

**Town of Ocean City
Adopted Budget
Fiscal Year 2010-2011**





TOWN OF OCEAN CITY, MARYLAND

ADOPTED BUDGET

FISCAL YEAR 2010-2011

Richard W. Meehan
Mayor

Joseph M. Mitrecic
Council President

Lloyd Martin
Council Secretary

Douglas S. Cymek
Council Member

James S. Hall
Council Member

Joseph T. Hall, III
Council Member

Mary P. Knight
Council Member

Margaret Pillas
Council Member

Dennis W. Dare, PE
City Manager

Jennie T. Knapp
Budget Manager

Prepared by
Town of Ocean City
City Manager's Office
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TABLE OF CONTENTS

FY11 Adopted Budget

Introductory Section.....	1
General Fund.....	7
General Fund Revenue/Expenditure Graph	8
General Fund Summary	9
General Government	10
Legislative and Administrative	12
Planning and Community Development	14
Police.....	20
Central Communications.....	24
Fire	26
Fire/Emergency Medical Services	28
Fire Marshal	30
Engineering and Public Works Administrative Divisions	34
Public Works Construction Division	36
Public Works Maintenance Division	38
Solid Waste, Transfer Station and Recycling	42
Recreation	46
Parks.....	48
Beach Patrol	50
Town Sponsored Festivals	52
Tourism Promotion, Public Relations and Lifesaving Museum	54
Miscellaneous.....	56
Enterprise Funds	58
Water	60
Wastewater.....	64
Transportation	66
Airport.....	70
Golf Course	74
Convention Center	78
Internal Service Funds.....	82
Information Technology.....	84
Service Center	86
Vehicle and Equipment Trust	88
Risk Management	90
Supplementary Information	93
Budget Ordinance.....	99





TOWN OF
OCEAN CITY

The White Marlin Capital of the World

April 19, 2010

MAYOR & CITY COUNCIL
P.O. BOX 158
OCEAN CITY,
MARYLAND 21843-0158

www.town.ocean-city.md.us

TO THE CITIZENS, HONORABLE MAYOR AND CITY COUNCIL OF OCEAN CITY, I respectfully submit the proposed budget for the fiscal year 2010-2011.

MAYOR
RICHARD W. MEEHAN

CITY COUNCIL MEMBER
JOSEPH M. MITRECIC
President

LLOYD MARTIN
Secretary

DOUGLAS S. CYMEK
JAMES S. HALL
JOSEPH T. HALL, II
MARY P. KNIGHT
MARGARET PILLAS

DENNIS W. DARE
City Manager
CAROL L. JACOBS
City Clerk

Our current economic environment forces every American household and every level of government to do with less. It's a challenge that affects all of us both in our homes and in our work places, causing us to pause and address the way we spend and save money. The Town is no exception. Our goal, to reduce costs and at the same time try to maintain services to citizens, began in October 2008 and continues with this budget. A great deal of change has been required, and change, in any organization, is a difficult process, particularly for a resort community that requires a high level of service.

Rightsizing is a traditional technique used to improve processes in all facets of business, and the theory has helped the Town reinvent procedures and streamline services to meet the fiscal necessity of cost savings. Finding the right structure, the right number of people with the right kind of skills, and the right amount of assets to support our objectives is not an easy task, but much has been accomplished thanks to the cooperative effort of dedicated employees, committed department leaders and supportive elected officials. Many creative ideas and suggestions have been implemented to consolidate and conserve while striving to maintain the high standard of government performance that our citizens expect.

We are facing several major increases this fiscal year. Fuel is anticipated to increase about \$340,000 even though our consumption decreased. Unlike last year, we will need to fund \$350,000 for the Beach Replenishment Fund. Banking fees are up \$60,000 and Workman Compensation claims have increased \$100,000. Our health insurance provider, Carefirst, tendered a contract with a 30% increase in premiums.

Ocean City, MD



To compound the situation, we will experience a decrease in several revenue areas. First and foremost, the assessable tax base in Ocean City decreased \$268 million or 2.5%. Maryland legislators' just-completed session of the General Assembly cut State aid for police protection 35% and Highway User Taxes 90% for municipalities. We lost \$870,000 in revenue. These cuts will continue in 2012 and 2013. The Worcester County Liquor Board is reducing our share of revenue by \$64,000. We expect \$110,000 less in interest on investments. The revised late fee on tax bills could result in \$100,000 less interest. The State's Attorney did not renew the lease in the Public Safety Building resulting in \$20,000 loss in rent.

Between the increases in costs and decreases in revenue we are faced with a \$3.5 million deficit in FY-2011 budget.

Savings have been realized, which includes the continuing employee hiring freeze. There are currently 59 vacancies citywide. In addition, 30 employees took advantage of the Early Retirement Incentive. These actions allowed many departments to reorganize and consolidate divisions for a total savings in excess of \$1 million dollars. The total number of full time employees funded in FY11 is 536, down 86 positions from FY09. In fact, when compared to 1997, we are only up 43 employees. As Public Safety increased its ranks by 50 during those 13 years, the general government business side of the town services decreased employment by seven positions since 1997.

Other savings have been realized in the new Boardwalk Bench policy and the reduction in some seasonal wages. The Atlantic General Hospital pledge was fulfilled and results in a \$125,000 savings. The recent change in recycling will save the town \$1 million dollars this fiscal year. The proposed budget balances the Impound Lot expenses with the tow revenue by reducing the off-season hours thereby reducing the number of full time employees and by increasing the storage fee. It is proposed the license fee be raised in the spring of 2011.

New revenue increases reflect the \$550,000 from increasing the Inlet Lot parking rates and the Taxi Medallion Ordinance recently implemented.

These savings and increased revenue allow the proposed FY11 budget to balance the \$3.5 million in increased expenses and decreased revenue.

For the second straight year, there are no raises included for employees. We have asked them to absorb the workload of over 80 vacancies and they have. We have asked many to change their job and workplace and they have. Their understanding, dedication and loyalty during this very trying time are greatly appreciated. Through teamwork we will continue to reorganize, reinvent and become more efficient in providing necessary municipal services.

The FY11 budget recognizes the need for continued change. The economic downturn presents many obstacles. It requires us to fine-tune operations and reduce services. In the past, we tried to implement savings that did not interfere with our ability to provide the best possible service. That will be difficult to obtain with a reduced workforce.

There are several items that need your consideration during budget deliberations such as the winter bus operation schedule and Boardwalk tram hours of operations. The Impound Lot proposal needs to be reviewed in detail. A review of the town's fleet has been undertaken and recommended changes are forthcoming. Finally, bidding of the employee health care package has been initiated and will include several proposed changes to reduce the increased cost projected for both the town and our employees.

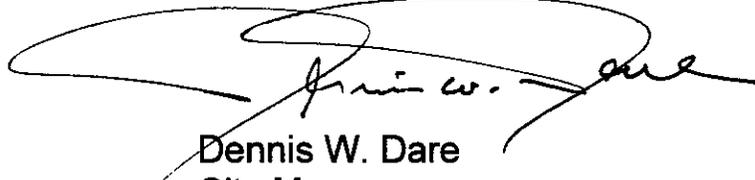
There are no Capital Improvements proposed. It would be wise to fund a new Infrastructure Reserve from any savings made during the budget review process. Boardwalk repairs, paving and other general infrastructure need to be maintained and cannot tolerate even short-term inattention.

By balancing the increases with decreases, it is possible to propose a balanced budget at the Constant Yield Tax Rate of \$0.405. The decrease of 2.5% in assessable base resulted in Constant Yield being one cent above the current year tax rate. This rate is over ten cents less than the tax rate of 2004, when it was \$0.51 cents.

I want to thank the department heads, their staff, and employees for being one of the primary sources of ideas. Their participation has been invaluable. I want to especially recognize Budget Manager Jennie Knapp for her professionalism and support in coordinating the entire budget process and making sure no detail is overlooked.

I look forward to working as a team with the Mayor, City Council, and the Citizens of Ocean City in the coming weeks to review and adopt the Fiscal Year 2011 Budget.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "Dennis W. Dare", is written over a large, stylized, looping flourish that extends across the width of the signature area.

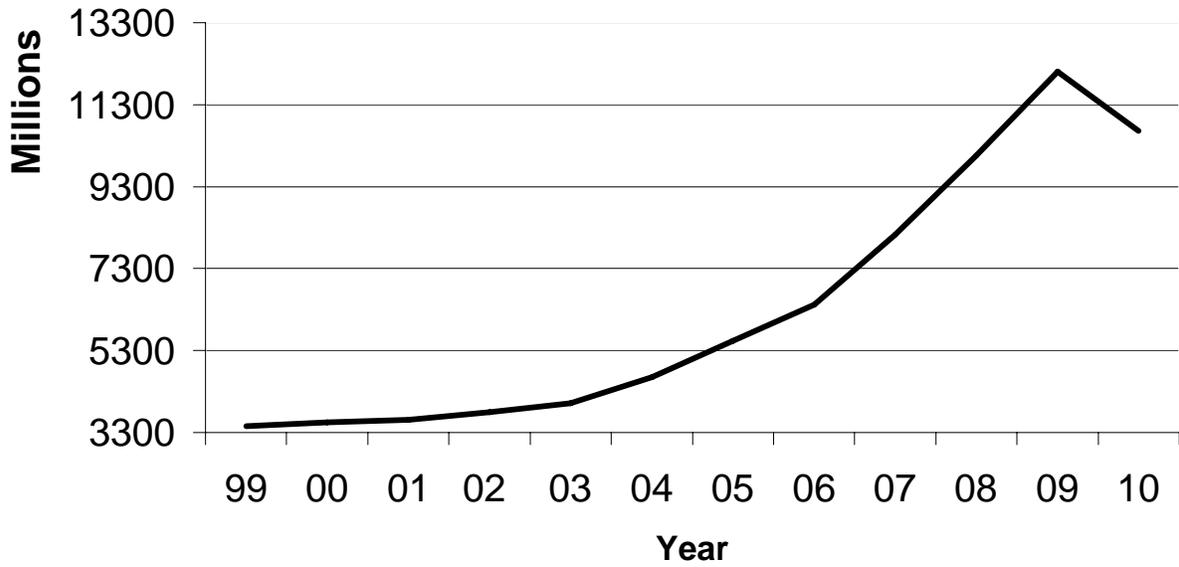
Dennis W. Dare
City Manager

INTRODUCTORY SECTION

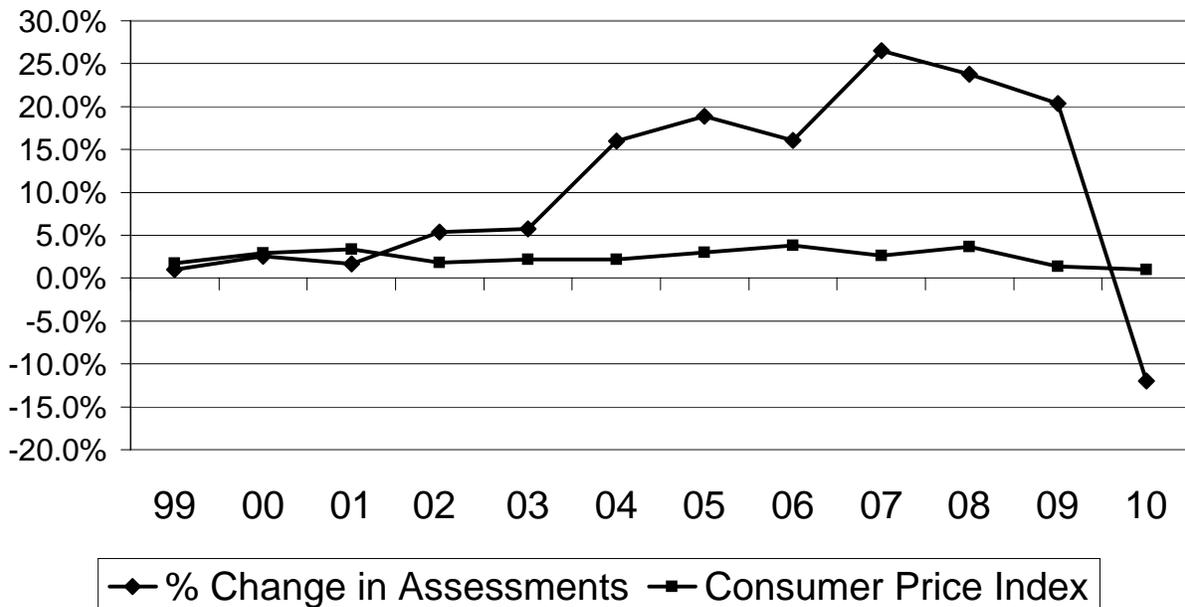
**TOWN OF OCEAN CITY
FY 2011
CALENDAR OF BUDGET PROCESS**

08/10/09	Convention Center FY 11 Budget due to the Maryland Stadium Authority
11/06/09	Budget Packets Forwarded to Departments
11/30/09	CIP requests due to Jesse Houston
11/30/09	IT, Vehicle, Personnel Requests Due
01/07/10	Department Budgets updated to City Manager level
01/20/10-01/25/10	IT, Risk City Manager Budget Hearing
02/12/10	Approximate Receipt of Property Tax Revenue Forecast for FY 2011
02/01/10-03/24/10	City Manager Review Process
04/19/10	Presentation of City Manager Budget Proposal to Council
04/23/10-05/14/10	Review of City Manager Budget Proposal, Public Requests and Recommendations by Mayor And Council
05/17/10	1st Reading of the FY 2011 Budget
06/07/10	2nd Reading of the FY 2011 Budget

Assessed Value - Taxable Property 1999 - 2010



% Change in Assessments Compared to Consumer Price Index



CITY GOVERNMENT AND ADMINISTRATION

General

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

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

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

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

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

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

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

BUDGET

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

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

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

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

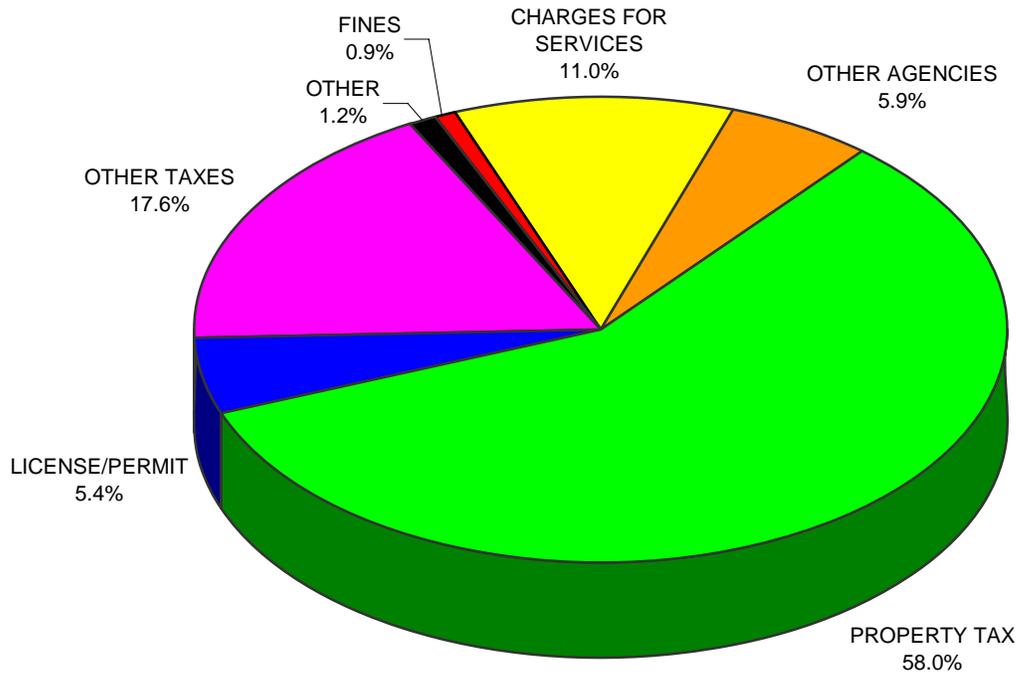
Budgetary Guidelines and Policies

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

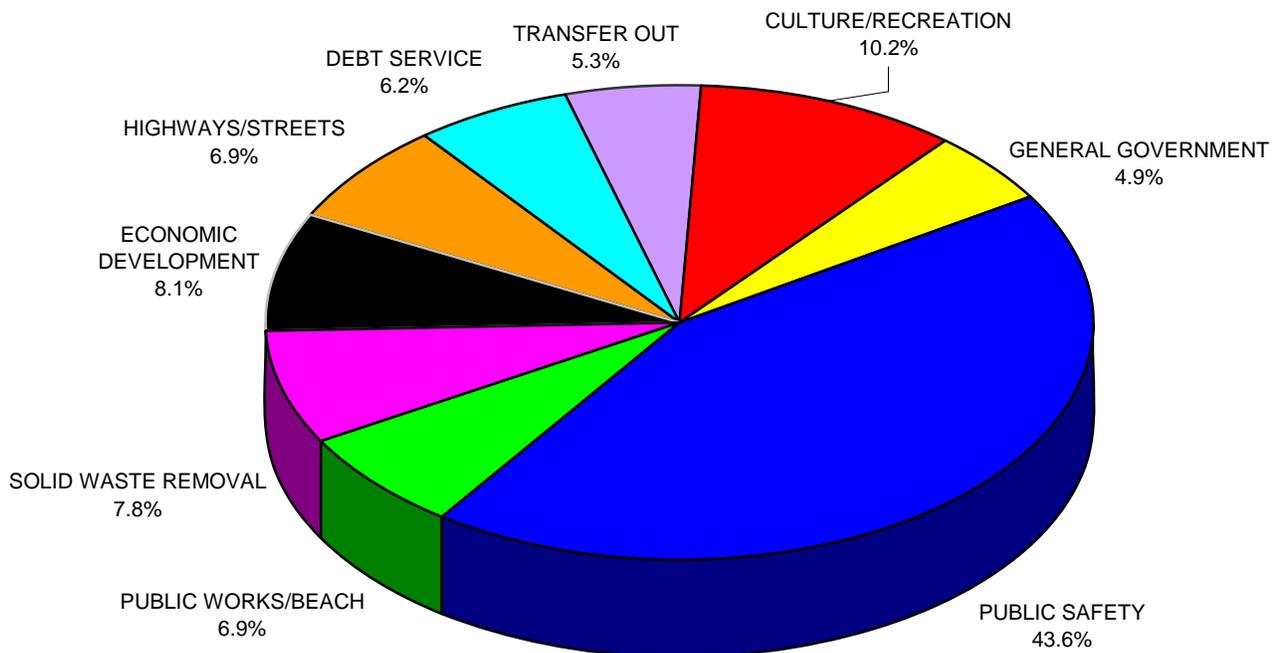
GENERAL FUND

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

General Fund Revenue 2011



General Fund Expenditures 2011



TOWN OF OCEAN CITY
GENERAL FUND
COMPARATIVE STATEMENT OF REVENUES AND EXPENDITURES
YEARS ENDED JUNE 30, 2009 (ACTUAL), 2010 (BUDGETED) AND 2011(ADOPTED)

	ACTUAL 2009	REVISED BUDGET 2010	CITY MANAGER PROPOSED 2011	COUNCIL ADOPTED 2011
REVENUES				
Property Taxes	\$ 47,498,129	\$ 43,529,769	43,333,917	42,303,244
Penalties And Interest	383,804	350,000	250,000	250,000
Other Taxes	13,922,144	12,933,758	12,983,900	12,940,514
Licenses And Permits	3,811,003	3,682,873	3,907,350	3,937,350
Revenue From Other Agencies	5,521,329	4,920,950	4,292,025	4,292,025
Charges For Current Services	7,996,753	7,616,662	8,009,328	8,039,328
Fines And Forfeitures	612,431	635,400	661,190	661,190
Other Revenue	881,064	1,559,360	917,032	914,721
Bond Proceeds	0	0	0	0
Discounts Allowed	0	0	0	0
TOTAL REVENUES	80,626,657	75,228,772	74,354,742	73,338,372
EXPENDITURES				
General Government	3,878,389	3,944,163	3,631,747	3,597,431
Public Safety	32,956,388	33,371,854	32,220,078	31,972,727
Public Works/Beach Maintenance	5,357,795	5,090,553	5,095,349	5,075,686
Sanitation And Waste Removal	6,840,312	6,734,133	5,740,798	5,753,328
Highways And Streets	5,515,856	5,864,863	5,073,971	5,042,286
Economic Development-Tourism	5,614,441	5,766,108	5,977,344	5,975,961
Culture & Recreation	8,186,701	7,900,700	7,643,351	7,490,350
Debt Service	3,513,706	3,871,366	4,527,781	4,527,781
TOTAL EXPENDITURES	71,863,588	72,543,740	69,910,419	69,435,550
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	8,763,069	2,685,032	4,444,323	3,902,822
OTHER FINANCING SOURCES (USES)				
Operating Transfers-Out	(5,145,366)	(4,377,622)	(4,444,323)	(3,902,822)
Transfer To Capital Construction	(874,016)	0	0	0
TOTAL OTHER FINANCING SOURCES (USES)	(6,019,382)	(4,377,622)	(4,444,323)	(3,902,822)
EXCESS (DEFICIENCY) OF REVENUES & OTHER SOURCES OVER EXPENDITURES & OTHER USES	\$ 2,743,687	\$ (1,692,590)	0	0

GENERAL GOVERNMENT

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

LEGISLATIVE DIVISION

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

EXECUTIVE AND ADMINISTRATIVE DIVISION

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

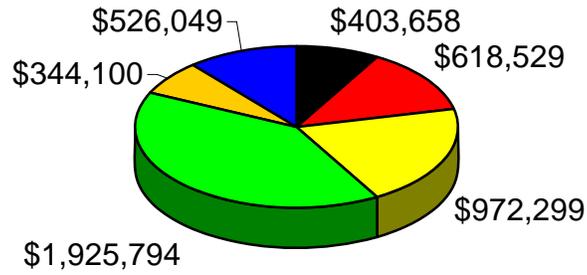
SPECIAL APPROPRIATIONS

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

PLANNING AND COMMUNITY DEVELOPMENT

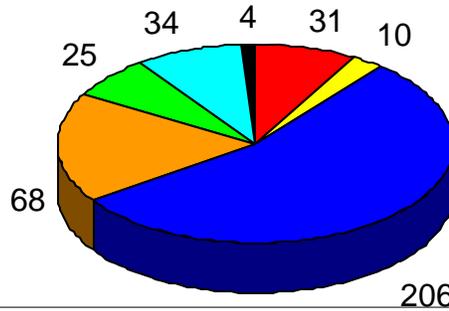
The department of Planning and Community Development consists of the divisions of Planning, Zoning and Code Enforcement. The department is responsible for preparing general and specific plans for the development of the Town, and for the administration of codes and regulations that implement those plans.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

FY 11 Departmental Expenses



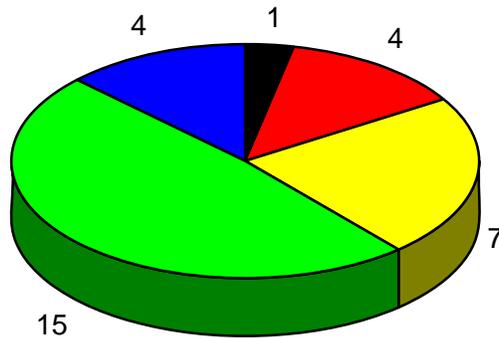
Mayor & Council
 City Clerk
 City Manager
 Finance
 Legal
 Human Resources

FY 11 Full Time General Fund Personnel



General Gov't
 Planning & Building
 Public Safety
 Public Works
 Solid Waste
 Recreation & Parks
 Tourism

FY 11 General Government Full Time Personnel



Mayor & Council
 City Clerk
 City Manager
 Finance
 Human Resources

**TOWN OF OCEAN CITY
FISCAL YEAR 2011 BUDGET**

LEGISLATIVE AND ADMINISTRATIVE DIVISIONS

BUDGET HIGHLIGHTS:

PERSONNEL CHANGES:

The Communications Manager and Web Designer positions were transferred to the City Manager's department in FY 11 and the Assistant to the City Manager position was eliminated. A Finance department revenue specialist position was eliminated in FY 10. No annual increments and no cost of living increases have been included in FY 11. Employee benefits increase and reflect the increase in health insurance. Benefits for the employees transferred to this division also contribute to the increase. Pension and retiree health insurance have been budgeted at the actual contribution level for FY 10.

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 \$312,500 of the Contracted Services line item in this division. Contract negotiations and an allowance for other employment issues that may arise have been included at \$195,000. The annual Town audit is included in this line item at a cost of \$45,560. Banking services fees are budgeted to increase \$60,000. Printing and postage for the Town newsletter are also included as are the costs for the community calendar. Travel and training costs include travel for the Communications manager previously budgeted elsewhere. Supplies and materials increase slightly due to the inclusion of postage for the newsletter. Postage has been included at a cost of \$161,710, an increase of \$12,440. Purchase of the election system e-poll books is also included in operational supplies. Vehicle Supplies and Repairs reflects the increased use of pool vehicles in these divisions. The Intragovernmental allocation for the Information Technology department decreases over \$86,000 in this division. No capital outlay has been budgeted for this division.

SUMMARY COMMENTS:

These divisions are responsible for overall Town management, business functions, and record-keeping. The Mayor & Council, City Clerk, City Manager, Finance, Legal and Human Resources divisions are included in the summary. Administrative costs to manage the Town's various enterprise funds are allocated based on total expenses, number of personnel, and number of transactions performed for each fund. This reimbursement totals \$2,593,075 for FY 2011.

TOWN OF OCEAN CITY
FISCAL YEAR 2011 BUDGET
GENERAL FUND EXPENDITURES
LEGISLATIVE AND ADMINISTRATIVE DIVISIONS

EXPENDITURES	ACTUAL 2009	REVISED 2010	CITY MANAGER PROPOSED 2011	COUNCIL ADOPTED 2011
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 2,293,352	2,259,511	\$ 2,240,815	\$ 2,240,815
EMPLOYEE BENEFITS	<u>1,011,194</u>	<u>1,117,931</u>	<u>1,201,904</u>	<u>1,176,479</u>
	3,304,546	3,377,442	3,442,719	3,417,294
OPERATING EXPENSES:				
CONTRACTED SERVICES	603,352	694,085	785,152	775,363
SUPPLIES & MATERIALS	177,370	196,120	209,872	221,370
ENERGY	0	0	0	0
VEHICLE SUPPLIES & REPAIR	8,282	6,938	3,934	3,934
INTRAGOVERNMENTAL	<u>500,213</u>	<u>445,518</u>	<u>376,474</u>	<u>372,468</u>
	1,289,217	1,342,661	1,375,432	1,373,135
OTHER FINANCIAL USES:				
DEBT SERVICE	0	0	0	0
TRANSFER OUT	0	0	0	0
CAPITAL OUTLAY	<u>5,319</u>	<u>0</u>	<u>0</u>	<u>0</u>
	5,319	0	0	0
 TOTAL EXPENDITURES	 \$ <u>4,599,082</u>	 \$ <u>4,720,103</u>	 \$ <u>4,818,151</u>	 \$ <u>4,790,429</u>
LESS REVENUE GENERATED BY DIVISION				
REIMBURSEMENT FROM OTHER FUNDS FOR				
ADMINISTRATIVE SERVICES	<u>(2,375,349)</u>	<u>(2,438,057)</u>	<u>(2,593,075)</u>	<u>(2,593,075)</u>
TOTAL TOWN CONTRIBUTION	<u>\$ 2,223,733</u>	<u>\$ 2,282,046</u>	<u>\$ 2,225,076</u>	<u>\$ 2,197,354</u>

**TOWN OF OCEAN CITY
FISCAL YEAR 2011 BUDGET**

PLANNING AND COMMUNITY DEVELOPMENT DIVISION

BUDGET HIGHLIGHTS:

REVENUE:

Several newly instituted fees were included in FY 10. Reinspection fees, additional plan review fees and mobile home removal fees were added at that time. Building Permit Revenue, the largest revenue generator in this division, has been budgeted at \$501,000, and reflects a fee increase. Total revenue for this division is budgeted \$59,250 higher than the FY 10 revised budget, but \$105,941 lower than the FY 09 actual. Fewer large projects are currently under design and construction. The Town contribution to funding of this division has been around \$1,000,000 for the past two years.

PERSONNEL CHANGES:

Four positions have been eliminated in this division since FY 09. The Deputy Zoning Administrator, the Deputy Building Official, one Construction Inspector and an Office Associate has been eliminated. The GIS Coordinator position was transferred to Engineering. Ten full-time employees are funded in this department. No cost of living and no annual increments have been included. Increases in health insurance are offset by elimination of benefit costs for the vacant positions.

CHANGES IN OPERATIONS:

Contracted Services decrease \$14,487 from FY 10. Funds were included in the FY 09 budget for a scanning service to scan the documents for the document imaging system. Fees for legal services to the boards account for \$27,060 of this line item. Other items funded in Contracted Services include equipment maintenance, travel, dues and advertising. Funding for the Ocean City Development Corporation has again been included. The City's contribution continues to be \$100,000 and an additional \$90,000 will be contributed by Worcester County. Funding for the OCDC is reflected in the Supplies & Materials line item. Vehicle fuel and maintenance costs are expected to decrease slightly in FY 11. All allocations for Information Technology, Insurance and Vehicle Lease decrease in FY 11. No Capital outlay is funded in FY 11.

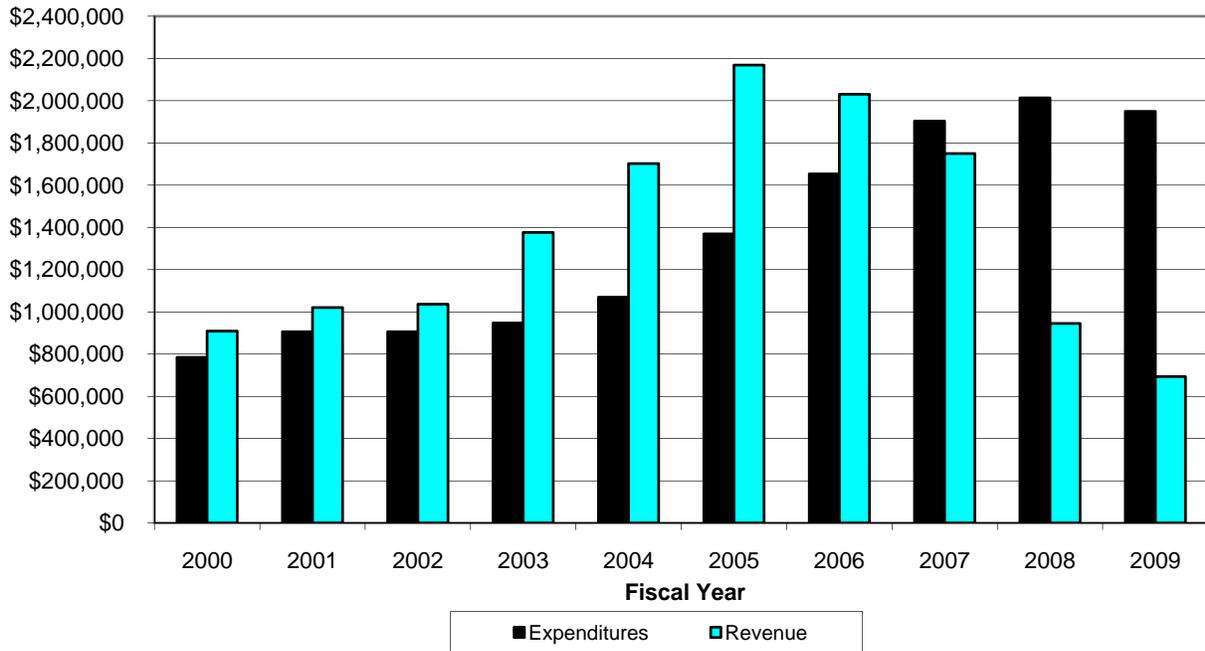
MAJOR 2010-2011 PROGRAM OBJECTIVES:

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.

