

**TOWN OF OCEAN CITY
FISCAL YEAR 2014 BUDGET**

LEGISLATIVE AND ADMINISTRATIVE DIVISIONS

BUDGET HIGHLIGHTS:

PERSONNEL CHANGES:

There are thirty-one employees in these divisions. Full-time wage increases include a step increase in July and a half-step increase in January. Reductions in part-time and overtime costs partially offset the increase in full-time wages. Health insurance premiums are projected to increase 8% beginning in January. Increases in health care costs, retiree health and worker's compensation are offset by reductions in projected retirement costs.

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 \$261,877 of the Contracted Services line item in this division. Labor contracts for the IAFF and the FOP were negotiated in FY 13, and have not been included in the FY 14 budget, resulting in a savings of \$145,000. An allowance for other employment issues that may arise has been included at \$125,000. The annual Town audit is included in this line item at a cost of \$50,008. Banking services fees are budgeted to decrease \$12,000, to \$60,000. EMS billing fees have been included at \$70,000 and are offset by increased projected revenue. Printing and postage for one issue of the Town newsletter are also included. Travel and Training costs in this division increase \$20,000 and include city-wide customer service training and EEOC training budgeted in the Human Resources department. Training eliminated in other departments in FY 13 has been added in FY 14. This training includes the Government Finance Officer's conference, and the National Hurricane conference for an additional council member and for the City Manager. Reductions have also been made in Supplies and Materials. Postage has been included at a cost of \$94,840, an increase of \$14,500 from the FY 13 budget. Purchases for Resale in the Finance division included tow signs that will not be purchased in FY 14. The Intragovernmental allocation for the Information Technology department increases \$45,260 in this division, and reflects overall increases in the IT budget. 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 \$1,974,147 for FY 2014.

TOWN OF OCEAN CITY
FISCAL YEAR 2014 BUDGET
GENERAL FUND EXPENDITURES
LEGISLATIVE AND ADMINISTRATIVE DIVISIONS

EXPENDITURES	CITY MANAGER			
	ACTUAL 2012	REVISED 2013	PROPOSED 2014	Variance 2014
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 2,122,637	2,190,396	\$ 2,192,367	\$ 1,971
EMPLOYEE BENEFITS	1,149,753	1,228,847	1,225,442	(3,405)
	<u>3,272,390</u>	<u>3,419,243</u>	<u>3,417,809</u>	<u>(1,434)</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	723,674	846,199	743,887	(102,312)
SUPPLIES & MATERIALS	112,084	171,162	147,702	(23,460)
ENERGY	0	0	0	0
VEHICLE SUPPLIES & REPAIR	4,897	4,442	5,568	1,126
INTRAGOVERNMENTAL	343,595	344,409	388,657	44,248
	<u>1,184,250</u>	<u>1,366,212</u>	<u>1,285,814</u>	<u>(80,398)</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>4,456,640</u>	 \$ <u>4,785,455</u>	 \$ <u>4,703,623</u>	 \$ <u>(81,832)</u>
LESS REVENUE GENERATED BY DIVISION				
REIMBURSEMENT FROM OTHER FUNDS FOR ADMINISTRATIVE SERVICES	<u>(2,320,802)</u>	<u>(2,084,945)</u>	<u>(1,974,147)</u>	<u>(110,798)</u>
TOTAL TOWN CONTRIBUTION	<u>\$ 2,135,838</u>	<u>\$ 2,700,510</u>	<u>\$ 2,729,476</u>	<u>\$ 28,966</u>

	CITY MANAGER			
	ACTUAL 2012	REVISED 2013	PROPOSED 2014	Variance 2014
MAYOR & COUNCIL	343,625	360,481	356,930	(3,551)
CITY CLERK	417,058	443,972	436,382	(7,590)
CITY MANAGER	885,629	1,002,019	1,015,197	13,178
FINANCE	1,893,427	1,993,725	2,035,557	41,832
LEGAL	386,284	441,127	296,127	(145,000)
HUMAN RESOURCES	530,617	544,131	563,430	19,299
	<u>4,456,640</u>	<u>4,785,455</u>	<u>4,703,623</u>	<u>(81,832)</u>

**TOWN OF OCEAN CITY
FISCAL YEAR 2014 BUDGET**

ENGINEERING AND BEACH REPLENISHMENT

BUDGET HIGHLIGHTS:

PERSONNEL CHANGES:

Five full-time employees are budgeted in Engineering. The GIS Coordinator position has been transferred to Planning and Zoning, resulting in savings in this division in full-time salaries, FICA and Group insurance. Two Engineering Technician positions have been eliminated since FY 10. Increments have been included for full-time staff in this division. Increases in the allocation for worker's compensation and for retirement have been partially offset by a reduction in the projected cost for retiree health.

CHANGES IN OPERATIONS:

Payment to the State of Maryland for the beach maintenance fund is the largest expense in Contracted Services. No payment was required in FY 13, and none is required in FY 14. 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. In FY 12, funding for \$34,000 of storm water projects was added to the budget throughout the fiscal year. No Professional Services comparable to these have been included in FY 14. Consulting services for Energy procurement bids have been included for \$4,000. ADA improvements at various locations have been included at \$7,000, and legal fees have been included at \$20,000. Supplies and Materials also reflects funding in FY 12 and FY 13 of storm water management projects. In FY 14, only basic supplies have been included. Vehicle Supplies and Repairs are budgeted to decrease as the estimated costs for fuel and parts are expected to decline. The allocation for Vehicle Lease increases, while the allocation for IT Services decreases for this division. No capital outlay has been requested.

MAJOR 2013-2014 PROGRAM OBJECTIVES:

The City Engineer has been given oversight of the Construction Inspection and Information Technology divisions as well as the Engineering and Beach Replenishment divisions. Projects for FY 14 include the management of the Convention Center auditorium project, renovation of Fire Station 4 and renovation of Fire headquarters. Other duties handled by this division include stormwater/grading issues, energy management and electric procurement.

TOWN OF OCEAN CITY
FISCAL YEAR 2014 BUDGET
GENERAL FUND EXPENDITURES
ENGINEERING AND BEACH REPLENISHMENT

EXPENDITURES	ACTUAL 2012	REVISED 2013	CITY MANAGER PROPOSED 2014	Variance 2014
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 530,498	\$ 540,175	\$ 464,949	\$ (75,226)
EMPLOYEE BENEFITS	248,019	265,415	258,052	(7,363)
	<u>778,517</u>	<u>805,590</u>	<u>723,001</u>	<u>(82,589)</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	505,225	81,084	45,497	(35,587)
SUPPLIES & MATERIALS	15,430	20,348	13,292	(7,056)
VEHICLE SUPPLIES & REPAIR	14,554	15,089	13,361	(1,728)
INTRAGOVERNMENTAL	31,462	29,299	29,462	163
	<u>566,671</u>	<u>145,820</u>	<u>101,612</u>	<u>(44,208)</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>\$ 1,345,188</u>	<u>\$ 951,410</u>	<u>\$ 824,613</u>	<u>\$ (126,797)</u>
LESS REVENUE GENERATED BY DIVISION				
STATE - STORMWATER MGMT	(2,412)	(21,035)	0	21,035
STORMWATER MGT REVIEW	(121,371)	(41,663)	(5,000)	36,663
	<u>(123,783)</u>	<u>(62,698)</u>	<u>(5,000)</u>	<u>57,698</u>
TOTAL TOWN CONTRIBUTION	<u>\$ 1,221,405</u>	<u>\$ 888,712</u>	<u>\$ 819,613</u>	<u>\$ (69,099)</u>

**TOWN OF OCEAN CITY
FISCAL YEAR 2014 BUDGET**

PLANNING AND COMMUNITY DEVELOPMENT DIVISION

BUDGET HIGHLIGHTS:

REVENUE:

Building Permit Revenue, the largest revenue generator in this division, has been budgeted at \$550,000. Total revenue for this division is budgeted \$13,300 higher than the FY 13 revised budget. The Town contribution to funding of this division was \$821,825 in FY 13, which has increased to \$994,763 in FY 14.

PERSONNEL CHANGES:

There are currently 13 employees in these two divisions. In FY 09, there were 15. The GIS coordinator position has been transferred from the Engineering department, which accounts for part of the increase shown in full-time wages. Increments in July and in January have been included for full-time employees. Part-time positions funded in this division include a laserfiche assistant, a boardwalk code enforcement officer and a planning intern for assistance with the comprehensive plan. All allocations for benefits increase for this division. Part of the increase is due to the transfer of the GIS position. A projected 8% increase in health care costs has been included beginning in January.

CHANGES IN OPERATIONS:

Contracted Services increase \$19,513 from FY 13. A purchase of orthographic imagery for the GIS system has been included at \$10,000. Training costs increase \$5,716 for this division. The National Hurricane conference has been included as has the American Association of Code Enforcement Officers conference. Both of these conferences were included in the past, but deleted in recent years. 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 \$28,636 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 \$90,000 contribution from Worcester County. Vehicle fuel, parts and labor costs are anticipated to increase for this division. Fuel costs are budgeted at the actual number of gallons used for FY 12. IT expenses are included in the Intragovernmental allocations. A request to purchase a laserfiche web application has been included for \$10,815. Reductions in vehicle lease amounts partially offset this increase.

MAJOR PROGRAM OBJECTIVES:

The department will continue to provide effective service to the citizens to ensure that community standards are met and to promote managed growth that achieves the community's vision for the future. We will continue to implement the Comprehensive Plan through amendments to zoning regulations. We will continue participating in the efforts of the Maryland Coastal Bays Program and the Ocean City Development Corporation, and providing support to local Boards and Commissions. As always, the review of building plans and construction inspections will be accomplished in a professional and efficient manner.

TOWN OF OCEAN CITY
FISCAL YEAR 2014 BUDGET
GENERAL FUND EXPENDITURES
PLANNING AND COMMUNITY DEVELOPMENT DIVISION

EXPENDITURES	ACTUAL 2012	REVISED 2013	CITY MANAGER PROPOSED 2014	Variance 2014
PERSONNEL COSTS:				
SALARY AND WAGES	807,904	\$ 785,157	\$ 902,297	\$ 117,140
EMPLOYEE BENEFITS	424,215	455,477	497,783	42,306
	<u>1,232,119</u>	<u>1,240,634</u>	<u>1,400,080</u>	<u>159,446</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	44,283	40,143	59,656	19,513
CONTRIBUTION TO OCDC	190,000	190,000	190,000	0
SUPPLIES & MATERIALS	4,885	5,760	5,260	(500)
ENERGY	0	0	0	0
VEHICLE SUPPLIES & REPAIR	9,430	10,627	12,940	2,313
INTRAGOVERNMENTAL	77,130	61,061	66,527	5,466
	<u>325,728</u>	<u>307,591</u>	<u>334,383</u>	<u>26,792</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>\$ 1,557,847</u>	<u>\$ 1,548,225</u>	<u>\$ 1,734,463</u>	<u>\$ 186,238</u>
LESS REVENUE GENERATED BY DIVISION				
SITE PLAN REVIEW - STAFF	(30,624)	(20,000)	(20,000)	0
PUBLIC HEARING - PLAN & ZONING	(2,161)	(2,000)	(2,000)	0
PLAN REVIEW - PLAN & ZONING	(7,153)	(5,000)	(10,000)	5,000
PUBLIC HEARING - ZONING APPEALS	(14,162)	(15,000)	(20,000)	5,000
PUBLIC HEARING - PORT WARDENS	(19,934)	(14,000)	(16,000)	2,000
MINOR REVIEW - PORT WARDENS	(4,002)	(2,500)	(3,000)	500
MOBILE HOME PERMITS	(4,039)	(1,200)	(1,200)	0
BUILDING PERMITS	(550,140)	(550,000)	(550,000)	0
TEMPORARY TRAILER PERMITS	(17,431)	(16,000)	(16,000)	0
SIGN PERMITS	(9,018)	(8,300)	(8,500)	200
O C DEVELOPMENT CORP GRANT	(90,000)	(90,000)	(90,000)	0
ADJUSTMENT & APPEALS HEARING	(3,616)	(2,400)	(3,000)	600
	<u>(752,280)</u>	<u>(726,400)</u>	<u>(739,700)</u>	<u>13,300</u>
TOTAL TOWN CONTRIBUTION	<u>\$ 805,567</u>	<u>\$ 821,825</u>	<u>\$ 994,763</u>	<u>\$ 172,938</u>

TOWN OF OCEAN CITY
FISCAL YEAR 2014 BUDGET

POLICE DIVISION

BUDGET HIGHLIGHTS:

REVENUE CHANGES:

State Police Aid was reduced 35% in FY 10, but should be restored in FY 14, resulting in an increase of \$116,577 for this division. Grants received in FY 13 totaled \$47,320 and will be added to the FY 14 budget as received. Also shown in FY 12 and 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 expected to decrease slightly. 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 14.

PERSONNEL CHANGES:

Since FY 10, two full-time sworn positions were eliminated; one Records Clerk position was eliminated and one Office Associate position was converted to a Recruiting/Training Specialist position. In FY 13, a records clerk position has been eliminated and the Crime Analyst, formerly funded through grant funds, was converted to full-time. 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 \$319,100, but the increase in full-time salaries is \$43,890. Part time salaries increase \$204,716. The allocation for part-time sworn officers to handle some of the duties of special events, background investigation, training and hack inspection were increased \$49,091. A request to fund 10 Patrol watch PSAs for 14 weeks has been included for \$62,720. Seasonal officer staffing increases \$11,176. In the past, a reduction was made in the Patrol division for attrition of personnel in the amount of \$76,000. This has not been done this fiscal year. Overtime costs are budgeted to increase \$42,500. Reductions in projected expenses in pension, health insurance, retiree health insurance and unemployment account for the reduction shown in employee benefits.

CHANGES IN OPERATIONS:

Contracted Services includes \$258,000 in towing expenses and \$122,520 for communications expense. Training and Travel has been budgeted at \$185,329, a reduction of \$12,673 from FY 13, and includes \$50,000 for court-related travel, and \$35,045 for mandated training expenses. Also included in this line item is \$20,000 for consultants for legal and policy review and \$13,000 for psychological testing for seasonal officers. Professional Services and legal services decrease \$8,450 overall. Maintenance includes \$631,000 to replace the roof on the Public Safety Building. General building and equipment maintenance increases \$11,470. Supplies and Materials include all operational supplies and uniform costs. The light bars, sirens and striping for the new Police vehicles have been included in this line item at a cost of \$32,400. Ammunition purchases are also included in this line item at a cost of \$41,440. Fourteen tasers have been requested at a total cost of \$39,839. Replacement uniforms and items included in the Fraternal Order of Police contract are also included in this line item at a cost of \$220,400. The purchase of a training utility uniform for all offices has been included at no overall cost increase. Energy costs are expected to decrease in FY 14. Vehicle fuel costs are expected to remain the same this fiscal year, but increases are projected for vehicle parts and labor. The Police department's portion of the CAD/RMS maintenance costs have been charged through Intragovernmental expenses. Maintenance and support cost this department \$103,811 annually. Vehicle lease payments to the Vehicle Trust Fund decrease \$7,588 in FY 14. Insurance costs increase as the General Liability policy costs specifically for this division increase. Capital outlay in FY 12 and FY 13 was purchased with Homeland Security grants or with forfeiture funds. No capital outlay has been budgeted for this division. Three marked and six unmarked Chevy Tahoe PPVs have been included in the Vehicle Trust Fund purchases.

