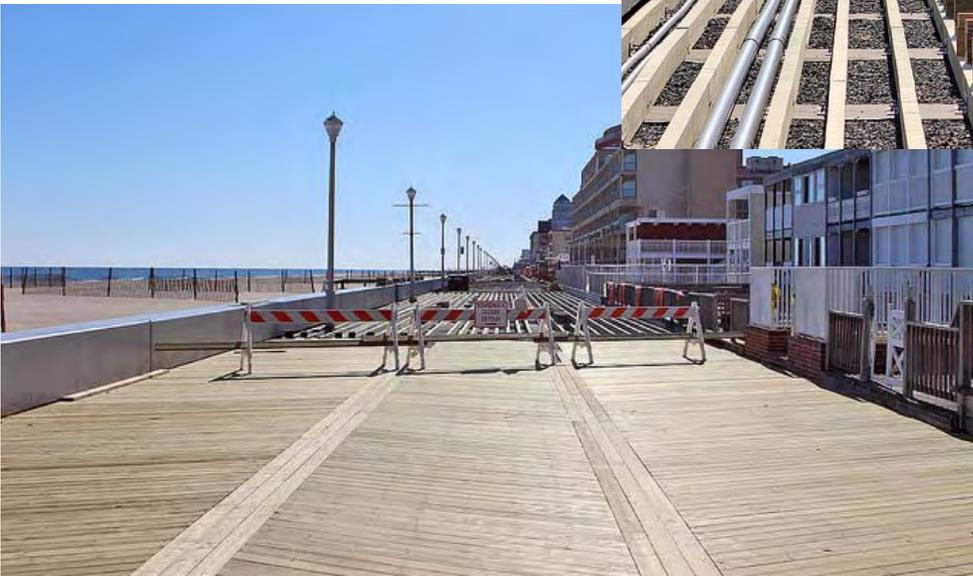
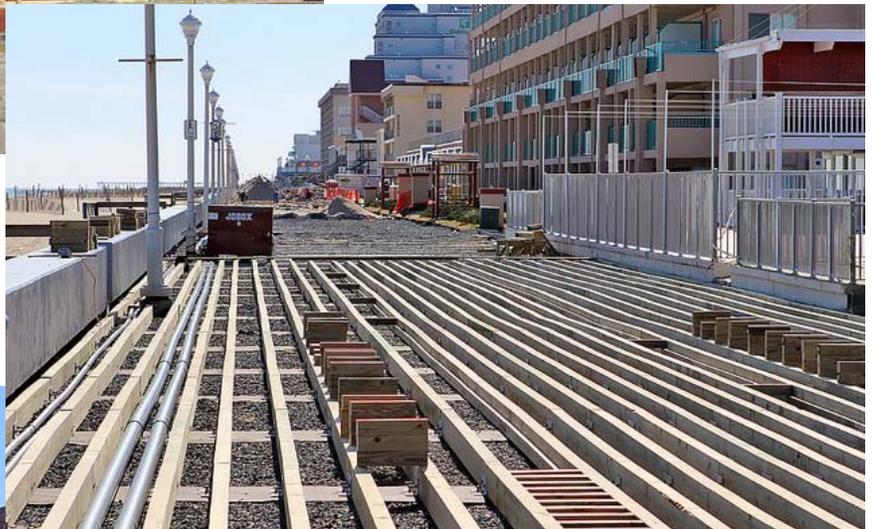


Town of Ocean City
Adopted Budget
Fiscal Year 2012-2013





TOWN OF OCEAN CITY, MARYLAND

ADOPTED BUDGET

FISCAL YEAR 2012-2013

Richard W. Meehan
Mayor and Interim City Manager
9/9/11 – 6/10/12

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

David Recor, ICMA-CM
City Manager as of June 11, 2012

Jennie T. Knapp
Budget Manager

Prepared by
Town of Ocean City
City Manager's Office
P.O. Box 158
Ocean City, Maryland 21843



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TOWN OF
OCEAN CITY

The White Marlin Capital of the World

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

TO THE CITIZENS, AND MAYOR AND COUNCIL OF OCEAN CITY,

www.oceancitymd.gov

I respectfully submit the proposed budget for the fiscal year from July 1, 2012 to June 30, 2013.

MAYOR
RICHARD W. MEEHAN

The FY 2013 Budget presents many challenges. Our goal from the onset is to continue to reduce the cost of government, where possible, and at the same time continue to provide the level of services our residents and visitors expect and deserve. A dramatic decrease in assessments makes the equation difficult but the proposed budget actually decreases the amount of property tax dollars to be collected in FY 2013 and reduces the General Fund operating budget.

CITY COUNCIL MEMBERS

JAMES S. HALL
President

LLOYD MARTIN
Secretary

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

In simplest terms, constant yield is the tax rate necessary to raise the same level of tax revenue as in the previous year. For FY 13, that rate is \$0.4685. In FY 2009, the assessable tax base of Ocean City was over \$12 billion and the tax rate was \$0.38. The revenue generated from real property taxes was \$45.6 million and accounted for 57% of the General Fund budget. In FY 2013, the assessable tax base is now \$8.6 billion and the tax revenue generated at the constant yield rate is \$40 million. This represents 54% of the General Fund budget for FY 13. Overall, the General Fund budget is \$670,000 lower than the FY 2012 budget.

Since 2009, the Town absorbed State revenue cuts for Highway User revenue and for State Police Aid. Highway User revenue was reduced from over \$800,000 to an estimated \$130,000 in FY 13. State Police Aid was reduced \$157,000 in this same time period. Other revenue categories within the Town's budget remained virtually unchanged. This budget includes a \$400,000 increase in Parking revenue to reflect the increased rate from \$1.00 per hour to \$1.50 per hour. It also includes a \$90,000 increase in Parking revenue for the expansion of the 4th Street Lot. Room Tax increased over 2% in the current fiscal year and has been estimated at \$12 million for FY 2013.

On the expense side, salary and benefit costs comprise 60% of the General Fund budget. Since FY 2009, the number of full-time employees decreased from 622 to 524, a reduction of nearly 16%. Even with increases in group insurance, pension, retiree health, worker's compensation and unemployment, overall employee costs have been reduced \$1.3 million since FY 2009. Operating expenses have remained virtually unchanged in the past four years. Energy costs increased, but since the Town bids for electricity supply, our costs remain level.

Ocean City, MD



2001

Gasoline and diesel costs are expected to increase in FY 2013 and have been budgeted at the higher level. Costs for Contracted Services increase as the Destination Marketing advertising budget increased \$1.5 million since FY 2009, from \$3.8 million to over \$5.3 million for FY 13. A fireworks display and entertainment for New Year's Eve, to be held at the Winterfest site, are included. Funding to purchase replacement Christmas decorations for the downtown area and to purchase a display for the Worcester Street water tower is also included.

This budget does maintain a high level of services with a continued emphasis on safety and cleanliness. Infrastructure needs, supported by the council, have been addressed. The council voted to adopt a \$2 million program for street paving in FY 2013 and that has been funded. The first bond interest payment for the FY 2012 bonds covering the boardwalk redecking, the Caroline Street Comfort Station replacement, Fire House construction and maintenance and St. Louis Avenue roadway improvements are included. A \$488,000 General Fund transfer to the Vehicle Trust Fund is budgeted to purchase an ambulance and an automated trash truck.

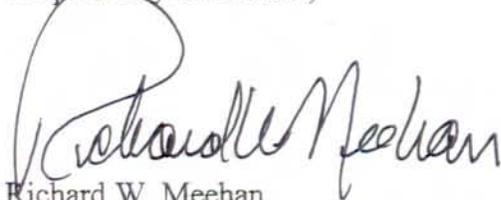
The FY 2013 budget transfers \$1.4 million from fund balance to support the street paving program and vehicle purchases. The balance in this fund will be \$11.8 million or 15.2% of our operating budget. Maintaining this balance will allow the council to continue a long-range plan to fund the approved street paving program and a proposed plan to fund replacement ambulance purchases in future budgets.

On behalf of the Mayor and Council, I would like to thank our city employees for the high level of service and professionalism they continue to give to the Town of Ocean City. What we do today could not be done without these dedicated employees.

I also want to thank all of our department heads and their staff for the time and effort they put into developing a responsible budget. I especially want to recognize Budget Manager Jennie Knapp for her tireless effort, support and professionalism throughout this process.

The proposed FY 2013 Budget is a working document, and I look forward to meeting with the council and each individual department over the next two weeks as we work together to adopt the Fiscal Year 2013 Budget.

Respectfully Submitted,



Richard W. Meehan

Mayor

Interim City Manager

INTRODUCTORY SECTION

**TOWN OF OCEAN CITY
FY 2013
CALENDAR OF BUDGET PROCESS**

08/10/11	Convention Center FY 13 Budget due to the Maryland Stadium Authority
10/24/11	Budget Packets Forwarded to Departments
11/30/11	CIP requests due to Jesse Houston
11/30/11	IT, Vehicle, Personnel Requests Due
01/03/12	Department Budgets updated to City Manager level
02/11/12	Approximate Receipt of Property Tax Revenue Forecast for FY 2013
01/17/12-03/16/12	City Manager Review Process
04/02/12	Presentation of City Manager Budget Proposal to Council
04/03/12-04/30/12	Review of City Manager Budget Proposal, Public Requests and Recommendations by Mayor and Council
05/07/12	1st Reading of the FY 2013 Budget
05/21/12	2nd Reading of the FY 2013 Budget

TOWN OF OCEAN CITY

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



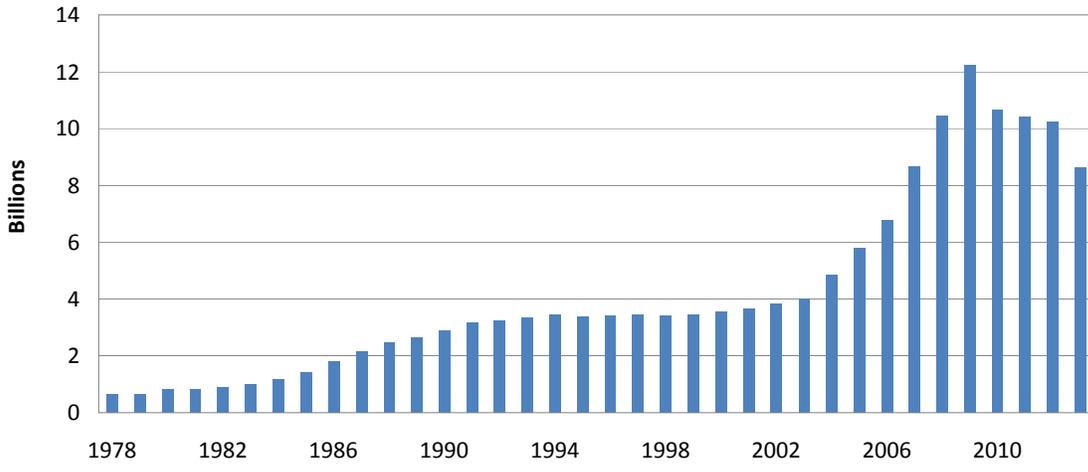
FISCAL YEAR 2012-2013 ADOPTED BUDGET

This budget document presents the annual operating budget for fiscal year 2012-2013. It presents the revenue and expenditures for the Town's General Fund, Enterprise Funds: Water; Wastewater; Transportation Convention Center; Airport; and Golf Course, and the Internal Service Funds: Information Technology; Service Center, Vehicle Trust; and Risk Management.

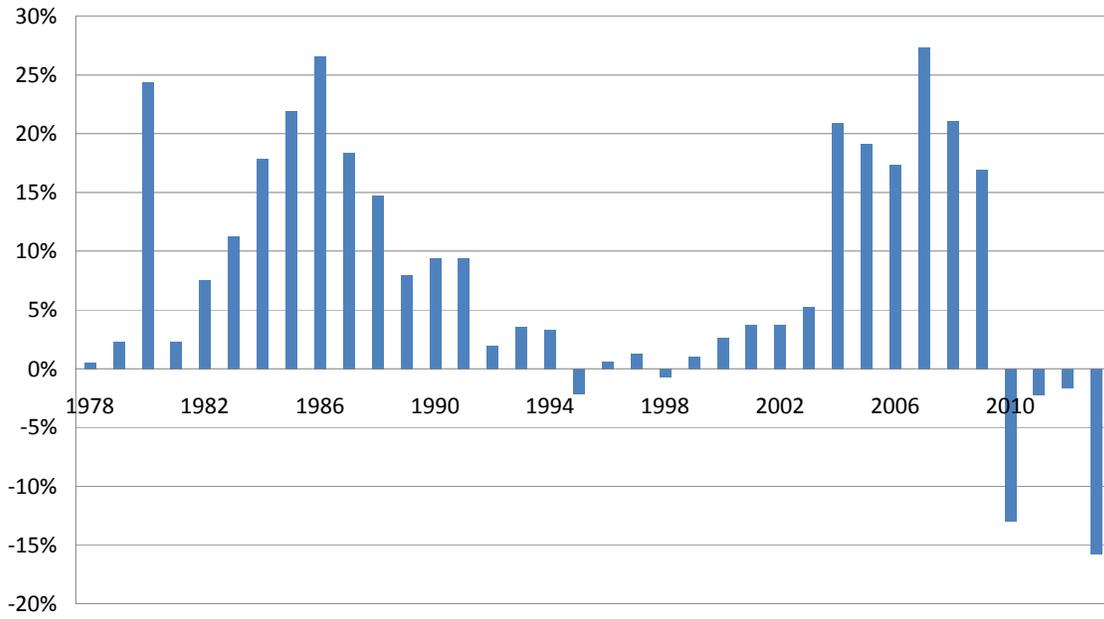
To aid the reader in evaluating costs and trends, each department within the General Fund and the operations of the Enterprise Funds and Internal Service Funds are summarized showing actual expenditures for fiscal year 2011, the revised budget for fiscal year 2012, and the proposed budget for fiscal year 2013. Revenues attributable to each department are deducted from the expenditure total to give the reader the amount of funding required by the department from taxpayers. Changes in revenue, personnel, and service operations are highlighted on the page facing the budget information.

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

Ocean City, Maryland Real Property Values 1978-2013



% Change in Property Values 1978-2013



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.

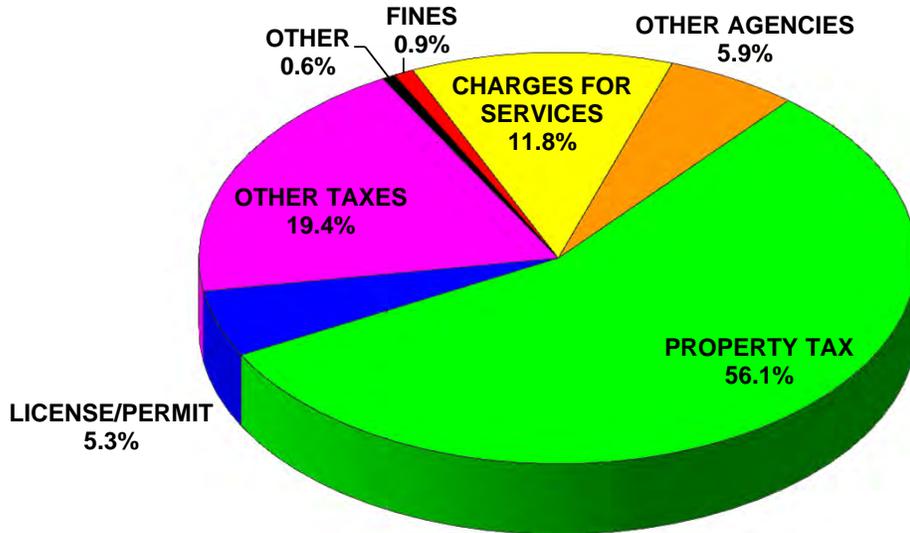
Budgetary Guidelines and Policies

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.

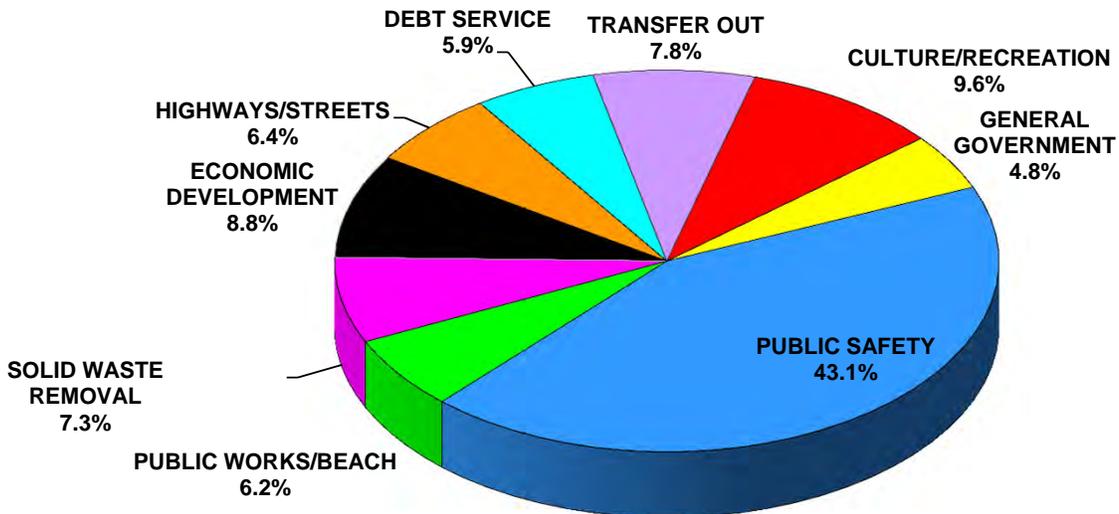
GENERAL FUND

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 FY13



General Fund Expenditures FY13



TOWN OF OCEAN CITY
GENERAL FUND
COMPARATIVE STATEMENT OF REVENUES AND EXPENDITURES
YEARS ENDED JUNE 30, 2011 (ACTUAL), 2012 (BUDGETED) AND 2013(ADOPTED)

	ACTUAL 2011	REVISED BUDGET 2012	CITY MANAGER PROPOSED 2013	COUNCIL ADOPTED 2013
REVENUES				
Property Taxes	\$ 42,361,682	\$ 42,241,715	\$ 42,146,536	41,282,940
Penalties And Interest	369,685	250,000	160,000	160,000
Other Taxes	13,909,065	14,259,813	14,359,087	14,359,087
Licenses And Permits	3,921,106	3,856,303	3,883,300	3,883,300
Revenue From Other Agencies	5,250,237	5,203,279	4,395,639	4,395,639
Charges For Current Services	8,132,677	7,901,879	8,725,492	8,725,492
Fines And Forfeitures	780,018	748,377	675,000	675,000
Other Revenue	661,679	1,327,479	424,344	424,344
Transfers In	548,567	0	0	0
Discounts Taken	0	0	0	0
TOTAL REVENUES	75,934,716	75,788,845	74,769,398	73,905,802
EXPENDITURES				
General Government	3,320,277	3,313,103	3,624,201	3,665,533
Public Safety	32,430,202	33,831,173	32,840,780	33,072,659
Public Works/Beach Maintenance	4,898,008	5,132,737	4,746,075	4,783,375
Sanitation And Waste Removal	5,332,518	5,968,505	5,538,953	5,568,131
Highways And Streets	5,187,263	5,336,757	4,860,258	4,900,408
Economic Development-Tourism	6,420,490	7,443,866	6,727,862	6,730,104
Culture & Recreation	7,242,738	7,943,361	7,325,904	7,366,729
Debt Service	4,712,071	4,576,232	4,528,785	4,551,710
TOTAL EXPENDITURES	69,543,567	73,545,734	70,192,818	70,638,649
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	6,391,149	2,243,111	4,576,580	3,267,153
OTHER FINANCING SOURCES (USES)				
Operating Transfers-Out	(3,732,151)	(3,494,589)	(3,973,558)	(4,016,548)
Transfer To Capital Construction	(1,000,000)	(1,737,430)	(2,000,000)	(2,000,000)
TOTAL OTHER FINANCING SOURCES (USES)	(4,732,151)	(5,232,019)	(5,973,558)	(6,016,548)
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	\$ 1,658,998	\$ (2,988,908)	\$ (1,396,978)	(2,749,395)

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.

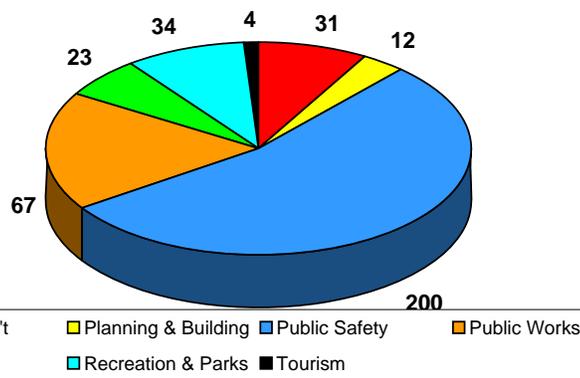
SPECIAL APPROPRIATIONS

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".

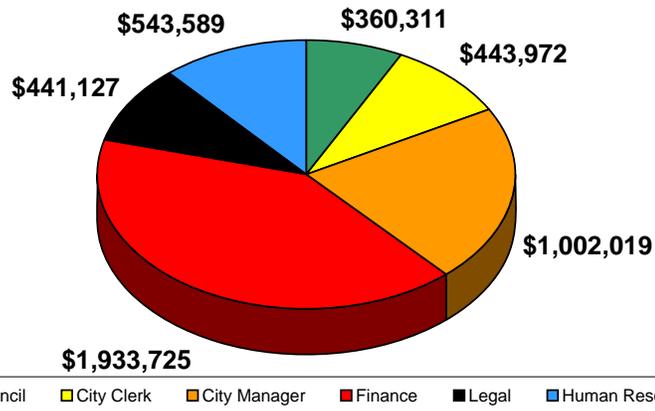
PLANNING AND COMMUNITY DEVELOPMENT

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.

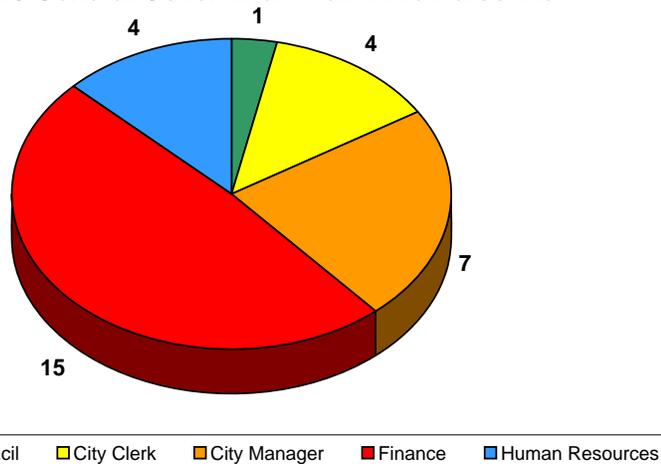
FY 13 Full Time General Fund Personnel



FY 13 Departmental Expenses



FY 13 General Government Full Time Personnel



**TOWN OF OCEAN CITY
FISCAL YEAR 2013 BUDGET**

LEGISLATIVE AND ADMINISTRATIVE DIVISIONS

BUDGET HIGHLIGHTS:

PERSONNEL CHANGES:

There are thirty-one employees in these divisions. Full-time wages decrease in this division due to staffing changes in the City Clerk's office. For the fourth fiscal year, no annual increments and no cost of living increases have been included. A bonus of \$1,000 per full-time employee has been included. Increases in employee benefits reflect the increased Town contribution required to fund the defined benefit pension plans. Health insurance premiums are anticipated to increase 10% beginning in January, but overall health insurance costs decrease as more employees are electing the HMO or the health savings plan options at a lower cost to the Town.

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 \$406,877 of the Contracted Services line item in this division. Labor contracts for the IAFF and the FOP will be negotiated in FY 13, and funds have been allocated to cover this cost. An allowance for other employment issues that may arise has been included at \$70,000. Overall, the amount budgeted for legal expenses in this division increases \$94,377 over the amount budgeted in FY 12. The annual Town audit is included in this line item at a cost of \$48,608. Banking services fees are budgeted at a cost of \$78,000. Printing and postage for the Town newsletter are also included, but have been reduced to one issue. Travel and Training costs in this division decrease. In the Mayor and Council division, the Hurricane conference has been reduced to one potential attendee, and the Mayor's travel budget was reduced \$1,000. Finance has reduced their overall training budget nearly \$1,400 and the Communications Manager eliminated attendance at the annual Public Relations conference. Reductions have also been made in Supplies and Materials. Postage has been included at a cost of \$80,340, a reduction of \$80,000 from the FY 11 budget. The Intragovernmental allocation for the Information Technology department decreases \$15,000 in this division, and reflects overall reductions in the IT budget. No capital outlay has been requested.

SUMMARY COMMENTS:

These divisions are responsible for overall Town management, business functions, and record-keeping. The Mayor & Council, City Clerk, City Manager, Finance, Legal and Human Resources divisions are included in the summary. Administrative costs to manage the Town's various enterprise funds are allocated based on total expenses, number of personnel, and number of transactions performed for each fund. This reimbursement totals \$2,084,945 for FY 2013.

TOWN OF OCEAN CITY
FISCAL YEAR 2013 BUDGET
GENERAL FUND EXPENDITURES
LEGISLATIVE AND ADMINISTRATIVE DIVISIONS

EXPENDITURES	ACTUAL 2011	REVISED 2012	CITY MANAGER PROPOSED 2013	COUNCIL ADOPTED 2013
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 2,261,738	2,217,720	\$ 2,180,702	\$ 2,211,702
EMPLOYEE BENEFITS	1,094,463	1,127,972	1,207,970	1,210,445
	<u>3,356,201</u>	<u>3,345,692</u>	<u>3,388,672</u>	<u>3,422,147</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	695,510	745,576	822,283	822,283
SUPPLIES & MATERIALS	202,102	137,667	131,662	131,662
ENERGY	0	0	0	0
VEHICLE SUPPLIES & REPAIR	2,458	4,054	4,226	4,242
INTRAGOVERNMENTAL	372,468	357,970	342,220	344,409
	<u>1,272,538</u>	<u>1,245,267</u>	<u>1,300,391</u>	<u>1,302,596</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>4,628,739</u>	 \$ <u>4,590,959</u>	 \$ <u>4,689,063</u>	 \$ <u>4,724,743</u>
LESS REVENUE GENERATED BY DIVISION				
REIMBURSEMENT FROM OTHER FUNDS FOR ADMINISTRATIVE SERVICES	(2,320,802)	(2,335,839)	(2,084,945)	(2,084,945)
TOTAL TOWN CONTRIBUTION	<u>\$ 2,307,937</u>	<u>\$ 2,255,120</u>	<u>\$ 2,604,118</u>	<u>\$ 2,639,798</u>
	ACTUAL	REVISED	CITY MANAGER	COUNCIL
	2011	2012	PROPOSED	ADOPTED
	2013	2013	2013	2013
MAYOR & COUNCIL	345,481	357,871	359,143	360,311
CITY CLERK	599,109	503,095	439,610	443,972
CITY MANAGER	942,574	962,891	994,322	1,002,019
FINANCE	1,882,630	1,881,570	1,915,941	1,933,725
LEGAL	304,506	346,600	441,127	441,127
HUMAN RESOURCES	554,439	538,932	538,920	543,589
	<u>4,628,739</u>	<u>4,590,959</u>	<u>4,689,063</u>	<u>4,724,743</u>

**TOWN OF OCEAN CITY
FISCAL YEAR 2013 BUDGET**

ENGINEERING AND BEACH REPLENISHMENT

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. A bonus of \$1,000 per full-time employee has been included in FY 13. Increases have been budgeted in health insurance and pension.

CHANGES IN OPERATIONS:

Payment to the State of Maryland for the beach maintenance fund is the largest expense in Contracted Services. No payment is required in FY 13 resulting in a decrease of \$434,000. There was no payment in FY 10, a payment of \$325,339 in FY 11 and a payment of \$429,012 in FY 12. In FY 11, \$62,632 was included for a Storm water utility study, and \$10,000 was included for a GMB pilot program. In FY 12, Storm water projects were added to the budget throughout the fiscal year. No Professional Services comparable to these have been included in FY 13. 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. Supplies and Materials also reflects funding in FY 12 of storm water management projects. In FY 13, only basic supplies have been included. Vehicle Supplies and Repairs are budgeted to decrease as the estimated costs for fuel and parts are expected to decline. The allocations for Vehicle Lease, IT Services and Insurance all decrease for this division. No capital outlay has been requested.

MAJOR 2012-2013 PROGRAM OBJECTIVES:

The City Engineer has been given oversight of the Construction Inspection and Information Technology divisions as well as the Engineering and Beach Replenishment divisions. Projects for FY 13 include the management of the Convention Center expansion project, the Boardwalk renovation project, construction of the Caroline Street Comfort Station, Fire station renovation, and replacement of the Inlet Lot Controls. Other duties handled by this division include GIS implementation, stormwater/grading issues, energy management and electric procurement.

TOWN OF OCEAN CITY
FISCAL YEAR 2013 BUDGET
GENERAL FUND EXPENDITURES
ENGINEERING AND BEACH REPLENISHMENT

EXPENDITURES	ACTUAL 2011	REVISED 2012	CITY MANAGER PROPOSED 2013	COUNCIL ADOPTED 2013
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 544,347	\$ 536,775	\$ 534,175	\$ 540,175
EMPLOYEE BENEFITS	214,859	219,978	264,859	265,415
	<u>759,206</u>	<u>756,753</u>	<u>799,034</u>	<u>805,590</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	431,042	553,642	48,658	48,658
SUPPLIES & MATERIALS	13,634	40,572	14,607	14,607
VEHICLE SUPPLIES & REPAIR	12,011	15,729	15,055	15,089
INTRAGOVERNMENTAL	29,945	32,234	29,172	29,299
	<u>486,632</u>	<u>642,177</u>	<u>107,492</u>	<u>107,653</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>1,245,838</u>	\$ <u>1,398,930</u>	\$ <u>906,526</u>	\$ <u>913,243</u>
LESS REVENUE GENERATED BY DIVISION				
STATE - STORMWATER MGMT	(6,609)	(23,834)	(21,035)	(21,035)
STORMWATER MGT REVIEW	(5,236)	(77,743)	(3,600)	(3,600)
	<u>(11,845)</u>	<u>(101,577)</u>	<u>(24,635)</u>	<u>(24,635)</u>
TOTAL TOWN CONTRIBUTION	\$ <u>1,233,993</u>	\$ <u>1,297,353</u>	\$ <u>881,891</u>	\$ <u>888,608</u>

**TOWN OF OCEAN CITY
FISCAL YEAR 2013 BUDGET**

PLANNING AND COMMUNITY DEVELOPMENT DIVISION

BUDGET HIGHLIGHTS:

REVENUE:

Building Permit Revenue, the largest revenue generator in this division, has been budgeted at \$550,000. This is an increase of \$67,000 over the FY 12 Revised and \$114,000 over the FY 11 actual. Total revenue for this division is budgeted \$82,240 higher than the FY 12 revised budget. The Town contribution to funding of this division was \$954,545 in FY 11 and has decreased to \$821,630 in FY 13.