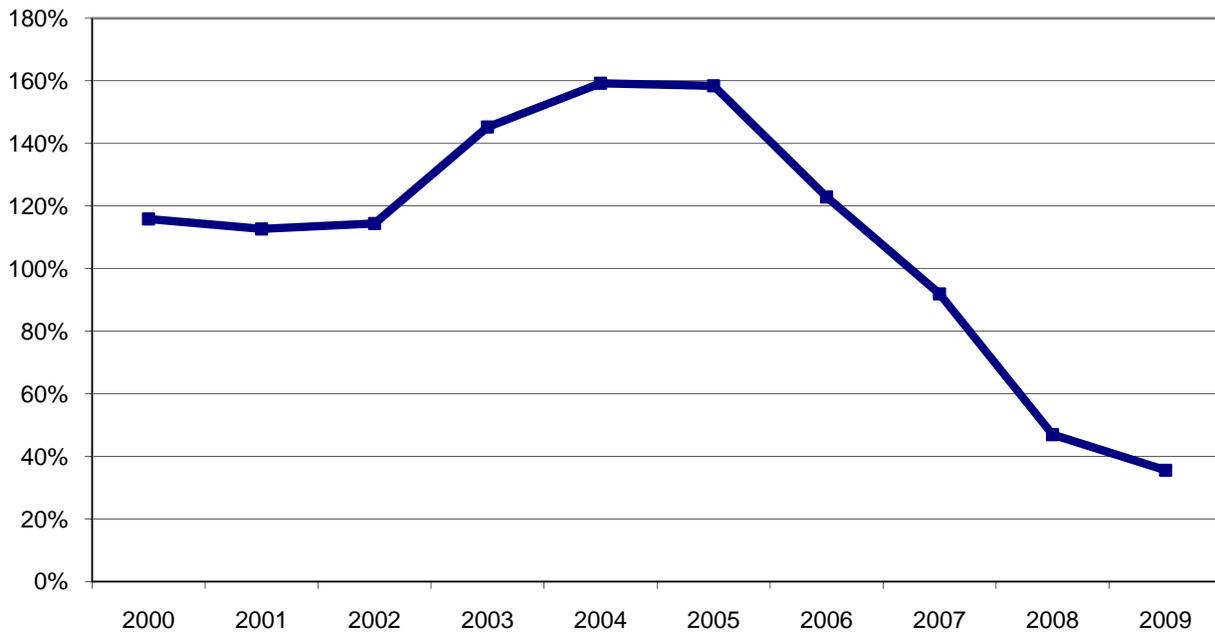
TOWN OF OCEAN CITY
FISCAL YEAR 2011 BUDGET
GENERAL FUND EXPENDITURES
PLANNING AND COMMUNITY DEVELOPMENT DIVISION

EXPENDITURES	ACTUAL 2009	REVISED 2010	CITY MANAGER PROPOSED 2011	COUNCIL ADOPTED 2011
PERSONNEL COSTS:				
SALARY AND WAGES	976,676	\$ 964,205	\$ 730,198	\$ 758,066
EMPLOYEE BENEFITS	430,763	437,617	406,690	401,654
	<u>1,407,439</u>	<u>1,401,822</u>	<u>1,136,888</u>	<u>1,159,720</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	159,027	61,690	47,203	47,203
SUPPLIES & MATERIALS	210,593	201,555	199,010	199,010
ENERGY	0	0	0	0
VEHICLE SUPPLIES & REPAIR	8,784	10,488	9,892	9,892
INTRAGOVERNMENTAL	153,156	176,839	144,320	144,320
	<u>531,560</u>	<u>450,572</u>	<u>400,425</u>	<u>400,425</u>
OTHER FINANCIAL USES:				
DEBT SERVICE	0	0	0	0
TRANSFER OUT	0	0	0	0
CAPITAL OUTLAY	2,619	0	0	0
	<u>2,619</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL EXPENDITURES	\$ 1,941,618	\$ 1,852,394	\$ 1,537,313	\$ 1,560,145
LESS REVENUE GENERATED BY DIVISION				
SITE PLAN REVIEW - STAFF	(36,003)	(15,000)	(25,000)	(25,000)
PUBLIC HEARING - PLAN & ZONING	(1,130)	(1,500)	(1,000)	(1,000)
PLAN REVIEW - PLAN & ZONING	(3,551)	(10,000)	(5,000)	(5,000)
PUBLIC HEARING - ZONING APPEALS	(16,111)	(18,000)	(18,000)	(18,000)
PUBLIC HEARING - PORT WARDENS	(8,927)	(15,000)	(13,000)	(13,000)
MINOR REVIEW - PORT WARDENS	(3,799)	(2,000)	(2,500)	(2,500)
MOBILE HOME PERMITS	(3,513)	(1,000)	(2,000)	(2,000)
BUILDING PERMITS	(590,635)	(450,000)	(471,000)	(501,000)
TEMPORARY TRAILER PERMITS	(11,896)	(6,000)	(14,000)	(14,000)
SIGN PERMITS	(16,336)	(18,000)	(15,000)	(15,000)
O C DEVELOPMENT CORP	(100,000)	(90,000)	(90,000)	(90,000)
ADJUSTMENT & APPEALS HEARING	(1,290)	(1,500)	(750)	(750)
	<u>(793,191)</u>	<u>(628,000)</u>	<u>(657,250)</u>	<u>(687,250)</u>
TOTAL TOWN CONTRIBUTION	\$ 1,148,427	\$ 1,224,394	\$ 880,063	\$ 872,895

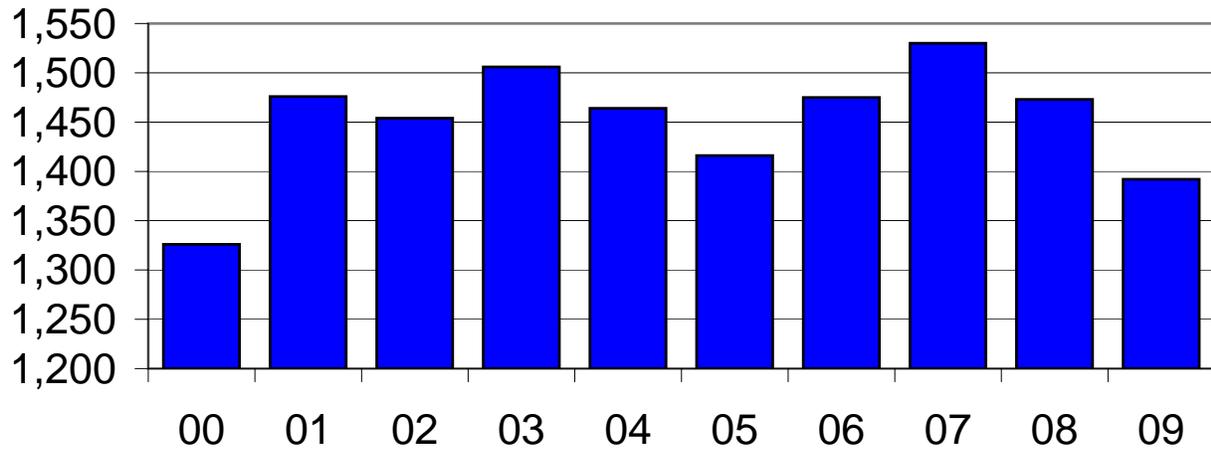
Revenues and Expenditures FY 2000 - FY 2009



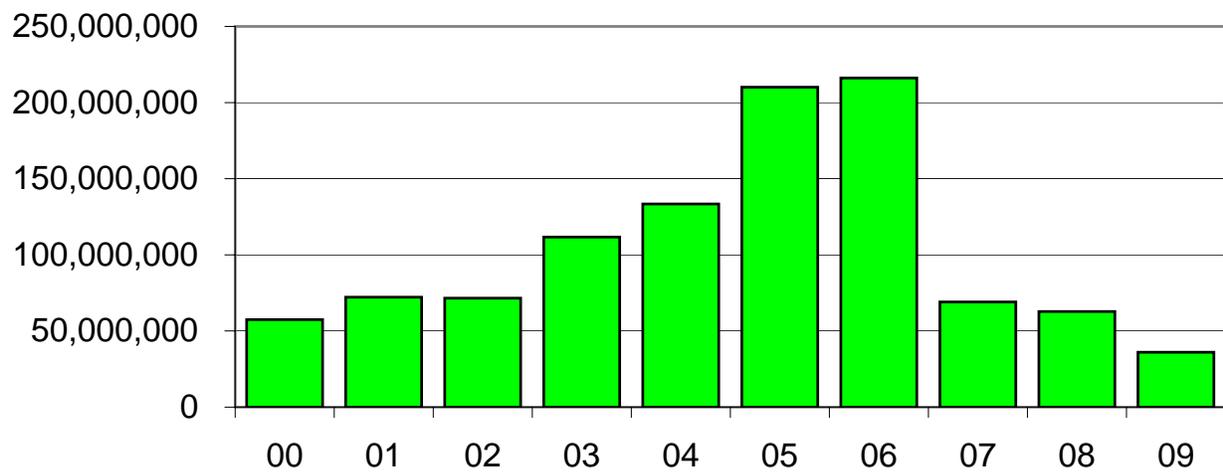
Revenue as a % of Expenditures FY 2000 - FY 2009



Total Permits Issued 2000-2009



Valuation of Permits 2000-2009



PUBLIC SAFETY

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

POLICE

The Ocean City Police department provides 24-hour police service with 130 full-time employees augmented by 135 temporary employees during the summer season. Police operations are conducted from the Public Safety Building at 65th Street. This department is comprised of four divisions: Administration, Services, Criminal Investigation, and Patrol. A seasonal substation is located on Worcester Street on the boardwalk. In addition to regular patrol assignments, police support units function for narcotics enforcement; training; records; detention; K-9; traffic; equestrian unit; animal control; and a quick response team.

COMMUNICATIONS/ELECTRONICS/EMERGENCY MANAGEMENT

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

VOLUNTEER FIRE COMPANY

Since its creation in 1905, the Ocean City Volunteer Fire Company, Inc. has provided fire and rescue services for Ocean City. The OCVFC is a volunteer organization with approximately 290 members who respond out of five stations housing nine engines, three aerial trucks, two rescue units, a special hazards unit (HazMat) and 11 other specialized apparatus. In partnership with the Fire/EMS division, the OCVFC responded to 1,278 calls for service in 2008. All volunteer fire fighters are certified to national fire fighting standards. The company has a special hazards unit with members certified in Hazardous Materials Response. This unit

PUBLIC SAFETY (CONTINUED)

VOLUNTEER FIRE COMPANY (CONTINUED)

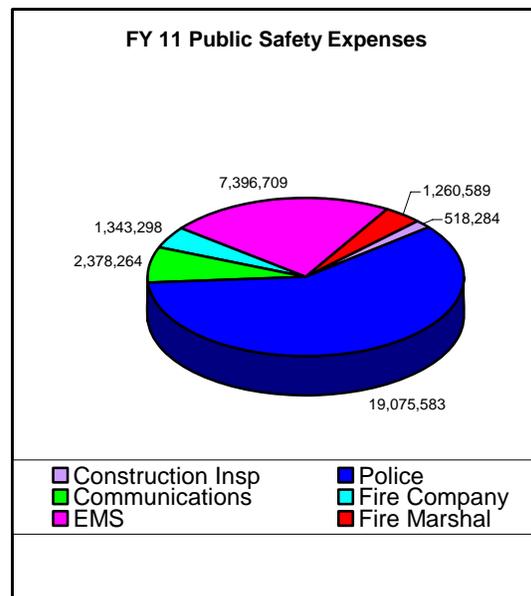
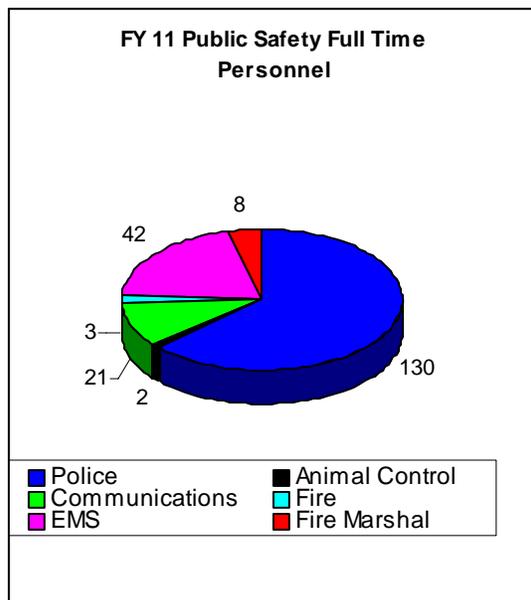
provides HazMat response to Ocean City and surrounding areas. The OCVFC is one of the largest volunteer fire companies in the state and is noted for its professionalism and expertise.

CAREER FIRE/EMERGENCY MEDICAL SERVICES

Ocean City Fire/EMS division responds to approximately 5,600 calls for service each year. The department traveled over 62,000 miles providing emergency services to the residents and visitors. There are 42 full-time field personnel and 30 part-time personnel. All personnel are trained to national standards for fire suppression, rescue, and emergency medical operations that require a minimum of 120 hours of continuing education. Personnel receive training in Advanced Cardiac Life Support, Basic Trauma Life Support, and Pediatric Advanced Life Support. The department is also involved in public education. It participates in the annual Health Fair sponsored by A.A.R.P., gives free blood pressure monitoring, and conducts a number of CPR classes.

FIRE MARSHAL

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



TOWN OF OCEAN CITY
FISCAL YEAR 2011 BUDGET

POLICE DIVISION

BUDGET HIGHLIGHTS:

REVENUE CHANGES:

Revenue decreases significantly for this division. Homeland Security and Federal Block grants received in FY 10 totaled \$440,250. These funds will be added to the FY 11 budget as received. State Police Aid was reduced 35% in FY 10 and will not be restored in FY 11. Storage fees for impounded vehicles are proposed to increase to \$40 per day, resulting in an increase in the tow fine line item. Revenue from parking fines is expected to increase. The State's Attorney's office has elected not to renew their lease at the Public Safety Building, resulting in \$21,960 in lost revenue.

PERSONNEL CHANGES:

In the FY 10 budget, two full-time sworn positions were eliminated, a part-time year-round records technician position was eliminated and the summer hours of operation for the records division were reduced. In FY 11, one records clerk position was eliminated and one Office Associate position was converted to a Recruiting/Training specialist position. Patrol overtime has been budgeted at the revised FY 10 amount. No cost of living adjustments and no annual increments have been included. Benefit increases include an additional \$146,000 for health insurance and an additional \$120,000 for worker's compensation. Retiree health insurance and pension have been budgeted at the FY 10 actual level.

CHANGES IN OPERATIONS:

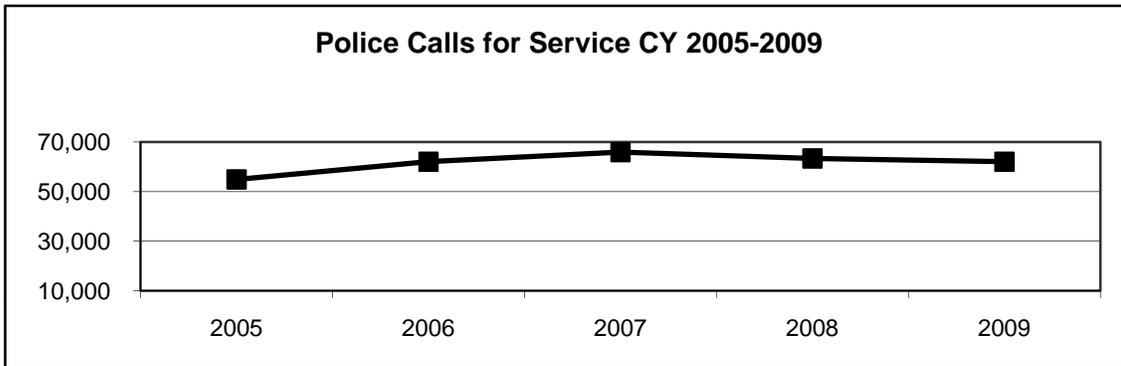
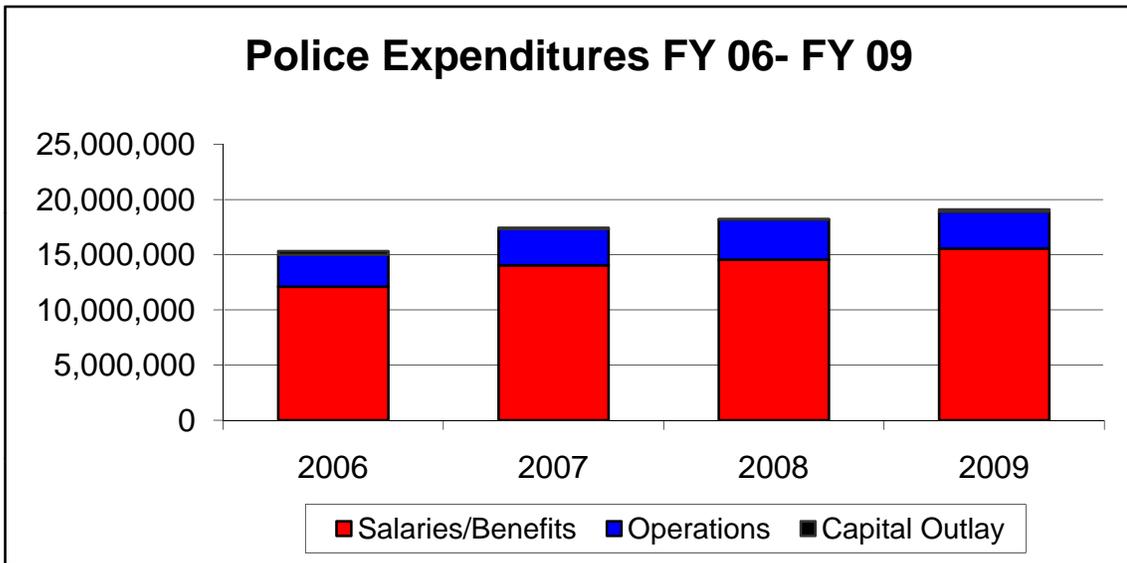
Contracted Services include \$194,726 for building and equipment maintenance, and \$165,000 in towing expenses. Roof repairs and interior painting have been budgeted in building maintenance. Communications expense is also included in this category and is budgeted at \$135,366. This is a decrease of \$22,000 from FY 10 as the fees for the use of Sprint cards decreases by \$10 per unit per month and the radio maintenance is also expected to decrease. Training and Travel have been budgeted at \$158,426, an increase of \$20,512 from FY 10, and includes \$40,500 for court-related travel, and \$31,375 for mandated training expenses. Also included in this line item is \$28,000 for consultants for legal and policy review. 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 \$26,000. Ammunition was not purchased in FY 09, but has been budgeted at \$60,159 in FY 11. Replacement uniforms and items included in the Fraternal Order of Police contract are also included in this line item at a cost of \$234,750. This is a cost reduction of over \$30,000 from FY 10. Energy costs are expected to decrease citywide. Vehicle maintenance costs are budgeted to decrease \$18,536, but vehicle fuel has been budgeted to increase \$77,000. The Police department's portion of the CAD/RMS lease payment and maintenance costs have been charged through Intragovernmental expenses. Maintenance and support cost this department \$131,871 annually, while the lease payment decreases to \$58,170. FY 11 is the final year of the lease purchase for the CAD/RMS system. IT expense also decreases significantly for this department. Capital outlay in FY 10 included over \$400,000 in Homeland Security grant funds and \$200,000 in donations. No capital outlay has been budgeted for this division.

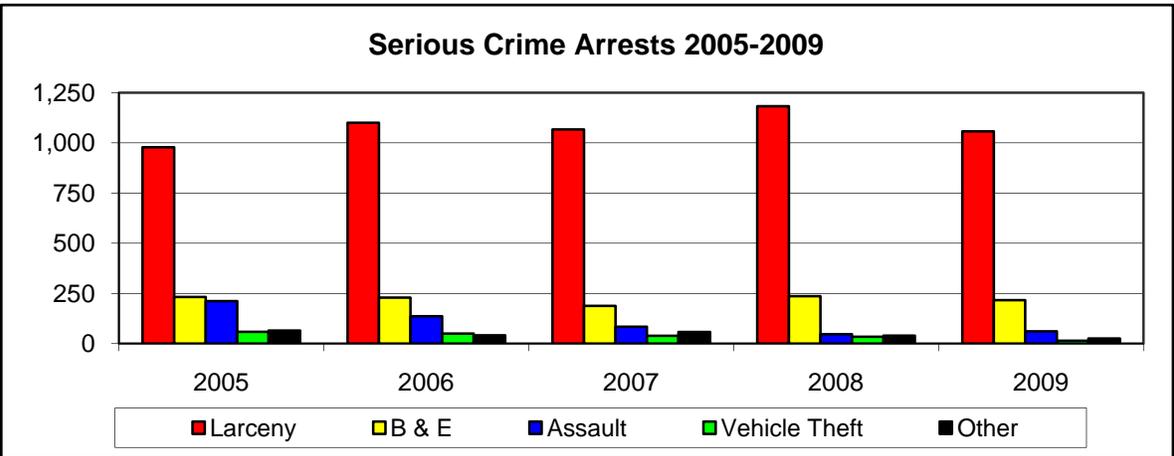
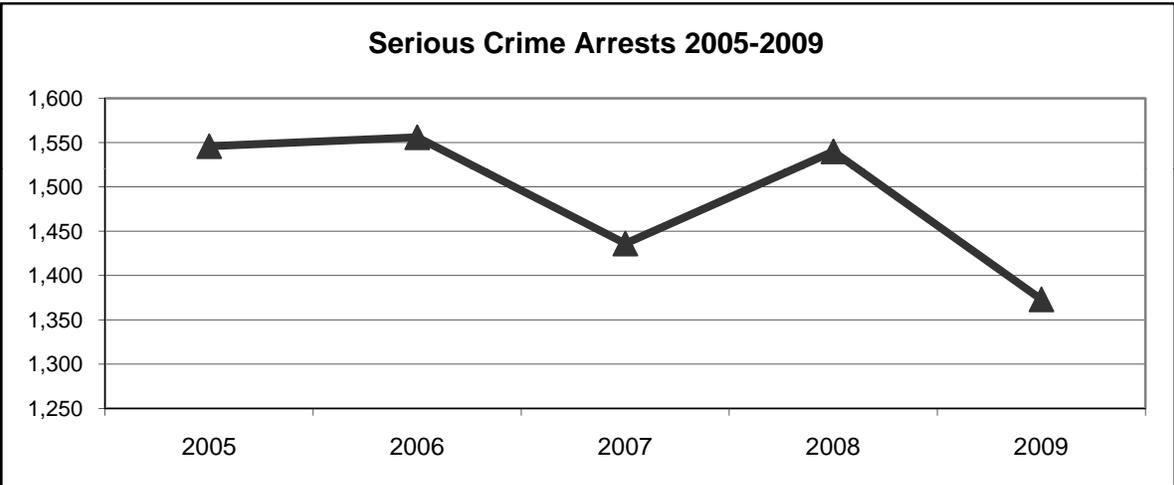
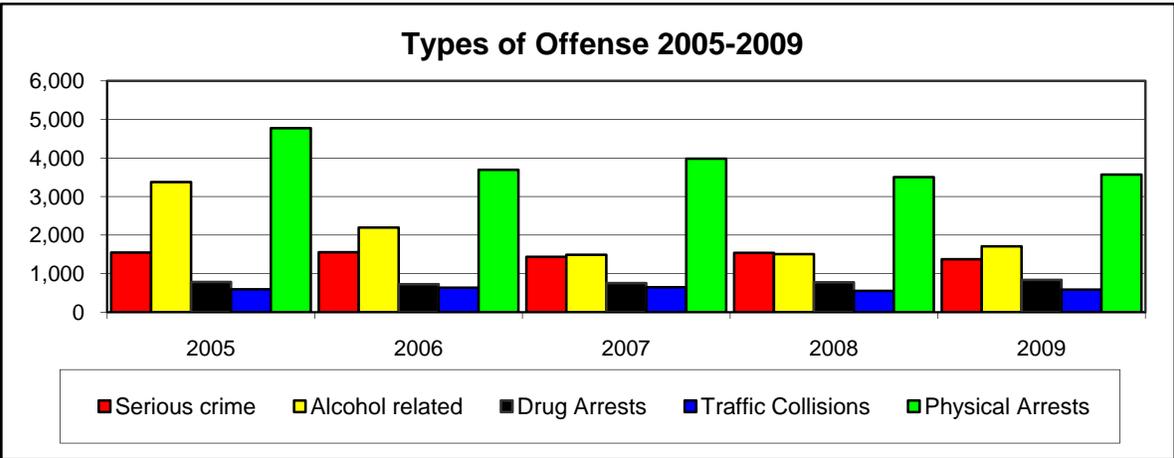
TOWN OF OCEAN CITY
FISCAL YEAR 2011 BUDGET
GENERAL FUND EXPENDITURES
POLICE DIVISION

EXPENDITURES	ACTUAL 2009	REVISED 2010	CITY MANAGER PROPOSED 2011	COUNCIL ADOPTED 2011
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 10,854,483	\$ 10,954,126	\$ 10,668,180	\$ 10,668,180
EMPLOYEE BENEFITS	4,701,440	4,963,762	5,298,921	5,218,932
	<u>15,555,923</u>	<u>15,917,888</u>	<u>15,967,101</u>	<u>15,887,112</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	868,624	1,026,744	987,143	994,030
SUPPLIES & MATERIALS	479,684	619,781	615,501	595,486
ENERGY	195,420	226,000	198,820	198,820
VEHICLE SUPPLIES & REPAIR	569,296	561,364	619,828	619,828
INTRAGOVERNMENTAL	1,247,135	1,064,720	784,313	780,307
	<u>3,360,159</u>	<u>3,498,609</u>	<u>3,205,605</u>	<u>3,188,471</u>
OTHER FINANCIAL USES:				
DEBT SERVICE	0	0	0	0
TRANSFER OUT	0	0	0	0
CAPITAL OUTLAY	195,793	718,617	0	0
	<u>195,793</u>	<u>718,617</u>	<u>0</u>	<u>0</u>
TOTAL EXPENDITURES	<u>\$ 19,111,875</u>	<u>\$ 20,135,114</u>	<u>\$ 19,172,706</u>	<u>\$ 19,075,583</u>
LESS REVENUE GENERATED BY DIVISION				
ANIMAL LICENSES	(938)	(950)	(1,000)	(1,000)
NOISE PERMITS	(210,429)	(209,000)	(209,000)	(209,000)
PARKING FINES	(291,492)	(295,000)	(310,000)	(310,000)
STATE-POLICE AID	(437,494)	(282,196)	(282,196)	(282,196)
COUNTY-POLICE AID	(35,283)	(18,500)	(25,000)	(25,000)
STATE - OTHER GRANTS	0	0	0	0
STATE - EMG MGT GRANT	(201,338)	(340,471)	0	0
FEDERAL -" BLOCK GRANTS"	(14,497)	(99,779)	0	0
FINGERPRINTING	(1,650)	(1,400)	(1,500)	(1,500)
DOG VIOLATIONS	0	(400)	(400)	(400)
POLICE TOW FINES	(136,785)	(150,000)	(132,895)	(132,895)
PRIVATE TOW FINES	(93,350)	(85,000)	(122,895)	(122,895)
FALSE ALARMS	(3,500)	(5,000)	(5,000)	(5,000)
MUNICIPAL INFRACTIONS	(33,177)	(50,000)	(35,000)	(35,000)
BUILDING RENTAL	(186,253)	(182,004)	(160,044)	(160,044)
IMPOUNDED VEHICLES/FUNDS	(50,627)	(45,000)	(50,000)	(50,000)
	<u>(1,696,813)</u>	<u>(1,764,700)</u>	<u>(1,334,930)</u>	<u>(1,334,930)</u>
TOTAL TOWN CONTRIBUTION	\$ 17,415,062	\$ 18,370,414	\$ 17,837,776	\$ 17,740,653

OCEAN CITY POLICE DEPARTMENT
 FULL-TIME SWORN PERSONNEL ALLOCATIONS
 2009, 2010, BUDGET 2011

	FY-2009	FY-2010	FY-2011
Chief	1	1	1
Captain	4	4	4
Lieutenant	8	9	8
Sergeant	13	12	13
Corporal	18	18	18
PFC	33	43	44
Officer	30	18	17
	<u>107</u>	<u>105</u>	<u>105</u>





**TOWN OF OCEAN CITY
FISCAL YEAR 2011 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. An additional grant to cover the salary and benefits of the Emergency Planner has also been included. Apparent decreases reflect Homeland Security funds received in FY 2010. Any future funding received from this agency will be added to the budget in a future budget amendment. The estimate for antenna rents for the Ocean Pines tower decreases. The FY 09 amount reflects a repayment for the Nextel rebanding project.

PERSONNEL CHANGES:

Twenty-one positions are funded in this division. Funding continues for an Emergency Planner position and grant funds have been added on the revenue side to offset this cost. The Safety Technician position previously budgeted in Risk Management was transferred to this division in FY 10 to assist in Emergency planning and training as a second Emergency Planner. One Emergency Planner will retire in October. No cost of living and no annual increments have been included. Overtime estimates have been reduced in this division. Increases in benefits reflect anticipated increases in group insurance, worker's compensation and unemployment.

CHANGES IN OPERATIONS:

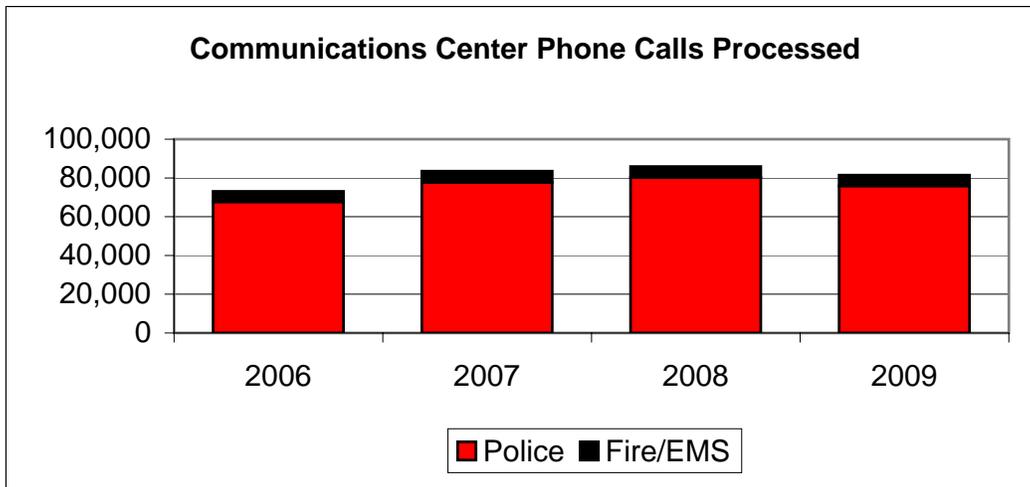
Contracted Services includes equipment maintenance, training costs, printing and other services. These costs decrease in FY 11. FY 10 included \$16,688 in Homeland Securities funds for training that were not included in FY 11. Training for the Communications operators and the Electronics Services specialists has been included. Supplies & Materials include operational and uniform costs for the three divisions. These costs have been reduced more than \$4,800. Energy costs decrease. Vehicle Supplies and Repair includes an allowance for fuel and maintenance on the mobile command post. Intragovernmental expenses decrease as the CAD/RMS equipment is paid off this fiscal year. Capital outlay decreases because equipment purchased with Homeland Security grant funds included in FY 2010 is not included in FY 2011.

SUMMARY COMMENTS:

The Emergency Communications Center continues to receive and dispatch increasing numbers of calls for service. Emergency Management continues to be a focus for this department. The Electronics division staff is challenged to maintain the Town's aging radio system equipment and to pursue replacement options.

TOWN OF OCEAN CITY
FISCAL YEAR 2011 BUDGET
GENERAL FUND EXPENDITURES
COMMUNICATIONS, ELECTRONICS, EMERGENCY MANAGEMENT

EXPENDITURES	ACTUAL 2009	REVISED 2010	CITY MANAGER PROPOSED 2011	COUNCIL ADOPTED 2011
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 1,348,183	\$ 1,460,526	\$ 1,444,134	\$ 1,403,853
EMPLOYEE BENEFITS	655,325	647,024	694,255	671,355
	<u>2,003,508</u>	<u>2,107,550</u>	<u>2,138,389</u>	<u>2,075,208</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	73,789	103,083	89,105	89,105
SUPPLIES & MATERIALS	49,228	46,887	42,050	42,050
ENERGY	35,282	35,650	33,210	33,210
VEHICLE SUPPLIES & REPAIR	13,337	18,480	17,853	17,853
INTRAGOVERNMENTAL	158,457	145,068	120,838	120,838
	<u>330,093</u>	<u>349,168</u>	<u>303,056</u>	<u>303,056</u>
OTHER FINANCIAL USES:				
DEBT SERVICE	0	0	0	0
TRANSFER OUT	0	0	0	0
CAPITAL OUTLAY	17,303	152,088	0	0
	<u>17,303</u>	<u>152,088</u>	<u>0</u>	<u>0</u>
TOTAL EXPENDITURES	\$ <u>2,350,904</u>	\$ <u>2,608,806</u>	\$ <u>2,441,445</u>	\$ <u>2,378,264</u>
LESS REVENUE GENERATED BY DIVISION				
STATE EMERGENCY MGT. GRANT	(46,652)	(310,333)	(121,135)	(121,135)
ANTENNA RENTS	(145,836)	(60,000)	(50,000)	(50,000)
	<u>(192,488)</u>	<u>(370,333)</u>	<u>(171,135)</u>	<u>(171,135)</u>
TOTAL TOWN CONTRIBUTION	\$ <u><u>2,158,416</u></u>	\$ <u><u>2,238,473</u></u>	\$ <u><u>2,270,310</u></u>	\$ <u><u>2,207,129</u></u>



TOWN OF OCEAN CITY
FISCAL YEAR 2011 BUDGET

FIRE COMPANY

BUDGET HIGHLIGHTS:

PERSONNEL CHANGES:

The number of firefighter/mechanics remains at two with one clerical position on a full-time basis. A part-time office associate has been included for 23 hours per week. No cost of living allowance or annual increments have been included. Health insurance costs include health insurance for the Fire Chief and a change in coverage for one employee. Changes in coverage and increases in health insurance costs and in worker's compensation account for the increase in Employee benefits. Retiree health insurance and pension have been included at the FY 10 actual level.

CHANGES IN OPERATIONS:

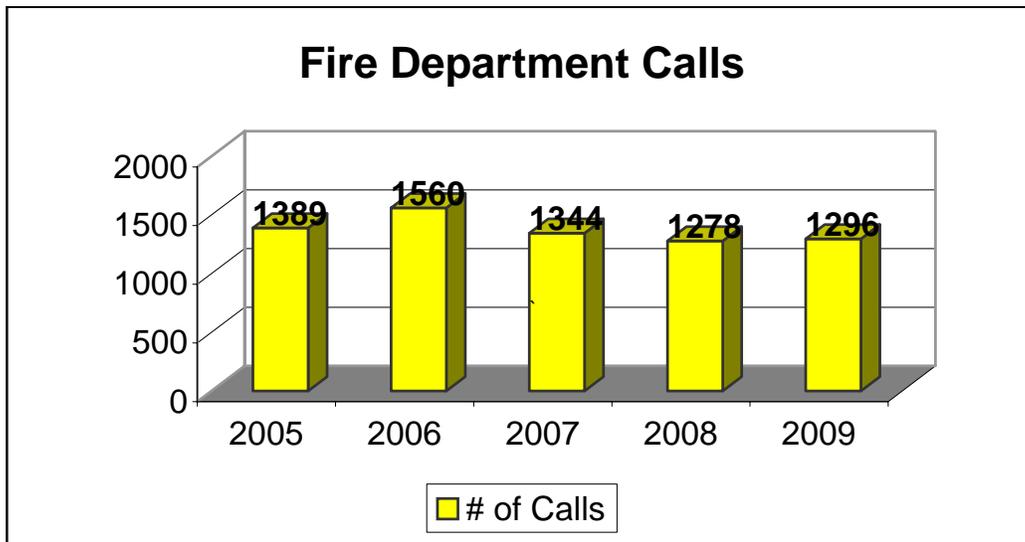
Contracted Services decrease and include such items as: building maintenance, \$66,000, and Fire Company insurance policies, \$68,627. Training costs decrease slightly from the FY 10 budgeted amount, and are included in this line item at a total of \$18,154. Comprehensive physicals for sixty-five volunteer firemen have been budgeted at a cost of \$30,275. Fifteen replacement pagers are included in the Communications line item. Operational supplies include such items as replacement hose, nozzles, air bottles, and 20 sets of fire fighter turnout gear. This line item decreases \$64,519 from the FY 10 revised budget. Anticipated increases in propane costs have been offset by anticipated decreases in electricity costs. Vehicle maintenance costs have been reduced and include only necessary repairs and parts. Routine items such as tires, brake drums and a front mount pump clutch assembly have been included. Intragovernmental expenses include allocations for the radio/equipment lease, IT services and Insurance costs. Lease/purchase payments for the CAD/RMS system are included in the Radio/Equipment line item. This line item decreases as the CAD/RMS equipment is paid off in FY 11. The Information Technology allocation increases in FY 11 and includes a new toughbook computer for Engine 4 and a Cisco router for a dedicated T1 line. The Risk allocation for property insurance has also been included at a cost of \$9,321. Capital outlay reflects the decrease in the Town's contribution to the fire equipment fund from \$424,871 in FY 09 to \$212,436. Reconfiguration of the boardroom and renovation of the kitchen have been included at \$55,647.

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. Training for the Fire Company mechanics has also been emphasized.