TOWN OF OCEAN CITY
FISCAL YEAR 2014 BUDGET
GENERAL FUND EXPENDITURES
POLICE DIVISION

EXPENDITURES	ACTUAL 2012	REVISED 2013	CITY MANAGER PROPOSED 2014	Variance 2014
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 10,919,540	\$ 10,264,950	\$ 10,556,803	\$ 291,853
EMPLOYEE BENEFITS	<u>6,170,755</u>	<u>6,315,973</u>	<u>5,964,620</u>	<u>(351,353)</u>
	17,090,295	16,580,923	16,521,423	(59,500)
OPERATING EXPENSES:				
CONTRACTED SERVICES	880,113	890,842	934,235	43,393
MAINTENANCE	199,332	172,194	814,664	642,470
SUPPLIES & MATERIALS	562,846	618,296	650,878	32,582
ENERGY	227,441	222,000	213,000	(9,000)
VEHICLE SUPPLIES & REPAIR	652,412	690,628	710,526	19,898
INTRAGOVERNMENTAL	<u>821,991</u>	<u>821,035</u>	<u>850,413</u>	<u>29,378</u>
	3,344,135	3,414,995	4,173,716	758,721
OTHER FINANCIAL USES:				
DEBT SERVICE	0	0	0	0
TRANSFER OUT	0	0	0	0
CAPITAL OUTLAY	<u>112,722</u>	<u>389,820</u>	<u>0</u>	<u>(389,820)</u>
	112,722	389,820	0	(389,820)
TOTAL EXPENDITURES	<u>\$ 20,547,152</u>	<u>\$ 20,385,738</u>	<u>\$ 20,695,139</u>	<u>\$ 309,401</u>
LESS REVENUE GENERATED BY DIVISION				
ANIMAL LICENSES	(1,215)	(1,000)	(1,000)	0
NOISE PERMITS	(214,121)	(212,000)	(212,000)	0
PARKING FINES	(308,067)	(300,000)	(295,000)	(5,000)
STATE-POLICE AID	(280,592)	(280,592)	(397,169)	116,577
COUNTY-POLICE AID	(21,596)	(25,000)	(25,000)	0
STATE - OTHER GRANTS	(264,605)	0	0	0
STATE - EMG MGT GRANT	(23,324)	(46,914)	0	(46,914)
FEDERAL -" BLOCK GRANTS"	83	(406)	0	(406)
FINGERPRINTING	(1,826)	(1,700)	(2,000)	300
DONATIONS	(192,373)	(192,697)	0	(192,697)
DOG VIOLATIONS	0	0	0	0
POLICE TOW FINES	(212,220)	(175,000)	(240,000)	65,000
PRIVATE TOW FINES	(100,510)	(100,000)	(95,000)	(5,000)
FALSE ALARMS	(2,650)	(2,500)	(2,500)	0
MUNICIPAL INFRACTIONS	(71,931)	(60,000)	(45,000)	(15,000)
BUILDING RENTAL	(164,301)	(160,044)	(160,044)	0
IMPOUNDED VEHICLES/FUNDS	<u>(158,644)</u>	<u>(35,000)</u>	<u>(40,000)</u>	<u>5,000</u>
	(2,017,892)	(1,592,853)	(1,514,713)	(78,140)
TOTAL TOWN CONTRIBUTION	<u>\$ 18,529,260</u>	<u>\$ 18,792,885</u>	<u>\$ 19,180,426</u>	<u>\$ 387,541</u>

**TOWN OF OCEAN CITY
FISCAL YEAR 2014 BUDGET**

COMMUNICATIONS, ELECTRONICS, EMERGENCY MANAGEMENT

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 2012 and FY 2013. 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 increases.

PERSONNEL CHANGES:

Twenty-one positions are funded in this division. Five additional Communications operator positions and a Training Coordinator position were requested, but have not been included. Funding continues for an Emergency Planner position and grant funds have been added on the revenue side to partially offset this cost. Wage increments for full-time employees have been included. Four additional weeks have been budgeted for Communications operators to allow for training time prior to Memorial Day weekend. Increases in FICA, health insurance and worker's compensation have been offset by reductions in retiree health insurance, pension and unemployment.

CHANGES IN OPERATIONS:

Contracted Services includes equipment maintenance, training costs, printing and other services. Training covered by grants in FY 13 has not been included in FY 14, resulting in savings of \$16,758. Other training costs increase in FY 14 and include OSSSI training for two Communications operators, attendance at the International Association of Emergency Manager's conference, and attendance at the APCO national conference for the Communications Systems Manager. 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 has been included for \$6,250. Energy costs decrease slightly. Vehicle Supplies and Repair includes an allowance for fuel and maintenance on the mobile command post. Intragovernmental expenses increase and include software customization for the CAD units at \$10,740 and a PROQA upgrade at \$2,370. Capital outlay decreases because equipment purchased with Homeland Security grant funds included in FY 2012 and FY 2013 has not been included in FY 2014.

SUMMARY COMMENTS:

The Emergency Communications Center continues to receive and dispatch increasing numbers of calls for service. The Electronics division staff is challenged to maintain the Town's aging radio system equipment and to pursue replacement options. 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 2014 BUDGET
GENERAL FUND EXPENDITURES
COMMUNICATIONS, ELECTRONICS, EMERGENCY MANAGEMENT

EXPENDITURES	ACTUAL 2012	REVISED 2013	CITY MANAGER PROPOSED 2014	Variance 2014
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 1,311,425	\$ 1,344,319	\$ 1,391,298	\$ 46,979
EMPLOYEE BENEFITS	686,029	746,505	718,617	(27,888)
	<u>1,997,454</u>	<u>2,090,824</u>	<u>2,109,915</u>	<u>19,091</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	85,150	97,312	86,316	(10,996)
MAINTENANCE	35,482	22,995	30,978	7,983
SUPPLIES & MATERIALS	49,844	47,543	43,550	(3,993)
ENERGY	33,012	35,500	33,475	(2,025)
VEHICLE SUPPLIES & REPAIR	12,816	18,394	16,670	(1,724)
INTRAGOVERNMENTAL	109,947	96,016	108,463	12,447
	<u>326,251</u>	<u>317,760</u>	<u>319,452</u>	<u>1,692</u>
OTHER FINANCIAL USES:				
DEBT SERVICE	0	0	0	0
TRANSFER OUT	0	0	0	0
CAPITAL OUTLAY	0	38,289	0	(38,289)
	<u>0</u>	<u>38,289</u>	<u>0</u>	<u>(38,289)</u>
TOTAL EXPENDITURES	<u>\$ 2,323,705</u>	<u>\$ 2,446,873</u>	<u>\$ 2,429,367</u>	<u>\$ (17,506)</u>
LESS REVENUE GENERATED BY DIVISION				
STATE EMERGENCY MGT. GRANT	(109,500)	(179,095)	(109,500)	(69,595)
OTHER GRANTS	(58,975)	(13,163)	0	(13,163)
ANTENNA RENTS	(59,143)	(55,000)	(59,000)	4,000
	<u>(168,643)</u>	<u>(234,095)</u>	<u>(168,500)</u>	<u>(65,595)</u>
TOTAL TOWN CONTRIBUTION	<u>\$ 2,155,062</u>	<u>\$ 2,212,778</u>	<u>\$ 2,260,867</u>	<u>\$ 48,089</u>

**TOWN OF OCEAN CITY
FISCAL YEAR 2014 BUDGET**

VOLUNTEER FIRE DIVISION

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. Wage increments have been included for the three full-time positions. Projected increases in retirement and in worker's compensation have been partially offset by reductions in health insurance costs.

CHANGES IN OPERATIONS:

Contracted Services include such items as: Training, fire company physicals, communications, and fire company insurance policies. Communications expense decreases \$20,125 as fewer replacement pagers were requested. Comprehensive physicals for volunteer firemen have been budgeted at a cost of \$25,000. Training costs increase \$100, and are included in this line item at a total of \$14,870. The Fire Company insurance policies are budgeted at \$62,500, a reduction of \$15,237. Building and equipment maintenance requests were reduced \$14,804, but include an engine bay door replacement at headquarters for \$15,863. Operational supplies include such items as replacement hose, nozzles, air bottles, and fire fighter turnout gear. This line item decreases \$150,051 from the FY 13 revised budget, which included \$200,000 for the first year of a three year replacement of the department's Self-Contained breathing apparatus. A grant was received to cover all but the \$20,175 local match. \$30,000 has been included in Operational Supplies to purchase equipment for the new pumper/tanker. Vehicle fuel costs have been budgeted to increase next fiscal year. An allowance for fuel costs for the fire boat has been included at \$30,000. Maintenance costs also increase and include an allowance of \$3,150 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 decrease in FY 13, as the equipment approved in IT for this department was reduced \$24,000. Maintenance on the OSSI program for this division totals \$12,338. 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 12 and in FY 13.

SUMMARY COMMENTS:

All volunteer fire fighters are certified to national fire fighting standards. Eight of the firefighters attended the International Association of Fire Chiefs conference for combined Volunteer and Career fire companies. Combining resources of a volunteer and career company have been emphasized. Maintenance of existing trucks has been emphasized in the current budget. On-going training is of utmost importance.

TOWN OF OCEAN CITY
 FISCAL YEAR 2014 BUDGET
 GENERAL FUND EXPENDITURES
 VOLUNTEER FIRE DIVISION

EXPENDITURES	ACTUAL 2012	REVISED 2013	CITY MANAGER PROPOSED 2014	Variance 2014
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 196,900	\$ 189,195	\$ 176,003	\$ (13,192)
EMPLOYEE BENEFITS	139,538	141,613	144,578	2,965
	<u>336,438</u>	<u>330,808</u>	<u>320,581</u>	<u>(10,227)</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	189,115	212,741	182,090	(30,651)
MAINTENANCE	66,190	87,044	72,240	(14,804)
SUPPLIES & MATERIALS	209,389	360,066	210,015	(150,051)
ENERGY	54,836	64,000	55,900	(8,100)
VEHICLE SUPPLIES & REPAIR	244,820	233,686	241,812	8,126
INTRAGOVERNMENTAL	53,169	86,974	67,346	(19,628)
	<u>817,519</u>	<u>1,044,511</u>	<u>829,403</u>	<u>(215,108)</u>
OTHER FINANCIAL USES:				
DEBT SERVICE	0	0	0	0
TRANSFER OUT	0	0	0	0
CAPITAL OUTLAY	266,852	229,310	173,910	(55,400)
	<u>266,852</u>	<u>229,310</u>	<u>173,910</u>	<u>(55,400)</u>
TOTAL EXPENDITURES	<u>\$ 1,420,809</u>	<u>\$ 1,604,629</u>	<u>\$ 1,323,894</u>	<u>\$ (280,735)</u>
LESS REVENUE GENERATED BY DIVISION				
EMERGENCY MGT GRANTS	(48,122)	(16,874)	0	16,874
FALSE ALARM FINES	(2,650)	(2,500)	(2,500)	0
	<u>(50,772)</u>	<u>(19,374)</u>	<u>(2,500)</u>	<u>16,874</u>
TOTAL TOWN CONTRIBUTION	<u>\$ 1,370,037</u>	<u>\$ 1,585,255</u>	<u>\$ 1,321,394</u>	<u>\$ (263,861)</u>

TOWN OF OCEAN CITY
FISCAL YEAR 2014 BUDGET

CAREER FIRE/EMS DIVISION

BUDGET HIGHLIGHTS:

REVENUE CHANGES:

Fees consist of an Advanced Life Support or Basic Life Support charge depending upon the level of service rendered and a charge for mileage. Basic Life Support fees are \$325, advanced life support level I is \$415 and advanced life support level II is \$550. Charges for service to residents of West Ocean City are double those for residents of Ocean City. 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 \$1,147,833. A proposal to outsource EMS billing to a private company would result in additional revenue. \$80,000 has been included as an estimate of the increase in collections.

PERSONNEL CHANGES:

The FY 13 budget included thirty-seven full-time positions. These included a Fire Chief, a Deputy Chief, an Assistant Chief, six Captains, one Lieutenants, six 2nd Lieutenants, and twenty-one Firefighter/EMTs. Six Firefighter/EMT positions converted to part-time in FY 13 have been included as full-time employees in FY 14. A reduction was made in part-time staffing to partially offset the conversion to full-time. Wage increments for all full-time personnel have been included. Projected overtime expense increases to cover the three hours per week of scheduled overtime included in the contract. A part-time Office Associate position, previously funded in the Volunteer division has been transferred to the Career division. Increases in employee benefits result from the inclusion of health insurance coverage for the six additional employees, and anticipated increases in pension, worker's compensation and unemployment. Retiree health costs for this division are projected to decrease.

CHANGES IN OPERATIONS:

Contracted Services includes \$37,175 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. Printing of Town of Ocean City map books is included at \$1,500. Decontamination and repair of fire gear is projected to increase \$3,150. Training and travel costs, also included here, are budgeted at \$19,288. Equipment maintenance costs are expected to remain the same in FY 14. Dive Team equipment maintenance is included at \$8,775 as is the maintenance contract on the defibrillators, \$14,875 and maintenance on other EMS equipment. Supplies and Materials include medical and training supplies and uniform costs and are budgeted to increase \$4,450. Purchases made with funding from the Paramedics Foundation were added to the budget in FY 12 and FY 13. Water Rescue Team supplies are included at a cost of \$21,090, an increase of \$8,320. Uniform costs have been reduced \$4,336 from FY 13. Energy costs are anticipated to decrease. Vehicle fuel and vehicle labor costs are expected to decrease in FY 14. Intragovernmental allocations for vehicle lease and for IT Services increase in FY 14. No capital outlay has been requested. Two replacement ambulances and a replacement Suburban were requested, but were not funded in the Vehicle Trust Fund budget.

