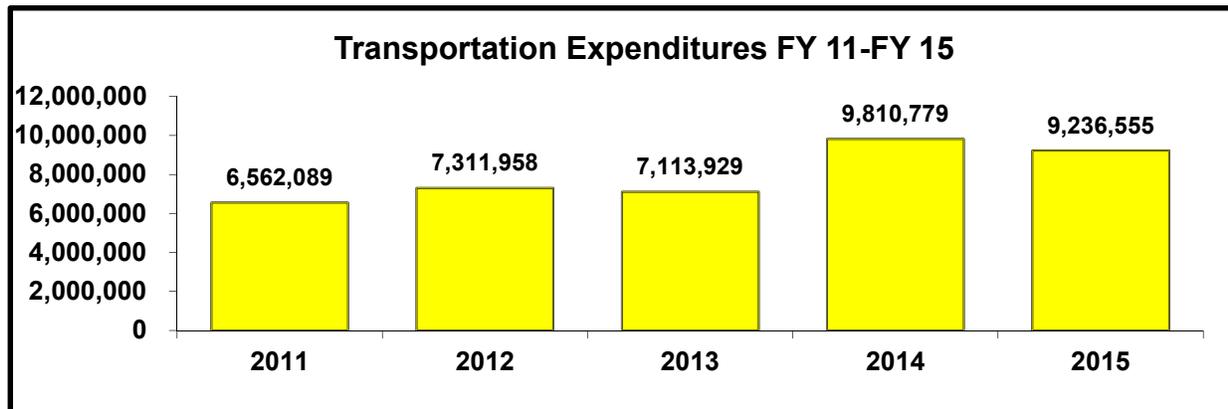
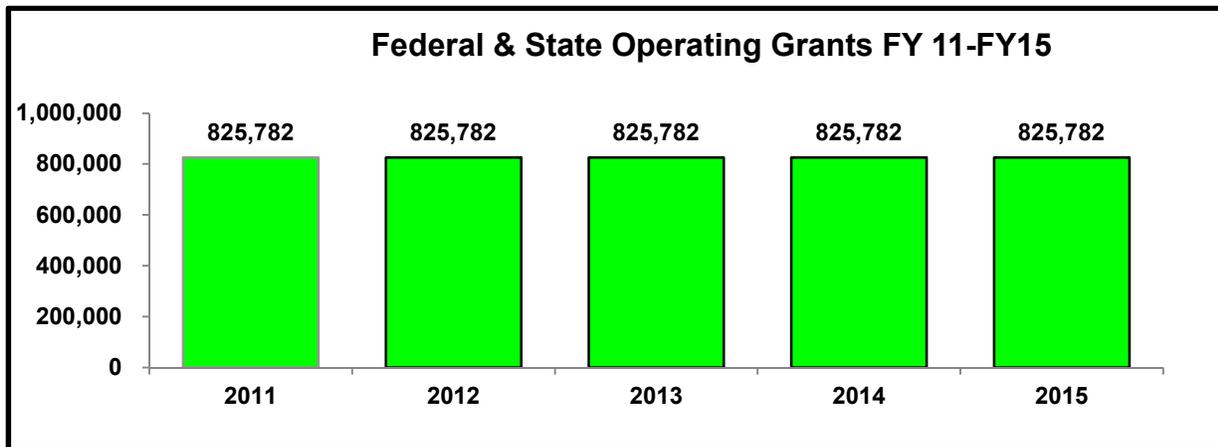
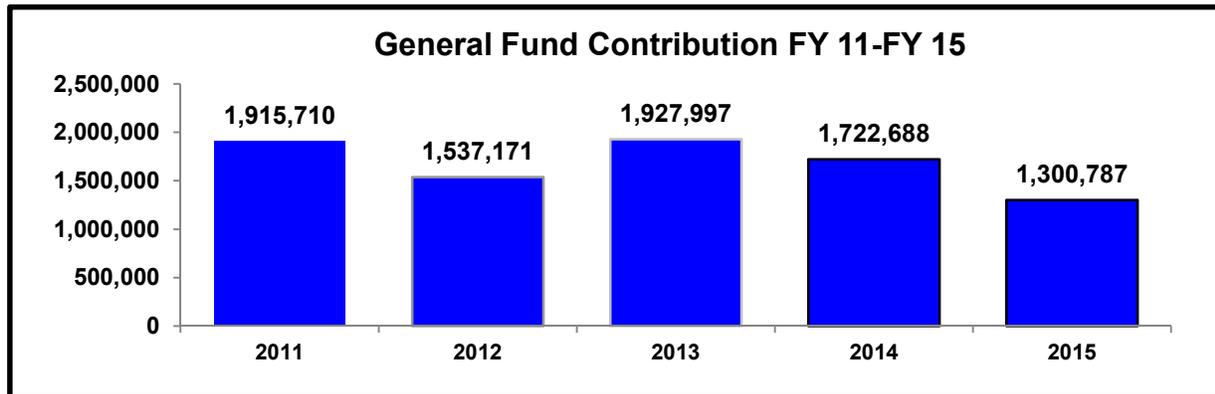
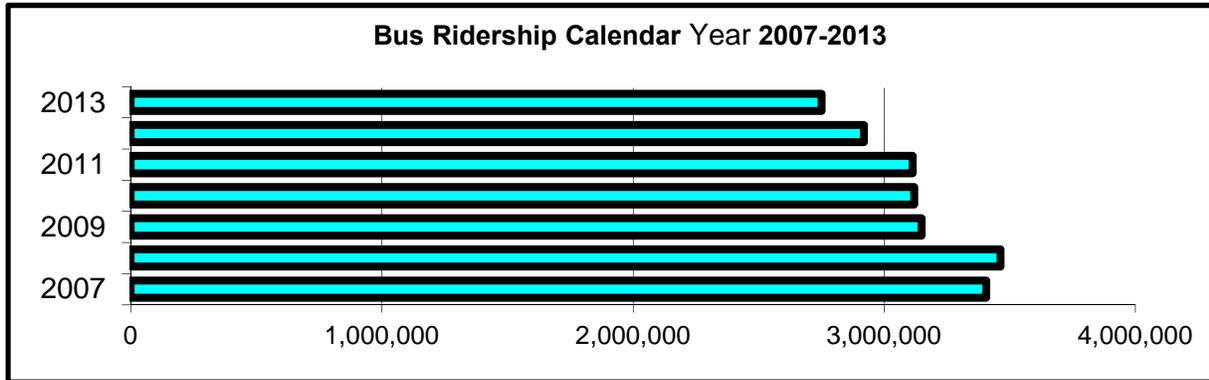
EXPENDITURES	ACTUAL 2013	REVISED 2014	CITY MANAGER PROPOSED 2015	COUNCIL ADOPTED 2015
<b>PERSONNEL COSTS:</b>				
SALARY AND WAGES	\$ 2,539,014	\$ 2,551,559	\$ 2,642,157	\$ 2,582,531
EMPLOYEE BENEFITS	974,379	1,069,389	1,072,572	1,054,515
	<u>3,513,393</u>	<u>3,620,948</u>	<u>3,714,729</u>	<u>3,637,046</u>
<b>OPERATING EXPENSES:</b>				
CONTRACTED SERVICES	84,891	109,172	130,319	130,319
SUPPLIES & MATERIALS	71,117	86,712	69,475	69,475
ENERGY	69,419	72,400	72,931	72,931
VEHICLE SUPPLIES & REPAIR	2,247,379	2,399,189	2,288,253	2,288,253
INTRAGOVERNMENTAL	915,054	748,034	706,531	706,531
	<u>3,387,860</u>	<u>3,415,507</u>	<u>3,267,509</u>	<u>3,267,509</u>
<b>OTHER FINANCIAL USES:</b>				
DEBT SERVICE	0	0	0	0
TRANSFER OUT	0	0	0	0
CAPITAL OUTLAY	212,676	2,774,324	2,332,000	2,332,000
	<u>212,676</u>	<u>2,774,324</u>	<u>2,332,000</u>	<u>2,332,000</u>
<b>TOTAL EXPENDITURES</b>	<b>\$ <u>7,113,929</u></b>	<b>\$ <u>9,810,779</u></b>	<b>\$ <u>9,314,238</u></b>	<b>\$ <u>9,236,555</u></b>
<b>LESS REVENUE GENERATED BY DEPARTMENT</b>				
BUS REVENUE	(2,629,726)	(2,633,461)	(3,126,275)	(3,121,966)
TRAIN REVENUE	(1,102,327)	(1,060,300)	(1,088,620)	(1,088,620)
BUS ADVERTISING	(205,930)	(210,000)	(210,000)	(210,000)
INTEREST ON INVESTMENTS	(164)	(200)	(200)	(200)
CAPITAL ASSET SALES	(86,006)	0	0	0
PRIOR YEAR RESERVES	(25,357)	(168,815)	0	0
CAPITAL GRANT - FEDERAL	(285,453)	(2,835,141)	(2,390,400)	(2,390,400)
CAPITAL GRANT - STATE	(25,020)	(354,392)	(298,800)	(298,800)
ADA GRANT - STATE	(86,072)	(110,000)	(110,000)	(110,000)
OPERATING GRANT - FEDERAL	(684,657)	(684,657)	(684,657)	(684,657)
OPERATING GRANT - STATE	(55,220)	(31,125)	(31,125)	(31,125)
	<u>(5,185,932)</u>	<u>(8,088,091)</u>	<u>(7,940,077)</u>	<u>(7,935,768)</u>
<b>TOWN CONTRIBUTION</b>	<b>\$ <u>1,927,997</u></b>	<b>\$ <u>1,722,688</u></b>	<b>\$ <u>1,374,161</u></b>	<b>\$ <u>1,300,787</u></b>

### Transportation Fund Revenue 2015 Adopted



### Transportation Fund Expenditures 2015 Adopted





**TOWN OF OCEAN CITY**  
**FISCAL YEAR 2015 BUDGET**

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**AIRPORT FUND**

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**BUDGET HIGHLIGHTS:**

**REVENUE CHANGES:**

No Federal or State grant funding is anticipated in FY 15. Anticipated fuel sales are based on the average number of gallons sold for the past four years. The average number of gallons of jet fuel have increased, but the average number of gallons of 100LL has decreased. Per gallon costs for the fuel are also projected to decrease. T-Hanger rent revenue was reduced in budget amendment # 1 for FY 14 due to hangar vacancies. Land rent to the Lion's Club will remain at \$3,600. Usage of the concrete crushing operation has been anticipated to decrease, resulting in a reduction in Service Charge revenue. Funds accumulating from the concrete crushing operation were used to offset General Fund contribution in FY 13 and are shown as "Prior Year Surplus." The General Fund subsidy of the Airport increases \$26,137, from \$235,932 to \$262,069.

**PERSONNEL CHANGES:**

Three full-time employees are budgeted in this division. One full-time position was converted to a part-time, year-round position in FY 11. One part-time line technician position was eliminated. Wage increments have been included for all eligible full-time employees. In FY 14, funds from a full-time position vacancy were used to fund an additional part-time position. Two part-time, year-round Office Associates and two seasonal line technicians are also employed by this division. Premium overtime costs have been increased in FY 15. All benefit categories increase for this division.

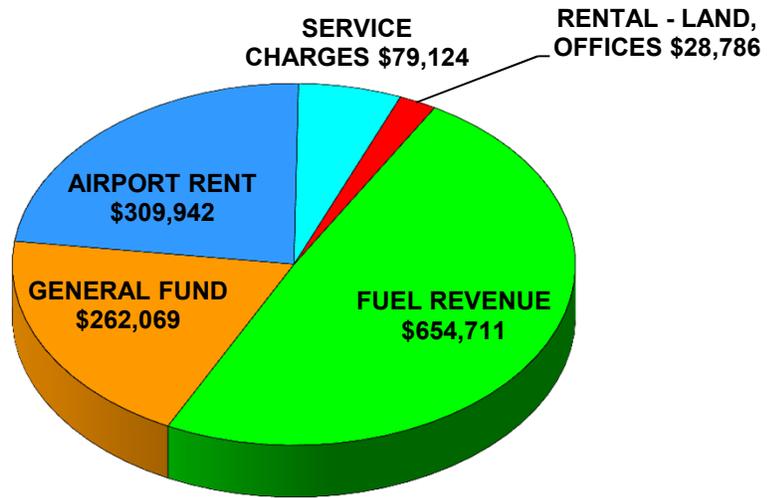
**CHANGES IN OPERATIONS:**

Contracted Services include professional services, building and equipment maintenance, credit card fees and other services. In FY 13, \$123,000 was included for the replacement of the terminal building roof and other building maintenance items. Painting of the above ground fuel tanks was also included in FY 13 at a cost of \$24,050. A fuel farm transfer pump overhaul has been included in FY 15. Concrete crushing has been included at \$47,600, a reduction of \$20,400 from the FY 14 budget. Also included in FY 14 was replacement of the HVAC system at a cost of \$21,000. Mowing of the fields surrounding the airport has been included at a cost of \$15,895. Other expenses included in Contracted Services include maintenance of the field lighting, \$10,000 and Navigation Aid technical support, \$10,000. Purchases for Resale fuel purchase costs are the primary expense of the Airport fund. Fuel purchases are budgeted at \$523,808 for the coming year, a decrease of \$142,232. The estimated gallons of 100 LL fuel have decreased and the purchase price is projected to decrease as well. Energy costs have been budgeted to increase slightly. Included in Vehicle Supplies and Repair for FY 13 was a replacement boom mower attachment at a cost of \$12,002. FY 15 includes routine maintenance costs. Allocations for Vehicle lease, IT services and General Overhead expense increase for this division, while the allocation for property and liability insurance decreases. Debt Service reflects Airport improvement bonds of 2005 and 2010. Transfer to Capital Projects in FY 13 included supplemental funding for the design of runway 14/32. This cost was offset by \$427,500 in state and federal grants. No capital outlay has been included for this division.