TOWN OF OCEAN CITY
FISCAL YEAR 2011 BUDGET
GENERAL FUND EXPENDITURES
FIRE COMPANY

EXPENDITURES	ACTUAL 2009	REVISED 2010	CITY MANAGER PROPOSED 2011	COUNCIL ADOPTED 2011
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 179,556	\$ 183,235	\$ 186,492	\$ 186,492
EMPLOYEE BENEFITS	86,528	88,358	114,909	112,078
	<u>266,084</u>	<u>271,593</u>	<u>301,401</u>	<u>298,570</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	274,593	283,004	278,768	278,768
SUPPLIES & MATERIALS	170,366	217,008	152,489	152,489
ENERGY	65,041	65,500	62,125	62,125
VEHICLE SUPPLIES & REPAIR	187,264	232,180	210,744	210,744
INTRAGOVERNMENTAL	74,042	64,723	68,166	68,166
	<u>771,306</u>	<u>862,415</u>	<u>772,292</u>	<u>772,292</u>
OTHER FINANCIAL USES:				
DEBT SERVICE	0	0	0	0
TRANSFER OUT	0	0	0	0
CAPITAL OUTLAY	513,146	269,444	272,436	272,436
	<u>513,146</u>	<u>269,444</u>	<u>272,436</u>	<u>272,436</u>
TOTAL EXPENDITURES	\$ <u>1,550,536</u>	\$ <u>1,403,452</u>	\$ <u>1,346,129</u>	\$ <u>1,343,298</u>
LESS REVENUE GENERATED BY DIVISION				
FALSE ALARM FINES	(3,500)	(5,000)	(5,000)	(5,000)
	<u>(3,500)</u>	<u>(5,000)</u>	<u>(5,000)</u>	<u>(5,000)</u>
TOTAL TOWN CONTRIBUTION	\$ <u>1,547,036</u>	\$ <u>1,398,452</u>	\$ <u>1,341,129</u>	\$ <u>1,338,298</u>



**TOWN OF OCEAN CITY
FISCAL YEAR 2011 BUDGET**

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 is double those for residents of Ocean City. Worcester County increased its cost per run to \$187 for in-town and \$748 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 \$1,058,297.

PERSONNEL CHANGES:

The FY 11 budget includes forty-two full-time positions. These include a Deputy Chief, an Assistant Chief, four Captains, four Lieutenants, two 2nd Lieutenants, and thirty Firefighters/EMTs. No cost of living and no annual increments have been included. Regular overtime is expected to decrease \$14,425 and part-time salaries have been budgeted \$57,702 lower than FY 10. Group insurance and worker's compensation increases account for the increase in Employee benefits. Retiree health insurance and pension have been included at the FY 10 actual expense.

CHANGES IN OPERATIONS:

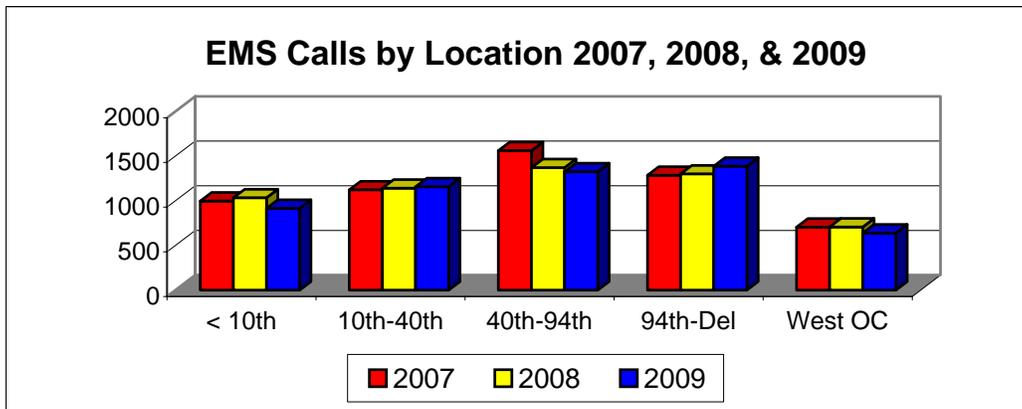
Contracted Services includes \$45,145 for required physicals for all Fire/EMS personnel. Part of this cost includes comprehensive physicals at \$551 each. The implementation for this has been phased in over a three year period. Equipment, radio, and building maintenance costs are also included in this line item. Dive Team equipment maintenance is included at \$3,756 as is the maintenance contract on the defibrillators, \$11,678 and maintenance on other EMS equipment. Building maintenance is budgeted at \$500 to cover routine maintenance costs. Training and Travel costs, also included here, are budgeted at \$18,504, a decrease of \$1,500. Supplies and Materials include medical and training supplies and uniform costs. Water Rescue Team supplies are included at a cost of \$10,449. Uniform costs have been reduced \$12,308. Energy costs decrease slightly. Vehicle fuel and parts are expected to increase in FY 11. Lease/purchase and maintenance costs for the CAD/RMS system are included in Intragovernmental expenses. \$20,704 is this division's allocation for the lease/purchase payment and \$14,044 has been charged for the support costs. Vehicle Lease expense decreases \$36,243, and the allocation for the lease/purchase on the CAD/RMS system is \$62,114 lower than FY 10. Capital outlay includes three replacement defibrillators at a cost of \$19,250 each.

MAJOR 2010-2011 PROGRAM OBJECTIVES:

The department will continue to provide well-trained, well-equipped Firefighter/Emergency Medical Technologists to the Town's visitors and residents alike and continue to provide exemplary response to those in need.

TOWN OF OCEAN CITY
FISCAL YEAR 2011 BUDGET
GENERAL FUND EXPENDITURES
EMERGENCY MEDICAL SERVICES DIVISION

EXPENDITURES	ACTUAL 2009	REVISED 2010	CITY MANAGER PROPOSED 2011	COUNCIL ADOPTED 2011
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 4,736,394	\$ 4,647,324	\$ 4,548,738	\$ 4,548,738
EMPLOYEE BENEFITS	1,732,846	1,916,882	2,051,337	2,015,586
	<u>6,469,240</u>	<u>6,564,206</u>	<u>6,600,075</u>	<u>6,564,324</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	140,909	136,106	129,253	129,253
SUPPLIES & MATERIALS	228,947	223,987	216,769	216,769
ENERGY	25,369	25,500	24,480	24,480
VEHICLE SUPPLIES & REPAIR	215,379	169,403	191,390	191,390
INTRAGOVERNMENTAL	331,517	318,759	212,743	212,743
	<u>942,121</u>	<u>873,755</u>	<u>774,635</u>	<u>774,635</u>
OTHER FINANCIAL USES:				
DEBT SERVICE	0	0	0	0
TRANSFER OUT	0	0	0	0
CAPITAL OUTLAY	0	54,653	57,750	57,750
	<u>0</u>	<u>54,653</u>	<u>57,750</u>	<u>57,750</u>
TOTAL EXPENDITURES	\$ <u>7,411,361</u>	\$ <u>7,492,614</u>	\$ <u>7,432,460</u>	\$ <u>7,396,709</u>
LESS REVENUE GENERATED BY DIVISION				
AMBULANCE SERVICE FEES	(726,009)	(725,000)	(725,000)	(725,000)
COUNTY OPERATING GRANT	(1,055,032)	(1,073,431)	(1,058,297)	(1,058,297)
	<u>(1,781,041)</u>	<u>(1,798,431)</u>	<u>(1,783,297)</u>	<u>(1,783,297)</u>
TOTAL TOWN CONTRIBUTION	\$ <u>5,630,320</u>	\$ <u>5,694,183</u>	\$ <u>5,649,163</u>	\$ <u>5,613,412</u>



TOWN OF OCEAN CITY
FISCAL YEAR 2011 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 \$114,000. This decrease in revenue is indicative of the trends witnessed since FY 08. Fewer large projects are currently under construction. In FY 10, \$91,460 in Homeland Security grants were included.

PERSONNEL CHANGES:

Eight full-time employees are included in this division. One full-time fire marshal position was eliminated in FY 11. No cost of living and no step increases have been included. Premium overtime was decreased \$7,000 in FY 11. Health insurance, worker's compensation and unemployment costs are expected to increase in FY 11 and are responsible for the increases in employee benefit costs. Retiree health insurance and pension have been funded at the FY 10 actual level.

CHANGES IN OPERATIONS:

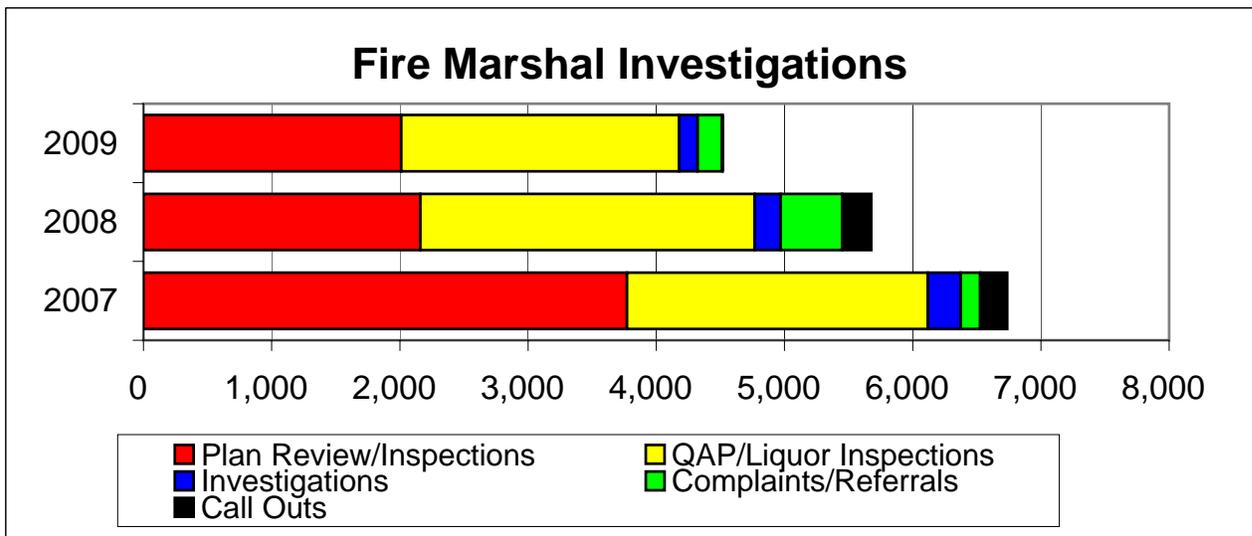
Contracted Services decrease as the estimate for Communications costs is reduced in FY 11. Comprehensive physicals, equipment maintenance, and training are other costs included in Contracted Services. The maintenance contract on the bomb robot is included at a cost of \$7,500. Training has been budgeted at \$8,855 and includes hazardous materials training, monthly bomb training and arson investigation training. Hazardous materials equipment for the Fire/EMS/Fire Marshal division has been included in this budget at a cost of \$27,100. Uniform costs increase \$2,200 from FY 10, but include items approved as part of the contract. Vehicle fuel has been budgeted at the actual number of gallons consumed over the past twelve months. Fuel costs are expected to be higher than those experienced in FY 10, and result in an increase of \$4,800 in this line item. Vehicle maintenance costs are anticipated to increase slightly. Intragovernmental expenses in FY 11 reflect decreases for Vehicle Lease, Equipment Lease and IT Services. FY 11 will be the final year for the CAD/RMS lease payment and this cost decreases \$13,310 in FY 11. No capital outlay has been included for this division. Any items covered in future grants will be added as the grants are received.

SUMMARY COMMENTS:

Plan reviews and building inspections have decreased significantly 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 2011 BUDGET
GENERAL FUND EXPENDITURES
FIRE MARSHAL DIVISION

EXPENDITURES	ACTUAL 2009	REVISED 2010	CITY MANAGER PROPOSED 2011	COUNCIL ADOPTED 2011
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 698,520	\$ 705,843	\$ 701,303	\$ 649,343
EMPLOYEE BENEFITS	364,749	389,923	429,787	406,256
	<u>1,063,269</u>	<u>1,095,766</u>	<u>1,131,090</u>	<u>1,055,599</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	29,646	36,525	34,049	34,049
SUPPLIES & MATERIALS	26,673	53,764	57,771	57,771
ENERGY	0	0	0	0
VEHICLE SUPPLIES & REPAIR	30,335	29,518	35,016	35,016
INTRAGOVERNMENTAL	121,141	105,363	78,154	78,154
	<u>207,795</u>	<u>225,170</u>	<u>204,990</u>	<u>204,990</u>
OTHER FINANCIAL USES:				
DEBT SERVICE	0	0	0	0
TRANSFER OUT	0	0	0	0
CAPITAL OUTLAY	0	91,460	0	0
	<u>0</u>	<u>91,460</u>	<u>0</u>	<u>0</u>
TOTAL EXPENDITURES	\$ <u>1,271,064</u>	\$ <u>1,412,396</u>	\$ <u>1,336,080</u>	\$ <u>1,260,589</u>
LESS REVENUE GENERATED BY DIVISION				
STATE EMERGENCY MGT. GRANT	(5,092)	(91,460)	0	0
SITE PLAN REVIEW	(64,359)	(50,000)	(40,000)	(40,000)
SPECIAL REVIEW FEES	(19,111)	(15,000)	(10,000)	(10,000)
QUALITY ASSURANCE	(47,761)	(55,000)	(60,000)	(60,000)
INSPECTION FEES	(3,650)	(3,000)	(4,000)	(4,000)
	<u>(139,973)</u>	<u>(214,460)</u>	<u>(114,000)</u>	<u>(114,000)</u>
TOTAL TOWN CONTRIBUTION	\$ <u>1,131,091</u>	\$ <u>1,197,936</u>	\$ <u>1,222,080</u>	\$ <u>1,146,589</u>



PUBLIC WORKS

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

ENGINEERING/PUBLIC WORKS ADMINISTRATION

These divisions are responsible for the design, construction management, and long-term planning associated with the Town's infrastructure. This includes streets, buildings, utilities, and the Beach Replenishment program. Public Works Administration also oversees the Transportation and Airport divisions.

PUBLIC WORKS CONSTRUCTION

The Construction division is responsible for maintaining Ocean City's 63 miles of streets, 38 miles of storm drains, and 15 miles of alleys in addition to the majority of the City's buildings, street lights, and beach crossovers. Major street renovations, minor bulkhead repairs, paving of alleys, snow removal, sidewalk construction and maintenance and storm damage clean-up and repairs are also the responsibility of this division.

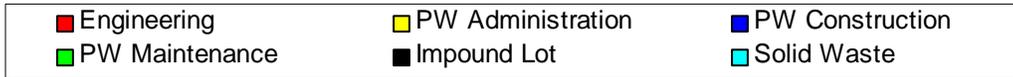
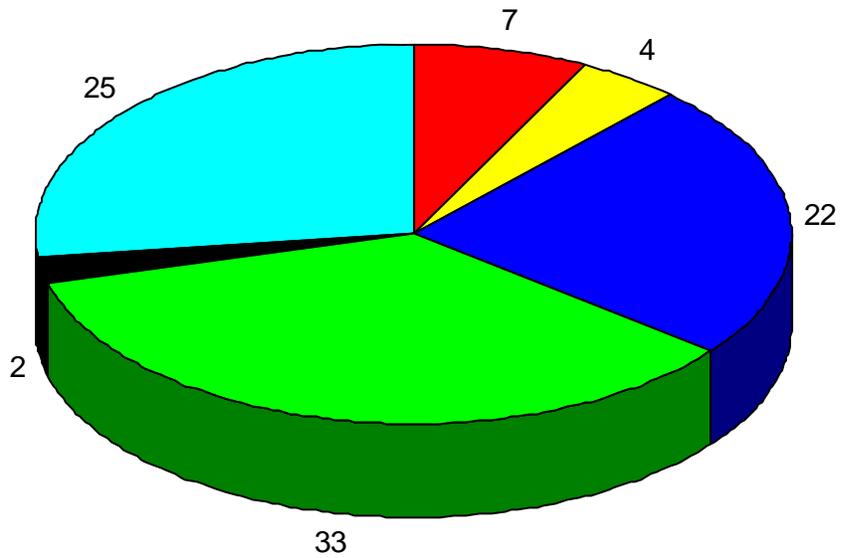
PUBLIC WORKS MAINTENANCE

The Maintenance Division is responsible for the daily upkeep of Ocean City's 10 miles of beach and 2 ½ miles of boardwalk, the seawall, street cleaning, the Cale parking system, signage, set-up of special events and janitorial service.

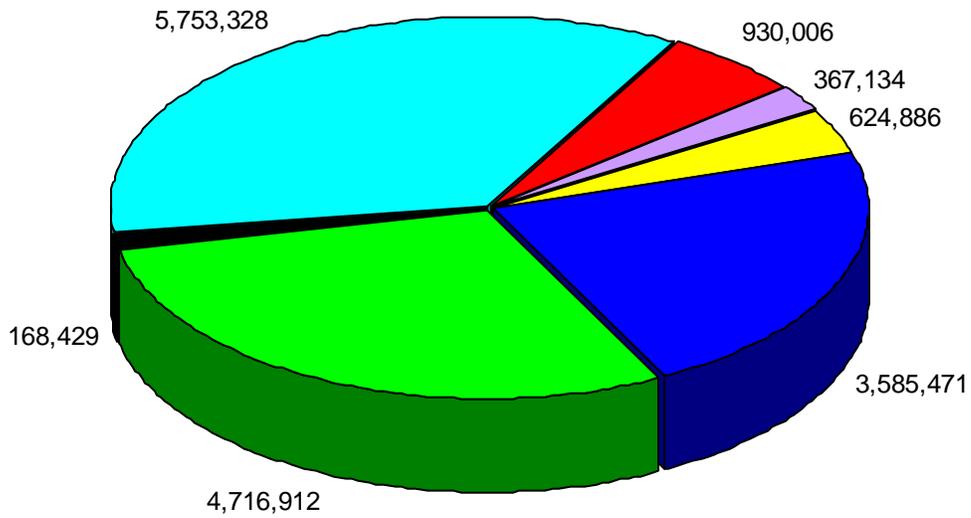
SOLID WASTE AND TRANSFER STATION

The Solid Waste division is responsible for the collection, processing, and disposal of residential and commercial refuse. In FY 2007, the bulk pickup collection service was moved to this division. The department operates over 25 collection vehicles. Collection services to residents and visitors were changed in FY 09 to summer season and off-season service. Service to single-family homes and mobile homes is twice a week from mid-May through mid-October and once a week the rest of the year. Service to multi-family units is twice a week from mid-October through mid-May and five times per week from mid-May through mid-October. Service to commercial establishments is twice a week from mid-October through mid-May and five days per week from mid-May through mid-October. If service is required more than five days per week, an additional fee is charged. FY 11 is the second year of the contract with East Coast Resources for the disposal of all solid waste.

FY 11 Public Works Full Time Personnel



FY 11 Public Works Expenses



**TOWN OF OCEAN CITY
FISCAL YEAR 2011 BUDGET**

ENGINEERING AND PUBLIC WORKS ADMINISTRATION

BUDGET HIGHLIGHTS:

PERSONNEL CHANGES:

Eleven full-time employees are budgeted in these divisions. A full-time Engineering Technician position was eliminated in FY 10, and a second has been eliminated in FY 11. The GIS Coordinator position was transferred from Planning and Zoning. No cost of living or annual increments have been included. Increases have been budgeted in health insurance and worker's compensation.

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 10 resulting in a decrease of \$328,828 in that budget year. The payment was \$326,828 in FY 2009 and \$308,961 in FY 08. In FY 11, it is necessary to fund this payment at \$350,000. In FY 09, \$75,000 was included for design services, permits and sampling for canal dredging, while in FY 10, \$30,000 was included. Robin Drive Bulkhead design was also included at \$25,000 in FY 09. No Professional Services comparable to these have been included in FY 11. Consulting services for Energy procurement bids have been included for \$5,000. ADA improvements at various locations have been included at \$31,500 in this line item as well. In FY 10, funds from Stormwater Management fees were utilized to set up community grants. Funding was assigned to the Supplies and Materials line item. These funds are not included in FY 11 and explain the decrease in this line item. Vehicle Supplies and Repairs are budgeted to increase. Even though several hybrid vehicles are assigned to these divisions, fuel costs are anticipated to increase. Reductions in the allocations for Vehicle Lease and Information Technology services are responsible for the decrease in Intragovernmental expenses. No capital outlay requests have been made in these divisions.

MAJOR 2010-2011 PROGRAM OBJECTIVES:

Very few capital projects have been funded in FY 11. Water and Wastewater capital projects will remain a focus of this division. \$644,710 has been allocated for capital projects in the Water and Wastewater funds in FY 11. Transportation and Airport projects are also monitored by these departments. In FY 10, Public Works departments were totally reorganized. In addition, these divisions were given oversight of the City Garage and the IT division.

TOWN OF OCEAN CITY
FISCAL YEAR 2011 BUDGET
GENERAL FUND EXPENDITURES
ENGINEERING AND PUBLIC WORKS ADMINISTRATION

EXPENDITURES	ACTUAL 2009	REVISED 2010	CITY MANAGER PROPOSED 2011	COUNCIL ADOPTED 2011
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 1,149,952	\$ 1,078,857	\$ 1,085,049	\$ 1,085,049
EMPLOYEE BENEFITS	439,320	461,660	495,098	487,525
	<u>1,589,272</u>	<u>1,540,517</u>	<u>1,580,147</u>	<u>1,572,574</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	445,024	103,841	426,569	426,569
SUPPLIES & MATERIALS	21,720	73,454	18,722	18,722
ENERGY	0	0	0	0
VEHICLE SUPPLIES & REPAIR	19,854	19,737	20,644	20,644
INTRAGOVERNMENTAL	82,598	60,426	51,946	51,946
	<u>569,196</u>	<u>257,458</u>	<u>517,881</u>	<u>517,881</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>\$ 2,158,468</u>	<u>\$ 1,797,975</u>	<u>\$ 2,098,028</u>	<u>\$ 2,090,455</u>
LESS REVENUE GENERATED BY DIVISION				
STORMWATER MGT REVIEW	(7,634)	(44,423)	(4,000)	(4,000)
	<u>(7,634)</u>	<u>(44,423)</u>	<u>(4,000)</u>	<u>(4,000)</u>
TOTAL TOWN CONTRIBUTION	<u>\$ 2,150,834</u>	<u>\$ 1,753,552</u>	<u>\$ 2,094,028</u>	<u>\$ 2,086,455</u>

**TOWN OF OCEAN CITY
FISCAL YEAR 2011 BUDGET**

PUBLIC WORKS CONSTRUCTION DIVISION

BUDGET HIGHLIGHTS:

REVENUE CHANGES:

In FY 10, the State retained 90% of the allocation for State Highway User tax usually passed through to municipalities. In FY 11, 96% was retained by the State. The Town's allocation was reduced from \$813,395 in FY 09 to \$31,614 in FY 11. All other revenue is expected to remain at the same level. Sidewalk condemnations are anticipated to remain at the FY 10 level. One-half of this cost is billable to the owners of the condemned sidewalks.

PERSONNEL CHANGES:

Eight full-time positions have been eliminated from this division and six employees have been transferred to other City divisions. In addition to the reduction in full-time salaries, overtime has been reduced nearly \$16,000. Deductions have been made for labor being charged to Water and Wastewater capital projects as well. No General Fund capital projects have been included in FY 11. Increases in unemployment and health insurance have been offset by the savings resulting from the position vacancies.

CHANGES IN OPERATIONS:

District Court repairs were included in FY 10 and have not been included in FY 11, resulting in the decrease in the Contracted Services line item. Building Maintenance for city-owned buildings such as City Hall, the Art League and the Public Works office building, and sidewalk replacement are the significant costs in this line item. Costs for concrete disposal are included at \$27,615. Replacement of eight flue assemblies has been included in Operational Supplies at a cost of \$12,000. Supplies for Streets and Storm Drains have been budgeted at \$133,150. Replacement light poles have been budgeted at a cost of \$20,000. Snow removal supplies are also included in this category. Supplies to repair Sinepuxent Avenue storm drain are included at a cost of \$15,000. Replacement equipment including street light cabinets, saws and an arrow board have been budgeted. In Energy, street lighting is the major expense and has been budgeted at \$486,455. Increases in vehicle fuel have been offset by anticipated decreases in vehicle repair costs. Allocations for vehicle lease and IT Services decrease for this division. Repairs to the 9th street pier have been included in capital outlay at a cost of \$25,000. Funds to rebuild 146th street after parking meter installation are also included in capital outlay.

MAJOR 2010-2011 PROGRAM OBJECTIVES:

Maintenance is again the ultimate objective for the Construction Division for FY '11. Completion of Water and Wastewater capital projects, and routine street and storm drain repairs will be the focus.

TOWN OF OCEAN CITY
FISCAL YEAR 2011 BUDGET
GENERAL FUND EXPENDITURES
PUBLIC WORKS CONSTRUCTION DIVISION

EXPENDITURES	ACTUAL 2009	REVISED 2010	CITY MANAGER PROPOSED 2011	COUNCIL ADOPTED 2011
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 1,201,597	\$ 1,529,873	\$ 908,334	\$ 908,334
EMPLOYEE BENEFITS	852,984	938,493	837,971	822,292
	<u>2,054,581</u>	<u>2,468,366</u>	<u>1,746,305</u>	<u>1,730,626</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	150,516	250,430	221,428	221,428
SUPPLIES & MATERIALS	244,681	241,789	261,020	261,020
ENERGY	610,416	706,475	619,405	610,505
VEHICLE SUPPLIES & REPAIR	482,845	477,626	472,116	472,116
INTRAGOVERNMENTAL	286,517	260,014	236,076	236,076
	<u>1,774,975</u>	<u>1,936,334</u>	<u>1,810,045</u>	<u>1,801,145</u>
OTHER FINANCIAL USES:				
DEBT SERVICE	0	0	0	0
TRANSFER OUT	0	0	0	0
CAPITAL OUTLAY	21,121	39,115	53,700	53,700
	<u>21,121</u>	<u>39,115</u>	<u>53,700</u>	<u>53,700</u>
TOTAL EXPENDITURES	<u>\$ 3,850,677</u>	<u>\$ 4,443,815</u>	<u>\$ 3,610,050</u>	<u>\$ 3,585,471</u>
LESS REVENUE GENERATED BY DIVISION				
STATE EMERGENCY MGT. GRANT	0	0	0	0
STATE - HIGHWAY USER TAX	(813,395)	(74,816)	(75,000)	(31,614)
FRANCHISE FEES - VEHICLE	(80,000)	(80,000)	(80,000)	(80,000)
STATE - STREET AID	(26,363)	(26,363)	(26,363)	(26,363)
STATE - STORMWATER MGMT	(20,858)	(17,134)	(17,134)	(17,134)
COUNTY - STREET AID	(116,100)	0	0	0
STREET CUT FEES	(5,624)	(6,000)	(1,500)	(1,500)
SIDEWALK PAYMENTS	(23,609)	(27,000)	(27,000)	(27,000)
	<u>(1,085,949)</u>	<u>(231,313)</u>	<u>(226,997)</u>	<u>(183,611)</u>
TOTAL TOWN CONTRIBUTION	<u>\$ 2,764,728</u>	<u>\$ 4,212,502</u>	<u>\$ 3,383,053</u>	<u>\$ 3,401,860</u>

**TOWN OF OCEAN CITY
FISCAL YEAR 2011 BUDGET**

PUBLIC WORKS MAINTENANCE DIVISION

BUDGET HIGHLIGHTS:

REVENUE CHANGES:

Street parking meter revenue includes \$30,000 to be collected from meters at 146th street. Rates at the Inlet Lot were recently increased and it is anticipated that an additional \$550,000 will be collected in FY 11. All other revenue in this division is expected to remain constant.

PERSONNEL CHANGES:

Two full-time Maintenance Worker positions and a full-time Building Custodian position were eliminated from this division. Two full-time Building Custodian positions were converted to part-time, year-round employees on the Janitorial staff in FY 10. Hourly wages for some part-time positions were reduced resulting in savings in this division. Overtime costs decrease \$40,000 from the FY 10 revised budget. Employee benefit costs reflect increases in health insurance and worker's compensation. Unemployment expense is anticipated to increase \$32,500 in this division.

CHANGES IN OPERATIONS:

Credit Card fees for use of the Cale parking meters have been budgeted at \$65,000 in FY 11. Other expenses in Contracted Services include tipping fees for this division, maintenance on the comfort stations and printing of tickets for the Inlet Lot. Building Maintenance in the Comfort Station division has been budgeted \$14,000 lower than the current fiscal year. A contractor has been included at \$65,000 for maintenance to the boardwalk in FY 11. In FY 10, the contractor was budgeted at \$136,000. Boardwalk decking and supplies for repairs to the boardwalk have been included in Supplies and Materials in the amount of \$74,000. Boardwalk operational supplies decrease \$35,000 since boardwalk bench purchases have not been budgeted, but will be added as ordered. Repainting of the Somerset Street Arch and replacement railings were included in FY 09. Comfort Station supplies have been reduced over \$10,000. Energy costs are expected to decrease. Vehicle fuel is budgeted to increase \$30,000, but is offset by anticipated reductions in vehicle repair costs. Increases in Insurance are offset by reductions in Vehicle Lease and IT Services and result in an overall reduction in Intragovernmental expenses. No capital outlay has been budgeted. One replacement street broom and a surf rake were approved as purchases in the Vehicle Trust Fund for this department. The surf rake will replace a much older beach sanitizer.

SUMMARY COMMENTS:

Ocean City's clean, well-maintained beaches, newly renovated boardwalk, and streets are some of its greatest assets and attractions. Maintenance is a year-round effort that is highly labor intensive. Janitorial crews have improved cleanliness of all Town buildings, even as the number of buildings has increased.

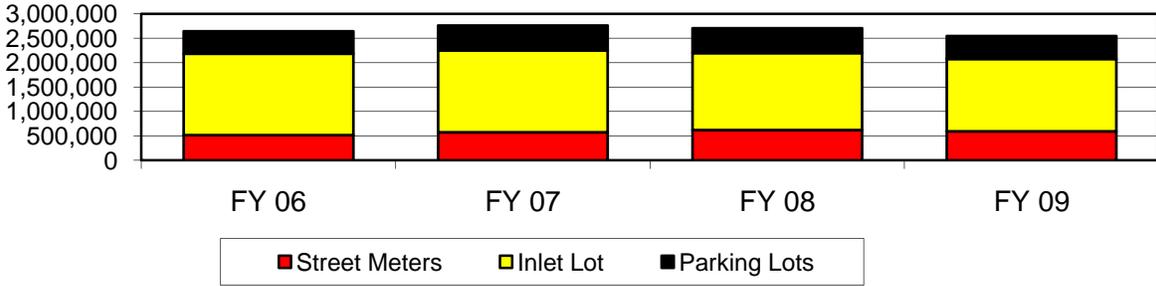
MAJOR 2010-2011 PROGRAM OBJECTIVES:

Maintenance of the boardwalk will continue to be a priority. The annual replacement of boards has been included in the FY 11 budget. Cleanliness of the City streets, beaches, and comfort stations continues to be a priority as well.

