

*Town of Ocean City  
Adopted Budget  
Fiscal Year 2011-2012*





TOWN OF OCEAN CITY, MARYLAND

ADOPTED BUDGET

FISCAL YEAR 2011-2012

Richard W. Meehan  
Mayor

James S. Hall  
Council President

Lloyd Martin  
Council Secretary

Douglas S. Cymek  
Council Member

Brent Ashley  
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  
P.O. Box 158  
Ocean City, Maryland 21843  
410-289-8887



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TOWN OF  
**OCEAN CITY**

*The White Marlin Capital of the World*

April 18, 2011

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

[www.oceancitymd.gov](http://www.oceancitymd.gov)

**TO THE CITIZENS, HONORABLE MAYOR AND CITY COUNCIL OF OCEAN CITY,** I respectfully submit the proposed budget for the fiscal year from July 1, 2011 to June 30, 2012.

MAYOR  
RICHARD W. MEEHAN

CITY COUNCIL MEMBERS  
JAMES S. HALL  
*President*

LLOYD MARTIN  
*Secretary*

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

A great deal has been accomplished to "right size" our operations since the recession began in 2008. We implemented a hiring freeze, offered retirement incentives and reorganized departmental structures to reduce our workforce. We changed what we do and how we do it in many ways such as operations in solid waste and transportation, while maintaining services required by our citizens and those visiting our resort community.

DENNIS W. DARE  
*City Manager*

KATHLEEN A.P. MATHIAS  
*City Clerk*

In the last ten years, Ocean City has reduced its real property tax rate 23%. By comparison, Worcester County has reduced its rate 4%, and the State of Maryland increased its rate 33%. This proposed FY12 Budget keeps the tax rate the same at \$0.395, slightly below the Constant Yield Tax Rate of \$0.3958. Our Net assessable real property base fell only 0.2% from \$10.30 billion \$10.28 billion in 2011, and our residential homeowners enjoyed over a quarter billion dollars in Homestead Tax Credits.

Payroll is down 8% over the last two years and is sustained in this budget. A reduction of over \$7 million in expenses has been made over the last two years and is sustained in this budget. This past summer season saw Room Tax grow 5.5%, Food Tax 1.8% and parking revenues 8.5%. Beach Franchise bids for the downtown beach were up 35%. Fund Balance has grown above our goal and is being used to pave roadways for the first time in two years.

The proposed budget includes revenue from the slots and has allowed for over \$600,000 to be included in a Capital Improvement Fund for the paving of roadways and storm drain repairs throughout town.

Recent changes in deferred compensation contributions and salary scales for new employees are included in this proposed budget. This budget does not include any pay raise for current employees. Retiree health care is budgeted at the current level and does not provide for either the elimination for new hires or for a soft cap.

Ocean City, MD



2001

The Town has survived the 2009 recession more successfully than many other resorts due to our location, the impact of our advertising and promotional campaigns, and the recognized value of Ocean City as a vacation and second home destination in the mid-Atlantic region.

We are ideally positioned to improve economically in the years ahead by strongly emphasizing and maintaining policies that strengthen the value of real property and business in Ocean City such as:

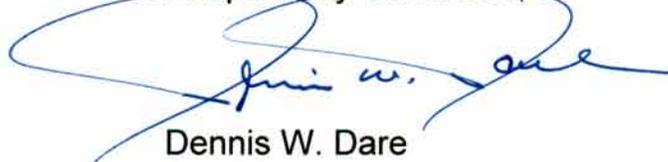
- Supporting the business community with continued advertising and promotions year round, especially in softer periods
- Continuing Town operating services that meet the high level of citizen and visitor expectations for public safety, cleanliness and recreational opportunities
- Maintaining and improving the beach and infrastructure with investments in the boardwalk, streets and utilities
- Providing employee wages and benefits that are both financially sustainable and adequately provide for employee recruitment and retention

We owe a debt of gratitude to our employees as they continue to deliver a high degree of service despite 95 fewer workers, or 20% of the workforce, and without any salary increase for a third year. Our employees' understanding, dedication and loyalty are greatly appreciated and critical during this fiscally challenging time.

I want to thank the department heads and their staff for their support in developing this budget. I want to especially recognize Budget Manager Jennie Knapp for her professionalism and untiring 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 2012 Budget.

Respectfully Submitted,

A handwritten signature in blue ink, appearing to read "Dennis W. Dare", is written over a large, stylized blue scribble that extends across the signature line.

Dennis W. Dare  
City Manager

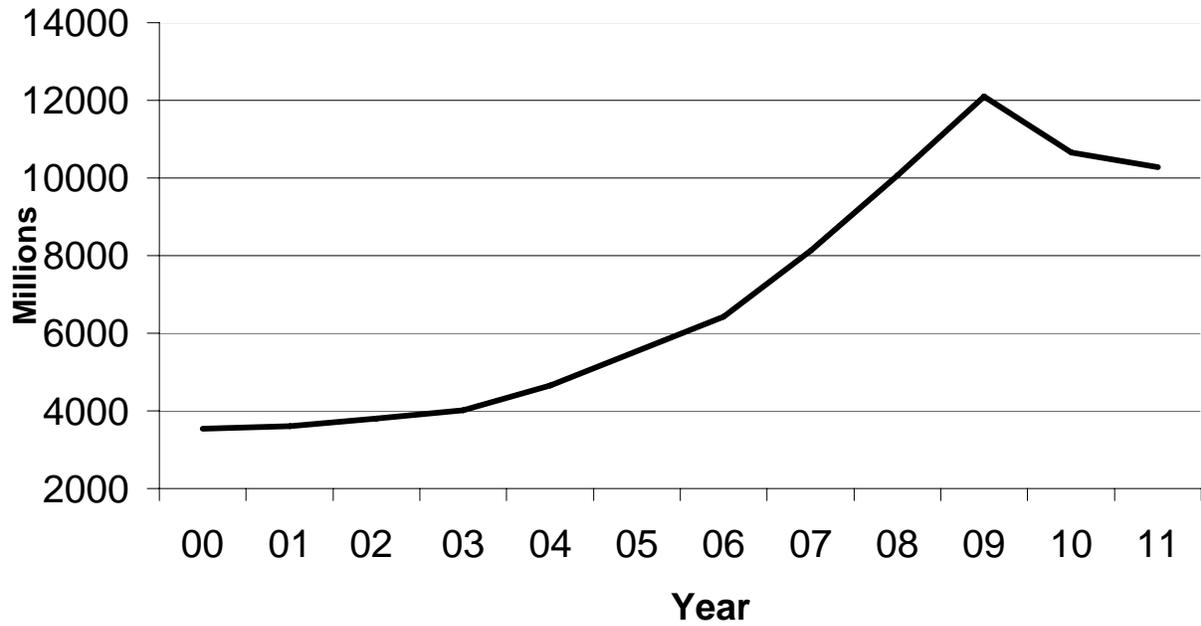
# **INTRODUCTORY SECTION**

**TOWN OF OCEAN CITY  
FY 2012  
CALENDAR OF BUDGET PROCESS**

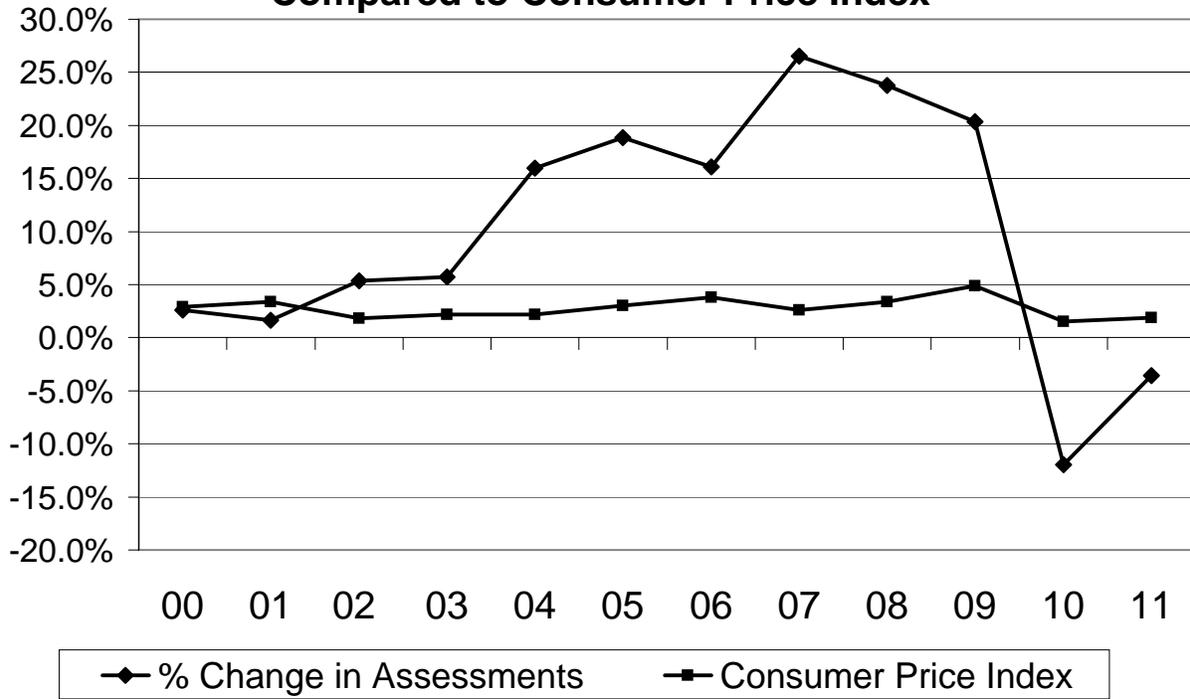
<b>08/10/10</b>	<b>Convention Center FY 12 Budget due to the Maryland Stadium Authority</b>
<b>10/08/10</b>	<b>Budget Packets Forwarded to Departments</b>
<b>11/30/10</b>	<b>CIP requests due to Jesse Houston</b>
<b>11/30/10</b>	<b>IT, Vehicle, Personnel Requests Due</b>
<b>01/06/11</b>	<b>Department Budgets updated to City Manager level</b>
<b>01/14/11-01/21/11</b>	<b>IT, Risk City Manager Budget Meeting</b>
<b>02/11/11</b>	<b>Approximate Receipt of Property Tax Revenue Forecast for FY 2012</b>
<b>02/01/11-03/25/11</b>	<b>City Manager Review Process</b>
<b>04/18/11</b>	<b>Presentation of City Manager Budget Proposal to Council</b>
<b>04/20/11-05/09/11</b>	<b>Review of City Manager Budget Proposal, Public Requests and Recommendations by Mayor And Council</b>
<b>05/16/11</b>	<b>1<sup>st</sup> Reading of the FY 2012 Budget</b>
<b>06/20/11</b>	<b>2<sup>nd</sup> Reading of the FY 2012 Budget</b>



### Assessed Value - Taxable Property 2000 - 2011



### % 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.

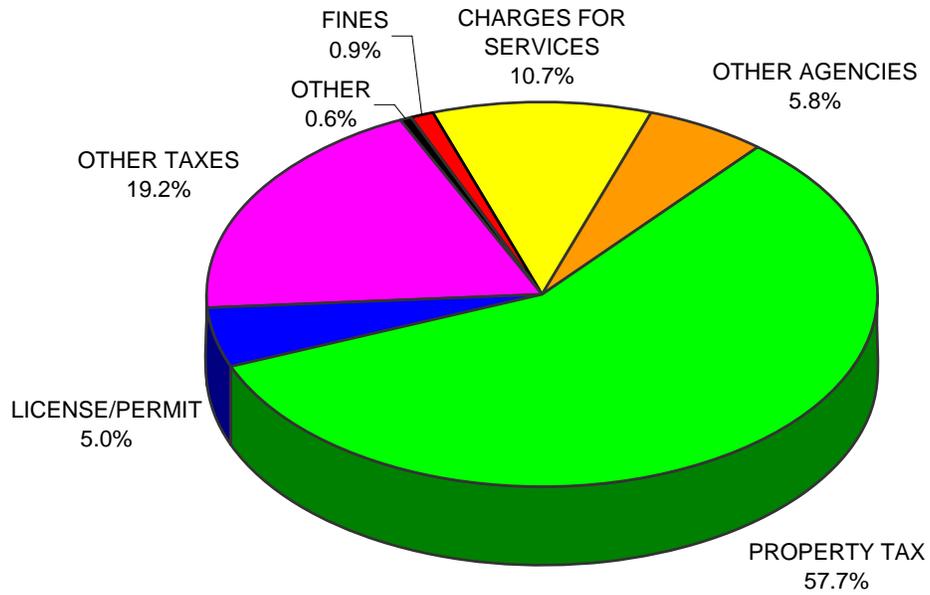
### **Budgetary Guidelines and Policies**

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.

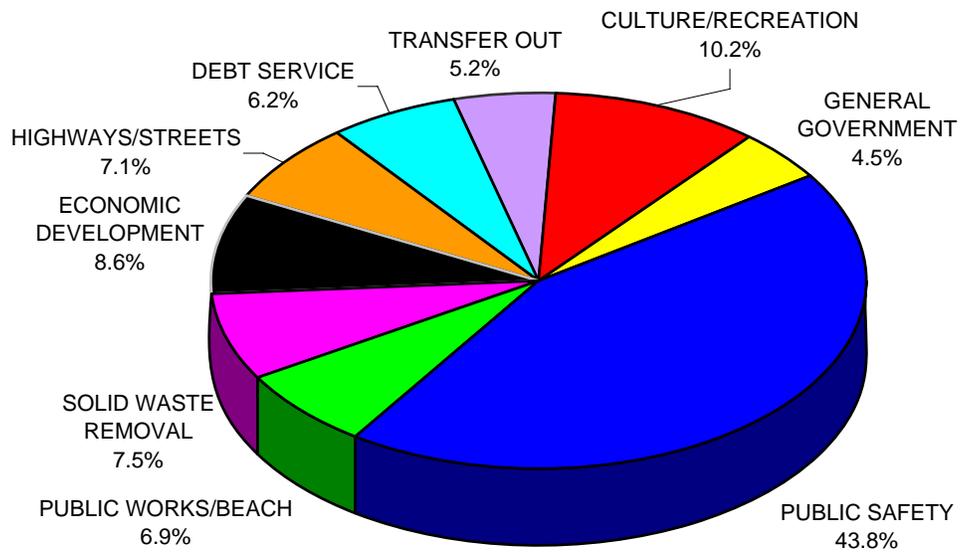
## **GENERAL FUND**

**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 FY12



## General Fund Expenditures FY12



GENERAL FUND  
COMPARATIVE STATEMENT OF REVENUES AND EXPENDITURES  
YEARS ENDED JUNE 30, 2010 (ACTUAL), 2011 (BUDGETED) AND 2012(ADOPTED)

	ACTUAL 2010	REVISED BUDGET 2011	CITY MANAGER PROPOSED 2012	COUNCIL ADOPTED 2012
<b>REVENUES</b>				
Property Taxes	\$ 43,272,019	\$ 42,303,244	\$ 42,356,715	42,356,715
Penalties And Interest	536,130	250,000	250,000	250,000
Other Taxes	13,062,376	13,382,514	14,033,029	14,202,029
Licenses And Permits	3,858,142	3,884,627	3,724,560	3,724,560
Revenue From Other Agencies	5,218,485	4,970,104	4,257,121	4,257,121
Charges For Current Services	7,691,958	7,711,328	7,930,879	7,936,879
Fines And Forfeitures	741,764	687,190	672,900	672,900
Other Revenue	712,087	1,104,115	438,750	438,750
Transfers In	1,137,591	0	0	0
Discounts Allowed	0	0	0	0
<b>TOTAL REVENUES</b>	<b>76,230,552</b>	<b>74,293,122</b>	<b>73,663,954</b>	<b>73,838,954</b>
<b>EXPENDITURES</b>				
General Government	3,990,472	3,470,531	3,343,727	3,321,689
Public Safety	32,523,984	33,152,312	32,115,739	32,322,680
Public Works/Beach Maintenance	7,949,005	5,139,538	5,069,287	5,100,437
Sanitation And Waste Removal	6,423,476	6,147,140	5,620,607	5,571,220
Highways And Streets	5,670,074	5,160,019	5,248,684	5,263,779
Economic Development-Tourism	5,999,877	6,356,627	6,336,599	6,331,717
Culture & Recreation	7,459,650	7,963,211	7,492,573	7,525,458
Debt Service	4,588,720	4,527,781	4,576,232	4,576,232
<b>TOTAL EXPENDITURES</b>	<b>74,605,258</b>	<b>71,917,159</b>	<b>69,803,448</b>	<b>70,013,212</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>1,625,294</b>	<b>2,375,963</b>	<b>3,860,506</b>	<b>3,825,742</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Operating Transfers-Out	(4,314,351)	(3,866,322)	(3,860,506)	(3,286,312)
Transfer To Capital Construction	(42,940)	(1,000,000)	0	(539,430)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(4,357,291)</b>	<b>(4,866,322)</b>	<b>(3,860,506)</b>	<b>(3,825,742)</b>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES</b>	<b>\$ (2,731,997)</b>	<b>\$ (2,490,359)</b>	<b>\$ 0</b>	<b>0</b>

## **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.**

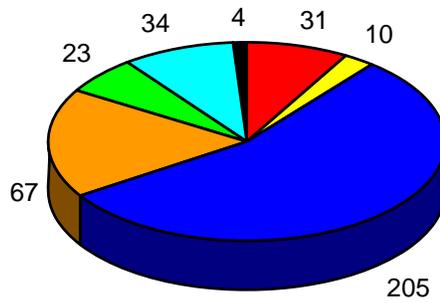
### **SPECIAL APPROPRIATIONS**

**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**

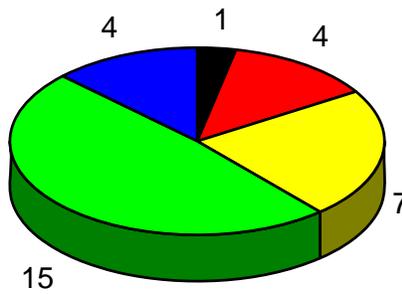
**The department of Planning and Community Development consists of the divisions of Planning, Zoning and Code Enforcement. The department is responsible for preparing general and specific plans for the development of the Town, and for the administration of codes and regulations that implement those plans. 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 12 Full Time General Fund Personnel



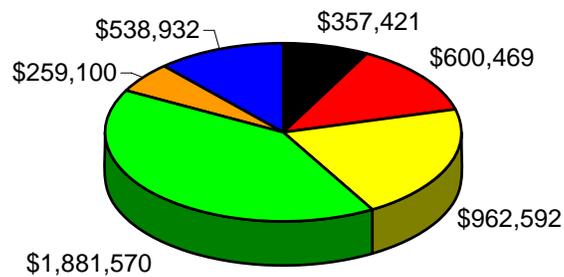
- General Gov't
- Planning & Building
- Public Safety
- Public Works
- Solid Waste
- Recreation & Parks
- Tourism

### FY 12 General Government Full Time Personnel



- Mayor & Council
- City Clerk
- City Manager
- Finance
- Human Resources

### FY 12 Departmental Expenses



- Mayor & Council
- City Clerk
- City Manager
- Finance
- Legal
- Human Resources

**TOWN OF OCEAN CITY  
FISCAL YEAR 2012 BUDGET**

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**LEGISLATIVE AND ADMINISTRATIVE DIVISIONS**

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**BUDGET HIGHLIGHTS:**

**PERSONNEL CHANGES:**

There are thirty-one employees in these divisions. Part-time salaries increase in the Finance division to cover vacation and extended sick leave for full-time employees. Full-time wages decrease in this division as vacancies have been budgeted according to the revised pay scale. No annual increments and no cost of living increases have been included in FY 12. Increases in employee benefits reflect the increased Town contribution required for post-employment health insurance. Increased employee contributions for health insurance partially offset the post-employment increase. The reduction in the maximum employer match for ICMA from \$500 to \$200 has also been included.

**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 \$225,000 of the Contracted Services line item in this division. An allowance for other employment issues that may arise have been included at \$92,500. This is a reduction of \$87,500 from the amount budgeted in FY 11. The annual Town audit is included in this line item at a cost of \$47,060. Banking services fees are budgeted at a cost of \$80,135, a reduction of \$21,865 from FY 11. Printing and postage for the Town newsletter are also included. Travel and training costs decrease as the MAACO legislative reception and the Crisfield Crab Feast have been eliminated from the Mayor & Council's budget. Supplies and materials decrease. The FY 11 expense included the purchase of e poll books which has not been included in the FY 12 budget. Postage has been included at a cost of \$162,910, and includes the postage for the Town newsletter. Vehicle Supplies and Repairs reflects the projected increase in fuel costs in the coming fiscal year. The Intragovernmental allocation for the Information Technology department decreases \$12,000 in this division. No capital outlay has been budgeted.

**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 \$2,335,839 for FY 2012

TOWN OF OCEAN CITY  
FISCAL YEAR 2012 BUDGET  
GENERAL FUND EXPENDITURES  
LEGISLATIVE AND ADMINISTRATIVE DIVISIONS

EXPENDITURES	ACTUAL 2010	REVISED 2011	CITY MANAGER PROPOSED 2012	COUNCIL ADOPTED 2012
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 2,372,007	2,240,815	\$ 2,242,720	\$ 2,242,720
EMPLOYEE BENEFITS	1,122,713	1,096,317	1,076,897	1,127,972
	<u>3,494,720</u>	<u>3,337,132</u>	<u>3,319,617</u>	<u>3,370,692</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	670,765	784,758	741,032	654,201
SUPPLIES & MATERIALS	212,359	221,370	213,167	213,167
ENERGY	0	0	0	0
VEHICLE SUPPLIES & REPAIR	4,625	3,934	4,054	4,054
INTRAGOVERNMENTAL	409,462	372,468	361,260	357,970
	<u>1,297,211</u>	<u>1,382,530</u>	<u>1,319,513</u>	<u>1,229,392</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>4,791,931</u>	 \$ <u>4,719,662</u>	 \$ <u>4,639,130</u>	 \$ <u>4,600,084</u>
LESS REVENUE GENERATED BY DIVISION				
REIMBURSEMENT FROM OTHER FUNDS FOR ADMINISTRATIVE SERVICES	<u>(2,199,127)</u>	<u>(2,318,209)</u>	<u>(2,335,839)</u>	<u>(2,335,839)</u>
TOTAL TOWN CONTRIBUTION	<u>\$ 2,592,804</u>	<u>\$ 2,401,453</u>	<u>\$ 2,303,291</u>	<u>\$ 2,264,245</u>
	ACTUAL	REVISED	CITY MANAGER	COUNCIL
	2010	2011	PROPOSED	ADOPTED
	2010	2011	2012	2012
MAYOR & COUNCIL	368,460	405,252	357,753	357,421
CITY CLERK	634,141	621,030	594,313	600,469
CITY MANAGER	937,660	939,840	947,240	962,592
FINANCE	1,963,194	1,892,568	1,860,820	1,881,570
LEGAL	302,071	344,100	346,600	259,100
HUMAN RESOURCES	586,405	516,872	532,404	538,932
	<u>4,791,931</u>	<u>4,719,662</u>	<u>4,639,130</u>	<u>4,600,084</u>

**TOWN OF OCEAN CITY  
FISCAL YEAR 2012 BUDGET**

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**ENGINEERING AND BEACH REPLENISHMENT**

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**BUDGET HIGHLIGHTS:**

**PERSONNEL CHANGES:**

Six full-time employees are budgeted in Engineering. A full-time Engineering Technician position was eliminated in FY 10, and a second was eliminated in FY 11. The GIS Coordinator position was transferred to this division from Planning and Zoning. The Office Associate position was transferred to the Construction Inspection division. No cost of living or annual increments have been included. Increases have been budgeted in retiree 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 \$326,828 in that budget year. The payment was \$326,828 in FY 2009 and \$325,339 in FY 11. In FY 12, it is necessary to fund this payment at \$430,000. In FY 11, \$62,632 was included for a Storm water utility study, and \$10,000 was included for a GMB pilot program. No Professional Services comparable to these have been included in FY 11. Consulting services for Energy procurement bids have been included for \$4,000. ADA improvements at various locations have been included at \$14,000 in this line item as well. An additional \$14,000 for ADA improvements has been included in the Supplies and Materials line item. 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. Vehicle Supplies and Repairs are budgeted to increase. Even though several hybrid vehicles are assigned to these divisions, fuel costs are anticipated to increase. The allocation for Vehicle Lease increases and causes the increase in Intragovernmental expenses. No capital outlay requests have been made in this division.

**MAJOR 2011-2012 PROGRAM OBJECTIVES:**

The City Engineer has been given oversight of the Construction Inspection and Information Technology divisions as well as the Engineering and Beach Replenishment divisions. In addition, this division is managing the Convention Center expansion project.

TOWN OF OCEAN CITY  
FISCAL YEAR 2012 BUDGET  
GENERAL FUND EXPENDITURES  
ENGINEERING AND BEACH REPLENISHMENT

EXPENDITURES	ACTUAL 2010	REVISED 2011	CITY MANAGER PROPOSED 2012	COUNCIL ADOPTED 2012
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 561,865	\$ 547,482	\$ 536,775	\$ 536,775
EMPLOYEE BENEFITS	233,722	213,180	214,546	219,978
	<u>795,587</u>	<u>760,662</u>	<u>751,321</u>	<u>756,753</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	69,725	477,388	478,570	478,658
SUPPLIES & MATERIALS	12,597	29,985	26,832	26,832
VEHICLE SUPPLIES & REPAIR	12,252	13,432	15,729	15,729
INTRAGOVERNMENTAL	34,402	29,945	32,110	32,234
	<u>128,976</u>	<u>550,750</u>	<u>553,241</u>	<u>553,453</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>\$ 924,563</u>	<u>\$ 1,311,412</u>	<u>\$ 1,304,562</u>	<u>\$ 1,310,206</u>
LESS REVENUE GENERATED BY DIVISION				
STATE - STORMWATER MGMT	(16,709)	(17,134)	(23,834)	(23,834)
STORMWATER MGT REVIEW	(31,272)	(48,973)	(4,000)	(4,000)
	<u>(47,981)</u>	<u>(66,107)</u>	<u>(27,834)</u>	<u>(27,834)</u>
TOTAL TOWN CONTRIBUTION	<u>\$ 876,582</u>	<u>\$ 1,245,305</u>	<u>\$ 1,276,728</u>	<u>\$ 1,282,372</u>

**TOWN OF OCEAN CITY  
FISCAL YEAR 2012 BUDGET**

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**PLANNING AND COMMUNITY DEVELOPMENT DIVISION**

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**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 \$425,000. Total revenue for this division is budgeted \$6,606 higher than the FY 11 revised budget, but \$88,768 lower than the FY 10 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 have been eliminated. The GIS Coordinator position was transferred to Engineering. The Administrative Office Associate previously charged to Engineering has been transferred to this department. Upgrades have been included for two employees in this division. Eleven full-time employees are funded in this department. No cost of living and no annual increments have been included. Benefit increases are due to anticipated increases in health insurance costs, retiree health insurance and the worker's compensation allocation.

**CHANGES IN OPERATIONS:**

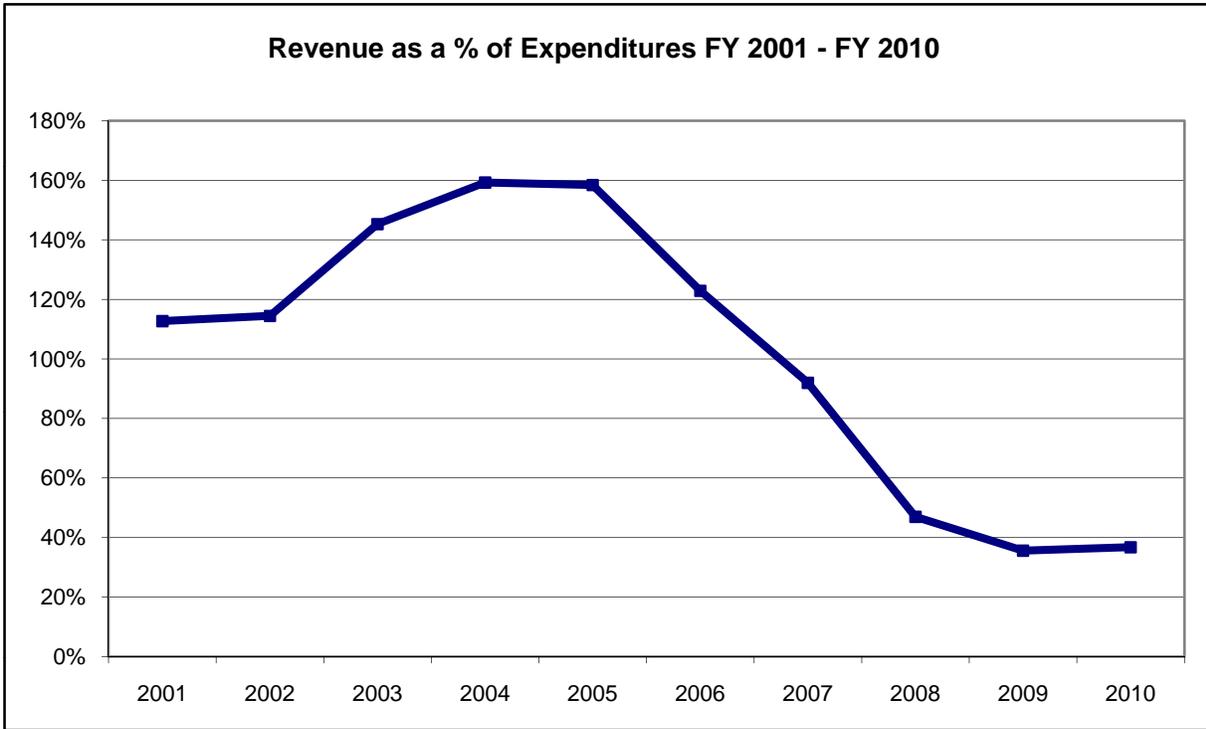
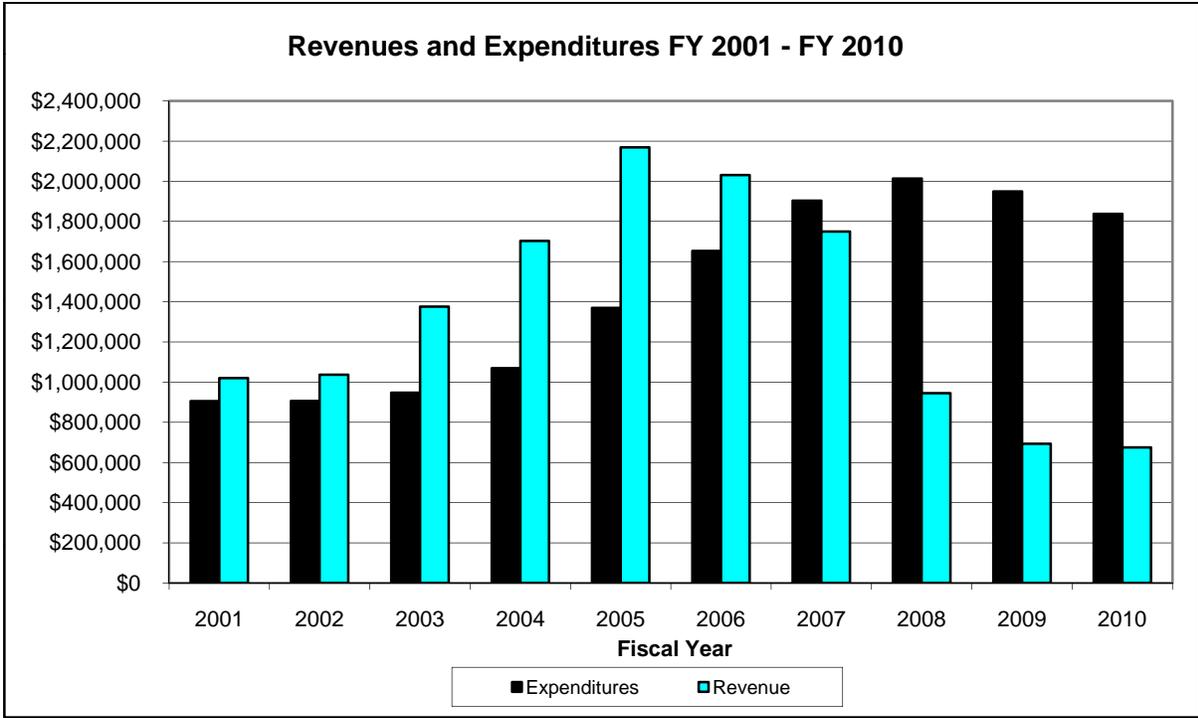
Contracted Services decrease \$11,990 from FY 11. Conferences for the American Association of Code Enforcement Officers and the American Planning Association included in FY 11 were eliminated in FY 12. A GIS summer intern position was also eliminated. Legal services to the boards account for \$23,800 of this line item. Other items funded in Contracted Services include equipment maintenance, dues and advertising. Equipment maintenance costs decrease in FY 12. 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 is budgeted at the actual number of gallons used for the past twelve months at the higher cost anticipated for next fiscal year. Vehicle labor costs are also expected to increase in FY12. The reduction in Intragovernmental expense reflects a decrease in the allocation for IT services.