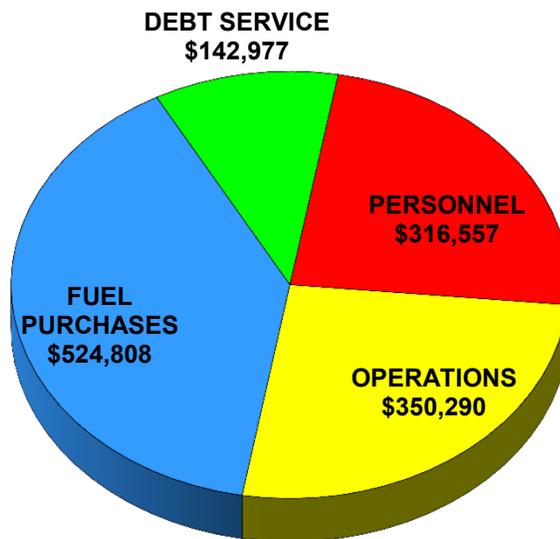
TOWN OF OCEAN CITY  
FISCAL YEAR 2015 BUDGET  
AIRPORT FUND

EXPENDITURES	ACTUAL 2013	REVISED 2014	CITY MANAGER PROPOSED 2015	COUNCIL ADOPTED 2015
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 213,566	\$ 207,094	\$ 217,844	\$ 215,646
EMPLOYEE BENEFITS	88,892	89,803	101,079	100,911
	<u>302,458</u>	<u>296,897</u>	<u>318,923</u>	<u>316,557</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	326,808	221,022	174,506	174,506
SUPPLIES & MATERIALS	15,009	15,682	16,369	16,369
PURCHASES FOR RESALE	595,063	667,740	524,808	524,808
ENERGY	35,831	35,716	39,498	39,498
VEHICLE SUPPLIES & REPAIR	36,157	18,263	18,062	18,062
INTRAGOVERNMENTAL	102,317	99,353	101,855	101,855
	<u>1,111,185</u>	<u>1,057,776</u>	<u>875,098</u>	<u>875,098</u>
OTHER FINANCIAL USES:				
DEBT SERVICE	140,396	142,974	142,977	142,977
TRANSFER TO CAPITAL PROJECTS	450,000	0	0	0
CAPITAL OUTLAY	0	0	0	0
	<u>590,396</u>	<u>142,974</u>	<u>142,977</u>	<u>142,977</u>
TOTAL EXPENDITURES	<u>\$ 2,004,039</u>	<u>\$ 1,497,647</u>	<u>\$ 1,336,998</u>	<u>\$ 1,334,632</u>
LESS REVENUE GENERATED BY DEPARTMENT				
FUEL REVENUE	(736,814)	(791,782)	(654,711)	(654,711)
RENT REVENUES	(299,923)	(298,328)	(309,942)	(309,942)
RENTAL - LAND, OFFICE SPACE	(25,661)	(29,739)	(28,686)	(28,686)
FEDERAL GRANTS	(405,000)	0	0	0
STATE GRANTS	(22,500)	0	0	0
SERVICE CHARGES	(115,701)	(117,992)	(79,124)	(79,124)
INSURANCE CLAIM PAYMENTS	(3,093)	0	0	0
INTEREST ON ACCOUNTS	(357)	0	0	0
INTEREST ON INVESTMENTS	0	(100)	(100)	(100)
PRIOR YEAR SURPLUS	(269,013)	(23,774)	0	0
	<u>(1,878,062)</u>	<u>(1,261,715)</u>	<u>(1,072,563)</u>	<u>(1,072,563)</u>
TOTAL TOWN CONTRIBUTION	<u>\$ 125,977</u>	<u>\$ 235,932</u>	<u>\$ 264,435</u>	<u>\$ 262,069</u>

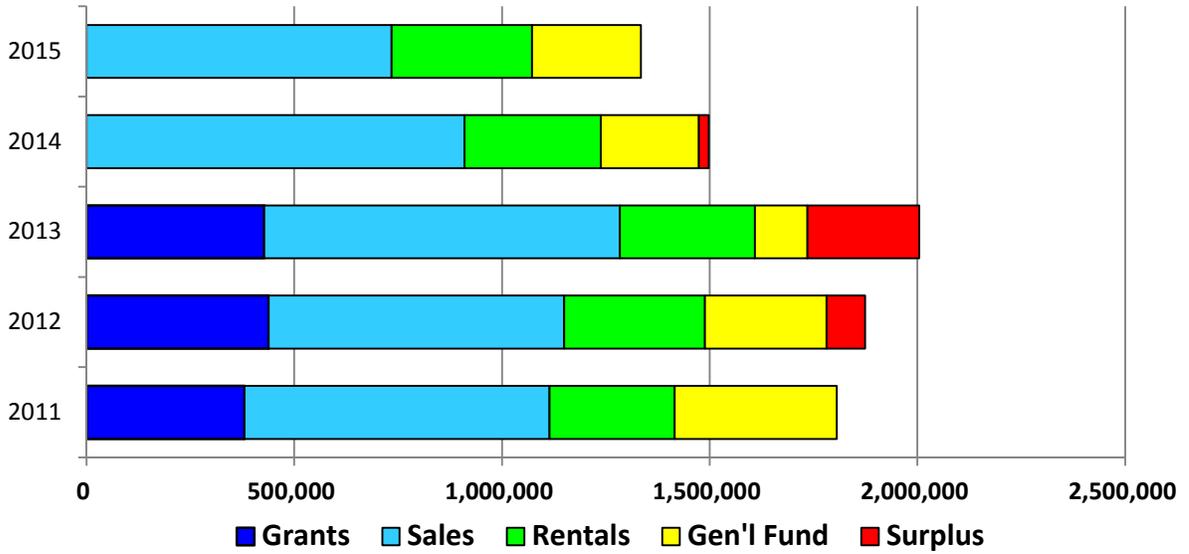
### Airport Fund Revenues 2015 Adopted



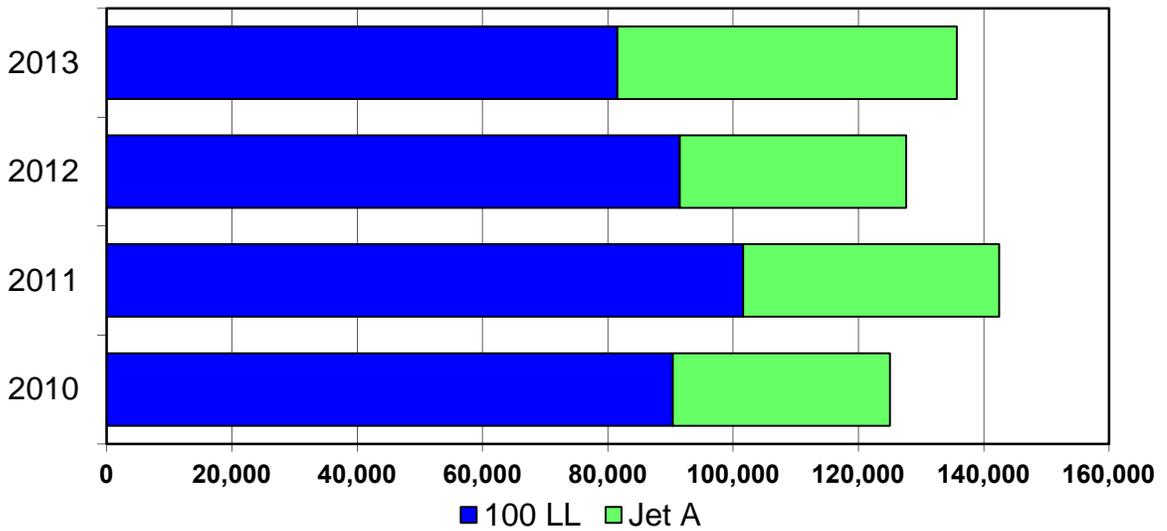
### Airport Fund Expenditures 2015 Adopted



### Airport Revenue by Type FY 11 - FY 15



### Gallons of Fuel Sold FY 10 - FY 13



**TOWN OF OCEAN CITY  
FISCAL YEAR 2015 BUDGET**

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**GOLF COURSE FUND**

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**BUDGET HIGHLIGHTS:**

**REVENUE CHANGES:**

The weekend spring/summer rack rates will be increased from \$95 to \$99 in the spring of 2015. Admissions Tax revenue for Eagle's Landing, previously assigned to the General Fund, was assigned to the Golf Course beginning in FY 10. Revenue has been conservatively estimated for FY 15.

**PERSONNEL CHANGES:**

Eight full-time positions are included in this budget. Wage increments have been included for all eligible full-time employees. Seasonal golf laborers, pro shop employees, concession workers and cart attendants are also employed by this division. Part-time salaries have been reduced in both the Operations and Maintenance divisions. Increases in all benefit categories is anticipated. Unemployment expense is projected to increase \$6,500 for this department.

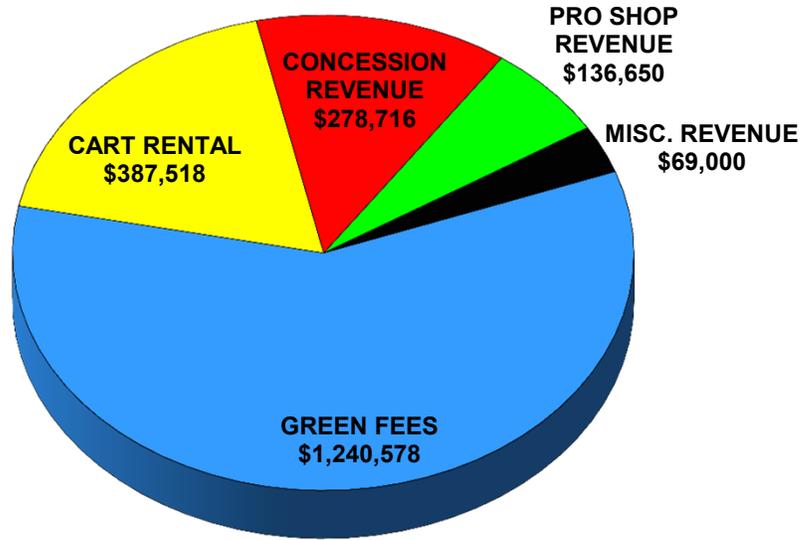
**CHANGES IN OPERATIONS:**

Contracted Services include building & equipment maintenance and golf cart rental, advertising and credit card fees. The FY 14 budget included \$12,000 for kitchen improvements. A replacement draft beer system has been included in FY 15. Greater Ocean City Golf Association fees have been budgeted at \$34,000. Advertising has been budgeted at \$58,000, a \$10,000 increase from FY 14. The funds will be spent on the Endless Golf Television program. In the Maintenance division, a continuation of the valve replacement project has not been funded. A new agreement was reached with the golf cart GPS vendor at a cost reduction of \$13,304. Development of a golf app by Club Prophet has also been funded. Supplies & Materials increase slightly for the Maintenance division. Maintenance supplies are budgeted at \$223,400, which covers all chemicals, fertilizers, irrigation and landscaping supplies for the Golf Course. In FY 15, a replacement John Deere mower deck, \$7,900 and greensmower reels at a cost of \$9,000 have also been funded. An Otterbine pond fountain replacement, \$6,000 and a greens roller and trailer, \$13,200 were requested, but not funded. In FY 14, replacement tables and chairs for the clubhouse were included at a cost of \$18,000. Purchases for Resale for the Golf Shop and the Golf Concession account for \$198,849 of the Golf Course budget, and are budgeted to decrease. Energy costs are budgeted to increase slightly. Costs for vehicle parts are expected to increase in FY 15. Intragovernmental allocations for Vehicle lease and IT services increase, while the allocations for General Overhead expense and insurance decrease. No capital outlay has been requested. Equipment approved in the Vehicle Trust Fund includes: a John Deere tractor, \$31,100; a rotary mower, \$18,500; a sand rake, \$21,000; two Triplex Greens mowers, \$58,000; and a reel mower, \$31,000. A replacement pickup truck was requested but not approved.