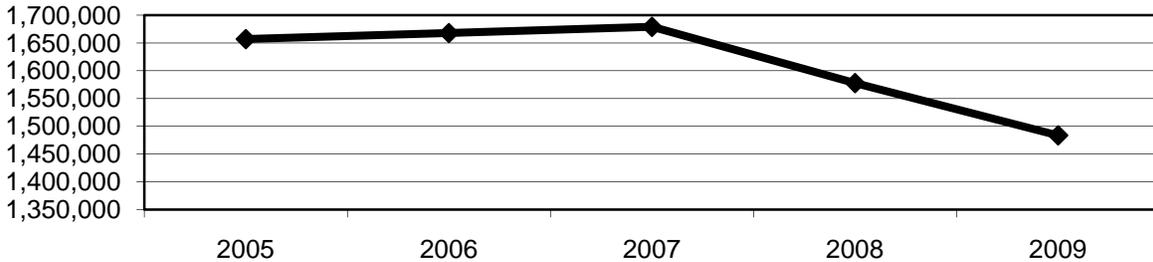
TOWN OF OCEAN CITY
 FISCAL YEAR 2011 BUDGET
 GENERAL FUND EXPENDITURES
 PUBLIC WORKS MAINTENANCE DIVISION

EXPENDITURES	ACTUAL 2009	REVISED 2010	CITY MANAGER PROPOSED 2011	COUNCIL ADOPTED 2011
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 2,097,065	\$ 2,137,363	\$ 2,077,341	\$ 2,077,341
EMPLOYEE BENEFITS	963,145	1,005,105	1,088,623	1,069,427
	<u>3,060,210</u>	<u>3,142,468</u>	<u>3,165,964</u>	<u>3,146,768</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	225,401	395,044	314,882	314,882
SUPPLIES & MATERIALS	619,297	502,238	447,218	447,218
ENERGY	83,889	90,820	80,623	80,623
VEHICLE SUPPLIES & REPAIR	517,990	550,609	506,701	506,701
INTRAGOVERNMENTAL	252,186	233,348	220,720	220,720
	<u>1,698,763</u>	<u>1,772,059</u>	<u>1,570,144</u>	<u>1,570,144</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>\$ 4,758,973</u>	<u>\$ 4,914,527</u>	<u>\$ 4,736,108</u>	<u>\$ 4,716,912</u>
LESS REVENUE GENERATED BY DIVISION				
STREET PARKING METER REVENUE	(594,002)	(590,000)	(630,000)	(630,000)
PARKING LOT REVENUE	(469,550)	(470,000)	(470,000)	(470,000)
INLET PARKING LOT REVENUE	(1,483,519)	(1,600,000)	(2,150,000)	(2,150,000)
RESIDENTIAL PARKING PERMITS	(1,369)	(1,400)	(1,400)	(1,400)
FRANCHISE FEES-PHOTO	(709,790)	(710,000)	(710,000)	(710,000)
SERVICE CHARGES	(22,540)	(15,000)	(16,000)	(16,000)
	<u>(3,280,770)</u>	<u>(3,386,400)</u>	<u>(3,977,400)</u>	<u>(3,977,400)</u>
TOTAL TOWN CONTRIBUTION	<u>\$ 1,478,203</u>	<u>\$ 1,528,127</u>	<u>\$ 758,708</u>	<u>\$ 739,512</u>

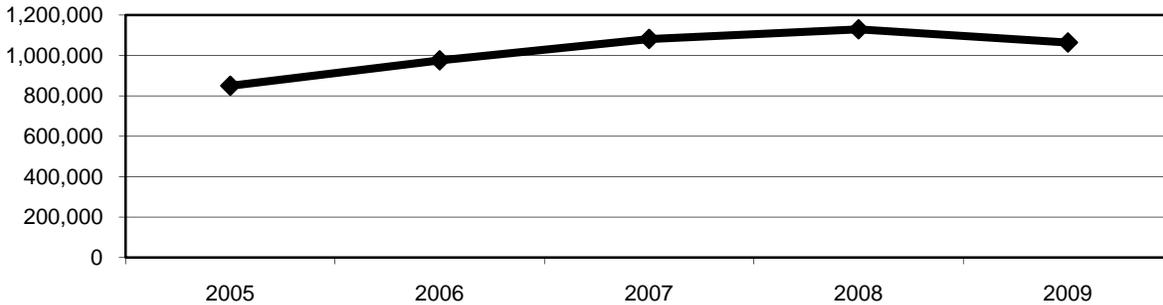
Parking Revenue Fiscal Year 2006-2009

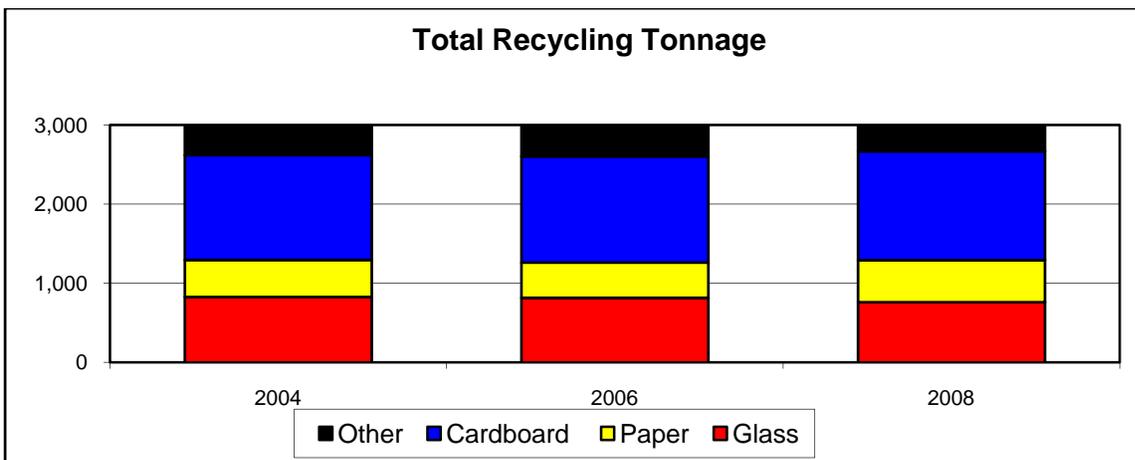
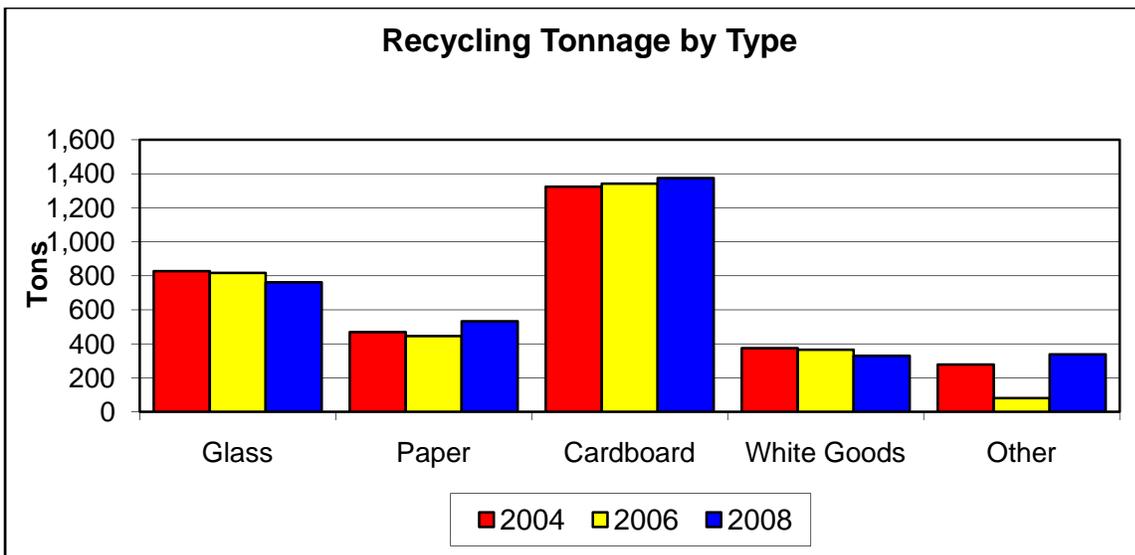
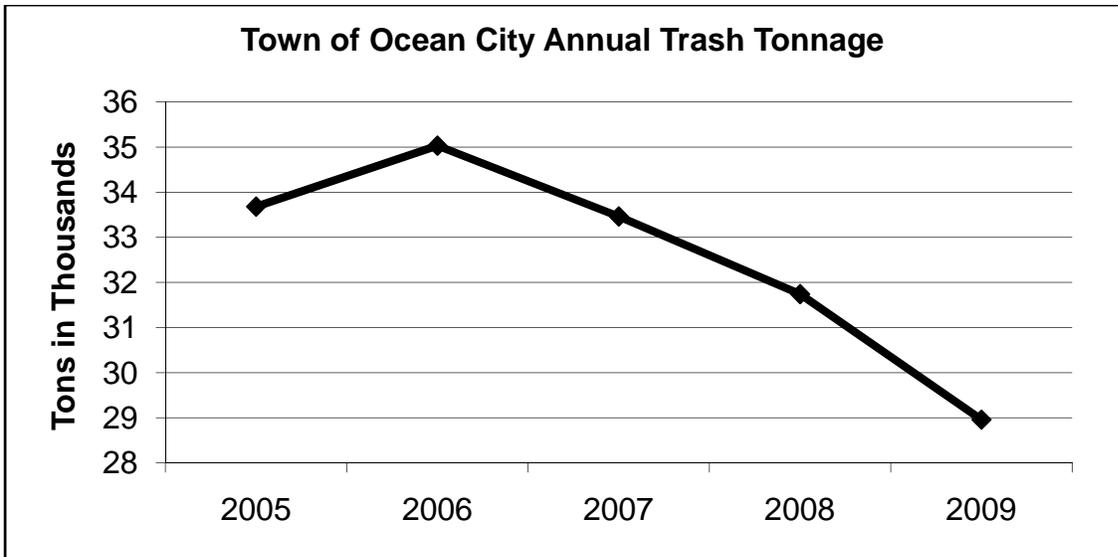


Inlet Lot Revenue FY 2005-2009



All Other Parking Revenue FY 2005-2009





**TOWN OF OCEAN CITY
FISCAL YEAR 2011 BUDGET**

SOLID WASTE, TRANSFER STATION AND RECYCLING DIVISIONS

BUDGET HIGHLIGHTS:

REVENUE CHANGES:

Revenue from recycling sales has been reduced to reflect only revenue collected from the sale of white goods as the Town will no longer maintain its Recycling program. Recycling containers previously sold to citizens will be repurchased by the Town at a reduced rate and then resold. It is anticipated that \$25,000 will be collected from this effort. Solid Waste collection fees charged to establishments requiring trash collection more than five times per week are expected to remain constant. In FY 10, the bulk collection fee was increased from \$10 to \$15 for the pickup of one to three items.

PERSONNEL CHANGES:

No cost of living increases and no annual increments have been budgeted in FY 11. Three positions were eliminated at the Transfer Station in FY 10 as the Town contracted with East Coast Resources to haul our trash to a landfill in Pennsylvania where it will be converted to energy. All full-time positions in the Recycling division have been eliminated in FY 11 as the recyclables will be added to the East Coast Resources contract. Full-time employees in the Recycling division will continue to work through September and will replace part-time employees usually hired for the summer season. Overtime costs have also been reduced in this division. Increases in health insurance premiums have been offset by the position vacancies. Unemployment has been budgeted at \$84,000 for the Recycling division.

CHANGES IN OPERATIONS:

Tipping fees are no longer budgeted due to our contract with East Coast Resources. The increase in contract costs is due to the additional 3,200 tons of previously recycled materials. The contract with East Coast Resources has been budgeted at \$1,642,545. Decreases in the Supplies and Materials line item is due to the elimination of the Recycling division. \$75,000 has been included to repurchase recycling containers previously sold to citizens. In prior years, the purchase of recycling containers for resale to the public were budgeted in this line item. Energy costs are expected to decrease in FY 11. \$17,000 of the decrease is due to the elimination of the Recycling program. Vehicle Supplies and Repair is the second major expense in this division. Even with the elimination of the Recycling division, fuel costs are expected to increase nearly \$20,000 in FY 11. Vehicle parts and labor are expected to increase nearly \$20,000 as well. Intragovernmental expenses include a significant decrease in Vehicle lease. One front-end truck and two automated collection trucks have been included in the Vehicle Trust Fund. Anticipated sale of transfer trailers and other equipment have been included in the Vehicle Trust Fund and offset the cost of one automated collection truck.

SUMMARY COMMENTS:

In FY 10, approximately \$600,000 in savings were realized from contracting with East Coast Resources. In FY 11, the elimination of the Recycling division saved over \$800,000.

TOWN OF OCEAN CITY
FISCAL YEAR 2011 BUDGET
GENERAL FUND EXPENDITURES
SOLID WASTE, TRANSFER STATION AND RECYCLING DIVISION

EXPENDITURES	ACTUAL 2009	REVISED 2010	CITY MANAGER PROPOSED 2011	COUNCIL ADOPTED 2011
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 2,322,444	\$ 2,249,668	\$ 1,520,383	\$ 1,552,896
EMPLOYEE BENEFITS	<u>1,137,287</u>	<u>1,204,489</u>	<u>1,118,362</u>	<u>1,103,379</u>
	3,459,731	3,454,157	2,638,745	2,656,275
OPERATING EXPENSES:				
CONTRACTED SERVICES	1,453,820	1,656,828	1,694,574	1,694,574
SUPPLIES & MATERIALS	190,677	185,709	137,155	132,155
ENERGY	83,098	87,000	64,791	64,791
VEHICLE SUPPLIES & REPAIR	1,075,010	895,619	935,647	935,647
INTRAGOVERNMENTAL	<u>518,311</u>	<u>454,820</u>	<u>269,886</u>	<u>269,886</u>
	3,320,916	3,279,976	3,102,053	3,097,053
OTHER FINANCIAL USES:				
DEBT SERVICE	0	0	0	0
TRANSFER OUT	0	0	0	0
CAPITAL OUTLAY	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	0	0	0	0
TOTAL EXPENDITURES	<u>\$ 6,780,647</u>	<u>\$ 6,734,133</u>	<u>\$ 5,740,798</u>	<u>\$ 5,753,328</u>
LESS REVENUE GENERATED BY DIVISION				
SALES - RECYCLING	(245,089)	(126,214)	0	(30,000)
SALES - CONTAINERS	(88,183)	(71,900)	(38,900)	(38,900)
SOLID WASTE COLLECTION	(72,962)	(60,000)	(60,000)	(60,000)
BULK PICK UP FEE	<u>(24,301)</u>	<u>(35,000)</u>	<u>(30,000)</u>	<u>(30,000)</u>
	(430,535)	(293,114)	(128,900)	(158,900)
TOTAL TOWN CONTRIBUTION	<u>\$ 6,350,112</u>	<u>\$ 6,441,019</u>	<u>\$ 5,611,898</u>	<u>\$ 5,594,428</u>

CULTURE AND RECREATION

RECREATION

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

PARKS

The division of Parks is a unit of the Department of Recreation and Parks with broad responsibilities for the maintenance and improvement of 24 parks and recreation facilities, public lands at 30 locations and many medians, rights of way and streetscapes. The Division of Parks also provides valuable support to Recreation, Beach Patrol, Special Events, and interdepartmental labor for many important capital projects such as streetscaping and Sunset Park. The Division is located in the Parks headquarters at Northside Park and is organized into work crews assigned to geographical zones of responsibility, landscaping and special projects.

BEACH PATROL

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

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

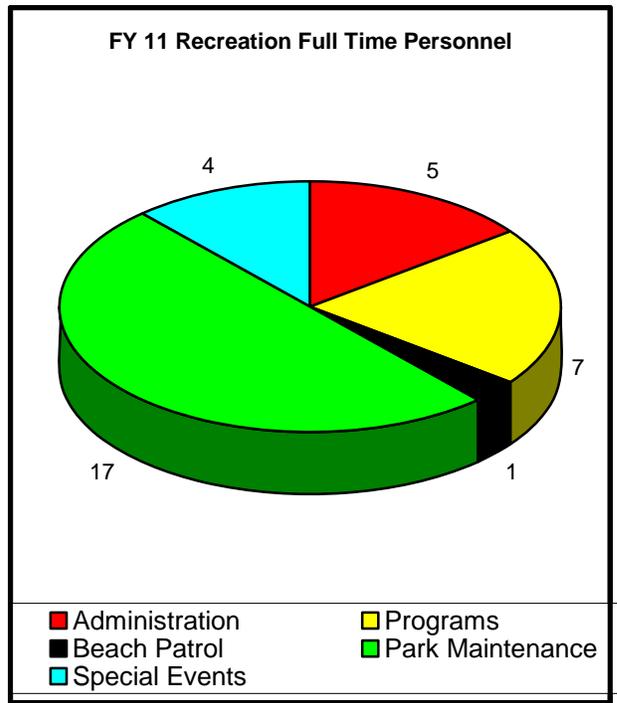
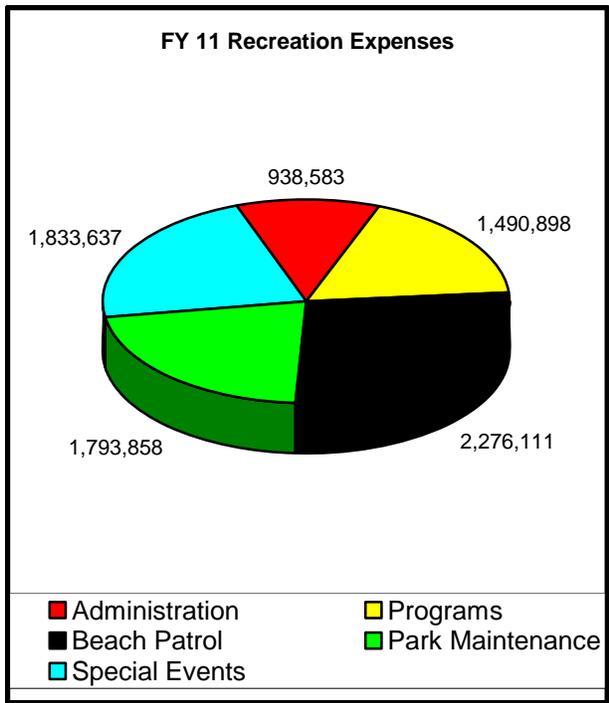
The Beach Patrol provides Surf Rescue Technicians for the entire 10 miles of ocean beaches, seven days a week from the Saturday of Memorial Day weekend through the Sunday of Sunfest weekend (late September), which gives Ocean City one of the

BEACH PATROL (CONTINUED)

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

TOWN SPONSORED EVENTS AND FESTIVALS

The Special Events division, a unit of the Department of Recreation and Parks, has responsibility to plan, coordinate, and execute festivals and special events for the Town, including Springfest, Art’s Alive, Sundaes in the Park, Fourth of July Fireworks on the Beach, Jamboree in the Park, Concerts on the Beach, Sunfest, OC Fly-In, Seaside 10, and the Winterfest of Lights. The division is also responsible for the oversight and administration of private events conducted on town property. High profile events are designed to promote economic development in Ocean City by attracting tourism to the community that produces additional net revenues for businesses, individuals, and the local government. Several events are designed to provide seasonal recreational services for the community.



**TOWN OF OCEAN CITY
FISCAL YEAR 2011 BUDGET**

RECREATION DIVISION

BUDGET HIGHLIGHTS:

REVENUE CHANGES:

No Open Space funds are expected in FY 11. All revenue in this division is expected to increase. Program revenue increases over \$20,000 and includes \$6,300 in fees paid by the Carousel and the Princess Royale for movies on the beach in front of their hotels. These fees will be a reimbursement of the Town's cost to show the movies. Advertising revenue has been reduced to reflect the amount actually collected.

PERSONNEL CHANGES:

Although part-time salaries in the Program division increase slightly, the increase is offset by the elimination of a full-time Office Associate position. No cost of living adjustment and no annual increments have been included. Health insurance and Unemployment increases are partially offset by decreases in the estimate for worker's compensation.

CHANGES IN OPERATIONS:

Contracted Services include payments to Sports camp directors, building maintenance, equipment maintenance and equipment rental. New program offerings include a fishing camp, floor hockey and an adult kickball league. Three windows to replace leaking ones in the Community room at Northside Park have been included at a cost of \$10,015. 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 Programs increase slightly. Included are replacement scoreboards for the east gym and additional supplies for the new program offerings. Energy costs are based on actual usage for the past twelve months and are expected to increase in FY 11. Vehicle fuel increases, but is offset by decreases in vehicle maintenance. Intragovernmental expenses decreased from FY 09 to FY 10 because the lease on the telephone equipment was paid off. In FY 11, this line item decreases again as the allocation for Information Technology decreases. No capital outlay has been budgeted in FY 11.

SUMMARY COMMENTS:

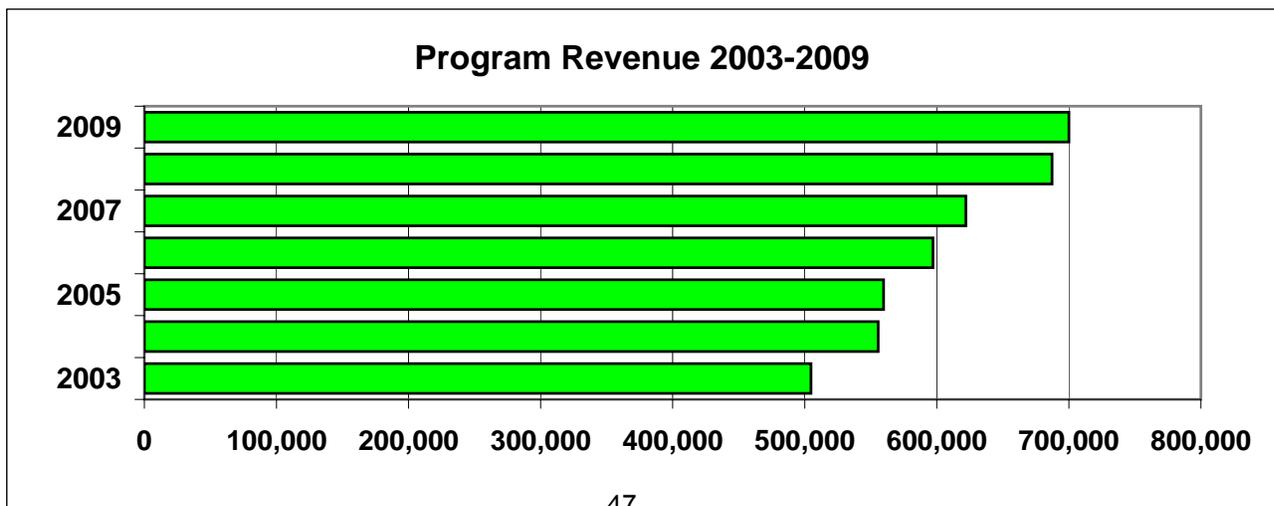
Programs in the expanded space provided by the addition at Northside Park continue to increase in number of participants. Program revenue is at a consistent level. New programs and camps are creatively added each fiscal year to maximize the potential of this facility.

MAJOR 2010-2011 PROGRAM OBJECTIVES:

To concentrate on the improvement and expansion of existing programs and to phase into new offerings. To concentrate on maintenance of the oldest part of the building at Northside Park. To continue to make improvements at the tennis center and skateboard facility in order to increase revenue from these locations. To maintain an exceptional level of recreational and community service for the residents and guests of Ocean City.

TOWN OF OCEAN CITY
FISCAL YEAR 2011 BUDGET
GENERAL FUND EXPENDITURES
RECREATION DIVISION

EXPENDITURES	ACTUAL 2009	REVISED 2010	CITY MANAGER PROPOSED 2011	COUNCIL ADOPTED 2011
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 1,215,491	\$ 1,218,735	\$ 1,225,233	\$ 1,188,459
EMPLOYEE BENEFITS	389,360	427,304	458,055	430,430
	<u>1,604,851</u>	<u>1,646,039</u>	<u>1,683,288</u>	<u>1,618,889</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	414,674	430,534	430,399	430,399
SUPPLIES & MATERIALS	181,122	183,898	185,514	185,514
ENERGY	103,003	85,500	93,649	93,649
VEHICLE SUPPLIES & REPAIR	5,747	11,107	9,603	9,603
INTRAGOVERNMENTAL	164,027	118,714	91,427	91,427
	<u>868,573</u>	<u>829,753</u>	<u>810,592</u>	<u>810,592</u>
OTHER FINANCIAL USES:				
DEBT SERVICE	0	0	0	0
TRANSFER OUT	0	0	0	0
CAPITAL OUTLAY	4,550	17,448	0	0
	<u>4,550</u>	<u>17,448</u>	<u>0</u>	<u>0</u>
TOTAL EXPENDITURES	\$ <u>2,477,974</u>	\$ <u>2,493,240</u>	\$ <u>2,493,880</u>	\$ <u>2,429,481</u>
LESS REVENUE GENERATED BY DIVISION				
STATE GRANT - OPEN SPACE	(23,648)	(10,000)	0	0
COUNTY-RECREATION GRANT	(100,000)	(90,000)	(90,000)	(90,000)
PROGRAM REVENUE	(700,073)	(678,841)	(700,741)	(700,741)
PERMIT FEES	(14,708)	(14,000)	(16,000)	(16,000)
ADMISSIONS/RENTAL	(80,180)	(63,000)	(66,500)	(66,500)
CONCESSION REVENUE	(53,073)	(57,200)	(64,500)	(64,500)
ADVERTISING REVENUE	(2,700)	(6,100)	(2,700)	(2,700)
MEALS - SENIOR CITIZENS	(8,595)	(8,800)	(8,800)	(8,800)
MISCELLANEOUS	(16)	(75)	(75)	(75)
	<u>(982,993)</u>	<u>(928,016)</u>	<u>(949,316)</u>	<u>(949,316)</u>
TOTAL TOWN CONTRIBUTION	\$ <u>1,494,981</u>	\$ <u>1,565,224</u>	\$ <u>1,544,564</u>	\$ <u>1,480,165</u>



TOWN OF OCEAN CITY
FISCAL YEAR 2011 BUDGET

PARKS DIVISION

BUDGET HIGHLIGHTS:

REVENUE CHANGES:

A Community Parks and Playgrounds grant was shown in FY 10. This was a reimbursement for North Surf Park expenses. No Community Parks and Playgrounds funds were received in FY 09 and none are anticipated in FY 11.

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. No cost of living and no annual increments have been included in the FY 11 budget. FY 09 actual reflects deductions for labor charged to the Town festivals. FY 10 reflects deductions for Sunfest but not Winterfest or Springfest. FY 11 has not been adjusted for festival labor. Once these costs have been determined in FY 11, wages will be reduced in this department and transferred to the festivals. Health insurance increases are offset by reductions in worker's compensation and Unemployment and by savings from vacant positions.

CHANGES IN OPERATIONS:

Contracted Services in this division include maintenance for the parks and landscaping throughout the Town. Training costs for this division decrease \$7,835. Walkway and drainage repairs at Northside Park have been included at \$10,000. Mowing of city-owned median strips will be contracted and is included at \$19,250. Repair of three of six damaged tennis courts has been budgeted at \$15,000. All other items cover routine maintenance. Normal maintenance and supply costs have been budgeted for FY 11. Supplies include athletic field supplies, landscaping supplies, and general maintenance supplies. In FY 09, \$35,000 was included for landscape median renovations from 74th to 85th street. Replacement equipment included at \$27,500 in FY 09 was reduced to \$3,510 in FY 10. In FY 11, three replacement self-propelled 21" mowers and a 72" replacement riding mower have been included at a cost of \$12,415. Special Appropriations in FY 10 include recognition of funds donated to the Beautification Committee for the "Tree of Life" fund-raising campaign. FY 2011 reflects the budget for the Beautification Committee alone. Their requests were reduced \$2,000. Vehicle Fuel and Repairs are anticipated to increase. Vehicle Lease expense and the insurance allocation for this division increase. Capital outlay in FY 10 included \$80,000 for North Surf Park, offset with the Community Parks grant, and \$28,000 for paving at Northside Park. No capital outlay has been included in FY 11.

SUMMARY COMMENTS:

The Division of Parks provides safe and enjoyable parks for residents and visitors, and the aesthetic value and beauty of public lands that enhance the economic value of the community.

MAJOR 2010-2011 PROGRAM OBJECTIVES:

In the coming fiscal year, the department will again focus on routine maintenance items such as playground maintenance and Northside Park walkway and drainage repair. The department will continue to support the Beautification Committee in their efforts.

TOWN OF OCEAN CITY
FISCAL YEAR 2011 BUDGET
GENERAL FUND EXPENDITURES
PARKS DIVISION

EXPENDITURES	ACTUAL 2009	REVISED 2010	CITY MANAGER PROPOSED 2011	COUNCIL ADOPTED 2011
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 807,316	\$ 938,441	\$ 883,704	\$ 883,704
EMPLOYEE BENEFITS	389,248	460,624	459,369	448,701
	<u>1,196,564</u>	<u>1,399,065</u>	<u>1,343,073</u>	<u>1,332,405</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	52,258	54,599	93,391	93,391
SUPPLIES & MATERIALS	182,605	184,970	163,344	163,344
SPECIAL APPROPRIATIONS	9,086	69,585	8,600	8,600
ENERGY	24,190	24,000	22,472	22,472
VEHICLE SUPPLIES & REPAIR	89,915	94,956	103,996	103,996
INTRAGOVERNMENTAL	55,791	53,747	69,650	69,650
	<u>413,845</u>	<u>481,857</u>	<u>461,453</u>	<u>461,453</u>
OTHER FINANCIAL USES:				
DEBT SERVICE	0	0	0	0
TRANSFER OUT	0	0	0	0
CAPITAL OUTLAY	17,550	108,228	0	0
	<u>17,550</u>	<u>108,228</u>	<u>0</u>	<u>0</u>
TOTAL EXPENDITURES	<u>\$ 1,627,959</u>	<u>\$ 1,989,150</u>	<u>\$ 1,804,526</u>	<u>\$ 1,793,858</u>
 TOTAL TOWN CONTRIBUTION	 <u>\$ 1,627,959</u>	 <u>\$ 1,989,150</u>	 <u>\$ 1,804,526</u>	 <u>\$ 1,793,858</u>
 LESS REVENUE GENERATED BY DIVISION				
COMMUNITY PARKS GRANT	<u>0</u>	<u>(80,000)</u>	<u>0</u>	<u>0</u>
 TOTAL TOWN CONTRIBUTION	 <u>\$ 1,627,959</u>	 <u>\$ 1,909,150</u>	 <u>\$ 1,804,526</u>	 <u>\$ 1,793,858</u>

TOWN OF OCEAN CITY
FISCAL YEAR 2011 BUDGET

BEACH PATROL DIVISION

BUDGET HIGHLIGHTS:

REVENUE CHANGES:

Beach Stand revenue increased slightly. Panama Jack continues to provide sun protection products to our employees as well as sponsorship of our Beach Safety Seminar program. Participation in our Junior Beach Patrol Program is expected to increase slightly this year and generate \$20,792 from program registration and uniform sales.

PERSONNEL CHANGES:

Hours budgeted for SRT I's have increased for FY 11, resulting in the increase in the Salary & Wages line item. In prior years, a bonus was given to all employees who fulfilled a length of employment agreement. This bonus was deleted in FY 10 at a savings of \$33,758. A full-time year-round lieutenant position has been included since FY 07. An allowance has been included for additional coverage if surf conditions are severe. The allocation for worker's compensation expense decreases for this division.

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. Building Maintenance, Communications, and Advertising costs were reduced in FY 11. Operational Supplies were reduced in FY 11, but still include three replacement ATVs and a rescue watercraft at a cost of \$25,000. Replacement equipment including first aid supplies, rescue boards and materials to replace beach patrol stands have also been included. Uniforms are included at a cost of \$25,155. Vehicle fuel increases will be mostly offset by decreases in vehicle maintenance. Increases in Vehicle Lease are partially offset by decreases in IT Services and result in the increase in Intragovernmental expenses. No capital outlay has been budgeted.

SUMMARY COMMENTS:

Beach Patrol employees are often the visitor's primary contact with the Town. Over the past several seasons the number of opportunities for outreach activities, and the total number of people positively impacted by the Beach Patrol, has increased significantly. As a result of this increased exposure, the Town has been featured in the media in a positive role. The maintenance of a safe beach and an enjoyable vacation environment requires a commitment to recruiting, testing, training, equipping, and supplying facilities and investing in personnel for this labor intensive division.

TOWN OF OCEAN CITY
FISCAL YEAR 2011 BUDGET
GENERAL FUND EXPENDITURES
BEACH PATROL DIVISION

EXPENDITURES	ACTUAL 2009	REVISED 2010	CITY MANAGER PROPOSED 2011	COUNCIL ADOPTED 2011
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 1,934,217	\$ 1,819,169	\$ 1,872,333	\$ 1,872,333
EMPLOYEE BENEFITS	197,402	194,826	181,463	181,220
	<u>2,131,619</u>	<u>2,013,995</u>	<u>2,053,796</u>	<u>2,053,553</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	56,021	67,001	52,395	52,395
SUPPLIES & MATERIALS	89,006	98,987	92,025	92,025
ENERGY	8,357	8,000	6,945	6,945
VEHICLE SUPPLIES & REPAIR	36,099	29,996	30,080	30,080
INTRAGOVERNMENTAL	55,431	37,780	41,113	41,113
	<u>244,914</u>	<u>241,764</u>	<u>222,558</u>	<u>222,558</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>2,376,533</u>	\$ <u>2,255,759</u>	\$ <u>2,276,354</u>	\$ <u>2,276,111</u>
LESS REVENUE GENERATED BY DIVISION				
BEACH PATROL MISC	(17,107)	(17,496)	(20,792)	(20,792)
SPONSORSHIPS	(14,500)	(12,500)	(12,500)	(12,500)
FRANCHISE FEES-BEACH STAND	(621,865)	(611,567)	(615,667)	(615,667)
	<u>(653,472)</u>	<u>(641,563)</u>	<u>(648,959)</u>	<u>(648,959)</u>
TOTAL TOWN CONTRIBUTION	\$ <u><u>1,723,061</u></u>	\$ <u><u>1,614,196</u></u>	\$ <u><u>1,627,395</u></u>	\$ <u><u>1,627,152</u></u>

**TOWN OF OCEAN CITY
FISCAL YEAR 2011 BUDGET**

TOWN SPONSORED EVENTS AND FESTIVALS

BUDGET HIGHLIGHTS:

REVENUE CHANGES:

Springfest and Special Event revenue for this division are expected to increase in FY 11. Special Event revenue in FY 09 reflects revenue from the concert series of the summer of FY 08. Rates for the Arts and Crafts vendors for both Springfest and Sunfest were increased from \$615 to \$630 in FY 09. Winterfest adult admission will remain at \$4.00 and revenue for Winterfest and Sunfest is expected to remain the same as FY 10. Corporate Sponsorships include funds received from Pepsi and Esskay.

PERSONNEL CHANGES:

In FY 10, the Private Events coordinator was converted from a full-time position to a part-time position and the Marketing Manager retired, reducing the full-time staff from six to four positions. Salary expenses in the FY 09 actual column include costs for Sunfest, Winterfest and Springfest. FY 10 reflects Sunfest labor costs, but does not reflect the final actual total for labor costs. All festival interdepartmental labor has been budgeted in the department's home account for better supervisory accountability. Costs will continue to be tracked by festival and included in the amended budget. No cost of living adjustments and no annual increments have been included. Employee benefits includes an increase in health insurance that is partially offset by a decrease in worker's compensation.

CHANGES IN OPERATIONS:

Contracted Services decrease from the actual FY 09 budget, however, the FY 09 budget includes costs associated with the Charlie Daniels, Beach Boys and KC and the Sunshine Band concerts held the summer of FY 09. Entertainment expenses for the Town's festivals continue to be the major expenditure for festivals. \$302,500 has been budgeted for entertainment costs for all events and festivals in FY 2011. Entertainment in Sunset Park has been included at \$3,500. In addition, no entertainment has been budgeted for Winterfest. 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 for \$25,000 in the Contracted Services line item. Winterfest tents have once again been included. Advertising costs have been reduced \$3,000. Supplies and Materials increase, as Winterfest operational supplies are \$9,615 higher than the FY 10 revised budget. This line item includes all operational supplies for festivals and special events as well as the items purchased for resale at the festivals. Special Appropriations included a City contribution of \$3,500 to the Maryland International Kite Exposition in FY 09. Energy costs for the festivals is expected to increase. Vehicle costs reflect the anticipated increase in vehicle fuel. Replacement picnic tables have been included in capital outlay.

SUMMARY COMMENTS:

Special Events require City-wide efforts to bring City-wide benefits. The Special Events Division strives to create festivals and events that are professionally managed resulting in inviting and entertaining experiences for visitors and residents alike.

MAJOR 2010-2011 PROGRAM OBJECTIVES:

The major program objective for the Special Events Division is to continue to offer well planned, first-rate festivals which will continue to attract visitors to Ocean City year-round and to entice them to return again and again.

TOWN OF OCEAN CITY
FISCAL YEAR 2011 BUDGET
GENERAL FUND EXPENDITURES
TOWN SPONSORED EVENTS AND FESTIVALS

EXPENDITURES	ACTUAL 2009	REVISED 2010	CITY MANAGER PROPOSED 2011	COUNCIL ADOPTED 2011
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 714,001	\$ 469,601	\$ 431,390	\$ 376,113
EMPLOYEE BENEFITS	202,936	158,383	155,631	134,920
	<u>916,937</u>	<u>627,984</u>	<u>587,021</u>	<u>511,033</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	1,265,364	1,029,448	1,028,970	1,028,970
SUPPLIES & MATERIALS	256,615	206,320	214,575	214,575
SPECIAL APPROPRIATIONS	3,500	0	0	0
ENERGY	59,224	47,739	52,288	52,288
VEHICLE SUPPLIES & REPAIR	5,516	4,268	5,800	5,800
INTRAGOVERNMENTAL	17,733	19,094	18,571	18,571
	<u>1,607,952</u>	<u>1,306,869</u>	<u>1,320,204</u>	<u>1,320,204</u>
OTHER FINANCIAL USES:				
DEBT SERVICE	0	0	0	0
TRANSFER OUT	0	0	0	0
CAPITAL OUTLAY	0	0	2,400	2,400
	<u>0</u>	<u>0</u>	<u>2,400</u>	<u>2,400</u>
TOTAL EXPENDITURES	\$ <u>2,524,889</u>	\$ <u>1,934,853</u>	\$ <u>1,909,625</u>	\$ <u>1,833,637</u>
LESS REVENUE GENERATED BY DIVISION				
SUNFEST REVENUE	(417,407)	(440,058)	(420,000)	(420,000)
SPRINGFEST REVENUE	(394,786)	(362,470)	(371,000)	(371,000)
WINTERFEST REVENUE	(334,035)	(371,000)	(370,000)	(370,000)
SPECIAL EVENT REVENUE	(298,700)	(75,000)	(85,000)	(85,000)
CORPORATE SPONSORSHIP	(75,500)	(67,500)	(67,500)	(67,500)
	<u>(1,520,428)</u>	<u>(1,316,028)</u>	<u>(1,313,500)</u>	<u>(1,313,500)</u>
TOTAL TOWN CONTRIBUTION	\$ <u>1,004,461</u>	\$ <u>618,825</u>	\$ <u>596,125</u>	\$ <u>520,137</u>

FY 2009 Summary of Town Sponsored Festivals

	Sunfest	Springfest	Winterfest
Revenues	417,407	394,786	334,035
Expenditures	458,213	414,157	640,813
Town Contribution	(40,806)	(19,371)	(306,778)

**TOWN OF OCEAN CITY
FISCAL YEAR 2011 BUDGET**

TOURISM PROMOTIONS & LIFESAVING MUSEUM

BUDGET HIGHLIGHTS:

REVENUE CHANGES:

The State Tourism grant has not been included as the amount of this grant is uncertain. \$187,500 was received in FY 09. Any FY 11 grants will be added to the budget if and when received. Ad sales and mailing fees were deleted from the FY 10 budget as the Ocean City Chamber of Commerce assumed publication of the Sea For Yourself Visitor's Guide. A portion of Room Tax has been dedicated to funding the Town advertising budget.