TOWN OF OCEAN CITY
 FISCAL YEAR 2014 BUDGET
 GENERAL FUND EXPENDITURES
 CAREER FIRE/EMS DIVISION

EXPENDITURES	ACTUAL 2012	REVISED 2013	CITY MANAGER PROPOSED 2014	Variance 2014
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 4,378,131	\$ 4,443,282	\$ 4,686,052	\$ 242,770
EMPLOYEE BENEFITS	<u>2,029,726</u>	<u>2,078,086</u>	<u>2,290,872</u>	<u>212,786</u>
	6,407,857	6,521,368	6,976,924	455,556
OPERATING EXPENSES:				
CONTRACTED SERVICES	88,647	97,474	103,044	5,570
MAINTENANCE	39,612	50,681	50,548	(133)
SUPPLIES & MATERIALS	238,123	234,006	238,456	4,450
ENERGY	22,513	25,500	23,550	(1,950)
VEHICLE SUPPLIES & REPAIR	210,571	204,606	203,611	(995)
INTRAGOVERNMENTAL	<u>238,255</u>	<u>209,544</u>	<u>225,301</u>	<u>15,757</u>
	837,721	821,811	844,510	22,699
OTHER FINANCIAL USES:				
DEBT SERVICE	0	0	0	0
TRANSFER OUT	0	0	0	0
CAPITAL OUTLAY	<u>20,740</u>	<u>0</u>	<u>0</u>	<u>0</u>
	20,740	0	0	0
TOTAL EXPENDITURES	\$ <u>7,266,318</u>	\$ <u>7,343,179</u>	\$ <u>7,821,434</u>	\$ <u>478,255</u>
LESS REVENUE GENERATED BY DIVISION				
AMBULANCE SERVICE FEES	(760,422)	(830,000)	(912,612)	82,612
COUNTY OPERATING GRANT	<u>(1,219,908)</u>	<u>(1,147,833)</u>	<u>(1,147,833)</u>	<u>0</u>
	(1,980,330)	(1,977,833)	(2,060,445)	82,612
TOTAL TOWN CONTRIBUTION	\$ <u><u>5,285,988</u></u>	\$ <u><u>5,365,346</u></u>	\$ <u><u>5,760,989</u></u>	\$ <u><u>395,643</u></u>

**TOWN OF OCEAN CITY
FISCAL YEAR 2014 BUDGET**

FIRE MARSHAL DIVISION

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 \$137,000, which reflects a slight increase in anticipated fees. In FY 13, \$53,961 in Homeland Security grants was 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 worker's compensation costs have been offset by reductions in the projected funding for pension and retiree health.

CHANGES IN OPERATIONS:

Equipment maintenance includes the maintenance contract on the bomb robot at a cost of \$7,900, and the Hazardous materials ID maintenance at a cost of \$5,300. Items covered by Homeland Security grants were included in the FY 13 budget. Comprehensive physicals, communications expense, and training are examples of costs included in Contracted Services. Training has been budgeted at \$6,267 and includes hazardous materials training, monthly bomb training and arson investigation training. Operational Supplies decrease because items included in the FY 13 budget were covered by Homeland Security grants. Uniform costs increase \$600 to cover an increase in the safety shoe allowance from \$90 to \$190 per pair. \$4,503 in hazmat protective equipment included in the FY 13 revised budget have not been included in FY 14. Vehicle fuel has been budgeted at the average number of gallons used over the past two years. Vehicle maintenance costs decrease and reflect the three year average amount spent. Intragovernmental expenses in FY 14 reflect a decrease in the allocation for vehicle lease. No capital outlay has been included for this division. Purchases made with Homeland Securities grants were included in FY 12 and FY 13. Any items covered in future grants will be added as the grants are received. Two crew cab pickups were requested, but neither were 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 2014 BUDGET
GENERAL FUND EXPENDITURES
FIRE MARSHAL DIVISION

EXPENDITURES	ACTUAL 2012	REVISED 2013	CITY MANAGER PROPOSED 2014	Variance 2014
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 589,311	\$ 549,623	\$ 543,695	\$ (5,928)
EMPLOYEE BENEFITS	471,560	490,422	400,621	(89,801)
	<u>1,060,871</u>	<u>1,040,045</u>	<u>944,316</u>	<u>(95,729)</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	11,376	17,546	17,722	176
MAINTENANCE	15,515	23,302	21,675	(1,627)
SUPPLIES & MATERIALS	22,312	32,191	23,648	(8,543)
ENERGY	0	0	0	0
VEHICLE SUPPLIES & REPAIR	25,053	36,323	30,468	(5,855)
INTRAGOVERNMENTAL	55,506	54,739	49,997	(4,742)
	<u>129,762</u>	<u>164,101</u>	<u>143,510</u>	<u>(20,591)</u>
OTHER FINANCIAL USES:				
DEBT SERVICE	0	0	0	0
TRANSFER OUT	0	0	0	0
CAPITAL OUTLAY	7,060	34,540	0	(34,540)
	<u>7,060</u>	<u>34,540</u>	<u>0</u>	<u>(34,540)</u>
TOTAL EXPENDITURES	<u>\$ 1,197,693</u>	<u>\$ 1,238,686</u>	<u>\$ 1,087,826</u>	<u>\$ (150,860)</u>
LESS REVENUE GENERATED BY DIVISION				
STATE EMERGENCY MGT. GRANT	(7,060)	(53,961)	0	(53,961)
SITE PLAN REVIEW	(60,112)	(50,000)	(50,000)	0
SPECIAL REVIEW FEES	(11,688)	(9,000)	(8,000)	(1,000)
QUALITY ASSURANCE	(77,574)	(65,000)	(73,000)	8,000
INSPECTION FEES	(6,650)	(5,500)	(6,000)	500
	<u>(163,084)</u>	<u>(183,461)</u>	<u>(137,000)</u>	<u>(46,461)</u>
TOTAL TOWN CONTRIBUTION	<u>\$ 1,034,609</u>	<u>\$ 1,055,225</u>	<u>\$ 950,826</u>	<u>\$ (104,399)</u>

**TOWN OF OCEAN CITY
FISCAL YEAR 2014 BUDGET**

PUBLIC WORKS ADMINISTRATION AND CONSTRUCTION

BUDGET HIGHLIGHTS:

REVENUE CHANGES:

In FY 09, the City received \$813,395 from the State as Highway User Revenue. In FY 11, the State retained 90% of the revenue from this fund and the City's allocation was reduced to \$63,271. In FY 12, the allocation was partially restored, and then was reduced again for FY 13, to \$129,887. In FY 14, this funding should be increased to \$320,000. Sidewalk condemnations are anticipated to remain at the FY 13 level. 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 requested but not funded. A full-time carpenter was added to this division through an elimination of a position in the Transfer Station division. Wage increments have been included for all full-time employees. In addition, deductions for Public Works labor charged to Water and Wastewater capital projects and to Street Paving decreases \$168,600, resulting in a higher expense for this division. All benefit costs increase in this division. Part of the benefit increase is to cover benefits for the carpenter position. Just as a smaller portion of the wages can be allocated to capital projects, there is also a smaller portion of benefits that can be allocated, resulting in a higher cost for the home account.

CHANGES IN OPERATIONS:

Sidewalk replacement and condemnation is the significant cost in the Contracted Services line item, and has been budgeted at \$79,000. 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 \$52,661. Replacement of the Animal Shelter roof and cleaning and painting of City Hall were requested, but were not funded. 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 \$10,000. Snow removal supplies are also included in this category, and \$12,000 has been budgeted. Replacement equipment including street light cabinets, an arrow board, a generator, traffic control signs, a sandblaster and a concrete/asphalt saw have been budgeted. Two sets of ARC flash safety gear were requested, but only one was funded. In Energy, street lighting is the major expense and has been budgeted at \$550,565. Vehicle repairs and maintenance have been budgeted at the three year average for this department. Allocations for vehicle lease decrease, offsetting increases in IT and insurance. A roof replacement at the 65th Street garage has been included at \$240,000. A utility truck was requested but not funded in the Vehicle Trust Fund.

TOWN OF OCEAN CITY
FISCAL YEAR 2014 BUDGET
GENERAL FUND EXPENDITURES
PUBLIC WORKS ADMINISTRATION AND CONSTRUCTION

EXPENDITURES	ACTUAL	REVISED	CITY MANAGER	
	2012	2013	PROPOSED 2014	Variance 2014
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 1,418,518	\$ 1,168,335	\$ 1,405,777	\$ 237,442
EMPLOYEE BENEFITS	979,544	945,646	1,049,626	103,980
	<u>2,398,062</u>	<u>2,113,981</u>	<u>2,455,403</u>	<u>341,422</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	131,775	161,814	142,125	(19,689)
MAINTENANCE	44,603	85,273	56,221	(29,052)
SUPPLIES & MATERIALS	298,614	275,247	276,796	1,549
ENERGY	682,377	696,000	683,476	(12,524)
VEHICLE SUPPLIES & REPAIR	433,655	489,842	425,690	(64,152)
INTRAGOVERNMENTAL	279,277	283,191	237,504	(45,687)
	<u>1,870,301</u>	<u>1,991,367</u>	<u>1,821,812</u>	<u>(169,555)</u>
OTHER FINANCIAL USES:				
DEBT SERVICE	0	0	0	0
TRANSFER OUT	0	0	0	0
CAPITAL OUTLAY	22,256	0	240,000	240,000
	<u>22,256</u>	<u>0</u>	<u>240,000</u>	<u>240,000</u>
TOTAL EXPENDITURES	\$ <u>4,290,619</u>	\$ <u>4,105,348</u>	\$ <u>4,517,215</u>	\$ <u>411,867</u>
LESS REVENUE GENERATED BY DIVISION				
REIMBURSEMENT FROM OTHER FUNDS FOR				
ADMINISTRATIVE SERVICES	(296,686)	(284,311)	(283,827)	(484)
STATE - HIGHWAY USER TAX	(203,055)	(129,887)	(320,000)	190,113
FRANCHISE FEES - VEHICLE	(65,300)	(65,300)	(65,300)	0
STATE - STREET AID	0	(26,363)	(26,363)	0
STREET CUT FEES	(1,024)	(1,500)	(1,500)	0
SIDEWALK PAYMENTS	(23,781)	(27,000)	(27,000)	0
	<u>(589,846)</u>	<u>(534,361)</u>	<u>(723,990)</u>	<u>190,113</u>
TOTAL TOWN CONTRIBUTION	\$ <u>3,700,773</u>	\$ <u>3,570,987</u>	\$ <u>3,793,225</u>	\$ <u>221,754</u>

**TOWN OF OCEAN CITY
FISCAL YEAR 2014 BUDGET**

PUBLIC WORKS MAINTENANCE DIVISION

BUDGET HIGHLIGHTS:

REVENUE CHANGES:

Parking rates were increased from \$1.00 per hour to \$1.50 per hour for street meters and all lots except the Inlet Lot in FY 13. Rates at the Inlet Lot were last increased in FY 10. It is anticipated that revenue from streets and parking lots will increase \$35,000. Revenue for the Inlet Lot has been budgeted at the FY 12 actual amount.

PERSONNEL CHANGES:

Two full-time Maintenance Worker positions and a full-time Building Custodian position were eliminated from this division in FY 10. Two full-time Building Custodian positions were converted to part-time, year-round employees on the Janitorial staff in FY 10. A full-time Maintenance Supervisor position was converted to a Heavy Equipment Operator position in the Beach division and a part-time maintenance worker position in the Street division in FY 13. In FY 14, a request was made to convert two of the Janitorial staff from part-time year-round to full-time. This request was not funded. Also in the Janitorial division, additional hours have been added to provide cleaning service to the Public Safety building two additional days per week. In the Street division, four additional part-time positions were requested to staff private events, but only one was funded. In other divisions, the number of weeks for part-time employees have been extended. Wage increments are included for all full-time employees. Reductions in health insurance and pension costs for this division offset the increases in retiree health, worker's compensation and unemployment.

CHANGES IN OPERATIONS:

Credit Card fees for use of the Cale parking meters have been budgeted at \$140,000 in FY 14, an increase of \$58,000. Other expenses in Contracted Services include tipping fees for this division, and printing of tickets for the Inlet Lot. Restoration of the Somerset Street Parking lot sign has been included at \$4,600. Also included in this account was \$91,742 for boardwalk bench refurbishment in FY 12 and \$40,208 in FY 13. Building and equipment maintenance increases \$11,483 and includes \$15,120 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, four Broyhill dumpster containers at a total cost of \$22,760, a new beach box blade, a new sweepster power broom attachment, replacement decorative trashcans, and two replacement change machines. Other supplies include comfort station supplies, replacement banners for the boardwalk, beach ramp supplies and replacement sand fence. A replacement sign machine was requested, but was not funded. Vehicle maintenance has been budgeted at the three year average cost. Reduction in vehicle expenses from prior years reflects \$96,000 in savings for beach tractor maintenance as we are now leasing our beach tractors. Vehicle lease decreases for this division and is the reason for the reduction in Intragovernmental expenses. No capital outlay has been budgeted. The \$400,000 expense in FY 13 is the replacement of the Inlet Parking lot control system. A replacement ½ ton pickup and a sand sifting machine have been approved in the Vehicle Trust Fund. An additional replacement pickup was requested, but was not funded.

TOWN OF OCEAN CITY
 FISCAL YEAR 2014 BUDGET
 GENERAL FUND EXPENDITURES
 PUBLIC WORKS MAINTENANCE DIVISION

EXPENDITURES	ACTUAL 2012	REVISED 2013	CITY MANAGER PROPOSED 2014	Variance 2014
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 2,076,047	\$ 2,038,916	\$ 2,113,675	\$ 74,759
EMPLOYEE BENEFITS	<u>1,144,183</u>	<u>1,196,854</u>	<u>1,160,410</u>	<u>(36,444)</u>
	3,220,230	3,235,770	3,274,085	38,315
OPERATING EXPENSES:				
CONTRACTED SERVICES	222,024	233,896	285,365	51,469
MAINTENANCE	17,558	35,095	46,578	11,483
SUPPLIES & MATERIALS	367,928	347,977	375,542	27,565
ENERGY	71,244	79,700	76,247	(3,453)
VEHICLE SUPPLIES & REPAIR	631,244	559,205	526,913	(32,292)
INTRAGOVERNMENTAL	<u>284,634</u>	<u>325,174</u>	<u>307,118</u>	<u>(18,056)</u>
	1,594,632	1,581,047	1,617,763	36,716
OTHER FINANCIAL USES:				
DEBT SERVICE	0	0	0	0
TRANSFER OUT	0	0	0	0
CAPITAL OUTLAY	<u>0</u>	<u>400,000</u>	<u>0</u>	<u>(400,000)</u>
	0	400,000	0	(400,000)
TOTAL EXPENDITURES	<u>\$ 4,814,862</u>	<u>\$ 5,216,817</u>	<u>\$ 4,891,848</u>	<u>\$ (324,969)</u>
LESS REVENUE GENERATED BY DIVISION				
STREET PARKING METER REVENUE	(769,314)	(870,000)	(905,000)	35,000
PARKING LOT REVENUE	(593,461)	(760,000)	(760,000)	0
INLET PARKING LOT REVENUE	(2,055,475)	(2,100,000)	(2,050,000)	(50,000)
RESIDENTIAL PARKING PERMITS	(1,522)	(1,450)	(1,450)	0
FRANCHISE FEES-PHOTO	(395,000)	(395,000)	(395,000)	0
SERVICE CHARGES	<u>(21,052)</u>	<u>(19,000)</u>	<u>(20,500)</u>	<u>1,500</u>
	<u>(3,835,824)</u>	<u>(4,145,450)</u>	<u>(4,131,950)</u>	<u>(13,500)</u>
TOTAL TOWN CONTRIBUTION	<u>\$ 979,038</u>	<u>\$ 1,071,367</u>	<u>\$ 759,898</u>	<u>\$ (311,469)</u>

**TOWN OF OCEAN CITY
FISCAL YEAR 2014 BUDGET**

SOLID WASTE AND TRANSFER STATION

BUDGET HIGHLIGHTS:

REVENUE CHANGES:

Revenue from recycling sales includes only revenue from the sale of white goods and is expected to remain level for FY 14. 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 increase slightly. In FY 12, the bulk collection fee was increased for the pickup of more than one item. It is anticipated that \$22,500 will be collected from this effort.