**MAJOR PROGRAM OBJECTIVES:**

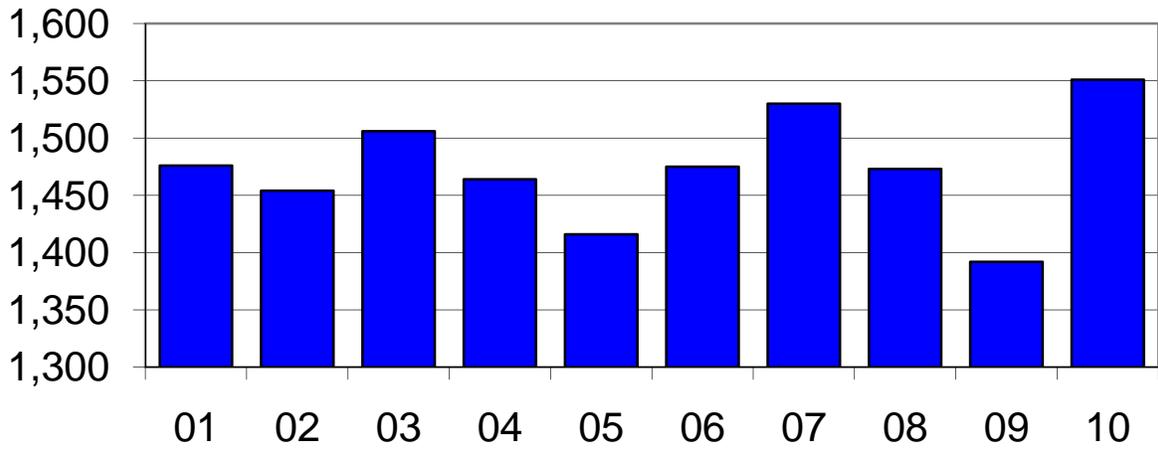
The department will continue to provide effective service to the citizens to ensure that community standards are met and to promote managed growth that achieves the community's vision for the future. We will continue to implement the Comprehensive Plan through amendments to zoning regulations. We will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

TOWN OF OCEAN CITY  
FISCAL YEAR 2012 BUDGET  
GENERAL FUND EXPENDITURES  
PLANNING AND COMMUNITY DEVELOPMENT DIVISION

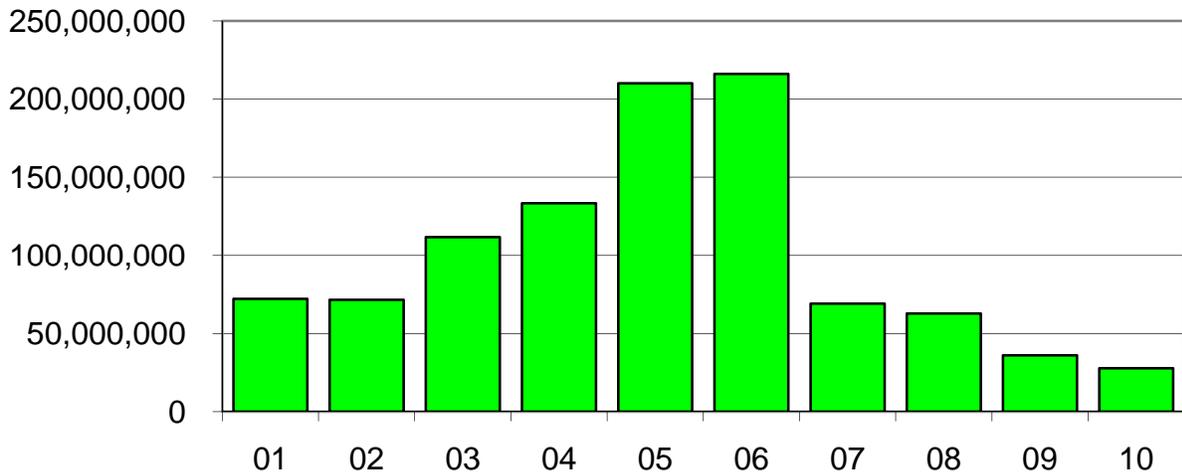
EXPENDITURES	ACTUAL 2010	REVISED 2011	CITY MANAGER PROPOSED 2012	COUNCIL ADOPTED 2012
PERSONNEL COSTS:				
SALARY AND WAGES	994,057	\$ 790,423	\$ 793,645	\$ 793,645
EMPLOYEE BENEFITS	437,861	415,974	428,774	427,633
	<u>1,431,918</u>	<u>1,206,397</u>	<u>1,222,419</u>	<u>1,221,278</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	35,427	48,675	36,685	36,988
SUPPLIES & MATERIALS	197,519	197,610	196,360	196,360
ENERGY	0	0	0	0
VEHICLE SUPPLIES & REPAIR	8,783	9,892	12,914	12,914
INTRAGOVERNMENTAL	164,348	144,320	79,343	79,756
	<u>406,077</u>	<u>400,497</u>	<u>325,302</u>	<u>326,018</u>
OTHER FINANCIAL USES:				
DEBT SERVICE	0	0	0	0
TRANSFER OUT	0	0	0	0
CAPITAL OUTLAY	0	0	0	0
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL EXPENDITURES	\$ <u>1,837,995</u>	\$ <u>1,606,894</u>	\$ <u>1,547,721</u>	\$ <u>1,547,296</u>
LESS REVENUE GENERATED BY DIVISION				
SITE PLAN REVIEW - STAFF	(20,332)	(15,000)	(5,000)	(5,000)
PUBLIC HEARING - PLAN & ZONING	(910)	(1,000)	(2,000)	(2,000)
PLAN REVIEW - PLAN & ZONING	(4,035)	(5,000)	(5,000)	(5,000)
PUBLIC HEARING - ZONING APPEALS	(16,168)	(18,000)	(15,000)	(15,000)
PUBLIC HEARING - PORT WARDENS	(15,561)	(13,000)	(13,000)	(13,000)
MINOR REVIEW - PORT WARDENS	(2,096)	(2,500)	(2,500)	(2,500)
MOBILE HOME PERMITS	(1,644)	(2,000)	(2,500)	(2,500)
BUILDING PERMITS	(489,731)	(403,304)	(425,000)	(425,000)
TEMPORARY TRAILER PERMITS	(16,652)	(14,000)	(14,660)	(14,660)
SIGN PERMITS	(15,649)	(15,000)	(10,000)	(10,000)
O C DEVELOPMENT CORP GRANT	(90,000)	(90,000)	(90,000)	(90,000)
ADJUSTMENT & APPEALS HEARING	(2,150)	(750)	(1,500)	(1,500)
	<u>(674,928)</u>	<u>(579,554)</u>	<u>(586,160)</u>	<u>(586,160)</u>
TOTAL TOWN CONTRIBUTION	\$ <u><u>1,163,067</u></u>	\$ <u><u>1,027,340</u></u>	\$ <u><u>961,561</u></u>	\$ <u><u>961,136</u></u>



### Total Permits Issued 2001-2010



### Valuation of Permits 2001-2010



## **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 65<sup>th</sup> Street. This department is comprised of four divisions: Administration, Services, Criminal Investigation, and Patrol. A seasonal substation is located on Worcester Street on the boardwalk. In addition to regular patrol assignments, police support units function for narcotics enforcement; training; records; detention; K-9; traffic; equestrian unit; animal control; and a quick response team.**

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

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

### **VOLUNTEER FIRE COMPANY**

**Since its creation in 1905, the Ocean City Volunteer Fire Company, Inc. has provided fire and rescue services for Ocean City. The OCVFC is a volunteer organization with approximately 290 members who respond out of five stations housing nine engines, three aerial trucks, two rescue units, a special hazards unit (HazMat) and 11 other specialized apparatus. In partnership with the Fire/EMS division, the OCVFC responded to 1,278 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 provides HazMat response to Ocean City and surrounding**

## PUBLIC SAFETY (CONTINUED)

### VOLUNTEER FIRE COMPANY (CONTINUED)

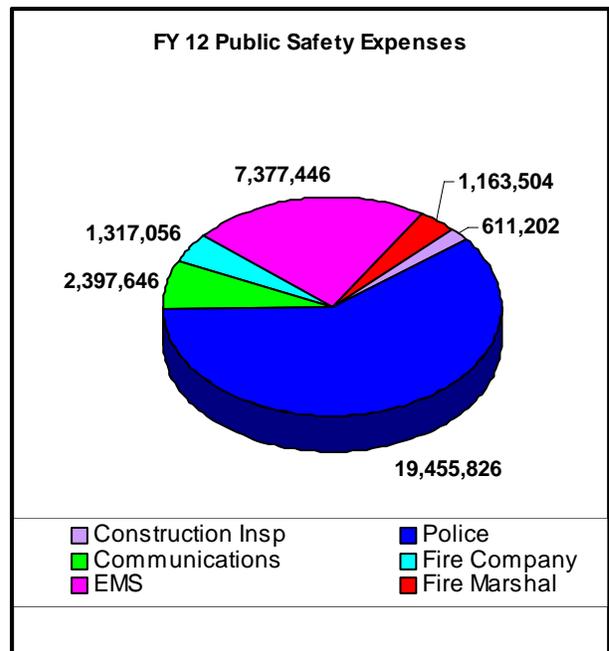
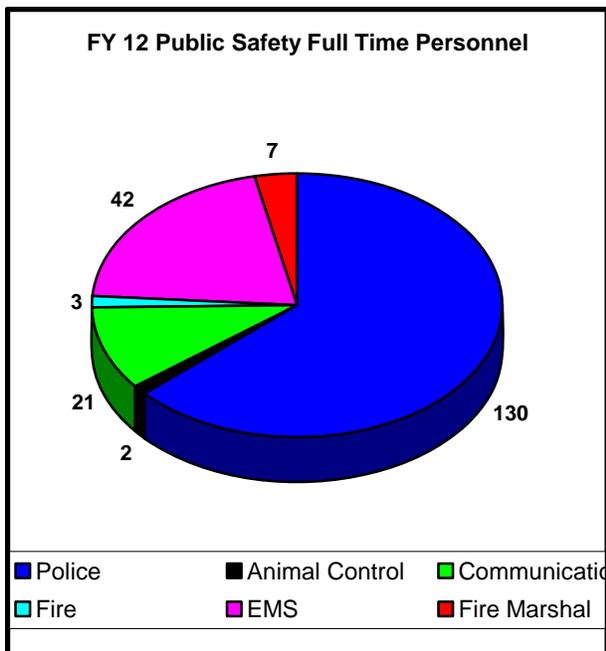
areas. The OCVFC is one of the largest volunteer fire companies in the state and is noted for its professionalism and expertise.

### 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 2012 BUDGET**

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**POLICE DIVISION**

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**BUDGET HIGHLIGHTS:**

**REVENUE CHANGES:**

Revenue decreases significantly for this division. Homeland Security and Federal Block grants received in FY 11 totaled \$119,386. These funds will be added to the FY 12 budget as received. Also shown in FY 11 is the balance of a \$200,000 donation for the Mounted Unit. State Police Aid was reduced 35% in FY 10 and will not be restored in FY 12. Storage fees for impounded vehicles increased to \$40 per day in FY 11, resulting in an increase in the tow fine line item. Revenue from parking fines is expected to remain the same. The State's Attorney's office elected not to renew their lease at the Public Safety Building, resulting in \$21,960 in lost revenue in FY 11.

**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 \$675,000. No cost of living adjustments and no annual increments have been included. Savings result from retirement of employees and from funding vacant positions at step one of the pay scale. Benefit increases include additional funds for health insurance, worker's compensation and retiree health insurance contributions. These increases have been partially offset by the reduction in the employer contribution for deferred compensation. Pension has been budgeted at the FY 11 actual level.

**CHANGES IN OPERATIONS:**

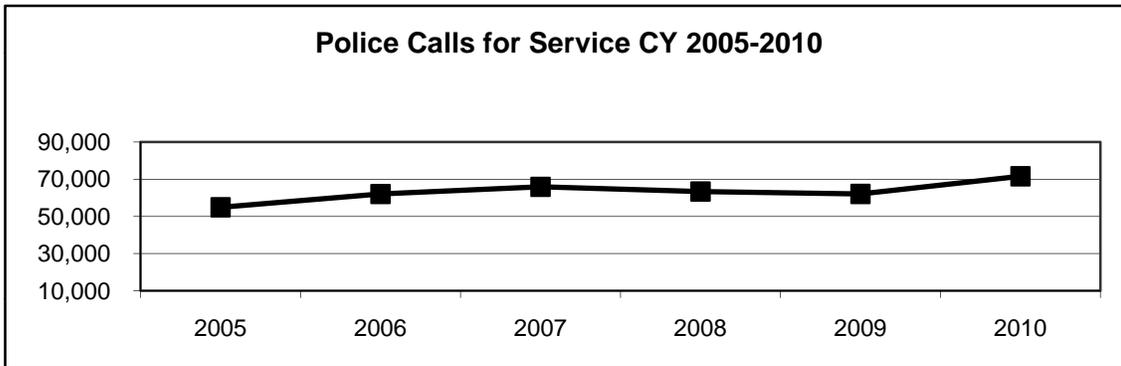
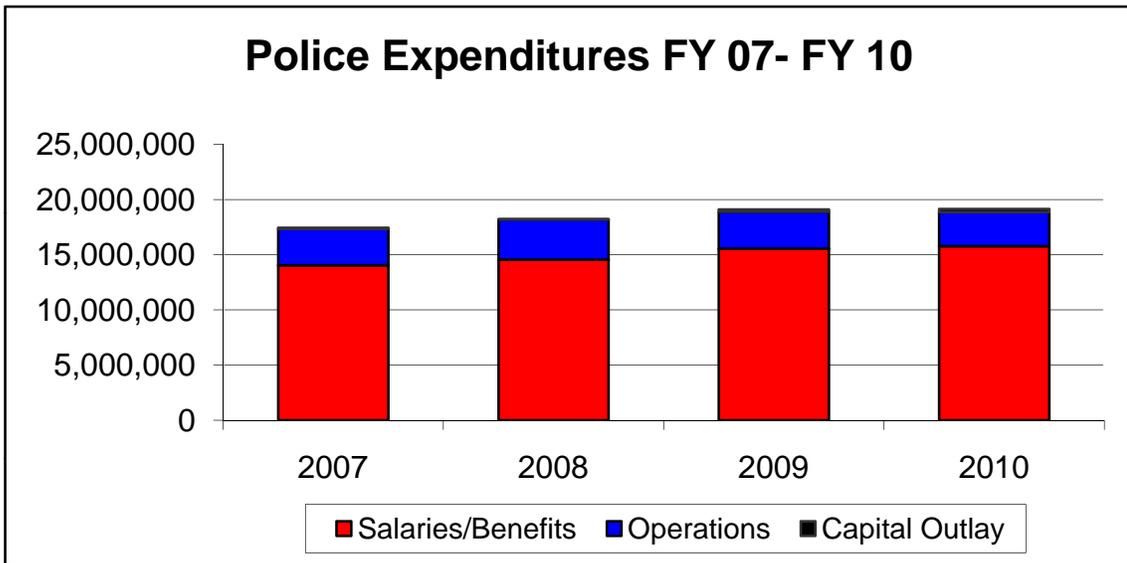
Contracted Services include \$163,638 for building and equipment maintenance, and \$200,000 in towing expenses. Roof repairs and interior painting were budgeted in FY 11. Communications expense is also included in this category and is budgeted at \$128,096. This is an increase of \$13,000 from FY 11. Training and Travel have been budgeted at \$179,466, an increase of \$20,176 from FY 11, and includes \$40,500 for court-related travel, and \$36,402 for mandated training expenses. Also included in this line item is \$28,000 for consultants for legal and policy review. Professional Services and legal services decrease \$15,000 overall. Supplies and Materials include all operational supplies and uniform costs. FY11 recognized \$27,000 from a grant for the Mounted unit and \$40,000 from forfeiture funds. The light bars, sirens and striping for the new Police vehicles have been included in this line item at a cost of \$17,600. Ammunition purchases have been reduced \$15,000 in FY 12, and are budgeted at \$44,651. Replacement uniforms and items included in the Fraternal Order of Police contract are also included in this line item at a cost of \$226,170. This is a cost reduction of \$4,785 from FY 11. Energy costs are expected to decrease slightly for FY 12. Vehicle maintenance costs are budgeted to decrease \$23,000, but vehicle fuel has been budgeted to increase \$34,000. The Police department's portion of the CAD/RMS maintenance costs have been charged through Intragovernmental expenses. Maintenance and support cost this department \$130,307 annually. FY 11 was the final year for the lease payment of \$58,170. Allocations for Vehicle lease and IT Services increase a total of \$119,045. Capital outlay in FY 10 included \$290,745 in Homeland Security grant funds. FY 11 included \$118,916 in grant funds and the balance of a \$200,000 donation to the Mounted unit. No capital outlay has been budgeted for this division. Two unmarked sedans, two marked 2x2 SUVs, one 4x4 SUV and one prisoner transport van have been included in Vehicle Trust Fund purchases.

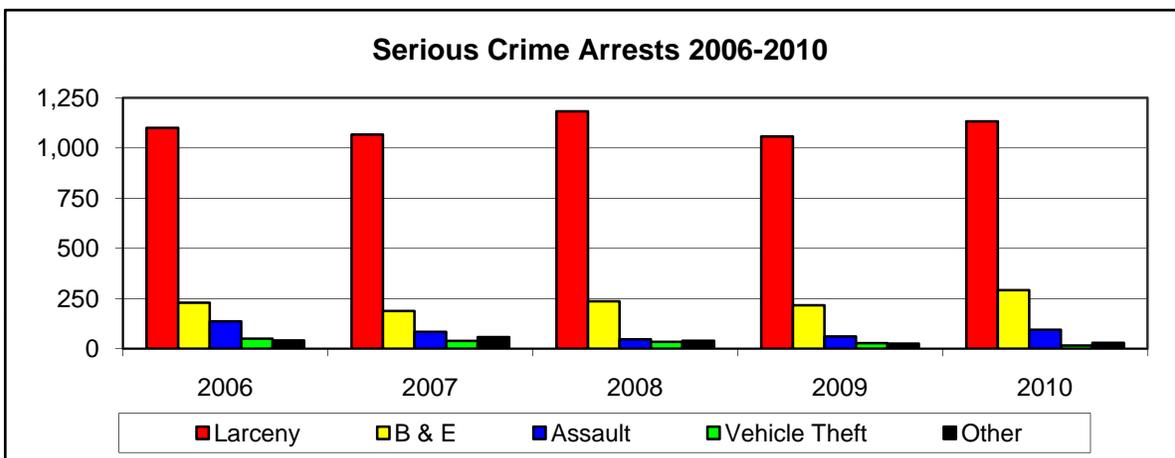
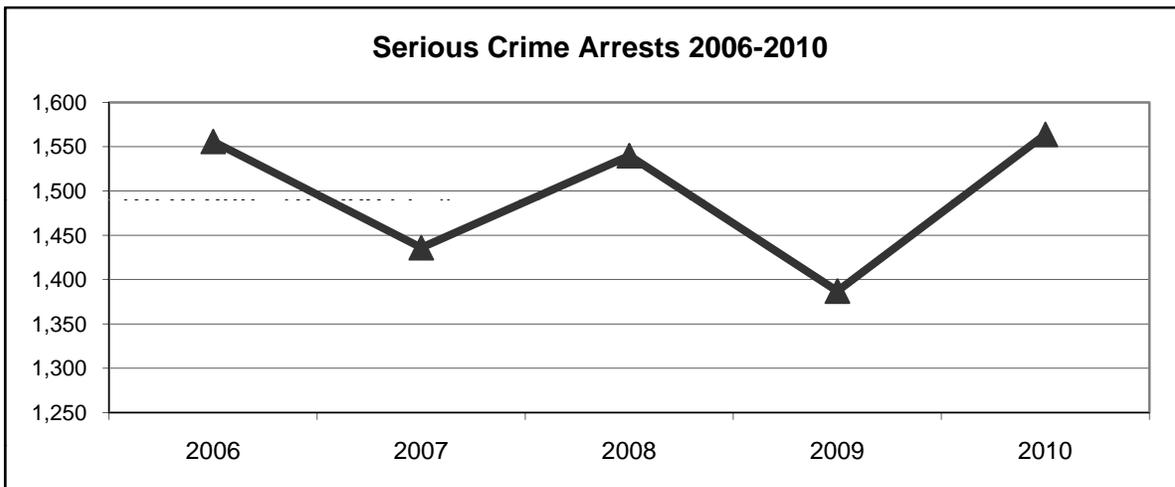
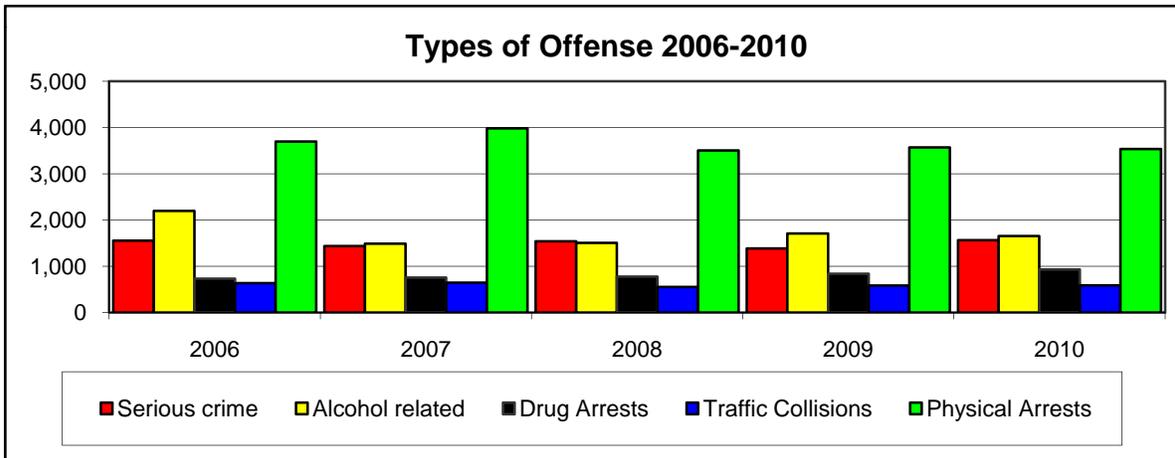
TOWN OF OCEAN CITY  
FISCAL YEAR 2012 BUDGET  
GENERAL FUND EXPENDITURES  
POLICE DIVISION

EXPENDITURES	ACTUAL 2010	REVISED 2011	CITY MANAGER PROPOSED 2012	COUNCIL ADOPTED 2012
<b>PERSONNEL COSTS:</b>				
SALARY AND WAGES	\$ 10,781,865	\$ 10,731,325	\$ 10,532,904	\$ 10,469,379
EMPLOYEE BENEFITS	5,005,644	5,426,986	5,471,111	5,683,382
	<u>15,787,509</u>	<u>16,158,311</u>	<u>16,004,015</u>	<u>16,152,761</u>
<b>OPERATING EXPENSES:</b>				
CONTRACTED SERVICES	799,669	1,010,022	1,011,481	1,011,623
SUPPLIES & MATERIALS	495,000	638,731	578,602	582,002
ENERGY	230,371	218,820	212,000	212,000
VEHICLE SUPPLIES & REPAIR	531,003	645,228	656,258	656,258
INTRAGOVERNMENTAL	1,023,472	780,307	838,951	841,182
	<u>3,079,515</u>	<u>3,293,108</u>	<u>3,297,292</u>	<u>3,303,065</u>
<b>OTHER FINANCIAL USES:</b>				
DEBT SERVICE	0	0	0	0
TRANSFER OUT	0	0	0	0
CAPITAL OUTLAY	290,745	269,320	0	0
	<u>290,745</u>	<u>269,320</u>	<u>0</u>	<u>0</u>
TOTAL EXPENDITURES	<u>\$ 19,157,769</u>	<u>\$ 19,720,739</u>	<u>\$ 19,301,307</u>	<u>\$ 19,455,826</u>
<b>LESS REVENUE GENERATED BY DIVISION</b>				
ANIMAL LICENSES	(1,043)	(1,000)	(1,000)	(1,000)
NOISE PERMITS	(207,018)	(209,000)	(209,000)	(209,000)
PARKING FINES	(326,390)	(310,000)	(310,000)	(310,000)
STATE-POLICE AID	(280,592)	(282,196)	(280,592)	(280,592)
COUNTY-POLICE AID	0	(25,000)	(25,000)	(25,000)
STATE - OTHER GRANTS	0	(10,471)	0	0
STATE - EMG MGT GRANT	(209,794)	(52,170)	0	0
FEDERAL -" BLOCK GRANTS"	(80,951)	(56,745)	0	0
FINGERPRINTING	(1,975)	(1,500)	(2,000)	(2,000)
DONATIONS	(22,085)	(177,915)	0	0
DOG VIOLATIONS	0	(400)	(400)	(400)
POLICE TOW FINES	(126,710)	(148,895)	(145,000)	(145,000)
PRIVATE TOW FINES	(120,341)	(132,895)	(130,000)	(130,000)
FALSE ALARMS	(5,225)	(5,000)	(3,750)	(3,750)
MUNICIPAL INFRACTIONS	(50,385)	(35,000)	(45,000)	(45,000)
BUILDING RENTAL	(186,273)	(160,044)	(160,044)	(160,044)
IMPOUNDED VEHICLES/FUNDS	(107,488)	(50,000)	(35,000)	(35,000)
	<u>(1,726,270)</u>	<u>(1,658,231)</u>	<u>(1,346,786)</u>	<u>(1,346,786)</u>
TOTAL TOWN CONTRIBUTION	<u>\$ 17,431,499</u>	<u>\$ 18,062,508</u>	<u>\$ 17,954,521</u>	<u>\$ 18,109,040</u>

OCEAN CITY POLICE DEPARTMENT  
 FULL-TIME SWORN PERSONNEL ALLOCATIONS  
 2010, 2011, BUDGET 2012

	FY-2010	FY-2011	FY-2012
Chief	1	1	1
Captain	4	4	3
Lieutenant	8	9	9
Sergeant	13	12	12
Corporal	18	18	18
PFC	33	43	44
Officer	30	18	18
	<u>107</u>	<u>105</u>	<u>105</u>





**TOWN OF OCEAN CITY  
FISCAL YEAR 2012 BUDGET**

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**COMMUNICATIONS, ELECTRONICS, EMERGENCY MANAGEMENT**

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**BUDGET HIGHLIGHTS:**

**REVENUE CHANGES:**

Continued participation in the Emergency Management Assistance (EMA) funding from the Federal Emergency Management Agency. A grant equivalent to the partial salary and benefits of the Emergency Management Director has been included. 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 2011. Any future funding received from this agency will be added to the budget in a future budget amendment. The estimate for antenna rents for the Ocean Pines tower increases.

**PERSONNEL CHANGES:**

Twenty-one positions are funded in this division. 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 retired in FY 11, and the position has been eliminated, resulting in savings in this line item. In addition, there are two vacancies in the Communications division. They have been funded at the starting salary on the new payscale. No cost of living and no annual increments have been included. Overtime estimates for Communications have been increased to cover vacancies. Increases in benefits reflect a projected increase in the Town's contribution to retiree health insurance.

**CHANGES IN OPERATIONS:**

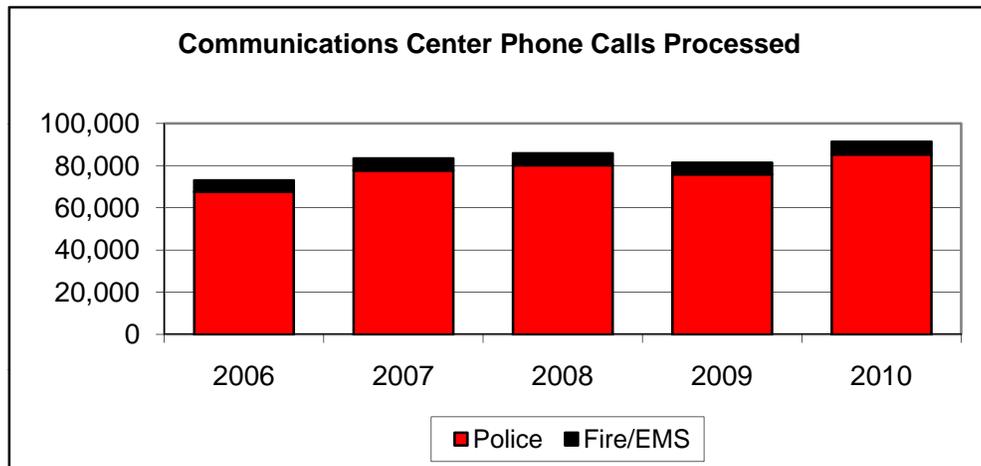
Contracted Services includes equipment maintenance, training costs, printing and other services. These costs increase in FY 12 and include \$15,000 for replacement hardware for the narrow rebanding requirement, \$4,800 for the boardwalk Police department channel lease agreement, \$2,210 for attendance at the APCO conference, and \$2,500 for food and water for employees assigned to the airshow. FY 11 included \$15,368 in Homeland Securities funds for training that were not included in FY 12. 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 \$3,000. Energy costs increase. Vehicle Supplies and Repair includes an allowance for fuel and maintenance on the mobile command post. Intragovernmental expenses decrease as the CAD/RMS equipment was paid off in FY 11, resulting in \$9,366 of savings in FY 12. Capital outlay decreases because equipment purchased with Homeland Security grant funds included in FY 2011 is not included in FY 2012.

**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 2012 BUDGET  
GENERAL FUND EXPENDITURES  
COMMUNICATIONS, ELECTRONICS, EMERGENCY MANAGEMENT

EXPENDITURES	ACTUAL 2010	REVISED 2011	CITY MANAGER PROPOSED 2012	COUNCIL ADOPTED 2012
<b>PERSONNEL COSTS:</b>				
SALARY AND WAGES	\$ 1,411,372	\$ 1,406,851	\$ 1,368,293	\$ 1,368,293
EMPLOYEE BENEFITS	659,136	682,310	686,465	704,671
	<u>2,070,508</u>	<u>2,089,161</u>	<u>2,054,758</u>	<u>2,072,964</u>
<b>OPERATING EXPENSES:</b>				
CONTRACTED SERVICES	78,817	104,977	113,177	113,177
SUPPLIES & MATERIALS	31,983	45,734	42,550	42,550
ENERGY	38,817	33,210	36,000	36,000
VEHICLE SUPPLIES & REPAIR	16,279	17,853	18,626	18,626
INTRAGOVERNMENTAL	136,840	120,838	113,910	114,329
	<u>302,736</u>	<u>322,612</u>	<u>324,263</u>	<u>324,682</u>
<b>OTHER FINANCIAL USES:</b>				
DEBT SERVICE	0	0	0	0
TRANSFER OUT	0	0	0	0
CAPITAL OUTLAY	48,031	162,446	0	0
	<u>48,031</u>	<u>162,446</u>	<u>0</u>	<u>0</u>
TOTAL EXPENDITURES	<u>\$ 2,421,275</u>	<u>\$ 2,574,219</u>	<u>\$ 2,379,021</u>	<u>\$ 2,397,646</u>
<b>LESS REVENUE GENERATED BY DIVISION</b>				
STATE EMERGENCY MGT. GRANT	(48,031)	(283,581)	(121,135)	(121,135)
ANTENNA RENTS	(50,469)	(50,000)	(53,500)	(53,500)
	<u>(98,500)</u>	<u>(333,581)</u>	<u>(174,635)</u>	<u>(174,635)</u>
<b>TOTAL TOWN CONTRIBUTION</b>	<u>\$ 2,322,775</u>	<u>\$ 2,240,638</u>	<u>\$ 2,204,386</u>	<u>\$ 2,223,011</u>



**TOWN OF OCEAN CITY**  
**FISCAL YEAR 2012 BUDGET**

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**FIRE COMPANY**

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**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 26 hours per week. No cost of living allowance or annual increments have been included. Health insurance costs include health insurance for the Fire Chief. Changes in health coverage, increases in the Town contribution to the post-employment health insurance costs and increases in worker's compensation account for the increase in Employee benefits.