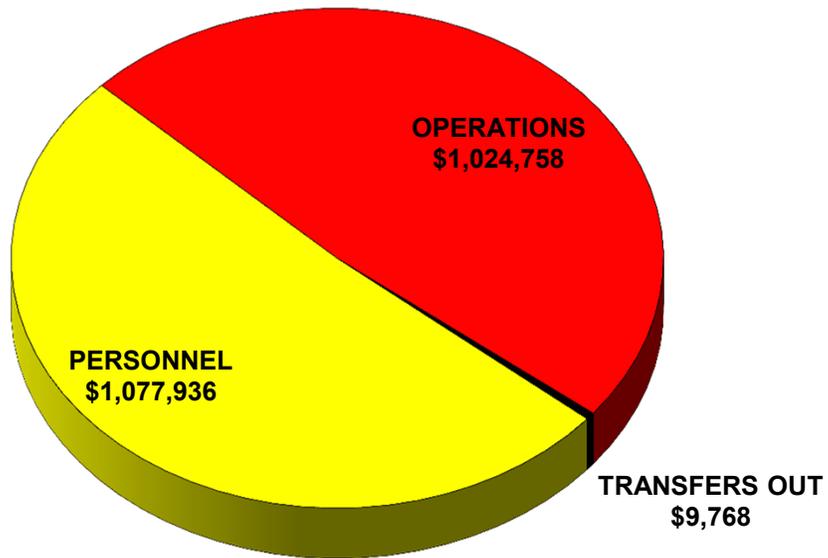
TOWN OF OCEAN CITY  
FISCAL YEAR 2015 BUDGET  
GOLF COURSE FUND

EXPENDITURES	ACTUAL 2013	REVISED 2014	CITY MANAGER PROPOSED 2015	COUNCIL ADOPTED 2015
<b>PERSONNEL COSTS:</b>				
SALARY AND WAGES	\$ 710,894	\$ 714,433	\$ 717,698	\$ 711,817
EMPLOYEE BENEFITS	338,082	345,516	366,569	366,119
	<u>1,048,976</u>	<u>1,059,949</u>	<u>1,084,267</u>	<u>1,077,936</u>
<b>OPERATING EXPENSES:</b>				
CONTRACTED SERVICES	150,778	193,534	182,988	182,988
GOLF CART LEASE	108,704	117,961	104,657	104,657
SUPPLIES & MATERIALS	230,547	263,273	245,850	245,850
PURCHASES FOR RESALE	180,275	216,601	198,849	198,849
ENERGY	45,218	47,203	47,748	47,748
VEHICLE SUPPLIES & REPAIR	59,893	53,272	53,538	53,538
INTRAGOVERNMENTAL	186,233	194,541	191,128	191,128
	<u>961,648</u>	<u>1,086,385</u>	<u>1,024,758</u>	<u>1,024,758</u>
<b>OTHER FINANCIAL USES:</b>				
DEBT SERVICE	0	0	0	0
TRANSFERS OUT	0	9,474	3,437	9,768
CAPITAL OUTLAY	18,099	1,315	0	0
	<u>18,099</u>	<u>10,789</u>	<u>3,437</u>	<u>9,768</u>
TOTAL EXPENDITURES	<u>\$ 2,028,723</u>	<u>\$ 2,157,123</u>	<u>\$ 2,112,462</u>	<u>\$ 2,112,462</u>
<b>LESS REVENUE GENERATED BY DIVISION</b>				
ADMISSIONS TAX	(67,003)	(60,000)	(60,000)	(60,000)
GREEN FEES	(1,168,765)	(1,248,371)	(1,240,578)	(1,240,578)
CART RENTAL	(382,666)	(406,537)	(387,518)	(387,518)
CONCESSION REVENUE	(268,787)	(289,240)	(278,716)	(278,716)
PRO SHOP REVENUE	(123,855)	(133,000)	(136,650)	(136,650)
CLUB RENTAL	(2,128)	(2,000)	(2,300)	(2,300)
TOURNAMENT REVENUE	(2,780)	(3,000)	(3,000)	(3,000)
PULL CART RENTAL	0	0	0	0
INTEREST ON INVESTMENTS	(22)	(100)	(100)	(100)
MISCELLANEOUS REVENUE	(15,628)	(3,600)	(3,600)	(3,600)
APPROPRIATED FUND BALANCE	0	(11,275)	0	0
DISCOUNTS TAKEN	(2,692)	0	0	0
	<u>(2,034,326)</u>	<u>(2,157,123)</u>	<u>(2,112,462)</u>	<u>(2,112,462)</u>
REVENUE (OVER)/UNDER EXPENDITURES	<u>\$ (5,603)</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

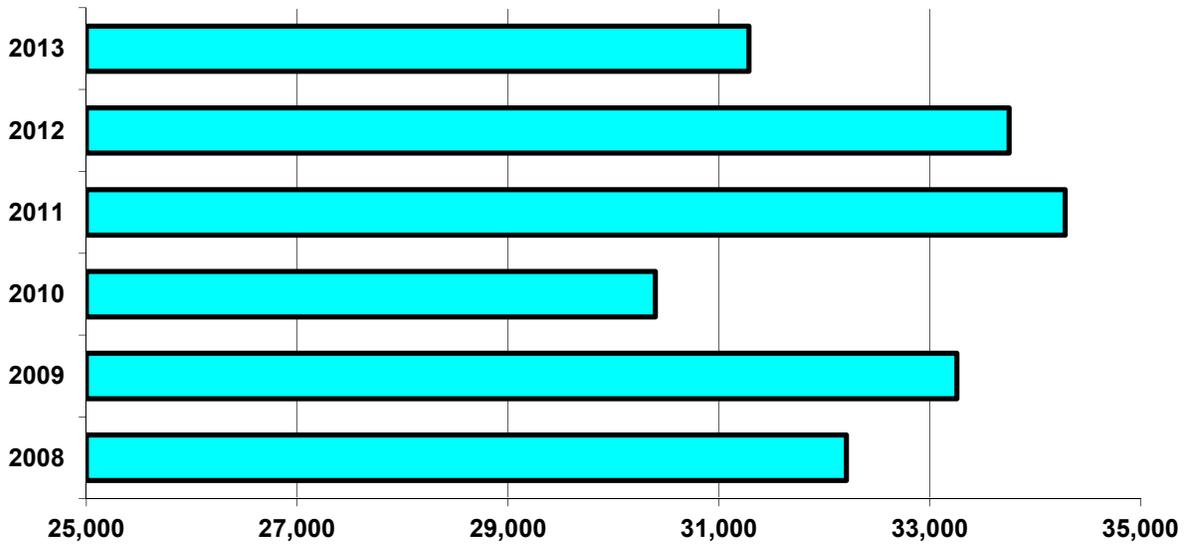
### Golf Course Revenue 2015 Adopted



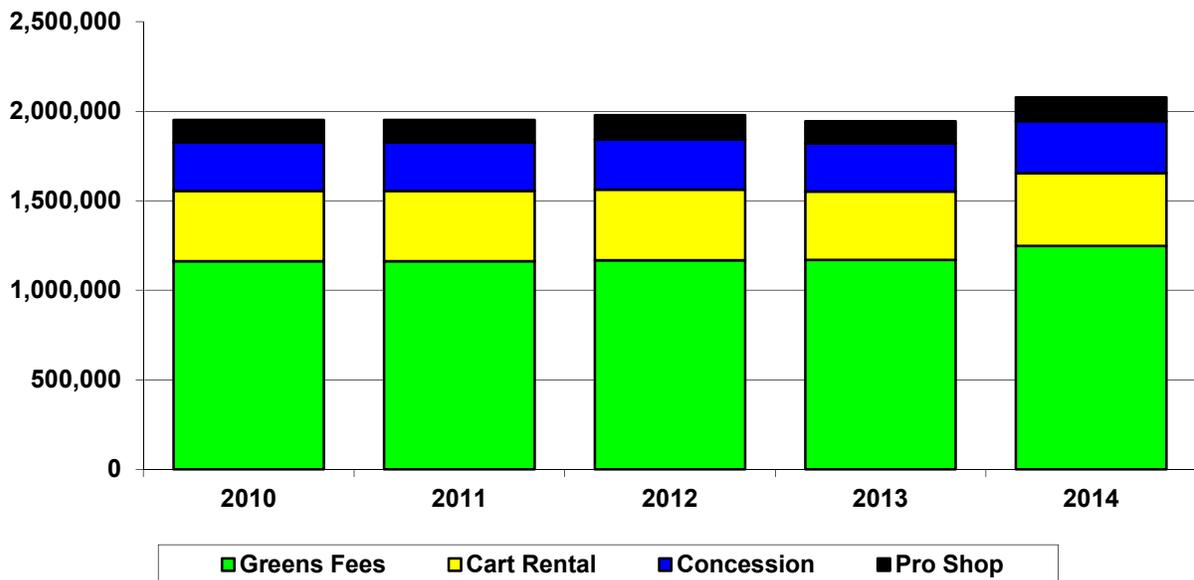
### Golf Course Expenditures 2015 Adopted



**Eagle's Landing Rounds Played CY 08-CY 13**



**Source of Revenue FY 2010 - FY 2014**



**TOWN OF OCEAN CITY  
FISCAL YEAR 2015 BUDGET**

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**CONVENTION CENTER FUND and MUSEUM**

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**BUDGET HIGHLIGHTS:**

**REVENUE CHANGES:**

Anticipated revenue from Hall Rental and Service Charge revenue are projected to decrease in FY 15. Concession revenue is projected to increase. Special Event revenue includes revenue from the Holiday Shopper's Fair. Sales/Other reflects membership dues for the Convention & Visitor's Bureau and are expected to decrease slightly. Food & Beverage Tax generated goes toward the retirement of debt for the Convention Center expansion. The rate was reduced from 1% to ½% in FY 10. Food & Beverage Tax is anticipated to generate \$1,170,000 that will go toward debt retirement in FY 15. Prior year reserves reflects the accumulation of food tax funds and will also be used to offset the expansion debt retirement. An additional \$100,000 will go into a fund for capital improvements at the Convention Center. Overall, the Town contribution and the State Operating Grant have been budgeted to increase \$125,050 each.

**PERSONNEL CHANGES:**

The Convention Center fund has thirty-three full-time employees. Eight positions have been eliminated since FY 09. In the FY 15 budget, the conversion of three part-time Maintenance Worker positions to full-time positions was requested. One converted position has been included. In addition, an Office Associate position was requested, but was not funded. The Museum division employs two full-time employees. Wage increments have been included for all eligible full-time employees. Part-time and seasonal positions are used by both the Convention Center and the Museum. Part-time salaries were reduced by an amount equivalent to the wages for the converted position. Overtime in the Maintenance division has been budgeted at \$83,000, the same level as FY 14. Health insurance, retiree health and pension are projected to increase, while the allocation for worker's compensation and projected Unemployment expense decrease.

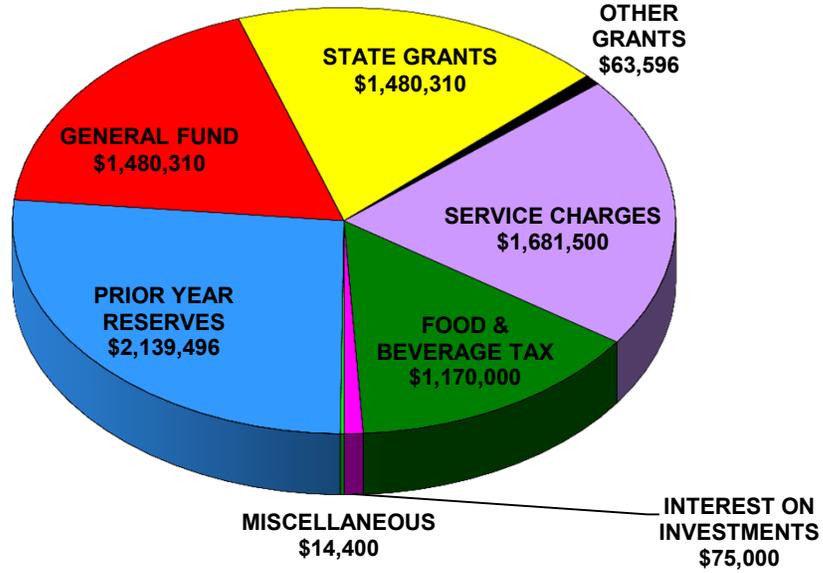
**CHANGES IN OPERATIONS:**

Contracted Services increase in FY 15. Included in this line item are travel, credit card fees, dry cleaning and advertising. In FY 15, Legal fees have been increased \$3,200. In the Sales division, advertising for the Performing Arts center has been included at \$20,000, and sales literature has been funded at \$10,000. Funding for MGH to host a Convention Center microsite on the Tourism website has been included. Wifi maintenance and upgrades have been funded at \$22,000. Maintenance costs account for \$248,644 of the Convention Center budget. Routine escalator, elevator, HVAC, and equipment repair are budgeted at \$168,205. Building maintenance accounts for another \$79,312. Both categories of maintenance expense are expected to decrease in FY 15. Repairs from water damage costing approximately \$100,000 were funded in FY 14. Renovation of four sets of restrooms was requested at \$46,450, but was not funded. Operational supplies include costs for such items as replacement tables and chairs, supplies to clean and maintain the building, aisle and booth carpet, and landscaping supplies. One hundred tables, fourteen equipment carts and two hundred stacking chairs have been included at a cost of \$33,433. The Museum's operating expenses increase \$6,283 overall. Energy costs for the Convention Center are budgeted to remain about the same as FY 14. Vehicle parts are budgeted to increase. Intragovernmental allocations for insurance expense and General Overhead increase. Debt Service increases and includes principal and interest on the 2004, 2010 and 2013 bonds. Food and Beverage tax receipts and prior year reserves will be used to pay the debt service on the Convention Center expansion. Transfer to Reserves reflects the amount to be set aside for the capital reserve fund. Purchase of a forklift costing \$40,000 was approved for FY 15.