PERSONNEL CHANGES:

Since FY 09, twenty-one 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. In FY 12, the Solid Waste Assistant Manager position was eliminated and a Solid Waste Worker position was converted to part-time. In FY 13, the Transfer Station supervisor position was eliminated and converted to a full-time carpenter position in Buildings & Grounds. Wage increments have been included for all full-time employees. Increases in retiree health and worker's compensation are offset by projected reductions in health insurance, retirement and unemployment.

CHANGES IN OPERATIONS:

Contracted Services includes building and equipment maintenance costs, travel and training and dues. \$5,000 has been included to repair the decorative aluminum façade at the Transfer Station building. Tipping fees are no longer budgeted due to our contract with Covanta. The increase in contract costs is due to an increase in the fuel adjustment surcharge. The contract was renegotiated in FY 12 and has been budgeted at \$1,905,815; an increase of \$63,315 over FY 13. 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. Also included are ten 55 gallon containers of urea diesel exhaust fuel. Vehicle Supplies and Repair is the second major expense in this division. Fuel costs are expected to remain steady. Vehicle fuel usage, and vehicle parts and labor charges have been budgeted at the actual cost for the past twelve months. Service Center vehicle labor rates have been increased for FY 14, resulting in higher vehicle labor expenses in this division. In FY 12, additional fuel was used to transport trash to the landfill during the repair of the tipping room floor. Replacement tires for the loader have been included for \$25,000, and \$40,000 has been included for painting of several older trash trucks. Intragovernmental expenses include a reduction in the allocations for vehicle lease and for IT services. FY 12 capital outlay reflects the cost to repair the tipping room floor. One automated trash truck, a front-end trash truck and a roll off truck have been included in the Vehicle Trust fund for FY 14. A truck tractor and a second automated trash truck were requested but were not funded.

TOWN OF OCEAN CITY
FISCAL YEAR 2014 BUDGET
GENERAL FUND EXPENDITURES
SOLID WASTE AND TRANSFER STATION DIVISION

EXPENDITURES	ACTUAL 2012	REVISED 2013	CITY MANAGER PROPOSED 2014	Variance 2014
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 1,234,689	\$ 1,338,171	\$ 1,276,655	\$ (61,516)
EMPLOYEE BENEFITS	910,350	972,775	965,796	(6,979)
	<u>2,145,039</u>	<u>2,310,946</u>	<u>2,242,451</u>	<u>(68,495)</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	44,052	57,216	64,263	7,047
TRANSPORT/TIPPING FEES	1,762,566	1,842,500	1,905,815	63,315
SUPPLIES & MATERIALS	40,108	57,439	76,839	19,400
ENERGY	38,885	42,500	36,540	(5,960)
VEHICLE SUPPLIES & REPAIR	1,085,084	936,616	1,018,878	82,262
INTRAGOVERNMENTAL	340,189	320,914	317,810	(3,104)
	<u>3,310,884</u>	<u>3,257,185</u>	<u>3,420,145</u>	<u>162,960</u>
OTHER FINANCIAL USES:				
DEBT SERVICE	0	0	0	0
TRANSFER OUT	0	0	0	0
CAPITAL OUTLAY	415,724	0	0	0
	<u>415,724</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL EXPENDITURES	<u>\$ 5,871,647</u>	<u>\$ 5,568,131</u>	<u>\$ 5,662,596</u>	<u>\$ 94,465</u>
LESS REVENUE GENERATED BY DIVISION				
SALES - RECYCLING	(37,085)	(25,000)	(25,000)	0
SALES - CONTAINERS	(5,596)	(6,000)	(19,000)	13,000
SOLID WASTE COLLECTION	(28,320)	(27,000)	(30,000)	3,000
BULK PICK UP FEE	(20,607)	(20,000)	(22,500)	2,500
	<u>(91,608)</u>	<u>(78,000)</u>	<u>(96,500)</u>	<u>18,500</u>
TOTAL TOWN CONTRIBUTION	<u>\$ 5,780,039</u>	<u>\$ 5,490,131</u>	<u>\$ 5,566,096</u>	<u>\$ 75,965</u>

TOWN OF OCEAN CITY
FISCAL YEAR 2014 BUDGET

RECREATION DIVISION

BUDGET HIGHLIGHTS:

REVENUE CHANGES:

No Open Space funds are expected in FY 14. Projected Program revenue increases over \$40,000 and includes revenue for many new programs and camps. Fees received from facilities rental are also expected to increase for FY14.

PERSONNEL CHANGES:

A full-time Office Associate position was eliminated in FY 11. There are five full-time employees in the Administrative division and seven in the Programs division. Wage increments have been included for all full-time staff. Part-time salaries decrease slightly for the Program division as the number of weeks budgeted for the Director and Assistant Director of Camp Horizon have been reduced. Projected reductions in pension contributions for this division offset the increases for health insurance, retiree health, and worker's compensation.

CHANGES IN OPERATIONS:

Contracted Services include payments to Sports camp directors, building maintenance, equipment maintenance, equipment rental, and training and travel. New program offerings include an archery clinic, a flag football league, a paddleboard clinic and a beach volleyball camp. Contracted Services for Programs increase \$20,540. Repainting of lines in the West gym and replacement of the shower stalls in the East gym women's locker room have been included in building maintenance. Overall building maintenance increases \$6,386 in FY 14. Generator repairs and maintenance are also expected to increase. Credit card fees are projected to increase \$3,153. Training costs increase \$2,896 and include attendance at the National Recreation and Parks Association conference for the Director and the Recreation Superintendent. 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. 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 decrease in FY 14 due to the energy procurement bid. Vehicle expenses for fuel, parts and labor are expected to increase slightly. Intragovernmental allocations for vehicle lease and IT services increase. No capital outlay has been budgeted in FY 14. The FY 12 budget included \$255,865 to replace the roof at Northside Park, a solar hot water system and beach wheelchair purchases.

TOWN OF OCEAN CITY
FISCAL YEAR 2014 BUDGET
GENERAL FUND EXPENDITURES
RECREATION DIVISION

EXPENDITURES	ACTUAL	REVISED	CITY MANAGER PROPOSED	Variance
	2012	2013	2014	2014
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 1,202,220	\$ 1,195,460	\$ 1,207,372	\$ 11,912
EMPLOYEE BENEFITS	466,055	481,895	482,088	193
	<u>1,668,275</u>	<u>1,677,355</u>	<u>1,689,460</u>	<u>12,105</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	384,417	395,523	434,484	38,961
SUPPLIES & MATERIALS	170,167	174,835	180,712	5,877
ENERGY	81,734	94,000	84,089	(9,911)
VEHICLE SUPPLIES & REPAIR	9,446	10,822	11,684	862
INTRAGOVERNMENTAL	89,346	85,556	94,136	8,580
	<u>735,110</u>	<u>760,736</u>	<u>805,105</u>	<u>44,369</u>
OTHER FINANCIAL USES:				
DEBT SERVICE	0	0	0	0
TRANSFER OUT	0	0	0	0
CAPITAL OUTLAY	270,320	0	0	0
	<u>270,320</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL EXPENDITURES	\$ <u>2,673,705</u>	\$ <u>2,438,091</u>	\$ <u>2,494,565</u>	\$ <u>56,474</u>
LESS REVENUE GENERATED BY DIVISION				
STATE GRANT - OPEN SPACE	0	0	0	0
COUNTY-RECREATION GRANT	(90,000)	(90,000)	(90,000)	0
PROGRAM REVENUE	(722,169)	(720,000)	(761,085)	41,085
ADMISSIONS/RENTAL	(103,333)	(80,500)	(100,000)	19,500
CONCESSION REVENUE	(77,047)	(70,000)	(73,000)	3,000
ADVERTISING REVENUE	(1,800)	(2,000)	(2,000)	0
MEALS - SENIOR CITIZENS	(7,730)	(9,000)	(9,000)	0
MISCELLANEOUS	(24)	(75)	(75)	0
	<u>(1,002,103)</u>	<u>(971,575)</u>	<u>(1,035,160)</u>	<u>63,585</u>
				0
TOTAL TOWN CONTRIBUTION	\$ <u>1,671,602</u>	\$ <u>1,466,516</u>	\$ <u>1,459,405</u>	\$ <u>(7,111)</u>

TOWN OF OCEAN CITY
FISCAL YEAR 2014 BUDGET

PARKS DIVISION

BUDGET HIGHLIGHTS:

REVENUE CHANGES:

A Community Parks and Playgrounds grant was shown in FY 13. This was a reimbursement for an outdoor exercise area at Northside Park. No Community Parks and Playgrounds funds were received in FY 12 and none are anticipated in FY 14.

PERSONNEL CHANGES:

There are seventeen full-time employees in this division. Two full-time Parks Worker positions were eliminated in FY 10 and two others were eliminated in FY 11. A fifth Parks Worker and the Town Arborist positions were converted to part-time in FY 11. The Horticulturalist was transferred to this division from the Golf Course to fill one Parks Worker position. Wage increments have been included for all full-time employees. Part-time wages increase because one additional week of labor is needed for Winterfest set-up. Overtime costs decrease for this division. FY 12 labor costs appear to be lower because the deductions have been made for labor charged to the Town festivals. FY 13 reflects deductions for Sunfest, but not for Winterfest or Springfest. FY 14 has not been adjusted for festival labor. Once these costs have been determined in FY 14, wages will be reduced in this department and transferred to the festivals. Contributions for retiree health, pension and worker's compensation increase for this division and are partially offset by reductions in health insurance costs.

CHANGES IN OPERATIONS:

Contracted Services in this division include maintenance for the parks and landscaping throughout the Town. Renovations of Coastal Highway medians and Skateboard Park repairs were included in FY 12 at a total cost of \$79,000. In FY 14, redecking of the Northside Park pier has been included at \$19,000. Replacement of the Tennis Center fence for courts one through six was requested, but was not funded. Contract mowing of city-owned median strips, bulkheads, undeveloped lots, etc. was included at \$34,000, in FY 12, but has been reduced to \$18,900 in FY 14. Walkway and drainage repairs at Northside Park have been budgeted at \$6,000. 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. Normal maintenance and supply costs have been budgeted for FY 14. 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. A utility trailer, a 250-gallon water tank and a walk behind vacuum were requested, but deleted and purchased with funds available in FY 13. Special Appropriations reflects the budget for requests from the Beautification Committee. Projected reductions in Vehicle fuel offset increases in vehicle labor costs and cause overall Vehicle Supplies and Repairs to decrease. Vehicle Lease expense decreases 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 14. A ½ ton 4wd pickup and a 4wd utility tractor were approved in the Vehicle Trust Fund. An F450 Stake body truck was requested, but was not approved.

TOWN OF OCEAN CITY
FISCAL YEAR 2014 BUDGET
GENERAL FUND EXPENDITURES
PARKS DIVISION

EXPENDITURES	ACTUAL 2012	REVISED 2013	CITY MANAGER PROPOSED 2014	Variance 2014
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 724,472	\$ 850,222	\$ 866,112	\$ 15,890
EMPLOYEE BENEFITS	442,646	490,101	508,573	18,472
	<u>1,167,118</u>	<u>1,340,323</u>	<u>1,374,685</u>	<u>34,362</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	161,518	73,078	74,761	1,683
SUPPLIES & MATERIALS	159,214	143,541	136,819	(6,722)
SPECIAL APPROPRIATIONS	3,037	5,900	5,750	(150)
ENERGY	17,946	27,000	21,003	(5,997)
VEHICLE SUPPLIES & REPAIR	91,699	102,546	99,879	(2,667)
INTRAGOVERNMENTAL	64,395	69,449	54,325	(15,124)
	<u>497,809</u>	<u>421,514</u>	<u>392,537</u>	<u>(28,977)</u>
OTHER FINANCIAL USES:				
DEBT SERVICE	0	0	0	0
TRANSFER OUT	0	0	0	0
CAPITAL OUTLAY	0	119,978	0	(119,978)
	<u>0</u>	<u>119,978</u>	<u>0</u>	<u>(119,978)</u>
TOTAL EXPENDITURES	<u>\$ 1,664,927</u>	<u>\$ 1,881,815</u>	<u>\$ 1,767,222</u>	<u>\$ (114,593)</u>
 TOTAL TOWN CONTRIBUTION	 <u>\$ 1,664,927</u>	 <u>\$ 1,881,815</u>	 <u>\$ 1,767,222</u>	 <u>\$ (114,593)</u>
 LESS REVENUE GENERATED BY DIVISION				
COMMUNITY PARKS GRANT	<u>0</u>	<u>(119,000)</u>	<u>0</u>	<u>119,000</u>
 TOTAL TOWN CONTRIBUTION	 <u>\$ 1,664,927</u>	 <u>\$ 1,762,815</u>	 <u>\$ 1,767,222</u>	 <u>4,407</u>

TOWN OF OCEAN CITY
FISCAL YEAR 2014 BUDGET

BEACH PATROL DIVISION

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:

Hours budgeted for SRT I's have remained the same for 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 also remains the same. A full-time year-round lieutenant position has been included since FY 07. Wage increments have been included for all full-time employees. The allocations for worker's compensation expense and unemployment increase 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 included. 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. Uniform purchases were budgeted at the FY 13 approved level, \$25,155. 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 14. Vehicle lease expense decreases for this department. No capital outlay has been requested.