PERSONNEL CHANGES:

A full-time Visitors Relations Representative position was eliminated in FY 10 and a part-time mailroom clerk position was also eliminated. In FY 11, the Assistant Convention Center Director was reassigned as the Tourism Director and transferred to this division. In addition, the Mailroom Coordinator and the Office Associate positions have been eliminated. The Group Sales Manager position was combined with the Convention Sales Manager position and transferred to the Convention Center budget. The Public Relations Director was transferred to the City Manager's department. An Office Associate position has been eliminated in the Museum division as well. Hours for the Visitors Center have been reduced and hourly wages for Museum part-time employees were reduced, resulting in additional savings in part-time salaries. The Boardwalk Cottage information center is no longer operated by the Town. No cost of living adjustment and no annual increments have been included. Reductions in Employee benefits result from the number of eliminated or transferred positions.

CHANGES IN OPERATIONS:

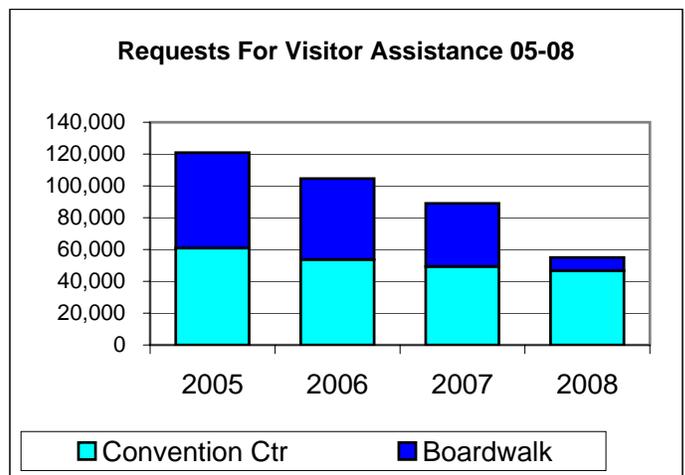
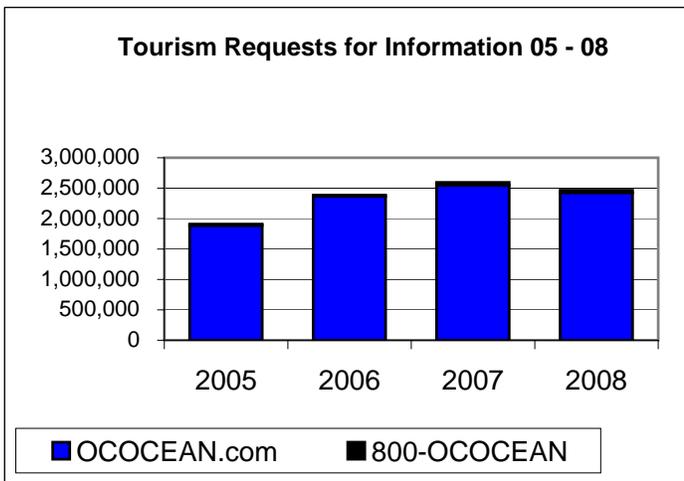
Advertising is the main expense in the Contracted Services line item. \$4,479,762 has been budgeted for advertising in FY 11. The FY 10 adopted budget for advertising totaled \$3,952,617. The FY 10 advertising budget was increased \$2,857 in Budget Amendment # 1 in conjunction with an increase in the estimated Room Tax. The funding formula outlined in the FY 08 ordinance has been followed for FY 11. 1.8% of the estimated gross room receipts has been budgeted for the first six months of FY 11 and 1.9% of the estimated gross room receipts has been budgeted for the second six months of FY 11. Building maintenance at the Museum is also included in this line item. Included in FY 09 was replacement of the exterior siding of the Museum at a cost of \$260,000, and structural repairs to the watch tower at the end of the boardwalk at a cost of \$100,000. Museum building maintenance has been budgeted at \$16,920 in FY 11. Printing and mailing costs for the Town's newsletter have been transferred to the City Clerk's budget. Printing costs for the Sea For Yourself Visitor's Guide were eliminated in FY 10, resulting in savings of \$135,000. \$35,000 has been included for the printing and postage for a Destination Brochure. Intragovernmental expenses decrease due to a decrease in the IT Services allocation. No capital outlay has been requested.

MAJOR 2010-2011 PROGRAM OBJECTIVES:

Working with the Town's advertising agency to make the most of the Town's advertising dollars will be the major objective, made even more imperative in the current economic conditions.

TOWN OF OCEAN CITY
FISCAL YEAR 2011 BUDGET
GENERAL FUND EXPENDITURES
TOURISM PROMOTIONS AND LIFESAVING MUSEUM

EXPENDITURES	ACTUAL 2009	REVISED 2010	CITY MANAGER PROPOSED 2011	COUNCIL ADOPTED 2011
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 506,979	\$ 491,153	\$ 290,506	\$ 290,506
EMPLOYEE BENEFITS	221,432	221,534	173,368	170,282
	<u>728,411</u>	<u>712,687</u>	<u>463,874</u>	<u>460,788</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	3,678,680	4,136,303	4,593,960	4,593,960
SUPPLIES & MATERIALS	83,865	92,821	31,797	31,797
ENERGY	20,310	18,000	18,000	18,000
VEHICLE SUPPLIES & REPAIR	1,338	1,900	1,735	1,735
INTRAGOVERNMENTAL	35,750	32,095	26,944	26,944
	<u>3,819,943</u>	<u>4,281,119</u>	<u>4,672,436</u>	<u>4,672,436</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	\$ 4,548,354	\$ 4,993,806	\$ 5,136,310	\$ 5,133,224
LESS REVENUE GENERATED BY DIVISION				
ROOM TAX	(3,594,231)	(3,955,474)	(4,479,762)	(4,479,762)
AD SALES	(113,840)	0	0	0
STATE - TOURISM GRANT	(187,500)	0	0	0
COUNTY-TOURISM GRANT	(300,000)	(270,000)	(270,000)	(270,000)
MAILING FEES	(24,986)	0	0	0
SALES/OTHER MISC.	(410)	0	0	0
	<u>(4,220,967)</u>	<u>(4,225,474)</u>	<u>(4,749,762)</u>	<u>(4,749,762)</u>
TOTAL TOWN CONTRIBUTION	\$ 327,387	\$ 768,332	\$ 386,548	\$ 383,462



**TOWN OF OCEAN CITY
FISCAL YEAR 2011 BUDGET
MISCELLANEOUS DIVISION**

ACTIVITIES:

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

BUDGET HIGHLIGHTS:

	<u>Amount Requested</u>	<u>Council Adopted</u>
Special Appropriations includes requested grants to:		
OC Drug and Alcohol Abuse Prevention/Play It Safe	\$ 7,500	\$ 7,500
Diakonia	30,000	25,000
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	10,000	10,000
Assistance to Foreign Students	<u>0</u>	<u>0</u>
Total	\$ 78,750	\$ 67,750
Interfund Transfers:		
Town events at Convention Center	\$ 12,000	\$ 12,000
Rent of Airport Land (Lion's Club)	3,600	3,600
Debt Service includes principal and interest for:		
Recreation Facilities		110,632
Burke – 111 Dorchester Street		395,625
Walker – Somerset Street		11,250
DNR Loans		45,755
2001 Municipal Bonds		332,055
2004 Refunding Bonds		1,254,747
2005 Municipal Purpose Bonds		683,124
2006 Airport G.O. Bond		309,509
2007 Municipal Refunding Bonds		1,250,230
2009 Municipal Refunding Bonds		<u>134,854</u>
Total		\$ 4,527,781
Transfers to Other Funds consists of the following:		
Operating Transfers:		
Transportation		\$ 1,952,210
Airport		390,711
Convention Center		1,559,901

TOWN OF OCEAN CITY
 FISCAL YEAR 2011 BUDGET
 GENERAL FUND EXPENDITURES
 MISCELLANEOUS DIVISION

EXPENDITURES	ACTUAL 2009	REVISED 2010	CITY MANAGER PROPOSED 2011	COUNCIL ADOPTED 2011
OPERATING EXPENSES:				
SPECIAL APPROPRIATIONS	\$ 244,783	\$ 210,850	\$ 85,850	\$ 83,350
DEBT SERVICE - PRINCIPAL	2,164,179	2,639,878	3,291,907	3,291,907
INTEREST EXPENSE	1,316,134	1,231,488	1,235,874	1,235,874
TRANSFER TO TRANSPORTATION	2,901,115	2,507,838	2,481,806	1,952,210
TRANSFER TO AIRPORT	254,229	295,623	392,218	390,711
TRANSFER TO GOLF COURSE	250,000	0	0	0
TRANSFER TO CONVENTION CENTER	1,740,022	1,574,161	1,570,299	1,559,901
TRANSFER TO VEHICLE TRUST	0	0	0	0
TRANSFER TO CAPITAL CONSTRUCTION	874,016	0	0	0
 TOTAL EXPENDITURES	 \$ 9,744,478	 \$ 8,459,838	 \$ 9,057,954	 \$ 8,513,953
 TOTAL TOWN CONTRIBUTION	 \$ 9,744,478	 \$ 8,459,838	 \$ 9,057,954	 \$ 8,513,953

ENTERPRISE FUNDS

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

WATER FUND

The Water Fund operates three water treatment plants that combined produce approximately 1.3 billion gallons of potable water annually. With 7 towers and 1 booster pump station, the fund delivers water to 7,096 metered connections through 150 miles of distribution lines. Additional connections to 825 fire hydrants are also provided utilizing the Supervisory Control and Data Acquisition System (SCADA). The system can be monitored and controlled from various locations. All treatment processes are monitored and necessary adjustments made, by licensed operators that meet and maintain both State and Federal standards.

WASTEWATER FUND

The Wastewater Department is responsible for maintaining over 150 miles of mains and 1 mile of Ocean Outfall. All treatment processes comply with Maryland Department of the Environment (MDE) and the Environmental Protection Agency (EPA) standards and are strictly monitored and maintained by Maryland certified operators and technicians. Primary and secondary sludge are both land applied and the secondary treated effluent is discharged approximately one mile offshore into the Atlantic Ocean. The Wastewater Treatment Plant is permitted for 14 million gallons per day (mgd).

TRANSPORTATION FUND

The Transportation fund operates the Municipal Bus System and Boardwalk Trams. Bus service is provided 24 hours a day, year round. The fare is set at “two-dollars-ride-all-day”. The ADA-Paratransit Bus service operates seven days a week, year-round from the hours of 7:00 am – 11:00 pm. The Boardwalk Trams operate from Springfest through Sunfest.

AIRPORT FUND

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

ENTERPRISE FUNDS (CONTINUED)

AIRPORT FUND (CONTINUED)

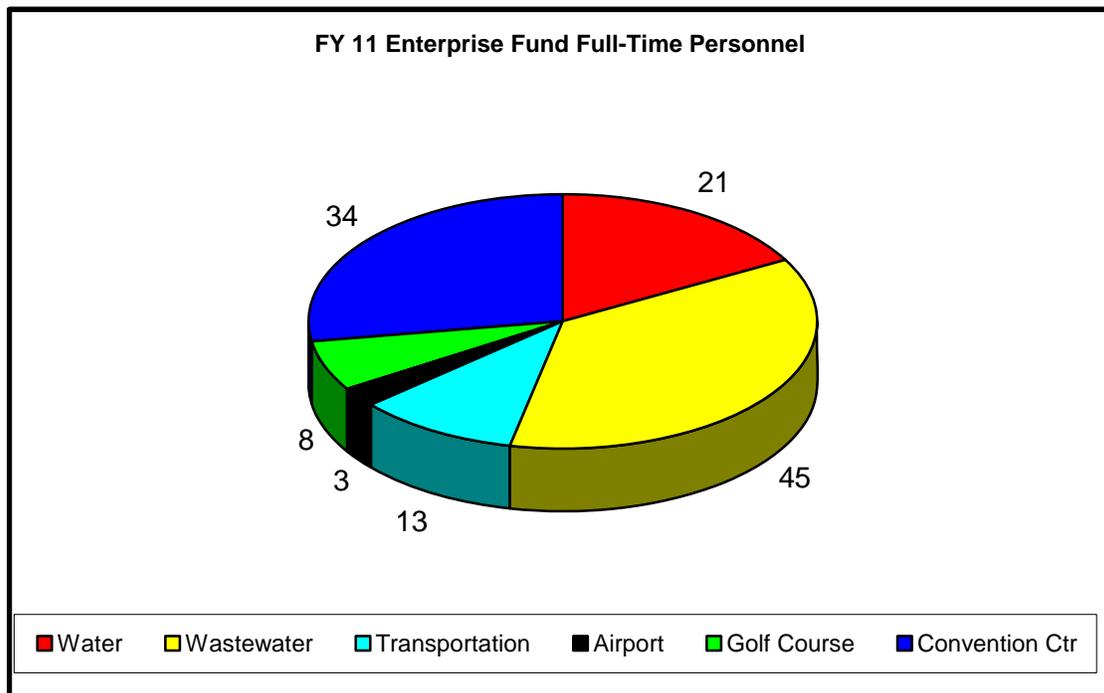
tourists, businesses, and government agencies quick and efficient access to Ocean City and Worcester County.

GOLF COURSE FUND

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

CONVENTION CENTER FUND

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



**TOWN OF OCEAN CITY
FISCAL YEAR 2011 BUDGET**

WATER FUND

BUDGET HIGHLIGHTS:

REVENUE CHANGES:

In accordance with ordinance 2010-7, the metered rate increased from \$2.70 to \$2.80 per 1,000 gallons, and the fixture rate decreased from \$2.90 to \$2.80 per equivalent fixture. Both of these changes have been included in the FY 11 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 \$83,160 to fund Water department capital projects. Interest is anticipated to decrease in FY 11. It is necessary to use \$66,305 of fund balance to offset expenses in FY 11.

PERSONNEL CHANGES:

Twenty-one full-time positions are included in the Water Fund. The Assistant Superintendent position was eliminated in FY 11 and the Administrative Office Associate position is being shared with Wastewater. One Meter Reader Technician position was eliminated in FY 10. No cost of living adjustments or annual increments have been included. Interdepartmental labor has been budgeted at \$236,500 for the use of Public Works' manpower. Deductions have been made from Public Works for like amounts. Employee benefit cost increases reflect increases in health insurance and unemployment. These increases are partially offset by decreases in FICA and retirement.

CHANGES IN OPERATIONS:

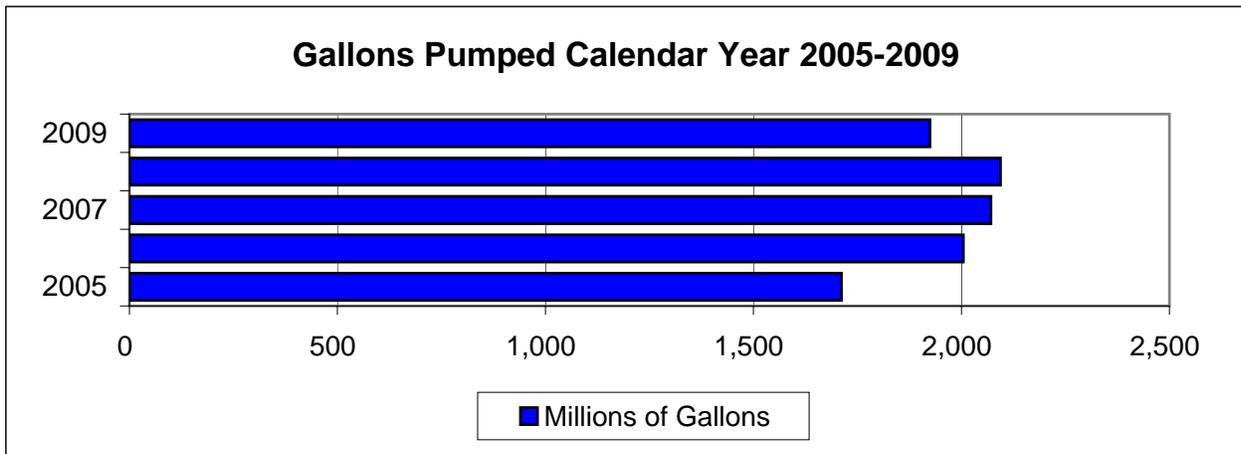
The Contracted Services line item includes professional services, building and equipment maintenance and contracted services. The main item included in this category is the painting and inspection services for the 100th Street water tower, which is budgeted at \$550,000. Another significant item is painting and renovations to the Gorman Treatment plant, which has been budgeted at \$450,000. Routine equipment maintenance, such as well maintenance, has also been included in this category and totals \$192,600. Supplies for the touch-read meter changeover have been included at \$220,000. Other items included in Supplies are the Water chemicals and Plant supplies budgeted at \$221,463. Supplies for repairs to water pipes, fire hydrants and valves is included at \$100,000. Energy costs are expected to decrease due to the recent energy bid. Vehicle fuel has been budgeted at the actual gallons used for the past twelve months and is anticipated to increase in cost per gallon. Intragovernmental expenses reflect an increase in the General Overhead allocation and decreases in IT and insurance. Transfer to capital projects includes \$150,000 for an update to the Water Master Plan and \$259,353 for Water Main upgrades.

MAJOR 2010-2011 PROGRAM OBJECTIVES:

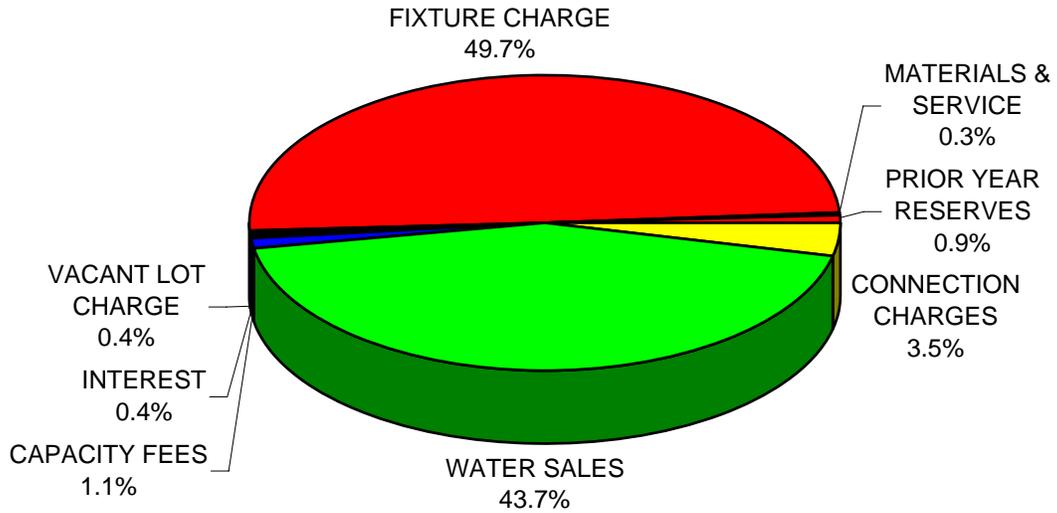
The major objective of the Water Fund is to maintain its current level of service while continuing to reevaluate the operation of the water system to increase efficiency wherever possible. This goal will be achieved by maintaining infrastructure through improvement and/or replacement, and through the constant monitoring of current raw water supply as well as the search for new sources of supply and development of new technology.

TOWN OF OCEAN CITY
FISCAL YEAR 2011 BUDGET
WATER FUND

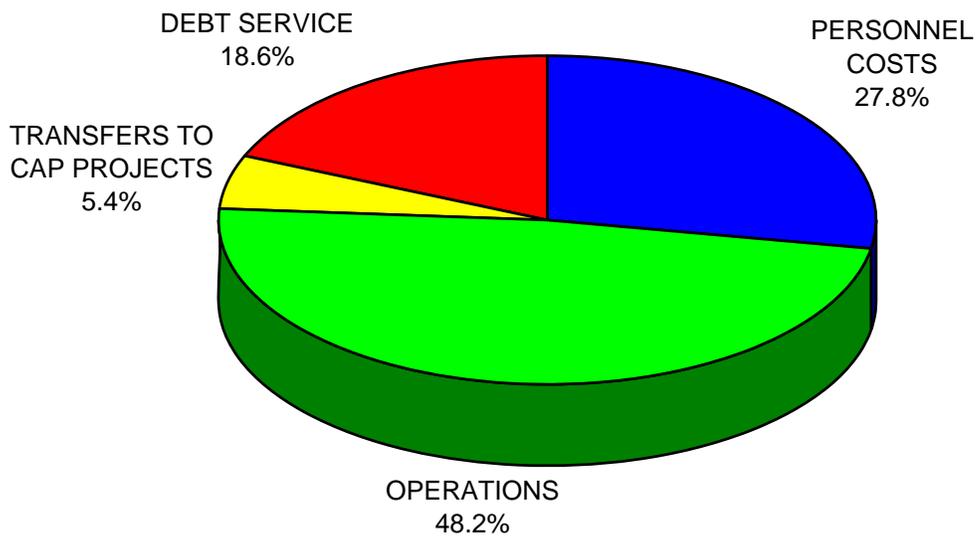
EXPENDITURES	ACTUAL 2009	REVISED 2010	CITY MANAGER PROPOSED 2011	COUNCIL ADOPTED 2011
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 1,446,460	\$ 1,414,665	\$ 1,356,576	\$ 1,356,576
EMPLOYEE BENEFITS	657,226	687,739	749,392	735,334
	<u>2,103,686</u>	<u>2,102,404</u>	<u>2,105,968</u>	<u>2,091,910</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	974,181	1,251,527	1,490,898	1,490,898
SUPPLIES & MATERIALS	679,509	731,911	717,541	717,541
ENERGY	467,478	507,150	429,436	429,436
VEHICLE SUPPLIES & REPAIR	127,989	140,999	150,450	150,450
INTRAGOVERNMENTAL	814,007	842,211	839,120	839,120
	<u>3,063,164</u>	<u>3,473,798</u>	<u>3,627,445</u>	<u>3,627,445</u>
OTHER FINANCIAL USES:				
DEBT SERVICE	1,370,919	1,396,915	1,397,153	1,397,153
TRANSFER TO RESERVES	0	0	0	0
TRANSFER TO CAP PROJECTS	1,156,284	331,202	409,353	409,353
CAPITAL OUTLAY	0	210,000	0	0
	<u>2,527,203</u>	<u>1,938,117</u>	<u>1,806,506</u>	<u>1,806,506</u>
TOTAL EXPENDITURES	\$ <u>7,694,053</u>	\$ <u>7,514,319</u>	\$ <u>7,539,919</u>	\$ <u>7,525,861</u>
LESS REVENUE GENERATED BY DEPARTMENT				
WATER SALES	(2,992,046)	(3,082,181)	(3,287,344)	(3,287,344)
WATER FIXTURE CHARGE	(3,875,936)	(3,918,282)	(3,739,366)	(3,739,366)
CAPACITY FEES	(108,380)	(79,200)	(79,200)	(83,160)
INSURANCE PAYMENTS	(1,236)	0	0	0
INTEREST	(89,993)	(100,000)	(30,000)	(30,000)
WATER VACANT LOT CHARGE	(34,518)	(34,034)	(32,861)	(32,861)
WATER CONNECTION CHARGES	(228,285)	(244,369)	(261,825)	(261,825)
SALES - MATERIALS & SERVICE	(41,506)	(18,000)	(25,000)	(25,000)
	<u>(7,371,900)</u>	<u>(7,476,066)</u>	<u>(7,455,596)</u>	<u>(7,459,556)</u>
REVENUE (OVER)/UNDER EXPENDITURES	\$ <u>322,153</u>	\$ <u>38,253</u>	\$ <u>84,323</u>	\$ <u>66,305</u>



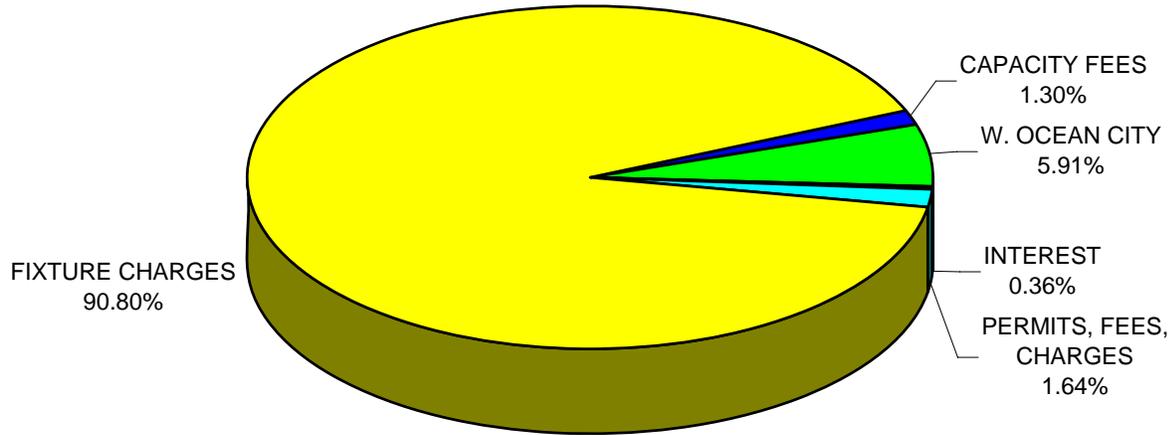
Water Fund Revenue 2011 Adopted



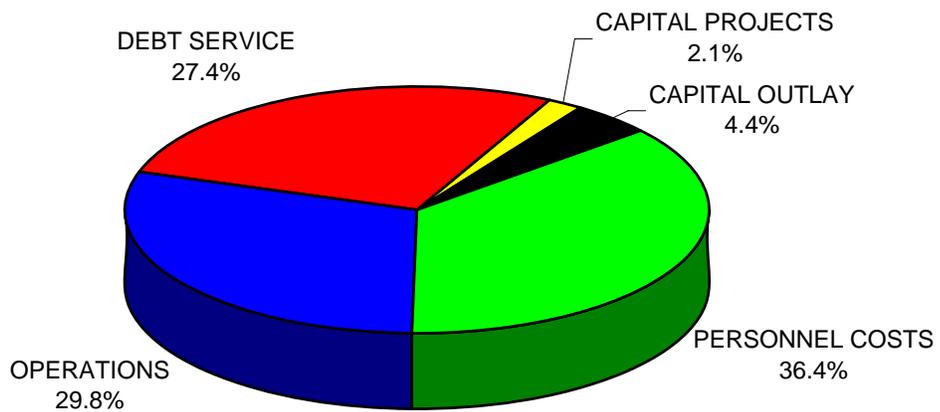
Water Fund Expenditures 2011 Adopted



Wastewater Fund Revenue 2011 Adopted



Wastewater Fund Expenditures 2011 Adopted



TOWN OF OCEAN CITY
FISCAL YEAR 2011 BUDGET

WASTEWATER FUND

BUDGET HIGHLIGHTS:

REVENUE CHANGES:

In accordance with Resolution 2010-7, the wastewater rates for wastewater service increased from \$7.05 to \$7.60 per quarter. This increase generates an additional \$680,450 in revenue. Capacity fees are based on new capacity and are expected to generate \$145,530 in FY 11. Capacity fees were increased 5% and will be used to fund Wastewater department capital projects. Service to West Ocean City is expected to increase slightly. Interest earned on investments is expected to decrease as interest rates have decreased.

PERSONNEL CHANGES:

Forty-five positions are funded in the Wastewater Fund. The Pre-Treatment Coordinator position budgeted in FY 09 was never filled. In FY 10, a plumbing inspector position was eliminated and a lab technician position was converted from full time to part time. A plant operator position was eliminated in FY 11 and the Office Associate position is being shared with the Water department. No cost of living and no annual increments have been included. Increases in Group health insurance are responsible for the increase in the Employee Benefits line item.

CHANGES IN OPERATIONS:

Contracted Services include \$680,590 in building and equipment maintenance costs. \$100,000 has been included to paint a primary clarifier. \$226,000 has been included for roof replacement on the lab and oxygen buildings. Plant equipment maintenance has been budgeted at \$251,450. Tipping fees have been budgeted at \$67,400 and manhole and sewer line repairs have been included at \$70,000. Supplies and Materials decrease \$11,305 from FY 10. Approximately \$360,000 of this line item is budgeted to purchase chemicals for wastewater treatment. Energy costs have been budgeted to decrease due to the recent energy bid. Vehicle Parts are expected to increase in this division. Intragovernmental expenses increase due to an increase in the General Overhead expense allocation that was offset by decreases in IT and Vehicle Lease expense. Debt service in FY 11 reflects the principal and interest for bonds issued in 2001, 2005, 2007 and 2009 and for an anticipated bond issue in FY 10. Capital outlay includes: the rebuilding of the bar screen at the headworks, \$71,000; the addition of a channel to a rotary press, \$80,000; rebuilding of the secondary clarifier center column, \$92,000 and modifications to the Fournier press, \$85,000.

SUMMARY COMMENTS:

Pay-as-you-go capital projects include: sewer main upgrades and repairs at a cost of \$235,537. This budget is balanced without using any Wastewater fund balance.

TOWN OF OCEAN CITY
FISCAL YEAR 2011 BUDGET
WASTEWATER FUND

EXPENDITURES	ACTUAL 2009	REVISED 2010	CITY MANAGER PROPOSED 2011	COUNCIL ADOPTED 2011
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 2,608,614	\$ 2,730,502	\$ 2,596,669	\$ 2,596,669
EMPLOYEE BENEFITS	1,312,006	1,448,908	1,515,897	1,484,110
	<u>3,920,620</u>	<u>4,179,410</u>	<u>4,112,566</u>	<u>4,080,779</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	1,002,059	872,280	1,041,013	1,041,013
SUPPLIES & MATERIALS	677,230	580,638	569,333	569,333
ENERGY	618,922	644,580	568,175	568,175
VEHICLE SUPPLIES & REPAIR	158,394	146,044	161,410	161,410
INTRAGOVERNMENTAL	932,623	986,237	1,006,291	1,006,291
	<u>3,389,228</u>	<u>3,229,779</u>	<u>3,346,222</u>	<u>3,346,222</u>
OTHER FINANCIAL USES:				
DEBT SERVICE	2,454,939	2,694,725	3,069,879	3,069,879
TRANSFER TO RESERVES	0	0	0	0
TRANSFER TO CAPITAL PROJECTS	1,574,598	600,000	196,640	235,357
CAPITAL OUTLAY	254,353	122,920	491,000	491,000
	<u>4,283,890</u>	<u>3,417,645</u>	<u>3,757,519</u>	<u>3,796,236</u>
TOTAL EXPENDITURES	\$ <u>11,593,738</u>	\$ <u>10,826,834</u>	\$ <u>11,216,307</u>	\$ <u>11,223,237</u>
LESS REVENUE GENERATED BY DEPARTMENT				
FIXTURE CHARGES	(9,466,058)	(9,509,843)	(10,190,293)	(10,190,293)
INTEREST	(30,803)	(25,000)	(30,000)	(30,000)
VACANT LOT CHARGE	(32,725)	(32,274)	(34,817)	(34,817)
CONNECTION CHARGES	(23,178)	(10,500)	(10,500)	(10,500)
SALES - MATERIALS & SERVICES	(2,007)	(7,200)	(2,007)	(2,007)
SERVICE TO WEST OCEAN CITY	(586,455)	(642,056)	(663,090)	(663,090)
PLUMBING PERMITS	(47,975)	(55,000)	(48,000)	(48,000)
LAB FEES	(84,421)	(94,504)	(84,000)	(84,000)
CAPACITY FEES	(379,647)	(138,600)	(138,600)	(145,530)
INTEREST EARNED ON INVESTMENTS	(90,583)	(125,000)	(10,000)	(10,000)
CAPITAL ASSET SALES	11,577	0	0	0
MISCELLANEOUS	0	(5,000)	(5,000)	(5,000)
PROCEEDS OF LONG TERM DEBT	0	0	0	0
	<u>(10,732,275)</u>	<u>(10,644,977)</u>	<u>(11,216,307)</u>	<u>(11,223,237)</u>
REVENUE (OVER)/UNDER EXPENDITURES	\$ <u>861,463</u>	\$ <u>181,857</u>	\$ <u>0</u>	\$ <u>0</u>

Fixture Charge	7.05	7.05	7.60
Vacant Lot	16.50	16.50	17.80

TOWN OF OCEAN CITY
FISCAL YEAR 2011 BUDGET

TRANSPORTATION FUND

BUDGET HIGHLIGHTS:

REVENUE CHANGES:

In January 2011, bus fare will be increased from \$2 ride-all-day to \$3 ride-all day, resulting in an increase in estimated bus revenue. Books of ten ride-all-day passes will be available at a reduced rate. Tram fare will continue to be \$3.00 one-way seven days a week. \$982,000 is projected for tram revenue for FY 11. Advertising on the trams has been estimated at \$20,000. Direct Media has estimated that bus advertising will remain at \$160,000 in FY 11. Federal and State operating grants are budgeted at \$825,782, the same level since FY 07. Capital grants decrease and include 90% funding for the requested items listed in "Operational changes" below.

PERSONNEL CHANGES:

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. No cost of living adjustments and no annual increments have been included. Part-time salaries for the operation of the medical transport program have been included. A reduction in the weeks of service for the trams in FY 10 and a reduction in the hourly wage for part-time employees in this division resulted in savings of \$44,000. Under Employee Benefits, increases in Group insurance and Unemployment are partially offset by decreases in worker's compensation. Unemployment accounts for \$650,000 of the Employee Benefits line item.

OPERATIONAL CHANGES:

Contracted Services decrease in FY 11. No advertising has been budgeted for this division. Printing of bus tickets and coupon books are not necessary this season, resulting in a \$15,000 savings. Building maintenance for the transit centers and tram buildings remains the same. Operational Supplies decrease slightly. Energy costs decrease because of the savings in the recent City-wide energy bid. Vehicle fuel is a major expense for this department and has been budgeted at \$780,113, an increase of nearly \$140,000. Vehicle parts decrease over \$300,000. A spare bus parts grant was approved by MTA, so the FY 11 estimate has been reduced. Intragovernmental expenses decrease as the allocation for Vehicle lease costs decrease. Capital Outlay includes: an Environmental Assessment for land acquisition, \$500,000; bus passenger shelters & parts, \$50,000; a replacement HVAC in the operations building, \$15,000 and a lift gate for a service truck, \$3,000. All items were included in the Annual Transportation Plan and funding has been requested from the Mass Transit Administration. If granted, 90% of this cost will be reimbursable to the Town.