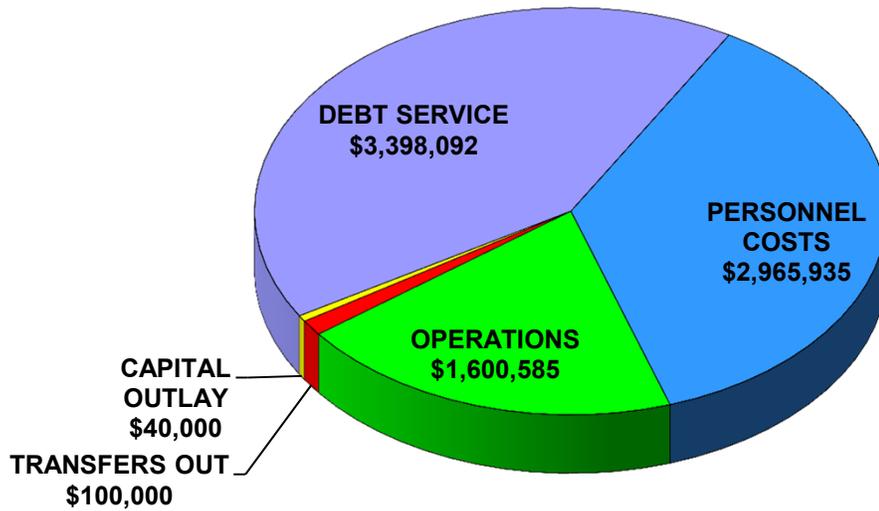
TOWN OF OCEAN CITY  
FISCAL YEAR 2015 BUDGET  
CONVENTION CENTER FUND AND MUSEUM

EXPENDITURES	ACTUAL 2013	REVISED 2014	CITY MANAGER PROPOSED 2015	COUNCIL ADOPTED 2015
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 1,849,141	\$ 1,883,573	\$ 1,962,950	\$ 1,939,204
EMPLOYEE BENEFITS	919,171	1,003,049	1,028,549	1,026,731
	<u>2,768,312</u>	<u>2,886,622</u>	<u>2,991,499</u>	<u>2,965,935</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	211,629	213,561	239,727	239,727
MAINTENANCE	278,877	362,297	248,644	248,644
SUPPLIES & MATERIALS	206,237	198,693	240,134	240,134
ENERGY	513,633	548,845	550,000	550,000
VEHICLE SUPPLIES & REPAIR	26,536	23,676	28,201	28,201
INTRAGOVERNMENTAL	295,177	275,003	293,879	293,879
	<u>1,532,089</u>	<u>1,622,075</u>	<u>1,600,585</u>	<u>1,600,585</u>
OTHER FINANCIAL USES:				
DEBT SERVICE	2,269,850	2,319,327	3,398,092	3,398,092
TRANSFER TO RESERVES	0	100,000	100,000	100,000
CAPITAL OUTLAY	0	0	40,000	40,000
	<u>2,269,850</u>	<u>2,419,327</u>	<u>3,538,092</u>	<u>3,538,092</u>
TOTAL EXPENDITURES	<u>\$ 6,570,251</u>	<u>\$ 6,928,024</u>	<u>\$ 8,130,176</u>	<u>\$ 8,104,612</u>
LESS REVENUE GENERATED BY DIVISION				
HALL RENTAL REVENUE	(816,004)	(879,000)	(850,000)	(850,000)
SPECIAL EVENT REVENUE	(90,785)	(69,000)	(194,000)	(94,000)
CONCESSION REVENUE	(322,892)	(335,000)	(345,000)	(345,000)
SERVICE CHARGES	(292,298)	(345,000)	(320,000)	(320,000)
BUS PARKING REVENUE	(1,313)	0	0	0
MONTHLY LEASE REVENUE	(17,634)	(9,000)	(7,500)	(7,500)
SALES/OTHER	(63,400)	(67,500)	(65,000)	(65,000)
FOOD & BEVERAGE TAX	(1,185,496)	(1,130,000)	(1,170,000)	(1,170,000)
INTEREST ON INVESTMENTS	(51,624)	(110,000)	(75,000)	(75,000)
ATM REVENUE	(14,400)	(14,400)	(14,400)	(14,400)
COUNTY - VISITORS/CONV BUREAU	(45,000)	(50,000)	(50,000)	(50,000)
BUILD AMERICA BOND SUBSIDY	(117,943)	(19,021)	(13,596)	(13,596)
INSURANCE CLAIM PAYMENTS	(58,482)	(118,270)	0	0
BOND PROCEEDS	0	0	0	0
PRIOR YEAR RESERVES	(835,916)	(1,071,314)	(2,139,496)	(2,139,496)
STATE OPERATING/CAPITAL GRANT	(1,323,193)	(1,355,259)	(1,443,092)	(1,480,310)
	<u>(5,236,380)</u>	<u>(5,572,764)</u>	<u>(6,687,084)</u>	<u>(6,624,302)</u>
TOTAL TOWN CONTRIBUTION	<u>\$ 1,333,871</u>	<u>\$ 1,355,260</u>	<u>\$ 1,443,092</u>	<u>\$ 1,480,310</u>
<b>MUSEUM</b>				
	ACTUAL	REVISED	CITY MANAGER	COUNCIL
	2013	2014	PROPOSED	ADOPTED
	2015	2015	2015	2015
PERSONNEL COSTS:	196,609	201,036	206,236	204,379
OPERATING EXPENSES:	24,343	42,221	43,304	43,304
TOTAL EXPENDITURES	<u>220,952</u>	<u>243,257</u>	<u>249,540</u>	<u>247,683</u>

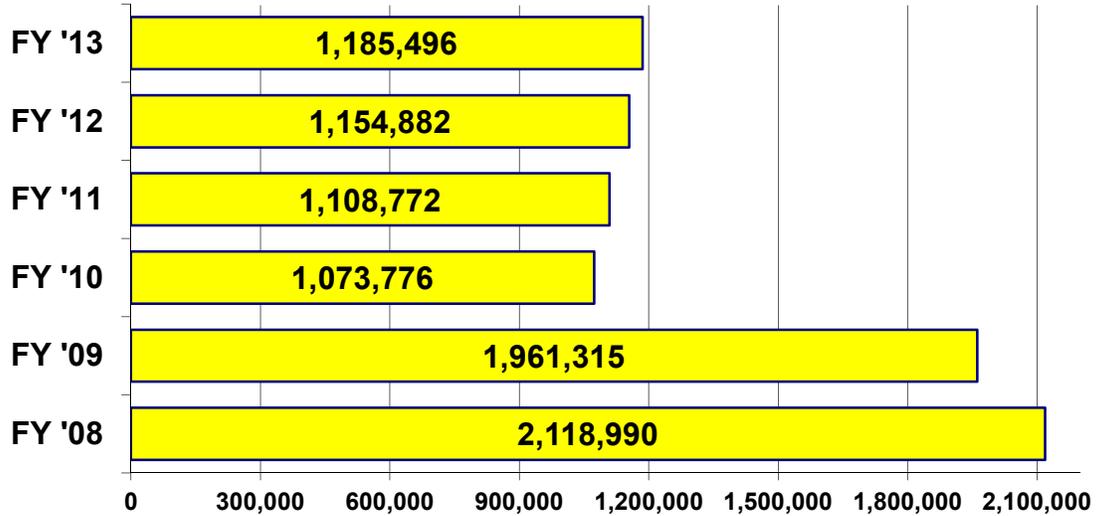
### Convention Center Fund Revenue FY 2015 Adopted



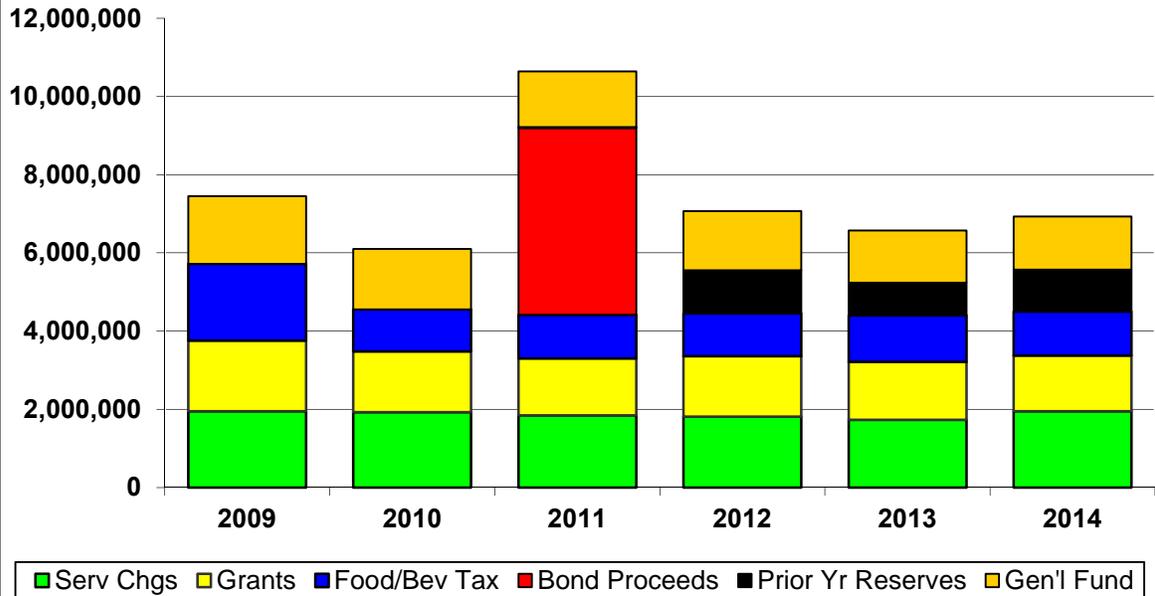
### Convention Center Fund Expenditures 2015 Adopted



## Food & Beverage Tax FY 2008 - FY 2013



## OCCC Operations Revenue by Type FY 09 - FY 14



## **INTERNAL SERVICE FUNDS**

**Internal Service Funds are used to account for the financing of goods or services provided by one department of a government to other departments on a cost-reimbursement basis. Services accounted for in Internal Service Funds are tangible, and it is possible to determine the extent to which they benefit individual departments of the government.**

**The following activities of the Town are reported in this section:**

### **INFORMATION TECHNOLOGY**

**This fund accounts for all costs related to computer operations and computer systems used by all the Town's departments that are billed to other departments. Applications residing on the I.B.M. AS/400 include Budgetary Accounting, Miscellaneous Accounts Receivable, Purchasing/Inventory, Utility, Fleet, Taxes, Business Licenses, Cash Receipts, Land Management, Voter Registration, and P&Z applications. The department supports over 250 users on mainframe and PC computers utilizing various software for databases, accounting, service calls, drafting, analysis, word processing, and customized operations. They also support all phone operations and trouble-shooting, as well as all Public Safety Mobile Data Terminals, and the surveillance cameras located throughout town.**

### **SERVICE CENTER FUND**

**This fund encompasses Purchasing Administration, the Warehouse operation, the Vehicle/Equipment Maintenance Garage and Impound Lot. It employs 19 people and operates on a schedule of five days a week in the off-season and seven days a week Memorial Day through Sunfest. The department's goal is to provide all City departments with goods and services that meet their needs at the most economical total cost over the life of the product or service with regard to initial price, maintenance costs, and use.**

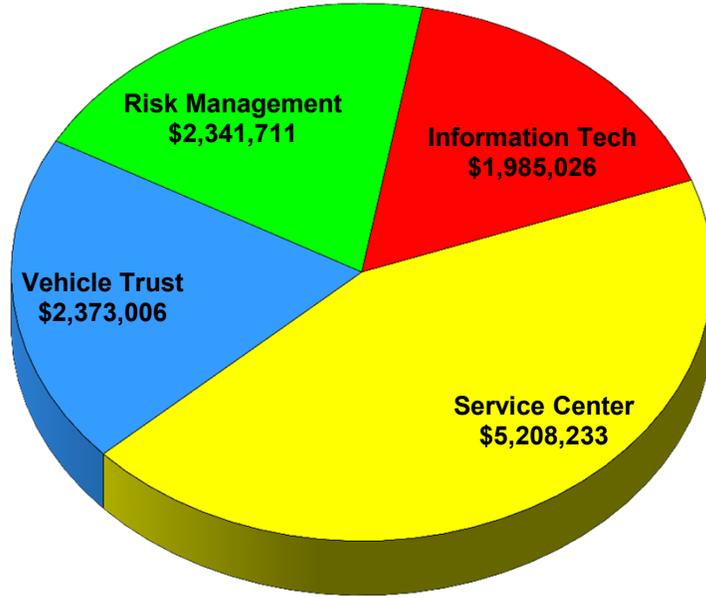
### **VEHICLE AND EQUIPMENT TRUST FUND**

**To account for costs of acquiring vehicles and equipment used by other city departments. The fund owns all rolling stock in the Town and receives its operating revenue from the various departments through vehicle and equipment lease charges.**

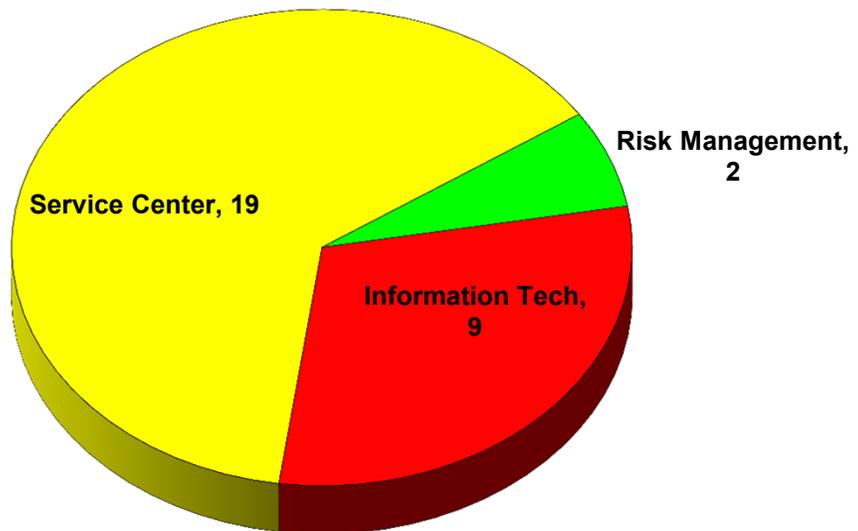
### **RISK MANAGEMENT FUND**

**The Risk Department is responsible for planning, directing, and coordinating the Town's program to control risks and losses. This involves continued emphasis on safety, identifying potential risk hazards, and taking corrective action.**

### FY 15 Internal Service Funds Expenses



### FY 15 Internal Service Fund Full-Time Personnel



**TOWN OF OCEAN CITY**  
**FISCAL YEAR 2015 BUDGET**

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**INFORMATION TECHNOLOGY**

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**BUDGET HIGHLIGHTS:**

**REVENUE CHANGES:**

The overall IT budget increases \$115,291 for FY 15, resulting in an increase in charges to most funds. Charges for voice and data equipment maintenance have been charged to the Equipment Trust Fund and paid for with funds collected from water tower antenna rental revenue dedicated to City-wide communications expenses. Maintenance costs for the CAD/RMS system cost \$145,880 and are allocated directly to the departments that use this software.