TOWN OF OCEAN CITY
FISCAL YEAR 2014 BUDGET
GENERAL FUND EXPENDITURES
BEACH PATROL DIVISION

EXPENDITURES	ACTUAL 2012	REVISED 2013	CITY MANAGER PROPOSED 2014	Variance 2014
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 1,871,893	\$ 1,884,333	\$ 1,886,273	\$ 1,940
EMPLOYEE BENEFITS	199,139	203,905	213,963	10,058
	<u>2,071,032</u>	<u>2,088,238</u>	<u>2,100,236</u>	<u>11,998</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	39,356	43,653	43,276	(377)
SUPPLIES & MATERIALS	78,636	96,222	87,765	(8,457)
ENERGY	4,080	7,000	5,162	(1,838)
VEHICLE SUPPLIES & REPAIR	33,013	35,921	39,938	4,017
INTRAGOVERNMENTAL	41,589	48,406	43,372	(5,034)
	<u>196,674</u>	<u>231,202</u>	<u>219,513</u>	<u>(11,689)</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>\$ 2,267,706</u>	<u>\$ 2,319,440</u>	<u>\$ 2,319,749</u>	<u>\$ 309</u>
LESS REVENUE GENERATED BY DIVISION				
BEACH PATROL MISC	(19,157)	(18,688)	(19,500)	812
SPONSORSHIPS	(14,500)	0	0	0
FRANCHISE FEES-BEACH STAND	(726,257)	(801,126)	(805,305)	4,179
	<u>(759,914)</u>	<u>(819,814)</u>	<u>(824,805)</u>	<u>4,991</u>
TOTAL TOWN CONTRIBUTION	<u>\$ 1,507,792</u>	<u>\$ 1,499,626</u>	<u>\$ 1,494,944</u>	<u>\$ (4,682)</u>

**TOWN OF OCEAN CITY
FISCAL YEAR 2014 BUDGET**

TOWN SPONSORED EVENTS AND FESTIVALS

BUDGET HIGHLIGHTS:

REVENUE CHANGES:

Private Event Revenue includes revenue from Bikefest, the Car cruises and Founder's Day Entertainment. In FY 12, these items were budgeted in Special Event Revenue. In FY 12, the fee charged for viewing Winterfest of Lights was increased from \$4 to \$5 for anyone twelve and older. This fee increase resulted in additional revenue for this event and has been reflected in the FY 14 budget as well. Revenue for Sunfest and Springfest is also 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 positions to four. One of the two positions, the Private Events Coordinator was converted from full-time to part-time. The FY 14 budget includes a proposal to convert this position back to full-time. Wage increments have been included for all full-time staff. Salary expenses in the FY 12 actual column include costs for labor from other city departments for Sunfest, Winterfest and Springfest. FY 13 reflects the costs for Sunfest, but has not yet been adjusted to include Winterfest and Springfest labor costs. The FY 14 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. Part-time labor estimates for staffing Winterfest are proposed to increase \$12,359.

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 14. 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. Other major expenditures in this division are tent rental, accommodations for the entertainers and back-up services for the shows. Refurbishment of Winterfest displays has been budgeted at \$25,000 in the Contracted Services line item. Supplies and Materials decrease for Winterfest. In FY 13, the budget included a 20th 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 includes \$28,800 to purchase 24 trees of light for Coastal Highway. Sixteen trees of light for Baltimore Avenue were also requested, but were not funded. A replacement storage trailer to store the Winterfest decorations has been budgeted at \$10,000. Energy costs for the festivals are expected to decrease. Vehicle costs reflect an increase in labor rates charged by the City Garage. Replacement picnic tables have been included in capital outlay.

TOWN OF OCEAN CITY
FISCAL YEAR 2014 BUDGET
GENERAL FUND EXPENDITURES
TOWN SPONSORED EVENTS AND FESTIVALS

EXPENDITURES	ACTUAL 2012	REVISED 2013	CITY MANAGER PROPOSED 2014	Variance 2014
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 578,340	\$ 405,215	\$ 384,961	\$ (20,254)
EMPLOYEE BENEFITS	185,665	146,465	171,049	24,584
	<u>764,005</u>	<u>551,680</u>	<u>556,010</u>	<u>4,330</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	834,436	882,657	880,295	(2,362)
SUPPLIES & MATERIALS	255,895	267,889	254,080	(13,809)
ENERGY	32,063	38,140	30,629	(7,511)
VEHICLE SUPPLIES & REPAIR	4,961	5,135	5,535	400
INTRAGOVERNMENTAL	18,784	19,534	18,778	(756)
	<u>1,146,139</u>	<u>1,213,355</u>	<u>1,189,317</u>	<u>(24,038)</u>
OTHER FINANCIAL USES:				
DEBT SERVICE	0	0	0	0
TRANSFER OUT	0	0	0	0
CAPITAL OUTLAY	0	3,600	3,600	0
	<u>0</u>	<u>3,600</u>	<u>3,600</u>	<u>0</u>
TOTAL EXPENDITURES	<u>\$ 1,910,144</u>	<u>\$ 1,768,635</u>	<u>\$ 1,748,927</u>	<u>\$ (19,708)</u>
LESS REVENUE GENERATED BY DIVISION				
SUNFEST REVENUE	(423,624)	(422,700)	(430,000)	7,300
SPRINGFEST REVENUE	(406,482)	(375,000)	(385,000)	10,000
WINTERFEST REVENUE	(513,000)	(451,500)	(490,000)	38,500
SPECIAL EVENT REVENUE	(186,195)	(45,000)	(45,000)	0
PRIVATE EVENT REVENUE	(39,957)	(217,000)	(217,000)	0
CORPORATE SPONSORSHIP	(55,500)	(70,000)	(70,000)	0
	<u>(1,624,758)</u>	<u>(1,581,200)</u>	<u>(1,637,000)</u>	<u>55,800</u>
TOTAL TOWN CONTRIBUTION	<u>\$ 285,386</u>	<u>\$ 187,435</u>	<u>\$ 111,927</u>	<u>\$ (75,508)</u>

**TOWN OF OCEAN CITY
FISCAL YEAR 2014 BUDGET**

TOURISM PROMOTIONS

BUDGET HIGHLIGHTS:

REVENUE CHANGES:

The State Tourism grant has not been included in FY 14 as the amount of this grant is uncertain. \$348,132 was received in FY 12 and \$359,022 was received in FY 13. A portion of Room Tax has been dedicated to funding the Town advertising budget. The County Tourism grant has been requested to be restored in FY 14.

PERSONNEL CHANGES:

Staffing in this division has been reduced from five full-time employees in FY 09 to two full-time employees in FY 14. Those positions are the Tourism Director and an Office Associate. Wage increments have been included for all full-time employees. The Visitor's Center is staffed by part-time employees.

CHANGES IN OPERATIONS:

Advertising is the main expense in the department. \$5,414,278 has been budgeted for advertising in FY 14. The FY 13 adopted budget for advertising totaled \$4,972,333, and was increased \$391,410 in Budget Amendment # 1. A portion of this increase, \$229,668, resulted from a projected increase in Room Tax for FY 13. An additional \$305,601 was recognized from Room Tax exceeding the estimate for FY 12. An adjustment was made in the same budget amendment to reduce the advertising budget by the amount of the County Tourism grant that was not received. The funding formula outlined in the FY 08 ordinance has been followed for FY 14. 2.0% of the estimated gross room receipts has been budgeted for FY 14. Expenses in Contracted Services include research to be conducted by Equation and Smith Travel and dues to 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. The Visitor Guide postage and handling fee increases \$8,000. 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 all three fiscal years. In FY 12, funds were encumbered but not spent at year-end. Those funds were added to the appropriation for FY 13. In FY 12, the majority of the funds was spent on the "Summer of Thanks" free to visitor activities. 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 will not be attended in FY 14. Intragovernmental expenses decrease due to a decrease in Vehicle Lease which offsets the increase in the IT allocation. No capital outlay has been requested.

TOWN OF OCEAN CITY
FISCAL YEAR 2014 BUDGET
GENERAL FUND EXPENDITURES
TOURISM PROMOTIONS

EXPENDITURES	ACTUAL 2012	REVISED 2013	CITY MANAGER PROPOSED 2014	Variance 2014
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 165,650	\$ 157,854	\$ 155,239	\$ (2,615)
EMPLOYEE BENEFITS	67,639	58,530	64,993	6,463
	<u>233,289</u>	<u>216,384</u>	<u>220,232</u>	<u>3,848</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	78,733	114,671	165,726	51,055
ADVERTISING	5,598,374	5,722,765	5,414,278	(308,487)
TAB FUNDING	224,801	375,199	300,000	(75,199)
SUPPLIES & MATERIALS	22,157	22,292	16,872	(5,420)
ENERGY	6,418	9,000	7,437	(1,563)
VEHICLE SUPPLIES & REPAIR	708	1,553	1,356	(197)
INTRAGOVERNMENTAL	16,128	13,549	11,998	(1,551)
	<u>5,947,319</u>	<u>6,259,029</u>	<u>5,917,667</u>	<u>(341,362)</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>\$ 6,180,608</u>	<u>\$ 6,475,413</u>	<u>\$ 6,137,899</u>	<u>\$ (337,514)</u>
LESS REVENUE GENERATED BY DIVISION				
ROOM TAX	(5,089,506)	(5,759,942)	(5,750,000)	(9,942)
STATE - TOURISM GRANT	(348,132)	(359,022)	0	(359,022)
COUNTY-TOURISM GRANT	(270,000)	0	(270,000)	270,000
SALES/OTHER MISC.	(404)	0	0	0
	<u>(5,708,042)</u>	<u>(6,118,964)</u>	<u>(6,020,000)</u>	<u>(98,964)</u>
TOTAL TOWN CONTRIBUTION	<u>\$ 472,566</u>	<u>\$ 356,449</u>	<u>\$ 117,899</u>	<u>\$ (238,550)</u>

**TOWN OF OCEAN CITY
FISCAL YEAR 2014 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>City Manager Proposed</u>
Special Appropriations includes requested grants to:		
OC Drug and Alcohol Abuse Prevention/Play It Safe	\$ 7,500	\$ 7,500
Diakonia	40,000	40,000
Worcester Youth & Family Counseling	15,000	9,000
Life Crisis Center	8,000	8,000
Stephen Decatur After Prom Party	750	750
Town Cats	2,500	2,500
White Marlin Catch/Release Program	5,000	5,000
Wor Wic	<u>20,000</u>	<u>10,000</u>
Total	\$ 98,750	\$ 82,750
Interfund Transfers:		
Town events at Convention Center	\$ 35,000	\$ 35,000
Rent of Airport Land (Lion's Club)	3,600	3,600
Debt Service includes principal and interest for:		
Recreation Facilities		110,233
DNR Loans		55,815
2004 Refunding Bonds		769,143
2005 Municipal Purpose Bonds		458,440
2006 Airport G.O. Bond		305,368
2007 Municipal Refunding Bonds		1,264,052
2009 Municipal Refunding Bonds		533,363
2010 Municipal Purpose Bonds		345,943
2012 Municipal Purpose Bonds		<u>1,456,337</u>
Total		\$ 5,298,694
Transfers to Other Funds consists of the following:		
Operating Transfers:		
Transportation		\$ 1,795,347
Airport		235,932
Convention Center		1,364,565
Capital Projects		1,170,000

TOWN OF OCEAN CITY
 FISCAL YEAR 2014 BUDGET
 GENERAL FUND EXPENDITURES
 MISCELLANEOUS DIVISION

EXPENDITURES	ACTUAL 2012	REVISED 2013	CITY MANAGER PROPOSED 2014	Variance 2014
OPERATING EXPENSES:				
SPECIAL APPROPRIATIONS	\$ 124,748	\$ 121,350	\$ 121,350	\$ 0
DEBT SERVICE - PRINCIPAL	3,160,956	2,892,910	3,714,657	821,747
INTEREST EXPENSE	1,352,400	1,658,800	1,584,038	(74,762)
TRANSFER TO TRANSPORTATION	1,537,171	1,927,997	1,795,347	(132,650)
TRANSFER TO AIRPORT	332,964	125,977	235,932	109,955
TRANSFER TO GOLF COURSE	48,104	0	0	0
TRANSFER TO CONVENTION CENTER	1,287,530	1,483,575	1,364,565	(119,010)
TRANSFER TO VEHICLE TRUST	0	488,000	0	(488,000)
TRANSFER TO CAPITAL CONSTRUCTION	1,737,430	2,000,000	1,170,000	(830,000)
 TOTAL EXPENDITURES	 \$ 9,581,303	 \$ 10,698,609	 \$ 9,985,889	 \$ (712,720)
 TOTAL TOWN CONTRIBUTION	 \$ 9,581,303	 \$ 10,698,609	 \$ 9,985,889	 \$ (712,720)

TOWN OF OCEAN CITY
FISCAL YEAR 2014 BUDGET

WATER FUND

BUDGET HIGHLIGHTS:

REVENUE CHANGES:

In accordance with ordinance 2010-7, the metered rate increases from \$3.10 to \$3.25 per 1,000 gallons, and the fixture rate remains at \$2.60 per equivalent fixture. Both of these changes have been included in the FY 13 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 \$75,600 to fund Water department capital projects. The FY 13 budget requires \$122,995 from fund balance.

PERSONNEL CHANGES:

Twenty-one full-time positions are included in the Water Fund. Wage increments have been included for all full-time employees. Three 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 \$72,500 for the use of Public Works' manpower. Deductions have been made from Public Works for like amounts. These deductions are \$54,000 lower than the amounts budgeted in FY 12. Increases are projected for all employee benefit categories.

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 \$147,011. This is a reduction of \$41,148 from the FY 13 revised budget. \$80,000 has been included for a hydrant maintenance program. 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 94th Street water tower, which is budgeted at \$550,000. Plant building maintenance decreases \$148,380 from FY 13, but still includes funds for interior painting at 15th street, well house roof repair at 136th street and repairs to the chlorine hoist at 136th street. The estimated cost to inspect and repair the chlorination equipment increases \$15,000. Routine equipment maintenance, such as well maintenance, has also been included in this category and totals \$218,200. Costs for Supplies and Materials are expected to decrease slightly in FY 14. 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 has been budgeted at \$30,000. Two replacement segways are included at a cost of \$13,108. Energy costs are expected to be lower than the amount budgeted for FY 13, due to the recent energy bid. Vehicle fuel has been budgeted at the average number of gallons used for the past three years. Vehicle parts and labor costs for this division are expected to decrease. Intragovernmental expenses reflect reductions in the allocation for General Overhead, but increases in the allocations for Insurance and IT. Debt Service costs decrease slightly. Transfer to capital projects includes \$175,000 for water main upgrades, \$350,000 for St. Louis Avenue water main Phase 2, \$590,000 for the Disinfection byproduct project and \$250,000 for 52nd Street well house. No capital outlay has been requested. A ½ ton 2wd pickup was funded through Vehicle Trust.