PERSONNEL CHANGES:

In FY 09, there were fifteen employees in this division. The Deputy Zoning Administrator, the Deputy Building Official, and an Office Associate were eliminated. The department operated with one full-time Construction Inspector until FY 12, when a second inspector's position was converted from part-time to full-time. Twelve full-time employees are funded in this department for FY 13. A part-time enforcement officer has been budgeted to concentrate on boardwalk zoning enforcement issues. Full-time salaries decrease due to the retirement early in the fiscal year of the Director of Planning & Community Development. A bonus of \$1,000 per full-time employee has been included. Benefit increases are due to increased contributions to retiree health insurance and to the pension plan. These increases are partially offset by anticipated reductions in health insurance expense.

CHANGES IN OPERATIONS:

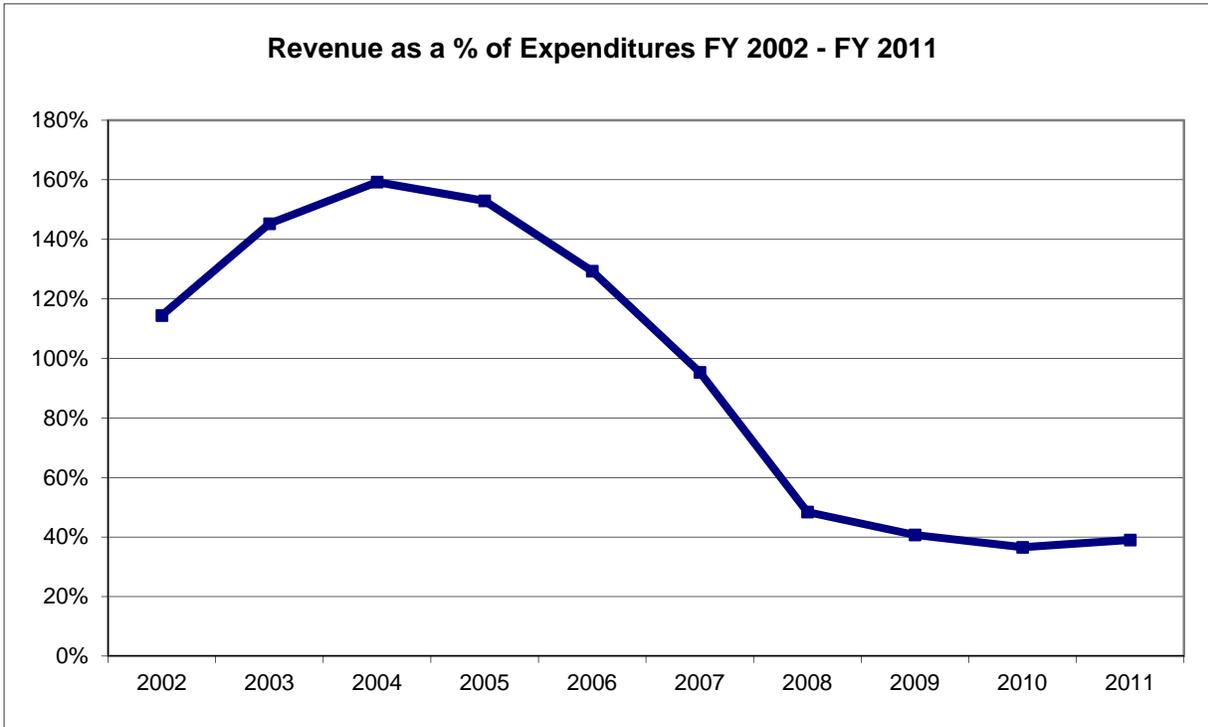
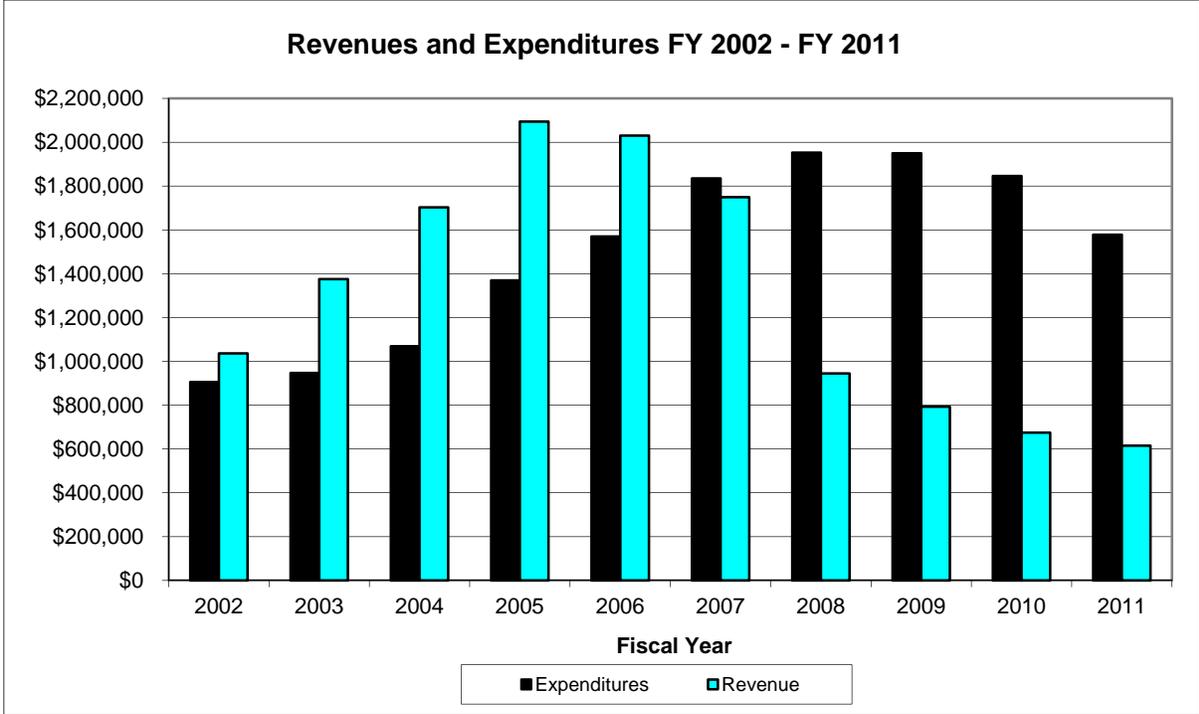
Contracted Services increase \$2,960 from FY 12. Conferences for the American Association of Code Enforcement Officers and the American Planning Association included in FY 11 were eliminated in FY 12. The American Association of Code Enforcement Officers conference has been included in FY 13. Legal services to the boards account for \$23,800 of this line item. Other items funded in Contracted Services include equipment maintenance, dues and advertising. Funding for the Ocean City Development Corporation has again been included, and is the largest expense in the Supplies and Materials line item. The City's contribution continues to be \$100,000 with an anticipated \$90,000 contribution from Worcester County. Vehicle fuel is budgeted at the average number of gallons used for the past three years at the higher cost anticipated for next fiscal year. The reduction in Intragovernmental expense reflects a decrease in the allocation for IT services, and for vehicle lease.

MAJOR PROGRAM OBJECTIVES:

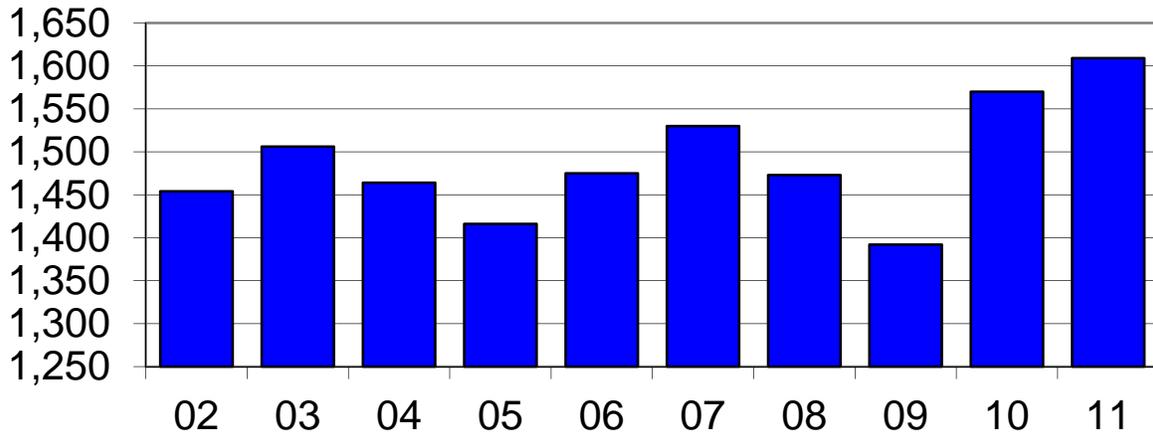
The department will continue to provide effective service to the citizens to ensure that community standards are met and to promote managed growth that achieves the community's vision for the future. We will continue to implement the Comprehensive Plan through amendments to zoning regulations. We will 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 2013 BUDGET
GENERAL FUND EXPENDITURES
PLANNING AND COMMUNITY DEVELOPMENT DIVISION

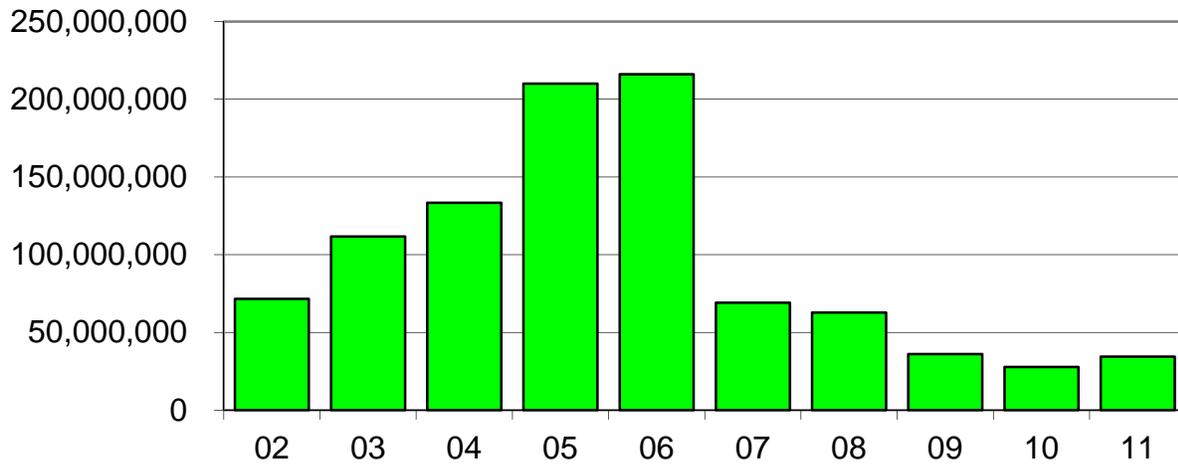
EXPENDITURES	ACTUAL 2011	REVISED 2012	CITY MANAGER PROPOSED 2013	COUNCIL ADOPTED 2013
PERSONNEL COSTS:				
SALARY AND WAGES	773,692	\$ 801,091	\$ 773,157	\$ 785,157
EMPLOYEE BENEFITS	406,544	428,187	454,375	455,477
	<u>1,180,236</u>	<u>1,229,278</u>	<u>1,227,532</u>	<u>1,240,634</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	38,830	36,988	39,948	39,948
SUPPLIES & MATERIALS	196,985	196,899	195,760	195,760
ENERGY	0	0	0	0
VEHICLE SUPPLIES & REPAIR	9,568	12,914	10,584	10,627
INTRAGOVERNMENTAL	144,320	79,756	60,699	61,061
	<u>389,703</u>	<u>326,557</u>	<u>306,991</u>	<u>307,396</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>\$ 1,569,939</u>	<u>\$ 1,555,835</u>	<u>\$ 1,534,523</u>	<u>\$ 1,548,030</u>
LESS REVENUE GENERATED BY DIVISION				
SITE PLAN REVIEW - STAFF	(7,663)	(5,000)	(20,000)	(20,000)
PUBLIC HEARING - PLAN & ZONING	(2,300)	(2,000)	(2,000)	(2,000)
PLAN REVIEW - PLAN & ZONING	(11,589)	(5,000)	(5,000)	(5,000)
PUBLIC HEARING - ZONING APPEALS	(20,083)	(15,000)	(15,000)	(15,000)
PUBLIC HEARING - PORT WARDENS	(15,014)	(13,000)	(14,000)	(14,000)
MINOR REVIEW - PORT WARDENS	(2,346)	(2,500)	(2,500)	(2,500)
MOBILE HOME PERMITS	(3,423)	(2,500)	(1,200)	(1,200)
BUILDING PERMITS	(435,641)	(483,000)	(550,000)	(550,000)
TEMPORARY TRAILER PERMITS	(16,317)	(14,660)	(16,000)	(16,000)
SIGN PERMITS	(8,328)	(10,000)	(8,300)	(8,300)
O C DEVELOPMENT CORP GRANT	(90,000)	(90,000)	(90,000)	(90,000)
ADJUSTMENT & APPEALS HEARING	(2,690)	(1,500)	(2,400)	(2,400)
	<u>(615,394)</u>	<u>(644,160)</u>	<u>(726,400)</u>	<u>(726,400)</u>
TOTAL TOWN CONTRIBUTION	<u>\$ 954,545</u>	<u>\$ 911,675</u>	<u>\$ 808,123</u>	<u>\$ 821,630</u>



Total Permits Issued CY 02- CY 11



Valuation of Permits CY 02- CY 11



PUBLIC SAFETY

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

POLICE

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

COMMUNICATIONS/ELECTRONICS/EMERGENCY MANAGEMENT

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

VOLUNTEER FIRE COMPANY

Since its creation in 1905, the Ocean City Volunteer Fire Company, Inc. has provided fire and rescue services for Ocean City. The OCVFC is a volunteer organization with approximately 290 members who respond out of five stations housing nine engines, three aerial trucks, two rescue units, a special hazards unit (HazMat) and 11 other specialized apparatus. In partnership with the Fire/EMS division, the OCVFC responded to 1,287 calls for service in 2011. All volunteer fire fighters are certified to national fire fighting standards. The company has a special hazards unit with members certified in Hazardous Materials Response. This unit

PUBLIC SAFETY (CONTINUED)

VOLUNTEER FIRE COMPANY (CONTINUED)

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

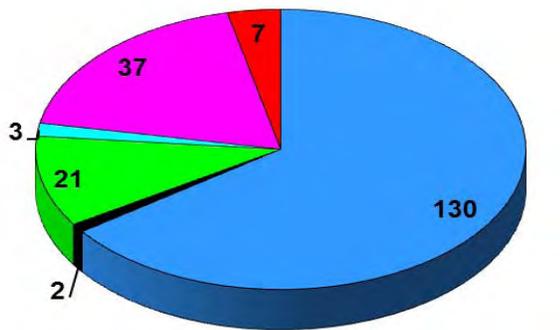
CAREER FIRE/EMERGENCY MEDICAL SERVICES

Ocean City Fire/EMS division responds to approximately 5,900 calls for service each year. The department traveled over 62,000 miles providing emergency services to the residents and visitors. There are 36 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

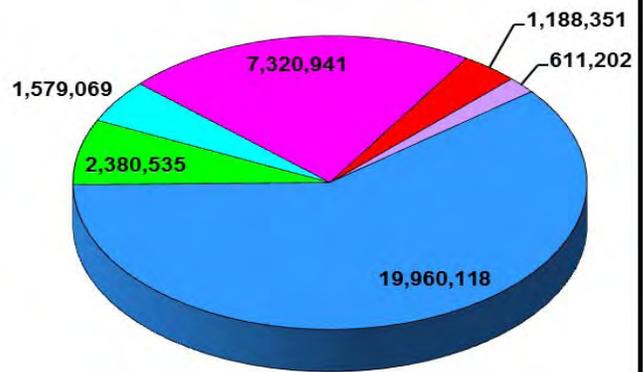
The Ocean City Fire Marshal's Office is committed to preserving lives, and protecting property from fire, explosions, and other hazards with a goal to make Ocean City virtually fire free. This can only be accomplished through detailed and continuous fire safety/life safety inspections and increased Fire 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.

FY 13 Public Safety Full Time Personnel



■ Police ■ Animal Control ■ Communications
 ■ Fire ■ EMS ■ Fire Marshal

FY 13 Public Safety Expenses



■ Construction Insp ■ Police
 ■ Communications ■ Fire Company
 ■ EMS ■ Fire Marshal

**TOWN OF OCEAN CITY
FISCAL YEAR 2013 BUDGET**

POLICE DIVISION

BUDGET HIGHLIGHTS:

REVENUE CHANGES:

Revenue decreases significantly for this division. Homeland Security and Federal Block grants received in FY 12 totaled \$257,811. These funds will be added to the FY 13 budget as received. Also shown in FY 12 is the balance of a donation for the Mounted Unit. State Police Aid was reduced 35% in FY 10 and will not be restored in FY 13. Revenue received from forfeited assets will be recognized as needed and accounts for the decrease of \$75,477 in Impounded Vehicles and funds line item. Revenue from parking fines is expected to remain the same. Building rental for District Court will not change in FY 13.

PERSONNEL CHANGES:

Since FY 10, two full-time sworn positions were eliminated; one Records Clerk position was eliminated and one Office Associate position was converted to a Recruiting/Training Specialist position. In FY 13, a records clerk position has been eliminated and the Crime Analyst, formerly funded through grant funds, has been included. Retirement of long-time officers and replacement with lower ranking officers has resulted in savings in this division. Part time salaries include an allocation for part-time sworn officers to handle some of the duties of special events, background investigation, training and hack inspection. Patrol overtime has been budgeted at \$685,000. No cost of living adjustments and no annual increments have been included. Significant increases in the required contribution to the pension plan and in retiree health result in the increase in benefit costs for this division. This increase has been partially offset by a reduction in group insurance costs.

CHANGES IN OPERATIONS:

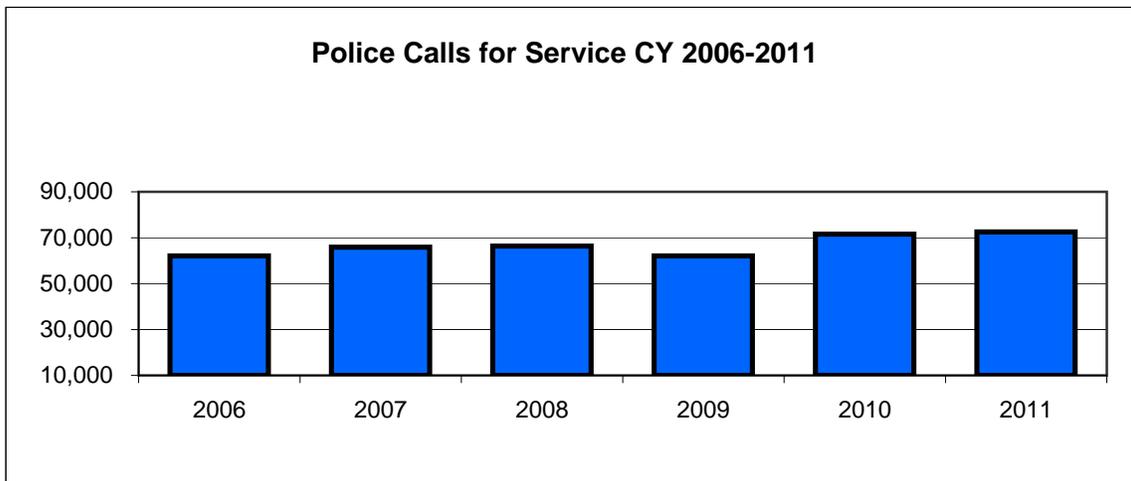
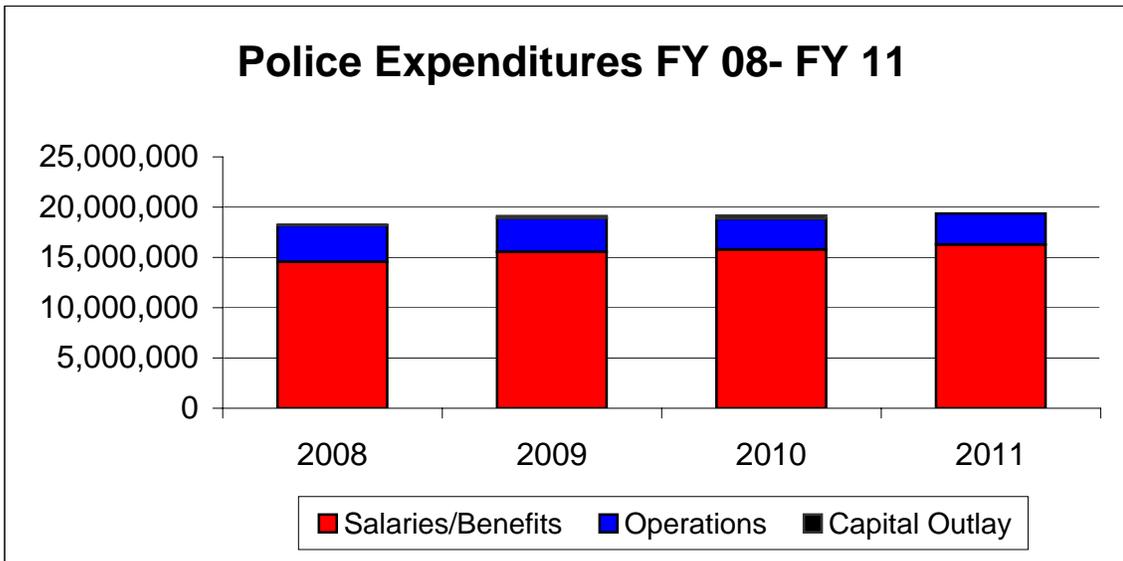
Contracted Services include \$171,509 for building and equipment maintenance, and \$200,000 in towing expenses. Roof repairs and interior painting were budgeted in FY 11. Communications expense is also included in this category and is budgeted at \$126,676. Training and Travel have been budgeted at \$191,709, an increase of \$10,905 from FY 12, and includes \$40,500 for court-related travel, and \$50,716 for mandated training expenses. Also included in this line item is \$28,000 for consultants for legal and policy review and \$12,000 for psychological testing for seasonal officers. Professional Services and legal services increase \$13,775 overall. Supplies and Materials include all operational supplies and uniform costs. Budgets for FY 11 and FY 12 recognized grant funds and forfeiture funds to increase the overall supply budget. These items will be added to the FY 13 budget as received. The light bars, sirens and striping for the new Police vehicles have been included in this line item at a cost of \$21,000. Ammunition purchases have been increased \$2,234 in FY 12, and are budgeted at \$46,885. Replacement uniforms and items included in the Fraternal Order of Police contract are also included in this line item at a cost of \$212,750. This is a cost reduction of \$13,420 from FY 12. Mounts and consoles for the tough tablets approved in the IT budget have been included in this line item as well. Energy costs are expected to increase in FY 13. Vehicle fuel has been budgeted to increase \$29,277 for this division. Increases in vehicle labor costs have been offset by reductions in anticipated vehicle parts costs. The Police department's portion of the CAD/RMS maintenance costs have been charged through Intragovernmental expenses. Maintenance and support cost this department \$102,801 annually. FY 11 was the final year for the lease payment of \$58,170. Vehicle lease payments to the Vehicle Trust Fund increase \$15,387 in FY 13. Allocations for IT services and for insurance decrease. Capital outlay in FY 11 included \$120,729 in Homeland Security grant funds. FY 12 included \$105,592 in grant funds, \$73,952 in forfeiture funds and the balance of a donation to the Mounted unit. No capital outlay has been budgeted for this division. Four Chevy Tahoe PPVs, an unmarked Chevy Caprice and a ¾ ton pickup for the Mounted Unit have been included in the Vehicle Trust Fund purchases.

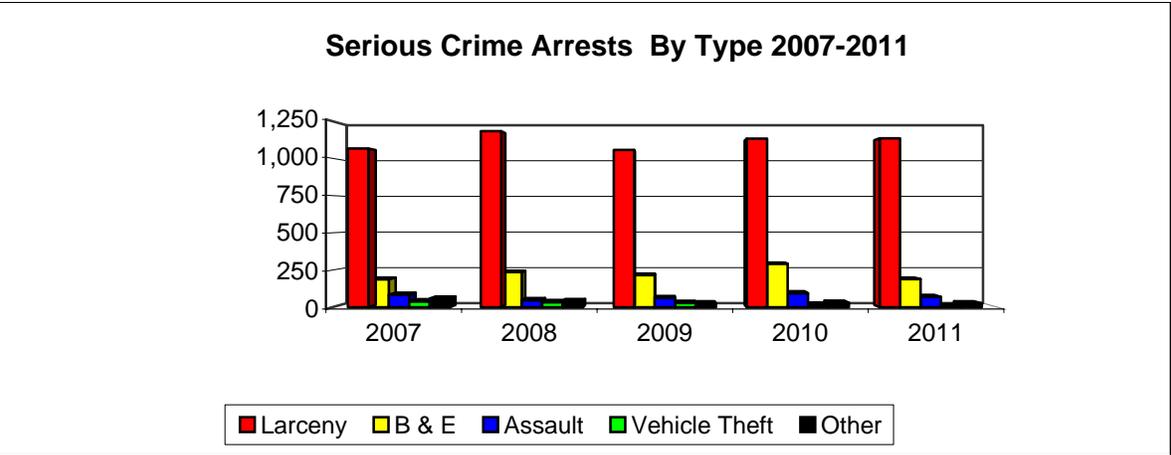
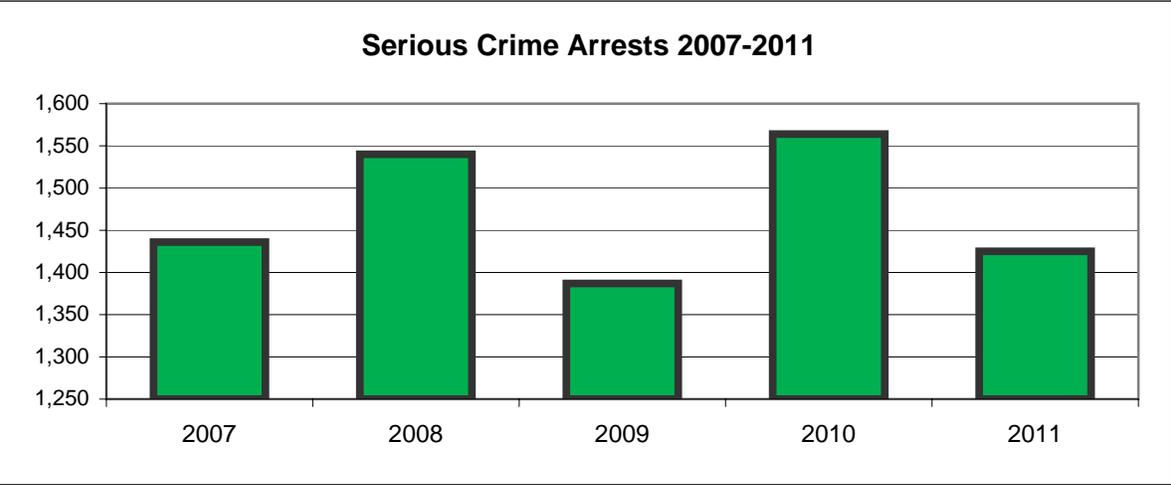
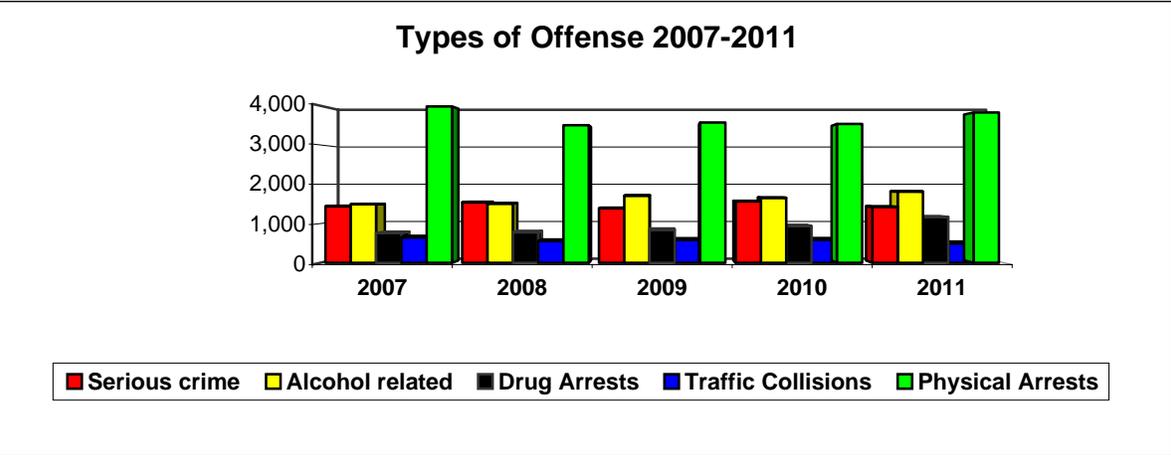
TOWN OF OCEAN CITY
FISCAL YEAR 2013 BUDGET
GENERAL FUND EXPENDITURES
POLICE DIVISION

EXPENDITURES	ACTUAL 2011	REVISED 2012	CITY MANAGER PROPOSED 2013	COUNCIL ADOPTED 2013
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 10,843,199	\$ 10,574,797	\$ 10,137,354	\$ 10,269,354
EMPLOYEE BENEFITS	5,439,435	5,688,991	6,304,920	6,315,973
	<u>16,282,634</u>	<u>16,263,788</u>	<u>16,442,274</u>	<u>16,585,327</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	957,639	1,049,269	1,056,144	1,056,144
SUPPLIES & MATERIALS	521,656	621,155	584,984	584,984
ENERGY	221,535	212,000	222,000	222,000
VEHICLE SUPPLIES & REPAIR	595,822	671,258	688,585	690,628
INTRAGOVERNMENTAL	780,307	841,182	818,762	821,035
	<u>3,076,959</u>	<u>3,394,864</u>	<u>3,370,475</u>	<u>3,374,791</u>
OTHER FINANCIAL USES:				
DEBT SERVICE	0	0	0	0
TRANSFER OUT	0	0	0	0
CAPITAL OUTLAY	120,729	506,307	0	0
	<u>120,729</u>	<u>506,307</u>	<u>0</u>	<u>0</u>
TOTAL EXPENDITURES	<u>\$ 19,480,322</u>	<u>\$ 20,164,959</u>	<u>\$ 19,812,749</u>	<u>\$ 19,960,118</u>
LESS REVENUE GENERATED BY DIVISION				
ANIMAL LICENSES	(890)	(1,000)	(1,000)	(1,000)
NOISE PERMITS	(212,937)	(209,000)	(212,000)	(212,000)
PARKING FINES	(321,649)	(300,000)	(300,000)	(300,000)
STATE-POLICE AID	(280,592)	(280,592)	(280,592)	(280,592)
COUNTY-POLICE AID	0	(25,000)	(25,000)	(25,000)
STATE - OTHER GRANTS	(136,527)	(168,568)	0	0
STATE - EMG MGT GRANT	(39,464)	(89,243)	0	0
FEDERAL -" BLOCK GRANTS"	(56,885)	0	0	0
FINGERPRINTING	(1,636)	(2,000)	(1,700)	(1,700)
DONATIONS	(48,810)	(276,066)	0	0
DOG VIOLATIONS	0	(400)	0	0
POLICE TOW FINES	(167,530)	(175,000)	(175,000)	(175,000)
PRIVATE TOW FINES	(118,197)	(100,000)	(100,000)	(100,000)
FALSE ALARMS	(2,200)	(8,750)	(2,500)	(2,500)
MUNICIPAL INFRACTIONS	(74,660)	(45,000)	(60,000)	(60,000)
BUILDING RENTAL	(164,420)	(160,044)	(160,044)	(160,044)
IMPOUNDED VEHICLES/FUNDS	(93,583)	(110,477)	(35,000)	(35,000)
	<u>(1,719,980)</u>	<u>(1,951,140)</u>	<u>(1,352,836)</u>	<u>(1,352,836)</u>
TOTAL TOWN CONTRIBUTION	<u>\$ 17,760,343</u>	<u>\$ 18,213,819</u>	<u>\$ 18,459,913</u>	<u>\$ 18,607,282</u>

OCEAN CITY POLICE DEPARTMENT
 FULL-TIME SWORN PERSONNEL ALLOCATIONS
 2011, 2012, BUDGET 2013

	FY-2011	FY-2012	FY-2013
Chief	1	1	1
Captain	4	3	3
Lieutenant	8	9	9
Sergeant	13	12	12
Corporal	18	18	18
PFC	44	44	36
Officer	17	18	26
	<u>105</u>	<u>105</u>	<u>105</u>





**TOWN OF OCEAN CITY
FISCAL YEAR 2013 BUDGET**

COMMUNICATIONS, ELECTRONICS, EMERGENCY MANAGEMENT

BUDGET HIGHLIGHTS:

REVENUE CHANGES:

Continued participation in the Emergency Management Assistance (EMA) funding from the Federal Emergency Management Agency. A grant equivalent to the partial salary and benefits of the Emergency Management Director has been included. A portion of the Homeland Security grant funds will be allocated to cover the partial salary and benefits of the Emergency Planner. Apparent decreases reflect Homeland Security funds received in FY 2011 and FY 2012. 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 partially offset this cost. Retirements in this division resulted in savings in full-time salaries. The budgets for part-time and overtime have also been reduced in the Communications division. A bonus of \$1,000 per full-time employee has been included. Increases in employee benefits reflect projected increases in the Town's contribution to retiree health insurance and pension for this division. Reductions in group insurance have partially offset these anticipated cost increases.