**PERSONNEL CHANGES:**

Nine positions are funded in this budget. One PC Specialist position was eliminated in FY 11. Wage increments have been included for all eligible full-time employees. Overtime has been budgeted at the FY 14 level. No part-time employees are utilized by this department. Benefit costs increase for health insurance, retiree health and pension, but the allocation for worker's compensation decreases.

**CHANGES IN OPERATIONS:**

Software support, maintenance and software upgrades account for \$497,626 of the IT budget. This accounts for about half the operating costs of the department. Annual costs for the Town's Voice and Data equipment maintenance agreement total \$109,000 and are paid from the Equipment Trust Fund. Another large component of this line item is the software support for the CAD/RMS software. This maintenance agreement costs \$145,880 annually. Maintenance and software support for all other software programs totals \$351,746. Expenses in Contracted Services include professional services, travel and training and dues and communications expenses. The Comcast service for the surveillance project is budgeted at \$52,800. A risk assessment was requested at a cost of \$35,000, but not funded. The last risk assessment was completed in August 2008. Training and Travel costs were budgeted at \$13,732 for this division. Included items are: fiber optic training for one network staff, \$2,524; attendance at the H.T.E. National conference for two employees, \$3,800; and attendance at the OSSI regional user's group conference, \$1,168. Operational Supplies increases \$32,374 from FY 14. Nearly \$98,000 in equipment requests were not funded. Virtual desktop equipment has been included at a cost of \$35,050. Switch replacements have been included at a cost of \$36,100. Upgrade of storage performance has been included at \$62,500. Police department approved equipment totals \$41,399. Govnow Utility billing module has been included for Finance to enable online utility bill payment. A network backup appliance and offsite recovery plan with a total cost of \$119,000 was not funded. Less expensive alternatives are being investigated. Other unfunded items include: a direct network connection for the Parks division costing \$20,000; a CAD enhancement for the Communications division costing \$21,880 and a GovNow module for tax and accounts receivable to allow for online payment of bills, \$12,743. Intragovernmental expenses remain the same. No capital outlay items are budgeted.

TOWN OF OCEAN CITY  
FISCAL YEAR 2015 BUDGET  
INFORMATION TECHNOLOGY

EXPENDITURES	ACTUAL 2013	REVISED 2014	CITY MANAGER PROPOSED 2015	COUNCIL ADOPTED 2015
<b>PERSONNEL COSTS:</b>				
SALARY AND WAGES	\$ 599,711	\$ 618,508	\$ 643,737	\$ 634,904
EMPLOYEE BENEFITS	314,351	340,119	353,765	353,089
	<u>914,062</u>	<u>958,627</u>	<u>997,502</u>	<u>987,993</u>
<b>OPERATING EXPENSES:</b>				
CONTRACTED SERVICES	45,960	77,527	107,882	106,178
MAINTENANCE	431,823	474,420	497,626	497,626
SUPPLIES & MATERIALS	307,277	288,870	321,244	321,244
ENERGY	8,618	8,586	8,586	8,586
VEHICLE SUPPLIES & REPAIR	6,887	4,322	6,036	6,036
INTRAGOVERNMENTAL	59,907	57,383	57,363	57,363
	<u>860,472</u>	<u>911,108</u>	<u>998,737</u>	<u>997,033</u>
<b>OTHER FINANCIAL USES:</b>				
DEBT SERVICE	0	0	0	0
TRANSFER OUT	0	0	0	0
CAPITAL OUTLAY	0	0	0	0
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL EXPENDITURES	<u>\$ 1,774,534</u>	<u>\$ 1,869,735</u>	<u>\$ 1,996,239</u>	<u>\$ 1,985,026</u>
<b>LESS REVENUE GENERATED BY DEPARTMENT</b>				
GENERAL FUND	(1,294,757)	(1,359,521)	(1,535,290)	(1,524,077)
WATER FUND	(118,476)	(133,031)	(101,532)	(101,532)
WASTEWATER FUND	(135,092)	(156,154)	(123,790)	(123,790)
TRANSPORTATION FUND	(34,362)	(33,392)	(37,565)	(37,565)
AIRPORT FUND	(10,863)	(10,427)	(12,987)	(12,987)
GOLF COURSE FUND	(21,260)	(24,498)	(28,144)	(28,144)
CONVENTION CENTER FUND	(41,026)	(39,682)	(39,376)	(39,376)
SERVICE CENTER FUND	(75,183)	(76,934)	(96,741)	(96,741)
RISK MANAGEMENT FUND	(12,424)	(24,087)	(20,814)	(20,814)
PRIOR YEAR RESERVES	(26)	(12,009)	0	0
	<u>(1,743,469)</u>	<u>(1,869,735)</u>	<u>(1,996,239)</u>	<u>(1,985,026)</u>
REVENUES (OVER)/UNDER EXPENDITURES	<u>\$ 31,065</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

**TOWN OF OCEAN CITY  
FISCAL YEAR 2015 BUDGET**

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**SERVICE CENTER FUND AND IMPOUND LOT**

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**BUDGET HIGHLIGHTS:**

**REVENUE:**

Fuel revenue is dependent on fuel cost. The Energy Administration has projected that both gasoline and diesel fuel rates will decrease from the amount budgeted in FY 14. The number of gallons of each type of fuel is anticipated to increase, resulting in very little change in fuel revenue. Parts revenue is also anticipated to decrease. Vehicle labor rates were not changed for FY 15, but will be reviewed for FY 16. Labor rates for light equipment were increased from \$64 to \$66 per hour and labor rates for heavy equipment were increased from \$83 to \$85 per hour in FY 14. In FY 14, \$10,456 was taken from Prior Year Reserves to offset the cost of purchase orders brought forward.

**PERSONNEL CHANGES:**

Nineteen full-time employees are budgeted in the Service Center budget and there are two full-time positions in the Impound Lot. Wage increments have been included for all eligible full-time employees. A seasonal vehicle technician is funded in the FY 15 budget. Allocations for health insurance, retiree health, and pension are projected to increase for this department. Worker's compensation and unemployment expense are projected to decrease. A tool allowance of \$500 per mechanic has been included in the Service Center budget.

**CHANGES IN OPERATIONS:**

Contracted Services expenses are expected to decrease. This category includes building and equipment maintenance, training and travel, printing costs and tipping fees, as well as other contracted services. Repairs to overhead doors in conjunction with the roof replacement were budgeted in FY 14. Training includes attendance at the National Institute for Governmental Purchasing conference in Philadelphia for two employees and CPPO training and testing. Purchases of fuel and inventory are the major expenses in this department. Vehicle fuel is purchased by this department and charged to all other City departments as it is consumed. This expense is reflected in the vehicle fuel line item in all City departments and is a notable cost for Transportation, Solid Waste and Police. Vehicle fuel costs are expected to decrease slightly in FY 15. The estimate of purchases of inventory for parts and supplies has been budgeted to decrease in FY 15, but more closely reflects the actual expenditure for inventory items. Supplies and Materials increase \$3,980 and include diagnostic software for the mechanics. Additional diagnostic software costing \$61,230 was requested, but will be purchased in FY 14. Energy costs for this department have been included at the same level as FY 14. Intragovernmental allocations for vehicle lease, IT services, General Overhead expense and Insurance increase for this department. No capital outlay requests were made by this division.

TOWN OF OCEAN CITY  
FISCAL YEAR 2015 BUDGET  
SERVICE CENTER FUND AND IMPOUND LOT

EXPENDITURES	ACTUAL 2013	REVISED 2014	CITY MANAGER PROPOSED 2015	COUNCIL ADOPTED 2015
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 1,135,507	\$ 1,125,923	\$ 1,074,943	\$ 1,065,197
EMPLOYEE BENEFITS	696,070	734,506	756,239	755,493
	<u>1,831,577</u>	<u>1,860,429</u>	<u>1,831,182</u>	<u>1,820,690</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	58,908	75,196	57,163	57,163
SUPPLIES & MATERIALS	24,670	50,006	53,986	53,986
PURCHASES FOR RESALE	2,928,057	2,945,592	2,901,990	2,901,990
ENERGY	66,654	58,440	58,440	58,440
VEHICLE SUPPLIES & REPAIR	33,123	24,000	28,460	28,460
INTRAGOVERNMENTAL	272,198	262,826	287,504	287,504
	<u>3,383,610</u>	<u>3,416,060</u>	<u>3,387,543</u>	<u>3,387,543</u>
OTHER FINANCIAL USES:				
DEBT SERVICE	0	0	0	0
TRANSFER OUT	0	0	0	0
CAPITAL OUTLAY	0	0	0	0
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL EXPENDITURES	<u>\$ 5,215,187</u>	<u>\$ 5,276,489</u>	<u>\$ 5,218,725</u>	<u>\$ 5,208,233</u>
LESS REVENUE GENERATED BY DIVISION				
FUEL REVENUE	(2,246,338)	(2,302,873)	(2,313,492)	(2,313,492)
PARTS REVENUE	(1,469,138)	(1,446,247)	(1,383,000)	(1,383,000)
LABOR REVENUE	(1,545,743)	(1,514,737)	(1,520,400)	(1,509,908)
PRIOR YEAR RESERVES	0	(10,456)	0	0
DISCOUNTS TAKEN	(2,900)	(2,176)	(1,833)	(1,833)
	<u>(5,264,119)</u>	<u>(5,276,489)</u>	<u>(5,218,725)</u>	<u>(5,208,233)</u>
REVENUES (OVER)/UNDER EXPENDITURES	<u>\$ (48,932)</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
 <b>IMPOUND LOT</b>				
	ACTUAL 2013	REVISED 2014	CITY MANAGER PROPOSED 2015	COUNCIL ADOPTED 2015
PERSONNEL COSTS	134,384	135,102	140,747	139,503
OPERATING EXPENSES	<u>5,984</u>	<u>8,528</u>	<u>8,668</u>	<u>8,668</u>
TOTAL EXPENDITURES	<u>140,368</u>	<u>143,630</u>	<u>149,415</u>	<u>148,171</u>

**TOWN OF OCEAN CITY  
FISCAL YEAR 2015 BUDGET**

**VEHICLE AND EQUIPMENT TRUST FUND**

<u>REQUESTED VEHICLES</u>	<u>REPLACEMENT Yes/No</u>	<u>CITY MANAGER PROPOSED</u>
<b>EMERGENCY MANAGEMENT:</b>		
Pickup with cab	Y	25,000
Ford Utility Police Inceptor	Y	32,000
<b>EMS:</b>		
Ambulance	Y	278,000
<b>FIRE MARSHAL:</b>		
Truck Super Crew Cab	Y	30,000
<b>POLICE:</b>		
Chevy Tahoe (3)	Y	90,000
Chevy Caprice (2)	Y	56,000
<b>GOLF COURSE:</b>		
John Deere Tractor	Y	31,100
Rotary Mower	Y	18,500
Sand Rake	Y	21,000
Triplex Greens mower (2)	Y	58,000
Reel Mower	Y	31,000
<b>RECREATION:</b>		
Pickup 4500	Y	42,000
<b>WASTEWATER:</b>		
Pickup ½ Ton 4x2	Y	18,500
<b>PUBLIC WORKS MAINTENANCE:</b>		
Beach Cleaner	Y	63,000
Street Broom	Y	180,000
(Partial funding approved)		(90,419)
Pickup ½ Ton 4x4	Y	22,000
<b>PUBLIC WORKS CONSTRUCTION:</b>		
Roller	Y	30,000
Pickup 3500 HD 4x4	Y	30,000
<b>SOLID WASTE:</b>		
Side Load Trash Truck (1)	Y	230,000
Front End Trash Truck	Y	<u>230,000</u>
		\$1,425,681
UHF_VHF Radio for Emergency Operations Center		\$ 3,850
Replacement radios for Emergency Management		11,000
Contingency for Future Radio Purchases		188,123