**CHANGES IN OPERATIONS:**

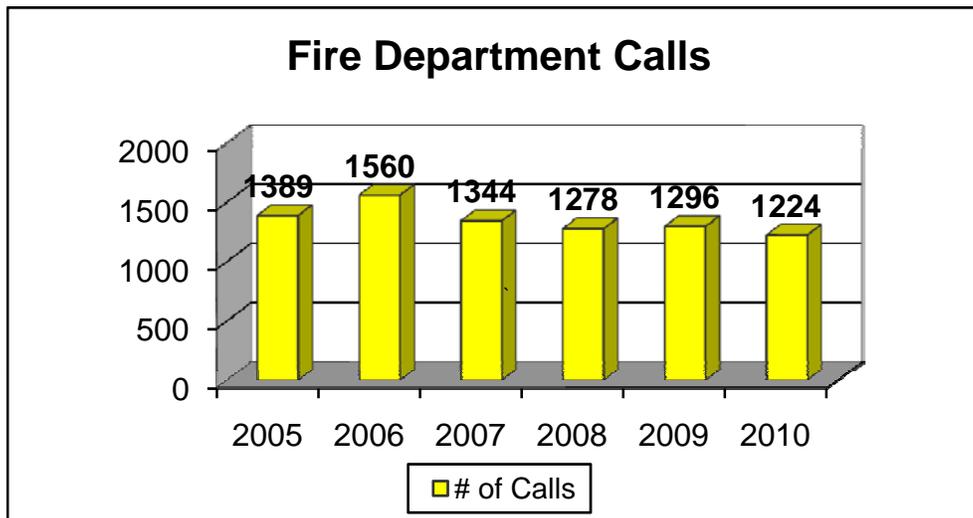
Contracted Services increase and include such items as: building maintenance, \$93,680, and Fire Company insurance policies, \$71,352. Building maintenance includes funds for repairs and renovations to headquarters, station three and station four. Training costs decrease slightly from the FY 11 budgeted amount, and are included in this line item at a total of \$16,834. Comprehensive physicals for volunteer firemen have been budgeted at a cost of \$20,000. 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 increases \$12,272 from the FY 11 revised budget. Anticipated increases in energy costs have been included and account for the increase in the Energy line item. Vehicle fuel costs have been budgeted to increase next fiscal year. Maintenance costs decrease, but are offset by rising fuel prices. Routine items such as tires, brake drums and valves have been included. Allocations for IT and insurance expense decrease for FY 12. Lease/purchase payments for the CAD/RMS system were included in the Radio/Equipment line item. This line item decreases as the CAD/RMS equipment was paid off in FY 11. The Information Technology allocation decreases in FY 12 and includes the OSSI program maintenance. The Risk allocation for property insurance has also been included at a cost of \$6,915. 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, the bunkroom renovation, and renovation of the kitchen were included at a cost of \$109,545 in FY 11. Also included in FY 11 were \$97,661 in purchases made through Homeland Securities grants.

**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 2012 BUDGET  
GENERAL FUND EXPENDITURES  
FIRE COMPANY

EXPENDITURES	ACTUAL 2010	REVISED 2011	CITY MANAGER PROPOSED 2012	COUNCIL ADOPTED 2012
<b>PERSONNEL COSTS:</b>				
SALARY AND WAGES	\$ 186,726	\$ 186,492	\$ 186,195	\$ 186,195
EMPLOYEE BENEFITS	107,488	115,477	119,685	122,830
	<u>294,214</u>	<u>301,969</u>	<u>305,880</u>	<u>309,025</u>
<b>OPERATING EXPENSES:</b>				
CONTRACTED SERVICES	245,727	279,967	294,134	294,399
SUPPLIES & MATERIALS	178,968	155,142	167,414	167,414
ENERGY	66,656	62,125	66,500	66,500
VEHICLE SUPPLIES & REPAIR	180,708	210,744	212,102	212,102
INTRAGOVERNMENTAL	60,542	68,166	54,962	55,180
	<u>732,601</u>	<u>776,144</u>	<u>795,112</u>	<u>795,595</u>
<b>OTHER FINANCIAL USES:</b>				
DEBT SERVICE	0	0	0	0
TRANSFER OUT	0	0	0	0
CAPITAL OUTLAY	315,773	419,642	212,436	212,436
	<u>315,773</u>	<u>419,642</u>	<u>212,436</u>	<u>212,436</u>
TOTAL EXPENDITURES	<u>\$ 1,342,588</u>	<u>\$ 1,497,755</u>	<u>\$ 1,313,428</u>	<u>\$ 1,317,056</u>
<b>LESS REVENUE GENERATED BY DIVISION</b>				
EMERGENCY MGT GRANTS	0	(97,661)	0	0
FALSE ALARM FINES	(5,225)	(5,000)	(3,750)	(3,750)
	<u>(5,225)</u>	<u>(5,000)</u>	<u>(3,750)</u>	<u>(3,750)</u>
<b>TOTAL TOWN CONTRIBUTION</b>	<u>\$ 1,337,363</u>	<u>\$ 1,492,755</u>	<u>\$ 1,309,678</u>	<u>\$ 1,313,306</u>



**TOWN OF OCEAN CITY  
FISCAL YEAR 2012 BUDGET**

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**FIRE/EMS DIVISION**

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**BUDGET HIGHLIGHTS:**

**REVENUE CHANGES:**

Fees consist of an Advanced Life Support or Basic Life Support charge depending upon the level of service rendered and a charge for mileage. Basic Life Support fees are \$325, advanced life support level I is \$415 and advanced life support level II is \$550. Charges for service to residents of West Ocean City are double those for residents of Ocean City. Worcester County 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 12 budget includes forty-two full-time positions. These include a Deputy Chief, an Assistant Chief, four Captains, two Lieutenants, six 2<sup>nd</sup> Lieutenants, and twenty-eight Firefighters/EMTs. Savings result from retirement and from funding vacant positions at step one of the pay scale. Full-time salaries decrease \$170,000 in this division. No cost of living and no annual increments have been included. Regular overtime is expected to increase \$12,396, and part-time salaries have been budgeted \$101,078 higher than FY 11. This cost is partially offset by a reduction in budgeted premium overtime of \$61,586. Group insurance, retiree health insurance and worker's compensation costs are budgeted to increase in FY 12.

**CHANGES IN OPERATIONS:**

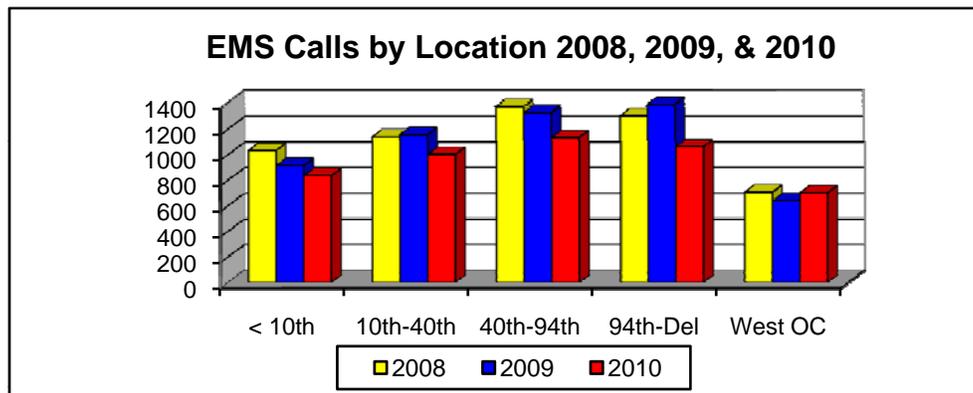
Contracted Services includes \$42,619 for required physicals for all Fire/EMS personnel. This cost includes the cost of a comprehensive physical, stress ECGs and blood tests for haz mat technicians. Equipment, radio, and building maintenance costs are also included in this line item. Dive Team equipment maintenance is included at \$8,261 as is the maintenance contract on the defibrillators, \$15,105 and maintenance on other EMS equipment. Building maintenance is budgeted at \$7,640 and includes the HVAC maintenance contract. Training and travel costs, also included here, are budgeted at \$17,609, a decrease of \$895. Supplies and Materials include medical and training supplies and uniform costs. Water Rescue Team supplies are included at a cost of \$11,416. Uniform costs are budgeted \$29,508 lower than FY 11 due to prior year purchase orders brought forward in FY 11. Energy costs increase slightly. Vehicle fuel is expected to increase in FY 12. Maintenance costs for the CAD/RMS system total \$14,536 and are included in Intragovernmental expenses. FY 11 was the final year for the CAD/RMS lease payment of \$20,704. Vehicle Lease expense increases \$35,690, and the allocation for IT Services increases \$13,723. FY 11's budget included three defibrillators, but no capital outlay has been budgeted in FY 12.

**MAJOR 2011-2012 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 2012 BUDGET  
GENERAL FUND EXPENDITURES  
EMERGENCY MEDICAL SERVICES DIVISION

EXPENDITURES	ACTUAL 2010	REVISED 2011	CITY MANAGER PROPOSED 2012	COUNCIL ADOPTED 2012
<b>PERSONNEL COSTS:</b>				
SALARY AND WAGES	\$ 4,624,230	\$ 4,548,738	\$ 4,430,405	\$ 4,430,405
EMPLOYEE BENEFITS	1,971,792	2,050,030	2,092,179	2,129,665
	<u>6,596,022</u>	<u>6,598,768</u>	<u>6,522,584</u>	<u>6,560,070</u>
<b>OPERATING EXPENSES:</b>				
CONTRACTED SERVICES	121,548	138,035	138,889	138,889
SUPPLIES & MATERIALS	157,792	249,048	209,022	209,022
ENERGY	26,779	24,480	26,100	26,100
VEHICLE SUPPLIES & REPAIR	151,771	191,390	202,199	202,199
INTRAGOVERNMENTAL	313,465	212,743	240,792	241,166
	<u>771,355</u>	<u>815,696</u>	<u>817,002</u>	<u>817,376</u>
<b>OTHER FINANCIAL USES:</b>				
DEBT SERVICE	0	0	0	0
TRANSFER OUT	0	0	0	0
CAPITAL OUTLAY	10,357	57,750	0	0
	<u>10,357</u>	<u>57,750</u>	<u>0</u>	<u>0</u>
TOTAL EXPENDITURES	<u>\$ 7,377,734</u>	<u>\$ 7,472,214</u>	<u>\$ 7,339,586</u>	<u>\$ 7,377,446</u>
<b>LESS REVENUE GENERATED BY DIVISION</b>				
AMBULANCE SERVICE FEES	(782,694)	(725,000)	(730,000)	(730,000)
COUNTY OPERATING GRANT	(1,073,431)	(1,058,297)	(1,058,297)	(1,058,297)
	<u>(1,856,125)</u>	<u>(1,783,297)</u>	<u>(1,788,297)</u>	<u>(1,788,297)</u>
<b>TOTAL TOWN CONTRIBUTION</b>	<u>\$ 5,521,609</u>	<u>\$ 5,688,917</u>	<u>\$ 5,551,289</u>	<u>\$ 5,589,149</u>



**TOWN OF OCEAN CITY**  
**FISCAL YEAR 2012 BUDGET**

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**FIRE MARSHAL DIVISION**

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**BUDGET HIGHLIGHTS:**

**REVENUE CHANGES:**

A 20% surcharge for Fire Marshal plan review is added to Planning & Zoning review fees. This method has been more successful in recovering costs associated with the process than methods used in the past. Fire Marshal revenue is budgeted at \$120,500. This reflects a slight increase in anticipated fees. In FY 11, \$43,377 in Homeland Security grants was included.

**PERSONNEL CHANGES:**

Seven full-time employees are included in this division. One full-time fire marshal position was eliminated in FY 11. The Deputy Chief Fire Marshal position has been funded through September. Pending promotions have also been funded, but the Deputy Fire Marshal position will be eliminated. No cost of living and no step increases have been included. Health insurance and worker's compensation costs are expected to increase in FY 12. These increases are offset by anticipated decreases in unemployment and in the employer contribution to deferred compensation. Retiree health insurance also decreases for this division.

**CHANGES IN OPERATIONS:**

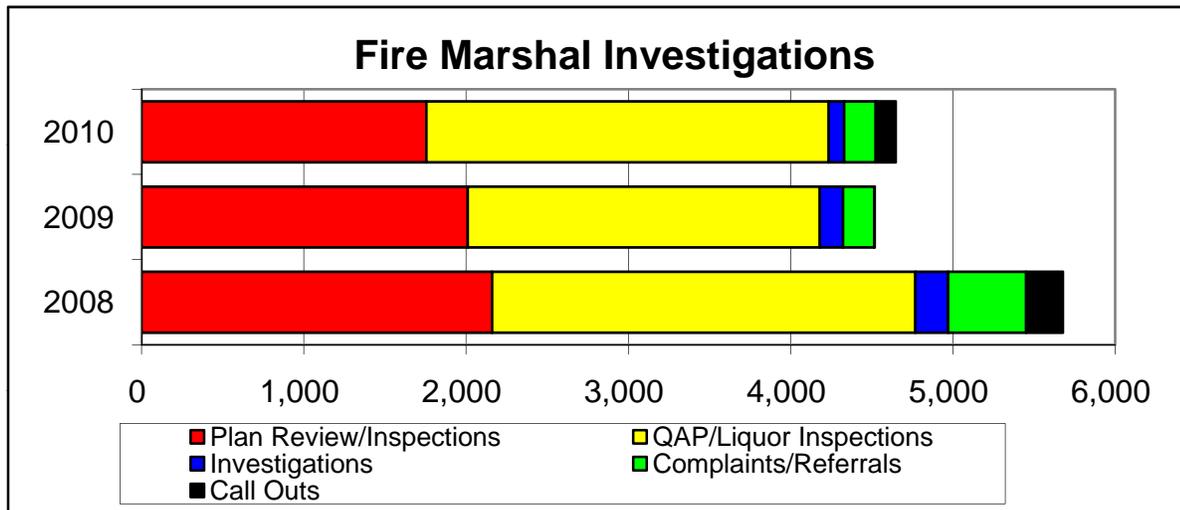
Contracted Services increase as the maintenance on the hazardous materials identification equipment has been included at a cost of \$5,000. The maintenance contract on the bomb robot is included at a cost of \$7,500. Comprehensive physicals, other equipment maintenance, communications expense, and training are other costs included in Contracted Services. Training has been budgeted at \$8,086 and includes hazardous materials training, monthly bomb training and arson investigation training. Operational Supplies decrease because the hazardous materials equipment for the Fire/EMS/Fire Marshal division included in FY 11 at a cost of \$27,100, have not been included in FY 12. Uniform costs decrease \$1,492 from FY 11, and reflect fewer personnel. Vehicle fuel has been budgeted at the average number of gallons consumed over the past three years. Fuel costs are expected to be higher than those experienced in FY 11, and result in an increase of \$2,314 in this line item. Vehicle maintenance costs remain the same. Intragovernmental expenses in FY 12 reflects a decrease in the allocation for IT Services. FY 11 was the final year for the CAD/RMS lease payment and this cost decreases \$4,437 in FY12. No capital outlay has been included for this division. Purchases made with Homeland Securities grants were included in FY 11. 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 2012 BUDGET  
GENERAL FUND EXPENDITURES  
FIRE MARSHAL DIVISION

EXPENDITURES	ACTUAL 2010	REVISED 2011	CITY MANAGER PROPOSED 2012	COUNCIL ADOPTED 2012
<b>PERSONNEL COSTS:</b>				
SALARY AND WAGES	\$ 696,275	\$ 649,343	\$ 591,077	\$ 591,077
EMPLOYEE BENEFITS	400,319	419,367	419,753	414,280
	<u>1,096,594</u>	<u>1,068,710</u>	<u>1,010,830</u>	<u>1,005,357</u>
<b>OPERATING EXPENSES:</b>				
CONTRACTED SERVICES	20,425	34,049	37,576	37,576
SUPPLIES & MATERIALS	40,156	58,999	26,169	26,169
ENERGY	0	0	0	0
VEHICLE SUPPLIES & REPAIR	27,997	35,016	37,330	37,330
INTRAGOVERNMENTAL	100,095	78,154	56,857	57,072
	<u>188,673</u>	<u>206,218</u>	<u>157,932</u>	<u>158,147</u>
<b>OTHER FINANCIAL USES:</b>				
DEBT SERVICE	0	0	0	0
TRANSFER OUT	0	0	0	0
CAPITAL OUTLAY	4,413	43,377	0	0
	<u>4,413</u>	<u>43,377</u>	<u>0</u>	<u>0</u>
<b>TOTAL EXPENDITURES</b>	<b>\$ <u>1,289,680</u></b>	<b>\$ <u>1,318,305</u></b>	<b>\$ <u>1,168,762</u></b>	<b>\$ <u>1,163,504</u></b>
<b>LESS REVENUE GENERATED BY DIVISION</b>				
STATE EMERGENCY MGT. GRANT	(4,413)	(43,377)	0	0
SITE PLAN REVIEW	(36,507)	(40,000)	(40,000)	(40,000)
SPECIAL REVIEW FEES	(9,019)	(10,000)	(11,000)	(11,000)
QUALITY ASSURANCE	(63,975)	(60,000)	(65,000)	(65,000)
INSPECTION FEES	(4,500)	(4,000)	(4,500)	(4,500)
	<u>(118,414)</u>	<u>(157,377)</u>	<u>(120,500)</u>	<u>(120,500)</u>
<b>TOTAL TOWN CONTRIBUTION</b>	<b>\$ <u>1,171,266</u></b>	<b>\$ <u>1,160,928</u></b>	<b>\$ <u>1,048,262</u></b>	<b>\$ <u>1,043,004</u></b>



## **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 3<sup>rd</sup> Street, while the other Public Works departments are located at 65<sup>th</sup> Street in the Public Works complex. In the budget ordinance, these departments are itemized as Public Works/Beach Maintenance, Sanitation and Waste Removal, and Highways and Streets.**

### **ENGINEERING/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.**

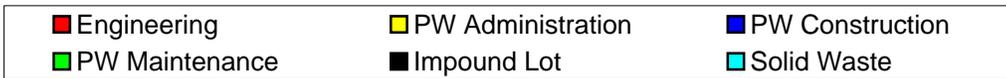
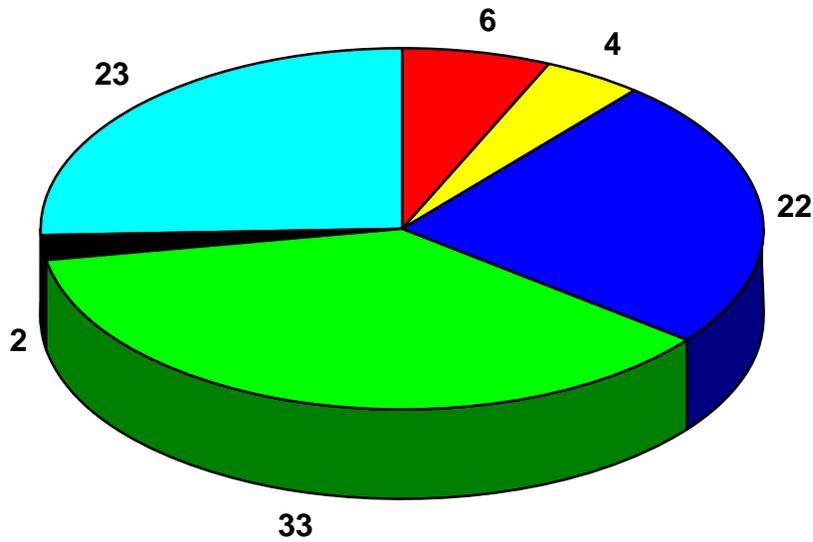
### **PUBLIC WORKS MAINTENANCE**

**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.**

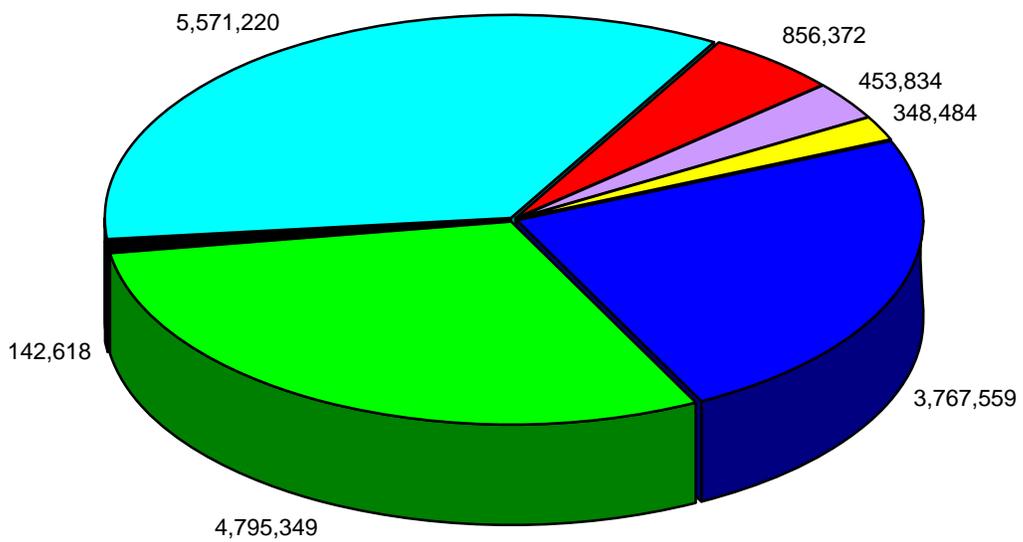
### **SOLID WASTE AND TRANSFER STATION**

**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 12 Public Works Full Time Personnel**



**FY 12 Public Works Expenses**



**TOWN OF OCEAN CITY  
FISCAL YEAR 2012 BUDGET**

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**PUBLIC WORKS ADMINISTRATION AND CONSTRUCTION**

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**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. For FY 12, this amount has been partially restored and is budgeted at \$202,829. 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. The expenses of Public Works Administration are allocated to the divisions of Public Works as General Overhead Expense. The allocation charged to Water, Wastewater, Transportation and Airport is shown here as a reimbursement to the General Fund.

**PERSONNEL CHANGES:**

Eight full-time positions have been eliminated from this division and six employees have been transferred to other City divisions to fill vacancies there. Public Works labor appears to increase. This is due to the fact that the deductions for labor charged to Water and Wastewater for projects is expected to be lower in FY 12 than in FY 11. Increases in the allocation for worker's compensation and health insurance have been partially offset by the anticipated decreases in unemployment.

**CHANGES IN OPERATIONS:**

Building Maintenance for city-owned buildings such as City Hall, the Art League and the Public Works office buildings, and sidewalk replacement are the significant costs in the Contracted Services line item. Roof repairs and several replacement flue assemblies have been included at a cost of \$20,170. Costs for concrete disposal are included at \$27,615. 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. Replacement equipment including street light cabinets, replacement snow plows, a replacement bucket for a loader, saws and an arrow board have been budgeted. In Energy, street lighting is the major expense and has been budgeted at \$532,000. Vehicle fuel is expected to increase \$45,659 and the vehicle repair parts line item has been increased nearly \$37,000. Allocations for vehicle lease increase and are partially offset by a reduction in the insurance allocation for this division. Repairs to the 9<sup>th</sup> street pier were included in capital outlay in FY 11. No funds have been allocated to capital outlay in this division in FY 12.

**MAJOR 2011-2012 PROGRAM OBJECTIVES:**

Maintenance is again the ultimate objective for the Construction Division for FY '12. Completion of Water and Wastewater capital projects, and street paving will be the focus.

TOWN OF OCEAN CITY  
FISCAL YEAR 2012 BUDGET  
GENERAL FUND EXPENDITURES  
PUBLIC WORKS ADMINISTRATION AND CONSTRUCTION

EXPENDITURES	ACTUAL 2010	REVISED 2011	CITY MANAGER PROPOSED 2012	COUNCIL ADOPTED 2012
<b>PERSONNEL COSTS:</b>				
SALARY AND WAGES	\$ 1,839,067	\$ 1,383,556	\$ 1,417,655	\$ 1,417,655
EMPLOYEE BENEFITS	1,049,011	978,073	1,028,975	1,024,289
	<u>2,888,078</u>	<u>2,361,629</u>	<u>2,446,630</u>	<u>2,441,944</u>
<b>OPERATING EXPENSES:</b>				
CONTRACTED SERVICES	201,891	232,699	240,923	241,210
SUPPLIES & MATERIALS	251,961	306,280	296,955	296,955
ENERGY	700,074	627,505	682,000	682,000
VEHICLE SUPPLIES & REPAIR	383,277	387,828	470,254	470,254
INTRAGOVERNMENTAL	280,601	254,002	280,191	280,366
	<u>1,817,804</u>	<u>1,808,314</u>	<u>1,970,323</u>	<u>1,970,785</u>
<b>OTHER FINANCIAL USES:</b>				
DEBT SERVICE	0	0	0	0
TRANSFER OUT	0	0	0	0
CAPITAL OUTLAY	57,349	25,000	0	0
	<u>57,349</u>	<u>25,000</u>	<u>0</u>	<u>0</u>
TOTAL EXPENDITURES	<u>\$ 4,763,231</u>	<u>\$ 4,194,943</u>	<u>\$ 4,416,953</u>	<u>\$ 4,412,729</u>
<b>LESS REVENUE GENERATED BY DIVISION</b>				
REIMBURSEMENT FROM OTHER FUNDS FOR				
ADMINISTRATIVE SERVICES	(238,930)	(274,866)	(296,686)	(296,686)
STATE - HIGHWAY USER TAX	(88,526)	(31,614)	(33,829)	(202,829)
FRANCHISE FEES - VEHICLE	(80,000)	(80,000)	(65,300)	(65,300)
STATE - STREET AID	(21,163)	(26,363)	(26,363)	(26,363)
COUNTY - STREET AID	0	0	0	0
STREET CUT FEES	(837)	(1,500)	(1,500)	(1,500)
SIDEWALK PAYMENTS	(26,179)	(27,000)	(27,000)	(27,000)
	<u>(455,635)</u>	<u>(441,343)</u>	<u>(450,678)</u>	<u>(619,678)</u>
TOTAL TOWN CONTRIBUTION	<u>\$ 4,307,596</u>	<u>\$ 3,753,600</u>	<u>\$ 3,966,275</u>	<u>\$ 3,793,051</u>

**TOWN OF OCEAN CITY  
FISCAL YEAR 2012 BUDGET**

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**PUBLIC WORKS MAINTENANCE DIVISION**

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**BUDGET HIGHLIGHTS:**

**REVENUE CHANGES:**

Parking revenue is expected to remain at the level collected in FY 11. Rates at the Inlet Lot were increased in FY 10 and it is anticipated that an additional \$467,000 will be collected in FY 11. Photo franchise fees have been budgeted at the new bid amount.

**PERSONNEL CHANGES:**

Two full-time Maintenance Worker positions and a full-time Building Custodian position were eliminated from this division in FY 10. Two full-time Building Custodian positions were converted to part-time, year-round employees on the Janitorial staff in FY 10. A part-time maintenance worker position has been added to the Street division, increasing labor costs in FY 12. This position has been budgeted for thirty weeks. Other part-time positions have been budgeted at the level adopted in FY 11. Health insurance costs decrease in this division and offset increases in the worker's compensation allocation and in anticipated unemployment expense. The Town's contribution to retiree health insurance increases \$61,000 for these divisions.

**CHANGES IN OPERATIONS:**

Credit Card fees for use of the Cale parking meters have been budgeted at \$80,000 in FY 12. Other expenses in Contracted Services include tipping fees for this division, maintenance on the comfort stations and printing of tickets for the Inlet Lot. No boardwalk maintenance has been included in FY 12, resulting in a savings of \$110,000 in this account. Debt service costs have been included to cover the interest expense for a potential bond issue for boardwalk reconstruction. Also included in this account in FY 11 was \$100,000 for boardwalk bench refurbishment. The funds to cover this expense were recognized from previous donations for benches. Boardwalk decking and supplies for repairs to the boardwalk were included in FY 11 in Supplies and Materials in the amount of \$17,000. This expense has not been included in FY 12. In FY 11, parts for the Inlet lot parking system were budgeted at \$70,000. It is unnecessary to budget this expense in FY 12. Energy costs are expected to increase. Vehicle fuel is budgeted to increase \$37,806, but is partially offset by anticipated reductions in vehicle repair costs. Vehicle lease increases for this division and is the reason for the increase in Interdepartmental expenses. No capital outlay has been budgeted. One replacement street broom, a replacement trash barrel dumper and a replacement mini street broom were approved as purchases in the Vehicle Trust Fund for this department.

**SUMMARY COMMENTS:**

Ocean City's clean, well-maintained beaches, 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.

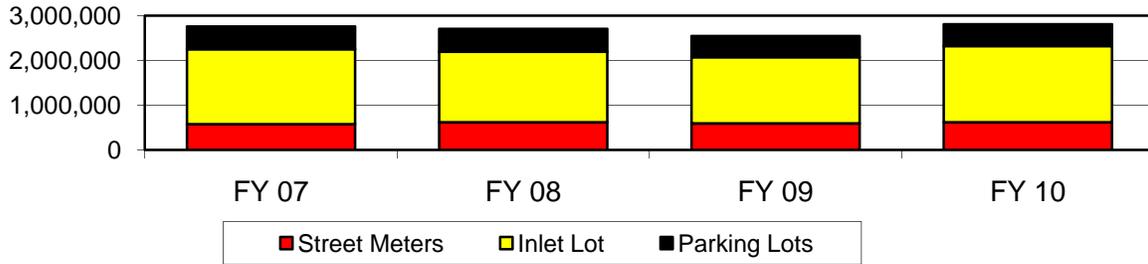
**MAJOR 2011-2012 PROGRAM OBJECTIVES:**

Maintenance of the boardwalk will continue to be a priority as will cleanliness of the streets, beaches, and comfort stations.