TOWN OF OCEAN CITY
FISCAL YEAR 2014 BUDGET
WATER FUND

EXPENDITURES	ACTUAL 2012	REVISED 2013	CITY MANAGER PROPOSED 2014	Variance 2014
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 1,170,622	\$ 1,235,390	\$ 1,294,937	\$ 59,547
EMPLOYEE BENEFITS	655,300	689,380	711,726	22,346
	<u>1,825,922</u>	<u>1,924,770</u>	<u>2,006,663</u>	<u>81,893</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	311,940	405,444	356,826	(48,618)
MAINTENANCE	1,080,710	995,242	966,886	(28,356)
SUPPLIES & MATERIALS	353,016	515,304	508,735	(6,569)
ENERGY	349,802	425,000	352,241	(72,759)
VEHICLE SUPPLIES & REPAIR	111,716	142,071	129,109	(12,962)
INTRAGOVERNMENTAL	827,209	699,195	680,255	(18,940)
	<u>3,034,393</u>	<u>3,182,256</u>	<u>2,994,052</u>	<u>(188,204)</u>
OTHER FINANCIAL USES:				
DEBT SERVICE	1,386,326	1,068,885	1,067,216	(1,669)
TRANSFER TO RESERVES	0	0	0	0
TRANSFER TO CAP PROJECTS	0	1,055,000	1,365,000	310,000
CAPITAL OUTLAY	0	10,000	0	(10,000)
	<u>1,386,326</u>	<u>2,133,885</u>	<u>2,432,216</u>	<u>298,331</u>
TOTAL EXPENDITURES	<u>\$ 6,246,641</u>	<u>\$ 7,240,911</u>	<u>\$ 7,432,931</u>	<u>\$ 192,020</u>
LESS REVENUE GENERATED BY DEPARTMENT				
WATER SALES	(3,188,661)	(3,349,934)	(3,551,295)	201,361
WATER FIXTURE CHARGE	(3,506,216)	(3,486,777)	(3,494,483)	7,706
CAPACITY FEES	(92,894)	(55,440)	(75,600)	20,160
INTEREST	(20,900)	(20,000)	(21,000)	1,000
WATER VACANT LOT CHARGE	(29,778)	(29,702)	(30,202)	500
WATER CONNECTION CHARGES	(7,787)	(107,092)	(107,356)	264
SALES - MATERIALS & SERVICE	(96,820)	(30,000)	(30,000)	0
	<u>(6,943,056)</u>	<u>(7,078,945)</u>	<u>(7,309,936)</u>	<u>230,991</u>
REVENUE (OVER)/UNDER EXPENDITURES	<u>\$ (696,415)</u>	<u>\$ 161,966</u>	<u>122,995</u>	<u>\$ (38,971)</u>

TOWN OF OCEAN CITY
FISCAL YEAR 2014 BUDGET

WASTEWATER FUND

BUDGET HIGHLIGHTS:

REVENUE CHANGES:

In accordance with Resolution 2010-7, the rates for wastewater service increased from \$8.20 to \$8.45 per quarter. This increase generates an additional \$362,523 in revenue. Capacity fees are based on new capacity and are expected to generate \$132,000 in FY 14. Capacity fees are used to fund Wastewater department capital projects. Service to West Ocean City is expected to increase to \$725,000. Federal Government grants include the Build America Bond interest subsidy. No funds are taken from fund balance 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 full-time employees. A seasonal truck driver has been funded in the Treatment Plant division. Increases in Group health insurance and pension have been partially offset with reductions in retiree health insurance.

CHANGES IN OPERATIONS:

Contracted Services include services provided by professional architects and engineers and tipping fees. Professional Services are expected to decrease \$46,565 in FY 14. A holding tank odor control study has been included at \$20,000. Tipping fees for the disposal of biosolids, \$507,000, and for the disposal of grit \$30,000 have been included. Tipping fees increase \$282,000 over the FY 13 budgeted amount. Permit fees paid to the Maryland Department of the Environment have been budgeted at \$8,000. Contracted Services also includes an ocean outfall inspection and a security fence installation at the lox tanks. Building maintenance has been budgeted at \$210,965. Most of this cost is routine plant maintenance, but \$48,000 has been included to replace the roof on the Sludge building, and \$40,000 has been included for brick repairs at the Secondary Influent Building. Plant equipment maintenance has been budgeted at \$293,500. Replacement of twelve pasteurization vessel heaters has been included at \$54,200. The parts to complete a spare Secondary Clarifier Drive unit have been included as well. Funds for manhole and sewer line repairs have also been included. Supplies and Materials decrease \$35,162 from FY 13. Approximately \$375,650 of this line item is budgeted to purchase chemicals for wastewater treatment. A supplemental air conditioning unit for the secondary influent building has been funded. Energy costs have been budgeted to decrease. Vehicle fuel, parts and labor are expected to increase in this division. Intragovernmental allocations for IT Services, and insurance increase, while the allocations for General overhead expense and for vehicle lease decrease. Debt service in FY 14 reflects the principal and interest for bonds issued in 2005, 2007, 2009, 2010 and 2012. Capital outlay includes \$32,260 to replace a Franklin Miller grinder. Transfer to capital projects includes \$710,776 for sewer main upgrades and \$550,000 for St. Louis Avenue Phase II. A one ton utility truck and a ½ ton 2wd pickup were approved in the Vehicle Trust fund.

TOWN OF OCEAN CITY
FISCAL YEAR 2014 BUDGET
WASTEWATER FUND

EXPENDITURES	ACTUAL 2012	REVISED 2013	CITY MANAGER PROPOSED 2014	Variance 2014
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 2,509,658	\$ 2,599,151	\$ 2,643,554	\$ 44,403
EMPLOYEE BENEFITS	1,581,764	1,600,614	1,455,214	(145,400)
	<u>4,091,422</u>	<u>4,199,765</u>	<u>4,098,768</u>	<u>(100,997)</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	456,784	671,296	907,491	236,195
MAINTENANCE	660,209	520,130	538,340	18,210
SUPPLIES & MATERIALS	725,484	611,062	575,900	(35,162)
ENERGY	465,416	595,000	557,514	(37,486)
VEHICLE SUPPLIES & REPAIR	240,680	185,926	192,803	6,877
INTRAGOVERNMENTAL	1,033,524	973,634	986,910	13,276
	<u>3,582,097</u>	<u>3,557,048</u>	<u>3,758,958</u>	<u>201,910</u>
OTHER FINANCIAL USES:				
DEBT SERVICE	3,242,404	3,555,417	3,487,527	(67,890)
TRANSFER TO RESERVES	0	0	0	0
TRANSFER TO CAPITAL PROJECTS	6,614,801	800,000	1,260,776	460,776
CAPITAL OUTLAY	94,589	300,000	32,260	(267,740)
	<u>9,951,794</u>	<u>4,655,417</u>	<u>4,780,563</u>	<u>125,146</u>
TOTAL EXPENDITURES	\$ <u>17,625,313</u>	\$ <u>12,412,230</u>	\$ <u>12,638,289</u>	\$ <u>226,059</u>
LESS REVENUE GENERATED BY DEPARTMENT				
FIXTURE CHARGES	(10,792,319)	(11,041,867)	(11,404,390)	362,523
INTEREST	(34,667)	(33,000)	(33,000)	0
VACANT LOT CHARGE	(35,805)	(36,557)	(38,333)	1,776
CONNECTION CHARGES	(33,759)	(5,000)	(8,000)	3,000
SALES - MATERIALS & SERVICES	(8,236)	(8,000)	(9,600)	1,600
SERVICE TO WEST OCEAN CITY	(704,610)	(737,014)	(725,000)	(12,014)
PLUMBING PERMITS	(57,700)	(60,000)	(68,000)	8,000
LAB FEES	(89,184)	(100,007)	(92,000)	(8,007)
CAPACITY FEES	(162,195)	(96,800)	(132,000)	35,200
INTEREST EARNED ON INVESTMENTS	(9,036)	(6,000)	(5,000)	(1,000)
FEDERAL GOVERNMENT GRANTS	(134,623)	(133,381)	(119,966)	(13,415)
MISCELLANEOUS	(5,000)	(3,000)	(3,000)	0
PROCEEDS OF LONG TERM DEBT	(4,913,206)	0	0	0
	<u>(16,980,340)</u>	<u>(12,260,626)</u>	<u>(12,638,289)</u>	<u>377,663</u>
REVENUE (OVER)/UNDER EXPENDITURES	\$ <u>644,973</u>	\$ <u>151,604</u>	\$ <u>0</u>	\$ <u>(151,604)</u>

TOWN OF OCEAN CITY
FISCAL YEAR 2014 BUDGET

TRANSPORTATION FUND

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. Coupon books offering an additional discount were offered in the past, but a proposal to discontinue them is included in the FY 14 revenue estimate. It is estimated that discontinuing the coupon books will increase Transportation revenue by \$50,000. Tram fare will continue to be \$3.00 one-way seven days a week. \$1,096,000 is projected for tram revenue for FY 14. Bus advertising is estimated at \$210,000 in FY 14. Federal and State operating grants are budgeted at \$825,782, the same level since FY 07. Capital grants increase and include the purchase of six transit buses, previously requested in the Vehicle Trust Fund.

PERSONNEL CHANGES:

Thirteen full-time employees are funded in this division. One position has been eliminated since FY 09 and three positions were converted from full time to part time. The Account Clerk/Van driver position was eliminated, two bus driver positions and a maintenance technician position were converted to part time. Wage increments have been included for all full-time employees. Nearly 200 seasonal employees are employed by the Transportation department. In FY 14, part-time hours were increased for bus technicians, bus cleaners and dispatchers. Part time hours for the tram division remain the same. Budgeted hours for the operation of the medical transport program have also been included. Overtime in the bus division has been projected to increase \$15,757. In the Employee benefits category, reductions in health insurance offset projected increases in retiree health, pension contribution and worker's compensation. Unemployment accounts for \$539,000 of the Employee Benefits line item for FY 14, which is a \$38,000 reduction from the FY 13 budgeted amount.

OPERATIONAL CHANGES:

Contracted Services include building and equipment maintenance, printing, dues and credit card fees. Building and equipment maintenance costs increase in FY 14, but 90% of the cost will be covered by MTA grants if approved in their grant request. These items are: overhead door repairs, \$20,000; renovation of the North End terminal, \$30,000; renovation of the Park & Ride terminal, \$30,000 and a preventative maintenance contract on the currency counters and coin counters in the money room, \$15,000. If funded by MTA, the cost to the Town would be \$9,500. A request to insulate and replace the carpeting in the AVL room is included at \$10,000. Operational Supplies increase slightly and include replacement passenger shelters and parts at a cost of \$30,000. This expense has also been included in the MTA grant request. Energy costs decrease. Vehicle fuel is a major expense for this department and has been budgeted at \$905,313, an increase of \$20,996. Parts and labor for the bus division have been budgeted at \$1,249,232. Grant funds in the amount of \$500,000 have been requested to offset this cost. Intragovernmental expenses decrease as the allocation for Vehicle lease and IT Services decrease. Vehicle lease in this division only covers the amount for insurance costs. 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 six transit buses budgeted at \$454,000 each. 90% of this cost will be covered by FTA/MTA grants if approved.

TOWN OF OCEAN CITY
FISCAL YEAR 2014 BUDGET
TRANSPORTATION FUND

EXPENDITURES	ACTUAL 2012	REVISED 2013	CITY MANAGER PROPOSED 2014	Variance 2014
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 2,439,782	\$ 2,541,767	\$ 2,587,762	\$ 45,995
EMPLOYEE BENEFITS	<u>1,045,339</u>	<u>1,111,984</u>	<u>1,073,445</u>	<u>(38,539)</u>
	3,485,121	3,653,751	3,661,207	7,456
OPERATING EXPENSES:				
CONTRACTED SERVICES	96,716	87,582	192,829	105,247
SUPPLIES & MATERIALS	60,020	74,668	83,949	9,281
ENERGY	58,254	72,000	61,700	(10,300)
VEHICLE SUPPLIES & REPAIR	2,180,984	2,533,662	2,293,171	(240,491)
INTRAGOVERNMENTAL	<u>861,734</u>	<u>924,054</u>	<u>748,034</u>	<u>(176,020)</u>
	3,257,708	3,691,966	3,379,683	(312,283)
OTHER FINANCIAL USES:				
DEBT SERVICE	0	0	0	0
TRANSFER OUT	0	0	0	0
CAPITAL OUTLAY	<u>71,183</u>	<u>1,737,159</u>	<u>2,724,000</u>	<u>986,841</u>
	<u>71,183</u>	<u>1,737,159</u>	<u>2,724,000</u>	<u>986,841</u>
TOTAL EXPENDITURES	<u>\$ 6,814,012</u>	<u>\$ 9,082,876</u>	<u>\$ 9,764,890</u>	<u>\$ 682,014</u>
LESS REVENUE GENERATED BY DEPARTMENT				
BUS REVENUE	(2,559,209)	(2,699,877)	(2,733,461)	33,584
TRAIN REVENUE	(1,091,230)	(1,073,051)	(1,096,000)	22,949
BUS ADVERTISING	(206,349)	(245,000)	(210,000)	(35,000)
INTEREST ON INVESTMENTS	(61)	(200)	(200)	0
CAPITAL ASSET SALES	0	(12,930)	0	(12,930)
PRIOR YEAR RESERVES	(111,373)	(53,981)	0	(53,981)
CAPITAL GRANT - FEDERAL	(446,333)	(1,994,730)	(2,759,200)	764,470
CAPITAL GRANT - STATE	(50,496)	(249,328)	(344,900)	95,572
ADA GRANT - STATE	(96,008)	(110,000)	(110,000)	0
OPERATING GRANT - FEDERAL	(684,657)	(684,657)	(684,657)	0
OPERATING GRANT - STATE	<u>(31,125)</u>	<u>(31,125)</u>	<u>(31,125)</u>	<u>0</u>
	<u>(5,276,841)</u>	<u>(7,154,879)</u>	<u>(7,969,543)</u>	<u>814,664</u>
TOWN CONTRIBUTION	<u>\$ 1,537,171</u>	<u>\$ 1,927,997</u>	<u>\$ 1,795,347</u>	<u>\$ (132,650)</u>

TOWN OF OCEAN CITY
FISCAL YEAR 2014 BUDGET

AIRPORT FUND

BUDGET HIGHLIGHTS:

REVENUE CHANGES:

No Federal or State grant funding is anticipated in FY 14. Anticipated fuel sales are based on the average number of gallons sold for the past four years. Although the number of gallons is expected to remain constant, a fuel price increase is anticipated. Land rent to the Lion's Club will remain at \$3,600. Greater usage of the concrete crushing operation has been anticipated, resulting in an increase in Service Charge revenue. Funds that have been accumulating from the concrete crushing operation were used to offset General Fund contribution in FY 13 and were shown as "Prior Year Surplus." The General Fund subsidy of the Airport increases \$109,955, from \$125,977 to \$235,932.

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 full-time employees. 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 14. Pension contribution decreases for this division and offsets projected increases in unemployment, health insurance and retiree health.