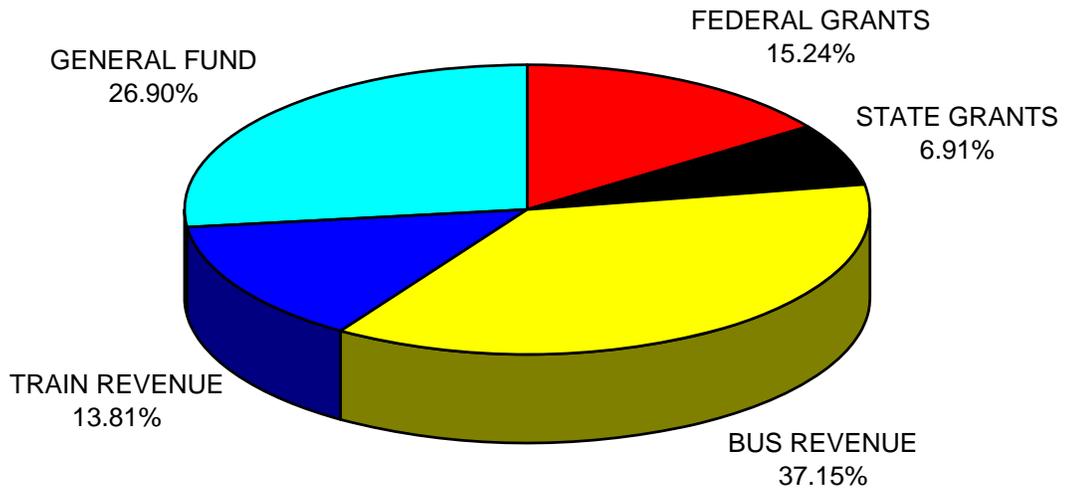
SUMMARY COMMENTS:

The Mayor and Council and the Town employees are committed to ensuring the quality, performance and reliability of the Transit System. The West Ocean City Park and Ride provides a link with Worcester and Wicomico Counties, providing mass transit for seasonal resort employees. Additionally, in the north, the link with DART will also continue to offer system connections to those employees coming in from Delaware.

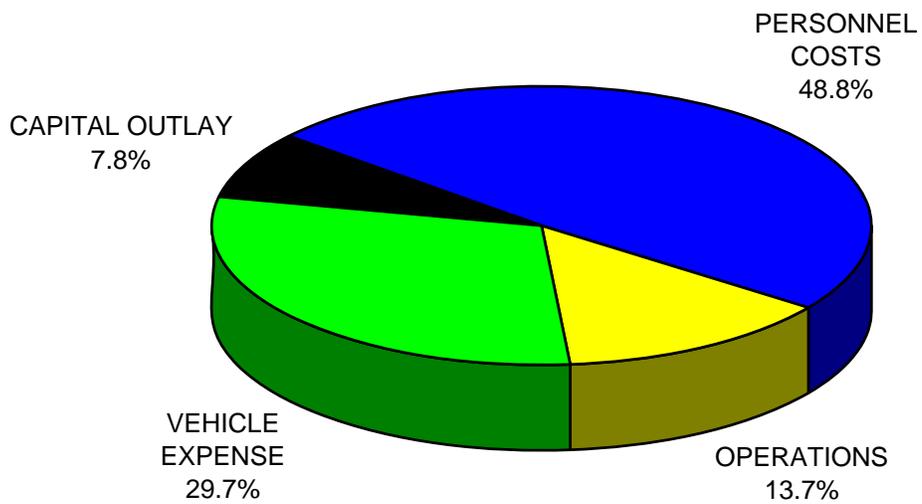
TOWN OF OCEAN CITY
FISCAL YEAR 2011 BUDGET
TRANSPORTATION FUND

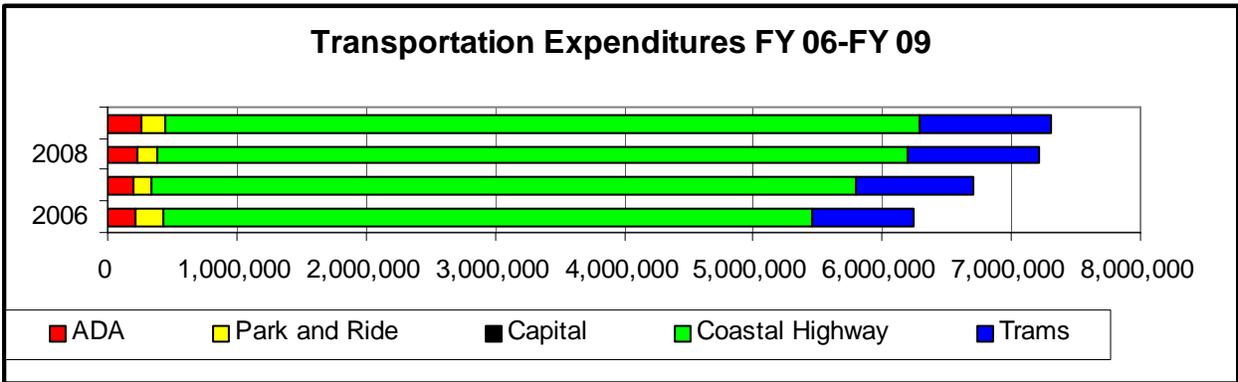
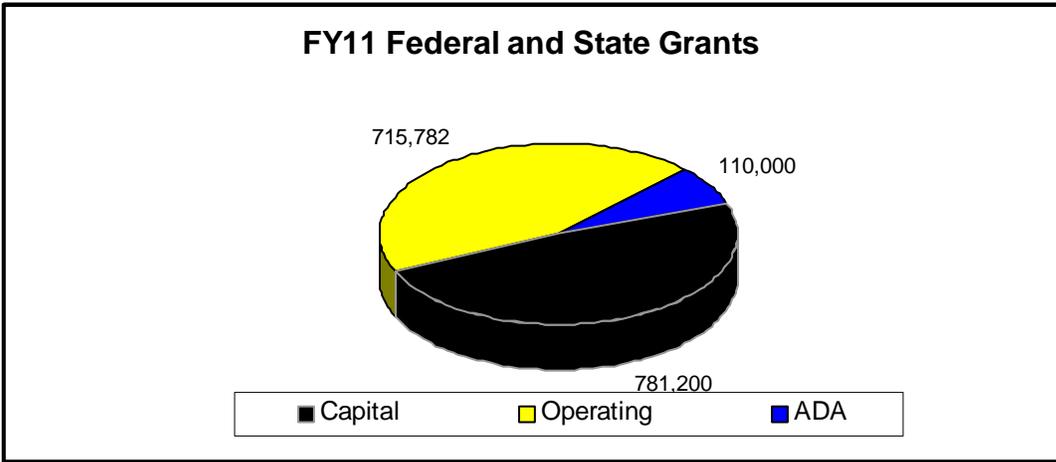
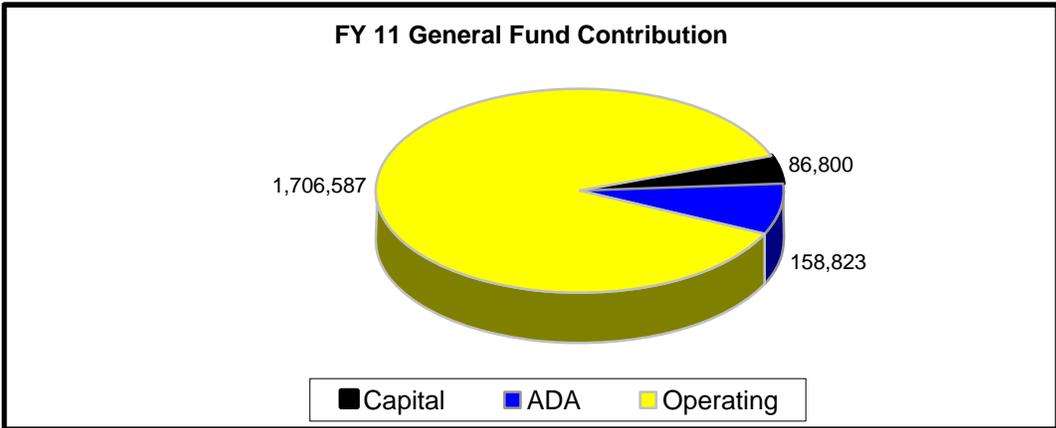
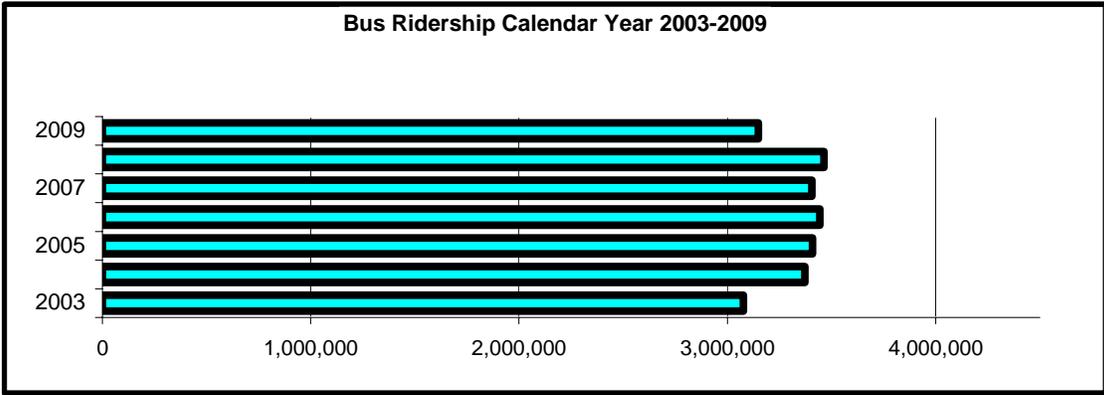
EXPENDITURES	ACTUAL 2009	REVISED 2010	CITY MANAGER PROPOSED 2011	COUNCIL ADOPTED 2011
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 2,695,267	\$ 2,597,789	\$ 2,511,443	\$ 2,409,313
EMPLOYEE BENEFITS	<u>1,125,045</u>	<u>1,114,270</u>	<u>1,144,067</u>	<u>1,129,265</u>
	3,820,312	3,712,059	3,655,510	3,538,578
OPERATING EXPENSES:				
CONTRACTED SERVICES	84,576	113,456	83,637	83,637
SUPPLIES & MATERIALS	53,236	65,371	56,427	56,427
ENERGY	79,988	75,700	72,241	72,241
VEHICLE SUPPLIES & REPAIR	2,199,680	2,341,696	2,155,408	2,155,408
INTRAGOVERNMENTAL	<u>979,172</u>	<u>927,598</u>	<u>783,411</u>	<u>783,411</u>
	3,396,652	3,523,821	3,151,124	3,151,124
OTHER FINANCIAL USES:				
DEBT SERVICE	0	0	0	0
TRANSFER OUT	0	0	0	0
CAPITAL OUTLAY	<u>0</u>	<u>711,815</u>	<u>568,000</u>	<u>568,000</u>
	0	711,815	568,000	568,000
TOTAL EXPENDITURES	\$ <u>7,216,964</u>	\$ <u>7,947,695</u>	\$ <u>7,374,634</u>	\$ <u>7,257,702</u>
LESS REVENUE GENERATED BY DEPARTMENT				
BUS REVENUE	(2,265,521)	(2,247,600)	(2,174,846)	(2,535,510)
TRAIN REVENUE	(1,019,726)	(1,003,000)	(950,000)	(1,002,000)
BUS ADVERTISING	(153,919)	(160,000)	(160,000)	(160,000)
INTEREST ON INVESTMENTS	(1,384)	(4,000)	(1,000)	(1,000)
BOND PROCEEDS	0	0	0	0
PRIOR YEAR RESERVES	0	(59,003)	0	0
CAPITAL GRANT - FEDERAL	(44,264)	(1,079,419)	(694,400)	(694,400)
CAPITAL GRANT - STATE	(5,253)	(61,053)	(86,800)	(86,800)
ADA GRANT - STATE	(110,000)	(110,000)	(110,000)	(110,000)
OPERATING GRANT - FEDERAL	(715,782)	(684,657)	(411,362)	(411,362)
OPERATING GRANT - STATE	<u>0</u>	<u>(31,125)</u>	<u>(304,420)</u>	<u>(304,420)</u>
	(4,315,849)	(5,439,857)	(4,892,828)	(5,305,492)
TOWN CONTRIBUTION	\$ <u>2,901,115</u>	\$ <u>2,507,838</u>	\$ <u>2,481,806</u>	\$ <u>1,952,210</u>

Transportation Fund Revenue 2011 Adopted



Transportation Fund Expenditures 2011 Adopted





TOWN OF OCEAN CITY
FISCAL YEAR 2011 BUDGET

AIRPORT FUND

BUDGET HIGHLIGHTS:

REVENUE CHANGES:

No Airport capital projects were budgeted in FY 09. Funds for an environmental assessment were included in FY 10. FY 11 includes funding for the design and engineering for the rehabilitation and reconstruction of Runway 02/20, and funding for a pavement index study. Anticipated fuel sales are based on the average number of gallons sold for the past four years. The amount budgeted in the current fiscal year will be reduced in Budget Amendment # 2. Rental revenue increases as hangar rates are being increased slightly and rent revenue for Hangar J has been budgeted for nine months. Land rent to the Lion's Club will remain at \$3,600. As fewer capital projects have been budgeted throughout the other Town departments, there will be less usage of the concrete crushing operation resulting in a decrease of \$10,800 in Service Charge revenue.

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 10. One part-time line technician position was eliminated. Overall salaries and overtime in this division decrease more than \$17,000. No cost of living adjustments and no annual increments have been included. Employee benefits include increases in health insurance and unemployment expense.

CHANGES IN OPERATIONS:

Contracted Services include professional services, building and equipment maintenance, credit card fees and other services. Only routine building and runway maintenance has been included in FY 11. Replacement of the insulation in the maintenance hangar has been included at a cost of \$8,500. In FY 10, completion of the PAPI project was included. No concrete crushing expense has been included in FY 11. Concrete crushing was included at \$162,000 in FY 09. Mowing of the fields surrounding the airport and detail mowing around the terminal building has been included at a cost of \$22,000. Other expenses included in Contracted Services include maintenance of the field lighting, \$10,000 and Navigation Aid technical support, \$14,000. Purchases for Resale costs for fuel purchase is the primary expense in the Supplies & Materials line item. Fuel purchases are budgeted at \$432,086 for the coming year. Energy costs have been budgeted to reduce. Electricity for the new hangars has been included in the estimate. Allocations for General Overhead and Information Technology expense decrease in FY 11. Debt Service reflects debt service for Hangar J construction. Transfer to Capital Projects includes \$30,000 additional funding for Environmental Assessment, \$50,000 for a pavement index study and \$350,000 for design and engineering for the rehabilitation/reconstruction of Runway 02/20. This cost is offset by \$390,000 in State and Federal grants. No capital outlay has been included for this division.

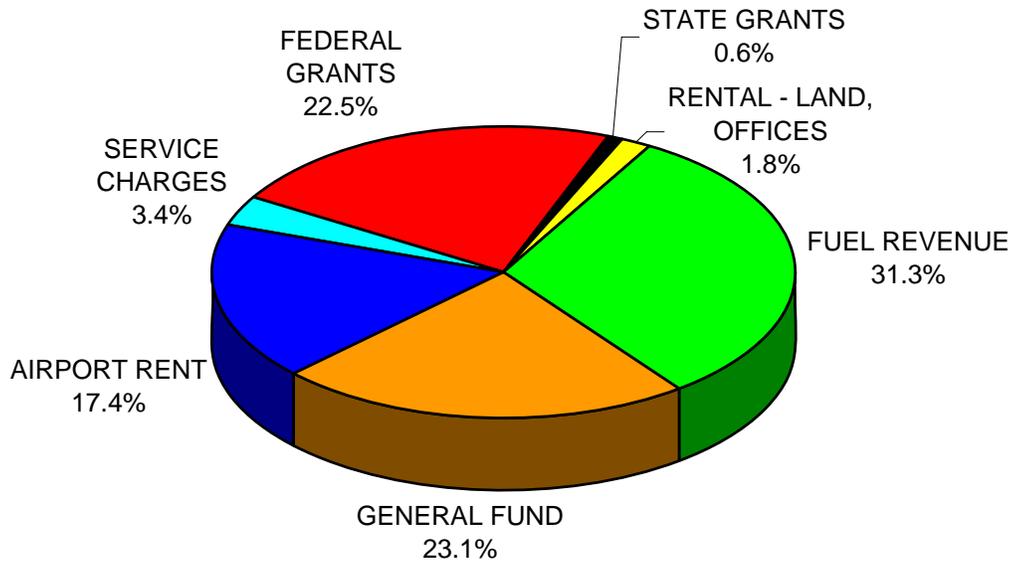
SUMMARY COMMENTS:

The General Fund subsidy is budgeted at \$390,711 for FY 2011. This is an increase of \$95,088. The Town's \$40,000 local match for the capital projects listed above is part of this cost.

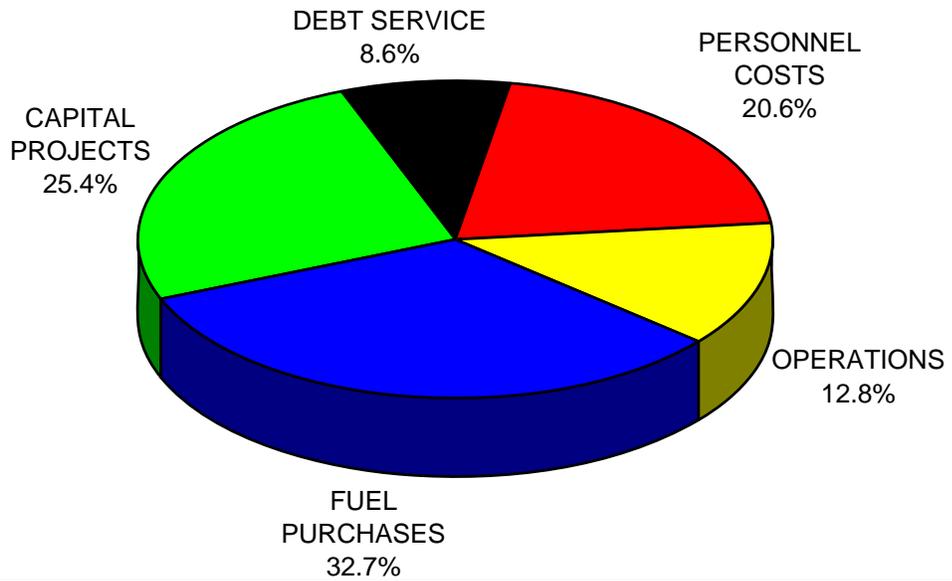
TOWN OF OCEAN CITY
FISCAL YEAR 2011 BUDGET
AIRPORT FUND

EXPENDITURES	ACTUAL 2009	REVISED 2010	CITY MANAGER PROPOSED 2011	COUNCIL ADOPTED 2011
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 266,332	\$ 265,716	\$ 248,107	\$ 248,107
EMPLOYEE BENEFITS	92,655	99,400	101,341	99,834
	<u>358,987</u>	<u>365,116</u>	<u>349,448</u>	<u>347,941</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	287,450	178,345	158,576	158,576
SUPPLIES & MATERIALS	515,561	500,039	453,091	453,091
ENERGY	39,160	40,000	37,749	37,749
VEHICLE SUPPLIES & REPAIR	14,791	13,136	13,121	13,121
INTRAGOVERNMENTAL	120,935	124,728	106,364	106,364
	<u>977,897</u>	<u>856,248</u>	<u>768,901</u>	<u>768,901</u>
OTHER FINANCIAL USES:				
DEBT SERVICE	83,741	84,120	145,607	145,607
TRANSFER TO CAPITAL PROJECTS	0	400,000	430,000	430,000
CAPITAL OUTLAY	0	0	0	0
	<u>83,741</u>	<u>484,120</u>	<u>575,607</u>	<u>575,607</u>
TOTAL EXPENDITURES	<u>\$ 1,420,625</u>	<u>\$ 1,705,484</u>	<u>\$ 1,693,956</u>	<u>\$ 1,692,449</u>
LESS REVENUE GENERATED BY DEPARTMENT				
FUEL REVENUE	(595,741)	(638,800)	(529,734)	(529,734)
RENT REVENUES	(263,707)	(258,895)	(295,250)	(295,250)
RENTAL - LAND, OFFICE SPACE	(25,420)	(27,480)	(30,054)	(30,054)
FEDERAL GRANTS	0	(380,000)	(380,000)	(380,000)
STATE GRANTS	(25,507)	(23,593)	(10,000)	(10,000)
BOND PROCEEDS	0	0	0	0
SERVICE CHARGES	(254,462)	(67,500)	(56,700)	(56,700)
INTEREST ON ACCOUNTS	(58)	0	0	0
INTEREST ON INVESTMENTS	(551)	0	0	0
PRIOR YEAR SURPLUS	(950)	(13,593)	0	0
	<u>(1,166,396)</u>	<u>(1,409,861)</u>	<u>(1,301,738)</u>	<u>(1,301,738)</u>
TOTAL TOWN CONTRIBUTION	<u>\$ 254,229</u>	<u>\$ 295,623</u>	<u>\$ 392,218</u>	<u>\$ 390,711</u>

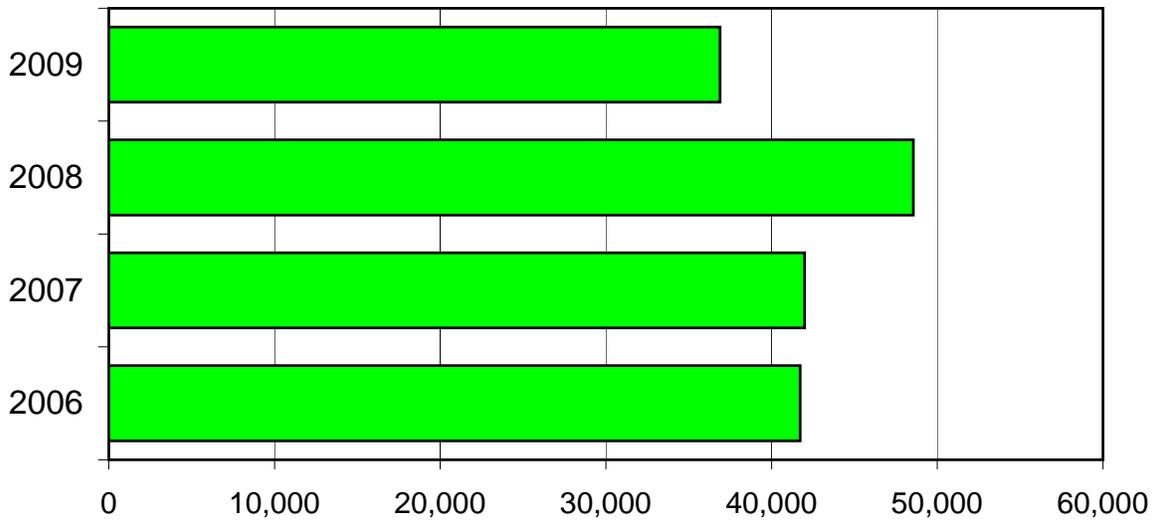
Airport Fund Revenues 2011 Adopted



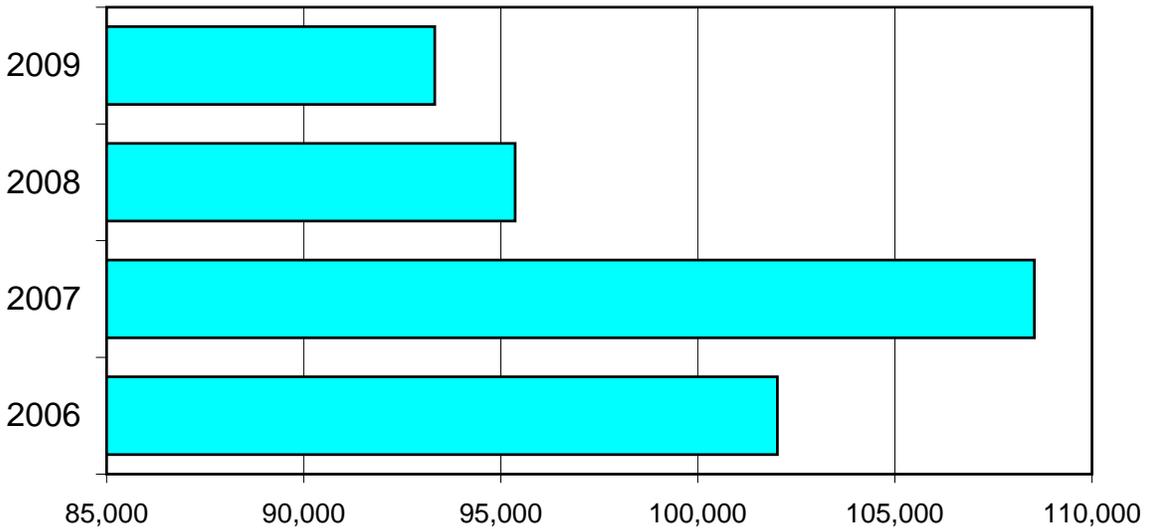
Airport Fund Expenditures 2011 Adopted



Gallons of Jet Fuel Sold FY 06 - FY09



Gallons of 100LL Sold FY 06 - FY 09



TOWN OF OCEAN CITY
FISCAL YEAR 2011 BUDGET

GOLF COURSE FUND

BUDGET HIGHLIGHTS:

REVENUE CHANGES:

No fee increases are scheduled for FY 2011. Admissions Tax revenue for Eagle's Landing, previously assigned to the General Fund, was assigned to the Golf Course beginning in FY 10. All revenue estimates for Eagle's Landing have been reduced to more accurately reflect actual revenue collected in the past two fiscal years. Revenue for FY 10 will be revised in budget amendment # 2. Potential Corporate sponsorship revenue has been deleted, but sale of advertising on the GPS system has been included at \$18,000.

PERSONNEL CHANGES:

Eight full-time positions are included in this budget. The horticulturalist was transferred to the Parks Maintenance division to fill a vacancy. No cost of living adjustments and no merit increments have been included. Increases in Group insurance and Unemployment have been offset by reductions in worker's compensation.

CHANGES IN OPERATIONS:

Contracted Services include building & equipment maintenance and golf cart rental, advertising and credit card fees. Clubhouse maintenance has been included at \$14,500 and replacement carpet in the clubhouse has been included at \$18,000. Greater Ocean City Golf Association fees have been budgeted at \$41,000. Advertising has been budgeted at \$53,000. Supplies & Materials decrease. Maintenance supplies are budgeted at \$197,500, which covers all chemicals, fertilizers, irrigation and landscaping supplies for the Golf Course. Purchases for Resale for the Golf Shop and the Golf Concession account for \$204,000 of the amount budgeted for Supplies and Materials. Energy costs are budgeted to decrease, per the City Engineer's estimate. Vehicle fuel has been budgeted to increase in FY 11. Intragovernmental allocations decrease for this division. IT expense, the insurance allocation and Vehicle Lease expense decrease, while the allocation for General Overhead increases. Debt service decreases \$162,116, as the debt service for the land acquisition has been budgeted in the General Fund.

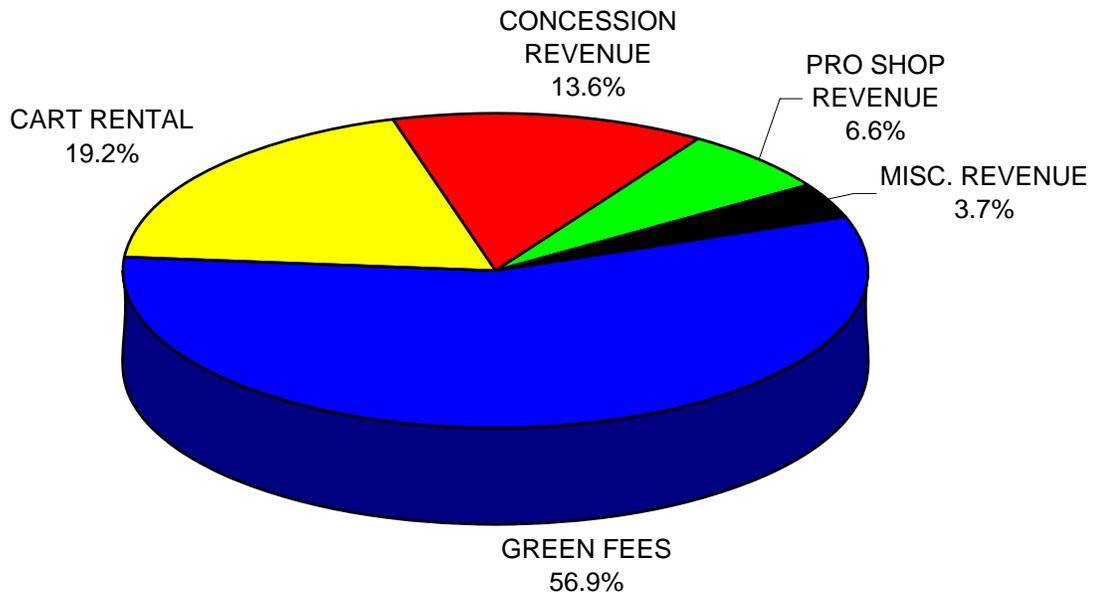
SUMMARY COMMENTS:

Marketing changes to package Eagle's Landing with other golf courses have increased the number of golf packages booked in the critical shoulder season. Rounds continue to be strong in the summer season. The introduction of the GPS system at the course has also increased interest in Eagle's Landing. All efforts have been made to minimize costs while maintaining the quality of the course. The Talon club membership program continues to be successful.

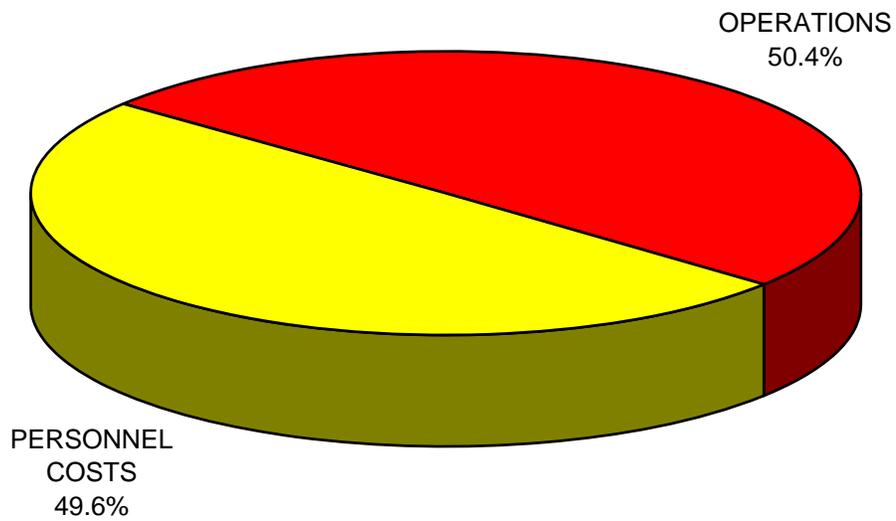
TOWN OF OCEAN CITY
FISCAL YEAR 2011 BUDGET
GOLF COURSE FUND

EXPENDITURES	ACTUAL 2009	REVISED 2010	CITY MANAGER PROPOSED 2011	COUNCIL ADOPTED 2011
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 750,079	\$ 753,890	\$ 709,246	\$ 709,246
EMPLOYEE BENEFITS	288,328	309,899	316,332	309,327
	<u>1,038,407</u>	<u>1,063,789</u>	<u>1,025,578</u>	<u>1,018,573</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	283,634	293,529	328,849	328,849
SUPPLIES & MATERIALS	412,997	451,738	432,070	432,070
ENERGY	47,241	52,000	47,950	47,950
VEHICLE SUPPLIES & REPAIR	39,765	38,896	41,942	41,942
INTRAGOVERNMENTAL	247,498	205,052	183,367	183,367
	<u>1,031,135</u>	<u>1,041,215</u>	<u>1,034,178</u>	<u>1,034,178</u>
OTHER FINANCIAL USES:				
DEBT SERVICE	142,639	305,452	0	0
TRANSFERS OUT / LAND RENT	0	0	0	0
CAPITAL OUTLAY	0	0	0	0
	<u>142,639</u>	<u>305,452</u>	<u>0</u>	<u>0</u>
TOTAL EXPENDITURES	\$ <u>2,212,181</u>	\$ <u>2,410,456</u>	\$ <u>2,059,756</u>	\$ <u>2,052,751</u>
LESS REVENUE GENERATED BY DIVISION				
ADMISSIONS TAX	0	(45,000)	(45,000)	(45,000)
GREEN FEES	(1,164,654)	(1,337,302)	(1,174,646)	(1,167,641)
CART RENTAL	(398,671)	(480,585)	(395,108)	(395,108)
CONCESSION REVENUE	(287,666)	(307,396)	(280,000)	(280,000)
PRO SHOP REVENUE	(152,057)	(174,822)	(135,000)	(135,000)
CLUB RENTAL	(5,551)	(6,623)	(3,802)	(3,802)
TOURNAMENT REVENUE	(2,940)	(3,800)	(3,000)	(3,000)
PULL CART RENTAL	(28)	(500)	(500)	(500)
INTEREST ON INVESTMENTS	0	(2,000)	(1,000)	(1,000)
MISCELLANEOUS REVENUE	(3,885)	(15,600)	(21,700)	(21,700)
APPROPRIATED FUND BALANCE	0	(6,828)	0	0
ADVANCE FROM GEN'L FUND	0	0	0	0
CORPORATE SPONSORSHIPS	0	(30,000)	0	0
DISCOUNTS TAKEN	(2,535)	0	0	0
	<u>(2,017,987)</u>	<u>(2,410,456)</u>	<u>(2,059,756)</u>	<u>(2,052,751)</u>
REVENUE (OVER)/UNDER EXPENDITURES	\$ <u>194,194</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>

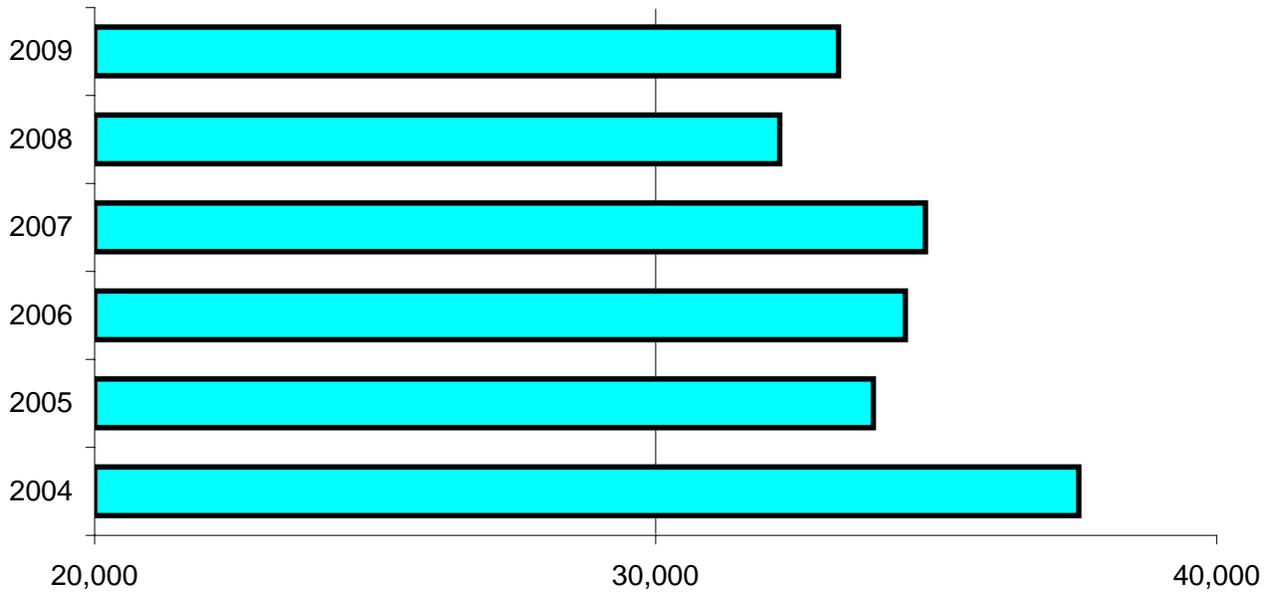
Golf Course Revenue 2011 Adopted



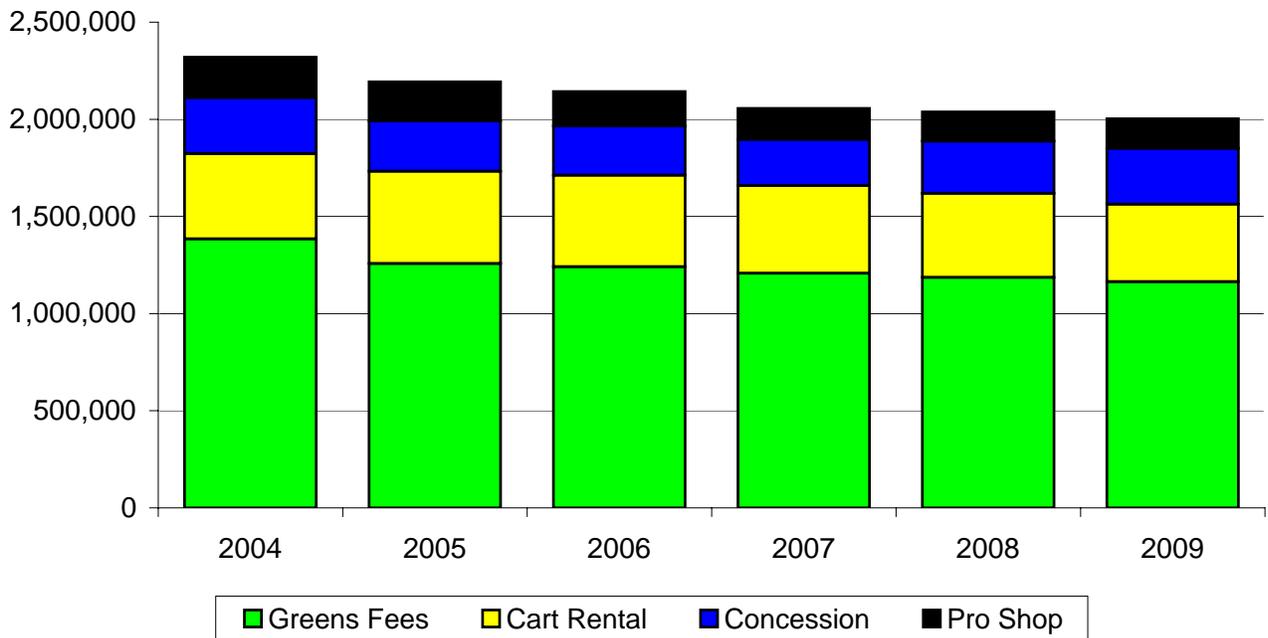
Golf Course Expenditures 2011 Adopted



Eagle's Landing Rounds Played CY 04-CY 09



Source of Revenue FY 2006-FY 2009



**TOWN OF OCEAN CITY
FISCAL YEAR 2011 BUDGET**

CONVENTION CENTER FUND

BUDGET HIGHLIGHTS:

REVENUE CHANGES:

Concession revenue is expected to decrease \$95,000 in FY 11. Sales/Other reflects membership dues for the Convention & Visitor's Bureau and are also expected to decrease. All other revenue is anticipated to remain largely unchanged. 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 \$1,100,713 that will go toward debt retirement in FY 2011. An additional \$100,000 will go into a fund for capital improvements at the Convention Center. In FY 09, \$23,785 of capital funds was used for roof repairs and stair rail replacement. Overall, the Town contribution and the State Operating Grant have been budgeted to decrease \$14,202 each.