CHANGES IN OPERATIONS:

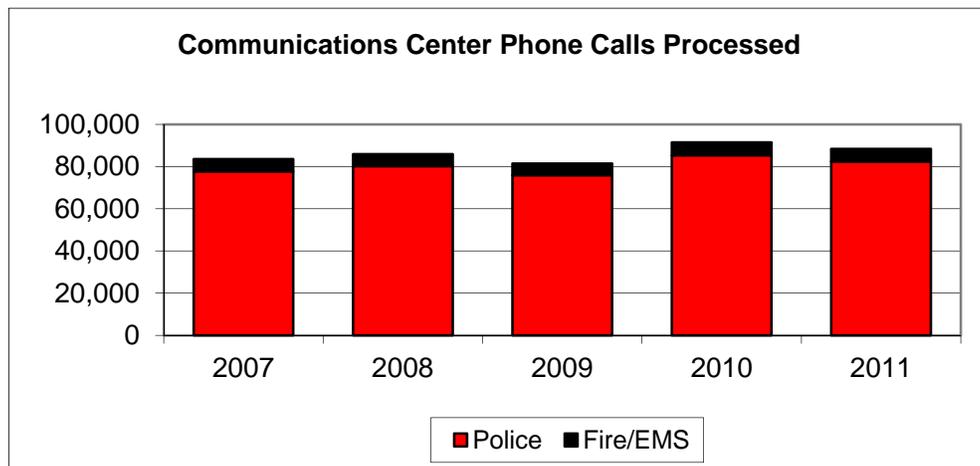
Contracted Services includes equipment maintenance, training costs, printing and other services. Replacement hardware for the narrow banding project was included in FY 12, resulting in \$15,000 in savings in FY 13. Training funded through grants was also included in FY 12 and results in additional reductions in FY 13. Training for the Communications operators and attendance at the APCO conference for the Communications Systems Manager have been included. Supplies & Materials include operational and uniform costs for the three divisions. These costs have been reduced nearly \$5,000. Two Panasonic Toughbook computers were purchased in FY 12 at a cost of \$9,912. Energy costs remain virtually unchanged for FY 13. Vehicle Supplies and Repair includes an allowance for fuel and maintenance on the mobile command post. Intragovernmental expenses decrease as the IT department budget was lower this fiscal year, resulting in a lower allocation to all departments. Capital outlay decreases because equipment purchased with Homeland Security grant funds included in FY 2011 and FY 2012 has not been included in FY 2013.

SUMMARY COMMENTS:

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

TOWN OF OCEAN CITY
FISCAL YEAR 2013 BUDGET
GENERAL FUND EXPENDITURES
COMMUNICATIONS, ELECTRONICS, EMERGENCY MANAGEMENT

EXPENDITURES	ACTUAL 2011	REVISED 2012	CITY MANAGER PROPOSED 2013	COUNCIL ADOPTED 2013
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 1,356,125	\$ 1,368,293	\$ 1,323,319	\$ 1,344,319
EMPLOYEE BENEFITS	677,373	704,671	744,791	746,505
	<u>2,033,498</u>	<u>2,072,964</u>	<u>2,068,110</u>	<u>2,090,824</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	109,404	153,771	99,051	99,051
SUPPLIES & MATERIALS	27,369	55,338	40,750	40,750
ENERGY	35,180	36,000	35,500	35,500
VEHICLE SUPPLIES & REPAIR	17,124	18,626	18,325	18,394
INTRAGOVERNMENTAL	120,838	114,329	95,601	96,016
	<u>309,915</u>	<u>378,064</u>	<u>289,227</u>	<u>289,711</u>
OTHER FINANCIAL USES:				
DEBT SERVICE	0	0	0	0
TRANSFER OUT	0	0	0	0
CAPITAL OUTLAY	68,381	38,289	0	0
	<u>68,381</u>	<u>38,289</u>	<u>0</u>	<u>0</u>
TOTAL EXPENDITURES	\$ <u>2,411,794</u>	\$ <u>2,489,317</u>	\$ <u>2,357,337</u>	\$ <u>2,380,535</u>
LESS REVENUE GENERATED BY DIVISION				
STATE EMERGENCY MGT. GRANT	(197,128)	(221,424)	(109,500)	(109,500)
OTHER GRANTS	(21,867)	(129,793)	0	0
ANTENNA RENTS	(55,204)	(53,500)	(55,000)	(55,000)
	<u>(252,332)</u>	<u>(274,924)</u>	<u>(164,500)</u>	<u>(164,500)</u>
TOTAL TOWN CONTRIBUTION	\$ <u>2,159,462</u>	\$ <u>2,214,393</u>	\$ <u>2,192,837</u>	\$ <u>2,216,035</u>



**TOWN OF OCEAN CITY
FISCAL YEAR 2013 BUDGET**

VOLUNTEER FIRE DIVISION

BUDGET HIGHLIGHTS:

PERSONNEL CHANGES:

There three full-time positions in this division, two firefighter/mechanics and one clerical position. A part-time office associate has been included for 26 hours per week. No cost of living allowance or annual increments have been included. A bonus of \$1,000 per full-time employee has been included. Anticipated increases in health insurance premiums, and the increased contribution to the pension plan account for increases in Employee benefits.

CHANGES IN OPERATIONS:

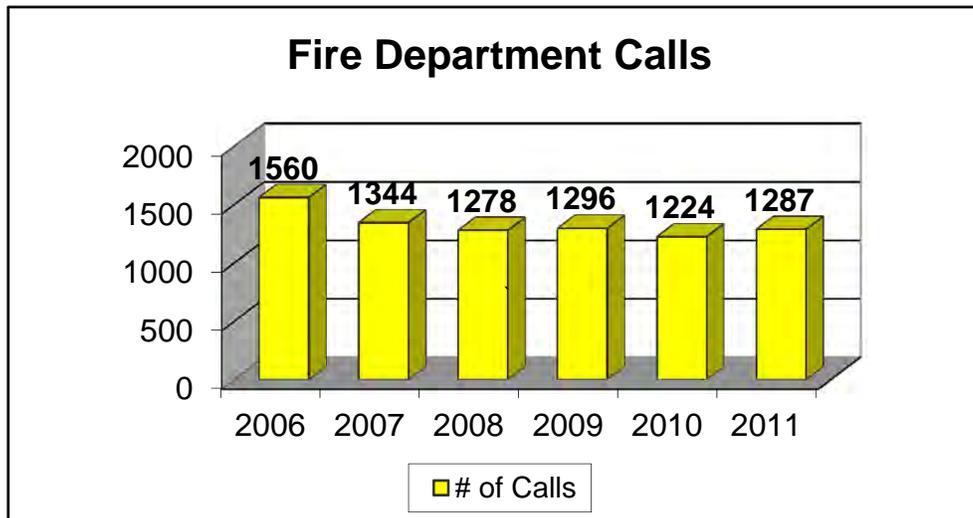
Contracted Services increase and include such items as: building maintenance, \$75,263, and Fire Company insurance policies, \$77,737. Building maintenance includes routine maintenance and funding for replacement of an engine bay door at headquarters. Training costs decrease slightly from the FY 12 budgeted amount, and are included in this line item at a total of \$14,770. Comprehensive physicals for volunteer firemen have been budgeted at a cost of \$20,045. Fifty replacement pagers are included in the Communications line item at a cost of \$28,750. Operational supplies include such items as replacement hose, nozzles, air bottles, and fire fighter turnout gear. This line item increases \$169,061 from the FY 12 revised budget, and includes \$200,000 for replacement Self-Contained breathing apparatus, which will be replaced over a period of three years. Vehicle fuel costs have been budgeted to increase next fiscal year. An allowance for fuel costs for the fire boat has been included at \$25,000. Maintenance costs decrease, but are offset by rising fuel prices. Routine items such as tires, brake drums and valves have been included. An allowance for parts for the fire boat have been included at \$10,000. Allocations for IT increase in FY 12, as the number of PCs in this division has increased with the "Red Alert" program. In addition, computer equipment totaling \$26,222 has been approved in the FY 12 IT budget for this division. Maintenance on the OSSI program for this division totals \$12,218. The Risk allocation for property insurance has also been included at a cost of \$5,622. Capital outlay reflects the Town's contribution to the fire equipment fund of \$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 \$54,797 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.

TOWN OF OCEAN CITY
FISCAL YEAR 2013 BUDGET
GENERAL FUND EXPENDITURES
VOLUNTEER FIRE DIVISION

EXPENDITURES	ACTUAL 2011	REVISED 2012	CITY MANAGER PROPOSED 2013	COUNCIL ADOPTED 2013
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 180,401	\$ 193,695	\$ 186,195	\$ 189,195
EMPLOYEE BENEFITS	<u>126,075</u>	<u>123,195</u>	<u>141,299</u>	<u>141,613</u>
	306,476	316,890	327,494	330,808
OPERATING EXPENSES:				
CONTRACTED SERVICES	228,080	269,323	299,254	299,254
SUPPLIES & MATERIALS	156,159	222,620	351,911	351,911
ENERGY	64,450	66,500	64,000	64,000
VEHICLE SUPPLIES & REPAIR	176,366	225,828	233,686	233,686
INTRAGOVERNMENTAL	<u>68,166</u>	<u>55,180</u>	<u>86,656</u>	<u>86,974</u>
	693,221	839,451	1,035,507	1,035,825
OTHER FINANCIAL USES:				
DEBT SERVICE	0	0	0	0
TRANSFER OUT	0	0	0	0
CAPITAL OUTLAY	<u>365,039</u>	<u>253,037</u>	<u>212,436</u>	<u>212,436</u>
	365,039	253,037	212,436	212,436
TOTAL EXPENDITURES	\$ <u>1,364,736</u>	\$ <u>1,409,378</u>	\$ <u>1,575,437</u>	\$ <u>1,579,069</u>
LESS REVENUE GENERATED BY DIVISION				
EMERGENCY MGT GRANTS	(54,797)	(96,057)	0	0
FALSE ALARM FINES	<u>(2,200)</u>	<u>(8,750)</u>	<u>(2,500)</u>	<u>(2,500)</u>
	(2,200)	(8,750)	(2,500)	(2,500)
TOTAL TOWN CONTRIBUTION	\$ <u><u>1,362,537</u></u>	\$ <u><u>1,400,628</u></u>	\$ <u><u>1,572,937</u></u>	\$ <u><u>1,576,569</u></u>



**TOWN OF OCEAN CITY
FISCAL YEAR 2013 BUDGET**

CAREER FIRE/EMS DIVISION

BUDGET HIGHLIGHTS:

REVENUE CHANGES:

Fees consist of an Advanced Life Support or Basic Life Support charge depending upon the level of service rendered and a charge for mileage. Basic Life Support fees are \$325, advanced life support level I is \$415 and advanced life support level II is \$550. Charges for service to residents of West Ocean City are double those for residents of Ocean City. Worcester County reimburses the Town \$187 per run for in-town and \$748 per run for out-of-town calls. The per-paramedic subsidy remained at \$5,000, and the per-ambulance subsidy remained at \$10,000. County grants have been included at \$1,147,833.

PERSONNEL CHANGES:

The FY 13 budget includes thirty-seven full-time positions. These include a Fire Chief, a Deputy Chief, an Assistant Chief, four Captains, two Lieutenants, six 2nd Lieutenants, and twenty-two Firefighters/EMTs. Six vacant Firefighter/EMT positions were deleted by the Fire Chief. Additional part-time wages have been included to provide full staffing for the division. A bonus of \$1,000 per full-time employee has been included. Estimates for overtime decrease for this division. Increases in employee benefits result from anticipated increases in Group insurance and in the allocation for worker's compensation.

CHANGES IN OPERATIONS:

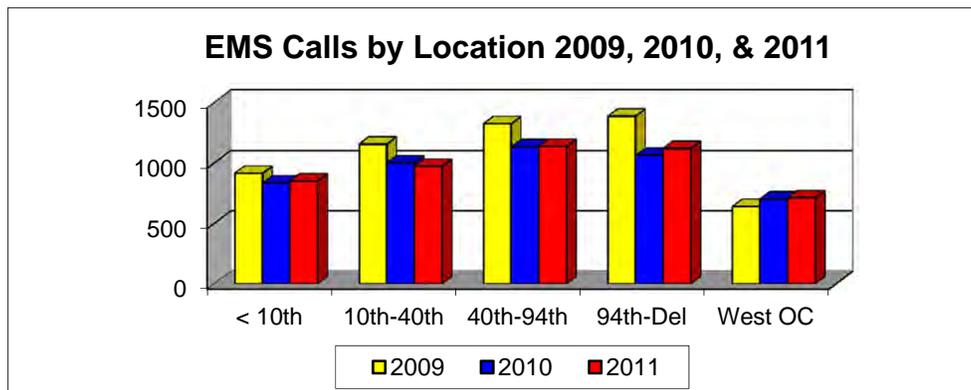
Contracted Services includes \$42,419 for required physicals for all Fire/EMS personnel. This cost includes the cost of a comprehensive physical, stress ECGs and blood tests for haz mat technicians. Equipment, radio, and building maintenance costs are also included in this line item. Equipment maintenance costs are budgeted to increase \$7,286 in FY 13. Dive Team equipment maintenance is included at \$10,691 as is the maintenance contract on the defibrillators, \$16,050 and maintenance on other EMS equipment. Building maintenance is budgeted at \$7,140 and includes the HVAC maintenance contract. Training and travel costs, also included here, are budgeted at \$18,988. Supplies and Materials include medical and training supplies and uniform costs and are budgeted at the approved FY 12 level. Purchases made with funding from the Paramedics Foundation were added to the budget in FY 12. Water Rescue Team supplies are included at a cost of \$12,770. Uniform costs are also budgeted at the FY 12 approved level. Energy costs are anticipated to increase. Vehicle fuel and vehicle labor costs are expected to decrease in FY 13. Intragovernmental allocations for vehicle lease and for IT Services decrease in FY 13. No capital outlay has been requested. One replacement ambulance is funded in the Vehicle Trust Fund budget.

SUMMARY COMMENTS:

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 2013 BUDGET
GENERAL FUND EXPENDITURES
CAREER FIRE/EMS DIVISION

EXPENDITURES	ACTUAL 2011	REVISED 2012	CITY MANAGER PROPOSED 2013	COUNCIL ADOPTED 2013
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 4,381,173	\$ 4,454,015	\$ 4,406,282	\$ 4,443,282
EMPLOYEE BENEFITS	<u>2,001,399</u>	<u>2,051,855</u>	<u>2,074,133</u>	<u>2,078,086</u>
	6,382,572	6,505,870	6,480,415	6,521,368
OPERATING EXPENSES:				
CONTRACTED SERVICES	145,638	143,508	147,540	147,540
SUPPLIES & MATERIALS	238,090	250,829	212,383	212,383
ENERGY	26,270	22,600	25,500	25,500
VEHICLE SUPPLIES & REPAIR	165,811	221,199	204,126	204,606
INTRAGOVERNMENTAL	<u>212,743</u>	<u>241,166</u>	<u>209,178</u>	<u>209,544</u>
	788,552	879,302	798,727	799,573
OTHER FINANCIAL USES:				
DEBT SERVICE	0	0	0	0
TRANSFER OUT	0	0	0	0
CAPITAL OUTLAY	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	0	0	0	0
TOTAL EXPENDITURES	<u>\$ 7,171,124</u>	<u>\$ 7,385,172</u>	<u>\$ 7,279,142</u>	<u>\$ 7,320,941</u>
LESS REVENUE GENERATED BY DIVISION				
AMBULANCE SERVICE FEES	(822,328)	(730,000)	(830,000)	(830,000)
COUNTY OPERATING GRANT	<u>(1,075,999)</u>	<u>(1,058,297)</u>	<u>(1,147,833)</u>	<u>(1,147,833)</u>
	<u>(1,898,327)</u>	<u>(1,788,297)</u>	<u>(1,977,833)</u>	<u>(1,977,833)</u>
TOTAL TOWN CONTRIBUTION	<u>\$ 5,272,797</u>	<u>\$ 5,596,875</u>	<u>\$ 5,301,309</u>	<u>\$ 5,343,108</u>



**TOWN OF OCEAN CITY
FISCAL YEAR 2013 BUDGET**

FIRE MARSHAL DIVISION

BUDGET HIGHLIGHTS:

REVENUE CHANGES:

A 20% surcharge for Fire Marshal plan review is added to Planning & Zoning review fees. This method has been more successful in recovering costs associated with the process than methods used in the past. Fire Marshal revenue is budgeted at \$129,500, which reflects a slight increase in anticipated fees. In FY 12, \$96,290 in Homeland Security grants was included.

PERSONNEL CHANGES:

Seven full-time employees are included in this division. One full-time fire marshal position was eliminated in FY 11. In FY 12, the Assistant Chief - Deputy Fire Marshal position was eliminated through reorganization after the retirement of the Deputy Chief Fire Marshal. A bonus of \$1,000 per full-time employee has been included. Increased contributions for the pension plans and retiree health insurance have been partially offset by reductions in health insurance costs.

CHANGES IN OPERATIONS:

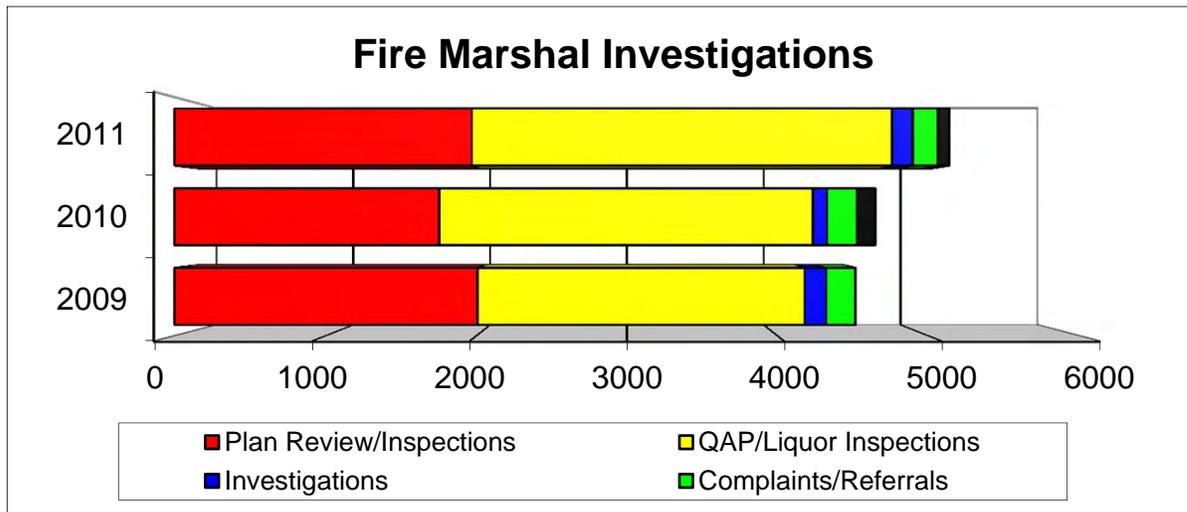
Contracted Services decrease. Equipment maintenance is a large part of this budget and includes the maintenance contract on the bomb robot at a cost of \$7,800, and the Hazardous materials ID maintenance at a cost of \$5,200. Comprehensive physicals, other equipment maintenance, communications expense, and training are other costs included in Contracted Services. Training has been budgeted at \$6,098 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, has not been included in FY 13. The estimate for routine operational supplies has also been reduced. Uniform costs decrease from FY 11, and reflect fewer personnel. Vehicle fuel has been budgeted at the actual number of gallons used over the past twelve months and also reflects fewer personnel. Fuel costs are expected to be higher than those experienced in FY 12, but the resulting increase will be offset by the anticipated reduction in fuel usage. Vehicle maintenance costs remain the same. Intragovernmental expenses in FY 13 reflect a decrease in the allocation for IT Services, but an increase in the vehicle lease allocation. No capital outlay has been included for this division. Purchases made with Homeland Securities grants were included in FY 11 and FY 12. Any items covered in future grants will be added as the grants are received.

SUMMARY COMMENTS:

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

TOWN OF OCEAN CITY
FISCAL YEAR 2013 BUDGET
GENERAL FUND EXPENDITURES
FIRE MARSHAL DIVISION

EXPENDITURES	ACTUAL 2011	REVISED 2012	CITY MANAGER PROPOSED 2013	COUNCIL ADOPTED 2013
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 655,408	\$ 591,077	\$ 542,623	\$ 549,623
EMPLOYEE BENEFITS	419,117	414,280	489,675	490,422
	<u>1,074,525</u>	<u>1,005,357</u>	<u>1,032,298</u>	<u>1,040,045</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	14,707	37,576	34,196	34,196
SUPPLIES & MATERIALS	48,665	29,520	23,048	23,048
ENERGY	0	0	0	0
VEHICLE SUPPLIES & REPAIR	35,326	37,330	36,246	36,323
INTRAGOVERNMENTAL	78,154	57,072	54,537	54,739
	<u>176,852</u>	<u>161,498</u>	<u>148,027</u>	<u>148,306</u>
OTHER FINANCIAL USES:				
DEBT SERVICE	0	0	0	0
TRANSFER OUT	0	0	0	0
CAPITAL OUTLAY	9,189	56,290	0	0
	<u>9,189</u>	<u>56,290</u>	<u>0</u>	<u>0</u>
TOTAL EXPENDITURES	\$ <u>1,260,566</u>	\$ <u>1,223,145</u>	\$ <u>1,180,325</u>	\$ <u>1,188,351</u>
LESS REVENUE GENERATED BY DIVISION				
STATE EMERGENCY MGT. GRANT	(9,189)	(96,290)	0	0
SITE PLAN REVIEW	(36,488)	(40,000)	(50,000)	(50,000)
SPECIAL REVIEW FEES	(8,190)	(11,000)	(9,000)	(9,000)
QUALITY ASSURANCE	(84,355)	(65,000)	(65,000)	(65,000)
INSPECTION FEES	(4,175)	(4,500)	(5,500)	(5,500)
	<u>(142,397)</u>	<u>(216,790)</u>	<u>(129,500)</u>	<u>(129,500)</u>
TOTAL TOWN CONTRIBUTION	\$ <u><u>1,118,169</u></u>	\$ <u><u>1,006,355</u></u>	\$ <u><u>1,050,825</u></u>	\$ <u><u>1,058,851</u></u>



PUBLIC WORKS

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

ENGINEERING/BEACH REPLENISHMENT

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

PUBLIC WORKS ADMINISTRATION AND CONSTRUCTION

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

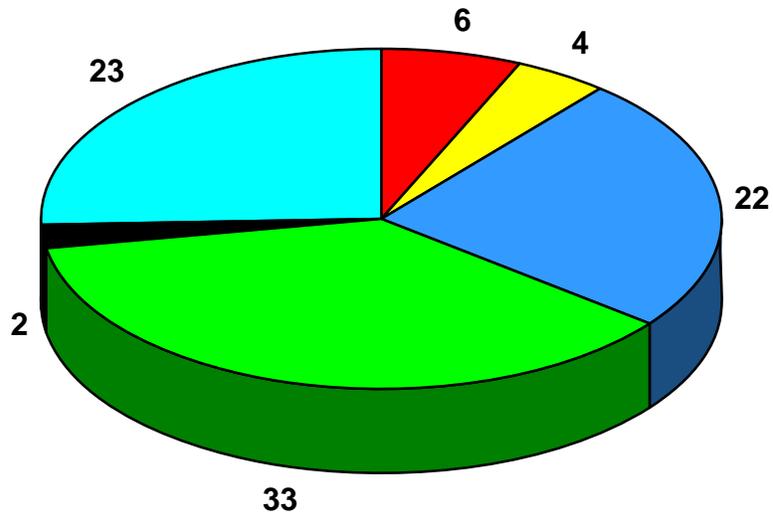
PUBLIC WORKS MAINTENANCE

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

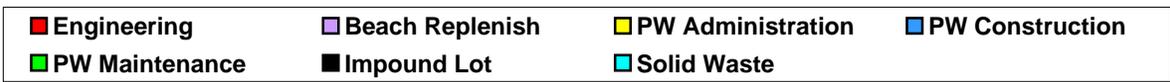
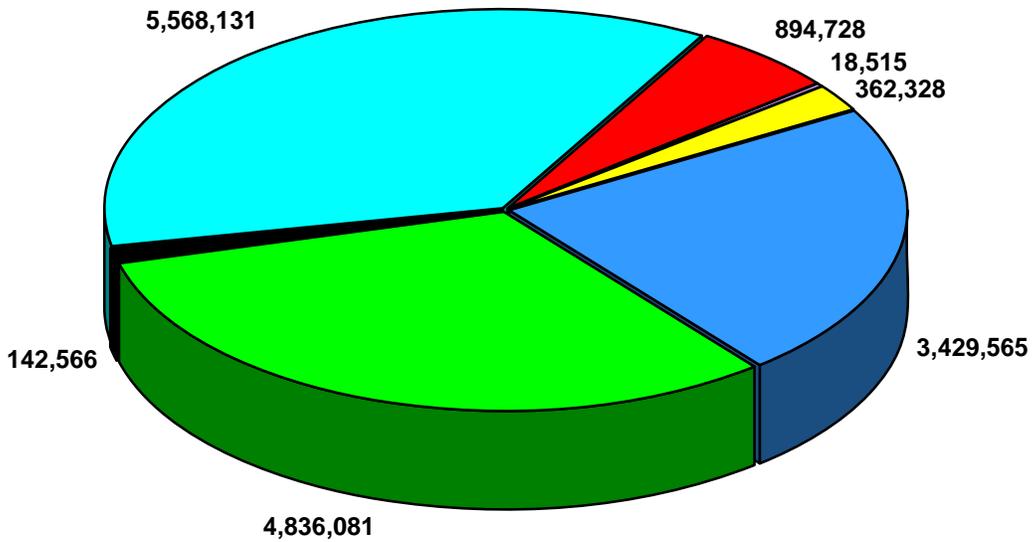
SOLID WASTE AND TRANSFER STATION

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 13 is the first year of the contract with Covanta for the disposal of all solid waste.