TOWN OF OCEAN CITY  
FISCAL YEAR 2015 BUDGET  
VEHICLE AND EQUIPMENT TRUST FUND

EXPENDITURES	ACTUAL 2013	REVISED 2014	CITY MANAGER PROPOSED 2015	COUNCIL ADOPTED 2015
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 0	\$ 0	\$ 0	\$ 0
EMPLOYEE BENEFITS	0	0	0	0
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	230,131	265,566	243,908	243,908
SUPPLIES & MATERIALS	27,764	37,000	5,000	5,000
ENERGY	0	0	0	0
VEHICLE SUPPLIES & REPAIR	0	0	0	0
INTRAGOVERNMENTAL	534,747	459,905	495,444	495,444
	<u>792,642</u>	<u>762,471</u>	<u>744,352</u>	<u>744,352</u>
OTHER FINANCIAL USES:				
DEBT SERVICE	0	0	0	0
TRANSFER OUT	25,357	0	0	0
CAPITAL OUTLAY	1,912,244	5,609,456	1,719,073	1,628,654
	<u>1,937,601</u>	<u>5,609,456</u>	<u>1,719,073</u>	<u>1,628,654</u>
TOTAL EXPENDITURES	<u>\$ 2,730,243</u>	<u>\$ 6,371,927</u>	<u>\$ 2,463,425</u>	<u>\$ 2,373,006</u>
LESS REVENUE GENERATED BY DEPARTMENT				
CAPITAL GRANT - FEDERAL	0	(3,029,798)	0	0
CAPITAL GRANT - STATE	0	(371,441)	0	0
SALE - CAPITAL ASSETS	124,538	(130,000)	(129,709)	(129,709)
PRIOR YEAR RESERVES	0	(407,350)	0	0
SALES - MATERIALS & SERVICE	(421,178)	(452,850)	(446,881)	(446,881)
GENERAL FUND CONTRIBUTION	(1,349,282)	(1,243,893)	(1,386,389)	(1,386,389)
WATER FUND CONTRIBUTION	(46,630)	(40,363)	(33,640)	(33,640)
WASTEWATER CONTRIBUTION	(99,209)	(89,688)	(101,027)	(101,027)
TRANSPORTATION CONTRIBUTION	(328,523)	(197,122)	(198,188)	(198,188)
AIRPORT FUND CONTRIBUTION	(6,177)	(5,407)	(5,634)	(5,634)
GOLF COURSE CONTRIBUTION	(41,000)	(48,197)	(48,674)	(48,674)
TOURISM FUND CONTRIBUTION	(6,813)	(4,975)	(5,255)	(5,255)
IT FUND CONTRIBUTION	(3,606)	(2,837)	(2,318)	(2,318)
SERVICE CENTER CONTRIBUTION	(24,223)	(12,621)	(14,245)	(14,245)
RISK MGT CONTRIBUTION	(2,032)	(1,637)	(1,046)	(1,046)
EQUIPMENT LEASE/PURCHASE	0	0	0	0
INSURANCE CLAIM PAYMENTS	(38,108)	0	0	0
	<u>(2,242,243)</u>	<u>(6,038,179)</u>	<u>(2,373,006)</u>	<u>(2,373,006)</u>
REVENUES (OVER)/UNDER EXPENDITURES	<u>\$ 488,000</u>	<u>\$ 333,748</u>	<u>\$ 90,419</u>	<u>\$ 0</u>

**TOWN OF OCEAN CITY**  
**FISCAL YEAR 2015 BUDGET**  

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**RISK MANAGEMENT FUND**

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**BUDGET HIGHLIGHTS:**

**REVENUE CHANGES:**

Interest earnings are expected to decrease in FY 2015. The expenses for this division are separated into four categories: General liability, Auto claims and insurance, Property and Worker's compensation. Expenses in these four categories are allocated to each department based on a formula determined by an actuarial study done every few years. Worker's compensation costs are the most expensive of these three categories. Based on the actuarial study, worker's compensation allocations increased for Police, while the allocation to other departments decreased. Overall worker's compensation costs decreased slightly. The allocated costs for General Liability, property insurance and automobile insurance is projected to increase in FY 15.

**PERSONNEL CHANGES:**

Two full-time positions are funded in this division. Wage increments have been included for the full-time positions. Funding has been included for one part-time clerical position to work three days per week for June, July and August and two days per month for the remainder of the year. Required contributions to pension, health insurance and retiree health are projected to increase for this division.

**CHANGES IN OPERATIONS:**

Contracted Services include professional services and legal services. An Actuarial study to assess ultimate losses and outstanding liability associated with the Town's self-insured worker's compensation, general liability and auto exposure was included in FY 13 at a cost of \$15,000. It has been recommended by the Town's auditing firm that this study be conducted every two fiscal years. This study determines the necessary reserves for each type of insurance claims and also determines the allocation of each type of insurance to each City department. Legal fees have been budgeted at \$80,000, the same level as FY 14. Insurance coverage and payment of insurance claims are the largest expenses in this department. Overall insurance costs are expected to increase \$76,305 in FY 15. The amount allocated for worker's compensation claims in FY 15 is \$815,000, which is the same level as FY 14. Property insurance increases from an estimated \$203,845 in FY 14 to an estimated \$240,000 in FY 15. Automobile and General Liability claims are budgeted to increase \$15,000 in FY 15. \$1,867,450 has been budgeted to cover the cost of insurance policies and insurance claims for FY 15. Intragovernmental expenses decrease because the allocations for General Overhead expense and for IT Services decrease this fiscal year. A Medicare data reporting module for the Riskmaster system was funded in the FY 14 IT budget at a cost of \$12,000.

TOWN OF OCEAN CITY  
FISCAL YEAR 2015 BUDGET  
RISK MANAGEMENT FUND

EXPENDITURES	ACTUAL 2013	REVISED 2014	CITY MANAGER PROPOSED 2015	COUNCIL ADOPTED 2015
<b>PERSONNEL COSTS:</b>				
SALARY AND WAGES	\$ 165,588	\$ 175,332	\$ 181,168	\$ 179,977
EMPLOYEE BENEFITS	69,292	73,174	77,188	77,097
	<u>234,880</u>	<u>248,506</u>	<u>258,356</u>	<u>257,074</u>
<b>OPERATING EXPENSES:</b>				
CONTRACTED SERVICES	99,008	120,775	122,900	122,900
INSURANCE COSTS	1,008,199	1,791,145	1,867,450	1,867,450
SUPPLIES & MATERIALS	1,246	2,110	2,860	2,860
ENERGY	0	0	0	0
VEHICLE SUPPLIES & REPAIR	1,175	1,657	1,469	1,469
INTRAGOVERNMENTAL	106,591	120,748	89,958	89,958
	<u>1,216,219</u>	<u>2,036,435</u>	<u>2,084,637</u>	<u>2,084,637</u>
<b>OTHER FINANCIAL USES:</b>				
DEBT SERVICE	0	0	0	0
TRANSFER OUT	0	0	0	0
CAPITAL OUTLAY	0	0	0	0
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL EXPENDITURES	<u>\$ 1,451,099</u>	<u>\$ 2,284,941</u>	<u>\$ 2,342,993</u>	<u>\$ 2,341,711</u>
<b>LESS REVENUE GENERATED BY DEPARTMENT</b>				
INTEREST EARNED	60,340	(52,422)	(50,000)	(50,000)
GENERAL FUND	(1,161,163)	(1,306,700)	(1,344,599)	(1,343,317)
WATER FUND	(79,818)	(90,255)	(93,312)	(93,312)
WASTEWATER FUND	(98,402)	(114,712)	(129,087)	(129,087)
TRANSPORTATION FUND	(92,661)	(98,484)	(90,188)	(90,188)
AIRPORT FUND	(16,527)	(17,536)	(16,029)	(16,029)
GOLF COURSE FUND	(26,383)	(26,419)	(24,284)	(24,284)
CONVENTION CENTER FUND	(114,070)	(129,769)	(124,258)	(124,258)
SERVICE CENTER FUND	(26,710)	(30,006)	(28,437)	(28,437)
MIS FUND	(13,257)	(14,740)	(10,790)	(10,790)
VEHICLE TRUST FUND	(480,763)	(403,898)	(432,009)	(432,009)
INSURANCE CLAIMS	0	0	0	0
PRIOR YEAR RESERVES	0	0	0	0
	<u>(2,049,414)</u>	<u>(2,284,941)</u>	<u>(2,342,993)</u>	<u>(2,341,711)</u>
REVENUES (OVER)/UNDER EXPENDITURES	<u>\$ (598,315)</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>



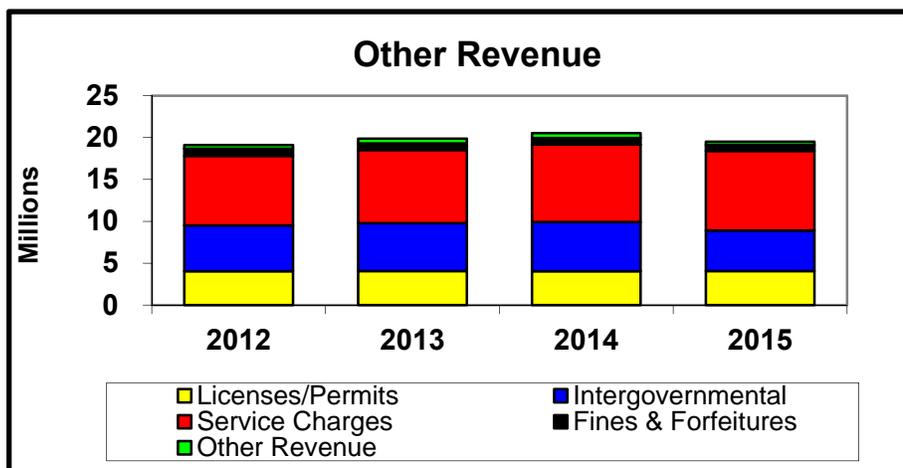
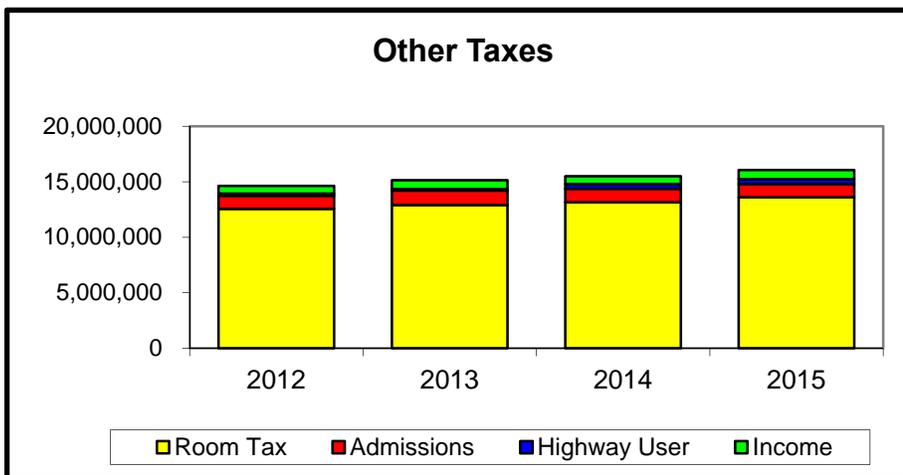
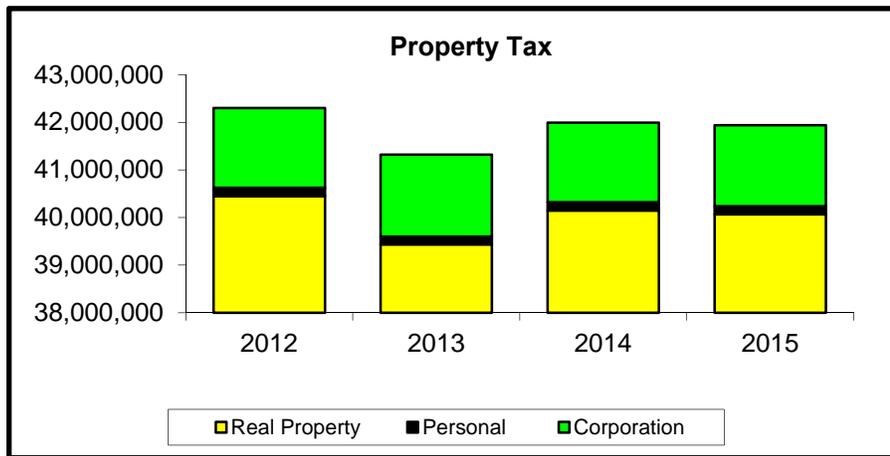
## SUPPLEMENTARY INFORMATION