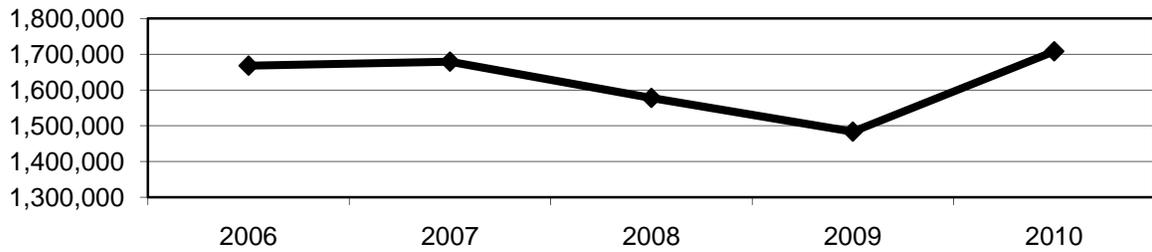
TOWN OF OCEAN CITY  
FISCAL YEAR 2012 BUDGET  
GENERAL FUND EXPENDITURES  
PUBLIC WORKS MAINTENANCE DIVISION

EXPENDITURES	ACTUAL 2010	REVISED 2011	CITY MANAGER PROPOSED 2012	COUNCIL ADOPTED 2012
<b>PERSONNEL COSTS:</b>				
SALARY AND WAGES	\$ 2,052,555	\$ 2,063,664	\$ 2,089,443	\$ 2,089,443
EMPLOYEE BENEFITS	1,010,683	1,036,721	1,037,431	1,089,788
	<u>3,063,238</u>	<u>3,100,385</u>	<u>3,126,874</u>	<u>3,179,231</u>
<b>OPERATING EXPENSES:</b>				
CONTRACTED SERVICES	356,328	467,537	267,812	268,157
SUPPLIES & MATERIALS	398,318	453,285	361,895	361,895
ENERGY	90,260	75,623	84,950	84,950
VEHICLE SUPPLIES & REPAIR	526,560	602,201	614,987	614,987
INTRAGOVERNMENTAL	230,046	220,720	285,887	286,129
	<u>1,601,512</u>	<u>1,819,366</u>	<u>1,615,531</u>	<u>1,616,118</u>
<b>OTHER FINANCIAL USES:</b>				
DEBT SERVICE	0	0	0	0
TRANSFER OUT	0	0	0	0
CAPITAL OUTLAY	0	0	0	0
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL EXPENDITURES	\$ <u>4,664,750</u>	\$ <u>4,919,751</u>	\$ <u>4,742,405</u>	\$ <u>4,795,349</u>
<b>LESS REVENUE GENERATED BY DIVISION</b>				
STREET PARKING METER REVENUE	(618,884)	(650,000)	(645,000)	(645,000)
PARKING LOT REVENUE	(480,476)	(495,000)	(495,000)	(495,000)
INLET PARKING LOT REVENUE	(1,708,058)	(2,175,000)	(2,175,000)	(2,175,000)
RESIDENTIAL PARKING PERMITS	(1,452)	(1,400)	(1,400)	(1,400)
FRANCHISE FEES-PHOTO	(709,790)	(410,000)	(395,000)	(395,000)
SERVICE CHARGES	(23,266)	(16,000)	(17,500)	(17,500)
	<u>(3,541,926)</u>	<u>(3,747,400)</u>	<u>(3,728,900)</u>	<u>(3,728,900)</u>
TOTAL TOWN CONTRIBUTION	\$ <u>1,122,824</u>	\$ <u>1,172,351</u>	\$ <u>1,013,505</u>	\$ <u>1,066,449</u>

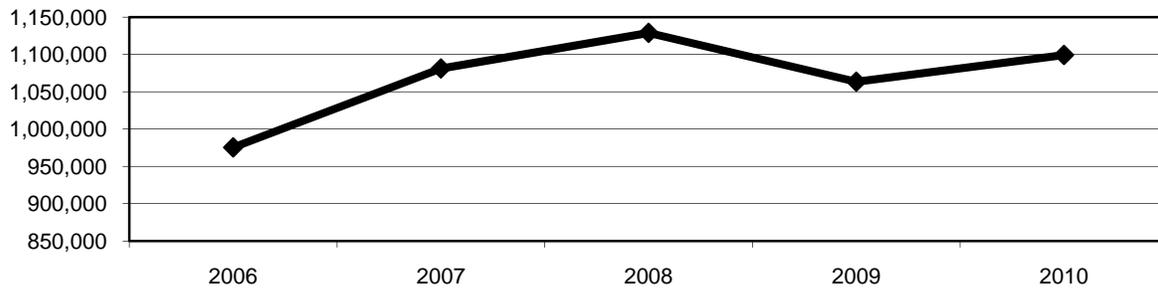
### Parking Revenue Fiscal Year 2007-2010

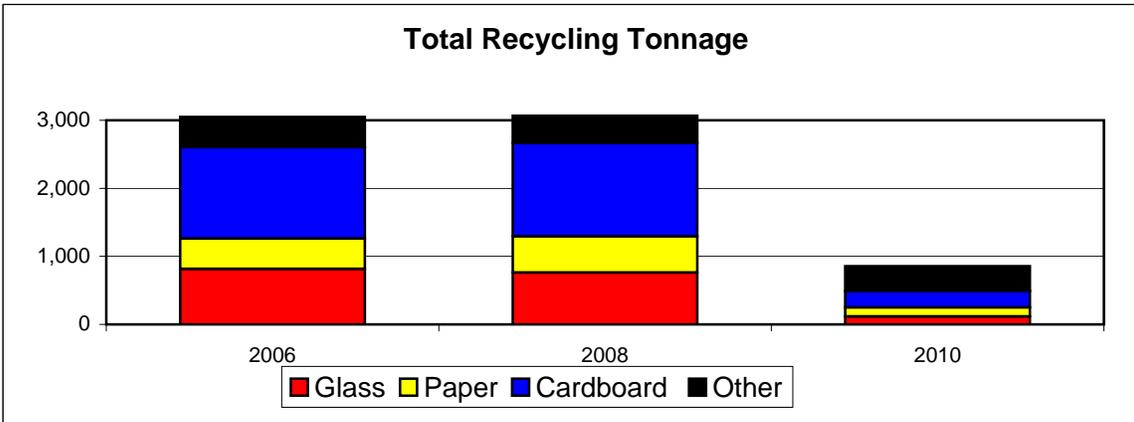
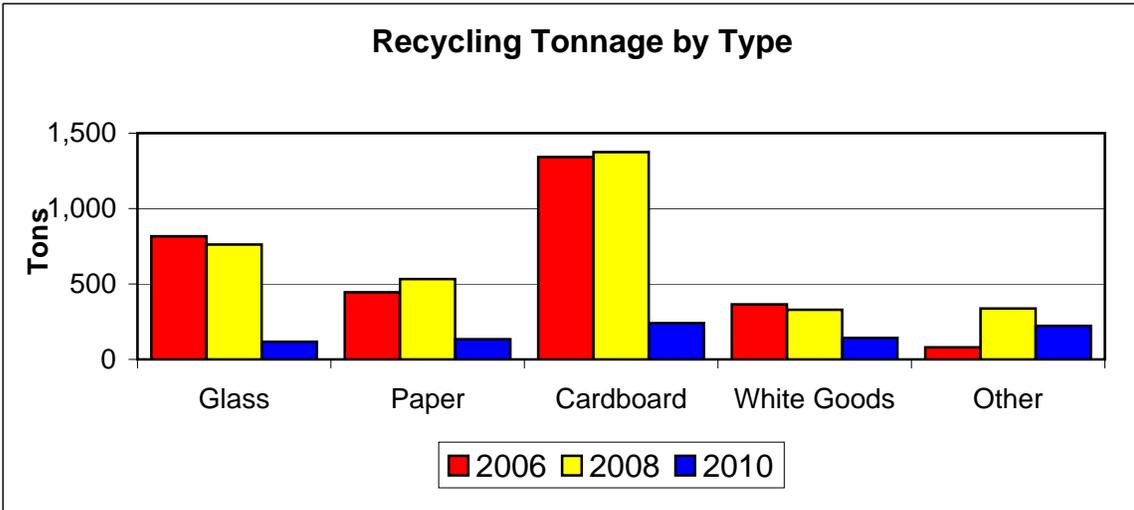
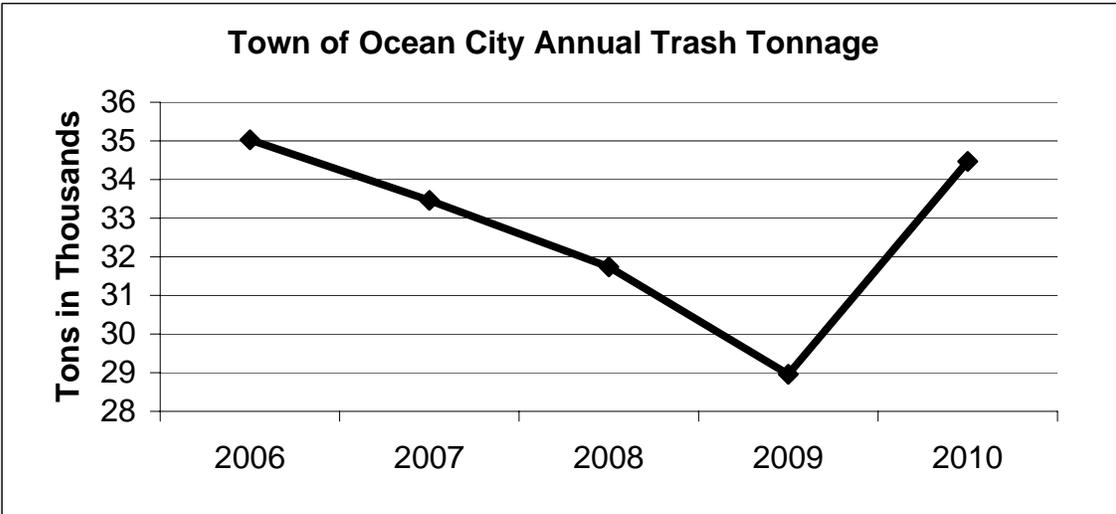


### Inlet Lot Revenue FY 2006-2010



### All Other Parking Revenue FY 2006-2010





**TOWN OF OCEAN CITY  
FISCAL YEAR 2012 BUDGET**

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**SOLID WASTE AND TRANSFER STATION**

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**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. Wastewheelers and dumpster parts are sold to the public, and it is anticipated that \$5,280 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 12, the bulk collection fee was increased for the pickup of more than one item. It is anticipated that \$25,000 will be collected from this effort.

**PERSONNEL CHANGES:**

Since FY 09, twenty-one positions have been eliminated in this division. Three positions were eliminated at the Transfer Station in FY 10 as the Town contracted with East Coast Resources to haul our trash to a landfill in Pennsylvania where it will be converted to energy. All full-time positions in the Recycling division were eliminated in FY 11 as the recyclables were added to the East Coast Resources contract. In FY 12, the Solid Waste Assistant Manager position was eliminated and a Solid Waste Worker position was converted to part-time. No cost of living increases and no annual increments have been budgeted in FY 12. Unemployment costs are anticipated to decrease \$67,500 in this division. In FY 11, \$84,000 was budgeted for anticipated unemployment for the eliminated recycling positions.

**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 an increase in the price charged per ton due to the rising fuel costs. The contract with East Coast Resources has been budgeted at \$1,794,000, an increase of \$151,455 over FY 11. Decreases in the Supplies and Materials line item is due to the elimination of the Recycling division. \$75,000 was included in FY 11 to repurchase recycling containers previously sold to citizens. In addition, \$10,400 was included in FY 11 for the purchase of wastewheelers. Vehicle Supplies and Repair is the second major expense in this division. Fuel costs are expected to increase nearly \$15,000 in FY 12. Vehicle parts and labor are expected to increase nearly \$56,000 as vehicles are being held for longer periods of time. Intragovernmental expenses include an increase for Vehicle lease and for IT Services. One replacement front-end truck was included in the Vehicle Trust Fund.

**SUMMARY COMMENTS:**

In FY 10, approximately \$600,000 in savings were realized from contracting with East Coast Resources. Costs for this division have decreased over \$850,000 since FY 10.

TOWN OF OCEAN CITY  
FISCAL YEAR 2012 BUDGET  
GENERAL FUND EXPENDITURES  
SOLID WASTE AND TRANSFER STATION DIVISION

EXPENDITURES	ACTUAL 2010	REVISED 2011	CITY MANAGER PROPOSED 2012	COUNCIL ADOPTED 2012
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 2,098,932	\$ 1,479,582	\$ 1,343,165	\$ 1,343,165
EMPLOYEE BENEFITS	<u>1,202,516</u>	<u>1,083,722</u>	<u>1,018,147</u>	<u>968,647</u>
	3,301,448	2,563,304	2,361,312	2,311,812
OPERATING EXPENSES:				
CONTRACTED SERVICES	1,525,126	1,718,339	1,850,413	1,850,413
SUPPLIES & MATERIALS	81,645	134,173	44,703	44,703
ENERGY	70,582	48,791	48,400	48,400
VEHICLE SUPPLIES & REPAIR	991,324	904,647	974,996	974,996
INTRAGOVERNMENTAL	<u>453,350</u>	<u>269,886</u>	<u>340,783</u>	<u>340,896</u>
	3,122,027	3,075,836	3,259,295	3,259,408
OTHER FINANCIAL USES:				
DEBT SERVICE	0	0	0	0
TRANSFER OUT	0	0	0	0
CAPITAL OUTLAY	<u>0</u>	<u>500,000</u>	<u>0</u>	<u>0</u>
	0	500,000	0	0
TOTAL EXPENDITURES	\$ <u>6,423,475</u>	\$ <u>6,139,140</u>	\$ <u>5,620,607</u>	\$ <u>5,571,220</u>
LESS REVENUE GENERATED BY DIVISION				
SALES - RECYCLING	(234,066)	(50,000)	(25,000)	(25,000)
SALES - CONTAINERS	(9,909)	(13,900)	(5,280)	(5,280)
SOLID WASTE COLLECTION	(42,830)	(40,000)	(40,000)	(40,000)
BULK PICK UP FEE	<u>(25,559)</u>	<u>(30,000)</u>	<u>(25,000)</u>	<u>(31,000)</u>
	(312,364)	(133,900)	(95,280)	(101,280)
TOTAL TOWN CONTRIBUTION	\$ <u>6,111,111</u>	\$ <u>6,005,240</u>	\$ <u>5,525,327</u>	\$ <u>5,469,940</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.

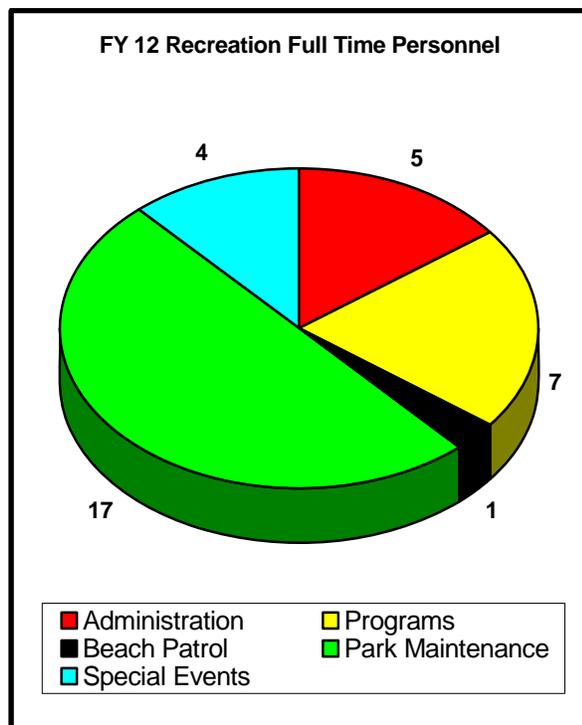
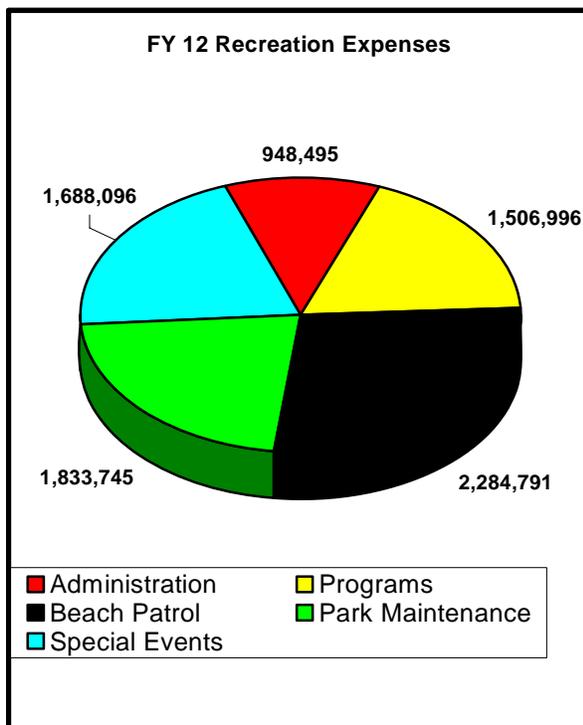
The Beach Patrol provides Surf Rescue Technicians for the entire 10 miles of ocean beaches, seven days a week from the Saturday of Memorial Day weekend through the Sunday of Sunfest weekend (late September), which gives Ocean City one of the

## 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 2012 BUDGET**

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**RECREATION DIVISION**

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**BUDGET HIGHLIGHTS:**

**REVENUE CHANGES:**

No Open Space funds are expected in FY 12. Most revenue in this division is expected to increase. Program revenue increases over \$9,000 and includes 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:**

A full-time Office Associate position was eliminated in FY 11. An increase has been included in part-time salaries in the Program division. Overtime costs have been increased slightly in the Administration division. No cost of living adjustment and no annual increments have been included. Health insurance, retiree health insurance, unemployment and the allocation for worker's compensation have increased. These increases were partially offset by the reduction in the amount of Town contribution to deferred compensation.

**CHANGES IN OPERATIONS:**

Contracted Services include payments to Sports camp directors, building maintenance, equipment maintenance and equipment rental. New program offerings include after school programs, a goalie lacrosse clinic and a triathlon clinic. Contracted Services for Programs have been reduced \$17,451 from FY 11. Painting of the front exterior façade, replacement ceiling tiles, and replacement Community Center exterior doors have been included at a cost of \$9,280. 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 decrease slightly. Included are supplies for all program offerings. Energy costs are based on actual usage for the past twelve months and are expected to increase in FY 12. Vehicle fuel increases, but is offset by decreases in vehicle maintenance. Intragovernmental expenses remain constant as the allocation for IT Services increases and the allocations for vehicle lease and insurance decrease. No capital outlay has been budgeted in FY 12. The FY 11 budget included \$235,000 to replace the roof at Northside Park, a solar hot water system and beach wheelchair purchases.

**SUMMARY COMMENTS:**

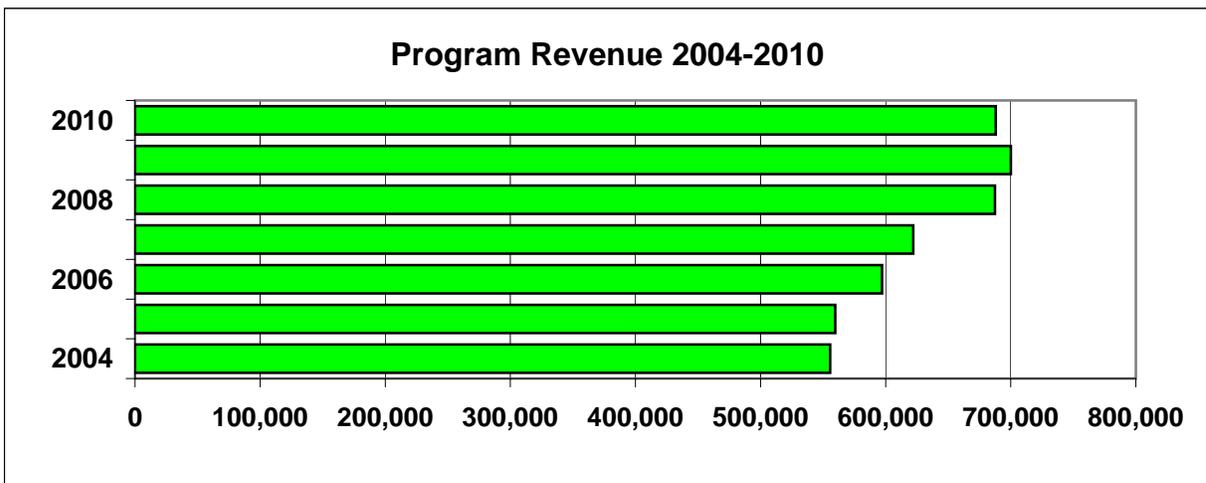
Programs in the expanded space provided by the addition at Northside Park continue to increase in number of participants. Program revenue is at a consistent level. New programs and camps are creatively added each fiscal year to maximize the potential of this facility.

**MAJOR 2011-2012 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 2012 BUDGET  
GENERAL FUND EXPENDITURES  
RECREATION DIVISION

EXPENDITURES	ACTUAL 2010	REVISED 2011	CITY MANAGER PROPOSED 2012	COUNCIL ADOPTED 2012
<b>PERSONNEL COSTS:</b>				
SALARY AND WAGES	\$ 1,208,288	\$ 1,170,732	\$ 1,196,334	\$ 1,196,334
EMPLOYEE BENEFITS	443,293	439,218	437,634	451,500
	<u>1,651,581</u>	<u>1,609,950</u>	<u>1,633,968</u>	<u>1,647,834</u>
<b>OPERATING EXPENSES:</b>				
CONTRACTED SERVICES	355,804	453,860	412,922	414,269
SUPPLIES & MATERIALS	162,062	189,913	183,127	183,127
ENERGY	105,871	102,149	107,500	107,500
VEHICLE SUPPLIES & REPAIR	8,961	603	10,817	10,817
INTRAGOVERNMENTAL	111,878	91,427	91,523	91,944
	<u>744,576</u>	<u>837,952</u>	<u>805,889</u>	<u>807,657</u>
<b>OTHER FINANCIAL USES:</b>				
DEBT SERVICE	0	0	0	0
TRANSFER OUT	0	0	0	0
CAPITAL OUTLAY	2,300	261,824	0	0
	<u>2,300</u>	<u>261,824</u>	<u>0</u>	<u>0</u>
TOTAL EXPENDITURES	<u>\$ 2,398,457</u>	<u>\$ 2,709,726</u>	<u>\$ 2,439,857</u>	<u>\$ 2,455,491</u>
<b>LESS REVENUE GENERATED BY DIVISION</b>				
STATE GRANT - OPEN SPACE	(80,000)	0	0	0
COUNTY-RECREATION GRANT	(90,000)	(90,000)	(90,000)	(90,000)
PROGRAM REVENUE	(688,042)	(700,741)	(710,000)	(710,000)
PERMIT FEES	(19,053)	(16,000)	(18,000)	(18,000)
ADMISSIONS/RENTAL	(69,620)	(66,500)	(69,620)	(69,620)
CONCESSION REVENUE	(75,235)	(64,500)	(70,000)	(70,000)
ADVERTISING REVENUE	(1,800)	(2,700)	(2,000)	(2,000)
MEALS - SENIOR CITIZENS	(11,482)	(8,800)	(8,800)	(8,800)
MISCELLANEOUS	(23)	(75)	(75)	(75)
	<u>(1,035,255)</u>	<u>(949,316)</u>	<u>(968,495)</u>	<u>(968,495)</u>
TOTAL TOWN CONTRIBUTION	<u>\$ 1,363,202</u>	<u>\$ 1,760,410</u>	<u>\$ 1,471,362</u>	<u>\$ 1,486,996</u>



**TOWN OF OCEAN CITY  
FISCAL YEAR 2012 BUDGET**

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**PARKS DIVISION**

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**BUDGET HIGHLIGHTS:**

**REVENUE CHANGES:**

A Community Parks and Playgrounds grant was shown in FY 11. This was a reimbursement for Robin Park. No Community Parks and Playgrounds funds were received in FY 10 and none are anticipated in FY 12.

**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. Funding for the Town Arborist position has been included through October. The Horticulturalist was transferred to this division from the Golf Course to fill one Parks Worker position. There is an increase in the number of hours budgeted for part-time parks workers. No cost of living and no annual increments have been included in the FY 12 budget. FY 10 actual reflects deductions for labor charged to the Town festivals. FY 11 reflects deductions for Sunfest and Winterfest, but not Springfest. FY 12 has not been adjusted for festival labor. Once these costs have been determined in FY 12, wages will be reduced in this department and transferred to the festivals. Health insurance and retiree health insurance increase in this division, while anticipated unemployment costs decrease.

**CHANGES IN OPERATIONS:**

Contracted Services in this division include maintenance for the parks and landscaping throughout the Town. Renovations of Coastal Highway medians have been included at \$50,000. Walkway and drainage repairs at Northside Park have been included at \$8,000. Contract mowing of city-owned median strips, bulkheads, undeveloped lots, etc has been included at \$34,000, an increase of \$15,000 over FY 11. Repair of three 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 12. Supplies include athletic field supplies, landscaping supplies, and general maintenance supplies. A reduction in the amount budgeted for landscape supplies, fertilizer and general supplies helps to offset the cost of budgeted replacement equipment. Replacement equipment budgeted at \$26,056 in FY 12 includes two self-propelled 21" mowers and a 60" riding mower, a field groomer and a water tank. Special Appropriations in FY 11 includes recognition of funds donated to the Beautification Committee for the "Tree of Life" fund-raising campaign. FY 2012 reflects the budget for the Beautification Committee alone. Their requests were reduced \$3,500. An increase in vehicle fuel is offset by a reduction in vehicle labor. Vehicle Lease expense decreases for this division. Capital outlay in FY 11 included \$75,000 for Robin Park, which was offset with the Community Parks grant. No capital outlay has been included in FY 12.

**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 2011-2012 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 2012 BUDGET  
GENERAL FUND EXPENDITURES  
PARKS DIVISION

EXPENDITURES	ACTUAL 2010	REVISED 2011	CITY MANAGER PROPOSED 2012	COUNCIL ADOPTED 2012
<b>PERSONNEL COSTS:</b>				
SALARY AND WAGES	\$ 821,380	\$ 759,247	\$ 864,813	\$ 864,813
EMPLOYEE BENEFITS	428,860	410,991	451,070	465,658
	<u>1,250,240</u>	<u>1,170,238</u>	<u>1,315,883</u>	<u>1,330,471</u>
<b>OPERATING EXPENSES:</b>				
CONTRACTED SERVICES	46,192	106,526	141,217	140,359
SUPPLIES & MATERIALS	154,222	194,931	161,498	161,498
SPECIAL APPROPRIATIONS	3,925	75,673	5,100	5,100
ENERGY	28,891	22,472	28,800	28,800
VEHICLE SUPPLIES & REPAIR	74,527	103,996	102,669	102,669
INTRAGOVERNMENTAL	52,901	69,650	64,776	64,848
	<u>360,658</u>	<u>573,248</u>	<u>504,060</u>	<u>503,274</u>
<b>OTHER FINANCIAL USES:</b>				
DEBT SERVICE	0	0	0	0
TRANSFER OUT	0	0	0	0
CAPITAL OUTLAY	7,651	75,000	0	0
	<u>7,651</u>	<u>75,000</u>	<u>0</u>	<u>0</u>
TOTAL EXPENDITURES	\$ <u>1,618,549</u>	\$ <u>1,818,486</u>	\$ <u>1,819,943</u>	\$ <u>1,833,745</u>
 TOTAL TOWN CONTRIBUTION	 \$ <u><u>1,618,549</u></u>	 \$ <u><u>1,818,486</u></u>	 \$ <u><u>1,819,943</u></u>	 \$ <u><u>1,833,745</u></u>
 <b>LESS REVENUE GENERATED BY DIVISION</b>				
COMMUNITY PARKS GRANT	<u>0</u>	<u>(75,000)</u>	<u>0</u>	<u>0</u>
 TOTAL TOWN CONTRIBUTION	 \$ <u><u>1,618,549</u></u>	 \$ <u><u>1,743,486</u></u>	 \$ <u><u>1,819,943</u></u>	 \$ <u><u>1,833,745</u></u>

**TOWN OF OCEAN CITY**  
**FISCAL YEAR 2012 BUDGET**

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**BEACH PATROL DIVISION**

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**BUDGET HIGHLIGHTS:**

**REVENUE CHANGES:**

Beach Stand revenue increases and reflects the latest bids. Panama Jack continues to provide sun protection products to our employees as well as sponsorship of our Beach Safety Seminar program. Participation in our Junior Beach Patrol Program is expected to generate \$19,000 from program registration and uniform sales.

**PERSONNEL CHANGES:**

Hours budgeted for SRT I's have remained the same for FY 12. Interdepartmental labor for Public Works employees to build and repair beach stands has been increased slightly. 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 increases 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, training, advertising and printing costs were reduced in FY 12. Operational Supplies were reduced in FY 12, but still include three replacement ATVs and a rescue watercraft at a cost of \$24,100. Replacement equipment including first aid supplies, rescue boards and materials to replace beach patrol stands have also been included. Uniforms are included at a cost of \$25,155. Vehicle parts and labor expense has been increased for FY 12. Increases in Vehicle Lease and IT Services 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 2012 BUDGET  
GENERAL FUND EXPENDITURES  
BEACH PATROL DIVISION

EXPENDITURES	ACTUAL 2010	REVISED 2011	CITY MANAGER PROPOSED 2012	COUNCIL ADOPTED 2012
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 1,809,585	\$ 1,872,333	\$ 1,874,333	\$ 1,874,333
EMPLOYEE BENEFITS	195,193	181,762	188,373	190,096
	<u>2,004,778</u>	<u>2,054,095</u>	<u>2,062,706</u>	<u>2,064,429</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	27,873	53,745	45,652	45,815
SUPPLIES & MATERIALS	75,784	91,087	87,305	87,305
ENERGY	7,932	6,945	7,000	7,000
VEHICLE SUPPLIES & REPAIR	25,954	30,080	37,365	37,365
INTRAGOVERNMENTAL	35,222	41,113	42,669	42,877
	<u>172,765</u>	<u>222,970</u>	<u>219,991</u>	<u>220,362</u>
OTHER FINANCIAL USES:				
DEBT SERVICE	0	0	0	0
TRANSFER OUT	0	0	0	0
CAPITAL OUTLAY	0	0	0	0
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL EXPENDITURES	\$ <u>2,177,543</u>	\$ <u>2,277,065</u>	\$ <u>2,282,697</u>	\$ <u>2,284,791</u>
LESS REVENUE GENERATED BY DIVISION				
BEACH PATROL MISC	(19,851)	(20,792)	(19,000)	(19,000)
SPONSORSHIPS	(14,500)	(12,500)	(12,500)	(12,500)
FRANCHISE FEES-BEACH STAND	(611,717)	(615,667)	(707,951)	(707,951)
	<u>(646,068)</u>	<u>(648,959)</u>	<u>(739,451)</u>	<u>(739,451)</u>
TOTAL TOWN CONTRIBUTION	\$ <u><u>1,531,475</u></u>	\$ <u><u>1,628,106</u></u>	\$ <u><u>1,543,246</u></u>	\$ <u><u>1,545,340</u></u>

**TOWN OF OCEAN CITY  
FISCAL YEAR 2012 BUDGET**

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**TOWN SPONSORED EVENTS AND FESTIVALS**

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**BUDGET HIGHLIGHTS:**

**REVENUE CHANGES:**

Springfest and Special Event revenue for this division are expected to increase in FY 12. Special Event revenue in FY 12 reflects the sponsor contribution for the Air Show. A recommendation to increase the fee charged for viewing Winterfest of Lights from \$4 to \$5 for anyone twelve and older has been included. Anticipated revenue from this increase would be \$62,500. Arts and Crafts vendors for both Springfest and Sunfest were increased from \$615 to \$630 in FY 09. 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 10 actual column include costs for Sunfest, Winterfest and Springfest. FY 11 reflects Sunfest and Winterfest labor costs, but has not yet been adjusted to include Springfest labor costs. In the FY 12 budget columns, 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 increases for health insurance and for unemployment.

**CHANGES IN OPERATIONS:**

Contracted Services decrease from the revised FY 11 budget. Advertising expenses for the festivals and special events will be covered in the Town's Tourism advertising budget at a savings of \$195,095. Entertainment expenses for the Town's festivals continue to be the major expenditure for festivals. \$322,500 has been budgeted for entertainment costs for all events and festivals in FY 2012. Entertainment in Sunset Park has been included at \$3,500. In addition, no entertainment has been budgeted for Winterfest. Sunfest and Springfest talent costs have been budgeted \$10,000 higher for each festival. A corresponding increase in revenue has also been included. Other major expenditures in this division are tent rental, accommodations for the entertainers and back-up services for the shows. Tent rental costs for Winterfest have been reduced \$7,200 from FY 11. Refurbishment of Winterfest displays has been budgeted for \$25,000 in the Contracted Services line item. The Town's share of the Airshow expenses has been included at \$50,000. Supplies and Materials decrease, as no replacement Winterfest displays have been included. Supplies and Materials also includes all operational supplies for festivals and special events as well as the items purchased for resale at the festivals. Energy costs for the festivals is expected to decrease. Vehicle costs reflect an anticipated reduction in gallons used. 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 2011-2012 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 2012 BUDGET  
GENERAL FUND EXPENDITURES  
TOWN SPONSORED EVENTS AND FESTIVALS

EXPENDITURES	ACTUAL 2010	REVISED 2011	CITY MANAGER PROPOSED 2012	COUNCIL ADOPTED 2012
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 685,088	\$ 563,721	\$ 351,968	\$ 351,968
EMPLOYEE BENEFITS	226,721	186,915	141,829	143,977
	<u>911,809</u>	<u>750,636</u>	<u>493,797</u>	<u>495,945</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	1,013,681	1,103,944	904,145	904,145
SUPPLIES & MATERIALS	216,338	227,907	211,805	211,805
SPECIAL APPROPRIATIONS	0	0	0	0
ENERGY	47,952	52,288	48,800	48,800
VEHICLE SUPPLIES & REPAIR	3,869	5,800	5,609	5,609
INTRAGOVERNMENTAL	17,796	18,571	19,294	19,392
	<u>1,299,636</u>	<u>1,408,510</u>	<u>1,189,653</u>	<u>1,189,751</u>
OTHER FINANCIAL USES:				
DEBT SERVICE	0	0	0	0
TRANSFER OUT	0	0	0	0
CAPITAL OUTLAY	0	1,307	2,400	2,400
	<u>0</u>	<u>1,307</u>	<u>2,400</u>	<u>2,400</u>
TOTAL EXPENDITURES	<u>\$ 2,211,445</u>	<u>\$ 2,160,453</u>	<u>\$ 1,685,850</u>	<u>\$ 1,688,096</u>
LESS REVENUE GENERATED BY DIVISION				
SUNFEST REVENUE	(440,058)	(420,000)	(422,500)	(422,500)
SPRINGFEST REVENUE	(348,663)	(371,000)	(381,000)	(381,000)
WINTERFEST REVENUE	(322,888)	(370,000)	(432,500)	(432,500)
SPECIAL EVENT REVENUE	(84,543)	(85,000)	(135,000)	(135,000)
CORPORATE SPONSORSHIP	(75,500)	(67,500)	(67,500)	(67,500)
	<u>(1,271,652)</u>	<u>(1,313,500)</u>	<u>(1,438,500)</u>	<u>(1,438,500)</u>
TOTAL TOWN CONTRIBUTION	<u>\$ 939,793</u>	<u>\$ 846,953</u>	<u>\$ 247,350</u>	<u>\$ 249,596</u>

**FY 2010 Summary of Town Sponsored Festivals**

	Sunfest	Springfest	Winterfest
<b>Revenues</b>	<b>440,058</b>	<b>348,663</b>	<b>322,888</b>
<b>Expenditures</b>	<b>413,356</b>	<b>408,520</b>	<b>559,999</b>
<b>Town Contribution</b>	<b>26,702</b>	<b>(59,857)</b>	<b>(237,111)</b>

**TOWN OF OCEAN CITY**  
**FISCAL YEAR 2012 BUDGET**

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**TOURISM PROMOTIONS**

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**BUDGET HIGHLIGHTS:**

**REVENUE CHANGES:**

The State Tourism grant has not been included as the amount of this grant is uncertain. \$116,667 was received in FY 10. In FY 11, the grant amount was \$322,571 and will be added to the budget in budget amendment number two. Ad 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 were eliminated. The Group Sales Manager position was combined with the Convention Sales Manager position and transferred to the Convention Center budget. Hours for the Visitors Center were reduced, resulting in 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. \$4,646,431 has been budgeted for advertising in FY 12. The FY 11 adopted budget for advertising totaled \$4,479,762, and was increased \$307,804 in Budget Amendment # 1. A portion of this increase, \$176,800, resulted from a projected increase in Room Tax for FY 11. The remainder of the increase was due to Room Tax in FY 10 exceeding the budget estimate. The funding formula outlined in the FY 08 ordinance has been followed for FY 12. 1.9% of the estimated gross room receipts has been budgeted for the first six months of FY 12 and 2.0% of the estimated gross room receipts has been budgeted for the second six months of FY 12. Other expenses in Contracted Services include design and printing costs for an activities guide, a postage and handling fee for the Visitor's Guide and the travel and exhibit space for bus tour travel and trade shows. The major expense in the Supplies and Materials line item is a special appropriation to the Tourism Advisory Board for \$300,000. This appropriation will be spent on Council approved special events and promotions, and is funded with Room Tax as part of the funds allocated to advertising. Intragovernmental expenses decrease due to a decrease in the IT Services allocation. No capital outlay has been requested.