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 included in FY 13 at a cost of \$24,050. Concrete crushing has been included at \$68,000. 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 costs for fuel purchase is the primary expense of the Airport fund. Fuel purchases are budgeted at \$666,040 for the coming year, an increase of \$80,900. 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 14 includes routine maintenance costs. A reduction in General Overhead expense for this department results in lower charges for Intragovernmental services. 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 2014 BUDGET
AIRPORT FUND

EXPENDITURES	ACTUAL 2012	REVISED 2013	CITY MANAGER PROPOSED 2014	Variance 2014
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 228,342	\$ 208,840	\$ 216,964	\$ 8,124
EMPLOYEE BENEFITS	84,311	102,855	93,803	(9,052)
	<u>312,653</u>	<u>311,695</u>	<u>310,767</u>	<u>(928)</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	215,300	347,616	197,391	(150,225)
SUPPLIES & MATERIALS	52,412	19,200	16,469	(2,731)
PURCHASES FOR RESALE	558,138	590,340	667,740	77,400
ENERGY	34,111	35,000	38,716	3,716
VEHICLE SUPPLIES & REPAIR	1,530	37,687	15,463	(22,224)
INTRAGOVERNMENTAL	106,055	102,317	99,353	(2,964)
	<u>967,546</u>	<u>1,132,160</u>	<u>1,035,132</u>	<u>(97,028)</u>
OTHER FINANCIAL USES:				
DEBT SERVICE	145,542	146,082	142,974	(3,108)
TRANSFER TO CAPITAL PROJECTS	450,000	450,000	0	(450,000)
CAPITAL OUTLAY	0	0	0	0
	<u>595,542</u>	<u>596,082</u>	<u>142,974</u>	<u>(453,108)</u>
TOTAL EXPENDITURES	<u>\$ 1,875,741</u>	<u>\$ 2,039,937</u>	<u>\$ 1,488,873</u>	<u>\$ (551,064)</u>
LESS REVENUE GENERATED BY DEPARTMENT				
FUEL REVENUE	(694,189)	(731,600)	(790,282)	58,682
RENT REVENUES	(312,175)	(320,744)	(313,828)	(6,916)
RENTAL - LAND, OFFICE SPACE	(28,664)	(28,686)	(30,739)	2,053
FEDERAL GRANTS	(427,500)	(405,000)	0	(405,000)
STATE GRANTS	(11,250)	(22,500)	0	(22,500)
SERVICE CHARGES	(121,685)	(108,000)	(117,992)	9,992
INSURANCE CLAIM PAYMENTS	0	0	0	0
INTEREST ON ACCOUNTS	(300)	0	0	0
INTEREST ON INVESTMENTS	(2)	(100)	(100)	0
PRIOR YEAR SURPLUS	0	(297,330)	0	(297,330)
	<u>(1,595,765)</u>	<u>(1,913,960)</u>	<u>(1,252,941)</u>	<u>(661,019)</u>
TOTAL TOWN CONTRIBUTION	<u>\$ 279,976</u>	<u>\$ 125,977</u>	<u>\$ 235,932</u>	<u>\$ 109,955</u>

TOWN OF OCEAN CITY
FISCAL YEAR 2014 BUDGET

GOLF COURSE FUND

BUDGET HIGHLIGHTS:

REVENUE CHANGES:

No fee increases are scheduled for FY 2014. 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 at the FY 13 projected level.

PERSONNEL CHANGES:

Eight full-time positions are included in this budget. Wage increments have been included for all full-time employees. Seasonal golf laborers, pro shop employees, concession workers and cart attendants are also employed by this division. A slight increase in hours has been budgeted for the maintenance division. Increases in health insurance, retiree health, pension and worker's compensation have been partially offset by a reduction in projected unemployment expense.

CHANGES IN OPERATIONS:

Contracted Services include building & equipment maintenance and golf cart rental, advertising and credit card fees. The FY 12 budget included \$14,500 for clubhouse maintenance and \$18,000 for replacement carpet. The FY 14 budget includes \$12,000 for kitchen improvements. Greater Ocean City Golf Association fees have been budgeted at \$34,000. Advertising has been budgeted at \$48,000, the same level as FY 13. In the Maintenance division, several maintenance items have been requested. An irrigation main valve replacement has been included at \$5,000. Security fence repairs at \$4,000 and paving of the maintenance facility at an estimated cost of \$3,000 have also been included. Supplies & Materials also increase for the Maintenance division. Maintenance supplies are budgeted at \$221,400, which covers all chemicals, fertilizers, irrigation and landscaping supplies for the Golf Course. In FY 14, the following items have also been requested: replacement of a John Deere mower deck, \$7,900; a mosquito sprayer, \$8,500; and an Otterbine pond fountain replacement, \$2,500. In the Operations division, replacement tables and chairs for the clubhouse have been included at a cost of \$18,000. Purchases for Resale for the Golf Shop and the Golf Concession account for \$208,721 of the Golf Course budget. Energy costs are budgeted to increase slightly. Costs for vehicle parts are expected to increase in FY 14. Intragovernmental allocations for IT services and Vehicle lease increase, while the allocations for General Overhead expense and insurance decrease. No capital outlay has been requested. Capital outlay expenses in the past two fiscal years covered the replacement of the irrigation system. Equipment approved in the Vehicle Trust Fund includes: a turf aerator, \$24,000; a turf sprayer, \$34,900; a utility vehicle, \$22,500 and a fairway mower, \$45,200.

TOWN OF OCEAN CITY
FISCAL YEAR 2014 BUDGET
GOLF COURSE FUND

EXPENDITURES	ACTUAL 2012	REVISED 2013	CITY MANAGER PROPOSED 2014	Variance 2014
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 724,151	\$ 708,163	\$ 718,211	\$ 10,048
EMPLOYEE BENEFITS	320,759	338,238	345,516	7,278
	<u>1,044,910</u>	<u>1,046,401</u>	<u>1,063,727</u>	<u>17,326</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	163,851	178,844	189,099	10,255
GOLF CART LEASE	106,735	122,504	117,961	(4,543)
SUPPLIES & MATERIALS	219,825	245,545	261,850	16,305
PURCHASES FOR RESALE	203,629	221,928	208,721	(13,207)
ENERGY	42,876	46,000	47,203	1,203
VEHICLE SUPPLIES & REPAIR	50,098	47,532	53,272	5,740
INTRAGOVERNMENTAL	191,381	186,233	194,541	8,308
	<u>978,395</u>	<u>1,048,586</u>	<u>1,072,647</u>	<u>24,061</u>
OTHER FINANCIAL USES:				
DEBT SERVICE	0	0	0	0
TRANSFERS OUT	0	150,758	9,474	(141,284)
CAPITAL OUTLAY	165,879	22,402	0	(22,402)
	<u>165,879</u>	<u>173,160</u>	<u>9,474</u>	<u>(163,686)</u>
TOTAL EXPENDITURES	<u>\$ 2,189,184</u>	<u>\$ 2,268,147</u>	<u>\$ 2,145,848</u>	<u>\$ (122,299)</u>
LESS REVENUE GENERATED BY DIVISION				
ADMISSIONS TAX	(48,104)	(53,028)	(60,000)	6,972
GREEN FEES	(1,248,371)	(1,274,373)	(1,248,371)	(26,002)
CART RENTAL	(414,442)	(454,179)	(406,537)	(47,642)
CONCESSION REVENUE	(294,002)	(302,479)	(289,240)	(13,239)
PRO SHOP REVENUE	(134,690)	(143,618)	(133,000)	(10,618)
CLUB RENTAL	(1,245)	(3,700)	(2,000)	(1,700)
TOURNAMENT REVENUE	(2,739)	(3,800)	(3,000)	(800)
PULL CART RENTAL	(6)	0	0	0
INTEREST ON INVESTMENTS	(97)	(1,000)	(100)	(900)
MISCELLANEOUS REVENUE	(7,551)	(3,600)	(3,600)	0
APPROPRIATED FUND BALANCE	0	(28,370)	0	(28,370)
ADVANCE FROM GEN'L FUND	0	0	0	0
DISCOUNTS TAKEN	(2,845)	0	0	0
	<u>(2,154,092)</u>	<u>(2,268,147)</u>	<u>(2,145,848)</u>	<u>(129,271)</u>
REVENUE (OVER)/UNDER EXPENDITURES	<u>\$ 35,092</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 6,972</u>

**TOWN OF OCEAN CITY
FISCAL YEAR 2014 BUDGET**

CONVENTION CENTER FUND and MUSEUM

BUDGET HIGHLIGHTS:

REVENUE CHANGES:

Hall Rental, Concession and Service Charge revenue are all anticipated to increase in FY 14. Special Event revenue includes revenue from the Holiday Shopper's Fair and also includes projected revenue from three cultural arts entertainment events. Revenue from the three cultural arts entertainment events is budgeted at \$100,000. Sales/Other reflects membership dues for the Convention & Visitor's Bureau and are expected to increase. 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 \$1,130,000 that will go toward debt retirement in FY 14. Prior year food tax 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 decrease \$113,342 each.

PERSONNEL CHANGES:

The Convention Center fund has thirty-two full-time employees. Eight positions have been eliminated since FY 09. The Museum division employs two full-time employees. Wage increments have been included for all full-time employees. Part-time and seasonal positions are used by both the Convention Center and the Museum. Budgeted increases in full-time salaries have been offset by projected reductions in interdepartmental labor and in overtime costs. The allocation to the pension fund decreases for this division, offsetting increases in retiree health insurance and in worker's compensation. Projected unemployment expense for this division also decreases.

CHANGES IN OPERATIONS:

Contracted Services increase in FY 14. Included in this line item are travel, credit card fees, dry cleaning and advertising. In FY 14, \$40,000 has been budgeted for cultural arts entertainment, and an additional \$9,750 has been included for advertising and printing costs for the events. In the Sales division, \$50,000 has been included to advertise the cultural arts auditorium. An additional request in Contracted Services is a fee for MGH to host a Convention Center microsite on the Tourism website. Maintenance costs account for \$261,127 of the Convention Center budget. Routine escalator, elevator, HVAC, and equipment repair are budgeted at \$180,000. Building maintenance accounts for another \$80,000. Both categories of maintenance expense are expected to decrease in FY 14. Operational supplies In FY 13 included an allowance of \$20,000 to purchase surveillance cameras and \$8,500 for a replacement floor scrubber. This line item includes costs for such items as replacement tables and chairs, supplies to clean and maintain the building, aisle and booth carpet, and landscaping supplies. The Museum's operating expenses increase \$2,161 overall. Energy costs for the Convention Center are budgeted to decrease. Vehicle fuel and vehicle parts are budgeted to decrease. Intragovernmental expenses decrease as the allocations for IT, Vehicle Lease and General Overhead decrease. Projected property insurance expense increases for FY 14. Debt Service decreases because the Maryland Energy Loan has been repaid. 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. A replacement trash compactor was included in capital outlay in FY 12. No capital outlay has been requested in FY 14.

TOWN OF OCEAN CITY
FISCAL YEAR 2014 BUDGET
CONVENTION CENTER FUND AND MUSEUM

EXPENDITURES	ACTUAL	REVISED	CITY MANAGER PROPOSED	Variance
	2012	2013	2014	2014
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 1,847,370	\$ 1,921,262	\$ 1,919,073	\$ (2,189)
EMPLOYEE BENEFITS	991,522	1,046,117	976,826	(69,291)
	<u>2,838,892</u>	<u>2,967,379</u>	<u>2,895,899</u>	<u>(71,480)</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	185,971	232,645	331,656	99,011
MAINTENANCE	220,234	326,227	261,127	(65,100)
SUPPLIES & MATERIALS	151,205	233,800	190,427	(43,373)
ENERGY	409,319	600,000	584,930	(15,070)
VEHICLE SUPPLIES & REPAIR	26,264	23,101	22,676	(425)
INTRAGOVERNMENTAL	314,792	295,177	275,003	(20,174)
	<u>1,307,785</u>	<u>1,710,950</u>	<u>1,665,819</u>	<u>(45,131)</u>
OTHER FINANCIAL USES:				
DEBT SERVICE	2,304,554	2,328,310	2,319,327	(8,983)
TRANSFER TO RESERVES	0	100,000	100,000	0
CAPITAL OUTLAY	26,949	0	0	0
	<u>2,331,503</u>	<u>2,428,310</u>	<u>2,419,327</u>	<u>(8,983)</u>
TOTAL EXPENDITURES	\$ <u>6,478,180</u>	\$ <u>7,106,639</u>	\$ <u>6,981,045</u>	\$ <u>(125,594)</u>
LESS REVENUE GENERATED BY DIVISION				
HALL RENTAL REVENUE	(838,511)	(845,000)	(900,000)	55,000
SPECIAL EVENT REVENUE	(86,458)	(90,000)	(194,000)	104,000
CONCESSION REVENUE	(340,366)	(325,000)	(335,000)	10,000
SERVICE CHARGES	(298,073)	(340,000)	(360,000)	20,000
BUS PARKING REVENUE	(1,190)	0	0	0
MONTHLY LEASE REVENUE	(20,298)	(20,028)	(21,000)	972
SALES/OTHER	(63,284)	(54,000)	(65,000)	11,000
FOOD & BEVERAGE TAX	(1,154,882)	(1,110,000)	(1,130,000)	20,000
INTEREST ON INVESTMENTS	(113,256)	(125,000)	(110,000)	(15,000)
ATM REVENUE	(14,400)	(14,400)	(14,400)	0
COUNTY - VISITORS/CONV BUREAU	(45,000)	(45,000)	(45,000)	0
BUILD AMERICA BOND SUBSIDY	(29,611)	(26,195)	(19,021)	0
BOND PROCEEDS	0	0	0	0
PRIOR YEAR RESERVES	(897,791)	(1,150,534)	(1,058,493)	(92,041)
STATE OPERATING/CAPITAL GRANT	(1,287,530)	(1,477,907)	(1,364,565)	(113,342)
	<u>(5,190,650)</u>	<u>(5,623,064)</u>	<u>(5,616,479)</u>	<u>589</u>
TOTAL TOWN CONTRIBUTION	\$ <u>1,287,530</u>	\$ <u>1,483,575</u>	\$ <u>1,364,566</u>	\$ <u>(126,183)</u>

MUSEUM	ACTUAL	REVISED	CITY MANAGER PROPOSED	Variance
	2012	2013	2014	2014
PERSONNEL COSTS:				
	195,832	199,863	200,491	628
OPERATING EXPENSES:				
	<u>30,589</u>	<u>38,410</u>	<u>40,571</u>	<u>2,161</u>
TOTAL EXPENDITURES	<u>226,421</u>	<u>238,273</u>	<u>241,062</u>	<u>2,789</u>

TOWN OF OCEAN CITY
FISCAL YEAR 2014 BUDGET

INFORMATION TECHNOLOGY

BUDGET HIGHLIGHTS:

REVENUE CHANGES:

The overall IT budget increases \$71,469 for FY 14, 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 \$141,375 and are allocated directly to the departments that use this software.

PERSONNEL CHANGES:

Nine positions are funded in this budget. The Web Designer position was transferred to the City Manager's budget and one PC Specialist position was eliminated in FY 11. Wage increments have been included for all full-time employees. Overtime costs have been increased slightly. No part-time employees are utilized by this department. Increases in employee benefits result from projected increases in health insurance, retiree health insurance, pension and worker's compensation.