FY 13 Public Works Full Time Personnel



FY 13 Public Works Expenses



**TOWN OF OCEAN CITY
FISCAL YEAR 2013 BUDGET**

PUBLIC WORKS ADMINISTRATION AND CONSTRUCTION

BUDGET HIGHLIGHTS:

REVENUE CHANGES:

In FY 09, the City received \$813,395 from the State as Highway User Revenue. In FY 11, the State retained 90% of the revenue from this fund and the City's allocation was reduced to \$63,271. In FY 12, the allocation was partially restored, but has been reduced again for FY 13, to \$129,887. Sidewalk condemnations are anticipated to remain at the FY 11 level. One-half of this cost is billable to the owners of the condemned sidewalks. The expenses of Public Works Administration are allocated to the divisions of Public Works as General Overhead Expense. The allocation charged to Water, Wastewater, Transportation and Airport is shown here as a reimbursement to the General Fund.

PERSONNEL CHANGES:

Since FY 09, eight full-time positions have been eliminated from this division and six employees have been transferred to other City divisions to fill vacancies there. Public Works labor appears to decrease. This is due to the fact that the deductions for labor charged to Water and Wastewater capital projects and to Street Paving is expected to be higher in FY 13 than in FY 12. A bonus of \$1,000 per full-time employee has been included. A portion of employee benefits is also charged to capital projects. This division experienced increases in pension costs and worker's compensation that were offset by the benefits being charged to capital projects.

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. Repair and repainting of the doors, handrails and soffits at District Court has been included at a cost of \$12,400. 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, and \$22,460 has been included for four replacement snow plows. Replacement equipment including street light cabinets, an arrow board, a generator, traffic control signs, a tamper and a concrete/asphalt saw have been budgeted. In Energy, street lighting is the major expense and has been budgeted at \$550,000. Labor rates charged by the Service Center to other City departments were increased for FY 13 and result in a higher expense in the Vehicle Supplies and Repairs category. Allocations for vehicle lease increase and are partially offset by a reduction in the allocations for insurance and IT. Repairs to the 9th street pier were included in capital outlay in FY 12. No funds have been allocated to capital outlay in this division in FY 13.

SUMMARY COMMENTS:

Maintenance is again the ultimate objective for the Construction Division for FY 13. Completion of Water and Wastewater capital projects, and street paving will be the focus.

TOWN OF OCEAN CITY
FISCAL YEAR 2013 BUDGET
GENERAL FUND EXPENDITURES
PUBLIC WORKS ADMINISTRATION AND CONSTRUCTION

EXPENDITURES	ACTUAL 2011	REVISED 2012	CITY MANAGER PROPOSED 2013	COUNCIL ADOPTED 2013
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 1,411,285	\$ 1,393,233	\$ 1,154,436	\$ 1,180,436
EMPLOYEE BENEFITS	957,656	1,014,272	946,727	949,728
	<u>2,368,941</u>	<u>2,407,505</u>	<u>2,101,163</u>	<u>2,130,164</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	177,180	218,092	204,151	204,151
SUPPLIES & MATERIALS	249,296	316,232	272,856	272,856
ENERGY	689,677	674,547	696,000	696,000
VEHICLE SUPPLIES & REPAIR	374,566	484,254	488,563	489,842
INTRAGOVERNMENTAL	254,002	280,366	282,688	283,191
	<u>1,744,721</u>	<u>1,973,491</u>	<u>1,944,258</u>	<u>1,946,040</u>
OTHER FINANCIAL USES:				
DEBT SERVICE	0	0	0	0
TRANSFER OUT	0	0	0	0
CAPITAL OUTLAY	0	20,534	0	0
	<u>0</u>	<u>20,534</u>	<u>0</u>	<u>0</u>
TOTAL EXPENDITURES	<u>\$ 4,113,662</u>	<u>\$ 4,401,530</u>	<u>\$ 4,045,421</u>	<u>\$ 4,076,204</u>
LESS REVENUE GENERATED BY DIVISION				
REIMBURSEMENT FROM OTHER FUNDS FOR				
ADMINISTRATIVE SERVICES	(274,866)	(296,686)	(284,311)	(284,311)
STATE - HIGHWAY USER TAX	(63,271)	(202,829)	(129,887)	(129,887)
FRANCHISE FEES - VEHICLE	(65,300)	(65,300)	(65,300)	(65,300)
STATE - STREET AID	0	(26,363)	(26,363)	(26,363)
COUNTY - STREET AID	0	0	0	0
STREET CUT FEES	(2,350)	(1,500)	(1,500)	(1,500)
SIDEWALK PAYMENTS	(26,626)	(27,000)	(27,000)	(27,000)
	<u>(432,413)</u>	<u>(619,678)</u>	<u>(534,361)</u>	<u>(534,361)</u>
TOTAL TOWN CONTRIBUTION	<u>\$ 3,681,249</u>	<u>\$ 3,781,852</u>	<u>\$ 3,511,060</u>	<u>\$ 3,541,843</u>

**TOWN OF OCEAN CITY
FISCAL YEAR 2013 BUDGET**

PUBLIC WORKS MAINTENANCE DIVISION

BUDGET HIGHLIGHTS:

REVENUE CHANGES:

Parking revenue reflects the increase in rate from \$1.00 per hour to \$1.50 per hour for street meters and all lots except the Inlet Lot. Rates at the Inlet Lot were increased in FY 10. It is anticipated that an additional \$400,000 will be collected from the fee increase. In addition, \$90,000 in additional revenue has been budgeted for the expansion of 4th St. lot.

PERSONNEL CHANGES:

Two full-time Maintenance Worker positions and a full-time Building Custodian position were eliminated from this division in FY 10. Two full-time Building Custodian positions were converted to part-time, year-round employees on the Janitorial staff in FY 10. A full-time Maintenance Supervisor position has been converted to a Heavy Equipment Operator position in the Beach division and a part-time maintenance worker position in the Street division. Recently vacant positions have been filled with new employees at the entry level, resulting in savings in full-time salaries. A bonus of \$1,000 per full-time employee has been included. Increases in health insurance, pension contributions and unemployment result in the increased benefit costs.

CHANGES IN OPERATIONS:

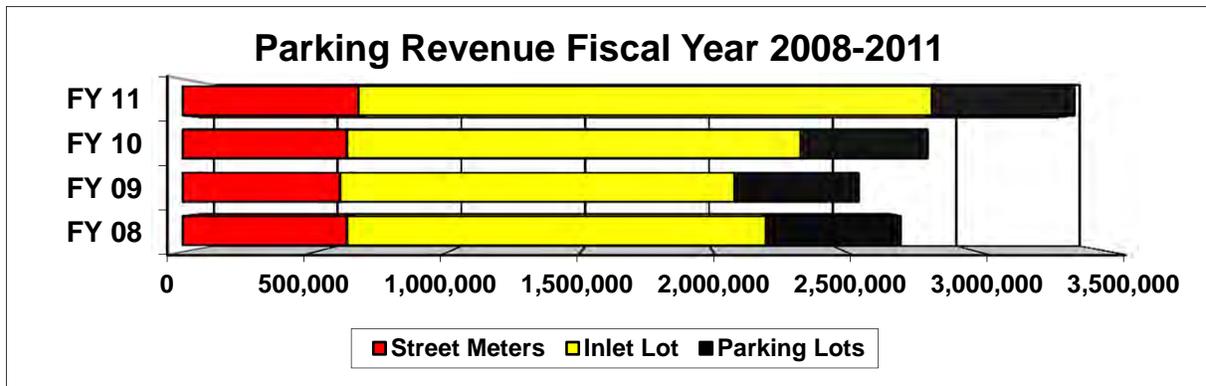
Credit Card fees for use of the Cale parking meters have been budgeted at \$82,000 in FY 13. Other expenses in Contracted Services include tipping fees for this division, maintenance on the comfort stations and printing of tickets for the Inlet Lot. No boardwalk maintenance has been included in FY 13, resulting in a savings of \$167,000 from FY 11. Also included in this account was \$100,000 for boardwalk bench refurbishment in FY 11 and \$30,000 in FY 12. The funds to cover this expense were recognized from previous donations for benches. Supplies and Materials includes \$68,000 for supplies for Special Events, \$24,000 for parts for the Cale machines and a replacement change machine. Other supplies include comfort station supplies, replacement banners for the boardwalk, beach ramp supplies and replacement sand fence. Reduction in vehicle expenses reflects \$96,000 in savings for beach tractor maintenance as we are now leasing our beach tractors. These savings offset anticipated fuel cost increases and the increased labor rates. Vehicle lease increases for this division and is the reason for the increase in Intragovernmental expenses. No capital outlay has been budgeted. One replacement trash barrel dumper and a replacement truck with a utility body have been requested 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. Maintenance of the boardwalk will continue to be a priority as will cleanliness of the streets, beaches and comfort stations.

FISCAL YEAR 2013 BUDGET
GENERAL FUND EXPENDITURES
PUBLIC WORKS MAINTENANCE DIVISION

EXPENDITURES	ACTUAL 2011	REVISED 2012	CITY MANAGER PROPOSED 2013	COUNCIL ADOPTED 2013
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 2,033,940	\$ 2,081,658	\$ 2,024,422	\$ 2,057,422
EMPLOYEE BENEFITS	1,044,638	1,082,561	1,198,677	1,201,419
	<u>3,078,578</u>	<u>3,164,219</u>	<u>3,223,099</u>	<u>3,258,841</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	424,465	259,313	247,400	247,400
SUPPLIES & MATERIALS	409,742	401,504	365,761	365,761
ENERGY	78,593	80,950	79,700	79,700
VEHICLE SUPPLIES & REPAIR	590,741	630,987	557,542	559,205
INTRAGOVERNMENTAL	220,720	286,129	324,853	325,174
	<u>1,724,261</u>	<u>1,658,883</u>	<u>1,575,256</u>	<u>1,577,240</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>4,802,839</u>	\$ <u>4,823,102</u>	\$ <u>4,798,355</u>	\$ <u>4,836,081</u>
LESS REVENUE GENERATED BY DIVISION				
STREET PARKING METER REVENUE	(662,266)	(675,000)	(870,000)	(870,000)
PARKING LOT REVENUE	(538,073)	(500,000)	(760,000)	(760,000)
INLET PARKING LOT REVENUE	(2,162,343)	(2,025,000)	(2,100,000)	(2,100,000)
RESIDENTIAL PARKING PERMITS	(1,498)	(1,400)	(1,450)	(1,450)
FRANCHISE FEES-PHOTO	(395,000)	(395,000)	(395,000)	(395,000)
SERVICE CHARGES	(21,514)	(17,500)	(19,000)	(19,000)
	<u>(3,780,694)</u>	<u>(3,613,900)</u>	<u>(4,145,450)</u>	<u>(4,145,450)</u>
TOTAL TOWN CONTRIBUTION	\$ <u>1,022,145</u>	\$ <u>1,209,202</u>	\$ <u>652,905</u>	\$ <u>690,631</u>



**TOWN OF OCEAN CITY
FISCAL YEAR 2013 BUDGET**

SOLID WASTE AND TRANSFER STATION

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 \$6,000 will be collected from this effort. Solid Waste collection fees charged to establishments requiring trash collection more than five times per week are expected to decrease slightly. In FY 12, the bulk collection fee was increased for the pickup of more than one item. It is anticipated that \$20,000 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 the City's trash to a Waste to Energy facility for conversion to electricity. All full-time positions in the Recycling division were eliminated in FY 11 as the recyclables were added to the East Coast Resources contract. In FY 12, the Solid Waste Assistant Manager position was eliminated and a Solid Waste Worker position was converted to part-time. A bonus of \$1,000 per full-time employee has been included. In this division, increases are anticipated for group insurance, and worker's compensation. Increases are also expected in the Town's contribution to retiree health insurance and deferred compensation. Savings in pension and unemployment offset these increases.

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 will be renegotiated in FY 12 and has been budgeted at \$1,847,400; an increase of \$48,500 over FY 12. Supplies and Materials increases due to the proposed purchase of two roll-off containers at \$5,000 each. \$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 in FY 13, but fuel usage is expected to decrease. In the current fiscal year, additional fuel was used to transport trash to the landfill during the repair of the tipping room floor. Vehicle parts and labor are expected to decrease \$45,000. A bucket and tires for the bucket loader were budgeted in FY 12 at a cost of \$51,000. Intragovernmental expenses include a reduction in Vehicle Lease expense as vehicles are being held for longer periods of time. FY 12 capital outlay reflects the cost to repair the tipping room floor. Two automated trash trucks, a front-end trash truck and a roll off truck have been included in the Vehicle Trust fund for FY 13.

SUMMARY COMMENTS:

In FY 10, approximately \$600,000 in savings were realized from contracting with East Coast Resources. Costs for this division have decreased \$885,000 since FY 10.

TOWN OF OCEAN CITY
FISCAL YEAR 2013 BUDGET
GENERAL FUND EXPENDITURES
SOLID WASTE AND TRANSFER STATION DIVISION

EXPENDITURES	ACTUAL 2011	REVISED 2012	CITY MANAGER PROPOSED 2013	COUNCIL ADOPTED 2013
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 1,386,745	\$ 1,304,983	\$ 1,315,171	\$ 1,338,171
EMPLOYEE BENEFITS	929,771	967,107	970,358	972,775
	<u>2,316,516</u>	<u>2,272,090</u>	<u>2,285,529</u>	<u>2,310,946</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	1,658,802	1,848,890	1,899,716	1,899,716
SUPPLIES & MATERIALS	112,671	47,203	57,439	57,439
ENERGY	45,596	44,900	42,500	42,500
VEHICLE SUPPLIES & REPAIR	916,593	1,019,996	933,019	936,616
INTRAGOVERNMENTAL	269,886	340,896	320,750	320,914
	<u>3,003,548</u>	<u>3,301,885</u>	<u>3,253,424</u>	<u>3,257,185</u>
OTHER FINANCIAL USES:				
DEBT SERVICE	0	0	0	0
TRANSFER OUT	0	0	0	0
CAPITAL OUTLAY	12,484	394,530	0	0
	<u>12,484</u>	<u>394,530</u>	<u>0</u>	<u>0</u>
TOTAL EXPENDITURES	<u>\$ 5,332,548</u>	<u>\$ 5,968,505</u>	<u>\$ 5,538,953</u>	<u>\$ 5,568,131</u>
LESS REVENUE GENERATED BY DIVISION				
SALES - RECYCLING	(53,346)	(25,000)	(25,000)	(25,000)
SALES - CONTAINERS	(5,993)	(5,280)	(6,000)	(6,000)
SOLID WASTE COLLECTION	(32,169)	(30,000)	(27,000)	(27,000)
BULK PICK UP FEE	(18,035)	(31,000)	(20,000)	(20,000)
	<u>(109,543)</u>	<u>(91,280)</u>	<u>(78,000)</u>	<u>(78,000)</u>
TOTAL TOWN CONTRIBUTION	<u>\$ 5,223,005</u>	<u>\$ 5,877,225</u>	<u>\$ 5,460,953</u>	<u>\$ 5,490,131</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

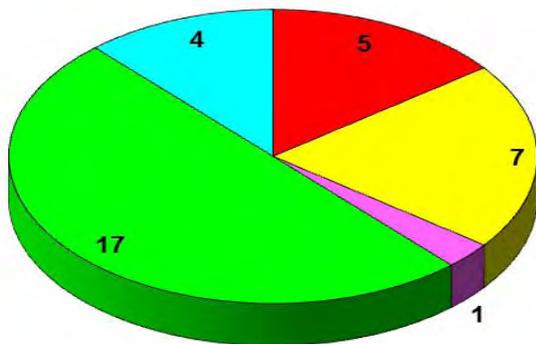
BEACH PATROL (CONTINUED)

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

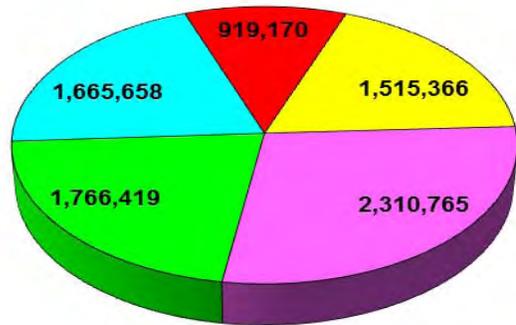
The Special Events division, a unit of the Department of Recreation and Parks, has responsibility to plan, coordinate, and execute festivals and special events for the Town, including Springfest, Art’s Alive, Sundaes in the Park, Fourth of July Fireworks on the Beach, Jamboree in the Park, Concerts on 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.

FY 13 Recreation Full Time Personnel



- Administration
- Programs
- Beach Patrol
- Park Maintenance
- Special Events

FY 13 Recreation Expenses



- Administration
- Programs
- Beach Patrol
- Park Maintenance
- Special Events

**TOWN OF OCEAN CITY
FISCAL YEAR 2013 BUDGET**

RECREATION DIVISION

BUDGET HIGHLIGHTS:

REVENUE CHANGES:

No Open Space funds are expected in FY 13. Program revenue increases over \$10,000 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. Fees received from facilities rental are also expected to increase for FY13.

PERSONNEL CHANGES:

A full-time Office Associate position was eliminated in FY 11. Part-time salaries decrease for the Program division as two positions were eliminated from the Camp Horizon staff. A small reduction has also been made in the part-time hours for the building custodian and for the marketing coordinator. A bonus of \$1,000 per full-time employee has been included. No cost of living adjustment and no annual increments have been included. Pension contributions increase for this division and are partially offset by reductions in group insurance and unemployment.

CHANGES IN OPERATIONS:

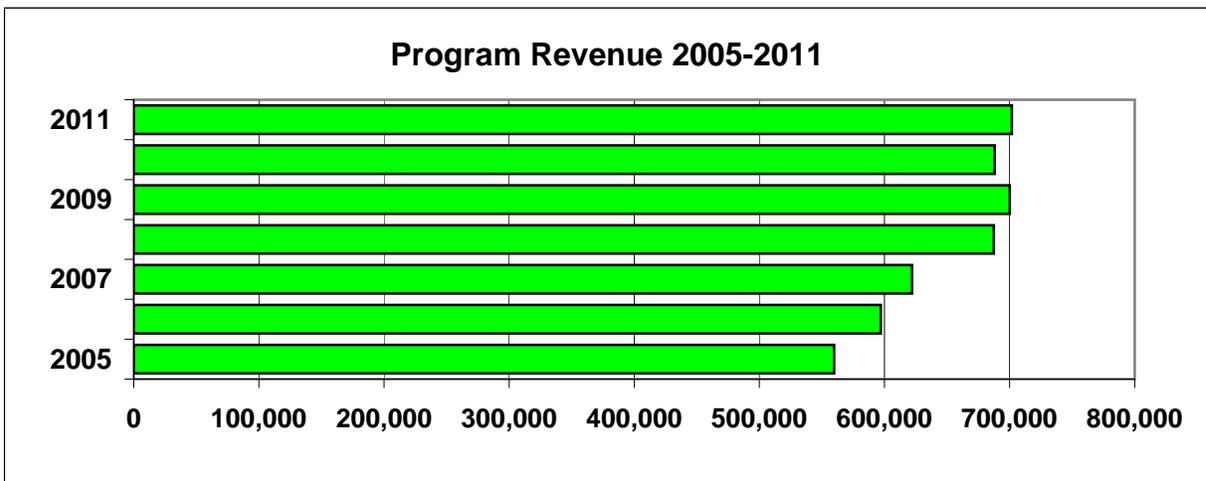
Contracted Services include payments to Sports camp directors, building maintenance, equipment maintenance and equipment rental. New program offerings include youth dance classes, middle school music classes and surf camp. Contracted Services for Programs have been reduced \$13,989 from FY 12. Floor repairs in the east gym and roof repairs on the flat roof over the west lobby have been included in building maintenance. Overall building maintenance costs are reduced \$5,104 in FY 13. Printing costs and Training costs have also been reduced. The National Recreation and Parks conference has been eliminated this fiscal year for the Director, Assistant Director and Recreation Superintendent. Contracted Services also includes the costs for Senior programs including the bowling alley rental for the Senior Bowling League and the Senior Valentine's party. Supply & Material costs for both the Programs division and the Administrative division 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 decrease in FY 13. Vehicle expenses for fuel, parts and labor are expected to remain constant. Intragovernmental allocations for vehicle lease increase, while those for IT Services and Insurance decrease. No capital outlay has been budgeted in FY 13. The FY 12 budget included \$255,865 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. FY 13 program objectives will concentrate on the improvement and expansion of existing programs and to phase into new offerings. Maintenance on the oldest part of the building at Northside park and improvements at the tennis center and skateboard facility will also be priorities. As always, the major goal of the department will be to maintain an exceptional level of recreational and community service for the residents and guests of Ocean City.

TOWN OF OCEAN CITY
FISCAL YEAR 2013 BUDGET
GENERAL FUND EXPENDITURES
RECREATION DIVISION

EXPENDITURES	ACTUAL 2011	REVISED 2012	CITY MANAGER PROPOSED 2013	COUNCIL ADOPTED 2013
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 1,180,127	\$ 1,196,334	\$ 1,183,460	\$ 1,195,460
EMPLOYEE BENEFITS	431,110	451,500	480,824	481,895
	<u>1,611,237</u>	<u>1,647,834</u>	<u>1,664,284</u>	<u>1,677,355</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	372,631	422,293	390,036	390,036
SUPPLIES & MATERIALS	165,147	188,144	176,767	176,767
ENERGY	92,581	106,300	94,000	94,000
VEHICLE SUPPLIES & REPAIR	7,996	10,817	10,792	10,822
INTRAGOVERNMENTAL	91,427	91,944	85,029	85,556
	<u>729,782</u>	<u>819,498</u>	<u>756,624</u>	<u>757,181</u>
OTHER FINANCIAL USES:				
DEBT SERVICE	0	0	0	0
TRANSFER OUT	0	0	0	0
CAPITAL OUTLAY	(68,850)	290,030	0	0
	<u>(68,850)</u>	<u>290,030</u>	<u>0</u>	<u>0</u>
TOTAL EXPENDITURES	\$ <u>2,272,169</u>	\$ <u>2,757,362</u>	\$ <u>2,420,908</u>	\$ <u>2,434,536</u>
LESS REVENUE GENERATED BY DIVISION				
STATE GRANT - OPEN SPACE	0	0	0	0
COUNTY-RECREATION GRANT	(90,000)	(90,000)	(90,000)	(90,000)
PROGRAM REVENUE	(701,815)	(710,000)	(720,000)	(720,000)
ADMISSIONS/RENTAL	(96,739)	(69,620)	(80,500)	(80,500)
CONCESSION REVENUE	(67,758)	(70,000)	(70,000)	(70,000)
ADVERTISING REVENUE	(300)	(2,000)	(2,000)	(2,000)
MEALS - SENIOR CITIZENS	(8,856)	(8,800)	(9,000)	(9,000)
MISCELLANEOUS	(5,671)	(75)	(75)	(75)
	<u>(971,139)</u>	<u>(950,495)</u>	<u>(971,575)</u>	<u>(971,575)</u>
TOTAL TOWN CONTRIBUTION	\$ <u>1,301,030</u>	\$ <u>1,806,867</u>	\$ <u>1,449,333</u>	\$ <u>1,462,961</u>



TOWN OF OCEAN CITY
FISCAL YEAR 2013 BUDGET

PARKS DIVISION

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 12 and none are anticipated in FY 13.

PERSONNEL CHANGES:

There are seventeen full-time employees in this division. Two full-time Parks Worker positions were eliminated in FY 10 and two others were eliminated in FY 11. A fifth Parks Worker and the Town Arborist positions were converted to part-time in FY 11. The Horticulturalist was transferred to this division from the Golf Course to fill one Parks Worker position. Part-time wages decrease due to the retirement of the Town Arborist. Overtime costs also decrease for this division. A bonus of \$1,000 per full-time employee has been included. FY 11 actual reflects deductions for labor charged to the Town festivals. FY 12 reflects deductions for Sunfest, but not for Winterfest or Springfest. FY 13 has not been adjusted for festival labor. Once these costs have been determined in FY 13, wages will be reduced in this department and transferred to the festivals. Health insurance and contributions to retiree health insurance and to pension increase in this division.

CHANGES IN OPERATIONS:

Contracted Services in this division include maintenance for the parks and landscaping throughout the Town. Renovations of Coastal Highway medians included at \$50,000 in FY 12 have not been included in FY 13. Skateboard Park repairs, included at \$29,000 in FY 12 have not been included in FY 13. Contract mowing of city-owned median strips, bulkheads, undeveloped lots, etc. was included at \$34,000, in FY 12, but has been reduced to \$18,000 in FY 13 as the recent bid came in lower than anticipated. Little Salisbury tennis court resurfacing has been included at a cost of \$10,000. All other items cover routine maintenance. Normal maintenance and supply costs have been budgeted for FY 13. Supplies include athletic field supplies, landscaping supplies, and general maintenance supplies. An enclosed trailer at a cost of \$6,200 is the only item of budgeted replacement equipment. Replacement equipment budgeted in FY 12 totaled \$26,056. Special Appropriations in FY 12 includes recognition of funds donated to the Beautification Committee for the "Tree of Life" fund-raising campaign. FY 2013 reflects the budget for the Beautification Committee alone. Increases in vehicle fuel and labor costs have been offset by an anticipated reduction in vehicle parts. Vehicle Lease expense increases for this division and is partially offset by reductions in the allocations for IT and Insurance. 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 13.

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. 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 2013 BUDGET
GENERAL FUND EXPENDITURES
PARKS DIVISION

EXPENDITURES	ACTUAL 2011	REVISED 2012	CITY MANAGER PROPOSED 2013	COUNCIL ADOPTED 2013
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 735,906	\$ 859,075	\$ 838,347	\$ 855,347
EMPLOYEE BENEFITS	426,967	463,799	490,385	491,793
	<u>1,162,873</u>	<u>1,322,874</u>	<u>1,328,732</u>	<u>1,347,140</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	88,682	179,202	70,860	70,860
SUPPLIES & MATERIALS	192,946	162,553	143,524	143,524
SPECIAL APPROPRIATIONS	7,290	75,710	5,900	5,900
ENERGY	27,322	28,800	27,000	27,000
VEHICLE SUPPLIES & REPAIR	87,945	102,669	102,240	102,546
INTRAGOVERNMENTAL	69,650	64,848	69,359	69,449
	<u>473,835</u>	<u>613,782</u>	<u>418,883</u>	<u>419,279</u>
OTHER FINANCIAL USES:				
DEBT SERVICE	0	0	0	0
TRANSFER OUT	0	0	0	0
CAPITAL OUTLAY	75,000	0	0	0
	<u>75,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL EXPENDITURES	<u>\$ 1,711,708</u>	<u>\$ 1,936,656</u>	<u>\$ 1,747,615</u>	<u>\$ 1,766,419</u>
 TOTAL TOWN CONTRIBUTION	 <u>\$ 1,711,708</u>	 <u>\$ 1,936,656</u>	 <u>\$ 1,747,615</u>	 <u>\$ 1,766,419</u>
 LESS REVENUE GENERATED BY DIVISION				
COMMUNITY PARKS GRANT	<u>(75,000)</u>	<u>0</u>	<u>0</u>	<u>0</u>
 TOTAL TOWN CONTRIBUTION	 <u>\$ 1,636,708</u>	 <u>\$ 1,936,656</u>	 <u>\$ 1,747,615</u>	 <u>\$ 1,766,419</u>

**TOWN OF OCEAN CITY
FISCAL YEAR 2013 BUDGET**

BEACH PATROL DIVISION

BUDGET HIGHLIGHTS:

REVENUE CHANGES:

Beach Stand revenue increases and reflects the latest bids. Panama Jack continues to provide sun protection products to our employees but no longer provides a sponsorship of our Beach Safety Seminar program. Participation in our Junior Beach Patrol Program is expected to generate nearly \$19,000 from program registration and uniform sales.

PERSONNEL CHANGES:

Hours budgeted for SRT I's have remained the same for FY 13. 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 allocations for worker's compensation expense and unemployment increase for this division. Required contributions for health insurance, retiree health and pension also increase.

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. Training costs increase in FY 13 as the cost for first aid certification through the American Red Cross increased from \$3.00 to \$19.00 per certification. American Heart Association certification also increased from \$1.25 each to \$4.00 each. All Beach Patrol members must be certified. Cuts were made in other areas to partially offset this fee increase. Uniform purchases were budgeted at the FY 12 approved level, \$25,155. Purchase order balances brought forward from the prior year cause the FY 12 budget to appear higher. Operational Supplies include three replacement ATVs and a rescue watercraft at a cost of \$24,100. Replacement equipment including first aid supplies, rescue boards and materials to replace beach patrol stands have also been included. Vehicle parts and labor expense have been increased for FY 13. Increases in Vehicle Lease and IT Services result in the increase in Intragovernmental expenses. No capital outlay has been requested.

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 2013 BUDGET
GENERAL FUND EXPENDITURES
BEACH PATROL DIVISION

EXPENDITURES	ACTUAL 2011	REVISED 2012	CITY MANAGER PROPOSED 2013	COUNCIL ADOPTED 2013
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 1,806,311	\$ 1,876,833	\$ 1,883,333	\$ 1,884,333
EMPLOYEE BENEFITS	180,819	194,596	203,561	203,905
	<u>1,987,130</u>	<u>2,071,429</u>	<u>2,086,894</u>	<u>2,088,238</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	33,554	44,080	43,435	43,435
SUPPLIES & MATERIALS	82,712	90,172	87,765	87,765
ENERGY	6,000	7,000	7,000	7,000
VEHICLE SUPPLIES & REPAIR	33,174	35,365	35,710	35,921
INTRAGOVERNMENTAL	41,113	42,877	48,209	48,406
	<u>196,553</u>	<u>219,494</u>	<u>222,119</u>	<u>222,527</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>\$ 2,183,683</u>	<u>\$ 2,290,923</u>	<u>\$ 2,309,013</u>	<u>\$ 2,310,765</u>
LESS REVENUE GENERATED BY DIVISION				
BEACH PATROL MISC	(20,265)	(19,000)	(18,688)	(18,688)
SPONSORSHIPS	(14,500)	(12,500)	0	0
FRANCHISE FEES-BEACH STAND	(641,498)	(707,951)	(801,126)	(801,126)
	<u>(676,263)</u>	<u>(739,451)</u>	<u>(819,814)</u>	<u>(819,814)</u>
TOTAL TOWN CONTRIBUTION	<u>\$ 1,507,420</u>	<u>\$ 1,551,472</u>	<u>\$ 1,489,199</u>	<u>\$ 1,490,951</u>

**TOWN OF OCEAN CITY
FISCAL YEAR 2013 BUDGET**

TOWN SPONSORED EVENTS AND FESTIVALS

BUDGET HIGHLIGHTS:

REVENUE CHANGES:

Items previously budgeted in Special Event revenue have been moved to Private Event Revenue. This includes revenue received from Bikefest, the Car Cruises and Founder's Entertainment. The airshow MOU is to be renegotiated in FY 13 and has not been included. In FY 12, the fee charged for viewing Winterfest of Lights was increased from \$4 to \$5 for anyone twelve and older. This fee increase resulted in additional revenue for this event and has been reflected in the FY 13 budget as well. Corporate Sponsorships include funds received from Coke and Esskay. The beverage franchise increased from \$62,500 to \$65,000.