**MAJOR 2011-2012 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 2012 BUDGET  
GENERAL FUND EXPENDITURES  
TOURISM PROMOTIONS

EXPENDITURES	ACTUAL 2010	REVISED 2011	CITY MANAGER PROPOSED 2012	COUNCIL ADOPTED 2012
<b>PERSONNEL COSTS:</b>				
SALARY AND WAGES	\$ 311,450	\$ 167,090	\$ 160,299	\$ 160,299
EMPLOYEE BENEFITS	120,514	87,943	87,218	82,279
	<u>431,964</u>	<u>255,033</u>	<u>247,517</u>	<u>242,578</u>
<b>OPERATING EXPENSES:</b>				
CONTRACTED SERVICES	4,105,481	5,201,739	4,737,808	4,737,808
SUPPLIES & MATERIALS	42,098	31,622	330,022	330,022
ENERGY	10,775	9,000	10,000	10,000
VEHICLE SUPPLIES & REPAIR	952	1,735	1,705	1,705
INTRAGOVERNMENTAL	26,730	24,724	16,429	16,486
	<u>4,186,036</u>	<u>5,268,820</u>	<u>5,095,964</u>	<u>5,096,021</u>
<b>OTHER FINANCIAL USES:</b>				
DEBT SERVICE	0	0	0	0
TRANSFER OUT	0	0	0	0
CAPITAL OUTLAY	0	0	0	0
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL EXPENDITURES	<u>\$ 4,618,000</u>	<u>\$ 5,523,853</u>	<u>\$ 5,343,481</u>	<u>\$ 5,338,599</u>
<b>LESS REVENUE GENERATED BY DIVISION</b>				
ROOM TAX	(3,955,474)	(4,787,566)	(4,946,431)	(4,979,762)
AD SALES	(330)	0	0	0
STATE - TOURISM GRANT	(116,667)	0	0	0
COUNTY-TOURISM GRANT	(270,000)	(270,000)	(270,000)	(270,000)
MAILING FEES	(6,881)	0	0	0
SALES/OTHER MISC.	(365)	0	0	0
	<u>(4,349,717)</u>	<u>(5,057,566)</u>	<u>(5,216,431)</u>	<u>(5,249,762)</u>
<b>TOTAL TOWN CONTRIBUTION</b>	<u>\$ 268,283</u>	<u>\$ 466,287</u>	<u>\$ 127,050</u>	<u>\$ 88,837</u>

**TOWN OF OCEAN CITY  
FISCAL YEAR 2012 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	40,000	40,000
Worcester Youth & Family Counseling	15,000	9,000
Life Crisis Center	8,000	8,000
Stephen Decatur After Prom Party	750	750
Town Cats	2,500	2,500
White Marlin Catch/Release Program	5,000	5,000
Wor Wic	<u>10,000</u>	<u>10,000</u>
Total	\$ 88,750	\$ 82,750
Interfund Transfers:		
Town events at Convention Center	\$ 35,000	\$ 35,000
Rent of Airport Land (Lion's Club)	3,600	3,600
Debt Service includes principal and interest for:		
Recreation Facilities		110,530
Walker – Somerset Street		5,625
DNR Loans		54,806
2004 Refunding Bonds		1,265,291
2005 Municipal Purpose Bonds		680,624
2006 Airport G.O. Bond		308,303
2007 Municipal Refunding Bonds		1,254,061
2009 Municipal Refunding Bonds		427,546
2010 Municipal Purpose Bonds		286,196
Boardwalk Renovation & Art League Building		<u>183,250</u>
Total		\$ 4,576,232
Transfers to Other Funds consists of the following:		
Operating Transfers:		
Transportation		\$ 1,477,171
Airport		292,964
Convention Center		1,516,177
Capital Projects		539,430

TOWN OF OCEAN CITY  
 FISCAL YEAR 2012 BUDGET  
 GENERAL FUND EXPENDITURES  
 MISCELLANEOUS DIVISION

EXPENDITURES	ACTUAL 2010	REVISED 2011	CITY MANAGER PROPOSED 2012	COUNCIL ADOPTED 2012
OPERATING EXPENSES:				
SPECIAL APPROPRIATIONS	\$ 201,920	\$ 83,350	\$ 106,350	\$ 83,350
DEBT SERVICE - PRINCIPAL	3,282,636	3,291,907	3,170,007	3,170,007
INTEREST EXPENSE	1,267,471	1,235,874	1,406,225	1,406,225
TRANSFER TO TRANSPORTATION	2,459,517	1,915,710	1,472,273	1,477,171
TRANSFER TO AIRPORT	308,023	390,711	292,070	292,964
TRANSFER TO GOLF COURSE	0	0	0	0
TRANSFER TO CONVENTION CENTER	1,546,811	1,559,901	1,494,255	1,516,177
TRANSFER TO VEHICLE TRUST	0	0	0	0
TRANSFER TO CAPITAL CONSTRUCTION	42,940	1,000,000	601,908	539,430
<b>TOTAL EXPENDITURES</b>	<b>\$ 9,109,318</b>	<b>\$ 9,477,453</b>	<b>\$ 8,543,088</b>	<b>\$ 8,485,324</b>
<b>TOTAL TOWN CONTRIBUTION</b>	<b>\$ 9,109,318</b>	<b>\$ 9,477,453</b>	<b>\$ 8,543,088</b>	<b>\$ 8,485,324</b>

## **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)

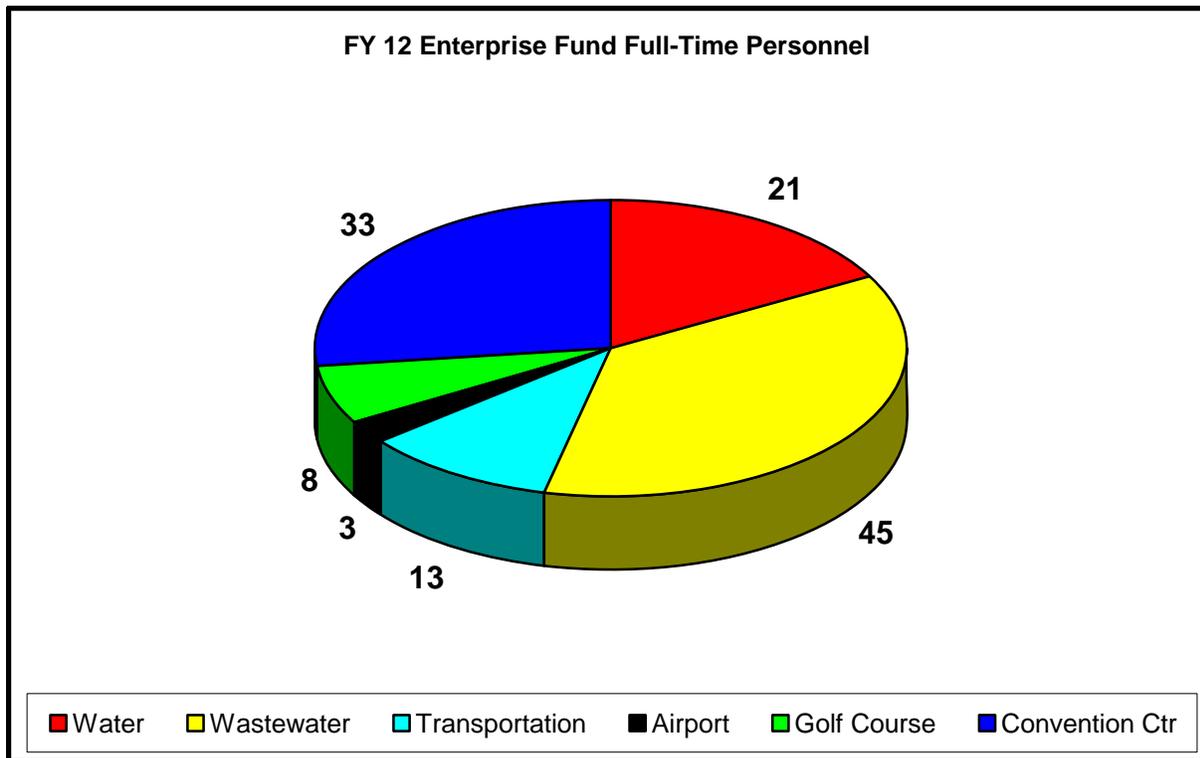
tourists, businesses, and government agencies quick and efficient access to Ocean City and Worcester County.

### 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 2012 BUDGET**

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**WATER FUND**

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**BUDGET HIGHLIGHTS:**

**REVENUE CHANGES:**

In accordance with ordinance 2010-7, the metered rate increased from \$2.80 to \$2.95 per 1,000 gallons, and the fixture rate decreased from \$2.80 to \$2.60 per equivalent fixture. Both of these changes have been included in the FY 12 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 \$27,720 to fund Water department capital projects. The FY 12 budget does not require an appropriation from fund balance.

**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 \$126,500 for the use of Public Works' manpower. Deductions have been made from Public Works for like amounts. These deductions are \$110,000 lower than the amounts budgeted in FY 11. Health insurance, retiree health insurance and worker's compensation expenses increase in FY 12 and are partially offset by reductions in FICA, unemployment, and the Town's contribution to deferred compensation.

**CHANGES IN OPERATIONS:**

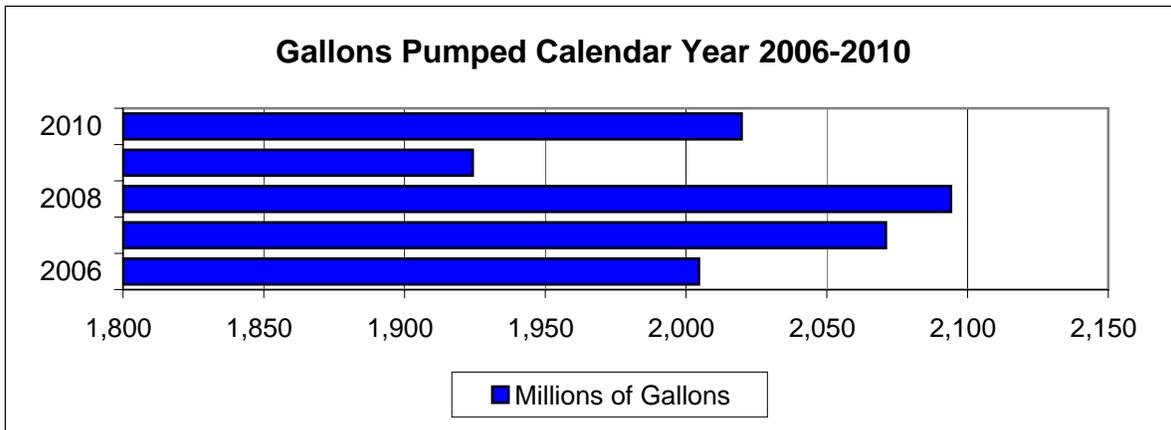
The Contracted Services line item includes professional services, building and equipment maintenance and contracted services. The main item included in this category is the painting and inspection services for the 64th Street water tower, which is budgeted at \$550,000. Painting and renovations to the Gorman Treatment plant, budgeted at \$450,000, were included in the FY 11 budget. Routine equipment maintenance, such as well maintenance, has also been included in this category and totals \$160,300. Professional Services, which include engineering services and tank painting inspection services are budgeted at \$126,011. Completion of the touch read meter changeover project in FY 11 results in savings in the Supplies and Materials line item. Other items included in Supplies are the Water chemicals and Plant supplies budgeted at \$225,908. Supplies for repairs to water pipes, fire hydrants and valves are included at \$110,000. Supplies for new water services are budgeted \$76,000 higher than in FY 11. Energy costs are expected to remain at nearly the same level as the past few years. 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 IT Services, and a decrease in General Overhead and Insurance. Transfer to capital projects includes \$355,000 for a Raw Water Main from 45<sup>th</sup> to 51<sup>st</sup> St; \$110,000 for Disinfection By Product; and \$317,981 for Water Main Upgrades.

**MAJOR 2011-2012 PROGRAM OBJECTIVES:**

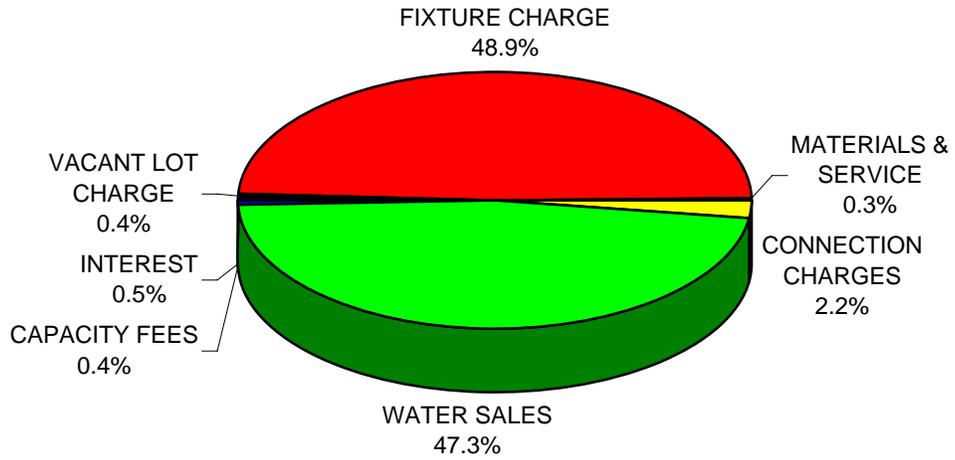
The major objective of the Water Fund is to maintain its current level of service while continuing to reevaluate the operation of the water system to increase efficiency wherever possible. This goal will be achieved by maintaining infrastructure through improvement and/or replacement, and through the 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 2012 BUDGET  
WATER FUND

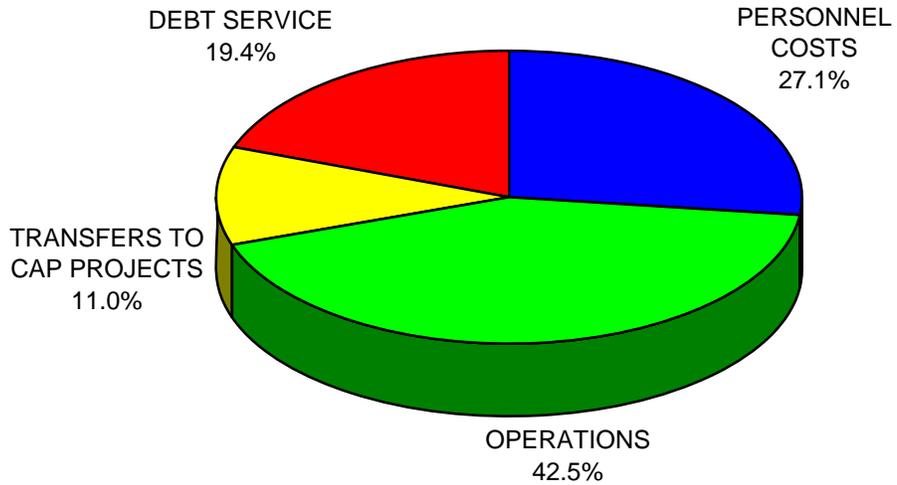
EXPENDITURES	ACTUAL 2010	REVISED 2011	CITY MANAGER PROPOSED 2012	COUNCIL ADOPTED 2012
<b>PERSONNEL COSTS:</b>				
SALARY AND WAGES	\$ 1,499,183	\$ 1,175,776	\$ 1,218,684	\$ 1,218,684
EMPLOYEE BENEFITS	704,144	674,466	691,559	711,640
	<u>2,203,327</u>	<u>1,850,242</u>	<u>1,910,243</u>	<u>1,930,324</u>
<b>OPERATING EXPENSES:</b>				
CONTRACTED SERVICES	1,029,231	1,621,636	1,133,434	1,133,434
SUPPLIES & MATERIALS	562,091	404,770	461,036	461,036
ENERGY	466,812	458,161	461,000	461,000
VEHICLE SUPPLIES & REPAIR	109,958	135,450	145,220	145,220
INTRAGOVERNMENTAL	833,524	839,120	831,662	832,523
	<u>3,001,616</u>	<u>3,459,137</u>	<u>3,032,352</u>	<u>3,033,213</u>
<b>OTHER FINANCIAL USES:</b>				
DEBT SERVICE	1,362,757	1,397,153	1,385,980	1,385,980
TRANSFER TO RESERVES	0	0	0	0
TRANSFER TO CAP PROJECTS	196,900	1,092,841	803,923	782,981
CAPITAL OUTLAY	239,380	1,715	0	0
	<u>1,799,037</u>	<u>2,491,709</u>	<u>2,189,903</u>	<u>2,168,961</u>
<b>TOTAL EXPENDITURES</b>	<b>\$ <u>7,003,980</u></b>	<b>\$ <u>7,801,088</u></b>	<b>\$ <u>7,132,498</u></b>	<b>\$ <u>7,132,498</u></b>
<b>LESS REVENUE GENERATED BY DEPARTMENT</b>				
WATER SALES	(2,840,179)	(3,137,344)	(3,373,378)	(3,373,378)
WATER FIXTURE CHARGE	(3,898,835)	(3,771,366)	(3,487,042)	(3,487,042)
CAPACITY FEES	(86,152)	(83,160)	(27,720)	(27,720)
PRIOR YEAR RESERVES	0	(653,532)	0	0
INTEREST	(28,142)	(25,000)	(36,000)	(36,000)
WATER VACANT LOT CHARGE	(33,938)	(31,861)	(29,266)	(29,266)
WATER CONNECTION CHARGES	(103,383)	(61,825)	(157,092)	(157,092)
SALES - MATERIALS & SERVICE	(27,566)	(37,000)	(22,000)	(22,000)
	<u>(7,018,195)</u>	<u>(7,801,088)</u>	<u>(7,132,498)</u>	<u>(7,132,498)</u>
<b>REVENUE (OVER)/UNDER EXPENDITURES</b>	<b>\$ <u>(14,215)</u></b>	<b>\$ <u>0</u></b>	<b>\$ <u>0</u></b>	<b>\$ <u>0</u></b>



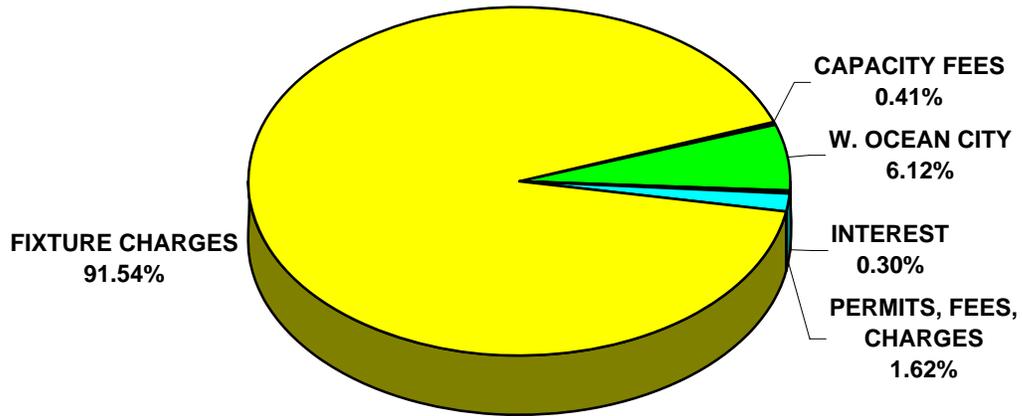
## Water Fund Revenue 2012 Adopted



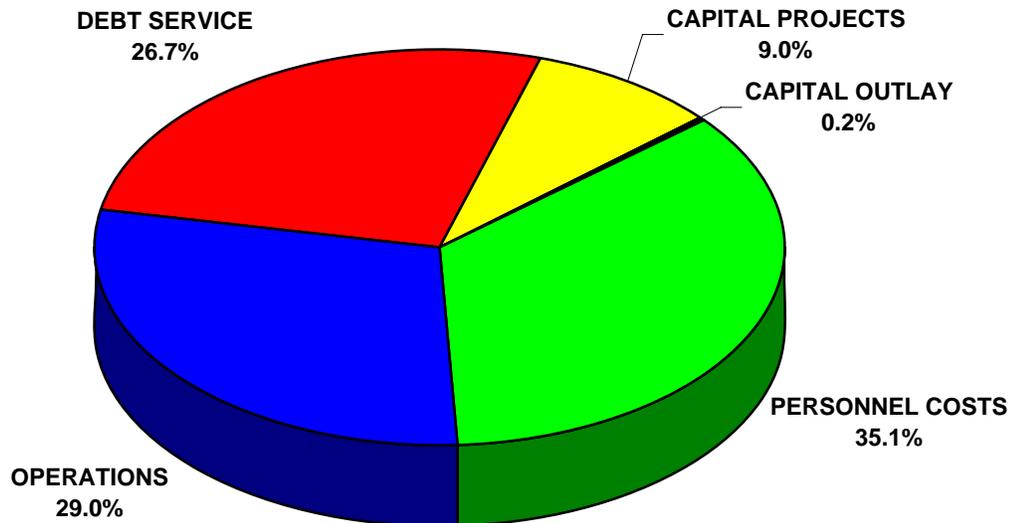
## Water Fund Expenditures 2012 Adopted



### Wastewater Fund Revenue 2012 Adopted



### Wastewater Fund Expenditures 2012 Adopted



**TOWN OF OCEAN CITY**  
**FISCAL YEAR 2012 BUDGET**

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**WASTEWATER FUND**

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**BUDGET HIGHLIGHTS:**

**REVENUE CHANGES:**

In accordance with Resolution 2010-7, the wastewater rates for wastewater service increased from \$7.60 to \$7.95 per quarter. This increase generates an additional \$501,887 in revenue. Capacity fees are based on new capacity and are expected to generate \$48,400 in FY 12. Capacity fees are used to fund Wastewater department capital projects. Service to West Ocean City is expected to decrease 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. 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 and Purchasing Technician positions are being shared with the Water department. No cost of living and no annual increments have been included. Increases in Group health insurance and retiree health have been partially offset with reductions in FICA, unemployment and the employer contribution to deferred compensation.

**CHANGES IN OPERATIONS:**

Contracted Services include \$642,715 in building and equipment maintenance costs. \$110,000 has been included to paint three gravity thickeners. \$225,000 has been included for roof replacement on the DAF and administration buildings. Plant equipment maintenance has been budgeted at \$204,250. Tipping fees have been budgeted at \$175,500 and include \$85,500 for the disposal of biosolids at Blessing Greenhouses. Permit fees paid to the Maryland Department of the Environment have been budgeted at \$30,000. Funds for manhole and sewer line repairs have also been included. Supplies and Materials increase \$9,254 from FY 11. Approximately \$370,000 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 fuel costs are expected to increase in this division, and are offset by reductions in vehicle parts and labor. Intragovernmental expenses increase due to an increase in the General Overhead expense allocation and in the IT allocation. These increases were partially offset by a reduction in the insurance allocation. Debt service in FY 11 reflects the principal and interest for bonds issued in 2001, 2005, 2007, 2009, and the recognition of bond proceeds from the 2010 bond issue. Capital outlay includes replacement of MSA gas detection equipment.

**SUMMARY COMMENTS:**

Pay-as-you-go capital projects include sewer main upgrades, the dissolved air flotation project and the bus duct electrical project. Funding for these projects totals \$1,051,595. This budget is balanced without using any Wastewater fund balance.

TOWN OF OCEAN CITY  
FISCAL YEAR 2011 BUDGET  
WASTEWATER FUND

EXPENDITURES	ACTUAL 2010	REVISED 2011	CITY MANAGER PROPOSED 2012	COUNCIL ADOPTED 2012
<b>PERSONNEL COSTS:</b>				
SALARY AND WAGES	\$ 2,527,951	\$ 2,599,458	\$ 2,564,502	\$ 2,564,502
EMPLOYEE BENEFITS	1,396,411	1,500,204	1,496,931	1,546,265
	<u>3,924,362</u>	<u>4,099,662</u>	<u>4,061,433</u>	<u>4,110,767</u>
<b>OPERATING EXPENSES:</b>				
CONTRACTED SERVICES	644,123	1,140,749	1,105,161	990,109
SUPPLIES & MATERIALS	532,899	585,966	595,220	595,220
ENERGY	601,449	616,175	595,500	595,500
VEHICLE SUPPLIES & REPAIR	101,520	176,910	174,379	174,379
INTRAGOVERNMENTAL	974,913	1,006,291	1,038,548	1,039,520
	<u>2,854,904</u>	<u>3,526,091</u>	<u>3,508,808</u>	<u>3,394,728</u>
<b>OTHER FINANCIAL USES:</b>				
DEBT SERVICE	2,515,780	3,069,879	3,119,747	3,119,747
TRANSFER TO RESERVES	0	0	0	0
TRANSFER TO CAPITAL PROJECTS	600,000	7,410,352	986,849	1,051,595
CAPITAL OUTLAY	2,044,427	449,675	18,500	18,500
	<u>5,160,207</u>	<u>10,929,906</u>	<u>4,125,096</u>	<u>4,189,842</u>
<b>TOTAL EXPENDITURES</b>	<b>\$ <u>11,939,473</u></b>	<b>\$ <u>18,555,659</u></b>	<b>\$ <u>11,695,337</u></b>	<b>\$ <u>11,695,337</u></b>
<b>LESS REVENUE GENERATED BY DEPARTMENT</b>				
FIXTURE CHARGES	(9,581,598)	(10,204,473)	(10,706,360)	(10,706,360)
INTEREST	(33,377)	(30,000)	(30,000)	(30,000)
VACANT LOT CHARGE	(32,414)	(34,817)	(34,894)	(34,894)
CONNECTION CHARGES	(3,000)	(10,500)	(3,000)	(3,000)
SALES - MATERIALS & SERVICES	(809)	(2,007)	(2,007)	(2,007)
SERVICE TO WEST OCEAN CITY	(670,145)	(747,151)	(715,926)	(715,926)
PLUMBING PERMITS	(60,955)	(48,000)	(55,000)	(55,000)
LAB FEES	(83,623)	(84,000)	(89,750)	(89,750)
CAPACITY FEES	(142,205)	(145,530)	(48,400)	(48,400)
INTEREST EARNED ON INVESTMENTS	(6,296)	(10,000)	(5,000)	(5,000)
CAPITAL ASSET SALES	10,636	0	0	0
MISCELLANEOUS	0	(5,000)	(5,000)	(5,000)
PROCEEDS OF LONG TERM DEBT	0	(7,174,995)	0	0
	<u>(10,603,786)</u>	<u>(18,496,473)</u>	<u>(11,695,337)</u>	<u>(11,695,337)</u>
<b>REVENUE (OVER)/UNDER EXPENDITURES</b>	<b>\$ <u>1,335,687</u></b>	<b>\$ <u>59,186</u></b>	<b>\$ <u>0</u></b>	<b>\$ <u>0</u></b>

Fixture Charge	7.05	7.60	7.95
Vacant Lot	16.50	16.80	18.60

**TOWN OF OCEAN CITY**  
**FISCAL YEAR 2012 BUDGET**  

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**TRANSPORTATION FUND**

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**BUDGET HIGHLIGHTS:**

**REVENUE CHANGES:**

In February 2011, bus fare was increased from \$2 ride-all-day to \$3 ride-all-day, or \$1 per boarding, resulting in an increase in estimated bus revenue. This change results in an anticipated increase of \$435,109 in bus passenger revenue for FY 12. 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. \$1,020,000 is projected for tram revenue for FY 12. Advertising on the trams has been estimated at \$8,400. Direct Media has estimated that bus advertising will remain at \$170,000 in FY 12. Federal and State operating grants are budgeted at \$825,782, the same level since FY 07. Capital grants increase 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. Budgeted hours for money room account clerks, bus division employees and tram division employees have been increased in FY 12. Budgeted hours for the operation of the medical transport program have also been included. In the Employee benefits category, increases in health insurance, FICA, retiree health insurance and worker's compensation are offset by anticipated reductions in unemployment. Unemployment accounts for \$646,000 of the Employee Benefits line item.

**OPERATIONAL CHANGES:**

Contracted Services decrease in FY 12. Printing of bus tickets and coupon books have been included at a cost of \$15,000. Building maintenance for the transit centers and tram buildings has been reduced slightly. A Campus Plan design was budgeted in FY 11 at a cost of \$100,000. Operational Supplies increase 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 \$894,655, an increase of more than \$170,000. Vehicle parts and labor estimates have been reduced \$392,000, as many older fleet vehicles will be replaced in FY 12. Grant funds in the amount of \$500,000 have been requested to offset this cost. Intragovernmental expenses increase as the allocation for Vehicle lease, General Overhead, and IT Services increase. Capital Outlay includes: bus barn design and engineering, \$1,750,000; Park & Ride decking, \$85,000; and bus passenger shelters and parts, \$50,000. 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.

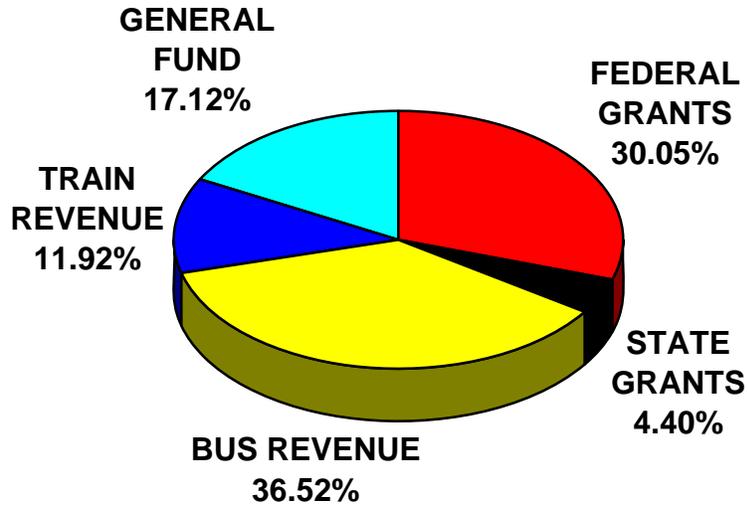
**SUMMARY COMMENTS:**

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.