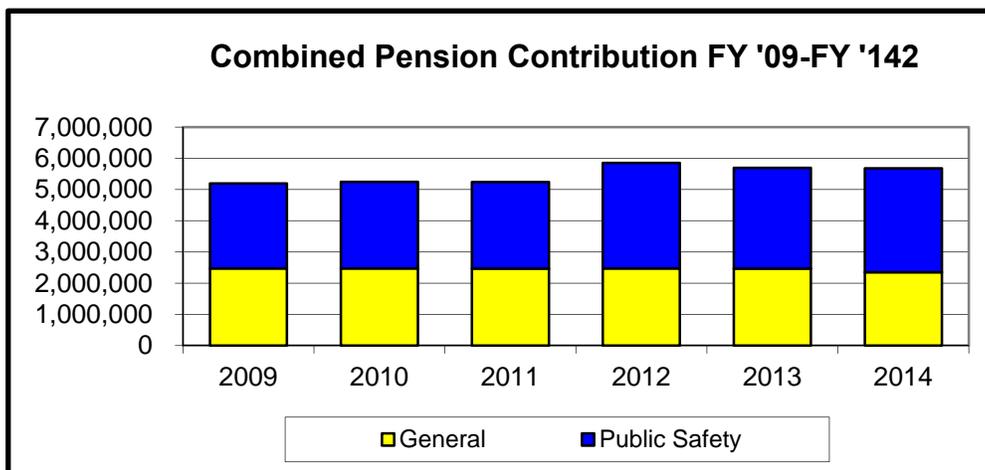
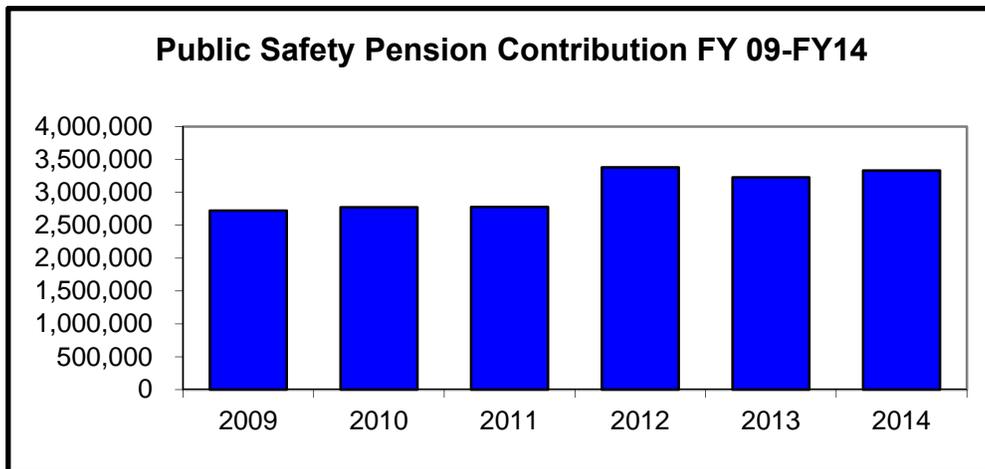
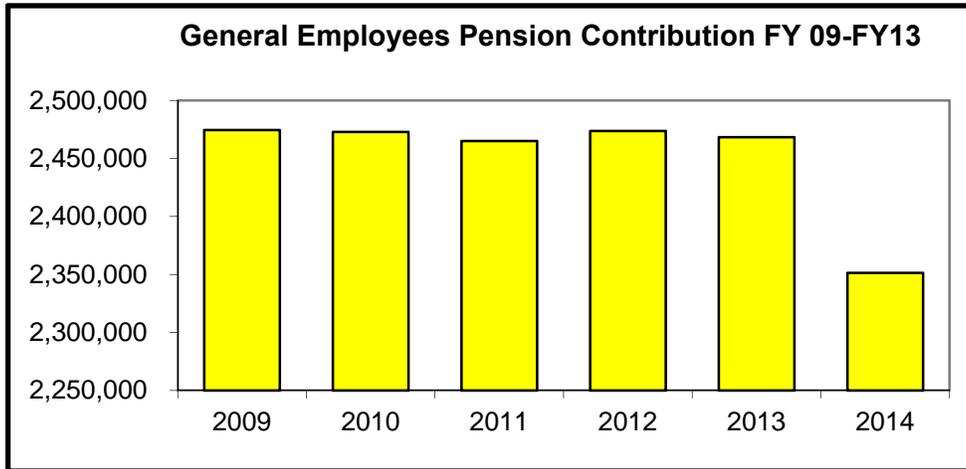
TOWN OF OCEAN CITY  
 FULL TIME PERSONNEL, ALLOCATIONS  
 1987, 1997, 2009, 2011, 2012, 2013, 2014 AND BUDGET 2015

	<u>FY-87</u>	<u>FY-97</u>	<u>FY-09</u>	<u>FY-11</u>	<u>FY -12</u>	<u>FY -13</u>	<u>FY -14</u>	<u>FY -15</u>	<u>Variance</u>	<u>Variance Since FY 09</u>
<b>GENERAL GOVERNMENT</b>										
Mayor and Council	1	1	1	1	1	1	1	1	0	0
Clerk	2	3	4	4	4	4	4	4	0	0
City Manager	3	3	6	7	7	7	7	7	0	1
Finance	18	16	16	15	15	15	15	14	-1	-2
Human Resources	3	3	4	4	4	4	4	5	1	1
	<u>27</u>	<u>26</u>	<u>31</u>	<u>31</u>	<u>31</u>	<u>31</u>	<u>31</u>	<u>31</u>	<u>0</u>	<u>0</u>
<b>PLANNING AND BUILDING</b>										
Planning Administration	11	4	8	6	5	5	6	6	0	-2
Building Inspection	9	5	7	4	6	7	7	6	-1	-1
	<u>20</u>	<u>9</u>	<u>15</u>	<u>10</u>	<u>11</u>	<u>12</u>	<u>13</u>	<u>12</u>	<u>-1</u>	<u>-3</u>
<b>PUBLIC SAFETY</b>										
Police - Administration	34	21	14	13	14	14	14	12	-2	-2
Police - Services		15	26	26	26	25	25	21	-4	-5
Police - CID	10	12	22	20	21	20	20	25	5	3
Police - Patrol	54	60	71	71	69	71	71	72	1	1
Animal Control	2	2	2	2	2	2	2	2	0	0
Communications	1	14	22	21	21	21	21	22	1	0
Fire	3	3	3	3	3	3	3	3	0	0
Emergency Medical	27	26	42	42	42	37	43	43	0	1
Fire Marshal	5	5	9	8	7	7	7	7	0	-2
	<u>136</u>	<u>158</u>	<u>211</u>	<u>206</u>	<u>205</u>	<u>200</u>	<u>206</u>	<u>207</u>	<u>1</u>	<u>-4</u>
<b>PUBLIC WORKS</b>										
Engineering	11	5	8	7	6	6	5	6	1	-2
PW - Administration	3	3	4	4	4	4	5	5	0	1
PW - Bldg & Grounds	6	8	11	9	9	9	10	10	0	-1
PW - Streets	23	21	25	13	13	13	13	13	0	-12
PW - Storm Drains	7	7	0	0	0	0	0	0	0	0
PW - Street Maintenance			15	15	16	15	15	16	1	1
PW - Beach	5	7	5	4	4	5	5	5	0	0
PW - Boardwalk	6	6	5	5	5	5	5	5	0	0
PW - Janitorial	2	5	9	6	6	6	6	6	0	-3
PW - Parking	1	1	4	3	2	2	2	2	0	-2
Impound Lot	5	4	5	2	2	2	2	2	0	-3
	<u>69</u>	<u>67</u>	<u>91</u>	<u>68</u>	<u>67</u>	<u>67</u>	<u>68</u>	<u>70</u>	<u>2</u>	<u>-21</u>
<b>SOLID WASTE</b>										
Solid Waste - Operations	49	32	19	19	18	18	17	16	-1	-3
Solid Waste - Transfer Station		7	9	6	5	5	5	5	0	-4
Solid Waste - Recycling		7	16	0	0	0	0	0	0	-16
	<u>49</u>	<u>46</u>	<u>44</u>	<u>25</u>	<u>23</u>	<u>23</u>	<u>22</u>	<u>21</u>	<u>-1</u>	<u>-23</u>
<b>RECREATION AND PARKS</b>										
Administration	4	7	6	5	5	5	5	5	0	-1
Recreation Programs	4	5	7	7	7	7	7	7	0	0
Beach Patrol			1	1	1	1	1	1	0	0
Park Maintenance	11	12	22	17	17	17	17	17	0	-5
Special Events		2	6	4	4	4	4	5	1	-1
	<u>19</u>	<u>26</u>	<u>42</u>	<u>34</u>	<u>34</u>	<u>34</u>	<u>34</u>	<u>35</u>	<u>1</u>	<u>-7</u>

TOWN OF OCEAN CITY  
 FULL TIME PERSONNEL, ALLOCATIONS  
 1987, 1997, 2009, 2011, 2012, 2013, 2014 AND BUDGET 2015

	<u>FY-87</u>	<u>FY-97</u>	<u>FY-09</u>	<u>FY-11</u>	<u>FY -12</u>	<u>FY -13</u>	<u>FY -14</u>	<u>FY -15</u>	<u>Variance</u>	<u>Variance Since FY 09</u>
<b>TOURISM</b>										
Tourism Promotions		1	5	2	2	2	2	2	0	-3
Public Relations	3	6	1	0	0	0	0	0	0	-1
Museum	2	2	3	2	2	2	2	2	0	-1
	<u>5</u>	<u>9</u>	<u>9</u>	<u>4</u>	<u>4</u>	<u>4</u>	<u>4</u>	<u>4</u>	<u>0</u>	<u>-5</u>
<b>WATER</b>										
Water Administration	2	2	2	1	1	1	1	1	0	-1
Distribution System	7	7	7	7	7	7	7	7	0	0
Plants	10	10	11	10	10	10	10	10	0	-1
Meter Reading/Install	5	5	4	3	3	3	3	3	0	-1
	<u>24</u>	<u>24</u>	<u>24</u>	<u>21</u>	<u>21</u>	<u>21</u>	<u>21</u>	<u>21</u>	<u>0</u>	<u>-3</u>
<b>WASTEWATER</b>										
Administration		4	5	4	4	4	4	4	0	-1
Treatment Plant		32	32	31	31	31	31	31	0	-1
Collection System		8	9	8	8	8	8	8	0	-1
Farm		3	0	0	0	0	0	0	0	0
Lab		3	3	2	2	3	3	3	0	0
		<u>50</u>	<u>49</u>	<u>45</u>	<u>45</u>	<u>46</u>	<u>46</u>	<u>46</u>	<u>0</u>	<u>-3</u>
<b>TRANSPORTATION</b>										
Administration	3	3	5	4	4	4	4	4	0	-1
Buses	9	12	12	9	9	9	9	9	0	-3
	<u>12</u>	<u>15</u>	<u>17</u>	<u>13</u>	<u>13</u>	<u>13</u>	<u>13</u>	<u>13</u>	<u>0</u>	<u>-4</u>
<b>AIRPORT OPERATIONS</b>										
	3	3	4	3	3	3	3	3	0	-1
<b>GOLF COURSE</b>										
Operations		3	3	3	3	3	3	3	0	0
Maintenance		8	6	5	5	5	5	5	0	-1
		<u>11</u>	<u>9</u>	<u>8</u>	<u>8</u>	<u>8</u>	<u>8</u>	<u>8</u>	<u>0</u>	<u>-1</u>
<b>CONVENTION CENTER</b>										
Tourism Administration	5	5	7	6	5	5	5	5	0	-2
Convention Sales		3	3	3	3	3	3	3	0	0
Tourism Maintenance	12	11	30	25	25	24	24	25	1	-5
	<u>17</u>	<u>19</u>	<u>40</u>	<u>34</u>	<u>33</u>	<u>32</u>	<u>32</u>	<u>33</u>	<u>1</u>	<u>-7</u>
<b>INFORMATION TECH</b>										
	2	4	11	9	9	9	9	9	0	-2
<b>SERVICE CENTER</b>										
Administration	3	3	2	2	2	3	3	3	0	1
Central Purchasing	6	5	5	5	5	4	4	4	0	-1
Garage	14	16	15	12	12	12	12	12	0	-3
	<u>23</u>	<u>24</u>	<u>22</u>	<u>19</u>	<u>19</u>	<u>19</u>	<u>19</u>	<u>19</u>	<u>0</u>	<u>-3</u>
<b>RISK MANAGEMENT</b>										
		2	3	2	2	2	2	2	0	-1
	<u>406</u>	<u>493</u>	<u>622</u>	<u>532</u>	<u>528</u>	<u>524</u>	<u>531</u>	<u>534</u>	<u>3</u>	<u>-88</u>