PERSONNEL CHANGES:

In this division, the Assistant Director position was eliminated and replaced with a Tourism Director position that is funded in the general fund. Since FY 09, five full-time maintenance worker positions have been converted to part-time. No annual increments and no cost of living increases have been included. Increases in health insurance and in unemployment account for the increase in the Employee Benefits line item.

CHANGES IN OPERATIONS:

Contracted Services increase in FY 11. Routine escalator, elevator, HVAC, and equipment repair are budgeted in this category and total \$229,068. Building maintenance accounts for another \$76,152. Replacement of the heat exchange cooling plates in the HVAC system has been included at a cost of \$35,000. Travel, credit card fees and advertising are other expenses charged in this line item. Training and Travel has been reduced over \$6,000. Operational supplies decrease and include only routine items. 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. Energy costs are budgeted to decrease due to the recent energy bid. This results in savings of \$67,000. Vehicle parts and labor costs are budgeted to decrease slightly in FY 11. Intragovernmental expenses decrease overall as the increase in General Overhead expense is offset by a decrease in the Information Technology allocation. Debt Service decreases slightly. Transfer to Reserves reflects the amount to be set aside for the capital reserve fund. The Food Tax revenue is anticipated to equal the amount of the principal and interest payments. No capital outlay is budgeted in FY 11. FY 09 reflects capital outlay purchases for carpet, a kiosk and monitors and an aerial manlift. FY 10 reflects capital outlay purchases for carpet replacement and replacement hot water heaters.

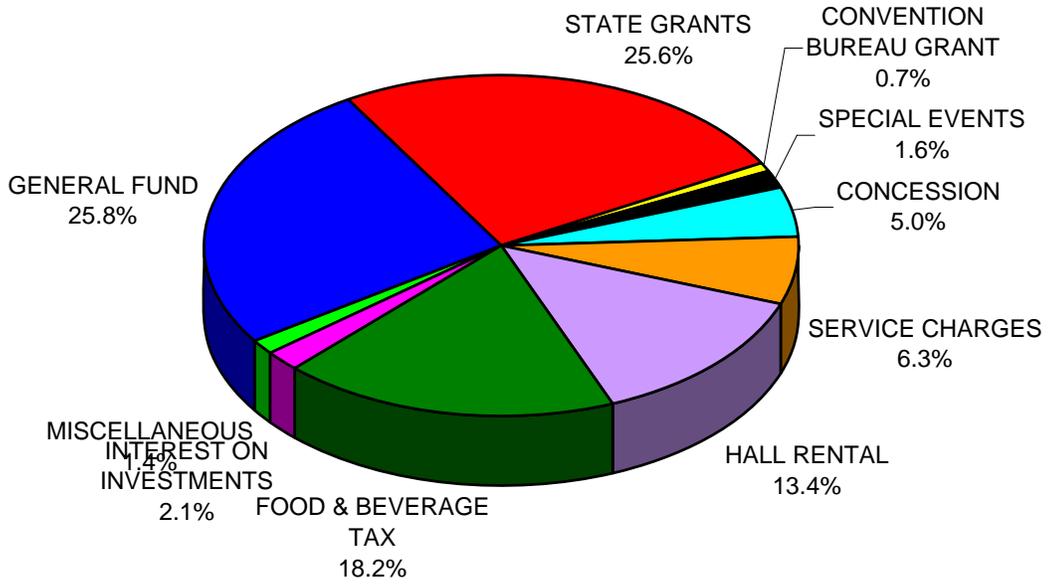
MAJOR 2010-2011 PROGRAM OBJECTIVES:

Program objectives are to continue to solicit new meeting/convention/trade shows and event business to our premier destination and the Roland E. Powell Convention Center as we plan for expansion of the Convention Center.

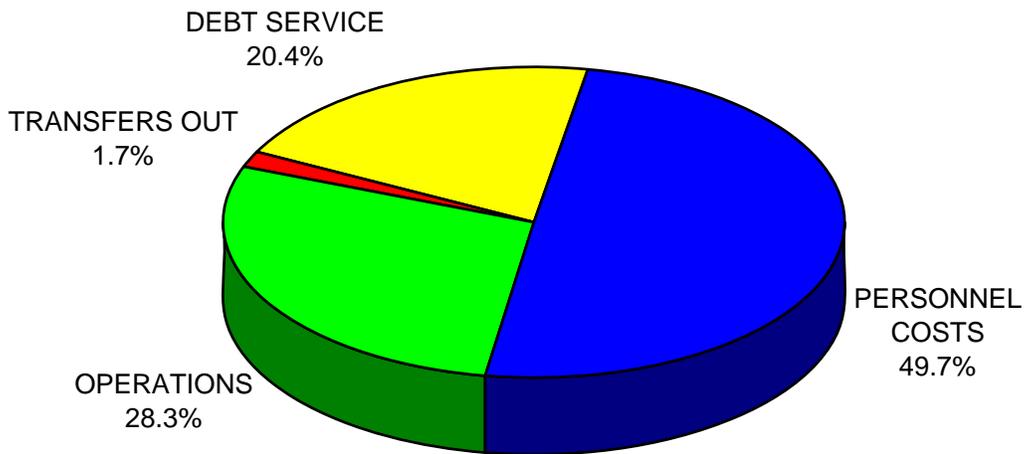
TOWN OF OCEAN CITY
FISCAL YEAR 2011 BUDGET
CONVENTION CENTER FUND

EXPENDITURES	ACTUAL 2009	REVISED 2010	CITY MANAGER PROPOSED 2011	COUNCIL ADOPTED 2011
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 2,150,397	\$ 2,159,305	\$ 2,057,486	\$ 2,057,486
EMPLOYEE BENEFITS	861,306	920,772	969,854	949,057
	<u>3,011,703</u>	<u>3,080,077</u>	<u>3,027,340</u>	<u>3,006,543</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	503,752	523,290	538,954	538,954
SUPPLIES & MATERIALS	190,623	233,869	222,698	222,698
ENERGY	683,269	648,030	580,710	580,710
VEHICLE SUPPLIES & REPAIR	30,696	30,253	26,008	26,008
INTRAGOVERNMENTAL	458,699	348,192	342,325	342,325
	<u>1,867,039</u>	<u>1,783,634</u>	<u>1,710,695</u>	<u>1,710,695</u>
OTHER FINANCIAL USES:				
DEBT SERVICE	1,289,693	1,236,743	1,235,243	1,235,243
TRANSFER TO RESERVES	919,358	100,000	100,000	100,000
CAPITAL OUTLAY	354,317	47,700	0	0
	<u>2,563,368</u>	<u>1,384,443</u>	<u>1,335,243</u>	<u>1,335,243</u>
TOTAL EXPENDITURES	\$ <u>7,442,110</u>	\$ <u>6,248,154</u>	\$ <u>6,073,278</u>	\$ <u>6,052,481</u>
LESS REVENUE GENERATED BY DIVISION				
HALL RENTAL REVENUE	(794,228)	(800,000)	(810,000)	(810,000)
SPECIAL EVENT REVENUE	(91,826)	(102,200)	(95,000)	(95,000)
CONCESSION REVENUE	(342,140)	(395,000)	(300,000)	(300,000)
AD SALES REVENUE	0	0	0	0
SERVICE CHARGES	(343,148)	(380,000)	(380,000)	(380,000)
BUS PARKING REVENUE	(1,160)	0	0	0
MONTHLY LEASE REVENUE	(16,630)	(19,300)	(18,500)	(18,500)
SALES/OTHER	(87,119)	(75,000)	(53,000)	(53,000)
FOOD & BEVERAGE TAX	(1,961,315)	(1,102,212)	(1,100,713)	(1,100,713)
DONATIONS	0	0	0	0
INTEREST ON INVESTMENTS	(260,100)	(125,000)	(125,000)	(125,000)
ATM REVENUE	(14,400)	(15,000)	(15,000)	(15,000)
CAPITAL ASSET SALES	0	0	0	0
COUNTY - VISITORS/CONV BUREAU	(50,000)	(45,000)	(45,000)	(45,000)
BOND PROCEEDS	0	0	0	0
CAPITAL LEASE PROCEEDS	0	0	0	0
PRIOR YEAR RESERVES	0	(50,712)	0	0
STATE OPERATING/CAPITAL GRANT	(1,740,022)	(1,564,569)	(1,560,766)	(1,550,367)
	<u>(5,702,088)</u>	<u>(4,673,993)</u>	<u>(4,502,979)</u>	<u>(4,492,580)</u>
TOTAL TOWN CONTRIBUTION	\$ <u>1,740,022</u>	\$ <u>1,574,161</u>	\$ <u>1,570,299</u>	\$ <u>1,559,901</u>

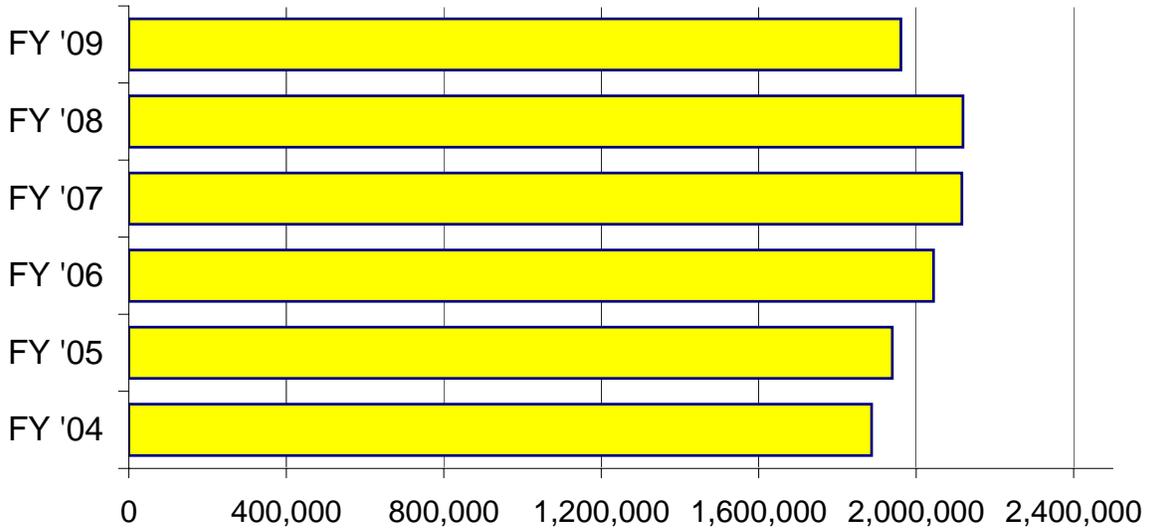
Convention Center Fund Revenue 2011 Adopted



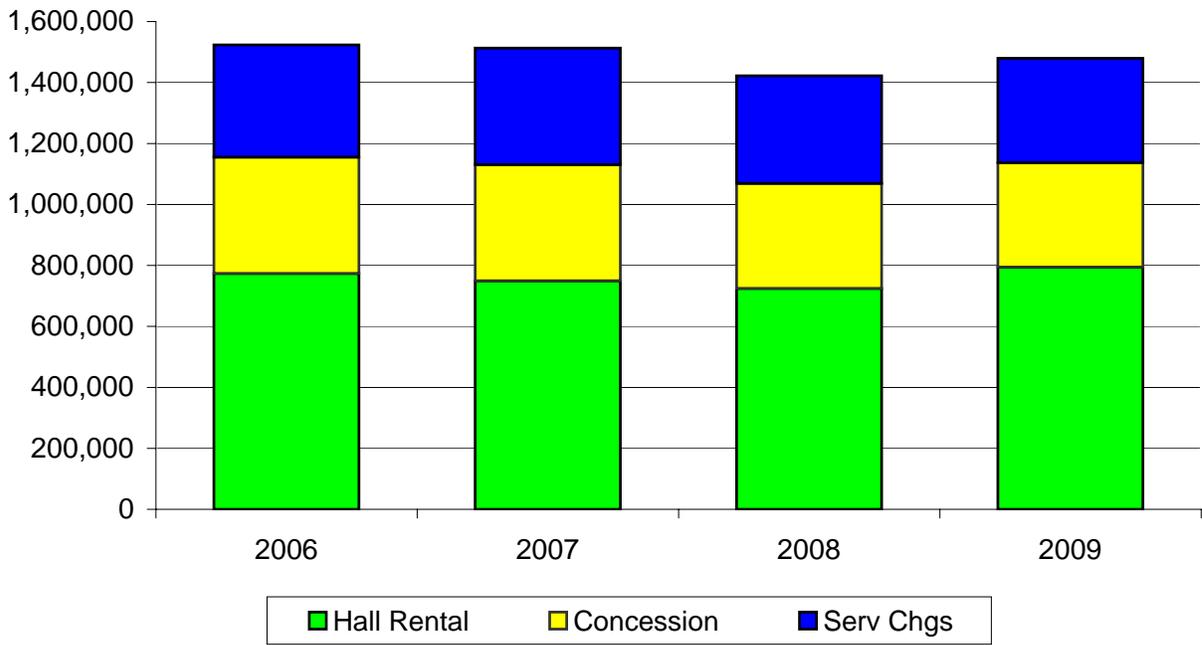
Convention Center Fund Expenditures 2011 Adopted



Food & Beverage Tax FY 2004 - FY 2009



OCCC Operations Revenue by Type



INTERNAL SERVICE FUNDS

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

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

INFORMATION TECHNOLOGY

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

SERVICE CENTER FUND

This fund encompasses Purchasing Administration, the Warehouse operation, the Vehicle/Equipment Maintenance Garage and Impound Lot. It employs 22 people and operates on a schedule of five days a week in the off-season and seven days a week Memorial Day through Sunfest. The department's goal is to provide all City departments with goods and services that meet their need at the most economical total cost over the life of the product or service with regard to initial price, maintenance costs, and use.

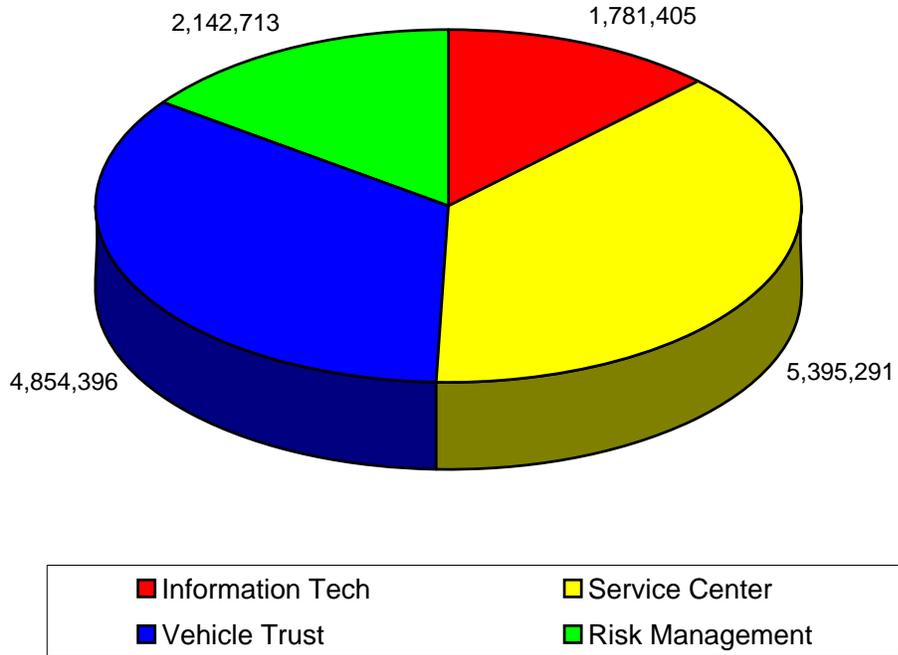
VEHICLE AND EQUIPMENT TRUST FUND

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

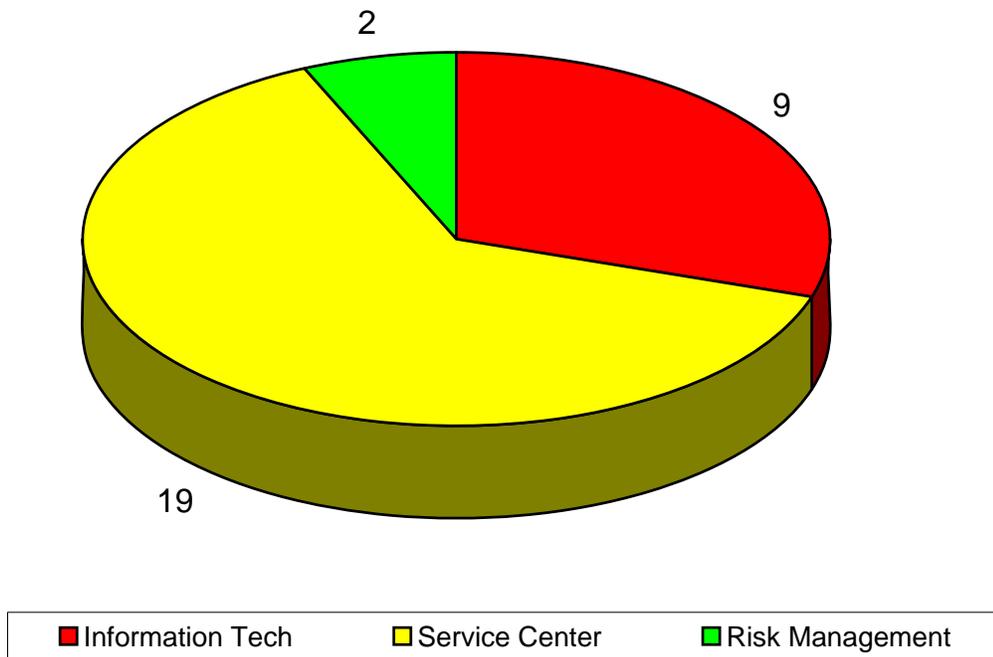
RISK MANAGEMENT FUND

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

FY 11 Internal Service Funds Expenses



FY 11 Internal Service Fund Full-Time Personnel



TOWN OF OCEAN CITY
FISCAL YEAR 2011 BUDGET

INFORMATION TECHNOLOGY

BUDGET HIGHLIGHTS:

REVENUE CHANGES:

The charges for IT services have been reduced for all Town departments for FY 2011. 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 \$192,977 and are allocated directly to the users of 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 has been eliminated. No cost of living adjustment, and no annual increments are included. Increases in health insurance and in worker's compensation are responsible for the increase in the employee benefits category.

CHANGES IN OPERATIONS:

Software support, maintenance and software upgrades account for \$491,168 of the Contracted Services expenses. Annual costs for the Town's Voice and Data equipment maintenance agreement total \$165,323 and were previously paid for from the IT fund. Another large component of this line item is the software support for the CAD/RMS software. This maintenance agreement costs \$192,977 annually. Maintenance and software support for all other software programs totals \$298,191. Training has decreased \$13,840, as fewer outside trainers have been scheduled. Operational Supplies increase in FY 11. Replacement monitors, CPUs, toughbooks and laptops have been included at a total cost of \$86,850. The first year of a scheduled five-year upgrade to Microsoft Office is also included. Memory and other software upgrades are also included in this line item. Replacement of five servers is included at a cost of \$25,000. Other specific items include two replacement handheld devices for the Water department and replacement workstations and monitors for Communications. Energy costs increase as the IT department is being charged a portion of the energy cost for the Public Safety building. Intragovernmental expenses increase as the allocations for General Overhead and Vehicle Lease increase for this division. A fire suppression system for the server room at the Public Safety Building was included in Capital Outlay in FY 10 at a cost of \$25,000.

SUMMARY COMMENTS:

Every effort has been made to maintain service to City employees while reducing costs overall. Conversion to Microsoft e-mail was successfully completed in FY 10.

TOWN OF OCEAN CITY
FISCAL YEAR 2011 BUDGET
INFORMATION TECHNOLOGY

EXPENDITURES	ACTUAL 2009	REVISED 2010	CITY MANAGER PROPOSED 2011	COUNCIL ADOPTED 2011
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 717,271	\$ 723,211	\$ 602,270	\$ 602,270
EMPLOYEE BENEFITS	262,543	294,414	311,137	303,129
	<u>979,814</u>	<u>1,017,625</u>	<u>913,407</u>	<u>905,399</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	734,361	781,669	566,471	566,471
SUPPLIES & MATERIALS	250,685	212,875	231,891	231,891
ENERGY	0	2,000	7,240	7,240
VEHICLE SUPPLIES & REPAIR	3,315	5,672	5,404	5,404
INTRAGOVERNMENTAL	63,753	63,389	65,000	65,000
	<u>1,052,114</u>	<u>1,065,605</u>	<u>876,006</u>	<u>876,006</u>
OTHER FINANCIAL USES:				
DEBT SERVICE	0	0	0	0
TRANSFER OUT	0	0	0	0
CAPITAL OUTLAY	0	25,000	0	0
	<u>0</u>	<u>25,000</u>	<u>0</u>	<u>0</u>
TOTAL EXPENDITURES	<u>\$ 2,031,928</u>	<u>\$ 2,108,230</u>	<u>\$ 1,789,413</u>	<u>\$ 1,781,405</u>
LESS REVENUE GENERATED BY DEPARTMENT				
GENERAL FUND	(1,704,544)	(1,624,112)	(1,397,526)	(1,389,518)
WATER FUND	(84,558)	(104,178)	(96,165)	(96,165)
WASTEWATER FUND	(135,695)	(135,888)	(112,363)	(112,363)
TRANSPORTATION FUND	(32,996)	(33,060)	(29,208)	(29,208)
AIRPORT FUND	(12,017)	(14,209)	(9,301)	(9,301)
GOLF COURSE FUND	(20,875)	(29,701)	(20,640)	(20,640)
CONVENTION CENTER FUND	(57,079)	(56,632)	(37,556)	(37,556)
SERVICE CENTER FUND	(87,088)	(91,134)	(77,162)	(77,162)
RISK MANAGEMENT FUND	(14,303)	(13,052)	(9,492)	(9,492)
PRIOR YEAR RESERVES	0	(6,264)	0	0
	<u>(2,149,155)</u>	<u>(2,108,230)</u>	<u>(1,789,413)</u>	<u>(1,781,405)</u>
REVENUES (OVER)/UNDER EXPENDITURES	<u>\$ (117,227)</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

TOWN OF OCEAN CITY
FISCAL YEAR 2011 BUDGET

SERVICE CENTER FUND

BUDGET HIGHLIGHTS:

REVENUE:

No rate changes are included in FY 11. Fuel revenue is dependent on fuel cost. As fuel costs are anticipated to increase in FY 11, fuel revenue is projected to increase. Parts revenue is anticipated to decrease. Vehicle labor charges are budgeted to increase slightly. In FY 10, \$40,713 was taken from Prior Year Reserves to offset the cost of purchase orders brought forward.

PERSONNEL CHANGES:

Two Vehicle Equipment Technician positions were eliminated in FY 10 and another was eliminated in FY 11. No cost of living or annual increments have been included. Increases in health insurance costs have been offset by reductions in retirement, worker's compensation and unemployment. In this budget, the tool allowance has been included at \$500 per mechanic.

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. Garage door repair and replacement and interior painting were included in FY 09 at a cost of \$30,750. A replacement air handler for the boiler room has been included in FY 11 at a cost of \$7,800. Equipment maintenance has been reduced \$8,146. Fuel system repairs included in FY 10 have not been included in FY 11. Purchases of fuel and inventory are the major expenses in the Supplies & Materials category. 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 affects Transportation, Solid Waste, and Police to a great degree. Vehicle fuel costs are expected to increase in FY 11 and account for the increase in this line item. As with all other city departments, Energy costs are expected to decrease in this department as well. Intragovernmental allocations increase for this department. Increases in allocations for General Overhead are offset by decreases in IT Services and Insurance costs. Sandblasting and painting the fuel depot canopy structural steel were included in FY 10.

SUMMARY COMMENTS:

The tool reimbursement program started in FY 05 for the Service Center mechanics has proven successful with thirteen mechanics receiving the full \$1,000 allowance in FY 09. In FY 10, the tool allowance was reduced to \$500 per mechanic as the mechanics have been able to replace many of their tools over the past several years. An average value of each mechanic's tools is approximately \$15,000.

TOWN OF OCEAN CITY
FISCAL YEAR 2011 BUDGET
SERVICE CENTER FUND

EXPENDITURES	ACTUAL 2009	REVISED 2010	CITY MANAGER PROPOSED 2011	COUNCIL ADOPTED 2011
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 1,170,583	\$ 1,132,823	\$ 1,109,257	\$ 1,109,257
EMPLOYEE BENEFITS	606,367	619,766	617,220	603,417
	<u>1,776,950</u>	<u>1,752,589</u>	<u>1,726,477</u>	<u>1,712,674</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	76,097	67,238	61,992	61,992
SUPPLIES & MATERIALS	3,038,813	3,097,473	3,263,577	3,263,577
ENERGY	60,440	51,000	48,435	48,435
VEHICLE SUPPLIES & REPAIR	32,339	25,904	27,425	27,425
INTRAGOVERNMENTAL	264,618	294,927	281,188	281,188
	<u>3,472,307</u>	<u>3,536,542</u>	<u>3,682,617</u>	<u>3,682,617</u>
OTHER FINANCIAL USES:				
DEBT SERVICE	0	0	0	0
TRANSFER OUT	0	0	0	0
CAPITAL OUTLAY	0	28,000	0	0
	<u>0</u>	<u>28,000</u>	<u>0</u>	<u>0</u>
TOTAL EXPENDITURES	<u>\$ 5,249,257</u>	<u>\$ 5,317,131</u>	<u>\$ 5,409,094</u>	<u>\$ 5,395,291</u>
LESS REVENUE GENERATED BY DIVISION				
FUEL REVENUE	(1,909,623)	(1,748,538)	(2,129,238)	(2,129,238)
PARTS REVENUE	(1,940,595)	(2,212,009)	(1,957,346)	(1,943,543)
LABOR REVENUE	(1,285,327)	(1,315,871)	(1,319,510)	(1,319,510)
PRIOR YEAR RESERVES	0	(40,713)	0	0
DISCOUNTS TAKEN	(2,382)	0	(3,000)	(3,000)
	<u>(5,137,927)</u>	<u>(5,317,131)</u>	<u>(5,409,094)</u>	<u>(5,395,291)</u>
REVENUES (OVER)/UNDER EXPENDITURES	<u>\$ 111,330</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

**TOWN OF OCEAN CITY
FISCAL YEAR 2011 BUDGET**

VEHICLE AND EQUIPMENT TRUST FUND

<u>REQUESTED VEHICLES</u>	<u>REPLACEMENT Yes/No</u>	<u>ADOPTED BUDGET</u>
ENGINEERING:		
¾ Ton Pickup w/cap	Y	26,000
POLICE:		
Unmarked Full-Size Sedans (5)	Y	122,500
Marked Full-Size Sedans (2)	Y	49,000
Marked Full-Size 4x4 SUV	Y	32,000
One Ton Marked Van (2)	Y	40,000
GOLF COURSE:		
Compact Utility Tractor	Y	22,300
PUBLIC WORKS MAINTENANCE:		
Street Broom	Y	153,000
Barber Surf Rake	Y	55,000
SOLID WASTE COLLECTIONS:		
Front End Truck	Y	207,000
Automated Collection Truck (2)	Y	480,000
SERVICE CENTER:		
One Ton Cargo Van	Y	19,500
TRANSPORTATION:		
Forty Foot Buses (6)	Y	2,400,000
ADA Van (2)	Y	111,000
		<u>\$3,717,300</u>
ALLOWANCE FOR ADDITIONAL VEHICLES		\$ 30,119
ALLOWANCE FOR FUTURE RADIO PURCHASES		\$ 154,785
POLICE REPLACEMENT MOBILE RADIOS (8)		\$ 28,000
REPAYMENT TO GENERAL FUND		\$ 31,851

TOWN OF OCEAN CITY
FISCAL YEAR 2011 BUDGET
VEHICLE AND EQUIPMENT TRUST FUND

EXPENDITURES	ACTUAL 2009	REVISED 2010	CITY MANAGER PROPOSED 2011	COUNCIL ADOPTED 2011
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	50,000	130,000	259,327	259,327
SUPPLIES & MATERIALS	2,451	5,000	5,000	5,000
ENERGY	0	0	0	0
VEHICLE SUPPLIES & REPAIR	0	0	0	0
INTRAGOVERNMENTAL	466,703	502,114	533,858	533,858
	<u>519,154</u>	<u>637,114</u>	<u>798,185</u>	<u>798,185</u>
OTHER FINANCIAL USES:				
DEBT SERVICE	1,068,475	376,624	94,156	94,156
TRANSFER OUT	0	592,948	31,851	31,851
CAPITAL OUTLAY	1,628,263	4,071,652	3,930,204	3,930,204
	<u>2,696,738</u>	<u>5,041,224</u>	<u>4,056,211</u>	<u>4,056,211</u>
TOTAL EXPENDITURES	<u>\$ 3,215,892</u>	<u>\$ 5,678,338</u>	<u>\$ 4,854,396</u>	<u>\$ 4,854,396</u>
LESS REVENUE GENERATED BY DEPARTMENT				
CAPITAL GRANT - FEDERAL	0	(2,715,492)	(2,008,800)	(2,008,800)
CAPITAL GRANT - STATE	0	(68,700)	(251,100)	(251,100)
SALE - CAPITAL ASSETS	(102,535)	(110,000)	(240,000)	(240,000)
TRANSFER IN FROM GEN'L FUND	0	0	0	0
INTEREST	0	0	0	0
PRIOR YEAR RESERVES	0	(68,700)	(400,000)	(400,000)
SALES - MATERIALS & SERVICE	(432,850)	(441,102)	(442,112)	(442,112)
GENERAL FUND CONTRIBUTION	(1,472,723)	(1,309,877)	(1,030,693)	(1,030,693)
WATER FUND CONTRIBUTION	(42,945)	(37,880)	(36,689)	(36,689)
WASTEWATER CONTRIBUTION	(66,343)	(66,675)	(57,916)	(57,916)
TRANSPORTATION CONTRIBUTION	(422,982)	(405,618)	(229,583)	(229,583)
AIRPORT FUND CONTRIBUTION	(6,842)	(6,228)	(6,096)	(6,096)
GOLF COURSE CONTRIBUTION	(62,295)	(43,074)	(33,037)	(33,037)
TOURISM FUND CONTRIBUTION	(4,685)	(2,220)	(3,264)	(3,264)
IT FUND CONTRIBUTION	(3,045)	(1,683)	(2,812)	(2,812)
SERVICE CENTER CONTRIBUTION	(16,264)	(20,947)	(16,139)	(16,139)
RISK MGT CONTRIBUTION	(4,125)	(3,518)	(1,999)	(1,999)
DISCOUNTS TAKEN	(102)	0	0	0
EQUIPMENT LEASE/PURCHASE	(578,156)	(376,624)	(94,156)	(94,156)
800 MHZ RADIO LEASE	0	0	0	0
	<u>(3,215,892)</u>	<u>(5,678,338)</u>	<u>(4,854,396)</u>	<u>(4,854,396)</u>
REVENUES (OVER)/UNDER EXPENDITURES	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

TOWN OF OCEAN CITY
FISCAL YEAR 2011 BUDGET

RISK MANAGEMENT FUND

BUDGET HIGHLIGHTS:

REVENUE CHANGES:

Interest earnings are expected to decrease in FY 2011. Allocations increased to the General Fund to cover worker's compensation claims and to the Vehicle Trust Fund to cover automobile insurance and anticipated claims.