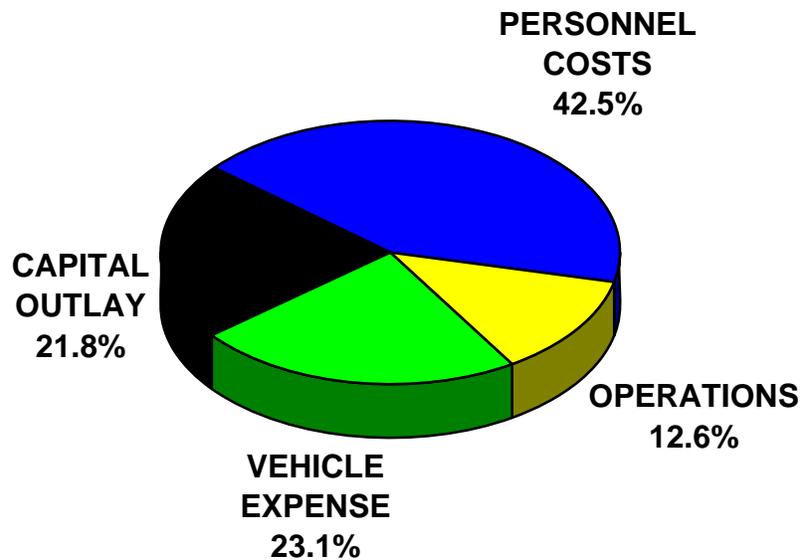
TOWN OF OCEAN CITY  
FISCAL YEAR 2012 BUDGET  
TRANSPORTATION FUND

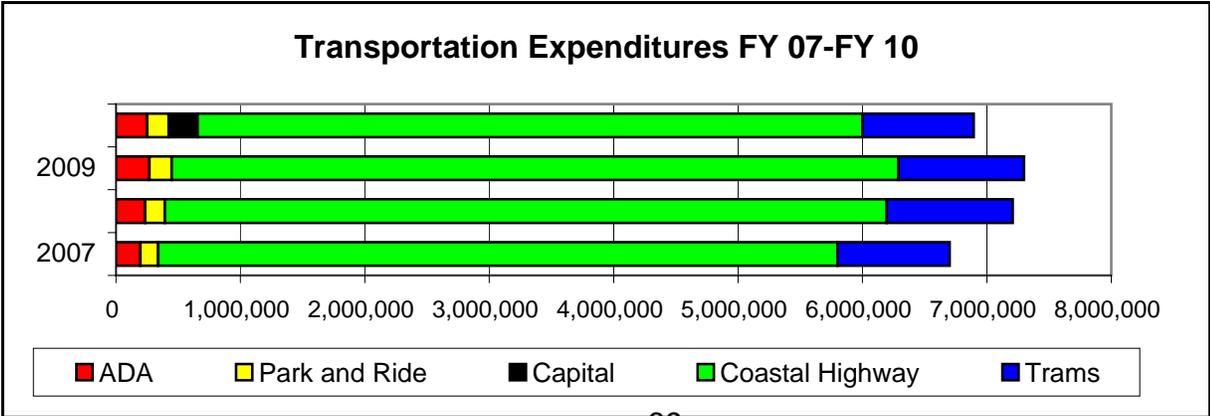
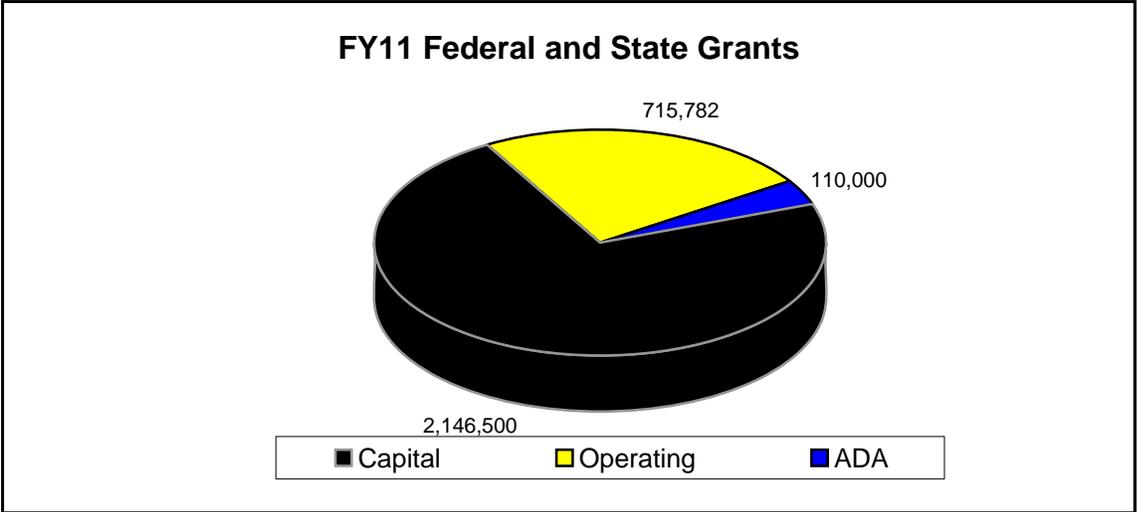
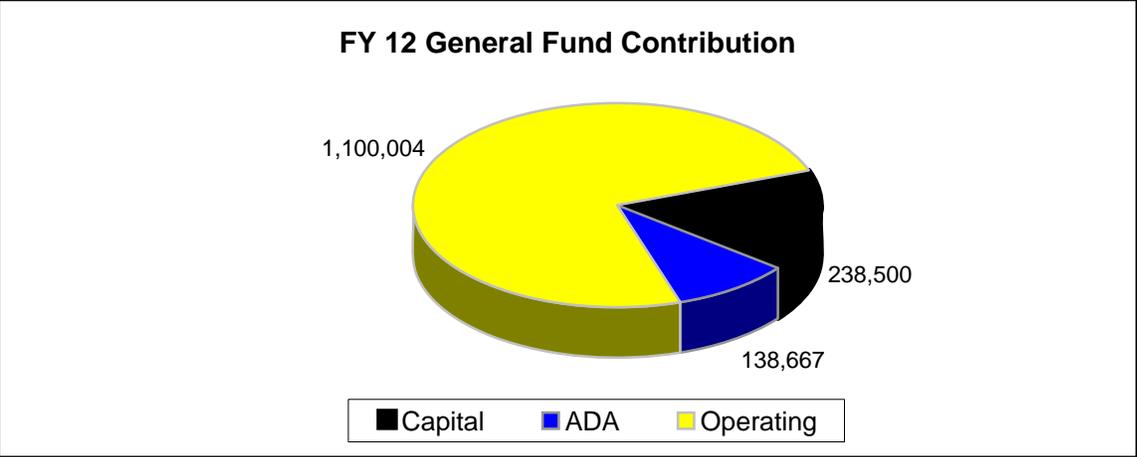
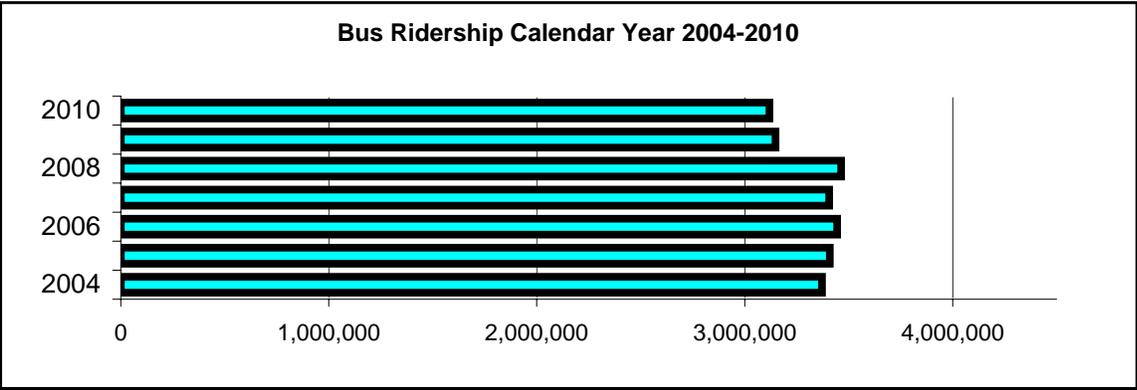
EXPENDITURES	ACTUAL 2010	REVISED 2011	CITY MANAGER PROPOSED 2012	COUNCIL ADOPTED 2012
<b>PERSONNEL COSTS:</b>				
SALARY AND WAGES	\$ 2,429,760	\$ 2,292,313	\$ 2,527,844	\$ 2,527,844
EMPLOYEE BENEFITS	<u>1,139,589</u>	<u>1,126,665</u>	<u>1,131,953</u>	<u>1,136,723</u>
	3,569,349	3,418,978	3,659,797	3,664,567
<b>OPERATING EXPENSES:</b>				
CONTRACTED SERVICES	88,457	189,331	88,951	88,860
SUPPLIES & MATERIALS	62,862	54,896	60,353	60,353
ENERGY	79,065	74,741	73,250	73,250
VEHICLE SUPPLIES & REPAIR	1,937,754	2,219,408	1,993,868	1,993,868
INTRAGOVERNMENTAL	<u>924,843</u>	<u>783,411</u>	<u>862,855</u>	<u>863,074</u>
	3,092,981	3,321,787	3,079,277	3,079,405
<b>OTHER FINANCIAL USES:</b>				
DEBT SERVICE	0	0	0	0
TRANSFER OUT	0	0	0	0
CAPITAL OUTLAY	<u>232,724</u>	<u>806,028</u>	<u>1,885,000</u>	<u>1,885,000</u>
	<u>232,724</u>	<u>806,028</u>	<u>1,885,000</u>	<u>1,885,000</u>
TOTAL EXPENDITURES	\$ <u>6,895,054</u>	\$ <u>7,546,793</u>	\$ <u>8,624,074</u>	\$ <u>8,628,972</u>
<b>LESS REVENUE GENERATED BY DEPARTMENT</b>				
BUS REVENUE	(2,227,158)	(2,545,510)	(2,980,619)	(2,980,619)
TRAIN REVENUE	(963,829)	(1,040,400)	(1,028,400)	(1,028,400)
BUS ADVERTISING	(170,752)	(170,000)	(170,000)	(170,000)
INTEREST ON INVESTMENTS	(844)	(1,000)	(500)	(500)
INSURANCE CLAIM PAYMENTS	(40,548)	0	0	0
PRIOR YEAR RESERVES	0	(37,626)	0	0
CAPITAL GRANT - FEDERAL	(188,109)	(925,503)	(1,908,000)	(1,908,000)
CAPITAL GRANT - STATE	(18,515)	(85,262)	(238,500)	(238,500)
ADA GRANT - STATE	(110,000)	(110,000)	(110,000)	(110,000)
OPERATING GRANT - FEDERAL	(684,657)	(684,657)	(684,657)	(684,657)
OPERATING GRANT - STATE	<u>(31,125)</u>	<u>(31,125)</u>	<u>(31,125)</u>	<u>(31,125)</u>
	<u>(4,435,537)</u>	<u>(5,631,083)</u>	<u>(7,151,801)</u>	<u>(7,151,801)</u>
TOWN CONTRIBUTION	\$ <u>2,459,517</u>	\$ <u>1,915,710</u>	\$ <u>1,472,273</u>	\$ <u>1,477,171</u>

### Transportation Fund Revenue 2012 Adopted



### Transportation Fund Expenditures 2012 Adopted





**TOWN OF OCEAN CITY**  
**FISCAL YEAR 2012 BUDGET**

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**AIRPORT FUND**

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**BUDGET HIGHLIGHTS:**

**REVENUE CHANGES:**

No Airport capital projects were budgeted 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. FY 12 includes grant funds for the design and bidding for reconstruction of runway 14/32. Anticipated fuel sales are based on the average number of gallons sold for the past four years. Fuel sales are very weather dependent and the current fiscal year has been an above average year. Rental revenue increases as hangar rates are being increased slightly and rent revenue for Hangar J has been budgeted for a full twelve months. Land rent to the Lion's Club will remain at \$3,600. Greater usage of the concrete crushing operation has been anticipated, resulting in an increase in Service Charge revenue.

**PERSONNEL CHANGES:**

Three full-time employees are budgeted in this division. One full-time position was converted to a part-time, year-round position in FY 11. One part-time line technician position was eliminated. The Airport Manager position is vacant and has been budgeted at the beginning wage for the pay grade. No cost of living adjustments and no annual increments have been included. Reductions in employee benefits result from a reduced estimate in unemployment and from a change in coverage from the PPO plan to the HMO plan for several employees in this division.

**CHANGES IN OPERATIONS:**

Contracted Services include professional services, building and equipment maintenance, credit card fees and other services. In addition to routine building and runway maintenance, the replacement of the terminal building roof has been included in FY 12, at a cost of \$20,000. Minimal concrete crushing expenses have been included in FY 12. Mowing of the fields surrounding the airport and detail mowing around the terminal building has been included at a cost of \$22,050. Other expenses included in Contracted Services include maintenance of the field lighting, \$10,000 and Navigation Aid technical support, \$10,000. Purchases for Resale costs for fuel purchase is the primary expense in the Supplies & Materials line item. Fuel purchases are budgeted at \$441,220 for the coming year. Energy costs have been budgeted to increase. Electricity for the new hangars has been included in the estimate. Estimates for vehicle fuel, parts and labor increase for FY 12. Debt Service reflects debt service for Hangar J construction. Transfer to Capital Projects includes the design and bidding of reconstruction of runway 14/32. This cost is offset by \$438,750 in state and federal grants. No capital outlay has been included for this division.

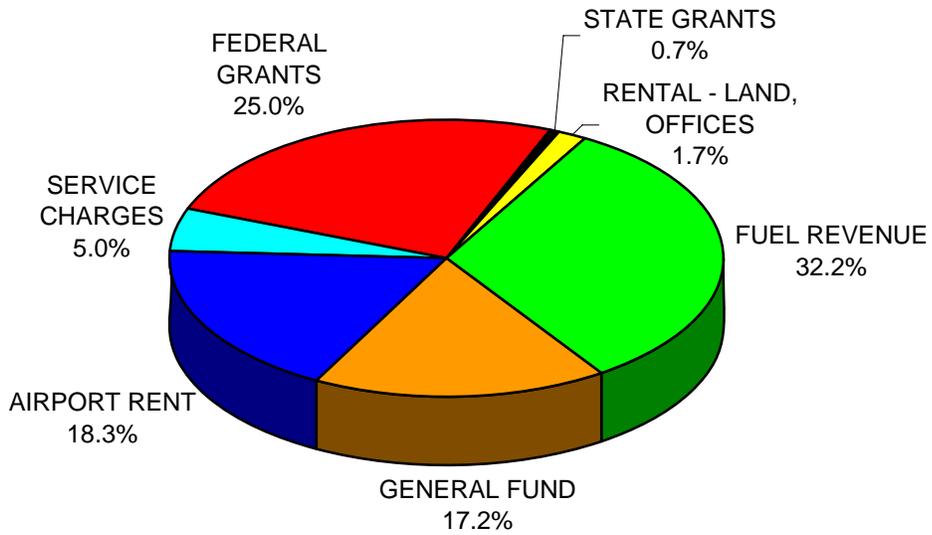
**SUMMARY COMMENTS:**

The General Fund subsidy is budgeted at \$292,964 for FY 2012. This is a decrease of \$97,747. The Town's \$11,250 local match for the capital projects listed above is part of this cost.

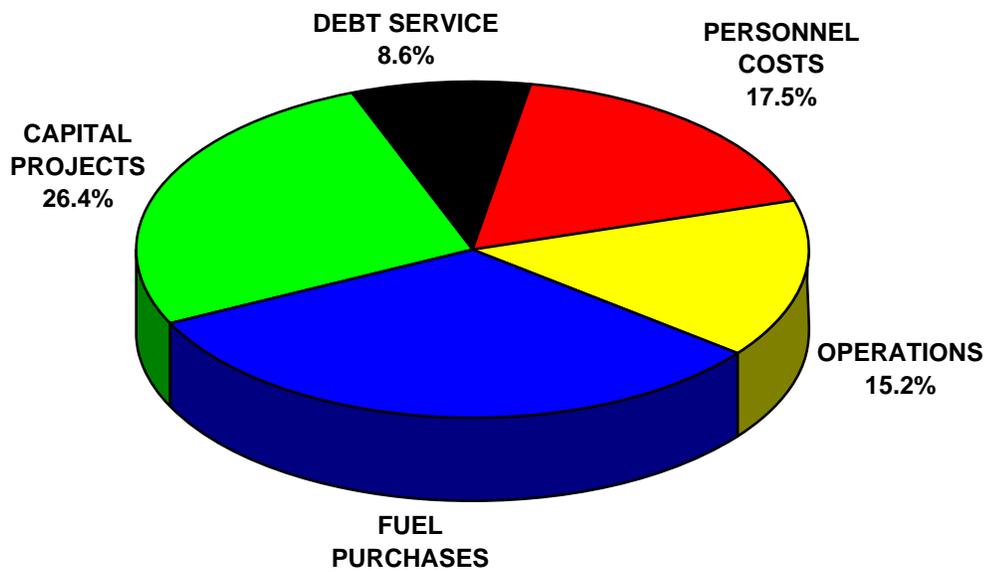
TOWN OF OCEAN CITY  
FISCAL YEAR 2012 BUDGET  
AIRPORT FUND

EXPENDITURES	ACTUAL 2010	REVISED 2011	CITY MANAGER PROPOSED 2012	COUNCIL ADOPTED 2012
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 257,289	\$ 244,107	\$ 210,345	\$ 210,345
EMPLOYEE BENEFITS	99,509	97,604	86,901	87,741
	<u>356,798</u>	<u>341,711</u>	<u>297,246</u>	<u>298,086</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	182,019	162,374	186,985	186,965
SUPPLIES & MATERIALS	401,467	493,404	460,875	460,875
ENERGY	35,431	37,749	42,000	42,000
VEHICLE SUPPLIES & REPAIR	10,470	13,121	16,257	16,257
INTRAGOVERNMENTAL	123,543	106,364	106,450	106,524
	<u>752,930</u>	<u>813,012</u>	<u>812,567</u>	<u>812,621</u>
OTHER FINANCIAL USES:				
DEBT SERVICE	85,241	145,607	146,029	146,029
TRANSFER TO CAPITAL PROJECTS	0	400,000	450,000	450,000
CAPITAL OUTLAY	0	30,000	0	0
	<u>85,241</u>	<u>575,607</u>	<u>596,029</u>	<u>596,029</u>
TOTAL EXPENDITURES	<u>\$ 1,194,969</u>	<u>\$ 1,730,330</u>	<u>\$ 1,705,842</u>	<u>\$ 1,706,736</u>
LESS REVENUE GENERATED BY DEPARTMENT				
FUEL REVENUE	(493,173)	(579,734)	(549,600)	(549,600)
RENT REVENUES	(258,958)	(281,820)	(311,606)	(311,606)
RENTAL - LAND, OFFICE SPACE	(27,571)	(30,054)	(28,566)	(28,566)
FEDERAL GRANTS	(36,968)	(380,000)	(427,500)	(427,500)
STATE GRANTS	(12,188)	(10,000)	(11,250)	(11,250)
SERVICE CHARGES	(57,831)	(56,700)	(84,850)	(84,850)
INTEREST ON ACCOUNTS	(30)	0	0	0
INTEREST ON INVESTMENTS	(227)	0	(400)	(400)
PRIOR YEAR SURPLUS	0	(1,311)	0	0
	<u>(886,946)</u>	<u>(1,339,619)</u>	<u>(1,413,772)</u>	<u>(1,413,772)</u>
TOTAL TOWN CONTRIBUTION	<u>\$ 308,023</u>	<u>\$ 390,711</u>	<u>\$ 292,070</u>	<u>\$ 292,964</u>

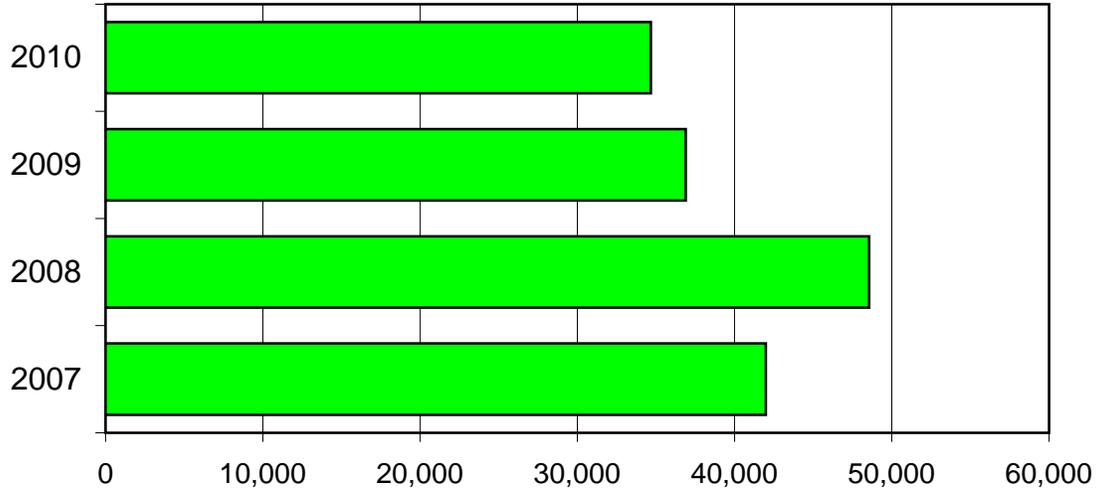
### Airport Fund Revenues 2012 Adopted



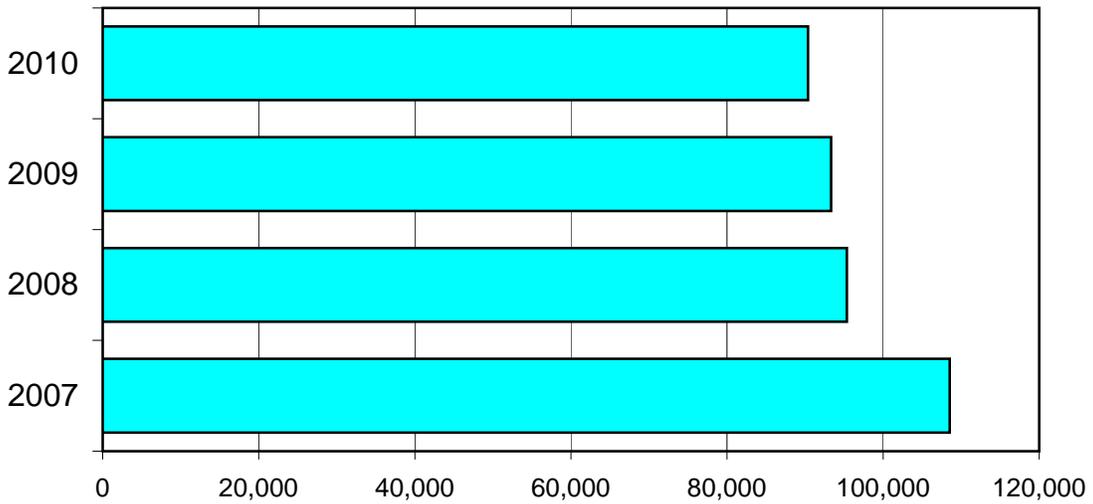
### Airport Fund Expenditures 2012 Adopted



### Gallons of Jet Fuel Sold FY 07 - FY10



### Gallons of 100LL Sold FY 07 - FY 10



**TOWN OF OCEAN CITY**  
**FISCAL YEAR 2012 BUDGET**

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**GOLF COURSE FUND**

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**BUDGET HIGHLIGHTS:**

**REVENUE CHANGES:**

No fee increases are scheduled for FY 2012. 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 are expected to remain at the same level as FY 11. Sale of advertising on the GPS system, included in FY 11 at \$18,000, has been deleted.

**PERSONNEL CHANGES:**

Eight full-time positions are included in this budget. The horticulturalist was transferred to the Parks Maintenance division to fill a vacancy in FY 10. Reductions in the number of hours budgeted for part-time employees result in the cost savings in this line item. No cost of living adjustments and no merit increments have been included. Increases in Group insurance and retiree health insurance are reflected as increases in employee benefits.

**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 \$48,000. This is a reduction of \$5,000 as co-op hotel advertising will be included in the Town's destination advertising budget. A reduction has also been budgeted for landscaping services in the Maintenance budget. Supplies & Materials for both the operations and maintenance divisions decrease. Maintenance supplies are budgeted at \$192,500, 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 \$201,000 of the amount budgeted for Supplies and Materials. Energy costs are budgeted to decrease slightly. Vehicle fuel, parts and labor have been budgeted to increase in FY 12. Intragovernmental allocations increase for this division. Allocations for IT expense, General Overhead and vehicle lease increase for FY 12. No capital outlay has been requested.

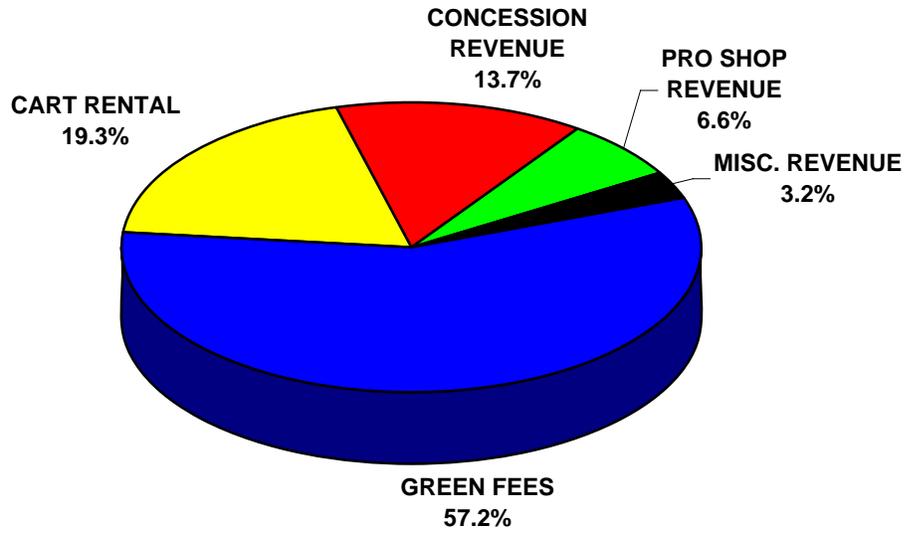
**SUMMARY COMMENTS:**

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.

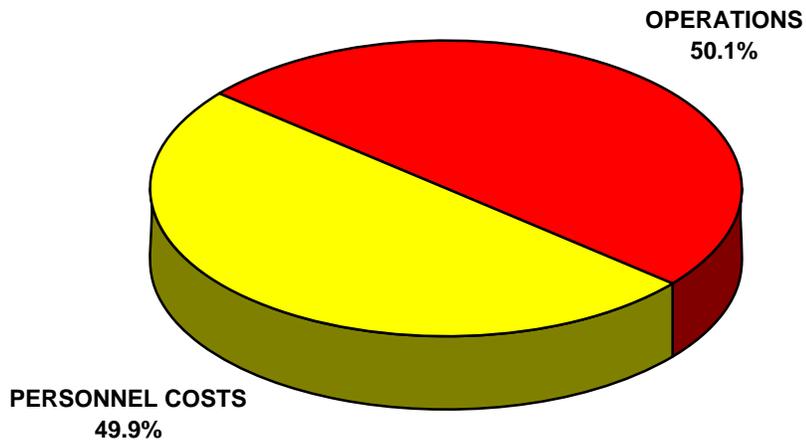
TOWN OF OCEAN CITY  
FISCAL YEAR 2012 BUDGET  
GOLF COURSE FUND

EXPENDITURES	ACTUAL 2010	REVISED 2011	CITY MANAGER PROPOSED 2012	COUNCIL ADOPTED 2012
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 706,047	\$ 709,246	\$ 698,842	\$ 698,842
EMPLOYEE BENEFITS	303,877	309,327	312,229	320,113
	<u>1,009,924</u>	<u>1,018,573</u>	<u>1,011,071</u>	<u>1,018,955</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	269,602	329,544	313,390	313,370
SUPPLIES & MATERIALS	399,570	435,010	421,770	421,770
ENERGY	45,945	47,950	47,500	47,500
VEHICLE SUPPLIES & REPAIR	40,436	41,942	48,929	48,929
INTRAGOVERNMENTAL	171,372	183,367	192,233	192,397
	<u>926,925</u>	<u>1,037,813</u>	<u>1,023,822</u>	<u>1,023,966</u>
OTHER FINANCIAL USES:				
DEBT SERVICE	0	0	0	0
TRANSFERS OUT / LAND RENT	0	0	0	0
CAPITAL OUTLAY	0	0	0	0
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL EXPENDITURES	<u>\$ 1,936,849</u>	<u>\$ 2,056,386</u>	<u>\$ 2,034,893</u>	<u>\$ 2,042,921</u>
LESS REVENUE GENERATED BY DIVISION				
ADMISSIONS TAX	0	(45,000)	(45,000)	(53,028)
GREEN FEES	(1,162,109)	(1,167,641)	(1,167,641)	(1,167,641)
CART RENTAL	(392,415)	(395,108)	(395,250)	(395,250)
CONCESSION REVENUE	(270,682)	(280,000)	(280,000)	(280,000)
PRO SHOP REVENUE	(126,528)	(135,000)	(135,000)	(135,000)
CLUB RENTAL	(1,010)	(3,802)	(3,802)	(3,802)
TOURNAMENT REVENUE	(2,598)	(3,000)	(3,000)	(3,000)
PULL CART RENTAL	0	(500)	(500)	(500)
INTEREST ON INVESTMENTS	(301)	(1,000)	(1,000)	(1,000)
MISCELLANEOUS REVENUE	(67,289)	(21,700)	(3,700)	(3,700)
APPROPRIATED FUND BALANCE	0	(3,635)	0	0
ADVANCE FROM GEN'L FUND	0	0	0	0
CORPORATE SPONSORSHIPS	0	0	0	0
DISCOUNTS TAKEN	(2,200)	0	0	0
	<u>(2,025,132)</u>	<u>(2,056,386)</u>	<u>(2,034,893)</u>	<u>(2,042,921)</u>
REVENUE (OVER)/UNDER EXPENDITURES	<u>\$ (88,283)</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

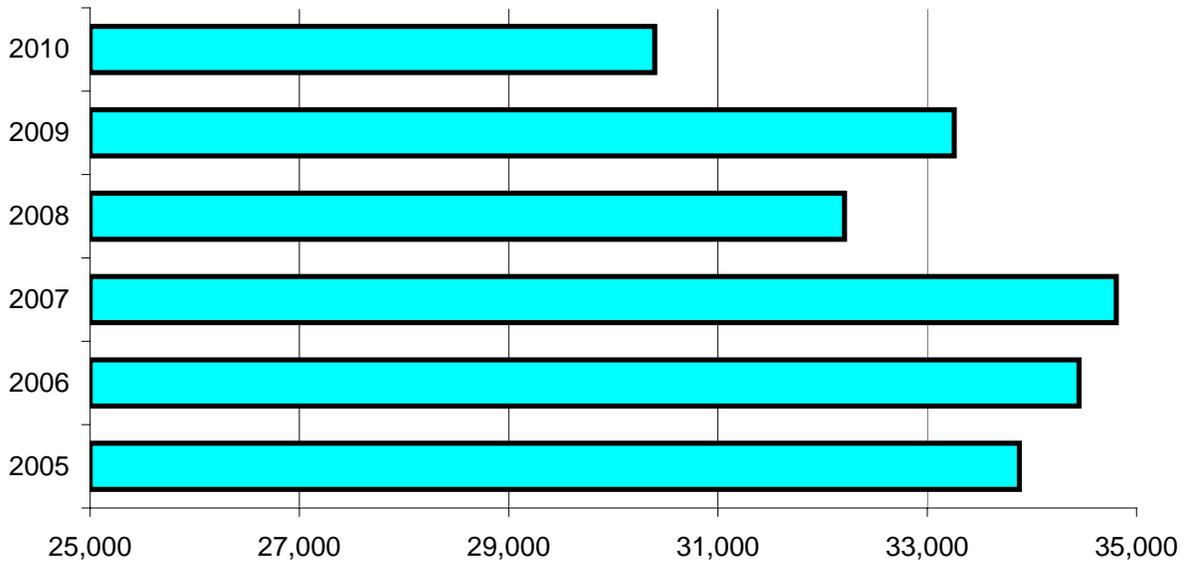
### Golf Course Revenue 2012 Adopted



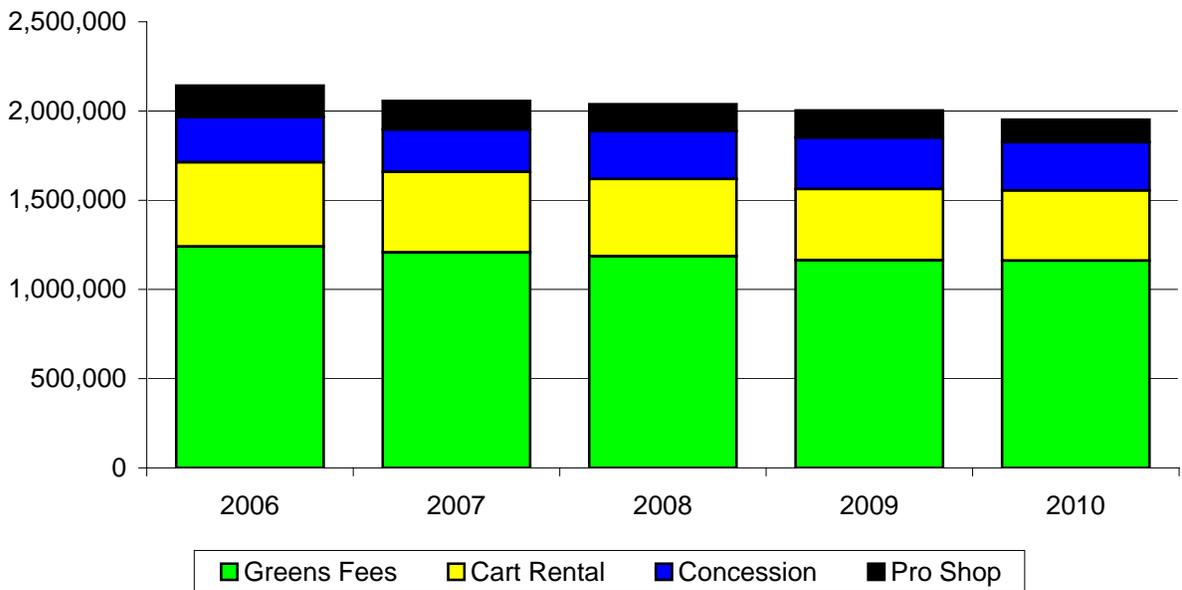
### Golf Course Expenditures 2012 Adopted



**Eagle's Landing Rounds Played CY 05-CY 10**



**Source of Revenue FY 2006-FY 2010**



**TOWN OF OCEAN CITY  
FISCAL YEAR 2012 BUDGET**

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**CONVENTION CENTER FUND and MUSEUM**

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**BUDGET HIGHLIGHTS:**

**REVENUE CHANGES:**

Hall Rental, Concession revenue and Service Charges are all expected to increase in FY-12. Sales/Other reflects membership dues for the Convention & Visitor's Bureau and are expected to decrease. FY 11 Special Event revenue includes the "Puttin' On the Ritz" event. 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 \$1,085,000 that will go toward debt retirement in FY 2012. Prior year food tax will also be used to offset the expansion debt retirement. An additional \$100,000 will go into a fund for capital improvements at the Convention Center. In FY 11, \$90,524 of capital funds was used to purchase a performance stage. Bond proceeds for the convention center expansion were recognized in FY 11. Overall, the Town contribution and the State Operating Grant have been budgeted to decrease \$43,724 each.