PERSONNEL CHANGES:

Since FY 09, the full-time staff has been reduced from six positions to four. One of the two positions, the Private Events Coordinator was converted from full-time to part-time. Salary expenses in the FY 11 actual column include costs for Sunfest, Winterfest and Springfest. FY 12 reflects the costs for Sunfest, but has not yet been adjusted to include Winterfest and Springfest labor costs. In the FY 13 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. A bonus of \$1,000 per full-time employee has been included. Part-time hours have been increased for Sunfest, Winterfest and Springfest for FY 13.

CHANGES IN OPERATIONS:

Contracted Services decrease from the revised FY 12 budget. The FY 13 budget does not include any expenses associated with the Airshow as the MOU is to be renegotiated in FY 13. In addition, the accepted bid for fireworks was \$22,500 less than the amount budgeted in FY 12. In the FY 12 budget, advertising costs for Special Events were covered in the Destination Marketing advertising budget resulting in savings in that fiscal year. 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 2013. Entertainment in Sunset Park has been included at \$3,500. Fireworks and entertainment for New Year's Eve have been budgeted at \$12,000 to take place at Northside Park at the Winterfest site. Other major expenditures in this division are tent rental, accommodations for the entertainers and back-up services for the shows. Refurbishment of Winterfest displays has been budgeted at \$25,000 in the Contracted Services line item. Supplies and Materials increase for Winterfest and include a 20th anniversary display budgeted at \$25,000, the replacement of 25 pole mounted lights for the downtown area, \$12,500 and a light display for the Worcester Street water tower, \$12,500. Reductions have been made in other areas in Supplies and Materials and purchases for resale to partially offset this cost increase. Energy costs for the festivals are expected to decrease. Vehicle costs reflect an increase in labor costs. 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. The major 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 2013 BUDGET
GENERAL FUND EXPENDITURES
TOWN SPONSORED EVENTS AND FESTIVALS

EXPENDITURES	ACTUAL 2011	REVISED 2012	CITY MANAGER PROPOSED 2013	COUNCIL ADOPTED 2013
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 617,234	\$ 393,818	\$ 365,483	\$ 369,483
EMPLOYEE BENEFITS	201,387	155,120	135,785	136,126
	<u>818,621</u>	<u>548,938</u>	<u>501,268</u>	<u>505,609</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	962,297	858,040	835,710	835,710
SUPPLIES & MATERIALS	223,520	278,280	248,930	248,930
ENERGY	36,729	51,253	47,140	47,140
VEHICLE SUPPLIES & REPAIR	4,745	5,609	5,124	5,135
INTRAGOVERNMENTAL	18,571	19,392	19,438	19,534
	<u>1,245,862</u>	<u>1,212,574</u>	<u>1,156,342</u>	<u>1,156,449</u>
OTHER FINANCIAL USES:				
DEBT SERVICE	0	0	0	0
TRANSFER OUT	0	0	0	0
CAPITAL OUTLAY	1,499	273	3,600	3,600
	<u>1,499</u>	<u>273</u>	<u>3,600</u>	<u>3,600</u>
TOTAL EXPENDITURES	\$ <u>2,065,982</u>	\$ <u>1,761,785</u>	\$ <u>1,661,210</u>	\$ <u>1,665,658</u>
LESS REVENUE GENERATED BY DIVISION				
SUNFEST REVENUE	(405,480)	(422,500)	(422,700)	(422,700)
SPRINGFEST REVENUE	(341,579)	(381,000)	(375,000)	(375,000)
WINTERFEST REVENUE	(367,132)	(437,500)	(445,500)	(445,500)
SPECIAL EVENT REVENUE	(125,562)	(220,000)	(45,000)	(45,000)
PRIVATE EVENT REVENUE	(22,433)	(18,000)	(217,000)	(217,000)
CORPORATE SPONSORSHIP	(65,500)	(67,500)	(70,000)	(70,000)
	<u>(1,327,686)</u>	<u>(1,546,500)</u>	<u>(1,575,200)</u>	<u>(1,575,200)</u>
TOTAL TOWN CONTRIBUTION	\$ <u>738,296</u>	\$ <u>215,285</u>	\$ <u>86,010</u>	\$ <u>90,458</u>

FY 2012 Actual Cost of Town Sponsored Festivals

	Sunfest	Springfest	Winterfest
Revenues	423,624	406,482	513,000
Expenditures	413,317	390,491	456,929
Town Contribution	10,307	15,991	56,071

**TOWN OF OCEAN CITY
FISCAL YEAR 2013 BUDGET**

TOURISM PROMOTIONS

BUDGET HIGHLIGHTS:

REVENUE CHANGES:

The State Tourism grant has not been included in FY 13 as the amount of this grant is uncertain. \$322,571 was received in FY 11 and \$348,132 was received in FY 12. 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. In FY 12, the current Office Associate retired and the position has been funded at a lower wage for FY 13, resulting in savings in full-time salaries. A bonus of \$1,000 per full-time employee has been included. No cost of living adjustment and no annual increments have been included. Savings occur in retirement contributions in this division, as both positions participate in the 401A pension plan. Unemployment expense for this division is also expected to decrease.

CHANGES IN OPERATIONS:

Advertising is the main expense in the Contracted Services line item. \$4,972,333 has been budgeted for advertising in FY 13. The FY 12 adopted budget for advertising totaled \$4,646,431, and was increased \$676,779 in Budget Amendment # 1. A portion of this increase, \$317,784, resulted from a projected increase in Room Tax for FY 12. The remainder of the increase was due to unspent ad funds remaining at the end of FY 11. The funding formula outlined in the FY 08 ordinance has been followed for FY 12. 2.0% of the estimated gross room receipts has been budgeted for FY 13. This is the final year for an increase in the percentage of allocation. Other expenses in Contracted Services include research to be conducted by Equation and Smith Travel and dues to Team MD, a postage and handling fee for the Visitor's Guide and the travel and exhibit space for bus tour travel and trade shows. The 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 Vehicle Lease and the IT allocation. No capital outlay has been requested.

MAJOR 2012-2013 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 2013 BUDGET
GENERAL FUND EXPENDITURES
TOURISM PROMOTIONS

EXPENDITURES	ACTUAL 2011	REVISED 2012	CITY MANAGER PROPOSED 2013	COUNCIL ADOPTED 2013
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 165,040	\$ 161,144	\$ 155,854	\$ 157,854
EMPLOYEE BENEFITS	80,015	82,279	58,351	58,530
	<u>245,055</u>	<u>243,423</u>	<u>214,205</u>	<u>216,384</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	4,812,004	5,778,342	5,126,649	5,126,649
SUPPLIES & MATERIALS	15,796	333,592	315,522	315,522
ENERGY	8,039	10,000	9,000	9,000
VEHICLE SUPPLIES & REPAIR	860	1,705	1,550	1,553
INTRAGOVERNMENTAL	24,724	16,486	13,487	13,549
	<u>4,861,423</u>	<u>6,140,125</u>	<u>5,466,208</u>	<u>5,466,273</u>
OTHER FINANCIAL USES:				
DEBT SERVICE	0	0	0	0
TRANSFER OUT	0	0	0	0
CAPITAL OUTLAY	0	0	0	0
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL EXPENDITURES	<u>\$ 5,106,478</u>	<u>\$ 6,383,548</u>	<u>\$ 5,680,413</u>	<u>\$ 5,682,657</u>
LESS REVENUE GENERATED BY DIVISION				
ROOM TAX	(4,430,653)	(5,623,210)	(5,333,333)	(5,333,333)
STATE - TOURISM GRANT	(322,571)	(348,132)	0	0
COUNTY-TOURISM GRANT	(270,000)	(270,000)	(270,000)	(270,000)
SALES/OTHER MISC.	(1,138)	0	0	0
	<u>(5,024,362)</u>	<u>(6,241,342)</u>	<u>(5,603,333)</u>	<u>(5,603,333)</u>
TOTAL TOWN CONTRIBUTION	<u>\$ 82,116</u>	<u>\$ 142,206</u>	<u>\$ 77,080</u>	<u>\$ 79,324</u>

**TOWN OF OCEAN CITY
FISCAL YEAR 2013 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>25,000</u>	<u>10,000</u>
Total	\$ 103,750	\$ 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		110,425
DNR Loans		55,814
2004 Refunding Bonds		770,403
2005 Municipal Purpose Bonds		460,627
2006 Airport G.O. Bond		306,923
2007 Municipal Refunding Bonds		1,261,297
2009 Municipal Refunding Bonds		531,193
2010 Municipal Purpose Bonds		348,579
2012 Municipal Purpose Bonds		<u>706,449</u>
Total		\$ 4,551,710
Transfers to Other Funds consists of the following:		
Operating Transfers:		
Transportation		\$ 1,927,997
Airport		116,976
Convention Center		1,483,575
Vehicle Trust		488,000
Capital Projects		2,000,000

TOWN OF OCEAN CITY
 FISCAL YEAR 2013 BUDGET
 GENERAL FUND EXPENDITURES
 MISCELLANEOUS DIVISION

EXPENDITURES	ACTUAL 2011	REVISED 2012	CITY MANAGER PROPOSED 2013	COUNCIL ADOPTED 2013
OPERATING EXPENSES:				
SPECIAL APPROPRIATIONS	\$ 94,325	\$ 121,350	\$ 121,350	\$ 121,350
DEBT SERVICE - PRINCIPAL	3,416,907	3,170,007	2,892,910	2,892,910
INTEREST EXPENSE	1,295,665	1,406,225	1,635,875	1,658,800
TRANSFER TO TRANSPORTATION	1,915,710	1,477,171	1,905,763	1,927,997
TRANSFER TO AIRPORT	390,711	301,241	113,581	116,976
TRANSFER TO GOLF COURSE	0	200,000	0	0
TRANSFER TO CONVENTION CENTER	1,425,730	1,516,177	1,466,214	1,483,575
TRANSFER TO VEHICLE TRUST	0	0	488,000	488,000
TRANSFER TO CAPITAL CONSTRUCTION	1,000,000	1,737,430	2,000,000	2,000,000
TOTAL EXPENDITURES	\$ 9,539,048	\$ 9,929,601	\$ 10,623,693	\$ 10,689,608
TOTAL TOWN CONTRIBUTION	\$ 9,539,048	\$ 9,929,601	\$ 10,623,693	\$ 10,689,608

ENTERPRISE FUNDS

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

WATER FUND

The Water Fund operates three water treatment plants that combined produce approximately 1.1 billion gallons of potable water annually. With 7 towers and 1 booster pump station, the fund delivers water to 7,121 metered connections through 150 miles of distribution lines. Additional connections to 847 fire hydrants are also provided utilizing the Supervisory Control and Data Acquisition System (SCADA). The system can be monitored and controlled from various locations. All treatment processes are monitored and necessary adjustments made, by licensed operators that meet and maintain both State and Federal standards.

WASTEWATER FUND

The Wastewater Department is responsible for maintaining over 152 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 Transit System including Para-Transit Service and Boardwalk Trams. Ocean City's Transit System services routes on Coastal Highway and from the West Ocean City Park & Ride with a stop at the Tanger Outlet Center. Para Transit Service is offered to ADA eligible clients and follows the same routes, schedules and fare structures as our bus service. Express shuttle service is also offered for select special events. The fare increased to "three-dollars-ride-all-day", or one dollar per boarding in January, 2011. The Boardwalk Trams offer daily service beginning Memorial Day weekend and ending on Labor Day. Service begins at 11 a.m. and ends at midnight. Tram service is also available for select special events.

ENTERPRISE FUNDS (CONTINUED)

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 available at the Airport include aircraft fueling, storage, maintenance and pilot training. On-Airport businesses also provide other services such as sightseeing, aerial photography, aircraft rental, and skydiving. The Ocean City Airport allows the flying public, aviation enthusiasts, tourists, local and international businesses, and government agencies quick and efficient access to Ocean City and Worcester County destinations.

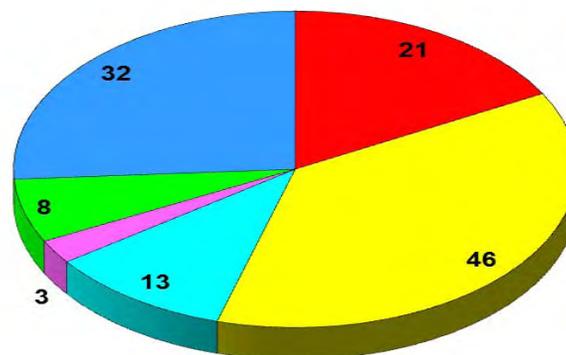
GOLF COURSE FUND

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.

FY 13 Enterprise Fund Full-Time Personnel



■ Water ■ Wastewater ■ Transportation ■ Airport ■ Golf Course ■ Convention Ctr

TOWN OF OCEAN CITY
FISCAL YEAR 2013 BUDGET

WATER FUND

BUDGET HIGHLIGHTS:

REVENUE CHANGES:

In accordance with ordinance 2010-7, the metered rate increased from \$2.95 to \$3.10 per 1,000 gallons, and the fixture rate remained at \$2.60 per equivalent fixture. Both of these changes have been included in the FY 13 budget. Water connection charges are expected to decrease. 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 \$55,440 to fund Water department capital projects. The FY 13 budget requires \$102,808 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. No deductions have been made for Water department wages that are charged to Water capital projects. A bonus of \$1,000 per full-time employee has been included. Interdepartmental labor has been budgeted at \$72,500 for the use of Public Works' manpower. Deductions have been made from Public Works for like amounts. These deductions are \$54,000 lower than the amounts budgeted in FY 12. Health insurance, retiree health insurance and deferred compensation are budgeted to increase in FY 13. Pension contribution decreases significantly for this division. Reductions in unemployment are also anticipated.

CHANGES IN OPERATIONS:

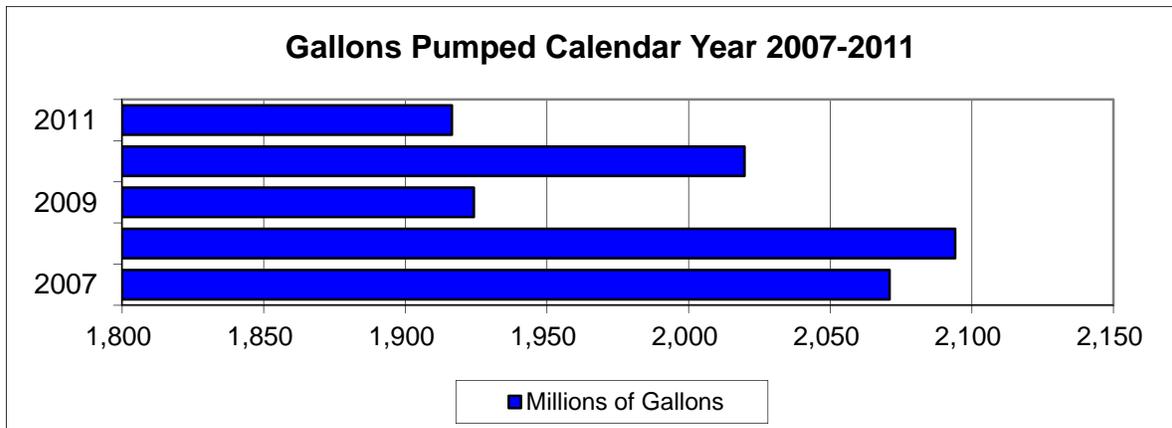
The Contracted Services line item includes professional services, building and equipment maintenance and contracted services. The main item included in this category is the painting and inspection services for the Gorman Avenue water tower, which is budgeted at \$500,000. Plant building maintenance decreases \$101,033 from FY 12, but still includes \$150,000 for a replacement Dezurik valve at 15th street plant and \$35,000 to replace the actuators on the 15th street backwash tanks. Other items included in this line item are a Distribution system valve locate and exercise program, budgeted at \$85,000 and \$50,000 to tear down the 66th Street Water Tower. Routine equipment maintenance, such as well maintenance, has also been included in this category and totals \$175,200. Professional Services, which include engineering services and tank painting inspection services are budgeted at \$136,511. Part of this cost is a pilot study to determine the best chemical to reduce total trihalomethanes, which has been budgeted at a cost of \$41,000. Costs for Supplies and Materials are expected to increase in FY 13. Water chemicals are expected to increase 25,000, and are budgeted at \$216,435. Supplies for repairs to water pipes, fire hydrants and valves are included at \$110,000. A wall mount chlorine, PH and turbidity analyzer has been budgeted at \$30,000. Energy costs are expected to be higher than the amount budgeted for FY 12. Vehicle fuel has been budgeted at the average number of gallons used for the past three years and is anticipated to increase in cost per gallon. In addition, rates charged for vehicle labor have been increased. Intragovernmental expenses reflect reductions in the allocations for General Overhead, Insurance, and IT and an increase in Vehicle Lease. Debt Service costs decrease. Transfer to capital projects includes \$175,000 for water main upgrades, \$375,000 for St. Louis Avenue water main, \$395,000 for 51st Street Production Well and \$110,000 for equipment needed to lower total trihalomethanes. A replacement chlorine hoist has been budgeted in capital outlay.

MAJOR 2012-2013 PROGRAM OBJECTIVES:

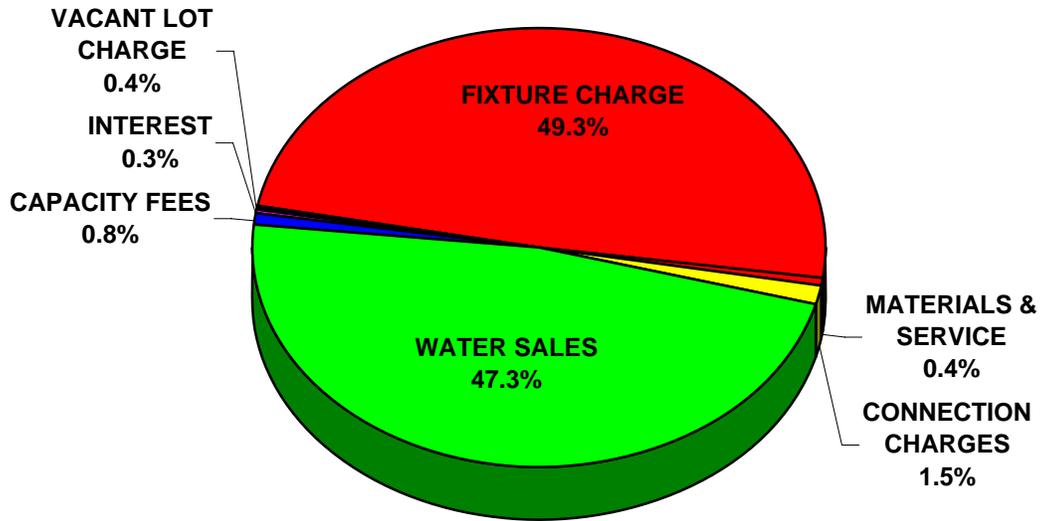
The major objective of the Water Fund is to maintain its current level of service while continuing to reevaluate the operation of the water system to increase efficiency wherever possible. This goal will be achieved by maintaining infrastructure through improvement and/or replacement, and through the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

FISCAL YEAR 2013 BUDGET
WATER FUND

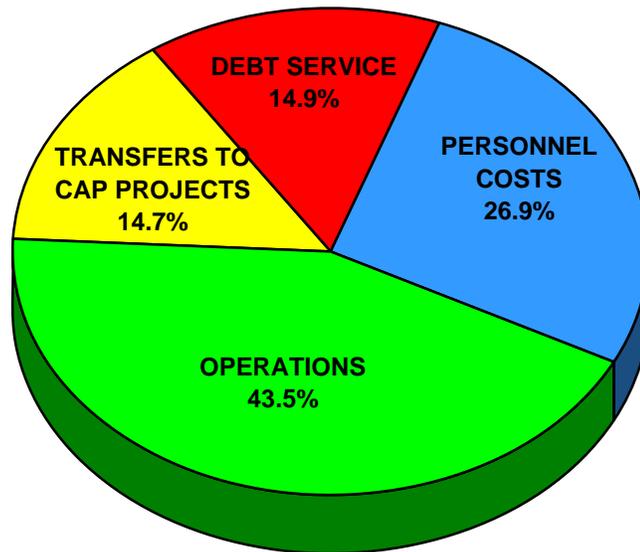
EXPENDITURES	ACTUAL 2011	REVISED 2012	CITY MANAGER PROPOSED 2013	COUNCIL ADOPTED 2013
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 1,094,344	\$ 1,212,625	\$ 1,215,390	\$ 1,237,390
EMPLOYEE BENEFITS	682,833	676,246	687,556	689,380
	<u>1,777,177</u>	<u>1,888,871</u>	<u>1,902,946</u>	<u>1,926,770</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	1,426,470	1,285,538	1,377,246	1,377,246
SUPPLIES & MATERIALS	312,027	451,416	477,586	477,586
ENERGY	397,351	391,000	425,000	425,000
VEHICLE SUPPLIES & REPAIR	121,019	126,220	141,709	142,071
INTRAGOVERNMENTAL	839,120	832,523	697,990	699,195
	<u>3,095,987</u>	<u>3,086,697</u>	<u>3,119,531</u>	<u>3,121,098</u>
OTHER FINANCIAL USES:				
DEBT SERVICE	1,397,153	1,385,980	1,063,051	1,068,885
TRANSFER TO RESERVES	0	0	0	0
TRANSFER TO CAP PROJECTS	1,092,841	782,981	1,055,000	1,055,000
CAPITAL OUTLAY	1,715	0	10,000	10,000
	<u>2,491,709</u>	<u>2,168,961</u>	<u>2,128,051</u>	<u>2,133,885</u>
TOTAL EXPENDITURES	\$ <u>7,364,873</u>	\$ <u>7,144,529</u>	\$ <u>7,150,528</u>	\$ <u>7,181,753</u>
LESS REVENUE GENERATED BY DEPARTMENT				
WATER SALES	(2,823,734)	(3,177,023)	(3,349,934)	(3,349,934)
WATER FIXTURE CHARGE	(3,760,625)	(3,487,042)	(3,486,777)	(3,486,777)
CAPACITY FEES	(36,291)	(27,720)	(55,440)	(55,440)
INTEREST	(78,759)	(26,000)	(20,000)	(20,000)
WATER VACANT LOT CHARGE	(31,458)	(29,266)	(29,702)	(29,702)
WATER CONNECTION CHARGES	(35,952)	(157,092)	(107,092)	(107,092)
SALES - MATERIALS & SERVICE	(48,733)	(22,000)	(30,000)	(30,000)
	<u>(6,815,552)</u>	<u>(6,926,143)</u>	<u>(7,078,945)</u>	<u>(7,078,945)</u>
REVENUE (OVER)/UNDER EXPENDITURES	\$ <u>549,321</u>	\$ <u>218,386</u>	<u>71,583</u>	\$ <u>102,808</u>

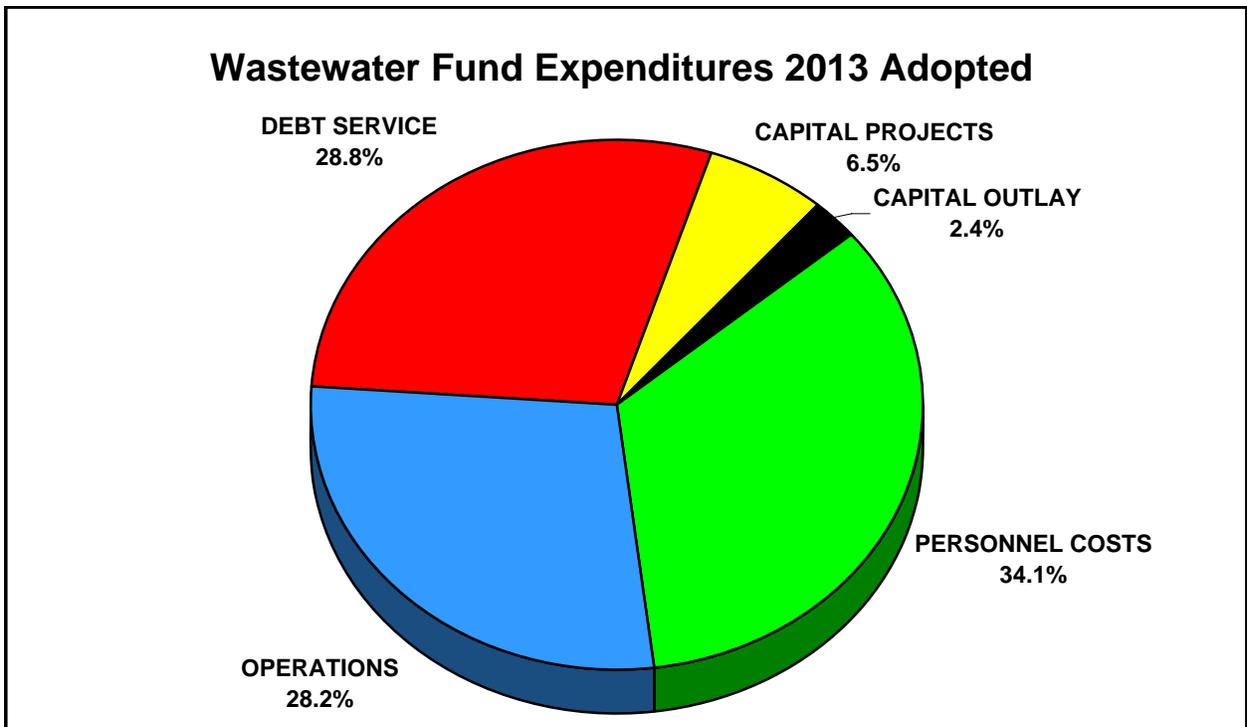
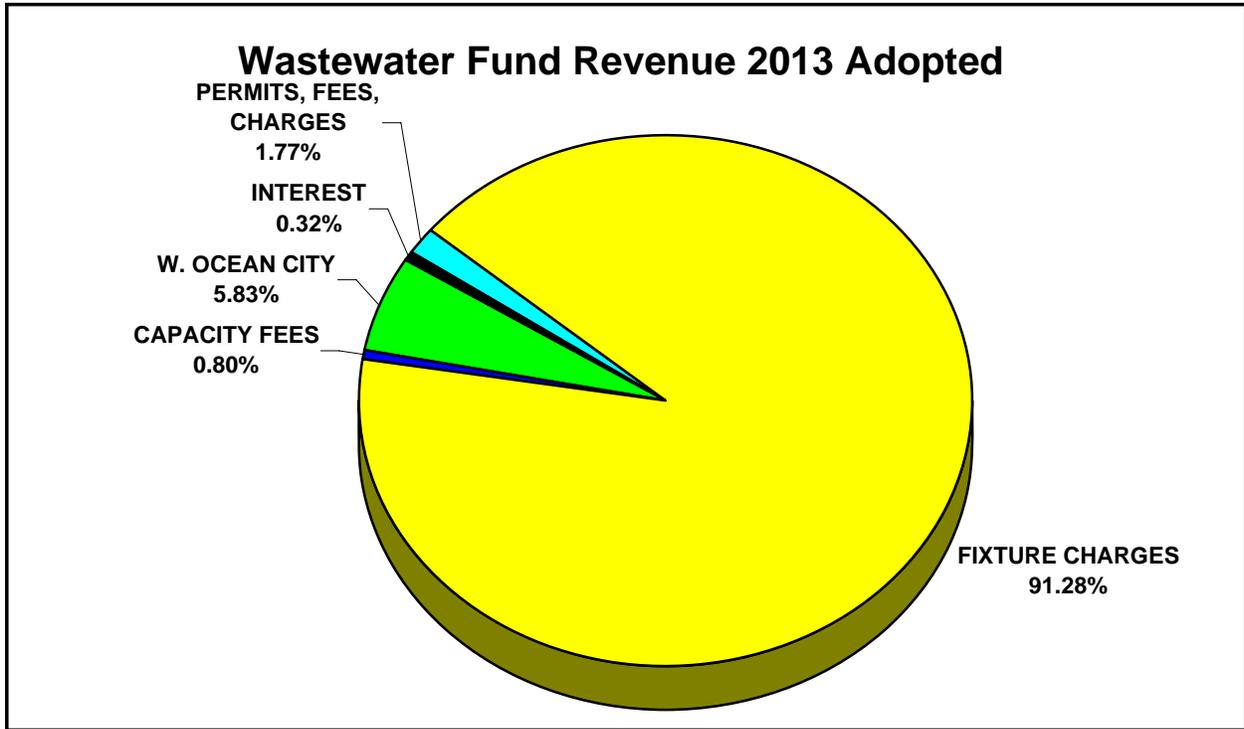


Water Fund Revenue 2013 Adopted



Water Fund Expenditures 2013 Adopted





TOWN OF OCEAN CITY
FISCAL YEAR 2013 BUDGET

WASTEWATER FUND

BUDGET HIGHLIGHTS:

REVENUE CHANGES:

In accordance with Resolution 2010-7, the wastewater rates for wastewater service increased from \$7.95 to \$8.20 per quarter. This increase generates an additional \$337,383 in revenue. Capacity fees are based on new capacity and are expected to generate \$96,800 in FY 13. Capacity fees are used to fund Wastewater department capital projects. Service to West Ocean City is expected to remain constant. Federal Government grants include the Build America Bond interest subsidy. It is necessary to take \$101,226 from Wastewater fund balance in FY 13.

PERSONNEL CHANGES:

Forty-six 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. In FY 13, the part-time lab position has been converted back to a full-time position. A bonus of \$1,000 per full-time employee has been included. No cost of living and no annual increments have been included. Increases in Group health insurance and pension have been partially offset with reductions in retiree health insurance.