BUDGET ORDINANCE



ORDINANCE 2014- 12

TOWN OF OCEAN CITY  
OPERATING BUDGET  
FISCAL YEAR 2015

SOURCE	1ST READING FY-2015	2ND READING FY 2015
Section I, General Fund:		
A. Anticipated Revenue:		
Property Taxes	\$ 42,089,670	\$ 42,089,670
Other Taxes	16,520,600	16,520,600
Licenses and Permits	4,062,570	4,062,570
Revenue From Other Agencies	4,855,273	4,855,273
Charges For Services	9,497,633	9,497,633
Fines and Forfeitures	710,000	710,000
Other Revenue	567,759	567,759
Prior Year Reserves	<u>931,828</u>	<u>931,828</u>
 Total Revenue	 \$ <u>79,235,333</u>	 \$ <u>79,235,333</u>
 B. Anticipated Expenditures:		
General Government	\$ 4,000,086	\$ 4,000,086
Public Safety	34,216,710	34,216,710
Public Works/Beach Maintenance	5,302,911	5,302,911
Sanitation and Waste Removal	5,616,940	5,616,940
Highways and Streets	5,402,696	5,402,696
Economic Development -Tourism	7,184,880	7,184,880
Culture and Recreation	7,697,061	7,697,061
Debt Service	<u>5,220,163</u>	<u>5,220,163</u>
 Sub Total	 \$ 74,641,447	 \$ 74,641,447
To Transportation Fund	1,300,787	1,300,787
To Airport Fund	262,069	262,069
To Convention Center Fund	1,480,310	1,480,310
To Vehicle Trust	0	0
To Capital Projects	<u>1,550,720</u>	<u>1,550,720</u>
 Total Expenditures	 \$ <u>79,235,333</u>	 \$ <u>79,235,333</u>

SOURCE	1ST READING FY-2015	2ND READING FY 2015
Section II, Water Fund:		
A. Anticipated Revenue:		
Water Sales	\$ 3,748,313	\$ 3,748,313
Water Fixture Charge	3,489,335	3,489,335
Service Charges	189,261	189,261
Capacity/Impact Fees	89,964	89,964
Prior Year Reserves	<u>0</u>	<u>0</u>
 Total Revenue	 \$ <u>7,516,873</u>	 \$ <u>7,516,873</u>

B. Anticipated Expenditures:		
Personal Services	\$ 2,081,064	\$ 2,081,064
Non-Personal Services	3,172,165	3,172,165
Debt Service	743,044	743,044
Capital Outlay	<u>1,520,600</u>	<u>1,520,600</u>
 Total Expenditures	 \$ <u>7,516,873</u>	 \$ <u>7,516,873</u>

Section III, Transportation Fund:

A. Anticipated Revenue:		
Bus Revenue	\$ 3,332,166	\$ 3,332,166
Train Revenue	1,088,620	1,088,620
Federal and State Grants	3,514,982	3,514,982
Transfer-In From General Fund	1,300,787	1,300,787
Prior Year Reserves	<u>0</u>	<u>0</u>
 Total Revenue	 \$ <u>9,236,555</u>	 \$ <u>9,236,555</u>

B. Anticipated Expenditures:		
Personal Services	\$ 3,637,046	\$ 3,637,046
Non-Personal Services	3,267,509	3,267,509
Capital Outlay	<u>2,332,000</u>	<u>2,332,000</u>
 Total Expenditures	 \$ <u>9,236,555</u>	 \$ <u>9,236,555</u>

SOURCE	1ST READING FY-2015	2ND READING FY 2015
Section IV, Wastewater Fund:		
A. Anticipated Revenue:		
Wastewater Treatment Charges	\$ 11,388,335	\$ 11,388,335
Service Charges	1,000,992	1,000,992
Capacity/Impact Fees	157,080	157,080
Build America Bond Subsidy	128,710	128,710
Prior Year Reserves	<u>77,514</u>	<u>77,514</u>
 Total Revenue	 \$ <u>12,752,631</u>	 \$ <u>12,752,631</u>

B. Anticipated Expenditures:		
Personal Services	\$ 4,145,170	\$ 4,145,170
Non-Personal Services	3,625,632	3,625,632
Debt Service	3,652,829	3,652,829
Capital Outlay	<u>1,329,000</u>	<u>1,329,000</u>
 Total Expenditures	 \$ <u>12,752,631</u>	 \$ <u>12,752,631</u>

Section V, Airport Fund:		
A. Anticipated Revenue:		
Fuel Sales	\$ 654,711	\$ 654,711
Rents and Other Revenue	338,728	338,728
Service Charges	79,124	79,124
Transfer-In From General Fund	<u>262,069</u>	<u>262,069</u>
 Total Revenue	 \$ <u>1,334,632</u>	 \$ <u>1,334,632</u>

B. Anticipated Expenditures:		
Personal Services	\$ 316,557	\$ 316,557
Non-Personal Services	875,098	875,098
Debt Service	142,977	142,977
Capital Outlay	<u>0</u>	<u>0</u>
 Total Expenditures	 \$ <u>1,334,632</u>	 \$ <u>1,334,632</u>

SOURCE	1ST READING FY-2015	2ND READING FY 2015
Section VI, Municipal Golf Course Fund:		
A. Anticipated Revenue:		
Service Charges	\$ 1,633,496	\$ 1,633,496
Sales and Concessions	415,366	415,366
Other Revenue	63,600	63,600
Prior Year Reserves	<u>0</u>	<u>0</u>
Total Revenue	\$ <u>2,112,462</u>	\$ <u>2,112,462</u>
B. Anticipated Expenditures:		
Personal Services	\$ 1,077,936	\$ 1,077,936
Non-Personal Services	1,024,758	1,024,758
Transfer to General Fund	9,768	9,768
Capital Outlay	<u>0</u>	<u>0</u>
Total Expenditures	\$ <u>2,112,462</u>	\$ <u>2,112,462</u>

Section VII, Convention Center Fund:

A. Anticipated Revenue:		
Service Charges	\$ 1,770,900	\$ 1,770,900
State and County Grants	1,543,906	1,543,906
Food & Beverage Tax	1,170,000	1,170,000
Transfer-In From General Fund	1,480,310	1,480,310
Prior Year Reserves	2,139,496	2,139,496
Contributed Equity	<u>0</u>	<u>0</u>
Total Revenue	\$ <u>8,104,612</u>	\$ <u>8,104,612</u>
B. Anticipated Expenditures:		
Personal Services	\$ 2,965,935	\$ 2,965,935
Non-Personal Services	1,600,585	1,600,585
Debt Service	3,398,092	3,398,092
Transfer to Capital Reserves	100,000	100,000
Capital Outlay	<u>40,000</u>	<u>40,000</u>
Total Expenditures	\$ <u>8,104,612</u>	\$ <u>8,104,612</u>

SOURCE	1ST READING FY-2015	2ND READING FY 2015
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Section VIII, Information Technology Fund:

A. Anticipated Revenue:

Service Charges To Other Funds	\$ 1,985,026	\$ 1,985,026
Prior Year Reserves	<u>0</u>	<u>0</u>
 Total Revenue	 \$ <u>1,985,026</u>	 \$ <u>1,985,026</u>

B. Anticipated Expenditures:

Personal Services	\$ 987,993	\$ 987,993
Non-Personal Services	997,033	997,033
Capital Outlay	<u>0</u>	<u>0</u>
 Total Expenditures	 \$ <u>1,985,026</u>	 \$ <u>1,985,026</u>

Section IX, Service Center Fund:

A. Anticipated Revenue:

Service Charges To Other Funds	\$ <u>5,208,233</u>	\$ <u>5,208,233</u>
 Total Revenue	 \$ <u>5,208,233</u>	 \$ <u>5,208,233</u>

B. Anticipated Expenditures:

Personal Services	\$ 1,820,690	\$ 1,820,690
Non-Personal Services	3,387,543	3,387,543
Debt Service	0	0
Capital Outlay	<u>0</u>	<u>0</u>
 Total Expenditures	 \$ <u>5,208,233</u>	 \$ <u>5,208,233</u>

SOURCE	1ST READING FY-2015	2ND READING FY 2015
Section X, Vehicle & Equipment Trust Fund:		
A. Anticipated Revenue:		
Service Charges To Other Funds	\$ 2,243,297	\$ 2,243,297
Transfer From the General Fund	0	0
Sale of Assets	<u>129,709</u>	<u>129,709</u>
Total Revenue	\$ <u>2,373,006</u>	\$ <u>2,373,006</u>

B. Anticipated Expenditures:

Non-Personal Services	\$ 744,352	\$ 744,352
Debt Service	0	0
Transfers Out	0	0
Capital Outlay	<u>1,628,654</u>	<u>1,628,654</u>
Total Expenditures	\$ <u>2,373,006</u>	\$ <u>2,373,006</u>

Section XI, Risk Management Fund:

A. Anticipated Revenue:

Service Charges To Other Funds	\$ 2,291,711	\$ 2,291,711
Interest Earned	50,000	50,000
Prior Year Reserves	<u>0</u>	<u>0</u>
Total Revenue	\$ <u>2,341,711</u>	\$ <u>2,341,711</u>

B. Anticipated Expenditures:

Personal Services	\$ 257,074	\$ 257,074
Non-Personal Services/Claims	2,084,637	2,084,637
Capital Outlay	<u>0</u>	<u>0</u>
Total Expenditures	\$ <u>2,341,711</u>	\$ <u>2,341,711</u>

SOURCE	1ST READING FY-2015	2ND READING FY 2015
Section XII, Pension Trust Funds:		
A. Anticipated Revenue:		
Employer Contributions	\$ 5,954,153	\$ 5,954,153
Employee Contributions	1,575,000	1,575,000
Investment Earnings	<u>4,500,000</u>	<u>4,500,000</u>
 Total Revenue	 \$ <u>12,029,153</u>	 \$ <u>12,029,153</u>
B. Anticipated Expenditures:		
Benefit Payments	\$ 4,850,000	\$ 4,850,000
Non-Personal Services	385,000	385,000
Reserve for Employee's Retirement	<u>6,794,153</u>	<u>6,794,153</u>
 Total Expenditures	 \$ <u>12,029,153</u>	 \$ <u>12,029,153</u>
Section XIII, OPEB Trust Funds:		
A. Anticipated Revenue:		
Employer Contributions	\$ 3,825,402	\$ 3,825,402
Employee Contributions	220,000	220,000
Investment Earnings	<u>350,000</u>	<u>350,000</u>
 Total Revenue	 \$ <u>4,395,402</u>	 \$ <u>4,395,402</u>
B. Anticipated Expenditures:		
Benefit Payments	\$ 1,080,000	\$ 1,080,000
Non-Personal Services	95,000	95,000
Reserve for Retiree Health	<u>3,220,402</u>	<u>3,220,402</u>
 Total Expenditures	 \$ <u>4,395,402</u>	 \$ <u>4,395,402</u>

SOURCE	1ST READING FY-2015	2ND READING FY 2015
Section XIV, General Capital Projects Fund:		
A. Anticipated Revenue:		
General Fund Contribution	1,550,720	1,550,720
Inlet Lot Parking Revenue	<u>270,000</u>	<u>270,000</u>
Total Revenue	\$ <u>1,820,720</u>	\$ <u>1,820,720</u>

B. Anticipated Expenditures:		
Street Paving	1,300,720	1,300,720
Canal Dredging	250,000	250,000
Reserve for Future Capital Projects	<u>270,000</u>	<u>270,000</u>
Total Expenditures	\$ <u>1,820,720</u>	\$ <u>1,820,720</u>

Section XIV, All Funds Expenditure Summary:

General Fund	\$ 79,235,333	\$ 79,235,333
Water Fund	7,516,873	7,516,873
Transportation Fund	9,236,555	9,236,555
Wastewater Fund	12,752,631	12,752,631
Airport Fund	1,334,632	1,334,632
Municipal Golf Course Fund	2,112,462	2,112,462
Convention Center Fund	8,104,612	8,104,612
Information Technology Fund	1,985,026	1,985,026
Service Center Fund	5,208,233	5,208,233
Vehicle & Equipment Trust Fund	2,373,006	2,373,006
Risk Management Fund	2,341,711	2,341,711
Pension Trust Funds	12,029,153	12,029,153
OPEB Trust Fund	<u>4,395,402</u>	<u>4,395,402</u>
Sub Total	\$ 148,625,629	\$ 148,625,629
LESS: Interfund Transfers	<u>(20,893,475)</u>	<u>(20,893,475)</u>
Total Expenditures	\$ 127,732,154	\$ 127,732,154
Capital Projects Fund - General	<u>1,820,720</u>	<u>1,820,720</u>
Grand Total	\$ <u>129,552,874</u>	\$ <u>129,552,874</u>

Section XV, Special Authorization - Budget Manager:

The Budget Manager shall be authorized to reallocate departmental appropriations among the various objects of expenditures as she deems necessary. Such changes shall be approved by the Finance Administrator & City Manager.

Section XVI, Restrictions - City Manager:

- A. The utilization of any contingency appropriation shall be accomplished only with prior authorization from the Mayor and Council.
- B. Utilization of appropriations established in the Capital Improvement Fund may be accomplished only with the express approval of the Mayor and Council.

Section XVII, Tax Rate:

An Ad Valorem Tax Rate of \$0.4704 per \$100 of assessed valuation of real property and a rate of \$1.29 per \$100 of assessed valuation of corporate and personal property tax is required to fund this budget.

INTRODUCED at a meeting of the City Council of Ocean City, Maryland held on May 5, 2014.

ADOPTED AND PASSED, as amended, by the required vote of the elected membership of the City Council and approved by the Mayor at its meeting held on May 19, 2014.

DAVID L. RECOR, CITY MANAGER

RICHARD W. MEEHAN, MAYOR

KELLY L. ALLMOND, CITY CLERK

LLOYD MARTIN, PRESIDENT

MARY P. KNIGHT, SECRETARY

ADOPTED:

Date 5.19.14

MOTION TO ADOPT BY: Joseph Mitreacic

MOTION SECONDED BY: mary Knight

VOTE: FOR: 5 AGAINST: 2