PERSONNEL CHANGES:

The Safety Technician position was transferred to the Emergency Management division to assist with training and emergency preparedness functions in FY 10. Two positions remain in this division. No cost of living and no annual increments have been budgeted. No part-time salaries have been included in the budget. Increases in health insurance were offset by decreases in retirement contributions.

CHANGES IN OPERATIONS:

Insurance costs make up the majority of this line item and result in an increase in Contracted Services in FY11. Overall insurance costs are expected to increase \$100,000 in FY 11 to cover additional funds needed for worker's compensation claims. Automobile and General Liability claims are budgeted at the same level as FY 10. \$1,669,755 has been budgeted to cover the cost of insurance policies and insurance claims for FY 2011. Legal fees and Professional Services make up the other expenses in the Contracted Services category. An Actuarial study was conducted in FY 09. This study estimated ultimate losses and outstanding liability associated with the Town's self-insured worker's compensation, general liability and auto exposure. As a result of this study, the reserves for each type of insurance were increased in FY 09. This increase is reflected in the Contracted Services line item for that year. The Town's audit firm has recommended that this study be conducted every two fiscal years. Intragovernmental expenses increase because the allocation for General Overhead expense increases this fiscal year.

SUMMARY COMMENTS:

Insurance premiums are anticipated to remain constant or flat this year due to the soft market. The training program is being reviewed and revamped to meet the needs of all employees as well as meeting OSHA and Town safety requirements.

MAJOR 2010-2011 PROGRAM OBJECTIVES:

Worker's compensation continues to be the frontrunner in number of claims and worker's compensation awards reflect this. Risk continues to be more pro-active in its investigation of all claims. Implementation of an accident review committee should be of assistance not only to determine if a loss is preventable or non-preventable, but also to hold the responsible employee accountable for their actions.

TOWN OF OCEAN CITY
FISCAL YEAR 2011 BUDGET
RISK MANAGEMENT FUND

EXPENDITURES	ACTUAL 2009	REVISED 2010	CITY MANAGER PROPOSED 2011	COUNCIL ADOPTED 2011
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 219,189	\$ 162,618	\$ 162,305	\$ 162,305
EMPLOYEE BENEFITS	78,418	65,890	62,028	60,765
	<u>297,607</u>	<u>228,508</u>	<u>224,333</u>	<u>223,070</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	3,690,627	1,702,105	1,810,980	1,810,980
SUPPLIES & MATERIALS	4,649	2,110	2,110	2,110
ENERGY	0	0	0	0
VEHICLE SUPPLIES & REPAIR	5,426	3,232	2,974	2,974
INTRAGOVERNMENTAL	103,998	94,365	103,579	103,579
	<u>3,804,700</u>	<u>1,801,812</u>	<u>1,919,643</u>	<u>1,919,643</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>\$ 4,102,307</u>	<u>\$ 2,030,320</u>	<u>\$ 2,143,976</u>	<u>\$ 2,142,713</u>
LESS REVENUE GENERATED BY DEPARTMENT				
INTEREST EARNED	(176,289)	(115,000)	(98,534)	(97,271)
GENERAL FUND	(970,205)	(857,987)	(1,030,359)	(1,030,359)
WATER FUND	(138,264)	(114,190)	(107,856)	(107,856)
WASTEWATER FUND	(146,047)	(140,880)	(135,357)	(135,357)
TRANSPORTATION FUND	(145,835)	(129,464)	(90,944)	(90,944)
AIRPORT FUND	(27,079)	(21,645)	(21,115)	(21,115)
GOLF COURSE FUND	(44,201)	(39,004)	(30,461)	(30,461)
CONVENTION CENTER FUND	(211,798)	(147,346)	(148,531)	(148,531)
SERVICE CENTER FUND	(52,433)	(45,450)	(23,994)	(23,994)
MIS FUND	(2,975)	(2,743)	(10,575)	(10,575)
VEHICLE TRUST FUND	(393,000)	(416,611)	(446,250)	(446,250)
INSURANCE CLAIMS	(70,119)	0	0	0
PRIOR YEAR RESERVES	0	0	0	0
	<u>(2,378,245)</u>	<u>(2,030,320)</u>	<u>(2,143,976)</u>	<u>(2,142,713)</u>
REVENUES (OVER)/UNDER EXPENDITURES	<u>\$ 1,724,062</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>



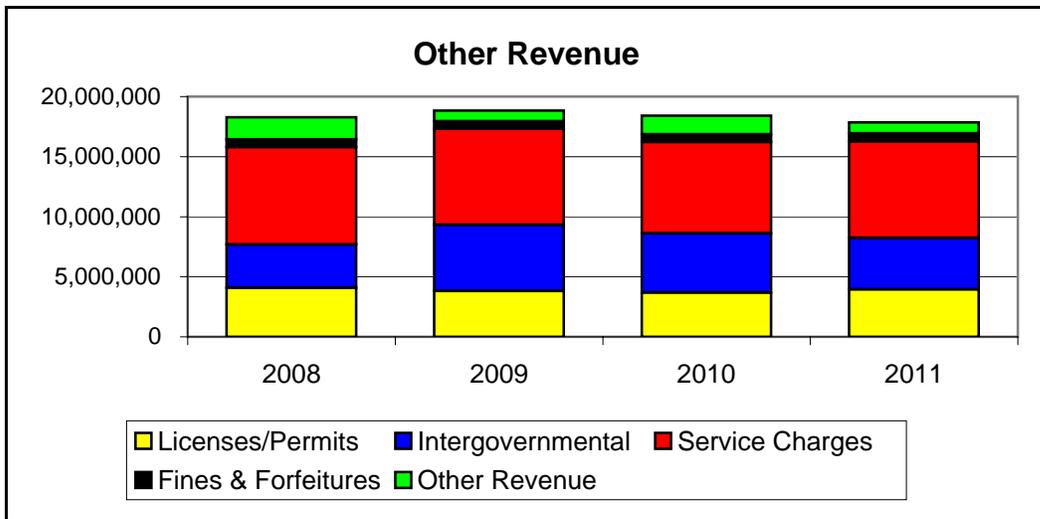
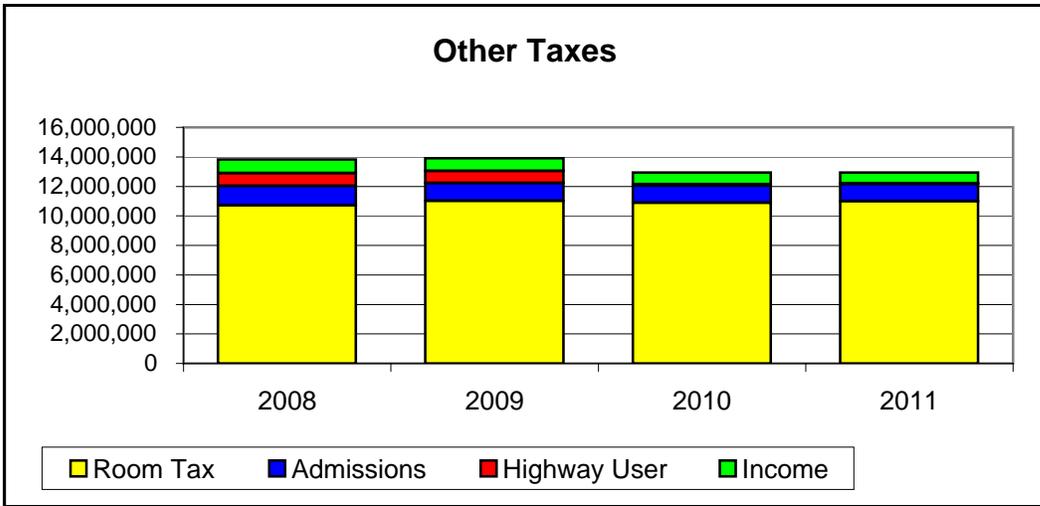
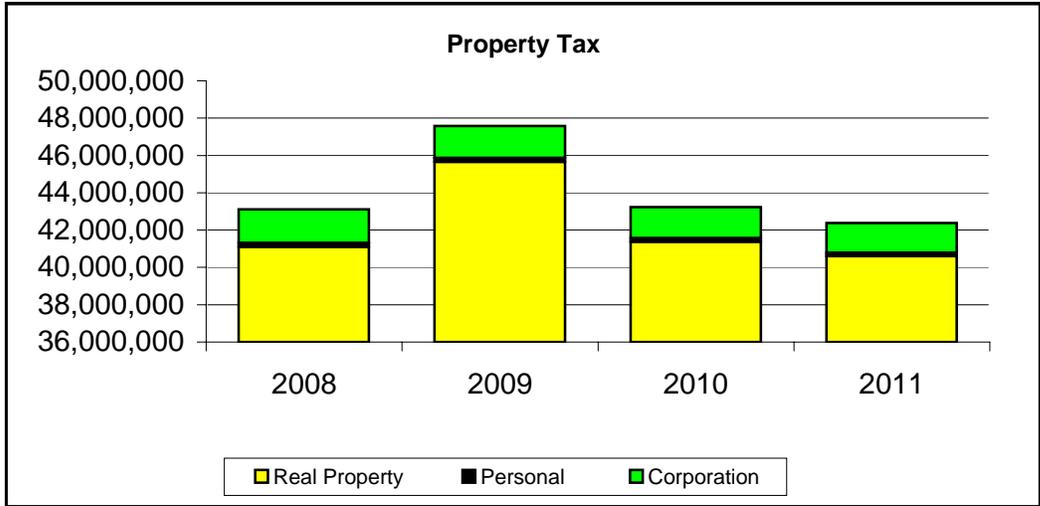
SUPPLEMENTARY INFORMATION

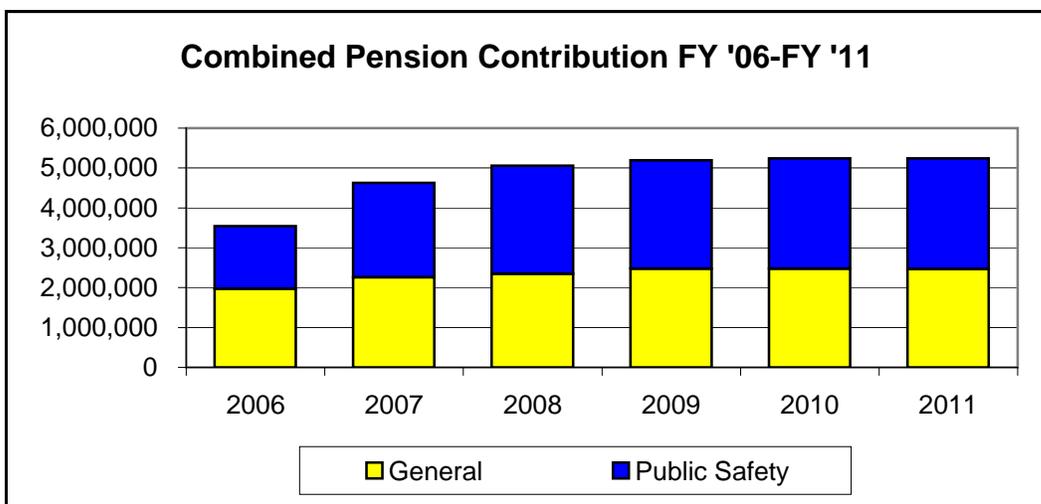
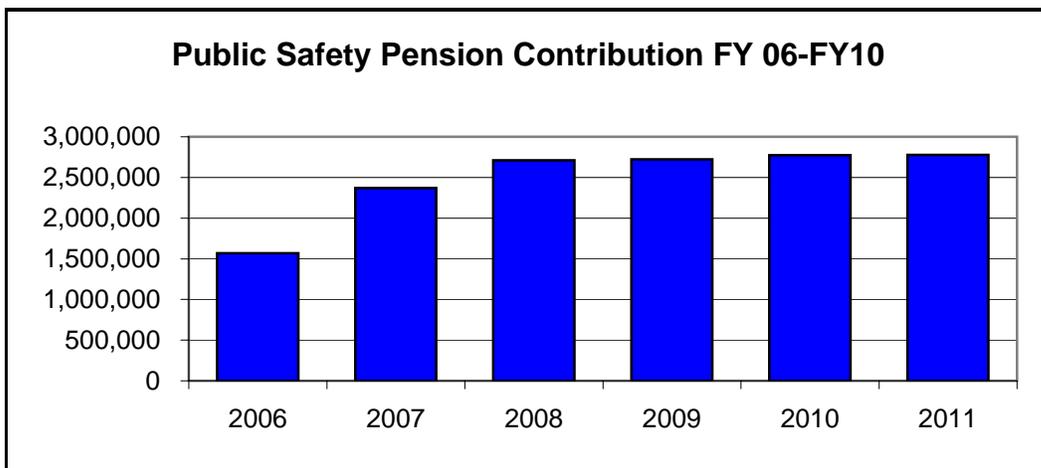
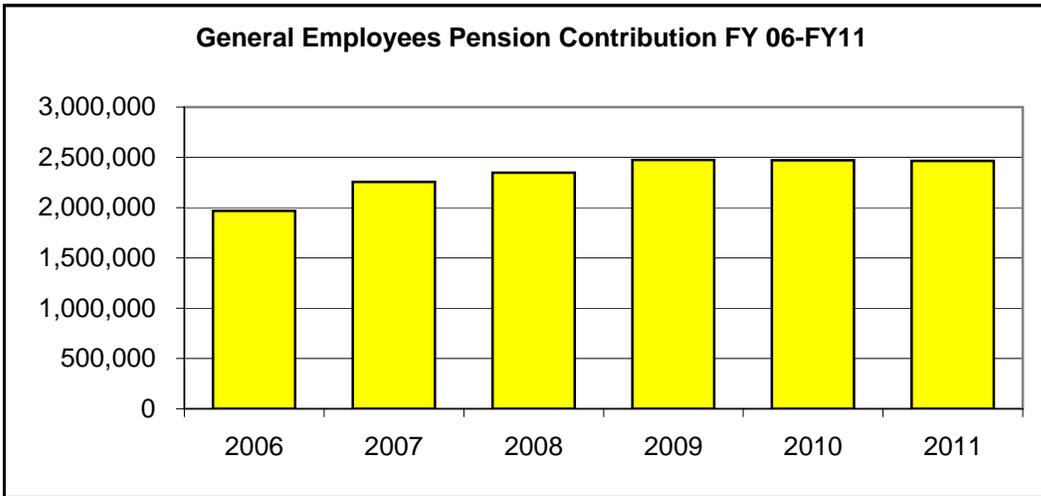
TOWN OF OCEAN CITY
 FULL TIME PERSONNEL, ALLOCATIONS
 1987, 1997, 2007, 2009, 2010 and Budget 2011

	<u>FY-87</u>	<u>FY-97</u>	<u>FY-2007</u>	<u>FY-2009</u>	<u>FY-2010</u>	<u>FY-2011</u>	<u>Variance</u>	<u>Variance Since FY 09</u>
GENERAL GOVERNMENT								
Mayor and Council	1	1	1	1	1	1	0	0
Clerk	2	3	4	4	4	4	0	0
City Manager	3	3	6	6	6	7	1	1
Finance	18	16	16	16	15	15	0	-1
Human Resources	3	3	4	4	4	4	0	0
	<u>27</u>	<u>26</u>	<u>31</u>	<u>31</u>	<u>30</u>	<u>31</u>	<u>1</u>	<u>0</u>
PLANNING AND BUILDING								
Planning Administration	11	4	9	8	8	6	-2	-2
Building Inspection	9	5	6	7	6	4	-2	-3
	<u>20</u>	<u>9</u>	<u>15</u>	<u>15</u>	<u>14</u>	<u>10</u>	<u>-4</u>	<u>-5</u>
PUBLIC SAFETY								
Police - Administration	34	21	13	14	13	13	0	-1
Police - Services		15	30	26	27	26	-1	0
Police - CID	10	12	16	22	21	20	-1	-2
Police - Patrol	54	60	73	71	70	71	1	0
Animal Control	2	2	2	2	2	2	0	0
Communications	1	14	21	22	22	21	-1	-1
Fire	3	3	3	3	3	3	0	0
Emergency Medical	27	26	42	42	42	42	0	0
Fire Marshal	5	5	9	9	9	8	-1	-1
	<u>136</u>	<u>158</u>	<u>209</u>	<u>211</u>	<u>209</u>	<u>206</u>	<u>-3</u>	<u>-5</u>
PUBLIC WORKS								
Engineering	11	5	7	8	7	7	0	-1
PW - Administration	3	3	4	4	4	4	0	0
PW - Bldg & Grounds	6	8	11	11	10	9	-1	-2
PW - Streets	23	21	25	25	23	13	-10	-12
PW - Storm Drains	7	7	0	0	0	0	0	0
PW - Street Maintenance			15	15	15	15	0	0
PW - Beach	5	7	5	5	3	4	1	-1
PW - Boardwalk	6	6	5	5	5	5	0	0
PW - Janitorial	2	5	9	9	7	6	-1	-3
PW - Parking	1	1	4	4	3	3	0	-1
Impound Lot	5	4	4	5	5	2	-3	-3
	<u>69</u>	<u>67</u>	<u>89</u>	<u>91</u>	<u>82</u>	<u>68</u>	<u>-14</u>	<u>-23</u>
SOLID WASTE								
Solid Waste - Operations	49	32	23	19	19	19	0	0
Solid Waste - Transfer Station		7	9	9	5	6	1	-3
Solid Waste - Recycling		7	12	16	16	0	-16	-16
	<u>49</u>	<u>46</u>	<u>44</u>	<u>44</u>	<u>40</u>	<u>25</u>	<u>-15</u>	<u>-19</u>
RECREATION AND PARKS								
Administration	4	7	6	6	6	5	-1	-1
Recreation Programs	4	5	7	7	7	7	0	0
Beach Patrol			1	1	1	1	0	0
Park Maintenance	11	12	20	22	20	17	-3	-5
Special Events		2	5	6	5	4	-1	-2
	<u>19</u>	<u>26</u>	<u>39</u>	<u>42</u>	<u>39</u>	<u>34</u>	<u>-5</u>	<u>-8</u>

TOWN OF OCEAN CITY
 FULL TIME PERSONNEL, ALLOCATIONS
 1987, 1997, 2007, 2009, 2010 and Budget 2011

	<u>FY-87</u>	<u>FY-97</u>	<u>FY-2007</u>	<u>FY-2009</u>	<u>FY-2010</u>	<u>FY-2011</u>	<u>Variance</u>	<u>Variance Since FY 09</u>
TOURISM								
Tourism Promotions		1	2	5	4	2	-2	-3
Public Relations	3	6	4	1	1	0	-1	-1
Museum	2	2	3	3	3	2	-1	-1
	<u>5</u>	<u>9</u>	<u>9</u>	<u>9</u>	<u>8</u>	<u>4</u>	<u>-4</u>	<u>-5</u>
WATER								
Water Administration	2	2	2	2	2	1	-1	-1
Distribution System	7	7	7	7	7	7	0	0
Plants	10	10	11	11	11	10	-1	-1
Meter Reading/Install	5	5	5	4	3	3	0	-1
	<u>24</u>	<u>24</u>	<u>25</u>	<u>24</u>	<u>23</u>	<u>21</u>	<u>-2</u>	<u>-3</u>
WASTEWATER								
Administration		4	5	5	4	4	0	-1
Treatment Plant		32	32	32	32	31	-1	-1
Collection System		8	8	9	8	8	0	-1
Farm		3	0	0	0	0	0	0
Lab		3	3	3	2	2	0	-1
		<u>50</u>	<u>48</u>	<u>49</u>	<u>46</u>	<u>45</u>	<u>-1</u>	<u>-4</u>
TRANSPORTATION								
Administration	3	3	5	5	5	4	-1	-1
Buses	9	12	12	12	11	9	-2	-3
	<u>12</u>	<u>15</u>	<u>17</u>	<u>17</u>	<u>16</u>	<u>13</u>	<u>-3</u>	<u>-4</u>
AIRPORT OPERATIONS								
	3	3	3	4	3	3	0	-1
GOLF COURSE								
Operations		3	3	3	3	3	0	0
Maintenance		8	6	6	6	5	-1	-1
		<u>11</u>	<u>9</u>	<u>9</u>	<u>9</u>	<u>8</u>	<u>-1</u>	<u>-1</u>
CONVENTION CENTER								
Tourism Administration	5	5	7	7	7	6	-1	-1
Convention Sales		3	3	3	2	3	1	0
Tourism Maintenance	12	11	30	30	26	25	-1	-5
	<u>17</u>	<u>19</u>	<u>40</u>	<u>40</u>	<u>35</u>	<u>34</u>	<u>-1</u>	<u>-6</u>
INFORMATION TECH								
	2	4	11	11	11	9	-2	-2
SERVICE CENTER								
Administration	3	3	2	2	2	2	0	0
Central Purchasing	6	5	5	5	5	5	0	0
Garage	14	16	15	15	13	12	-1	-3
	<u>23</u>	<u>24</u>	<u>22</u>	<u>22</u>	<u>20</u>	<u>19</u>	<u>-1</u>	<u>-3</u>
RISK MANAGEMENT								
		2	3	3	2	2	0	-1
TOTAL	<u>406</u>	<u>493</u>	<u>614</u>	<u>622</u>	<u>587</u>	<u>532</u>	<u>-55</u>	<u>-90</u>







BUDGET ORDINANCE

ORDINANCE 2010- 16

TOWN OF OCEAN CITY
OPERATING BUDGET
FISCAL YEAR 2011

SOURCE	1ST READING FY-2011	2ND READING FY-2011
Section I, General Fund:		
A. Anticipated Revenue:		
Property Taxes	\$ 42,553,244	\$ 42,553,244
Other Taxes	12,940,514	12,940,514
Licenses and Permits	3,937,350	3,937,350
Revenue From Other Agencies	4,292,025	4,292,025
Charges For Services	8,039,328	8,039,328
Fines and Forfeitures	661,190	661,190
Other Revenue	<u>914,721</u>	<u>914,721</u>
 Total Revenue	 \$ <u>73,338,372</u>	 \$ <u>73,338,372</u>
B. Anticipated Expenditures:		
General Government	\$ 3,597,431	\$ 3,597,431
Public Safety	31,972,727	31,972,727
Public Works/Beach Maintenance	5,075,686	5,075,686
Sanitation and Waste Removal	5,753,328	5,753,328
Highways and Streets	5,042,286	5,042,286
Economic Development -Tourism	5,975,961	5,975,961
Culture and Recreation	7,490,350	7,490,350
Debt Service	<u>4,527,781</u>	<u>4,527,781</u>
 Sub Total	 \$ 69,435,550	 \$ 69,435,550
To Transportation Fund	1,952,210	1,952,210
To Airport Fund	390,711	390,711
To Convention Center Fund	1,559,901	1,559,901
To Capital Projects	<u>0</u>	<u>0</u>
 Total Expenditures	 \$ <u>73,338,372</u>	 \$ <u>73,338,372</u>

SOURCE	1ST READING FY-2011	2ND READING FY-2011
Section II, Water Fund:		
A. Anticipated Revenue:		
Water Sales	\$ 3,287,344	\$ 3,287,344
Water Fixture Charge	3,739,366	3,739,366
Service Charges	349,686	349,686
Capacity/Impact Fees	83,160	83,160
Prior Year Reserves	<u>66,305</u>	<u>66,305</u>
Total Revenue	\$ <u>7,525,861</u>	\$ <u>7,525,861</u>
B. Anticipated Expenditures:		
Personal Services	\$ 2,091,910	\$ 2,091,910
Non-Personal Services	3,627,445	3,627,445
Debt Service	1,397,153	1,397,153
Capital Outlay	<u>409,353</u>	<u>409,353</u>
Total Expenditures	\$ <u>7,525,861</u>	\$ <u>7,525,861</u>

Section III, Transportation Fund:

A. Anticipated Revenue:

Bus Revenue	\$ 2,696,510	\$ 2,696,510
Train Revenue	1,002,000	1,002,000
Federal and State Grants	1,606,982	1,606,982
Transfer-In From General Fund	<u>1,952,210</u>	<u>1,952,210</u>
Total Revenue	\$ <u>7,257,702</u>	\$ <u>7,257,702</u>

B. Anticipated Expenditures:

Personal Services	\$ 3,538,578	\$ 3,538,578
Non-Personal Services	3,151,124	3,151,124
Capital Outlay	<u>568,000</u>	<u>568,000</u>
Total Expenditures	\$ <u>7,257,702</u>	\$ <u>7,257,702</u>

SOURCE	1ST READING FY-2011	2ND READING FY-2011
Section IV, Wastewater Fund:		
A. Anticipated Revenue:		
Wastewater Treatment Charges	\$ 10,190,293	\$ 10,190,293
Service Charges	887,414	887,414
Capacity/Impact Fees	145,530	145,530
Prior Year Reserves	<u>0</u>	<u>0</u>
Total Revenue	\$ <u>11,223,237</u>	\$ <u>11,223,237</u>
B. Anticipated Expenditures:		
Personal Services	\$ 4,080,779	\$ 4,080,779
Non-Personal Services	3,581,579	3,581,579
Debt Service	3,069,879	3,069,879
Capital Outlay	<u>491,000</u>	<u>491,000</u>
Total Expenditures	\$ <u>11,223,237</u>	\$ <u>11,223,237</u>

Section V, Airport Fund:

A. Anticipated Revenue:

Fuel Sales	\$ 528,434	\$ 528,434
Rents and Other Revenue	326,604	326,604
State and Federal Grants	390,000	390,000
Service Charges	56,700	56,700
Transfer-In From General Fund	<u>390,711</u>	<u>390,711</u>
Total Revenue	\$ <u>1,692,449</u>	\$ <u>1,692,449</u>

B. Anticipated Expenditures:

Personal Services	\$ 347,941	\$ 347,941
Non-Personal Services	768,901	768,901
Debt Service	145,607	145,607
Capital Outlay	<u>430,000</u>	<u>430,000</u>
Total Expenditures	\$ <u>1,692,449</u>	\$ <u>1,692,449</u>

SOURCE	1ST READING FY-2011	2ND READING FY-2011
Section VI, Municipal Golf Course Fund:		
A. Anticipated Revenue:		
Service Charges	\$ 1,571,051	\$ 1,571,051
Sales and Concessions	415,000	415,000
Other Revenue	66,700	66,700
Total Revenue	\$ <u>2,052,751</u>	\$ <u>2,052,751</u>
B. Anticipated Expenditures:		
Personal Services	\$ 1,018,573	\$ 1,018,573
Non-Personal Services	1,034,178	1,034,178
Debt Service	0	0
Capital Outlay	<u>0</u>	<u>0</u>
Total Expenditures	\$ <u>2,052,751</u>	\$ <u>2,052,751</u>
Section VII, Convention Center Fund:		
A. Anticipated Revenue:		
Service Charges	\$ 1,796,500	\$ 1,796,500
State and County Grants	1,595,367	1,595,367
Food & Beverage Tax	1,100,713	1,100,713
Transfer-In From General Fund	<u>1,559,901</u>	<u>1,559,901</u>
Total Revenue	\$ <u>6,052,481</u>	\$ <u>6,052,481</u>
B. Anticipated Expenditures:		
Personal Services	\$ 3,006,543	\$ 3,006,543
Non-Personal Services	1,710,695	1,710,695
Debt Service	1,235,243	1,235,243
Transfer to Debt Service Reserves	100,000	100,000
Capital Outlay	<u>0</u>	<u>0</u>
Total Expenditures	\$ <u>6,052,481</u>	\$ <u>6,052,481</u>

SOURCE	1ST READING FY-2011	2ND READING FY-2011
Section VIII, Information Technology Fund:		
A. Anticipated Revenue:		
Service Charges To Other Funds	\$ 1,781,405	\$ 1,781,405
Total Revenue	\$ <u>1,781,405</u>	\$ <u>1,781,405</u>
B. Anticipated Expenditures:		
Personal Services	\$ 905,399	\$ 905,399
Non-Personal Services	876,006	876,006
Capital Outlay	<u>0</u>	<u>0</u>
Total Expenditures	\$ <u>1,781,405</u>	\$ <u>1,781,405</u>

Section IX, Service Center Fund:

A. Anticipated Revenue:		
Service Charges To Other Funds	\$ 5,395,291	\$ 5,395,291
Total Revenue	\$ <u>5,395,291</u>	\$ <u>5,395,291</u>
B. Anticipated Expenditures:		
Personal Services	\$ 1,712,674	\$ 1,712,674
Non-Personal Services	3,682,617	3,682,617
Debt Service	0	0
Capital Outlay	<u>0</u>	<u>0</u>
Total Expenditures	\$ <u>5,395,291</u>	\$ <u>5,395,291</u>

SOURCE	1ST READING FY-2011	2ND READING FY-2011
Section X, Vehicle & Equipment Trust Fund:		
A. Anticipated Revenue:		
Service Charges To Other Funds	\$ 1,954,496	\$ 1,954,496
State and Federal Grants	2,259,900	2,259,900
Sale of Assets	240,000	240,000
Prior Year Reserves	<u>400,000</u>	<u>400,000</u>
Total Revenue	\$ <u>4,854,396</u>	\$ <u>4,854,396</u>
B. Anticipated Expenditures:		
Non-Personal Services	\$ 798,185	\$ 798,185
Debt Service	94,156	94,156
Transfers Out	31,851	31,851
Capital Outlay	<u>3,930,204</u>	<u>3,930,204</u>
Total Expenditures	\$ <u>4,854,396</u>	\$ <u>4,854,396</u>

Section XI, Risk Management Fund:

A. Anticipated Revenue:

Service Charges To Other Funds	\$ 2,045,442	\$ 2,045,442
Interest Earned	<u>97,271</u>	<u>97,271</u>
Total Revenue	\$ <u>2,142,713</u>	\$ <u>2,142,713</u>

B. Anticipated Expenditures:

Personal Services	\$ 223,070	\$ 223,070
Non-Personal Services/Claims	1,919,643	1,919,643
Capital Outlay	<u>0</u>	<u>0</u>
Total Expenditures	\$ <u>2,142,713</u>	\$ <u>2,142,713</u>

SOURCE	1ST READING FY-2011	2ND READING FY-2011
Section XII, Pension Trust Funds:		
A. Anticipated Revenue:		
Employer Contributions	\$ 5,241,713	\$ 5,241,713
Employee Contributions	2,100,880	2,100,880
Investment Earnings	<u>3,410,000</u>	<u>3,410,000</u>
Total Revenue	\$ <u>10,752,593</u>	\$ <u>10,752,593</u>
B. Anticipated Expenditures:		
Benefit Payments	\$ 2,650,000	\$ 2,650,000
Non-Personal Services	450,000	450,000
Reserve for Employee's Retirement	<u>7,652,593</u>	<u>7,652,593</u>
Total Expenditures	\$ <u>10,752,593</u>	\$ <u>10,752,593</u>
Section XIII, OPEB Trust Funds:		
A. Anticipated Revenue:		
Employer Contributions	\$ 3,031,120	\$ 3,031,120
Employee Contributions	85,000	85,000
Investment Earnings	<u>250,000</u>	<u>250,000</u>
Total Revenue	\$ <u>3,366,120</u>	\$ <u>3,366,120</u>
B. Anticipated Expenditures:		
Benefit Payments	\$ 800,000	\$ 800,000
Non-Personal Services	50,000	50,000
Reserve for Retiree Health	<u>2,516,120</u>	<u>2,516,120</u>
Total Expenditures	\$ <u>3,366,120</u>	\$ <u>3,366,120</u>
Section XIV, General Capital Projects Fund:		
A. Anticipated Revenue:		
General Fund Contribution	\$ 0	\$ 0
Program Open Space	0	0
Inlet Lot Parking Revenue	290,000	290,000
Miscellaneous Grants	<u>0</u>	<u>0</u>
Total Revenue	\$ <u>290,000</u>	\$ <u>290,000</u>
B. Anticipated Expenditures:		
Reserve for Future Capital Projects	<u>290,000</u>	<u>290,000</u>
Total Expenditures	\$ <u>290,000</u>	\$ <u>290,000</u>

SOURCE	1ST READING FY-2011	2ND READING FY-2011
Section XIV, All Funds Expenditure Summary:		
General Fund	\$ 73,338,372	\$ 73,338,372
Water Fund	7,525,861	7,525,861
Transportation Fund	7,257,702	7,257,702
Wastewater Fund	11,223,237	11,223,237
Airport Fund	1,692,449	1,692,449
Municipal Golf Course Fund	2,052,751	2,052,751
Convention Center Fund	6,052,481	6,052,481
Management Information Services Fund	1,781,405	1,781,405
Service Center Fund	5,395,291	5,395,291
Vehicle & Equipment Trust Fund	4,854,396	4,854,396
Risk Management Fund	2,142,713	2,142,713
Pension Trust Funds	<u>10,752,593</u>	<u>10,752,593</u>
Sub Total	\$ 134,069,251	\$ 134,069,251
LESS: Interfund Transfers	<u>(23,352,289)</u>	<u>(23,352,289)</u>
Total Expenditures	\$ 110,716,962	\$ 110,716,962
Capital Projects Fund - General	<u>290,000</u>	<u>290,000</u>
Grand Total	\$ <u>111,006,962</u>	\$ <u>111,006,962</u>

Section XV, Special Authorization - Budget Manager:

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

Section XVI, Restrictions - City Manager:

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

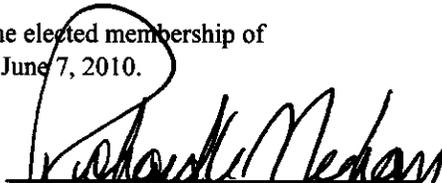
Section XVII, Tax Rate:

An Ad Valorem Tax Rate of \$0.395 per \$100 of assessed valuation of real property and a rate of \$1.29 per \$100 of assessed valuation of corporate and personal property tax is required to fund this budget.

INTRODUCED at a meeting of the City Council of Ocean City, Maryland held on May 17, 2010.

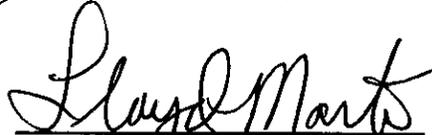
ADOPTED AND PASSED, as amended, by the required vote of the elected membership of the City Council and approved by the Mayor at its meeting held on June 7, 2010.


 DENNIS W. DARE, CITY MANAGER


 RICHARD W. MEEHAN, MAYOR


 KATHLEEN A.P. MATHIAS, CITY CLERK


 JOSEPH M. MITRECIC, PRESIDENT


 LLOYD MARTIN, SECRETARY

ADOPTED: Date 6/7/2010

MOTION TO ADOPT BY: Council Secretary Martin

MOTION SECONDED BY: Council Member Knight

VOTE: FOR: 4 AGAINST: 3 - Pillas, Jim Hall, Joe Hall