CHANGES IN OPERATIONS:

Software support, maintenance and software upgrades account for \$476,991 of the IT budget. This accounts for more than half the operating costs of the department. Annual costs for the Town's Voice and Data equipment maintenance agreement total \$152,262 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 \$141,375 annually. Maintenance and software support for all other software programs totals \$335,616. Expenses in Contracted Services include professional services, travel and training and dues. Fees to hire a consultant to perform a risk assessment were included at \$20,000 in FY 13. This assessment was last completed in August 2008. Training and Travel costs increase \$15,295 for this division. Included in this increase are: training for the network staff, \$5,000; SQL server training, \$7,320; attendance at the H.T.E. National conference, \$1,882; and attendance at the OSSI regional user's group conference, \$1,168. Operational Supplies also increase slightly in FY 14. Over \$100,000 in equipment requests were not funded. Virtual desktop equipment has been included at a cost of \$51,250. Switch replacements have been included at a cost of \$26,100. Police department approved equipment totals \$36,159. A module for medicare data reporting has been budgeted at \$12,000 for the Risk department. Software customization for CAD multi units has been budgeted at \$10,740 for the Communications division and a laserfiche web interface has been included at \$10,815. Intragovernmental expenses decrease as the allocations for General Overhead and Vehicle lease decrease for this division. No capital outlay items are budgeted.

TOWN OF OCEAN CITY
FISCAL YEAR 2014 BUDGET
INFORMATION TECHNOLOGY

EXPENDITURES	ACTUAL 2012	REVISED 2013	CITY MANAGER PROPOSED 2014	Variance 2014
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 590,635	\$ 599,309	\$ 619,008	\$ 19,699
EMPLOYEE BENEFITS	309,330	321,669	340,157	18,488
	<u>899,965</u>	<u>920,978</u>	<u>959,165</u>	<u>38,187</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	67,127	87,548	76,977	(10,571)
MAINTENANCE	460,279	436,526	476,991	40,465
SUPPLIES & MATERIALS	293,455	272,315	276,329	4,014
ENERGY	8,353	8,000	8,586	586
VEHICLE SUPPLIES & REPAIR	3,171	3,010	4,322	1,312
INTRAGOVERNMENTAL	69,288	59,907	57,383	(2,524)
	<u>901,673</u>	<u>867,306</u>	<u>900,588</u>	<u>33,282</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>\$ 1,801,638</u>	<u>\$ 1,788,284</u>	<u>\$ 1,859,753</u>	<u>\$ 71,469</u>
LESS REVENUE GENERATED BY DEPARTMENT				
GENERAL FUND	(1,298,026)	(1,294,757)	(1,361,547)	66,790
WATER FUND	(122,124)	(118,476)	(133,031)	14,555
WASTEWATER FUND	(137,832)	(135,092)	(156,155)	21,063
TRANSPORTATION FUND	(30,810)	(34,362)	(33,392)	(970)
AIRPORT FUND	(10,721)	(10,863)	(10,427)	(436)
GOLF COURSE FUND	(23,247)	(21,260)	(24,498)	3,238
CONVENTION CENTER FUND	(39,728)	(41,026)	(39,682)	(1,344)
SERVICE CENTER FUND	(96,443)	(75,183)	(76,934)	1,751
RISK MANAGEMENT FUND	(12,978)	(12,424)	(24,087)	11,663
PRIOR YEAR RESERVES	(10)	(44,841)	0	(44,841)
	<u>(1,771,919)</u>	<u>(1,788,284)</u>	<u>(1,859,753)</u>	<u>71,469</u>
REVENUES (OVER)/UNDER EXPENDITURES	<u>\$ 29,719</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

**TOWN OF OCEAN CITY
FISCAL YEAR 2014 BUDGET**

SERVICE CENTER FUND AND IMPOUND LOT

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. Fuel revenue is projected to decrease. Parts revenue is also anticipated to decrease. Vehicle labor rates have been budgeted to increase 3% in FY 14. Labor rates for light equipment will be \$66 per hour and labor rates for heavy equipment will be \$85 per hour. In FY 13, \$20,206 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 full-time employees. Two seasonal positions are funded in this budget; a parts counter clerk and a vehicle technician. Allocations for health insurance, retiree health, pension and worker's compensation are projected to increase for this division. 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. \$26,000 has been included for overhead door repair. Only regional training has been included in travel. 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 large cost for Transportation, Solid Waste and Police. Vehicle fuel costs are expected to decrease slightly in FY 14. The estimate of purchases of inventory for parts and supplies has been budgeted to decrease in FY 14, but more closely reflects the actual expenditure for inventory items. Supplies and Materials increase \$6,500 and include a replacement power washer and furniture for the fleet manager's office. Energy costs for this department were underfunded in FY 13, and have been increased for FY 14. The year-to-date actual expense is \$56,000. Intragovernmental allocations for vehicle lease decrease for this department. The allocation for General Overhead increases slightly. No capital outlay requests were made by this division.

TOWN OF OCEAN CITY
FISCAL YEAR 2014 BUDGET
SERVICE CENTER FUND AND IMPOUND LOT

EXPENDITURES	ACTUAL	REVISED	CITY MANAGER PROPOSED	Variance
	2012	2013	2014	2014
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 1,109,098	\$ 1,124,543	\$ 1,135,603	\$ 11,060
EMPLOYEE BENEFITS	674,514	700,718	734,343	33,625
	<u>1,783,612</u>	<u>1,825,261</u>	<u>1,869,946</u>	<u>44,685</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	69,351	77,319	76,356	(963)
SUPPLIES & MATERIALS	42,267	36,506	43,006	6,500
PURCHASES FOR RESALE	2,827,180	3,109,320	2,961,621	(147,699)
ENERGY	27,969	36,356	60,362	24,006
VEHICLE SUPPLIES & REPAIR	18,994	26,608	24,000	(2,608)
INTRAGOVERNMENTAL	294,739	272,198	262,826	(9,372)
	<u>3,280,500</u>	<u>3,558,307</u>	<u>3,428,171</u>	<u>(130,136)</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>5,064,112</u>	\$ <u>5,383,568</u>	\$ <u>5,298,117</u>	\$ <u>(85,451)</u>
LESS REVENUE GENERATED BY DIVISION				
FUEL REVENUE	(2,141,862)	(2,374,157)	(2,334,957)	(39,200)
PARTS REVENUE	(1,508,069)	(1,541,452)	(1,446,247)	(95,205)
LABOR REVENUE	(1,366,955)	(1,441,753)	(1,514,737)	72,984
PRIOR YEAR RESERVES	0	(23,206)	0	(23,206)
DISCOUNTS TAKEN	(2,682)	(3,000)	(2,176)	824
	<u>(5,019,568)</u>	<u>(5,383,568)</u>	<u>(5,298,117)</u>	<u>(83,803)</u>
REVENUES (OVER)/UNDER EXPENDITURES	\$ <u>44,544</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>1,648</u>

IMPOUND LOT	ACTUAL	REVISED	CITY MANAGER PROPOSED	Variance
	2012	2013	2014	2014
PERSONNEL COSTS	128,683	132,811	134,832	2,021
OPERATING EXPENSES	8,672	9,755	8,528	(1,227)
TOTAL EXPENDITURES	<u>137,355</u>	<u>142,566</u>	<u>143,360</u>	<u>794</u>

**TOWN OF OCEAN CITY
FISCAL YEAR 2014 BUDGET**

VEHICLE AND EQUIPMENT TRUST FUND

<u>REQUESTED VEHICLES</u>	<u>REPLACEMENT Yes/No</u>	<u>CITY MANAGER PROPOSED</u>
CITY MANAGER:		
Full Size SUV	Y	33,000
POLICE:		
Chevy Tahoe PPV (9)	Y	270,900
GOLF COURSE:		
Turf Aerator	Y	24,000
Turf Sprayer	Y	34,900
Utility Vehicle	Y	22,500
Fairway Mower	Y	45,200
RECREATION:		
Mid-Size SUV	Y	27,700
F150 ½ Ton 4wd Truck	Y	22,300
4wd Utility Tractor	Y	31,200
WASTEWATER:		
1 Ton Utility Truck 2wd	Y	33,700
½ Ton 2wd Pickup	Y	18,500
WATER:		
½ Ton 2wd Pickup	Y	18,500
PUBLIC WORKS MAINTENANCE:		
½ Ton 4x4 Pickup	Y	22,300
Sand Sifting Machine	Y	56,900
SOLID WASTE:		
Automated Trash Truck (1)	Y	230,000
Front End Trash Truck	Y	230,000
Trash Truck Roll-Off	Y	185,000
CONTINGENCY FOR VEHICLE PURCHASE		<u>5,235</u>
		\$1,311,835
Mobile Radios for 9 Approved Police Vehicles		\$ 31,950
Ranger Radio Replacements for Fire Headquarters		20,000
Contingency for Future Radio Purchases		137,723

TOWN OF OCEAN CITY
FISCAL YEAR 2014 BUDGET
VEHICLE AND EQUIPMENT TRUST FUND

EXPENDITURES	CITY MANAGER			
	ACTUAL 2012	REVISED 2013	PROPOSED 2014	Variance 2014
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	240,490	247,474	231,177	(16,297)
SUPPLIES & MATERIALS	3,951	3,500	37,000	33,500
ENERGY	0	0	0	0
VEHICLE SUPPLIES & REPAIR	0	0	0	0
INTRAGOVERNMENTAL	525,438	534,747	459,905	(74,842)
	<u>769,879</u>	<u>785,721</u>	<u>728,082</u>	<u>(57,639)</u>
OTHER FINANCIAL USES:				
DEBT SERVICE	0	0	0	0
TRANSFER OUT	0	0	0	0
CAPITAL OUTLAY	3,358,912	5,940,897	1,501,508	(4,439,389)
	<u>3,358,912</u>	<u>5,940,897</u>	<u>1,501,508</u>	<u>(4,439,389)</u>
TOTAL EXPENDITURES	<u>\$ 4,128,791</u>	<u>\$ 6,726,618</u>	<u>\$ 2,229,590</u>	<u>\$ (4,497,028)</u>
LESS REVENUE GENERATED BY DEPARTMENT				
CAPITAL GRANT - FEDERAL	(1,361,676)	(3,211,961)	0	(3,211,961)
CAPITAL GRANT - STATE	(163,635)	(390,832)	0	(390,832)
SALE - CAPITAL ASSETS	(409,544)	(150,000)	(130,000)	(20,000)
PRIOR YEAR RESERVES	0	(140,833)	0	(140,833)
SALES - MATERIALS & SERVICE	(454,991)	(437,498)	(452,850)	15,352
GENERAL FUND CONTRIBUTION	(1,312,418)	(1,349,282)	(1,243,893)	(105,389)
WATER FUND CONTRIBUTION	(39,792)	(46,629)	(40,363)	(6,266)
WASTEWATER CONTRIBUTION	(60,208)	(99,209)	(89,688)	(9,521)
TRANSPORTATION CONTRIBUTION	(268,274)	(328,523)	(197,122)	(131,401)
AIRPORT FUND CONTRIBUTION	(4,630)	(6,177)	(5,407)	(770)
GOLF COURSE CONTRIBUTION	(38,612)	(41,000)	(48,197)	7,197
TOURISM FUND CONTRIBUTION	(3,808)	(6,813)	(4,975)	(1,838)
IT FUND CONTRIBUTION	(2,984)	(3,606)	(2,837)	(769)
SERVICE CENTER CONTRIBUTION	(23,433)	(24,223)	(12,621)	(11,602)
RISK MGT CONTRIBUTION	(1,636)	(2,032)	(1,637)	(395)
EQUIPMENT LEASE/PURCHASE	0	0	0	0
INSURANCE CLAIM PAYMENTS	(17,298)	0	0	0
	<u>(4,162,939)</u>	<u>(6,238,618)</u>	<u>(2,229,590)</u>	<u>(4,009,028)</u>
REVENUES (OVER)/UNDER EXPENDITURES	<u>\$ (34,148)</u>	<u>\$ 488,000</u>	<u>\$ 0</u>	<u>\$ (488,000)</u>

TOWN OF OCEAN CITY
FISCAL YEAR 2014 BUDGET
RISK MANAGEMENT FUND

BUDGET HIGHLIGHTS:

REVENUE CHANGES:

Interest earnings are expected to decrease in FY 2014. 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. Allocations for all departments for worker's compensation and property insurance increased in FY 2014 and were partially offset by reductions in general liability and projected auto claims.

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 projected to decrease \$20,000 in FY 14. Insurance coverage and payment of insurance claims are the largest expenses in this department. Overall insurance costs are expected to increase \$131,216 in FY 14. The amount allocated for worker's compensation claims in FY 14 is \$815,000, which is an increase of \$89,371. Property insurance increases from an estimated \$165,000 in FY 13 to an estimated \$203,845 in FY 14. Automobile and General Liability claims are budgeted to decrease \$40,000 in FY 14. \$1,791,145 has been budgeted to cover the cost of insurance policies and insurance claims for FY 14. Intragovernmental expenses increase because the allocations for General Overhead expense and for IT Services increase this fiscal year. A Medicare data reporting module for the Riskmaster system has been included in the IT budget at a cost of \$12,000.

TOWN OF OCEAN CITY
FISCAL YEAR 2014 BUDGET
RISK MANAGEMENT FUND

EXPENDITURES	ACTUAL 2012	REVISED 2013	CITY MANAGER PROPOSED 2014	Variance 2014
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 165,161	\$ 167,685	\$ 175,332	\$ 7,647
EMPLOYEE BENEFITS	66,765	69,255	73,174	3,919
	<u>231,926</u>	<u>236,940</u>	<u>248,506</u>	<u>11,566</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	119,482	158,650	120,775	(37,875)
INSURANCE COSTS	2,004,780	1,669,829	1,791,145	121,316
SUPPLIES & MATERIALS	1,894	1,960	2,110	150
ENERGY	0	0	0	0
VEHICLE SUPPLIES & REPAIR	457	1,719	1,657	(62)
INTRAGOVERNMENTAL	111,180	106,591	120,748	14,157
	<u>2,237,793</u>	<u>1,938,749</u>	<u>2,036,435</u>	<u>97,686</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>\$ 2,469,719</u>	<u>\$ 2,175,689</u>	<u>\$ 2,284,941</u>	<u>\$ 109,252</u>
LESS REVENUE GENERATED BY DEPARTMENT				
INTEREST EARNED	(71,307)	(65,081)	(52,422)	(12,659)
GENERAL FUND	(1,446,569)	(1,161,163)	(1,306,700)	145,537
WATER FUND	(91,183)	(79,818)	(90,255)	10,437
WASTEWATER FUND	(112,577)	(98,402)	(114,712)	16,310
TRANSPORTATION FUND	(95,413)	(92,661)	(98,484)	5,823
AIRPORT FUND	(17,870)	(16,527)	(17,536)	1,009
GOLF COURSE FUND	(29,605)	(26,383)	(26,419)	36
CONVENTION CENTER FUND	(127,728)	(114,070)	(129,769)	15,699
SERVICE CENTER FUND	(26,245)	(26,710)	(30,006)	3,296
MIS FUND	(12,616)	(13,257)	(14,740)	1,483
VEHICLE TRUST FUND	(443,193)	(480,763)	(403,898)	(76,865)
INSURANCE CLAIMS	(165)	0	0	0
PRIOR YEAR RESERVES	0	(854)	0	(854)
	<u>(2,474,471)</u>	<u>(2,175,689)</u>	<u>(2,284,941)</u>	<u>109,252</u>
REVENUES (OVER)/UNDER EXPENDITURES	<u>\$ (4,752)</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>