CHANGES IN OPERATIONS:

Contracted Services include \$508,554 in building and equipment maintenance costs. Most of this cost is routine plant maintenance, but \$34,000 has been included to replace the roof on the Flow Equalization building. Plant equipment maintenance has been budgeted at \$266,250. Tipping fees have been budgeted at \$327,000, an increase of \$167,430 over FY 12. Tipping fees for the disposal of biosolids, \$225,000, and for the disposal of grit, \$65,000, have been included. 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 decrease \$41,783 from FY 12. Approximately \$409,700 of this line item is budgeted to purchase chemicals for wastewater treatment. Energy costs have been budgeted to increase. Vehicle fuel costs are expected to increase in this division, and are offset by reductions in vehicle parts. Intragovernmental allocations for IT Services, Insurance, and General Overhead expense decrease. Vehicle lease payments increase for FY 13. Debt service in FY 13 reflects the principal and interest for bonds issued in 2005, 2007, 2009, and 2010 and the interest for the 2012 bond issue. Capital outlay includes \$300,000 to replace a Fournier press. Transfer to capital projects includes \$800,000 for sewer main upgrades.

SUMMARY COMMENTS:

The 2012 bond issue includes funding for pumping stations at Caine Woods, Old Landing Road and 28th Street, a clarigester upgrade, pump upgrades for the winter influent pumps and the St. Louis avenue sewer main.

TOWN OF OCEAN CITY
FISCAL YEAR 2013 BUDGET
WASTEWATER FUND

EXPENDITURES	ACTUAL 2011	REVISED 2012	CITY MANAGER PROPOSED 2013	COUNCIL ADOPTED 2013
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 2,462,331	\$ 2,502,517	\$ 2,554,151	\$ 2,599,151
EMPLOYEE BENEFITS	1,499,864	1,585,498	1,596,968	1,600,614
	<u>3,962,195</u>	<u>4,088,015</u>	<u>4,151,119</u>	<u>4,199,765</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	958,836	1,105,226	1,123,278	1,123,278
SUPPLIES & MATERIALS	599,744	640,615	598,832	598,832
ENERGY	614,237	545,500	595,000	595,000
VEHICLE SUPPLIES & REPAIR	155,923	233,229	185,409	185,926
INTRAGOVERNMENTAL	1,006,291	1,039,520	972,249	973,634
	<u>3,335,031</u>	<u>3,564,090</u>	<u>3,474,768</u>	<u>3,476,670</u>
OTHER FINANCIAL USES:				
DEBT SERVICE	2,729,704	3,119,747	3,624,313	3,555,417
TRANSFER TO RESERVES	0	0	0	0
TRANSFER TO CAPITAL PROJECTS	7,410,352	1,701,595	800,000	800,000
CAPITAL OUTLAY	323,343	94,589	300,000	300,000
	<u>10,463,399</u>	<u>4,915,931</u>	<u>4,724,313</u>	<u>4,655,417</u>
TOTAL EXPENDITURES	\$ <u>17,760,625</u>	\$ <u>12,568,036</u>	\$ <u>12,350,200</u>	\$ <u>12,331,852</u>
LESS REVENUE GENERATED BY DEPARTMENT				
FIXTURE CHARGES	(10,321,116)	(10,704,484)	(11,041,867)	(11,041,867)
INTEREST	(33,816)	(35,000)	(33,000)	(33,000)
VACANT LOT CHARGE	(33,820)	(34,894)	(36,557)	(36,557)
CONNECTION CHARGES	(6,000)	(10,000)	(5,000)	(5,000)
SALES - MATERIALS & SERVICES	(7,598)	(2,007)	(8,000)	(8,000)
SERVICE TO WEST OCEAN CITY	(747,158)	(704,610)	(705,014)	(705,014)
PLUMBING PERMITS	(68,248)	(55,000)	(60,000)	(60,000)
LAB FEES	(83,478)	(89,750)	(100,007)	(100,007)
CAPACITY FEES	(63,395)	(48,400)	(96,800)	(96,800)
INTEREST EARNED ON INVESTMENTS	(7,841)	(5,000)	(6,000)	(6,000)
FEDERAL GOVERNMENT GRANTS	(56,054)	0	(133,381)	(133,381)
MISCELLANEOUS	(10,000)	(5,000)	(5,000)	(5,000)
PROCEEDS OF LONG TERM DEBT	(7,174,995)	0	0	0
	<u>(18,613,519)</u>	<u>(11,694,145)</u>	<u>(12,230,626)</u>	<u>(12,230,626)</u>
REVENUE (OVER)/UNDER EXPENDITURES	\$ <u>(852,894)</u>	\$ <u>873,891</u>	\$ <u>119,574</u>	\$ <u>101,226</u>

Fixture Charge	7.60	7.95	8.20
Vacant Lot	17.80	18.60	19.20

**TOWN OF OCEAN CITY
FISCAL YEAR 2013 BUDGET**

TRANSPORTATION FUND

BUDGET HIGHLIGHTS:

REVENUE CHANGES:

In February 2011, bus fare was increased from \$2 ride-all-day to \$3 ride-all-day, or \$1 per boarding, resulting in an increase in estimated bus revenue. Although FY 13 revenue appears to decrease from FY 12, the FY 12 budgeted amount will not be met. An increase of roughly \$200,000 has been included for FY 13. Tram fare will continue to be \$3.00 one-way seven days a week. \$1,045,051 is projected for tram revenue for FY 13. Advertising on the trams has been estimated at \$28,000. Direct Media has estimated that bus advertising will increase to \$245,000 in FY 13. 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. A bonus of \$1,000 per full-time employee has been included. Budgeted hours for money room account clerks have been increased in FY 13. Part-time hours for the bus division and the tram division remain the same. Budgeted hours for the operation of the medical transport program have also been included. In the Employee benefits category, increases in health insurance and pension contribution are offset by anticipated reductions in unemployment. Unemployment accounts for \$577,000 of the Employee Benefits line item for FY 13, which is a \$69,000 reduction from the FY 12 budgeted amount.

OPERATIONAL CHANGES:

Contracted Services decrease in FY 13. Printing of bus tickets and coupon books have been included at a cost of \$10,000. Building maintenance for the transit centers and tram buildings has increased slightly and includes repair of the canopy and frame at the north end and replacement of the fence at the south end. Payment to the Public Service Commission is no longer necessary, saving the Town \$7,400 annually. Operational Supplies increase slightly and include two LED bus sign programmers. Energy costs decrease. Vehicle fuel is a major expense for this department and has been budgeted at \$884,317, an increase of nearly \$24,000. Vehicle labor rates charged by the Service Center have been increased for FY 13 and affects this division by an estimated \$108,493. Grant funds in the amount of \$500,000 have been requested to offset this cost. Intragovernmental expenses increase as the allocation for Vehicle lease and IT Services increase. Vehicle Lease increases as we are now paying lease amounts for the new buses purchased within the last year. The buses they replaced were being charged a minimal vehicle lease. General Overhead expense and the allocation for insurance decrease for this division. Capital Outlay includes: bus barn design and engineering, \$1,250,000; bus barn roof replacement, \$100,000; passenger shelters and parts, \$50,000, and maintenance on the Park and Ride and the North End Transit Center, \$130,000. 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.

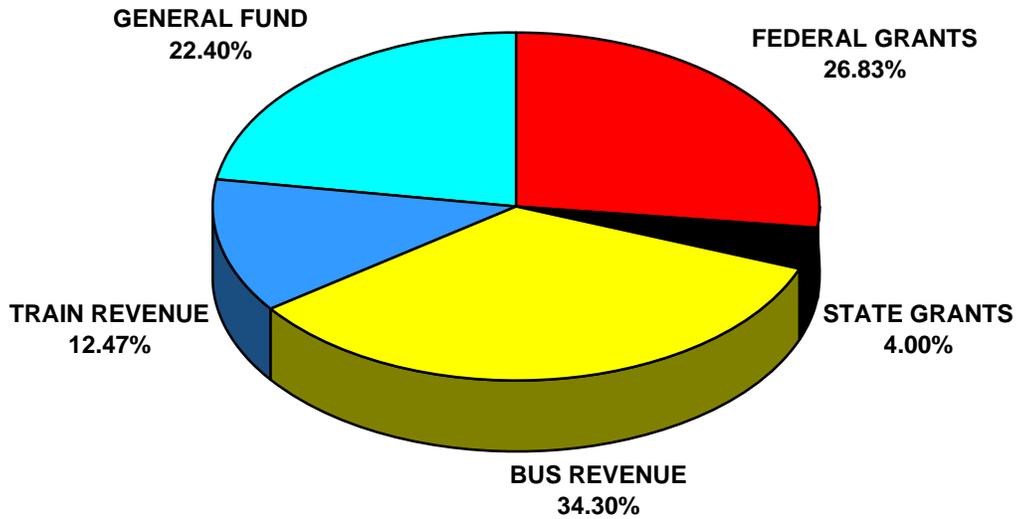
SUMMARY COMMENTS:

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.

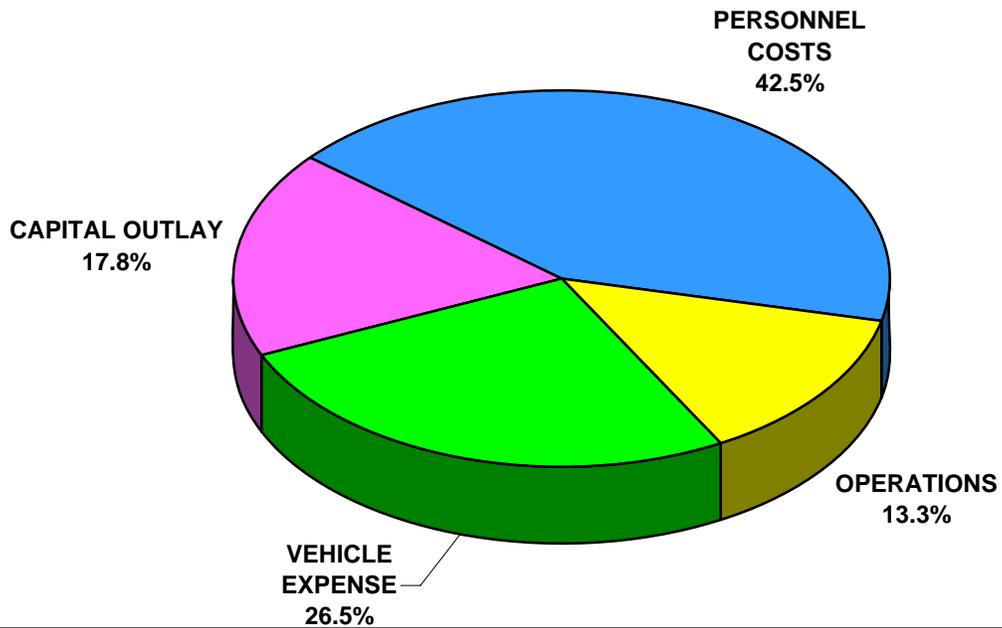
TOWN OF OCEAN CITY
FISCAL YEAR 2013 BUDGET
TRANSPORTATION FUND

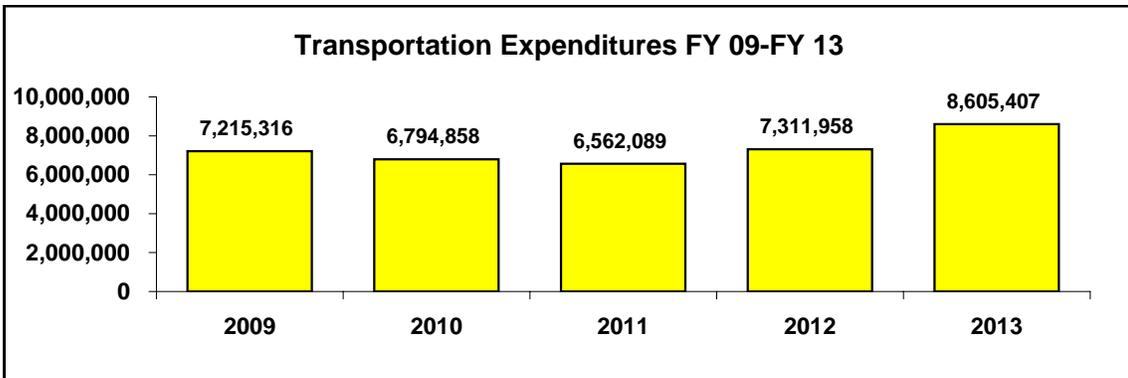
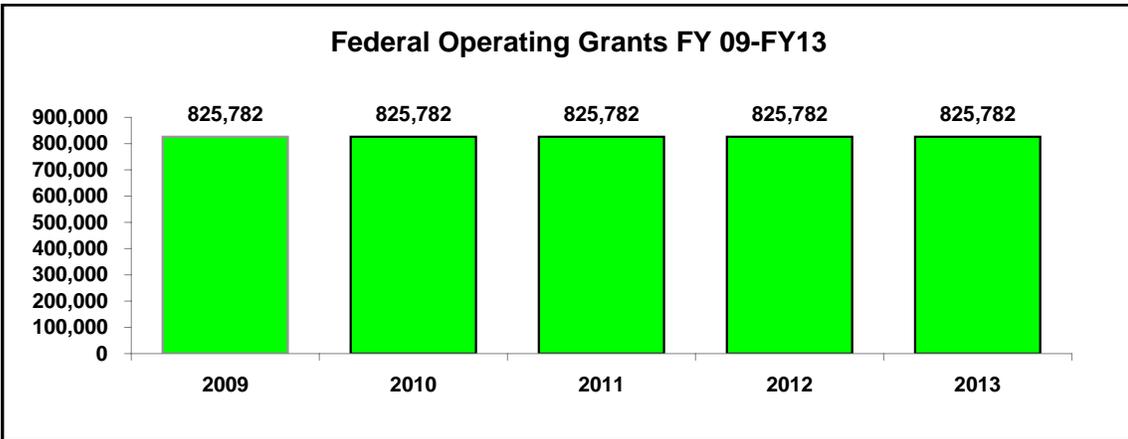
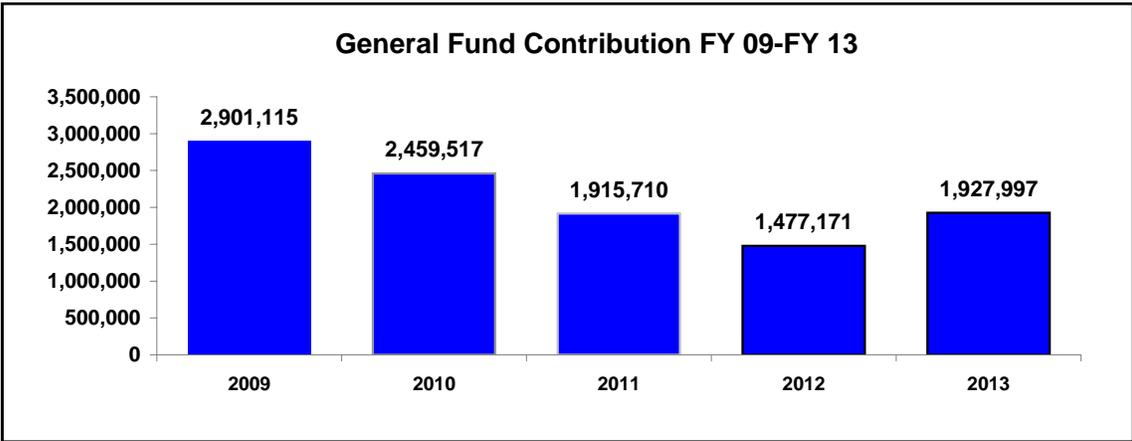
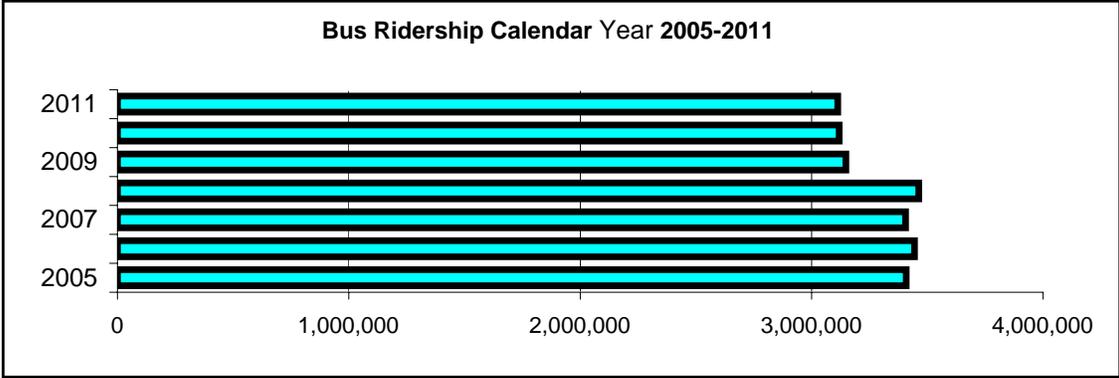
EXPENDITURES	ACTUAL 2011	REVISED 2012	CITY MANAGER PROPOSED 2013	COUNCIL ADOPTED 2013
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 2,339,742	\$ 2,527,844	\$ 2,528,767	\$ 2,541,767
EMPLOYEE BENEFITS	<u>1,044,991</u>	<u>1,136,723</u>	<u>1,110,610</u>	<u>1,111,984</u>
	3,384,733	3,664,567	3,639,377	3,653,751
OPERATING EXPENSES:				
CONTRACTED SERVICES	73,125	92,847	86,429	86,429
SUPPLIES & MATERIALS	46,706	59,470	63,938	61,738
ENERGY	70,520	73,250	72,000	72,000
VEHICLE SUPPLIES & REPAIR	2,045,884	2,108,577	2,267,871	2,277,435
INTRAGOVERNMENTAL	<u>783,411</u>	<u>863,074</u>	<u>923,558</u>	<u>924,054</u>
	3,019,646	3,197,218	3,413,796	3,421,656
OTHER FINANCIAL USES:				
DEBT SERVICE	0	0	0	0
TRANSFER OUT	0	0	0	0
CAPITAL OUTLAY	<u>157,710</u>	<u>450,173</u>	<u>1,530,000</u>	<u>1,530,000</u>
	<u>157,710</u>	<u>450,173</u>	<u>1,530,000</u>	<u>1,530,000</u>
TOTAL EXPENDITURES	\$ <u>6,562,089</u>	\$ <u>7,311,958</u>	\$ <u>8,583,173</u>	\$ <u>8,605,407</u>
LESS REVENUE GENERATED BY DEPARTMENT				
BUS REVENUE	(2,315,531)	(2,819,619)	(2,706,377)	(2,706,377)
TRAIN REVENUE	(1,054,535)	(1,028,400)	(1,073,051)	(1,073,051)
BUS ADVERTISING	(190,898)	(170,000)	(245,000)	(245,000)
INTEREST ON INVESTMENTS	(520)	(500)	(200)	(200)
INSURANCE CLAIM PAYMENTS	(3,575)	0	0	0
PRIOR YEAR RESERVES	(108,058)	(19,596)	0	0
CAPITAL GRANT - FEDERAL	(136,441)	(876,898)	(1,624,000)	(1,624,000)
CAPITAL GRANT - STATE	(11,039)	(93,992)	(203,000)	(203,000)
ADA GRANT - STATE	(110,000)	(110,000)	(110,000)	(110,000)
OPERATING GRANT - FEDERAL	(685,657)	(684,657)	(684,657)	(684,657)
OPERATING GRANT - STATE	<u>(30,125)</u>	<u>(31,125)</u>	<u>(31,125)</u>	<u>(31,125)</u>
	<u>(4,646,379)</u>	<u>(5,834,787)</u>	<u>(6,677,410)</u>	<u>(6,677,410)</u>
TOWN CONTRIBUTION	\$ <u>1,915,710</u>	\$ <u>1,477,171</u>	\$ <u>1,905,763</u>	\$ <u>1,927,997</u>

Transportation Fund Revenue 2013 Adopted



Transportation Fund Expenditures 2013 Adopted





TOWN OF OCEAN CITY
FISCAL YEAR 2013 BUDGET

AIRPORT FUND

BUDGET HIGHLIGHTS:

REVENUE CHANGES:

FY 11 included 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. FY 13 includes supplemental funding for the design of runway 14/32. Anticipated fuel sales are based on the average number of gallons sold for the past four years. Although the number of gallons is expected to remain constant, a fuel price increase is anticipated. Rental revenue increases as hangar rates are being increased slightly. Land rent to the Lion's Club will remain at \$3,600. Greater usage of the concrete crushing operation has been anticipated, resulting in an increase in Service Charge revenue. Funds that have been accumulating from the concrete crushing operation will be used to offset General Fund contribution in FY 13 and are shown as "Prior Year Surplus."

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. In FY 12, a settlement requiring payment of past wages was made, increasing the part-time wages in that fiscal year. Premium overtime costs have been reduced for FY 13. A bonus of \$1,000 per full-time employee has been included. No cost of living adjustments and no annual increments have been included. Anticipated increases in funding for group insurance and pension have been partially offset by reductions in unemployment.

CHANGES IN OPERATIONS:

Contracted Services include professional services, building and equipment maintenance, credit card fees and other services. In FY 12, \$100,000 was included for the replacement of the terminal building roof and other building maintenance items. Painting of the above ground fuel tanks has been included in FY 13 at a cost of \$24,050. Concrete crushing has been included at \$60,000. Mowing of the fields surrounding the airport and detail mowing around the terminal building has been included at a cost of \$19,250. 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 \$585,140 for the coming year. Energy costs have been budgeted to decrease slightly. Included in Vehicle Supplies and Repair for FY 12 was a replacement boom mower attachment that was partially funded by a grant. FY 13 includes routine costs. Debt Service reflects debt service for Hangar J construction. Transfer to Capital Projects includes supplemental funding for the design of runway 14/32. This cost is offset by \$427,500 in state and federal grants. No capital outlay has been included for this division.

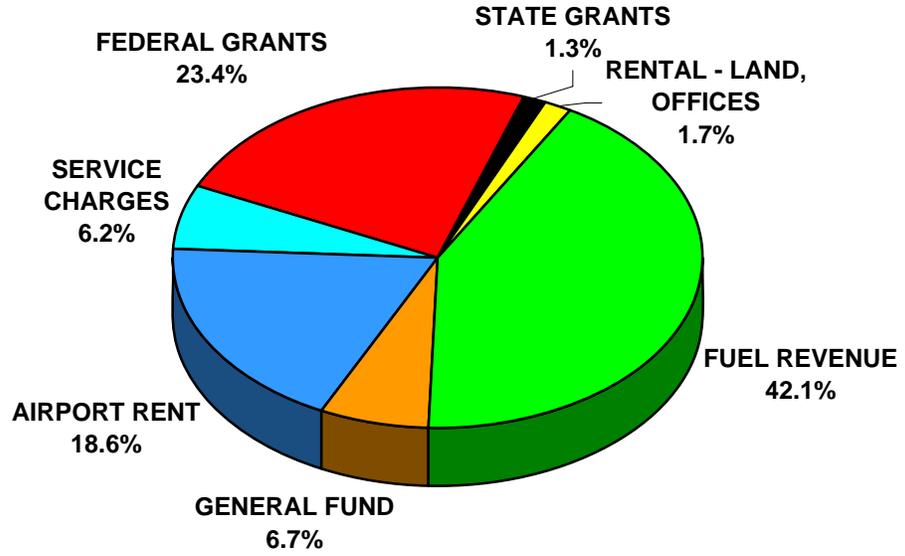
SUMMARY COMMENTS:

The General Fund subsidy is budgeted at \$116,976 for FY 2013. This is a reduction of \$224,265. The Town's \$22,500 local match for the capital projects listed above is part of this cost. Also included is additional funding for past Airport projects due to a ratio change requiring our funding to be 5%, rather than 2.5%.

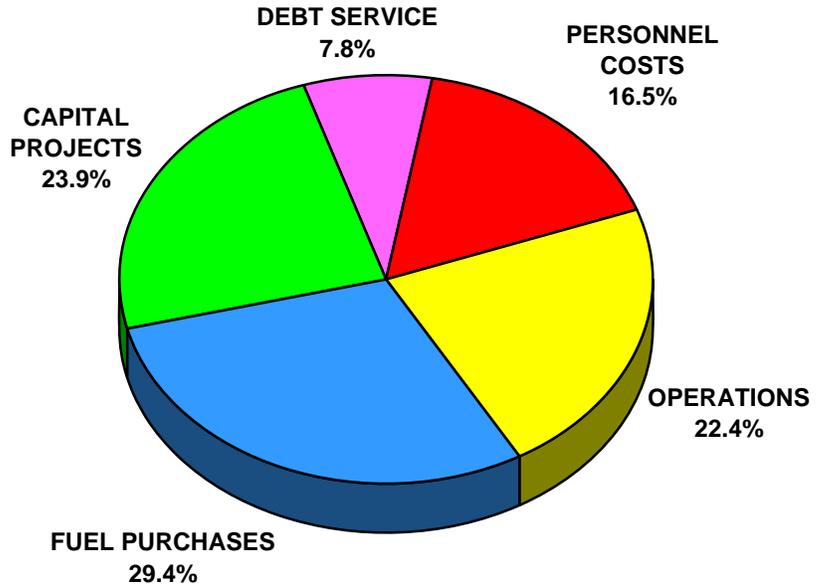
TOWN OF OCEAN CITY
FISCAL YEAR 2013 BUDGET
AIRPORT FUND

EXPENDITURES	ACTUAL 2011	REVISED 2012	CITY MANAGER PROPOSED 2013	COUNCIL ADOPTED 2013
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 221,924	\$ 227,145	\$ 205,840	\$ 208,840
EMPLOYEE BENEFITS	78,909	82,663	102,623	102,855
	<u>300,833</u>	<u>309,808</u>	<u>308,463</u>	<u>311,695</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	151,262	343,291	213,943	213,943
SUPPLIES & MATERIALS	490,781	610,025	607,885	607,885
ENERGY	36,083	35,000	35,000	35,000
VEHICLE SUPPLIES & REPAIR	15,327	23,525	16,639	16,684
INTRAGOVERNMENTAL	106,364	106,055	102,199	102,317
	<u>799,817</u>	<u>1,117,896</u>	<u>975,666</u>	<u>975,829</u>
OTHER FINANCIAL USES:				
DEBT SERVICE	144,474	146,029	146,082	146,082
TRANSFER TO CAPITAL PROJECTS	160,805	450,000	450,000	450,000
CAPITAL OUTLAY	400,000	0	0	0
	<u>705,279</u>	<u>596,029</u>	<u>596,082</u>	<u>596,082</u>
TOTAL EXPENDITURES	<u>\$ 1,805,929</u>	<u>\$ 2,023,733</u>	<u>\$ 1,880,211</u>	<u>\$ 1,883,606</u>
LESS REVENUE GENERATED BY DEPARTMENT				
FUEL REVENUE	(630,649)	(692,150)	(729,600)	(729,600)
RENT REVENUES	(276,602)	(304,306)	(322,744)	(322,744)
RENTAL - LAND, OFFICE SPACE	(28,515)	(28,566)	(28,686)	(28,686)
FEDERAL GRANTS	(370,403)	(427,500)	(405,000)	(405,000)
STATE GRANTS	(9,762)	(20,251)	(22,500)	(22,500)
SERVICE CHARGES	(94,796)	(116,850)	(108,000)	(108,000)
INSURANCE CLAIM PAYMENTS	(3,735)	0	0	0
INTEREST ON ACCOUNTS	(178)	0	0	0
INTEREST ON INVESTMENTS	(578)	(400)	(100)	(100)
PRIOR YEAR SURPLUS	0	(92,469)	(150,000)	(150,000)
	<u>(1,415,218)</u>	<u>(1,682,492)</u>	<u>(1,766,630)</u>	<u>(1,766,630)</u>
TOTAL TOWN CONTRIBUTION	<u>\$ 390,711</u>	<u>\$ 341,241</u>	<u>\$ 113,581</u>	<u>\$ 116,976</u>

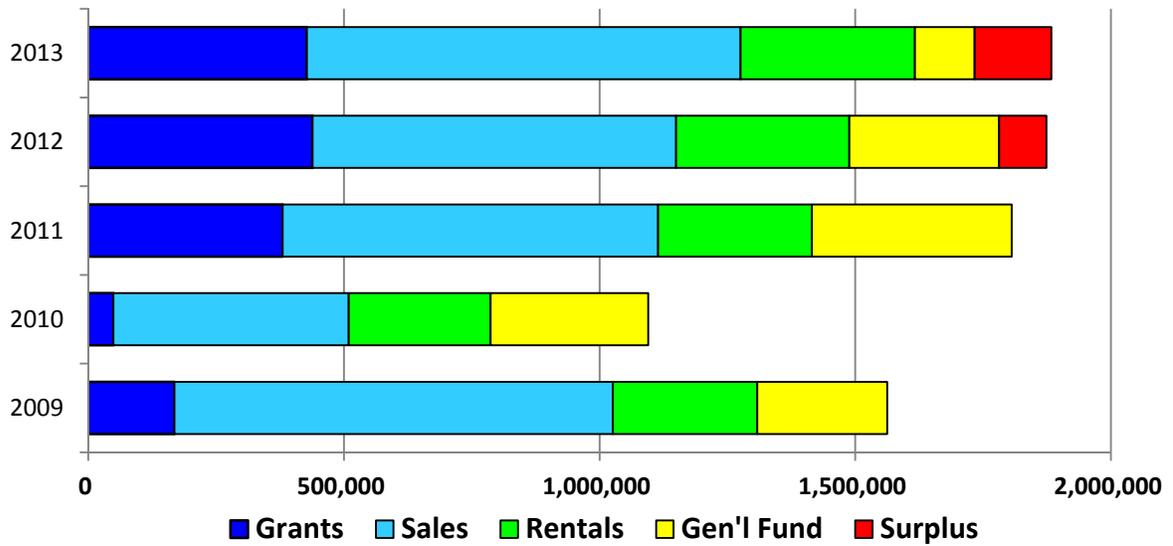
Airport Fund Revenues 2013 Adopted



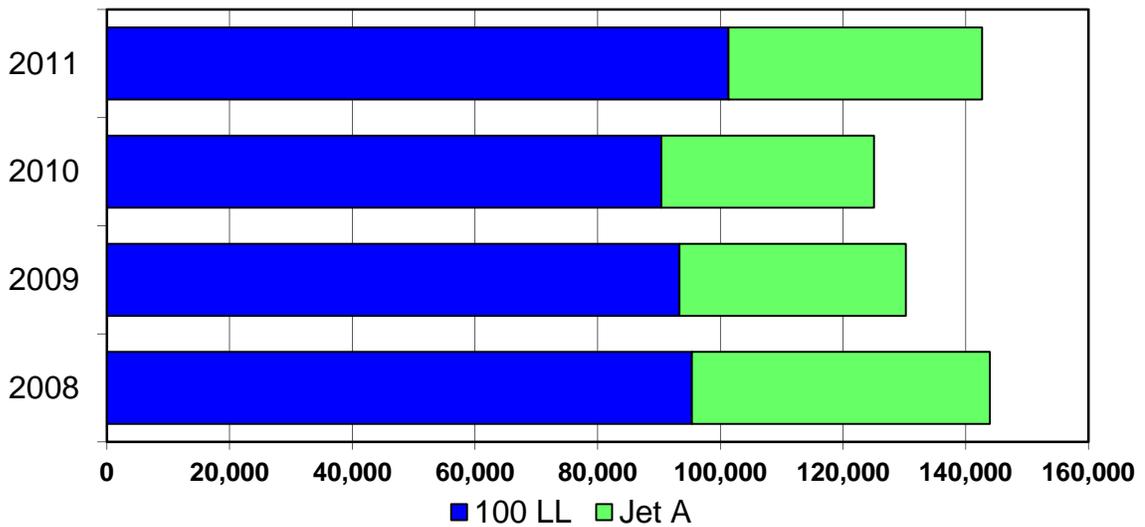
Airport Fund Expenditures 2013 Adopted



Airport Revenue by Type FY 09 - FY 13



Gallons of Fuel Sold FY 08 - FY 11



**TOWN OF OCEAN CITY
FISCAL YEAR 2013 BUDGET**

GOLF COURSE FUND

BUDGET HIGHLIGHTS:

REVENUE CHANGES:

No fee increases are scheduled for FY 2013. Admissions Tax revenue for Eagle's Landing, previously assigned to the General Fund, was assigned to the Golf Course beginning in FY 10. Increased package rounds are anticipated due to the Town's association with Pam's Golf, increasing the anticipated revenue \$192,445 for FY 13.