**PERSONNEL CHANGES:**

In this division, the Contract Administrator position was eliminated in FY 12. The duties of this position will be combined with another existing position and additional funds have been included for the employee accepting additional duties. Since FY 09, seven positions have been eliminated in this division. Other savings result from retirements and new employees being paid according to the newly adopted pay scale. In the Museum division, one employee has been eliminated since FY09. There are two full-time employees. No annual increments and no cost of living increases have been included. Town contribution to retiree health insurance increases and is partially offset by reductions in group health insurance and projected unemployment.

**CHANGES IN OPERATIONS:**

Contracted Services decrease in FY 12. Routine escalator, elevator, HVAC, and equipment repair are budgeted in this category and total \$205,179. Building maintenance accounts for another \$77,693. Replacement of the heat exchange cooling plates in the HVAC system was included in FY 11 at a cost of \$35,000. Travel, credit card fees and advertising are other expenses charged in this line item. Contracted Services for FY 11 included \$25,000 in damages resulting from the fire. Operational supplies include an allowance of \$20,000 to purchase surveillance cameras. This line item includes costs for such items as replacement tables and chairs, supplies to clean and maintain the building, aisle and booth carpet, and landscaping supplies. The Museum's operating expenses decrease \$10,533 overall. Boat door repairs were included in the FY 11 budget. Energy costs for the Convention Center are budgeted to increase. Vehicle fuel and vehicle parts are budgeted to increase. Intragovernmental expenses decrease as the Risk allocation for property insurance decreases. Debt Service increases to reflect the debt service for the Convention Center expansion. Funds will be taken from prior year reserves to cover this cost. Transfer to Reserves reflects the amount to be set aside for the capital reserve fund. A replacement trash compactor has been included in capital outlay. FY 11 capital outlay includes the proceeds from the bond issue for the expansion.

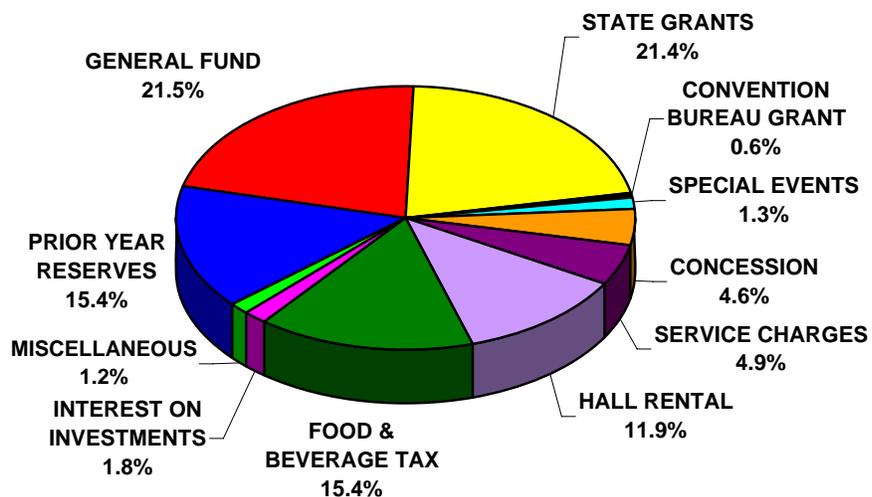
**MAJOR 2011-2012 PROGRAM OBJECTIVES:**

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 with a concentration toward attracting competitive arts groups. Effort will be made to create awareness of the expanded facility and to continue to operate the facility during construction and expansion.

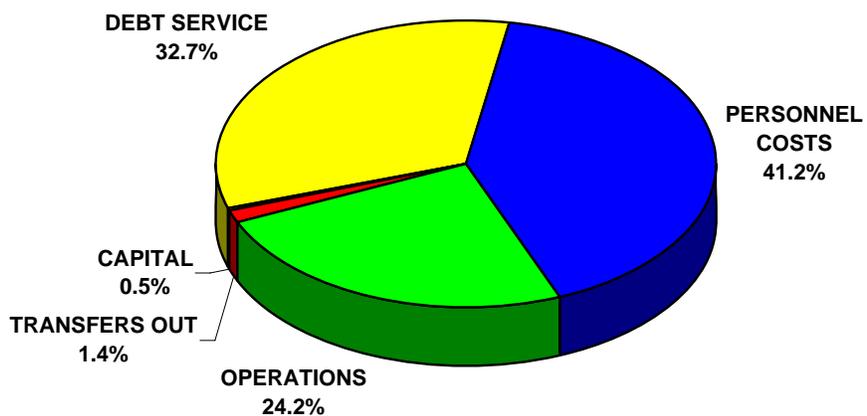
TOWN OF OCEAN CITY  
FISCAL YEAR 2012 BUDGET  
CONVENTION CENTER FUND AND MUSEUM

EXPENDITURES	ACTUAL 2010	REVISED 2011	CITY MANAGER PROPOSED 2012	COUNCIL ADOPTED 2012
<b>PERSONNEL COSTS:</b>				
SALARY AND WAGES	\$ 1,980,802	\$ 2,062,986	\$ 1,967,939	\$ 1,967,939
EMPLOYEE BENEFITS	911,943	915,919	893,053	936,713
	<u>2,892,745</u>	<u>2,978,905</u>	<u>2,860,992</u>	<u>2,904,652</u>
<b>OPERATING EXPENSES:</b>				
CONTRACTED SERVICES	471,389	580,201	512,240	512,143
SUPPLIES & MATERIALS	180,574	218,929	236,854	236,854
ENERGY	664,492	580,710	615,000	615,000
VEHICLE SUPPLIES & REPAIR	12,444	22,008	24,618	24,618
INTRAGOVERNMENTAL	343,458	342,325	316,244	316,525
	<u>1,672,357</u>	<u>1,744,173</u>	<u>1,704,956</u>	<u>1,705,140</u>
<b>OTHER FINANCIAL USES:</b>				
DEBT SERVICE	1,257,458	1,235,243	2,304,265	2,304,265
TRANSFER TO RESERVES	262,995	100,000	100,000	100,000
CAPITAL OUTLAY	15,000	4,870,758	32,000	32,000
	<u>1,535,453</u>	<u>6,206,001</u>	<u>2,436,265</u>	<u>2,436,265</u>
TOTAL EXPENDITURES	<u>\$ 6,100,555</u>	<u>\$ 10,929,079</u>	<u>\$ 7,002,213</u>	<u>\$ 7,046,057</u>
<b>LESS REVENUE GENERATED BY DIVISION</b>				
HALL RENTAL REVENUE	(793,664)	(800,000)	(835,000)	(835,000)
SPECIAL EVENT REVENUE	(92,545)	(105,140)	(95,000)	(95,000)
CONCESSION REVENUE	(312,592)	(320,000)	(325,000)	(325,000)
SERVICE CHARGES	(337,089)	(340,000)	(345,000)	(345,000)
BUS PARKING REVENUE	(1,560)	0	0	0
MONTHLY LEASE REVENUE	(20,028)	(18,500)	(18,500)	(18,500)
SALES/OTHER	(57,755)	(53,000)	(50,000)	(50,000)
FOOD & BEVERAGE TAX	(1,073,776)	(1,100,713)	(1,085,000)	(1,085,000)
INTEREST ON INVESTMENTS	(298,210)	(125,000)	(125,000)	(125,000)
ATM REVENUE	(14,400)	(15,000)	(15,000)	(15,000)
INSURANCE CLAIM PAYMENTS	0	(14,862)	0	0
COUNTY - VISITORS/CONV BUREAU	(45,000)	(45,000)	(45,000)	(45,000)
BOND PROCEEDS	0	(4,780,234)	0	0
PRIOR YEAR RESERVES	0	(101,362)	(1,084,735)	(1,084,735)
STATE OPERATING/CAPITAL GRANT	(1,507,125)	(1,550,367)	(1,484,723)	(1,506,645)
	<u>(4,553,744)</u>	<u>(9,369,178)</u>	<u>(5,507,958)</u>	<u>(5,529,880)</u>
TOTAL TOWN CONTRIBUTION	<u>\$ 1,546,811</u>	<u>\$ 1,559,901</u>	<u>\$ 1,494,255</u>	<u>\$ 1,516,177</u>
<b>MUSEUM</b>				
	ACTUAL 2010	REVISED 2011	CITY MANAGER PROPOSED 2012	COUNCIL ADOPTED 2012
PERSONNEL COSTS:	312,108	223,483	218,636	217,744
OPERATING EXPENSES:	22,848	49,241	38,708	38,709
TOTAL EXPENDITURES	<u>334,956</u>	<u>272,724</u>	<u>257,344</u>	<u>256,453</u>

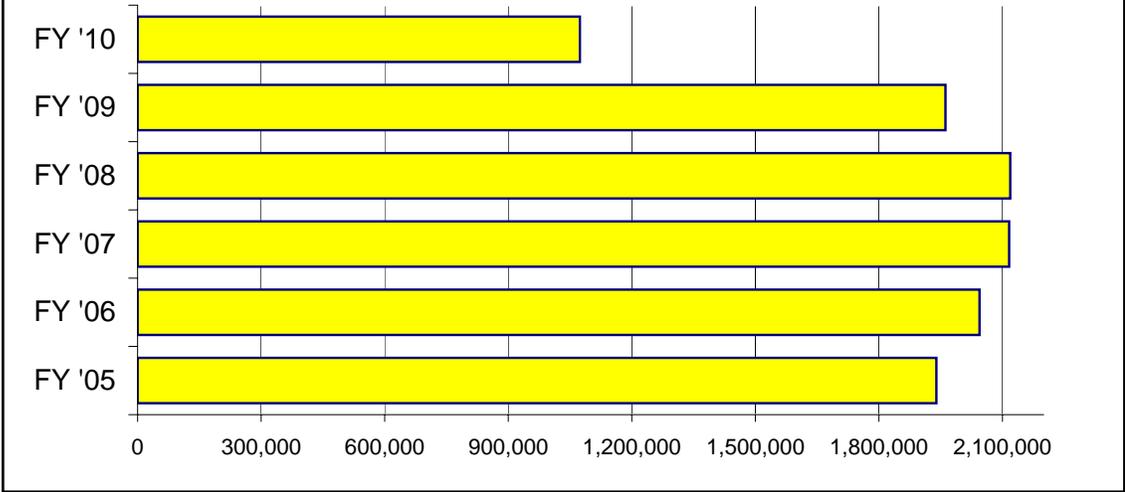
**Convention Center Fund Revenue 2012 Adopted**



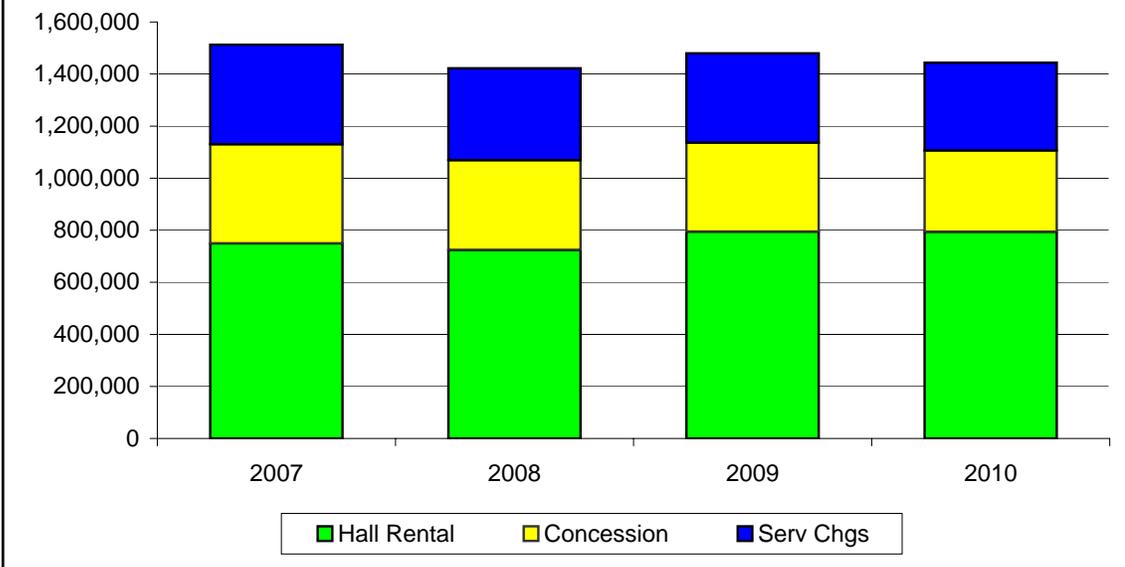
**Convention Center Fund Expenditures 2012 Adopted**



### Food & Beverage Tax FY 2005 - FY 2010



### 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.**

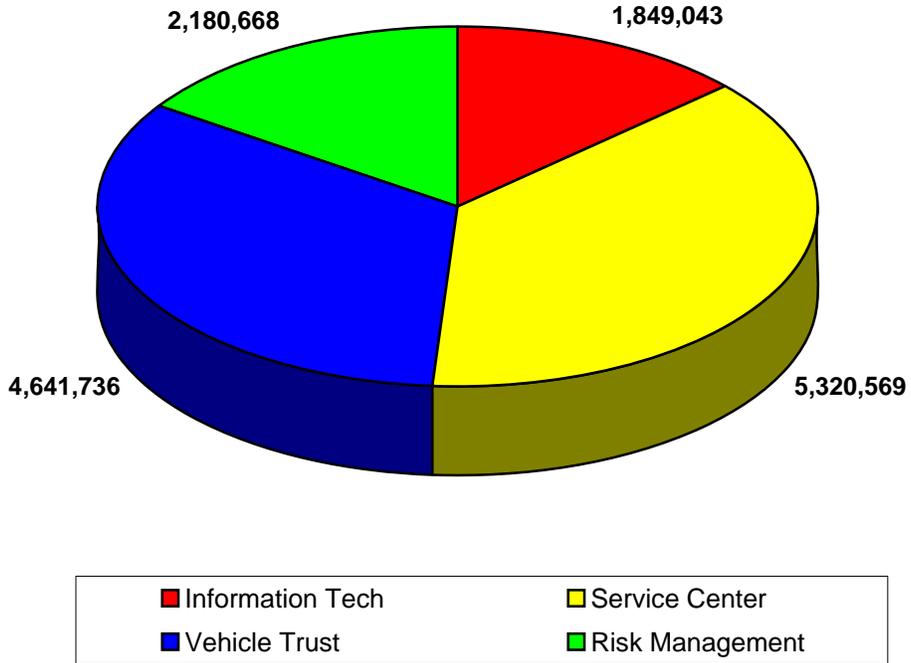
### **VEHICLE AND EQUIPMENT TRUST FUND**

**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.**

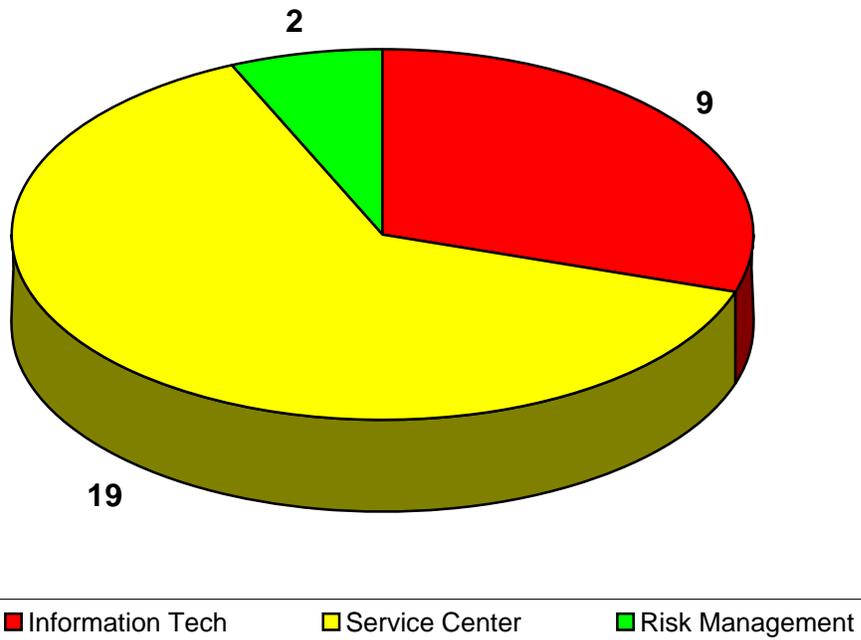
### **RISK MANAGEMENT FUND**

**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 12 Internal Service Funds Expenses



### FY 12 Internal Service Fund Full-Time Personnel



**TOWN OF OCEAN CITY**  
**FISCAL YEAR 2012 BUDGET**

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**INFORMATION TECHNOLOGY**

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**BUDGET HIGHLIGHTS:**

**REVENUE CHANGES:**

The charges for IT services have been increased for all Town departments for FY 2012. 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 \$191,995 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 was eliminated in FY 11. Full-time salaries decrease due to new employees being funded at lower rates of pay than their predecessors. Overtime costs have also been reduced. No cost of living adjustment, and no annual increments are included. Changes in coverage for health insurance, an increase in the Town's contribution for retiree health insurance and an increase in the allocation for worker's compensation cause the employee benefit category to increase.

**CHANGES IN OPERATIONS:**

Software support, maintenance and software upgrades account for \$513,119 of the Contracted Services expense. Annual costs for the Town's Voice and Data equipment maintenance agreement total \$165,323 and are now paid from the Equipment Trust Fund. Another large component of this line item is the software support for the CAD/RMS software. This maintenance agreement costs \$191,995 annually. Maintenance and software support for all other software programs totals \$321,124. Increases in equipment maintenance costs were offset by reductions in Communications, contracted services, and the allowance for a network consultant. Operational Supplies increase in FY 11. Replacement monitors, CPUs, toughbooks and laptops have been included at a total cost of \$101,800. The second year of a scheduled five-year upgrade to Microsoft Office is also included. Memory and other software upgrades are other items included in this line item. Replacement of five servers is included at a cost of \$25,000. Other specific items include a CAD work station for Beach Patrol, Police replacement equipment totaling \$71,930, and a replacement toughbook with diagnostic software for the Garage. Vehicle maintenance costs are expected to decrease in the coming year. Intragovernmental expenses increase as the allocation for General Overhead increases for this division. No capital outlay items are budgeted.

**SUMMARY COMMENTS:**

Every effort has been made to maintain service to City employees while reducing costs as much as practical.

TOWN OF OCEAN CITY  
FISCAL YEAR 2012 BUDGET  
INFORMATION TECHNOLOGY

EXPENDITURES	ACTUAL 2010	REVISED 2011	CITY MANAGER PROPOSED 2012	COUNCIL ADOPTED 2012
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 697,932	\$ 601,270	\$ 583,568	\$ 583,568
EMPLOYEE BENEFITS	288,914	296,941	306,507	311,789
	<u>986,846</u>	<u>898,211</u>	<u>890,075</u>	<u>895,357</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	721,118	567,224	576,201	576,201
SUPPLIES & MATERIALS	215,826	242,916	296,187	296,187
ENERGY	7,920	8,440	8,500	8,500
VEHICLE SUPPLIES & REPAIR	1,198	5,404	3,510	3,510
INTRAGOVERNMENTAL	63,389	65,000	69,288	69,288
	<u>1,009,451</u>	<u>888,984</u>	<u>953,686</u>	<u>953,686</u>
OTHER FINANCIAL USES:				
DEBT SERVICE	0	0	0	0
TRANSFER OUT	0	0	0	0
CAPITAL OUTLAY	9,103	2,538	0	0
	<u>9,103</u>	<u>2,538</u>	<u>0</u>	<u>0</u>
TOTAL EXPENDITURES	<u>\$ 2,005,400</u>	<u>\$ 1,789,733</u>	<u>\$ 1,843,761</u>	<u>\$ 1,849,043</u>
LESS REVENUE GENERATED BY DEPARTMENT				
GENERAL FUND	(1,488,498)	(1,389,518)	(1,352,426)	(1,354,527)
WATER FUND	(95,491)	(96,165)	(126,577)	(127,438)
WASTEWATER FUND	(124,564)	(112,363)	(142,856)	(143,828)
TRANSPORTATION FUND	(30,305)	(29,208)	(31,931)	(32,150)
AIRPORT FUND	(13,024)	(9,301)	(11,116)	(11,190)
GOLF COURSE FUND	(27,225)	(20,640)	(24,099)	(24,263)
CONVENTION CENTER FUND	(51,898)	(37,556)	(41,180)	(41,461)
SERVICE CENTER FUND	(83,534)	(77,162)	(100,120)	(100,639)
RISK MANAGEMENT FUND	(11,957)	(9,492)	(13,456)	(13,547)
PRIOR YEAR RESERVES	0	(8,328)	0	0
	<u>(1,926,496)</u>	<u>(1,789,733)</u>	<u>(1,843,761)</u>	<u>(1,849,043)</u>
REVENUES (OVER)/UNDER EXPENDITURES	<u>\$ 78,904</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

**TOWN OF OCEAN CITY  
FISCAL YEAR 2012 BUDGET**

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**SERVICE CENTER FUND AND IMPOUND LOT**

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**BUDGET HIGHLIGHTS:**

**REVENUE:**

No rate changes are included in FY 12. Fuel revenue is dependent on fuel cost. As fuel costs are anticipated to increase in FY 12, fuel revenue is projected to increase. Parts revenue is anticipated to decrease. Vehicle labor charges are budgeted to increase slightly. In FY 11, \$20,499 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. Three full-time security guard positions were eliminated in FY 11 from the Impound Lot budget. No cost of living or annual increments have been included. Group health insurance costs increase as does the town's contribution to retiree health insurance. Projected contributions to the pension plan are anticipated to decrease. In the Impound Lot budget, unemployment costs are anticipated to decrease \$16,000. A tool allowance of \$500 per mechanic has been included in the Service Center budget.

**CHANGES IN OPERATIONS:**

Contracted Services expenses are expected to decrease. This category includes building and equipment maintenance, training and travel, printing costs and tipping fees, as well as other contracted services. Replacement of an air handler in the boiler room was included in FY 11 at a cost of \$7,800. Only routine maintenance has been included in FY 12. The National Institute for Governmental Purchasing conference included in FY 11 has not been budgeted in FY 12. 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 is a large cost for Transportation, Solid Waste and Police. Vehicle fuel costs are expected to increase in FY 12 and account for the increase in this line item. Energy costs for this department appear to have been under budgeted in FY 11. For FY 12, energy costs have been included at the three year average cost. Intragovernmental allocations increase for this department. Increases in allocations for IT Services and vehicle lease expense are partially offset by reductions in the allocations for General Overhead and property insurance. Sandblasting and painting the fuel depot canopy structural steel were included in FY 11, but no capital outlay has been included in FY 12.

**SUMMARY COMMENTS:**

The tool reimbursement program started in FY 05 for the Service Center mechanics has proven successful with nine of the eleven mechanics receiving the full \$500 allowance in FY 10. The tool allowance was reduced from \$1,000 per mechanic to \$500 per mechanic in FY 10. An average value of each mechanic's tools is approximately \$15,000.

TOWN OF OCEAN CITY  
FISCAL YEAR 2012 BUDGET  
SERVICE CENTER FUND AND IMPOUND LOT

EXPENDITURES	ACTUAL 2010	REVISED 2011	CITY MANAGER PROPOSED 2012	COUNCIL ADOPTED 2012
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 1,104,346	\$ 1,111,557	\$ 1,109,011	\$ 1,109,011
EMPLOYEE BENEFITS	598,758	576,017	582,415	607,568
	<u>1,703,104</u>	<u>1,687,574</u>	<u>1,691,426</u>	<u>1,716,579</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	64,667	61,392	48,662	48,720
SUPPLIES & MATERIALS	2,427,262	2,732,676	3,171,816	3,171,816
ENERGY	58,735	48,435	58,000	58,000
VEHICLE SUPPLIES & REPAIR	14,731	24,925	26,519	26,519
INTRAGOVERNMENTAL	287,327	281,188	298,416	298,935
	<u>2,852,722</u>	<u>3,148,616</u>	<u>3,603,413</u>	<u>3,603,990</u>
OTHER FINANCIAL USES:				
DEBT SERVICE	0	0	0	0
TRANSFER OUT	0	0	0	0
CAPITAL OUTLAY	0	29,600	0	0
	<u>0</u>	<u>29,600</u>	<u>0</u>	<u>0</u>
TOTAL EXPENDITURES	<u>\$ 4,555,826</u>	<u>\$ 4,865,790</u>	<u>\$ 5,294,839</u>	<u>\$ 5,320,569</u>
LESS REVENUE GENERATED BY DIVISION				
FUEL REVENUE	(1,473,470)	(1,829,238)	(2,326,999)	(2,326,999)
PARTS REVENUE	(1,645,952)	(1,693,543)	(1,646,571)	(1,646,571)
LABOR REVENUE	(1,239,287)	(1,319,510)	(1,318,269)	(1,343,999)
PRIOR YEAR RESERVES	0	(20,499)	0	0
DISCOUNTS TAKEN	(2,015)	(3,000)	(3,000)	(3,000)
	<u>(4,360,724)</u>	<u>(4,865,790)</u>	<u>(5,294,839)</u>	<u>(5,320,569)</u>
REVENUES (OVER)/UNDER EXPENDITURES	<u>\$ 195,102</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
 <b>IMPOUND LOT</b>				
	ACTUAL 2010	REVISED 2011	CITY MANAGER PROPOSED 2012	COUNCIL ADOPTED 2012
PERSONNEL COSTS	214,135	159,625	140,208	132,079
OPERATING EXPENSES	<u>9,379</u>	<u>10,241</u>	<u>10,529</u>	<u>10,539</u>
TOTAL EXPENDITURES	<u><u>223,514</u></u>	<u><u>169,866</u></u>	<u><u>150,737</u></u>	<u><u>142,618</u></u>

**TOWN OF OCEAN CITY  
FISCAL YEAR 2012 BUDGET**

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**VEHICLE AND EQUIPMENT TRUST FUND**

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<u>REQUESTED VEHICLES</u>	<u>REPLACEMENT Yes/No</u>	<u>COUNCIL APPROVED</u>
<b>POLICE:</b>		
Unmarked Full-Size Sedans (2)	Y	48,000
Marked 2x2 SUVs (2)	Y	60,000
Marked Full-Size 4x4 SUV	Y	32,000
Prisoner Transport Van (1)	Y	21,000
<b>SOLID WASTE:</b>		
Front End Trash Truck	Y	210,000
<b>WASTEWATER:</b>		
Jet/Vac Sewer Cleaner	Y	345,000
<b>PUBLIC WORKS MAINTENANCE:</b>		
Trash Barrel Dumper	Y	144,000
Street Broom	Y	160,000
Mini Street Broom	Y	60,000
<b>TRANSPORTATION:</b>		
Forty Foot Buses (6)	Y	2,520,000
ADA Van (1)	Y	<u>58,000</u>
		\$3,658,000
ALLOWANCE FOR FUTURE RADIO PURCHASES		\$ 139,571
POLICE REPLACEMENT MOBILE RADIOS (8)		\$ 42,000

TOWN OF OCEAN CITY  
FISCAL YEAR 2012 BUDGET  
VEHICLE AND EQUIPMENT TRUST FUND

EXPENDITURES	ACTUAL 2010	REVISED 2011	CITY MANAGER PROPOSED 2012	COUNCIL ADOPTED 2012
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 0	\$ 0	\$ 0	\$ 0
EMPLOYEE BENEFITS	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	0	0	0	0
OPERATING EXPENSES:				
CONTRACTED SERVICES	80,297	277,433	273,727	273,727
SUPPLIES & MATERIALS	2,538	5,000	3,000	3,000
ENERGY	0	0	0	0
VEHICLE SUPPLIES & REPAIR	0	0	0	0
INTRAGOVERNMENTAL	<u>502,114</u>	<u>533,858</u>	<u>525,438</u>	<u>525,438</u>
	584,949	816,291	802,165	802,165
OTHER FINANCIAL USES:				
DEBT SERVICE	375,485	94,156	0	0
TRANSFER OUT	592,948	31,851	0	0
CAPITAL OUTLAY	<u>399,228</u>	<u>8,854,115</u>	<u>3,839,571</u>	<u>3,839,571</u>
	<u>1,367,661</u>	<u>8,980,122</u>	<u>3,839,571</u>	<u>3,839,571</u>
TOTAL EXPENDITURES	<u>\$ 1,952,610</u>	<u>\$ 9,796,413</u>	<u>\$ 4,641,736</u>	<u>\$ 4,641,736</u>
LESS REVENUE GENERATED BY DEPARTMENT				
CAPITAL GRANT - FEDERAL	(45,166)	(6,553,591)	(2,062,400)	(2,062,400)
CAPITAL GRANT - STATE	(5,646)	(468,560)	(257,800)	(257,800)
SALE - CAPITAL ASSETS	(81,017)	(240,000)	(110,443)	(110,443)
PRIOR YEAR RESERVES	0	(579,766)	0	0
SALES - MATERIALS & SERVICE	(442,667)	(442,112)	(455,298)	(455,298)
GENERAL FUND CONTRIBUTION	(1,309,877)	(1,030,693)	(1,312,418)	(1,312,418)
WATER FUND CONTRIBUTION	(37,880)	(36,689)	(39,792)	(39,792)
WASTEWATER CONTRIBUTION	(66,675)	(57,916)	(60,208)	(60,208)
TRANSPORTATION CONTRIBUTION	(405,618)	(229,583)	(268,274)	(268,274)
AIRPORT FUND CONTRIBUTION	(6,228)	(6,096)	(4,630)	(4,630)
GOLF COURSE CONTRIBUTION	(43,074)	(33,037)	(38,612)	(38,612)
TOURISM FUND CONTRIBUTION	(2,220)	(3,264)	(3,808)	(3,808)
IT FUND CONTRIBUTION	(1,683)	(2,812)	(2,984)	(2,984)
SERVICE CENTER CONTRIBUTION	(20,947)	(16,139)	(23,433)	(23,433)
RISK MGT CONTRIBUTION	(3,518)	(1,999)	(1,636)	(1,636)
EQUIPMENT LEASE/PURCHASE	(376,624)	(94,156)	0	0
800 MHZ RADIO LEASE	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	<u>(2,848,840)</u>	<u>(9,796,413)</u>	<u>(4,641,736)</u>	<u>(4,641,736)</u>
REVENUES (OVER)/UNDER EXPENDITURES	<u>\$ (896,230)</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

**TOWN OF OCEAN CITY**  
**FISCAL YEAR 2012 BUDGET**  

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**RISK MANAGEMENT FUND**

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**BUDGET HIGHLIGHTS:**

**REVENUE CHANGES:**

Interest earnings are expected to decrease in FY 2012. The expenses for this division are separated into three categories: General liability, Auto claims and insurance and Worker's compensation. Expenses in these three categories are allocated to each department based on a formula determined by an actuarial study done every few years. Worker's compensation costs are the most expensive of these three categories. Allocations for all departments for worker's compensation increased in FY 2012 and were partially offset by decreases in General liability and auto 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. Required contributions to retiree health insurance increase.