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. Increased hours have been budgeted for the part-time horticulturalist and account for the increase in the Salaries and Wages line item. A bonus of \$1,000 per full-time employee has been included, but no cost of living adjustments and no merit increments have been included. Increases in Pension contributions are offset by reductions in health insurance and unemployment. In this division, six of the eight full-time employees have elected coverage under the HMO health plan.

CHANGES IN OPERATIONS:

Contracted Services include building & equipment maintenance and golf cart rental, advertising and credit card fees. The FY 12 budget included \$14,500 for clubhouse maintenance and \$18,000 for replacement carpet. The FY 13 budget includes \$12,000 for kitchen improvements. Greater Ocean City Golf Association fees have been budgeted at \$36,000. Advertising has been budgeted at \$48,000, the same level as FY 12. In the Maintenance budget, landscaping services included in FY 12 have been eliminated in FY 13. Supplies & Materials for both the operations and maintenance divisions increase. Maintenance supplies are budgeted at \$197,500, which covers all chemicals, fertilizers, irrigation and landscaping supplies for the Golf Course. Purchases for Resale for the Golf Shop and the Golf Concession account for \$216,665 of the amount budgeted for Supplies and Materials. Replacement tables and chairs for the clubhouse have been included at a cost of \$18,000. Energy costs are budgeted to decrease slightly. Vehicle Fuel increases have been offset by reductions in vehicle parts. Intragovernmental allocations for insurance, IT services and General Overhead decrease, while the allocation for Vehicle Lease increases. No capital outlay has been requested.

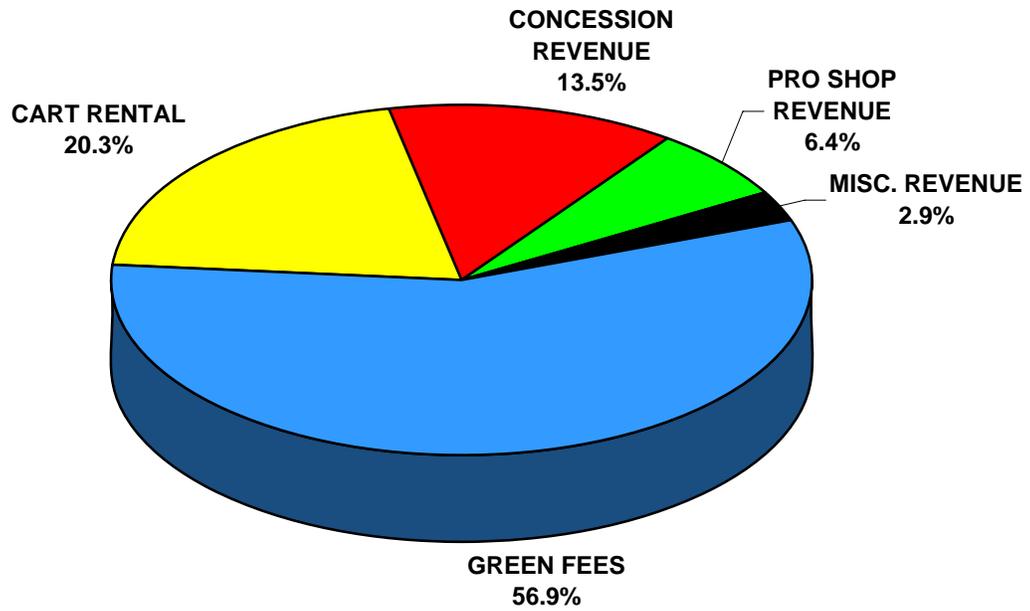
SUMMARY COMMENTS:

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 continuation of the GPS system at the course has sustained 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. In FY 2013, the Golf Course is anticipated to repay the General Fund \$150,758 towards the irrigation pump replacement.

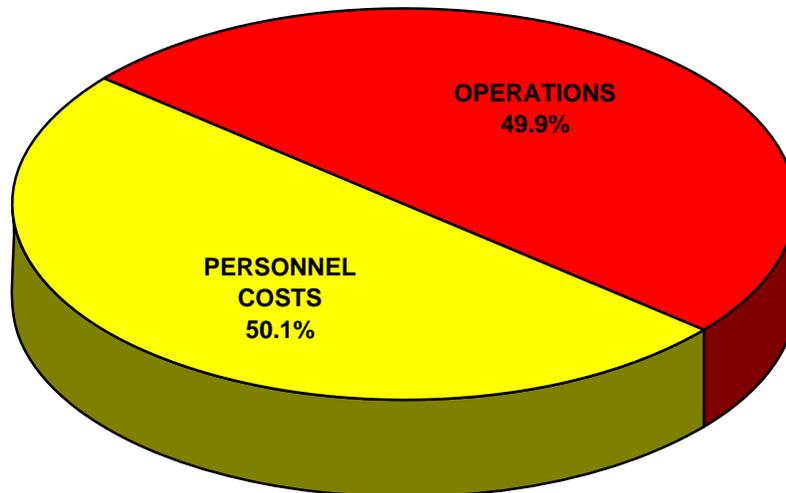
TOWN OF OCEAN CITY
FISCAL YEAR 2013 BUDGET
GOLF COURSE FUND

EXPENDITURES	ACTUAL 2011	REVISED 2012	CITY MANAGER PROPOSED 2013	COUNCIL ADOPTED 2013
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 688,618	\$ 700,842	\$ 700,163	\$ 708,163
EMPLOYEE BENEFITS	313,752	320,266	337,595	338,238
	<u>1,002,370</u>	<u>1,021,108</u>	<u>1,037,758</u>	<u>1,046,401</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	269,888	314,953	300,788	300,788
SUPPLIES & MATERIALS	405,301	424,598	462,065	462,065
ENERGY	45,902	47,500	46,000	46,000
VEHICLE SUPPLIES & REPAIR	41,714	48,929	47,518	47,532
INTRAGOVERNMENTAL	183,367	192,397	185,931	186,233
	<u>946,172</u>	<u>1,028,377</u>	<u>1,042,302</u>	<u>1,042,618</u>
OTHER FINANCIAL USES:				
DEBT SERVICE	0	0	0	0
TRANSFERS OUT	0	0	159,717	150,758
CAPITAL OUTLAY	0	197,847	0	0
	<u>0</u>	<u>197,847</u>	<u>159,717</u>	<u>150,758</u>
TOTAL EXPENDITURES	<u>\$ 1,948,542</u>	<u>\$ 2,247,332</u>	<u>\$ 2,239,777</u>	<u>\$ 2,239,777</u>
LESS REVENUE GENERATED BY DIVISION				
ADMISSIONS TAX	(63,805)	(53,028)	(53,028)	(53,028)
GREEN FEES	(1,083,080)	(1,167,641)	(1,274,373)	(1,274,373)
CART RENTAL	(462,753)	(395,250)	(454,179)	(454,179)
CONCESSION REVENUE	(269,423)	(280,000)	(302,479)	(302,479)
PRO SHOP REVENUE	(131,808)	(135,000)	(143,618)	(143,618)
CLUB RENTAL	(1,468)	(3,802)	(3,700)	(3,700)
TOURNAMENT REVENUE	(2,337)	(3,000)	(3,800)	(3,800)
PULL CART RENTAL	0	(500)	0	0
INTEREST ON INVESTMENTS	(22)	(1,000)	(1,000)	(1,000)
MISCELLANEOUS REVENUE	(8,883)	(3,700)	(3,600)	(3,600)
APPROPRIATED FUND BALANCE	0	(4,411)	0	0
ADVANCE FROM GEN'L FUND	0	(200,000)	0	0
CORPORATE SPONSORSHIPS	0	0	0	0
DISCOUNTS TAKEN	(2,880)	0	0	0
	<u>(2,026,459)</u>	<u>(2,247,332)</u>	<u>(2,239,777)</u>	<u>(2,239,777)</u>
REVENUE (OVER)/UNDER EXPENDITURES	<u>\$ (77,917)</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

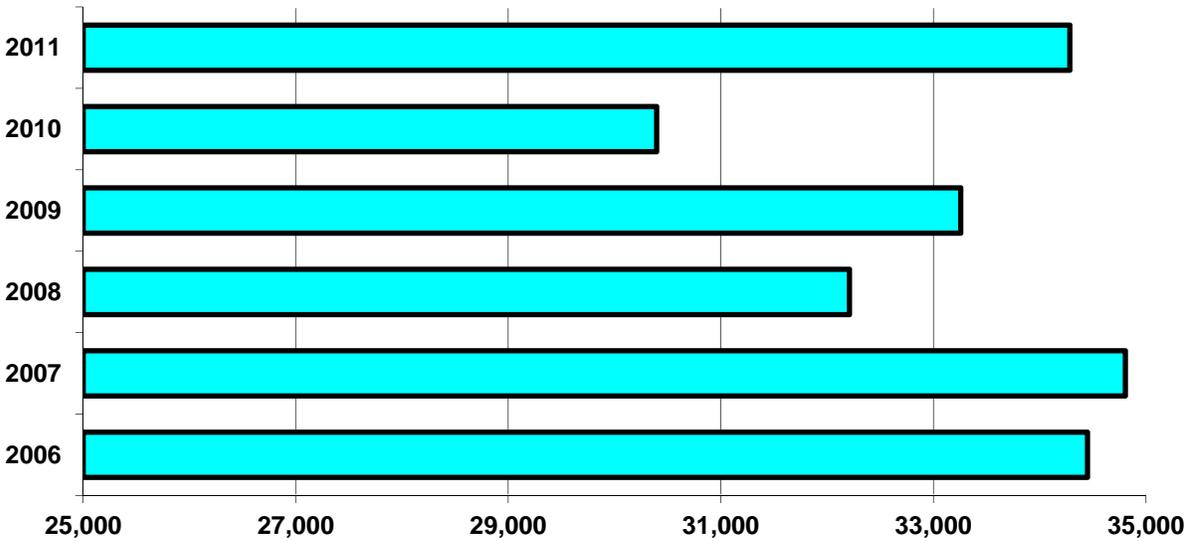
Golf Course Revenue 2013 Adopted



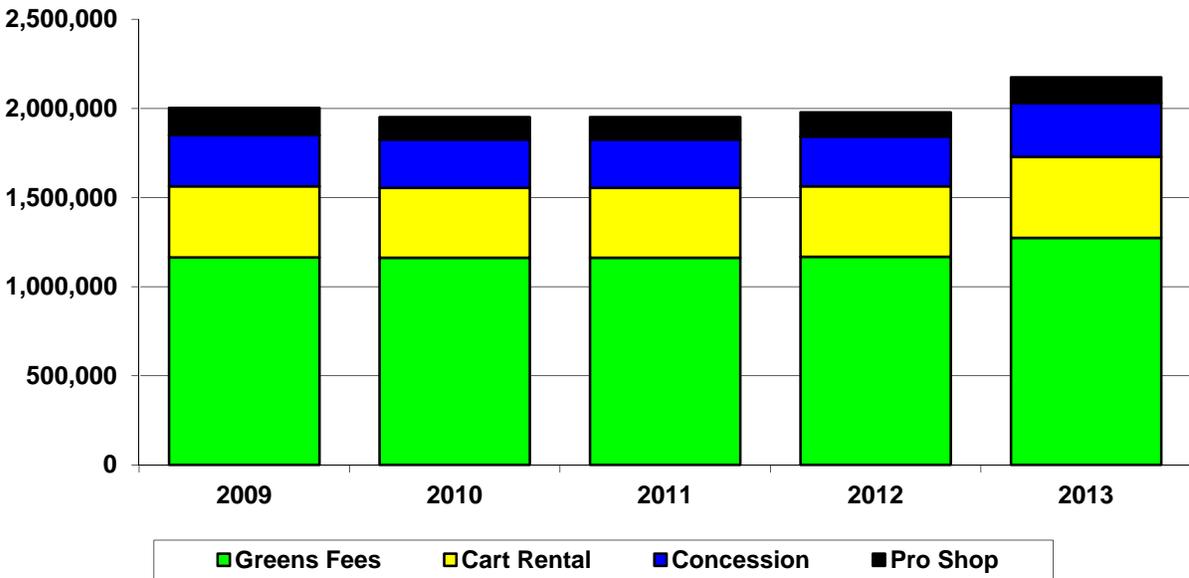
Golf Course Expenditures 2013 Adopted



Eagle's Landing Rounds Played CY 06-CY 11



Source of Revenue FY 2009 - FY 2013



**TOWN OF OCEAN CITY
FISCAL YEAR 2013 BUDGET**

CONVENTION CENTER FUND and MUSEUM

BUDGET HIGHLIGHTS:

REVENUE CHANGES:

Hall Rental is anticipated to increase in FY 13, but will be offset by anticipated reductions in Special Event and Service Charge revenue. Sales/Other reflects membership dues for the Convention & Visitor's Bureau and are expected to increase. 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 \$1,110,000 that will go toward debt retirement in FY 2013. 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, capital funds were 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 \$28,738 each.

PERSONNEL CHANGES:

In this department, the Contract Administrator position was eliminated in FY 12. In FY 12, the duties of the Operations Manager were divided between the Event Manager and the Maintenance Supervisor and a position was eliminated. Since FY 09, eight positions have been eliminated in this division. In FY 13, an Office Associate position will be converted to part-time and a Sales Manager position has been requested. In the Museum division, one employee has been eliminated since FY 09. There are two full-time employees. A bonus of \$1,000 per full-time employee has been included. No annual increments and no cost of living increases have been included. Increased contributions to the pension plan and an increased cost for health insurance have been partially offset by anticipated reductions in unemployment.

CHANGES IN OPERATIONS:

Contracted Services decrease in FY 13. Routine escalator, elevator, HVAC, and equipment repair are budgeted in this category and total \$210,000. Building maintenance accounts for another \$80,445. Travel, credit card fees, carpet cleaning, dry cleaning and advertising are other expenses charged in this line item. Operational supplies include an allowance of \$20,000 to purchase surveillance cameras and \$8,500 for a replacement floor scrubber. This line item includes costs for such items as replacement tables and chairs, supplies to clean and maintain the building, aisle and booth carpet, and landscaping supplies. The Museum's operating expenses decrease \$2,287 overall. Energy costs for the Convention Center are budgeted to decrease. Vehicle fuel and vehicle parts are budgeted to decrease. Intragovernmental expenses decrease as the Risk allocation for property insurance decreases. General Overhead expense for this division also decreases, while Vehicle Lease increases slightly. 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 was included in capital outlay in FY 12. FY 11 capital outlay includes the proceeds from the bond issue for the expansion. No capital outlay has been requested in FY 13.

MAJOR 2012-2013 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 2013 BUDGET
CONVENTION CENTER FUND AND MUSEUM

EXPENDITURES	ACTUAL 2011	REVISED 2012	CITY MANAGER PROPOSED 2013	COUNCIL ADOPTED 2013
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 2,040,449	\$ 1,967,939	\$ 1,889,262	\$ 1,921,262
EMPLOYEE BENEFITS	928,778	936,713	1,044,234	1,046,117
	<u>2,969,227</u>	<u>2,904,652</u>	<u>2,933,496</u>	<u>2,967,379</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	503,252	531,725	516,908	516,908
SUPPLIES & MATERIALS	162,270	242,727	213,473	213,473
ENERGY	526,751	615,000	600,000	600,000
VEHICLE SUPPLIES & REPAIR	18,725	24,618	22,469	22,500
INTRAGOVERNMENTAL	342,325	316,525	294,368	295,177
	<u>1,553,323</u>	<u>1,730,595</u>	<u>1,647,218</u>	<u>1,648,058</u>
OTHER FINANCIAL USES:				
DEBT SERVICE	1,246,573	2,304,265	2,328,310	2,328,310
TRANSFER TO RESERVES	0	100,000	100,000	100,000
CAPITAL OUTLAY	4,870,758	682,000	0	0
	<u>6,117,331</u>	<u>3,086,265</u>	<u>2,428,310</u>	<u>2,428,310</u>
TOTAL EXPENDITURES	<u>\$ 10,639,881</u>	<u>\$ 7,721,512</u>	<u>\$ 7,009,024</u>	<u>\$ 7,043,747</u>

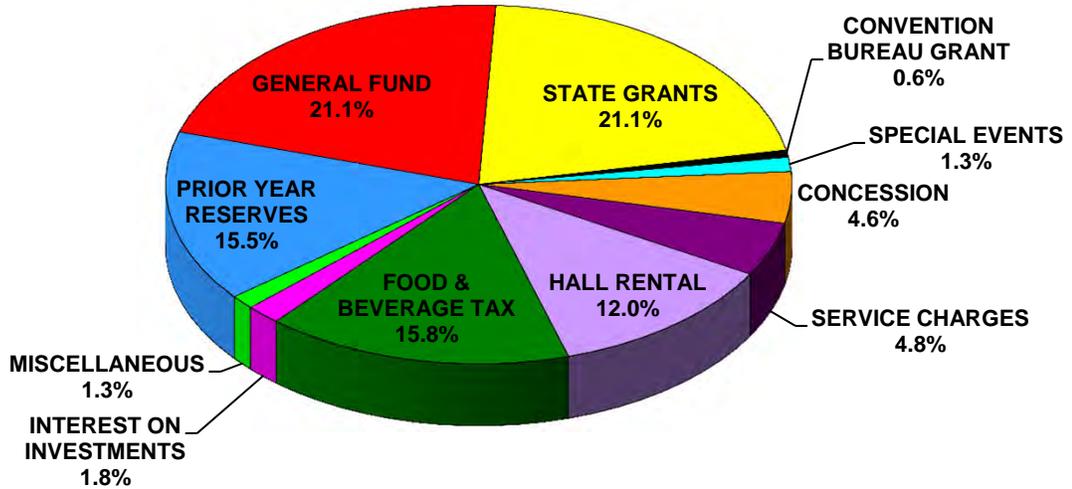
LESS REVENUE GENERATED BY DIVISION

HALL RENTAL REVENUE	(879,844)	(835,000)	(845,000)	(845,000)
SPECIAL EVENT REVENUE	(100,768)	(95,000)	(90,000)	(90,000)
CONCESSION REVENUE	(326,608)	(325,000)	(325,000)	(325,000)
SERVICE CHARGES	(344,933)	(345,000)	(340,000)	(340,000)
BUS PARKING REVENUE	(1,330)	0	0	0
MONTHLY LEASE REVENUE	(20,028)	(18,500)	(20,028)	(20,028)
SALES/OTHER	(54,645)	(50,000)	(54,000)	(54,000)
FOOD & BEVERAGE TAX	(1,108,772)	(1,085,000)	(1,110,000)	(1,110,000)
INTEREST ON INVESTMENTS	(86,184)	(125,000)	(125,000)	(125,000)
ATM REVENUE	(14,400)	(15,000)	(14,400)	(14,400)
INSURANCE CLAIM PAYMENTS	(14,862)	0	0	0
COUNTY - VISITORS/CONV BUREAU	(45,000)	(45,000)	(45,000)	(45,000)
BUILD AMERICA BOND SUBSIDY	0	0	(26,195)	(26,195)
BOND PROCEEDS	(4,780,234)	0	0	0
PRIOR YEAR RESERVES	(20,354)	(1,760,190)	(1,087,642)	(1,087,642)
STATE OPERATING/CAPITAL GRANT	(1,416,189)	(1,506,645)	(1,460,545)	(1,477,907)
	<u>(9,214,151)</u>	<u>(6,205,335)</u>	<u>(5,542,810)</u>	<u>(5,560,172)</u>
TOTAL TOWN CONTRIBUTION	<u>\$ 1,425,730</u>	<u>\$ 1,516,177</u>	<u>\$ 1,466,214</u>	<u>\$ 1,483,575</u>

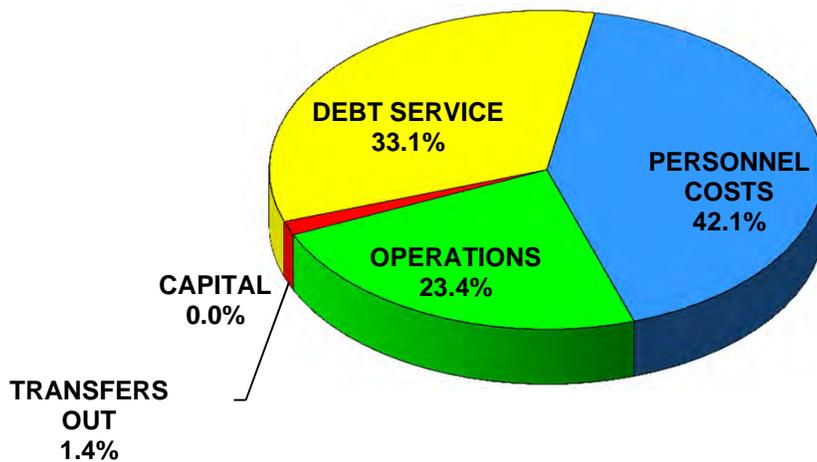
MUSEUM

	ACTUAL 2011	REVISED 2012	CITY MANAGER PROPOSED 2013	COUNCIL ADOPTED 2013
PERSONNEL COSTS:	211,230	217,744	197,685	199,863
OPERATING EXPENSES:	36,103	39,209	36,922	36,935
TOTAL EXPENDITURES	<u>247,333</u>	<u>256,953</u>	<u>234,607</u>	<u>236,798</u>

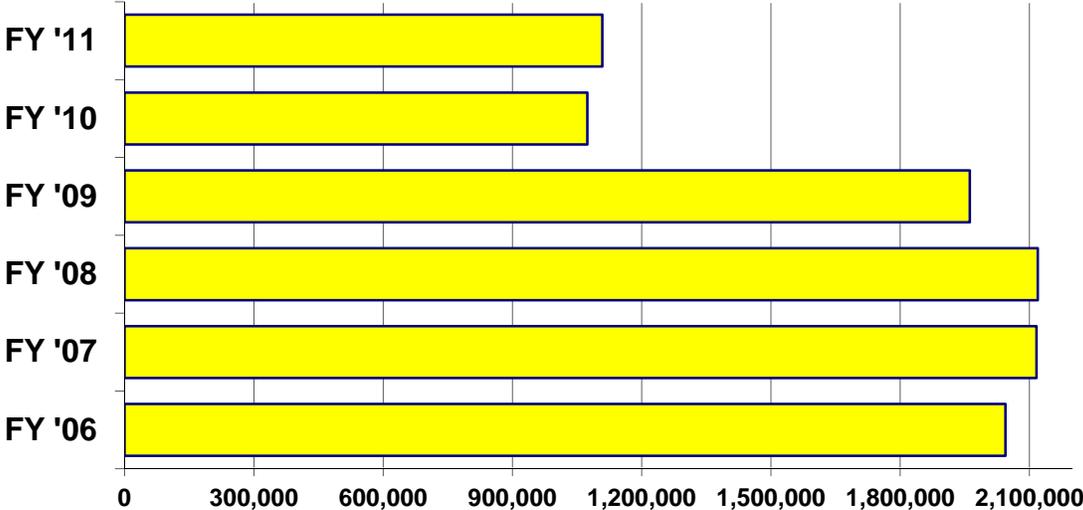
Convention Center Fund Revenue FY 2013 Adopted



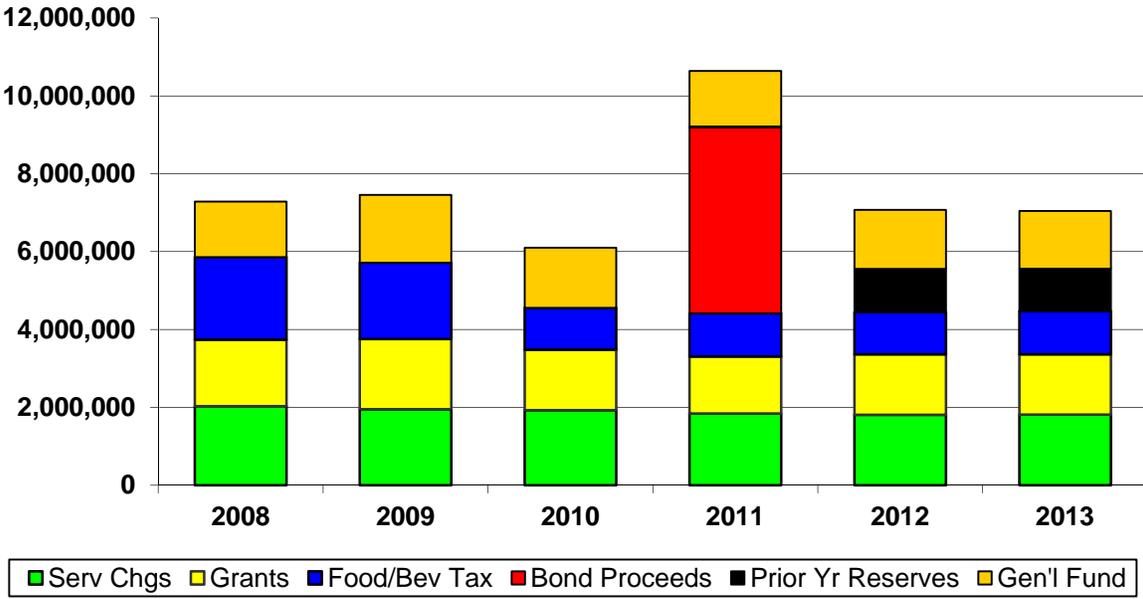
Convention Center Fund Expenditures 2013 Adopted



Food & Beverage Tax FY 2006 - FY 2011



OCCC Operations Revenue by Type FY 08 - FY 13



INTERNAL SERVICE FUNDS

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

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

INFORMATION TECHNOLOGY

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

SERVICE CENTER FUND

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

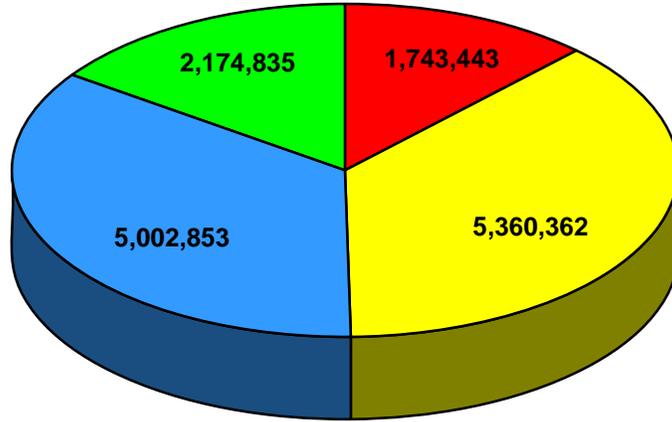
VEHICLE AND EQUIPMENT TRUST FUND

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

RISK MANAGEMENT FUND

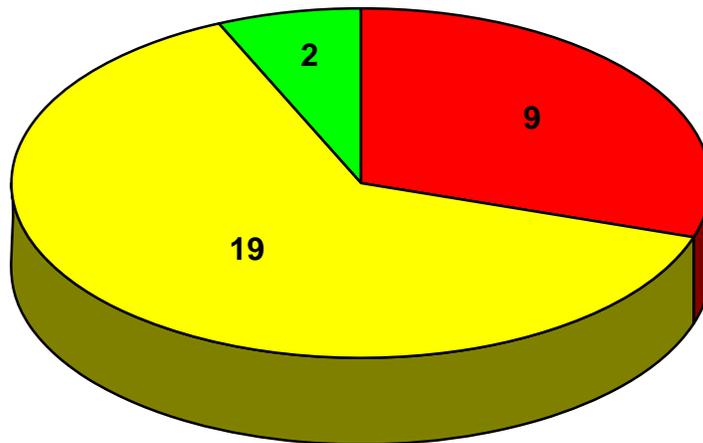
The Risk Department is responsible for planning, directing, and coordinating the Town's program to control risks and losses. This involves continued emphasis on safety, identifying potential risk hazards, and taking corrective action.

FY 13 Internal Service Funds Expenses



Information Tech Service Center Vehicle Trust Risk Management

FY 13 Internal Service Fund Full-Time Personnel



Information Tech Service Center Risk Management

TOWN OF OCEAN CITY
FISCAL YEAR 2013 BUDGET

INFORMATION TECHNOLOGY

BUDGET HIGHLIGHTS:

REVENUE CHANGES:

The overall IT budget decreases \$136,831 for FY 13 resulting in a reduction in charges to all funds except Transportation. 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 \$140,000 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. Potential upgrades for two employees have been included and account for \$5,841 of the increase in full-time salaries. Overtime costs have been increased slightly. A bonus of \$1,000 per full-time employee has been included. No cost of living adjustment and no annual increments are included. Increases in employee benefits result from changes in coverage for health insurance and an increase in the allocation for worker's compensation costs. In addition, the Town's contribution for retiree health insurance, pension and employer deferred compensation also increase for this division.