**CHANGES IN OPERATIONS:**

Insurance costs make up the majority of this line item and result in an increase in Contracted Services in FY 12. Overall insurance costs are expected to increase \$28,905 in FY 12. The amount allocated for worker's compensation claims in FY 12 is \$675,000, which is an increase of \$124,410. Property insurance decreases from an estimate of \$285,000 in FY 11 to an estimate of \$200,000 in FY 12. Automobile and General Liability claims are budgeted at the same level as FY 11. \$1,699,250 has been budgeted to cover the cost of insurance policies and insurance claims for FY 2012. 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. The Town's audit firm has recommended that this study be conducted every two fiscal years. Intragovernmental expenses increase because the allocations for General Overhead expense and for IT Services increase 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 2011-2012 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 his actions.

TOWN OF OCEAN CITY  
FISCAL YEAR 2012 BUDGET  
RISK MANAGEMENT FUND

EXPENDITURES	ACTUAL 2010	REVISED 2011	CITY MANAGER PROPOSED 2012	COUNCIL ADOPTED 2012
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 163,929	\$ 162,305	\$ 162,305	\$ 162,305
EMPLOYEE BENEFITS	56,885	60,765	58,449	61,552
	<u>220,814</u>	<u>223,070</u>	<u>220,754</u>	<u>223,857</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	1,923,739	1,812,063	1,839,785	1,839,885
SUPPLIES & MATERIALS	2,239	2,110	2,110	2,110
ENERGY	0	0	0	0
VEHICLE SUPPLIES & REPAIR	1,687	2,974	3,067	3,067
INTRAGOVERNMENTAL	93,270	103,579	111,658	111,749
	<u>2,020,935</u>	<u>1,920,726</u>	<u>1,956,620</u>	<u>1,956,811</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>\$ 2,241,749</u>	<u>\$ 2,143,796</u>	<u>\$ 2,177,374</u>	<u>\$ 2,180,668</u>
LESS REVENUE GENERATED BY DEPARTMENT				
INTEREST EARNED	(125,353)	(97,271)	(74,375)	(77,669)
GENERAL FUND	(1,025,633)	(1,030,359)	(1,146,569)	(1,146,569)
WATER FUND	(117,683)	(107,856)	(91,183)	(91,183)
WASTEWATER FUND	(145,905)	(135,357)	(112,577)	(112,577)
TRANSPORTATION FUND	(138,783)	(90,944)	(95,413)	(95,413)
AIRPORT FUND	(21,723)	(21,115)	(17,870)	(17,870)
GOLF COURSE FUND	(39,722)	(30,461)	(29,605)	(29,605)
CONVENTION CENTER FUND	(154,430)	(148,531)	(127,728)	(127,728)
SERVICE CENTER FUND	(49,709)	(23,994)	(26,245)	(26,245)
MIS FUND	(5,121)	(10,575)	(12,616)	(12,616)
VEHICLE TRUST FUND	(416,611)	(446,250)	(443,193)	(443,193)
INSURANCE CLAIMS	(1,076)	0	0	0
PRIOR YEAR RESERVES	0	(1,083)	0	0
	<u>(2,241,749)</u>	<u>(2,143,796)</u>	<u>(2,177,374)</u>	<u>(2,180,668)</u>
REVENUES (OVER)/UNDER EXPENDITURES	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>



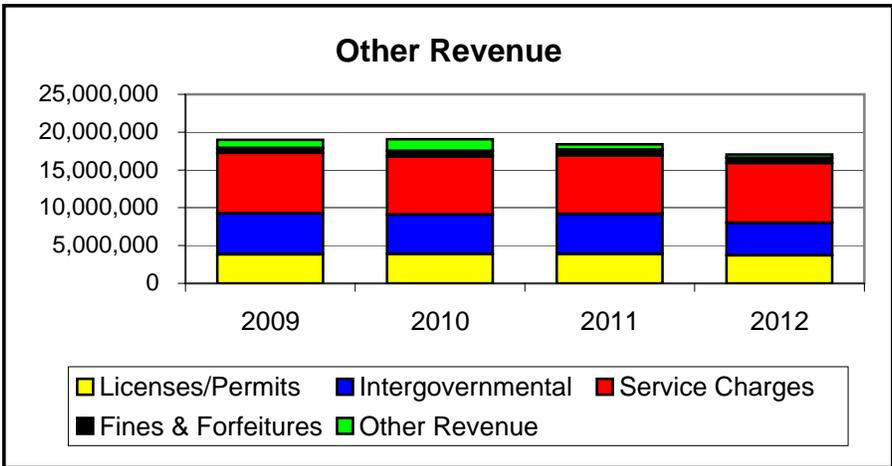
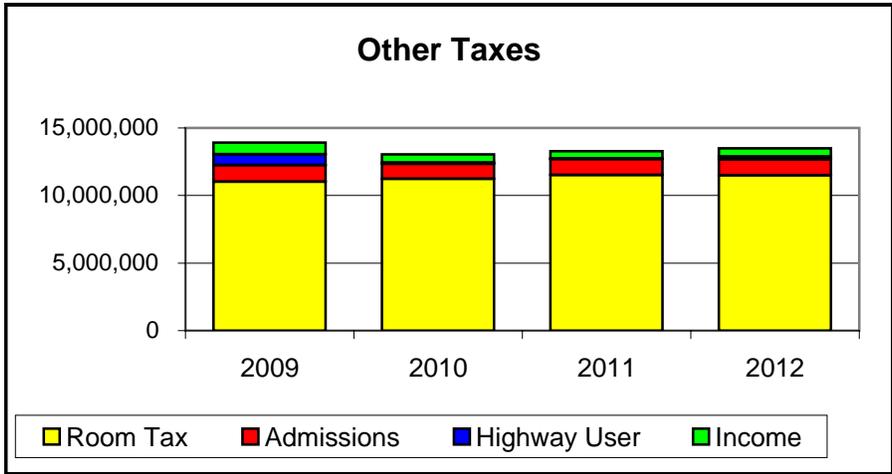
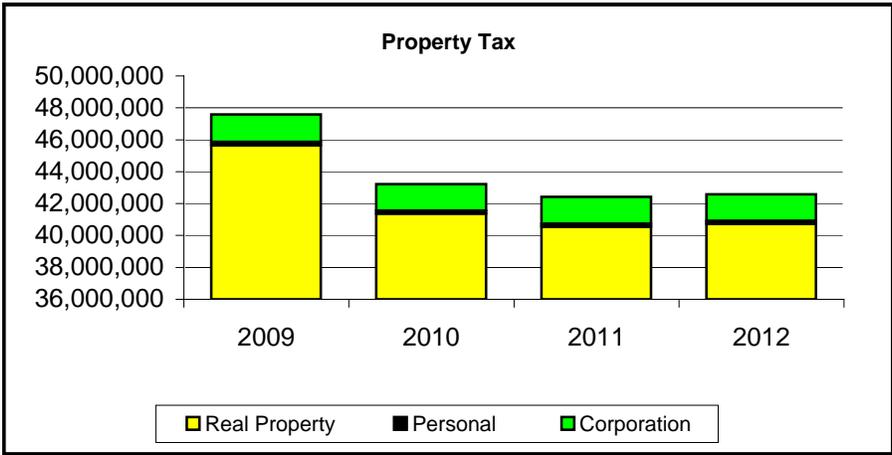
## **SUPPLEMENTARY INFORMATION**

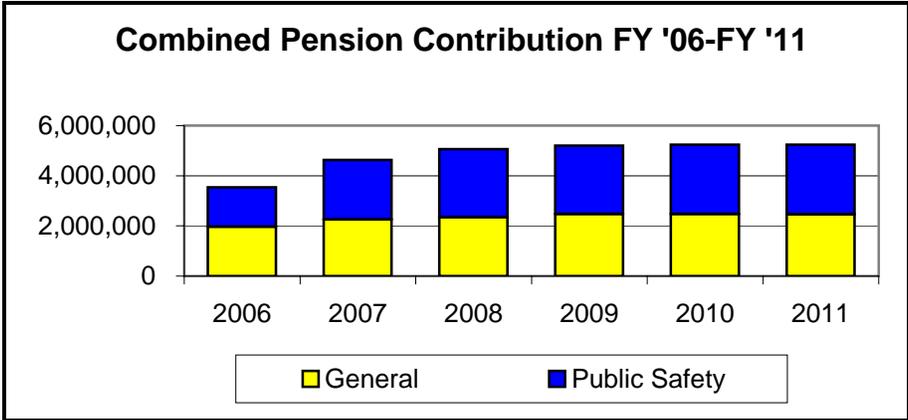
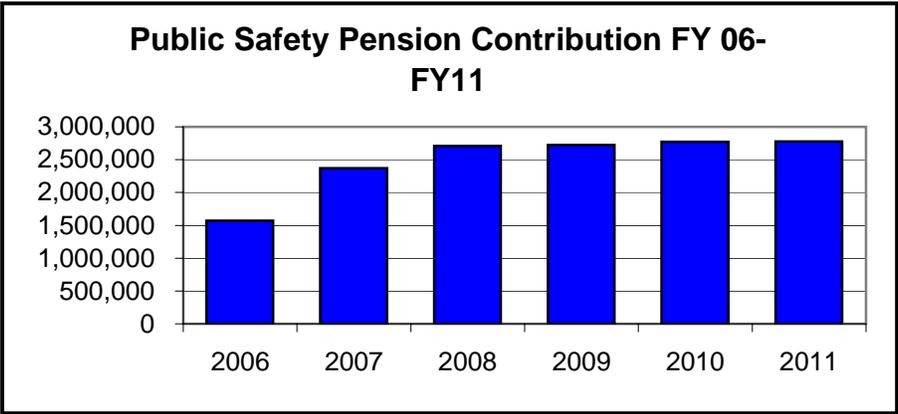
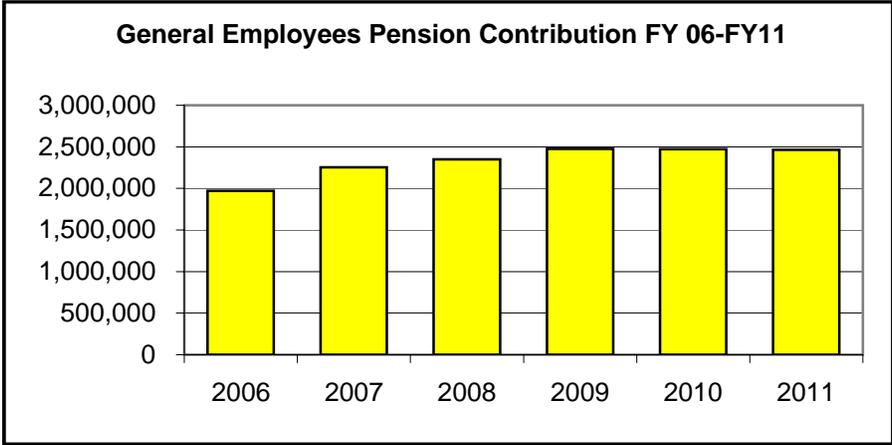
TOWN OF OCEAN CITY  
 FULL TIME PERSONNEL, ALLOCATIONS  
 1987, 1997, 2009, 2010, 2011, AND BUDGET 2012

	<u>FY-87</u>	<u>FY-97</u>	<u>FY-09</u>	<u>FY-10</u>	<u>FY-11</u>	<u>FY -12</u>	<u>Variance</u>	<u>Variance Since FY 09</u>
<b>GENERAL GOVERNMENT</b>								
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	7	7	0	1
Finance	18	16	16	15	15	15	0	-1
Human Resources	3	3	4	4	4	4	0	0
	<u>27</u>	<u>26</u>	<u>31</u>	<u>30</u>	<u>31</u>	<u>31</u>	<u>0</u>	<u>0</u>
<b>PLANNING AND BUILDING</b>								
Planning Administration	11	4	8	8	6	5	-1	-3
Building Inspection	9	5	7	6	4	6	2	-1
	<u>20</u>	<u>9</u>	<u>15</u>	<u>14</u>	<u>10</u>	<u>11</u>	<u>1</u>	<u>-4</u>
<b>PUBLIC SAFETY</b>								
Police - Administration	34	21	14	13	13	14	1	0
Police - Services		15	26	27	26	26	0	0
Police - CID	10	12	22	21	20	21	1	-1
Police - Patrol	54	60	71	70	71	69	-2	-2
Animal Control	2	2	2	2	2	2	0	0
Communications	1	14	22	22	21	21	0	-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	8	7	-1	-2
	<u>136</u>	<u>158</u>	<u>211</u>	<u>209</u>	<u>206</u>	<u>205</u>	<u>-1</u>	<u>-6</u>
<b>PUBLIC WORKS</b>								
Engineering	11	5	8	7	7	6	-1	-2
PW - Administration	3	3	4	4	4	4	0	0
PW - Bldg & Grounds	6	8	11	10	9	9	0	-2
PW - Streets	23	21	25	23	13	13	0	-12
PW - Storm Drains	7	7	0	0	0	0	0	0
PW - Street Maintenance			15	15	15	16	1	1
PW - Beach	5	7	5	3	4	4	0	-1
PW - Boardwalk	6	6	5	5	5	5	0	0
PW - Janitorial	2	5	9	7	6	6	0	-3
PW - Parking	1	1	4	3	3	2	-1	-2
Impound Lot	5	4	5	5	2	2	0	-3
	<u>69</u>	<u>67</u>	<u>91</u>	<u>82</u>	<u>68</u>	<u>67</u>	<u>-1</u>	<u>-24</u>
<b>SOLID WASTE</b>								
Solid Waste - Operations	49	32	19	19	19	18	-1	-1
Solid Waste - Transfer Station		7	9	5	6	5	-1	-4
Solid Waste - Recycling		7	16	16	0	0	0	-16
	<u>49</u>	<u>46</u>	<u>44</u>	<u>40</u>	<u>25</u>	<u>23</u>	<u>-2</u>	<u>-21</u>
<b>RECREATION AND PARKS</b>								
Administration	4	7	6	6	5	5	0	-1
Recreation Programs	4	5	7	7	7	7	0	0
Beach Patrol			1	1	1	1	0	0
Park Maintenance	11	12	22	20	17	17	0	-5
Special Events		2	6	5	4	4	0	-2
	<u>19</u>	<u>26</u>	<u>42</u>	<u>39</u>	<u>34</u>	<u>34</u>	<u>0</u>	<u>-8</u>

TOWN OF OCEAN CITY  
 FULL TIME PERSONNEL, ALLOCATIONS  
 1987, 1997, 2009, 2010, 2011, AND BUDGET 2012

<b>TOURISM</b>								
Tourism Promotions		1	5	4	2	2	0	-3
Public Relations	3	6	1	1	0	0	0	-1
Museum	2	2	3	3	2	2	0	-1
	<u>5</u>	<u>9</u>	<u>9</u>	<u>8</u>	<u>4</u>	<u>4</u>	<u>0</u>	<u>-5</u>
<b>WATER</b>								
Water Administration	2	2	2	2	1	1	0	-1
Distribution System	7	7	7	7	7	7	0	0
Plants	10	10	11	11	10	10	0	-1
Meter Reading/Install	5	5	4	3	3	3	0	-1
	<u>24</u>	<u>24</u>	<u>24</u>	<u>23</u>	<u>21</u>	<u>21</u>	<u>0</u>	<u>-3</u>
<b>WASTEWATER</b>								
Administration		4	5	4	4	4	0	-1
Treatment Plant		32	32	32	31	31	0	-1
Collection System		8	9	8	8	8	0	-1
Farm		3	0	0	0	0	0	0
Lab		3	3	2	2	2	0	-1
		<u>50</u>	<u>49</u>	<u>46</u>	<u>45</u>	<u>45</u>	<u>0</u>	<u>-4</u>
<b>TRANSPORTATION</b>								
Administration	3	3	5	5	4	4	0	-1
Buses	9	12	12	11	9	9	0	-3
	<u>12</u>	<u>15</u>	<u>17</u>	<u>16</u>	<u>13</u>	<u>13</u>	<u>0</u>	<u>-4</u>
<b>AIRPORT OPERATIONS</b>	3	3	4	3	3	3	0	-1
<b>GOLF COURSE</b>								
Operations		3	3	3	3	3	0	0
Maintenance		8	6	6	5	5	0	-1
		<u>11</u>	<u>9</u>	<u>9</u>	<u>8</u>	<u>8</u>	<u>0</u>	<u>-1</u>
<b>CONVENTION CENTER</b>								
Tourism Administration	5	5	7	7	6	5	-1	-2
Convention Sales		3	3	2	3	3	0	0
Tourism Maintenance	12	11	30	26	25	25	0	-5
	<u>17</u>	<u>19</u>	<u>40</u>	<u>35</u>	<u>34</u>	<u>33</u>	<u>-1</u>	<u>-7</u>
<b>INFORMATION TECH</b>	2	4	11	11	9	9	0	-2
<b>SERVICE CENTER</b>								
Administration	3	3	2	2	2	2	0	0
Central Purchasing	6	5	5	5	5	5	0	0
Garage	14	16	15	13	12	12	0	-3
	<u>23</u>	<u>24</u>	<u>22</u>	<u>20</u>	<u>19</u>	<u>19</u>	<u>0</u>	<u>-3</u>
<b>RISK MANAGEMENT</b>		2	3	2	2	2	0	-1
	<u>406</u>	<u>493</u>	<u>622</u>	<u>587</u>	<u>532</u>	<u>528</u>	<u>-4</u>	<u>-94</u>







# **BUDGET ORDINANCE**

ORDINANCE 2011-18

TOWN OF OCEAN CITY  
OPERATING BUDGET  
FISCAL YEAR 2012

SOURCE	1ST READING FY-2012	2ND READING FY-2012
Section I, General Fund:		
A. Anticipated Revenue:		
Property Taxes	\$ 42,606,715	\$ 42,606,715
Other Taxes	14,202,029	14,202,029
Licenses and Permits	3,724,560	3,724,560
Revenue From Other Agencies	4,257,121	4,257,121
Charges For Services	7,936,879	7,936,879
Fines and Forfeitures	672,900	672,900
Other Revenue	<u>438,750</u>	<u>438,750</u>
 Total Revenue	 \$ <u>73,838,954</u>	 \$ <u>73,838,954</u>
 B. Anticipated Expenditures:		
General Government	\$ 3,321,689	\$ 3,321,689
Public Safety	32,322,680	32,322,680
Public Works/Beach Maintenance	5,100,437	5,100,437
Sanitation and Waste Removal	5,571,220	5,571,220
Highways and Streets	5,263,779	5,263,779
Economic Development -Tourism	6,331,717	6,331,717
Culture and Recreation	7,525,458	7,525,458
Debt Service	<u>4,576,232</u>	<u>4,576,232</u>
 Sub Total	 \$ 70,013,212	 \$ 70,013,212
To Transportation Fund	1,477,171	1,477,171
To Airport Fund	292,964	292,964
To Convention Center Fund	1,516,177	1,516,177
To Capital Projects	<u>539,430</u>	<u>539,430</u>
 Total Expenditures	 \$ <u>73,838,954</u>	 \$ <u>73,838,954</u>

SOURCE	1ST READING FY-2012	2ND READING FY-2012
Section II, Water Fund:		
A. Anticipated Revenue:		
Water Sales	\$ 3,373,378	\$ 3,373,378
Water Fixture Charge	3,487,042	3,487,042
Service Charges	244,358	244,358
Capacity/Impact Fees	27,720	27,720
Prior Year Reserves	<u>0</u>	<u>0</u>
 Total Revenue	 \$ <u>7,132,498</u>	 \$ <u>7,132,498</u>
B. Anticipated Expenditures:		
Personal Services	\$ 1,930,324	\$ 1,930,324
Non-Personal Services	3,033,213	3,033,213
Debt Service	1,385,980	1,385,980
Capital Outlay	<u>782,981</u>	<u>782,981</u>
 Total Expenditures	 \$ <u>7,132,498</u>	 \$ <u>7,132,498</u>

Section III, Transportation Fund:

A. Anticipated Revenue:		
Bus Revenue	\$ 3,151,119	\$ 3,151,119
Train Revenue	1,028,400	1,028,400
Federal and State Grants	2,972,282	2,972,282
Transfer-In From General Fund	1,477,171	1,477,171
Prior Year Reserves	<u>0</u>	<u>0</u>
 Total Revenue	 \$ <u>8,628,972</u>	 \$ <u>8,628,972</u>
B. Anticipated Expenditures:		
Personal Services	\$ 3,664,567	\$ 3,664,567
Non-Personal Services	3,079,405	3,079,405
Capital Outlay	<u>1,885,000</u>	<u>1,885,000</u>
 Total Expenditures	 \$ <u>8,628,972</u>	 \$ <u>8,628,972</u>

SOURCE	1ST READING FY-2012	2ND READING FY-2012
Section IV, Wastewater Fund:		
A. Anticipated Revenue:		
Wastewater Treatment Charges	\$ 10,706,360	\$ 10,706,360
Service Charges	940,577	940,577
Capacity/Impact Fees	48,400	48,400
Bond Proceeds	0	0
Prior Year Reserves	<u>0</u>	<u>0</u>
 Total Revenue	 \$ <u>11,695,337</u>	 \$ <u>11,695,337</u>
B. Anticipated Expenditures:		
Personal Services	\$ 4,110,767	\$ 4,110,767
Non-Personal Services	3,509,728	3,509,728
Debt Service	3,119,747	3,119,747
Capital Outlay	<u>955,095</u>	<u>955,095</u>
 Total Expenditures	 \$ <u>11,695,337</u>	 \$ <u>11,695,337</u>

Section V, Airport Fund:

A. Anticipated Revenue:

Fuel Sales	\$ 549,600	\$ 549,600
Rents and Other Revenue	340,572	340,572
State and Federal Grants	438,750	438,750
Service Charges	84,850	84,850
Transfer-In From General Fund	292,964	292,964
Prior Year Reserves	<u>0</u>	<u>0</u>
 Total Revenue	 \$ <u>1,706,736</u>	 \$ <u>1,706,736</u>

B. Anticipated Expenditures:

Personal Services	\$ 298,086	\$ 298,086
Non-Personal Services	812,621	812,621
Debt Service	146,029	146,029
Capital Outlay	<u>450,000</u>	<u>450,000</u>
 Total Expenditures	 \$ <u>1,706,736</u>	 \$ <u>1,706,736</u>

SOURCE	1ST READING FY-2012	2ND READING FY-2012
Section VI, Municipal Golf Course Fund:		
A. Anticipated Revenue:		
Service Charges	\$ 1,571,193	\$ 1,571,193
Sales and Concessions	415,000	415,000
Other Revenue	56,728	56,728
Prior Year Reserves	<u>0</u>	<u>0</u>
Total Revenue	<u>\$ 2,042,921</u>	<u>\$ 2,042,921</u>
B. Anticipated Expenditures:		
Personal Services	\$ 1,018,955	\$ 1,018,955
Non-Personal Services	1,023,966	1,023,966
Debt Service	0	0
Capital Outlay	<u>0</u>	<u>0</u>
Total Expenditures	<u>\$ 2,042,921</u>	<u>\$ 2,042,921</u>

Section VII, Convention Center Fund:

A. Anticipated Revenue:		
Service Charges	\$ 1,808,500	\$ 1,808,500
State and County Grants	1,551,645	1,551,645
Food & Beverage Tax	1,085,000	1,085,000
Transfer-In From General Fund	1,516,177	1,516,177
Prior Year Reserves	<u>1,084,735</u>	<u>1,084,735</u>
Total Revenue	<u>\$ 7,046,057</u>	<u>\$ 7,046,057</u>
B. Anticipated Expenditures:		
Personal Services	\$ 2,904,652	\$ 2,904,652
Non-Personal Services	1,705,140	1,705,140
Debt Service	2,304,265	2,304,265
Transfer to Debt Service Reserves	100,000	100,000
Capital Outlay	<u>32,000</u>	<u>32,000</u>
Total Expenditures	<u>\$ 7,046,057</u>	<u>\$ 7,046,057</u>

SOURCE	1ST READING FY-2012	2ND READING FY-2012
Section VIII, Information Technology Fund:		
A. Anticipated Revenue:		
Service Charges To Other Funds	\$ 1,849,043	\$ 1,849,043
Prior Year Reserves	0	0
Total Revenue	\$ <u>1,849,043</u>	\$ <u>1,849,043</u>
B. Anticipated Expenditures:		
Personal Services	\$ 895,357	\$ 895,357
Non-Personal Services	953,686	953,686
Capital Outlay	<u>0</u>	<u>0</u>
Total Expenditures	\$ <u>1,849,043</u>	\$ <u>1,849,043</u>

Section IX, Service Center Fund:

A. Anticipated Revenue:		
Service Charges To Other Funds	\$ 5,320,569	\$ 5,320,569
Prior Year Reserves	0	0
Total Revenue	\$ <u>5,320,569</u>	\$ <u>5,320,569</u>
B. Anticipated Expenditures:		
Personal Services	\$ 1,716,579	\$ 1,716,579
Non-Personal Services	3,603,990	3,603,990
Debt Service	0	0
Capital Outlay	<u>0</u>	<u>0</u>
Total Expenditures	\$ <u>5,320,569</u>	\$ <u>5,320,569</u>

SOURCE	1ST READING FY-2012	2ND READING FY-2012
Section X, Vehicle & Equipment Trust Fund:		
A. Anticipated Revenue:		
Service Charges To Other Funds	\$ 2,211,093	\$ 2,211,093
State and Federal Grants	2,320,200	2,320,200
Sale of Assets	110,443	110,443
Prior Year Reserves	<u>0</u>	<u>0</u>
Total Revenue	<u>\$ 4,641,736</u>	<u>\$ 4,641,736</u>
B. Anticipated Expenditures:		
Non-Personal Services	\$ 802,165	\$ 802,165
Debt Service	0	0
Transfers Out	0	0
Capital Outlay	<u>3,839,571</u>	<u>3,839,571</u>
Total Expenditures	<u>\$ 4,641,736</u>	<u>\$ 4,641,736</u>

Section XI, Risk Management Fund:

A. Anticipated Revenue:		
Service Charges To Other Funds	\$ 2,102,999	\$ 2,102,999
Interest Earned	77,669	77,669
Prior Year Reserves	<u>0</u>	<u>0</u>
Total Revenue	<u>\$ 2,180,668</u>	<u>\$ 2,180,668</u>
B. Anticipated Expenditures:		
Personal Services	\$ 223,857	\$ 223,857
Non-Personal Services/Claims	1,956,811	1,956,811
Capital Outlay	<u>0</u>	<u>0</u>
Total Expenditures	<u>\$ 2,180,668</u>	<u>\$ 2,180,668</u>

SOURCE	1ST READING FY-2012	2ND READING FY-2012
Section XII, Pension Trust Funds:		
A. Anticipated Revenue:		
Employer Contributions	\$ 5,052,287	\$ 5,052,287
Employee Contributions	1,850,000	1,850,000
Investment Earnings	<u>3,700,000</u>	<u>3,700,000</u>
Total Revenue	<u>\$ 10,602,287</u>	<u>\$ 10,602,287</u>
B. Anticipated Expenditures:		
Benefit Payments	\$ 3,675,000	\$ 3,675,000
Non-Personal Services	525,000	525,000
Reserve for Employee's Retirement	<u>6,402,287</u>	<u>6,402,287</u>
Total Expenditures	<u>\$ 10,602,287</u>	<u>\$ 10,602,287</u>
Section XIII, OPEB Trust Funds:		
A. Anticipated Revenue:		
Employer Contributions	\$ 3,675,007	\$ 3,675,007
Employee Contributions	140,000	140,000
Investment Earnings	<u>180,000</u>	<u>180,000</u>
Total Revenue	<u>\$ 3,995,007</u>	<u>\$ 3,995,007</u>
B. Anticipated Expenditures:		
Benefit Payments	\$ 625,000	\$ 625,000
Non-Personal Services	50,000	50,000
Reserve for Retiree Health	<u>3,320,007</u>	<u>3,320,007</u>
Total Expenditures	<u>\$ 3,995,007</u>	<u>\$ 3,995,007</u>

SOURCE	1ST READING FY-2012	2ND READING FY-2012
Section XIV, General Capital Projects Fund:		
A. Anticipated Revenue:		
General Fund Contribution	539,430	539,430
Bond Proceeds	0	0
Inlet Lot Parking Revenue	<u>300,000</u>	<u>300,000</u>
Total Revenue	\$ <u>839,430</u>	\$ <u>839,430</u>
B. Anticipated Expenditures:		
Street Paving	539,430	539,430
Reserve for Future Capital Projects	<u>300,000</u>	<u>300,000</u>
Total Expenditures	\$ <u>839,430</u>	\$ <u>839,430</u>

Section XIV, All Funds Expenditure Summary:

General Fund	\$ 73,838,954	\$ 73,838,954
Water Fund	7,132,498	7,132,498
Transportation Fund	8,628,972	8,628,972
Wastewater Fund	11,695,337	11,695,337
Airport Fund	1,706,736	1,706,736
Municipal Golf Course Fund	2,042,921	2,042,921
Convention Center Fund	7,046,057	7,046,057
Management Information Services Fund	1,849,043	1,849,043
Service Center Fund	5,320,569	5,320,569
Vehicle & Equipment Trust Fund	4,641,736	4,641,736
Risk Management Fund	2,180,668	2,180,668
Pension Trust Funds	<u>10,602,287</u>	<u>10,602,287</u>
Sub Total	\$ 136,685,778	\$ 136,685,778
LESS: Interfund Transfers	<u>(23,497,310)</u>	<u>(23,497,310)</u>
Total Expenditures	\$ 113,188,468	\$ 113,188,468
Capital Projects Fund - General	<u>839,430</u>	<u>839,430</u>
Grand Total	\$ <u>114,027,898</u>	\$ <u>114,027,898</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:

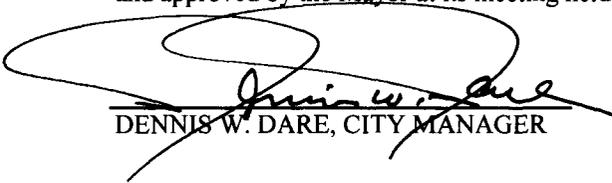
- A. The utilization of any contingency appropriation shall be accomplished only with prior authorization from the Mayor and Council.
- B. Utilization of appropriations established in the Capital Improvement Fund may be accomplished only with the express approval of the Mayor and Council.

Section XVII, Tax Rate:

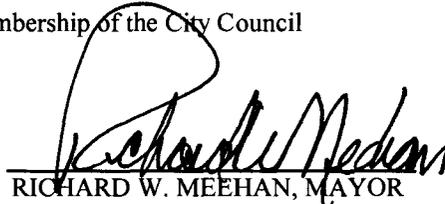
An Ad Valorem Tax Rate of \$0.395 per \$100 of assessed valuation of real property and a rate of \$1.29 per \$100 of assessed valuation of corporate and personal property tax is required to fund this budget.

INTRODUCED at a meeting of the City Council of Ocean City, Maryland held on May 16, 2011.

ADOPTED AND PASSED, by the required vote of the elected membership of the City Council and approved by the Mayor at its meeting held on June 6, 2011.



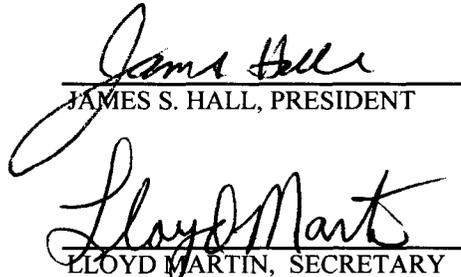
DENNIS W. DARE, CITY MANAGER



RICHARD W. MEEHAN, MAYOR



KATHLEEN A.P. MATHIAS, CITY CLERK



JAMES S. HALL, PRESIDENT



LLOYD MARTIN, SECRETARY

ADOPTED: 6/20/11  
Date

MOTION TO ADOPT BY: Council Member Pilla

MOTION SECONDED BY: Council Member Ashley

VOTE: Unanimous FOR: 7 AGAINST: 0