CHANGES IN OPERATIONS:

Software support, maintenance and software upgrades account for \$436,526 of the Contracted Services expense. Annual costs for the Town's Voice and Data equipment maintenance agreement total \$152,262 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 \$140,000 annually. Maintenance and software support for all other software programs totals \$296,526. Fees to hire a consultant to perform a risk assessment have been included at \$20,000. This assessment was last completed in August 2008. Operational Supplies also decrease in FY 13. Virtual desktop infrastructure has been included at a cost of \$32,850. Replacement toughbooks and laptops have also been included. Tough tablets and software to replace the Police department's datalux tracers have been included at a cost of \$49,267. Tough tablets and equipment to complete the "Red Alert" program for the Fire department have been included at a cost of \$25,987. An upgrade for the AS400 has also been included. Intragovernmental expenses decrease as the allocation for General Overhead decreases 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 2013 BUDGET
INFORMATION TECHNOLOGY

EXPENDITURES	ACTUAL 2011	REVISED 2012	CITY MANAGER PROPOSED 2013	COUNCIL ADOPTED 2013
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 595,238	\$ 583,568	\$ 590,309	\$ 599,309
EMPLOYEE BENEFITS	302,642	311,789	320,885	321,669
	<u>897,880</u>	<u>895,357</u>	<u>911,194</u>	<u>920,978</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	513,841	589,549	524,074	524,074
SUPPLIES & MATERIALS	222,517	304,285	227,474	227,474
ENERGY	7,971	8,500	8,000	8,000
VEHICLE SUPPLIES & REPAIR	1,647	3,510	3,010	3,010
INTRAGOVERNMENTAL	73,000	69,288	59,906	59,907
	<u>818,976</u>	<u>975,132</u>	<u>822,464</u>	<u>822,465</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>\$ 1,716,856</u>	<u>\$ 1,870,489</u>	<u>\$ 1,733,658</u>	<u>\$ 1,743,443</u>
LESS REVENUE GENERATED BY DEPARTMENT				
GENERAL FUND	(1,389,518)	(1,354,527)	(1,287,843)	(1,294,757)
WATER FUND	(96,165)	(127,438)	(117,712)	(118,476)
WASTEWATER FUND	(112,363)	(143,828)	(134,221)	(135,092)
TRANSPORTATION FUND	(29,208)	(32,150)	(34,164)	(34,362)
AIRPORT FUND	(9,301)	(11,190)	(10,793)	(10,863)
GOLF COURSE FUND	(20,640)	(24,263)	(21,122)	(21,260)
CONVENTION CENTER FUND	(37,556)	(41,461)	(40,761)	(41,026)
SERVICE CENTER FUND	(77,162)	(100,639)	(74,699)	(75,183)
RISK MANAGEMENT FUND	(9,492)	(13,547)	(12,343)	(12,424)
PRIOR YEAR RESERVES	0	(21,446)	0	0
	<u>(1,781,405)</u>	<u>(1,870,489)</u>	<u>(1,733,658)</u>	<u>(1,743,443)</u>
REVENUES (OVER)/UNDER EXPENDITURES	<u>\$ (64,549)</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

**TOWN OF OCEAN CITY
FISCAL YEAR 2013 BUDGET**

SERVICE CENTER FUND AND IMPOUND LOT

BUDGET HIGHLIGHTS:

REVENUE:

Fuel revenue is dependent on fuel cost. As fuel costs are anticipated to increase in FY 13, fuel revenue is projected to increase. Parts revenue is anticipated to decrease. Vehicle labor rates have been budgeted to increase in FY 13. In FY 12, \$60,998 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. A bonus of \$1,000 per full-time employee has been included. Overtime costs have been reduced in FY 13. Group health insurance costs increase as does the town's contribution to pension. In the Impound Lot budget, unemployment costs are anticipated to decrease \$2,500. 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. Only routine maintenance has been included in FY 13. The Supply Management conference included in FY 12 has not been budgeted in FY 13. 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 13. The estimate of purchases of inventory for parts and supplies has been budgeted to decrease in FY 13, but more closely reflects the actual expenditure for inventory items. Energy costs for this department appear to have been under budgeted in FY 12. For FY 13, energy costs have been included at the three year average cost. Intragovernmental allocations decrease for this department. Reductions in allocations for IT Services, General Overhead and the Risk allocation for insurance costs are partially offset by an increase in Vehicle Lease. Sandblasting and painting the fuel depot canopy structural steel were included in FY 11, but no capital outlay was included in FY 12 or in FY 13.

SUMMARY COMMENTS:

The tool reimbursement program started in FY 05 for the Service Center mechanics has proven successful with eight of the ten mechanics receiving the full \$500 allowance in FY 11. 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 2013 BUDGET
SERVICE CENTER FUND AND IMPOUND LOT

EXPENDITURES	ACTUAL 2011	REVISED 2012	CITY MANAGER PROPOSED 2013	COUNCIL ADOPTED 2013
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 1,106,667	\$ 1,109,011	\$ 1,105,543	\$ 1,124,543
EMPLOYEE BENEFITS	600,469	607,568	699,091	700,718
	<u>1,707,136</u>	<u>1,716,579</u>	<u>1,804,634</u>	<u>1,825,261</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	49,956	62,279	54,965	54,965
SUPPLIES & MATERIALS	2,492,532	3,225,855	3,123,330	3,123,330
ENERGY	56,439	54,000	58,000	58,000
VEHICLE SUPPLIES & REPAIR	23,275	23,919	26,608	26,608
INTRAGOVERNMENTAL	281,188	298,935	271,692	272,198
	<u>2,903,390</u>	<u>3,664,988</u>	<u>3,534,595</u>	<u>3,535,101</u>
OTHER FINANCIAL USES:				
DEBT SERVICE	0	0	0	0
TRANSFER OUT	0	0	0	0
CAPITAL OUTLAY	29,600	0	0	0
	<u>29,600</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL EXPENDITURES	<u>\$ 4,640,126</u>	<u>\$ 5,381,567</u>	<u>\$ 5,339,229</u>	<u>\$ 5,360,362</u>
LESS REVENUE GENERATED BY DIVISION				
FUEL REVENUE	(1,759,823)	(2,326,999)	(2,374,157)	(2,374,157)
PARTS REVENUE	(1,389,586)	(1,646,571)	(1,541,452)	(1,541,452)
LABOR REVENUE	(1,345,086)	(1,343,999)	(1,420,620)	(1,441,753)
PRIOR YEAR RESERVES	0	(60,998)	0	0
DISCOUNTS TAKEN	(2,029)	(3,000)	(3,000)	(3,000)
	<u>(4,496,524)</u>	<u>(5,381,567)</u>	<u>(5,339,229)</u>	<u>(5,360,362)</u>
REVENUES (OVER)/UNDER EXPENDITURES	<u>\$ 143,602</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
 IMPOUND LOT				
	ACTUAL	REVISED	CITY MANAGER	COUNCIL
	2011	2012	PROPOSED	ADOPTED
	2013	2013	2013	2013
PERSONNEL COSTS	149,379	132,079	130,614	132,811
OPERATING EXPENSES	<u>7,049</u>	<u>10,539</u>	<u>9,728</u>	<u>9,755</u>
TOTAL EXPENDITURES	<u><u>156,428</u></u>	<u><u>142,618</u></u>	<u><u>140,342</u></u>	<u><u>142,566</u></u>

**TOWN OF OCEAN CITY
FISCAL YEAR 2013 BUDGET**

VEHICLE AND EQUIPMENT TRUST FUND

<u>REQUESTED VEHICLES</u>	<u>REPLACEMENT Yes/No</u>	<u>COUNCIL APPROVED</u>
POLICE:		
Chevy Tahoe PPV (4)	Y	126,000
Unmarked Chevy Caprice	Y	30,200
¾ Ton 4x4 Pickup (Mounted Unit)	Y	31,000
EMS:		
Ambulance	Y	248,000
PARKS MAINTENANCE:		
Toro Workman Turf Truck	Y	12,500
GOLF COURSE:		
Beverage Car	Y	16,000
Greens Mower (2)	Y	60,700
WASTEWATER:		
Tractor	Y	90,600
PUBLIC WORKS CONSTRUCTION:		
½ Ton 4x4 Pickup	Y	24,000
¾ Ton 4x4 Pickup w/Utility Body	Y	29,000
PUBLIC WORKS MAINTENANCE:		
Trash Barrel Dumper	Y	159,500
1 Ton Truck w/ Utility Body	Y	29,000
SOLID WASTE:		
Automated Trash Truck (2)	Y	480,000
Front End Trash Truck	Y	220,000
Trash Truck Roll-Off	Y	196,000
ENGINEERING:		
SUV	Y	29,000
TRANSPORTATION:		
Forty Foot Buses (5)	Y	2,205,000
CONTINGENCY FOR VEHICLE PURCHASE		<u>5,247</u>
		\$3,991,747
ALLOWANCE FOR FUTURE RADIO PURCHASES		\$ 250,385

TOWN OF OCEAN CITY
FISCAL YEAR 2013 BUDGET
VEHICLE AND EQUIPMENT TRUST FUND

EXPENDITURES	ACTUAL 2011	REVISED 2012	CITY MANAGER PROPOSED 2013	COUNCIL ADOPTED 2013
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	251,151	273,727	222,474	222,474
SUPPLIES & MATERIALS	75,122	3,000	3,500	3,500
ENERGY	0	0	0	0
VEHICLE SUPPLIES & REPAIR	0	0	0	0
INTRAGOVERNMENTAL	<u>533,858</u>	<u>525,438</u>	<u>534,747</u>	<u>534,747</u>
	860,131	802,165	760,721	760,721
OTHER FINANCIAL USES:				
DEBT SERVICE	93,851	0	0	0
TRANSFER OUT	31,851	0	0	0
CAPITAL OUTLAY	<u>6,655,096</u>	<u>4,902,785</u>	<u>4,242,132</u>	<u>4,242,132</u>
	<u>6,780,798</u>	<u>4,902,785</u>	<u>4,242,132</u>	<u>4,242,132</u>
TOTAL EXPENDITURES	<u>\$ 7,640,929</u>	<u>\$ 5,704,950</u>	<u>\$ 5,002,853</u>	<u>\$ 5,002,853</u>
LESS REVENUE GENERATED BY DEPARTMENT				
CAPITAL GRANT - FEDERAL	(4,902,243)	(2,390,089)	(1,764,000)	(1,764,000)
CAPITAL GRANT - STATE	(381,088)	(298,761)	(220,500)	(220,500)
SALE - CAPITAL ASSETS	(271,253)	(134,407)	(150,000)	(150,000)
PRIOR YEAR RESERVES	(121,181)	(550,800)	0	0
SALES - MATERIALS & SERVICE	(452,780)	(455,298)	(472,859)	(472,859)
GENERAL FUND CONTRIBUTION	(1,030,693)	(1,312,418)	(1,349,282)	(1,349,282)
WATER FUND CONTRIBUTION	(36,689)	(39,792)	(46,629)	(46,629)
WASTEWATER CONTRIBUTION	(57,916)	(60,208)	(99,209)	(99,209)
TRANSPORTATION CONTRIBUTION	(229,583)	(369,074)	(328,523)	(328,523)
AIRPORT FUND CONTRIBUTION	(6,096)	(4,630)	(6,177)	(6,177)
GOLF COURSE CONTRIBUTION	(33,037)	(38,612)	(41,000)	(41,000)
TOURISM FUND CONTRIBUTION	(3,264)	(3,808)	(6,813)	(6,813)
IT FUND CONTRIBUTION	(2,812)	(2,984)	(3,606)	(3,606)
SERVICE CENTER CONTRIBUTION	(16,139)	(23,433)	(24,223)	(24,223)
RISK MGT CONTRIBUTION	(1,999)	(1,636)	(2,032)	(2,032)
EQUIPMENT LEASE/PURCHASE	(94,156)	0	0	0
INSURANCE CLAIM PAYMENTS	<u>0</u>	<u>(19,000)</u>	<u>0</u>	<u>0</u>
	<u>(7,640,929)</u>	<u>(5,704,950)</u>	<u>(4,514,853)</u>	<u>(4,514,853)</u>
REVENUES (OVER)/UNDER EXPENDITURES	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 488,000</u>	<u>\$ 488,000</u>

TOWN OF OCEAN CITY
FISCAL YEAR 2013 BUDGET

RISK MANAGEMENT FUND

BUDGET HIGHLIGHTS:

REVENUE CHANGES:

Interest earnings are expected to decrease in FY 2013. The expenses for this division are separated into four categories: General liability, Auto claims and insurance, Property and Worker's compensation. Expenses in these four categories are allocated to each department based on a formula determined by an actuarial study done every few years. Worker's compensation costs are the most expensive of these three categories. Allocations for all departments for worker's compensation and auto insurance increased in FY 2013 and were partially offset by reductions in general liability and property insurance.

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. A bonus of \$1,000 per full-time employee has been included. No cost of living and no annual increments have been budgeted. Part-time salaries have been included for sixteen hours per week to assist with routine clerical functions during the peak season. Required contributions to pension increase and are partially offset by reductions in group insurance resulting from plan changes.

CHANGES IN OPERATIONS:

Insurance costs make up the majority of the Contracted Services line item. Overall insurance costs are expected to decrease \$36,580 in FY 13. The amount allocated for worker's compensation claims in FY 13 is \$725,000, which is an increase of \$43,470. Property insurance decreases from an estimated \$200,000 in FY 12 to an estimated \$165,000 in FY 13. Automobile and General Liability claims are budgeted to decrease \$40,000 in FY 13. \$1,669,200 has been budgeted to cover the cost of insurance policies and insurance claims for FY 2013. Legal fees and Professional Services make up the other expenses in the Contracted Services category. An Actuarial study to assess ultimate losses and outstanding liability associated with the Town's self-insured worker's compensation, general liability and auto exposure has been included at a cost of \$15,000. Last conducted in FY 09, it has been recommended by the Town's auditing firm that this study be conducted every two fiscal years. This study will determine the necessary reserves for each type of insurance claims and will also determine the allocation of each type of insurance to each City department. Intragovernmental expenses decrease because the allocations for General Overhead expense and for IT Services decrease this fiscal year.

SUMMARY COMMENTS:

Insurance premiums are anticipated to increase over the next several years due to the anticipated return to the hard market cycle. The Risk Management department continues to respond to the needs of the departments for safety training required by OSHA. Worker's compensation continues to be the frontrunner in number of claims and worker's compensation awards reflect this. Risk continues to be more proactive in its investigation of all claims. Risk Management continues to determine whether a loss is preventable or non-preventable as well as observing trends that may be causing a rise in certain types of claims.

TOWN OF OCEAN CITY
FISCAL YEAR 2013 BUDGET
RISK MANAGEMENT FUND

EXPENDITURES	ACTUAL 2011	REVISED 2012	CITY MANAGER PROPOSED 2013	COUNCIL ADOPTED 2013
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 164,057	\$ 162,305	\$ 165,685	\$ 167,685
EMPLOYEE BENEFITS	60,792	61,552	69,101	69,255
	<u>224,849</u>	<u>223,857</u>	<u>234,786</u>	<u>236,940</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	1,768,718	1,847,767	1,827,625	1,827,625
SUPPLIES & MATERIALS	1,388	2,110	1,960	1,960
ENERGY	0	0	0	0
VEHICLE SUPPLIES & REPAIR	633	3,067	1,719	1,719
INTRAGOVERNMENTAL	103,579	111,749	106,510	106,591
	<u>1,874,318</u>	<u>1,964,693</u>	<u>1,937,814</u>	<u>1,937,895</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>\$ 2,099,167</u>	<u>\$ 2,188,550</u>	<u>\$ 2,172,600</u>	<u>\$ 2,174,835</u>
LESS REVENUE GENERATED BY DEPARTMENT				
INTEREST EARNED	(46,575)	(77,669)	(74,321)	(65,081)
GENERAL FUND	(1,030,359)	(1,146,569)	(1,153,034)	(1,161,163)
WATER FUND	(107,856)	(91,183)	(79,235)	(79,818)
WASTEWATER FUND	(135,357)	(112,577)	(97,684)	(98,402)
TRANSPORTATION FUND	(90,944)	(95,413)	(91,984)	(92,661)
AIRPORT FUND	(21,115)	(17,870)	(16,476)	(16,527)
GOLF COURSE FUND	(30,461)	(29,605)	(26,189)	(26,383)
CONVENTION CENTER FUND	(148,531)	(127,728)	(113,239)	(114,070)
SERVICE CENTER FUND	(23,994)	(26,245)	(26,515)	(26,710)
MIS FUND	(18,575)	(12,616)	(13,160)	(13,257)
VEHICLE TRUST FUND	(446,250)	(443,193)	(480,763)	(480,763)
INSURANCE CLAIMS	0	0	0	0
PRIOR YEAR RESERVES	0	(7,882)	0	0
	<u>(2,100,017)</u>	<u>(2,188,550)</u>	<u>(2,172,600)</u>	<u>(2,174,835)</u>
REVENUES (OVER)/UNDER EXPENDITURES	<u>\$ (850)</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>



SUPPLEMENTARY INFORMATION

TOWN OF OCEAN CITY
 FULL TIME PERSONNEL, ALLOCATIONS
 1987, 1997, 2009, 2010, 2012, AND BUDGET 2013

	<u>FY-87</u>	<u>FY-97</u>	<u>FY-09</u>	<u>FY-10</u>	<u>FY -12</u>	<u>FY -13</u>	<u>Variance</u>	<u>Variance Since FY 09</u>
GENERAL GOVERNMENT								
Mayor and Council	1	1	1	1	1	1	0	0
Clerk	2	3	4	4	4	4	0	0
City Manager	3	3	6	6	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>
PLANNING AND BUILDING								
Planning Administration	11	4	8	8	5	5	0	-3
Building Inspection	9	5	7	6	6	7	1	0
	<u>20</u>	<u>9</u>	<u>15</u>	<u>14</u>	<u>11</u>	<u>12</u>	<u>1</u>	<u>-3</u>
PUBLIC SAFETY								
Police - Administration	34	21	14	13	14	14	0	0
Police - Services		15	26	27	26	25	-1	-1
Police - CID	10	12	22	21	21	20	-1	-2
Police - Patrol	54	60	71	70	69	71	2	0
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	37	-5	-5
Fire Marshal	5	5	9	9	7	7	0	-2
	<u>136</u>	<u>158</u>	<u>211</u>	<u>209</u>	<u>205</u>	<u>200</u>	<u>-5</u>	<u>-11</u>
PUBLIC WORKS								
Engineering	11	5	8	7	6	6	0	-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	16	15	-1	0
PW - Beach	5	7	5	3	4	5	1	0
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	2	2	0	-2
Impound Lot	5	4	5	5	2	2	0	-3
	<u>69</u>	<u>67</u>	<u>91</u>	<u>82</u>	<u>67</u>	<u>67</u>	<u>0</u>	<u>-24</u>
SOLID WASTE								
Solid Waste - Operations	49	32	19	19	18	18	0	-1
Solid Waste - Transfer Station		7	9	5	5	5	0	-4
Solid Waste - Recycling		7	16	16	0	0	0	-16
	<u>49</u>	<u>46</u>	<u>44</u>	<u>40</u>	<u>23</u>	<u>23</u>	<u>0</u>	<u>-21</u>
RECREATION AND PARKS								
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, 2012, AND BUDGET 2013

TOURISM

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>

WATER

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>

WASTEWATER

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	3	1	0
		<u>50</u>	<u>49</u>	<u>46</u>	<u>45</u>	<u>46</u>	<u>1</u>	<u>-3</u>

TRANSPORTATION

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>

AIRPORT OPERATIONS

	3	3	4	3	3	3	0	-1
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GOLF COURSE

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>

CONVENTION CENTER

Tourism Administration	5	5	7	7	5	5	0	-2
Convention Sales		3	3	2	3	3	0	0
Tourism Maintenance	12	11	30	26	25	24	-1	-6
	<u>17</u>	<u>19</u>	<u>40</u>	<u>35</u>	<u>33</u>	<u>32</u>	<u>-1</u>	<u>-8</u>

INFORMATION TECH

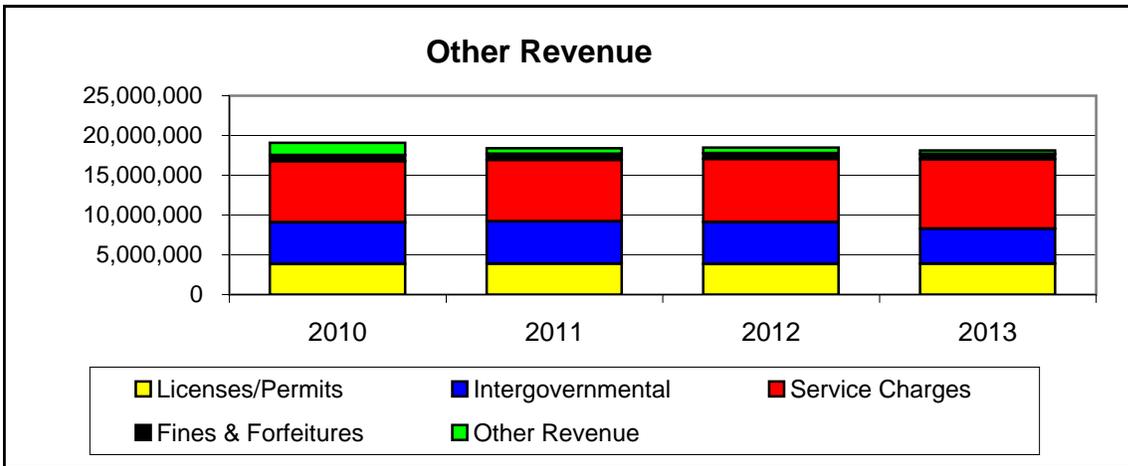
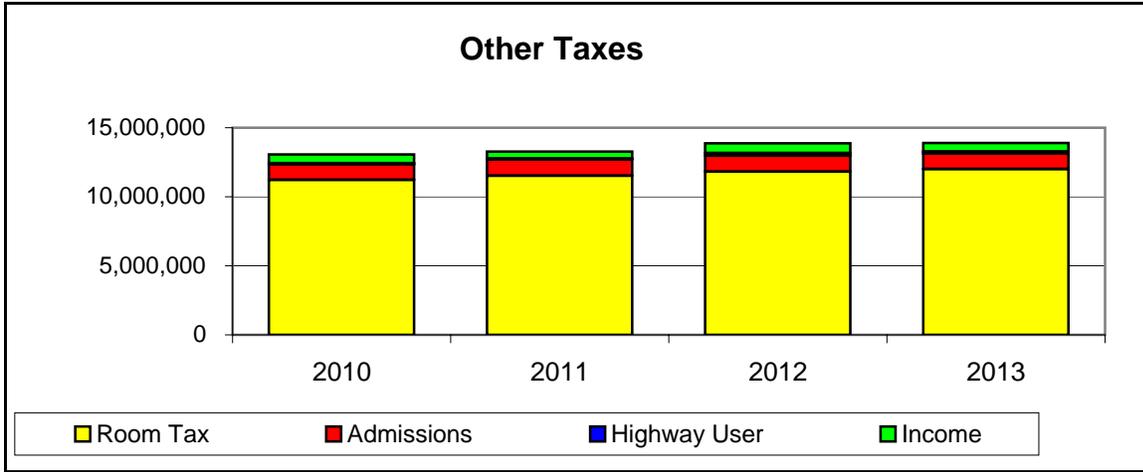
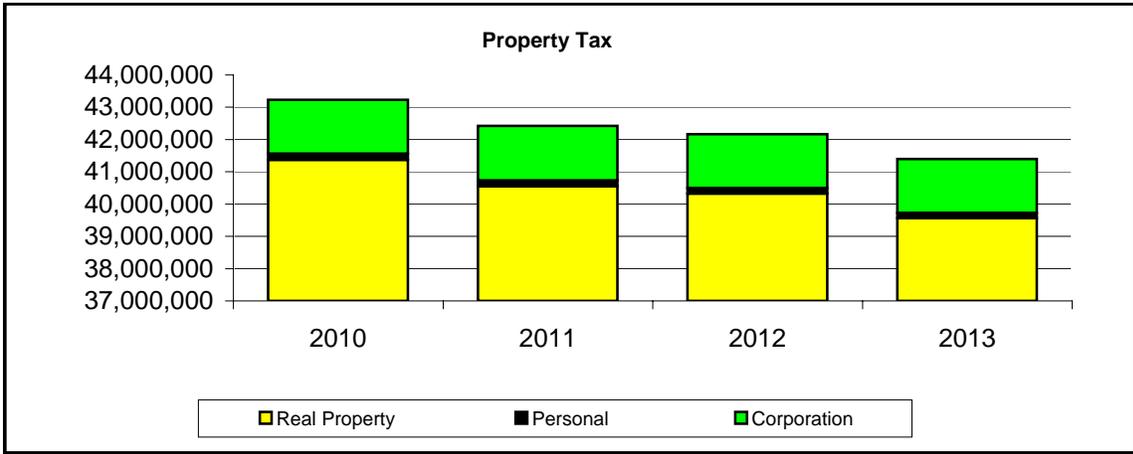
	2	4	11	11	9	9	0	-2
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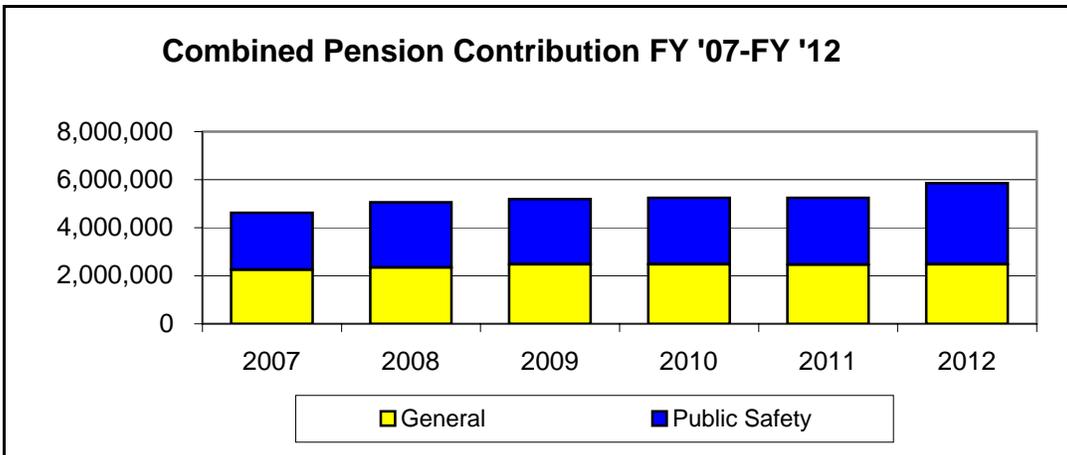
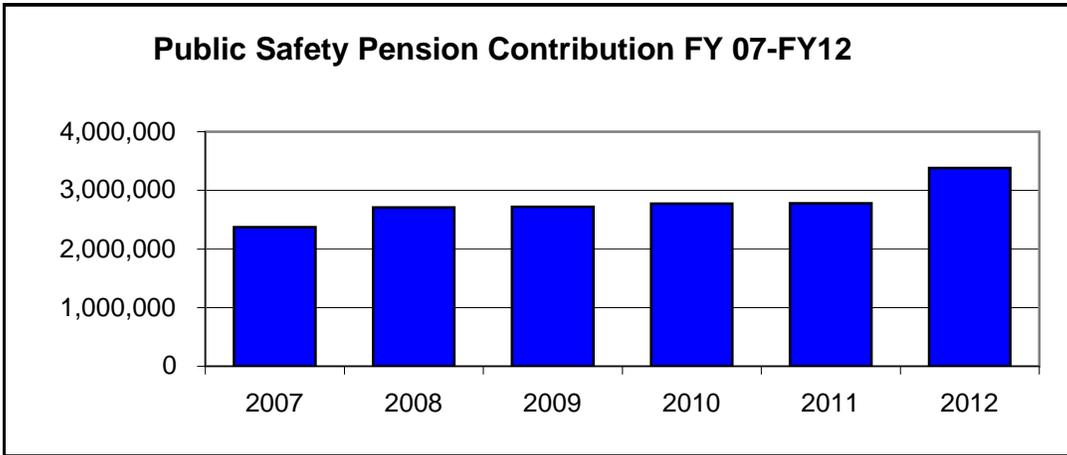
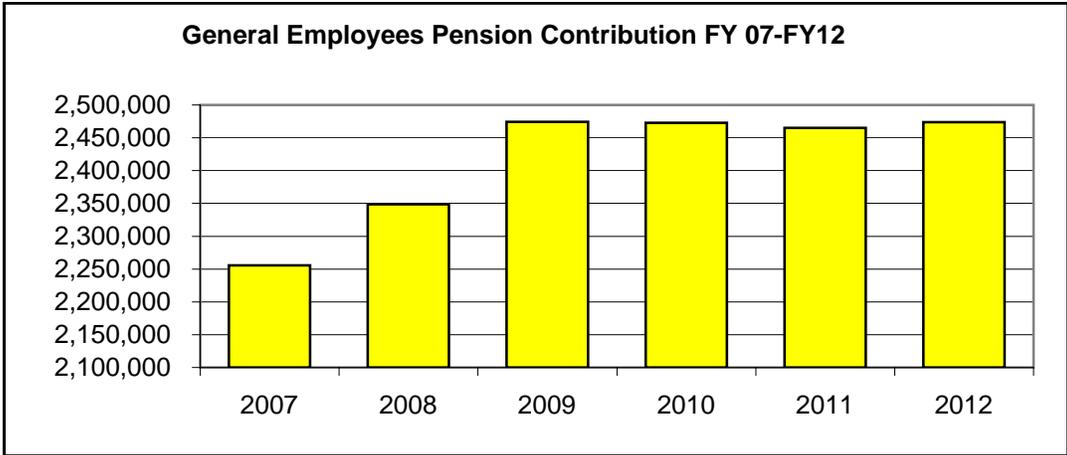
SERVICE CENTER

Administration	3	3	2	2	2	3	1	1
Central Purchasing	6	5	5	5	5	4	-1	-1
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>

RISK MANAGEMENT

		2	3	2	2	2	0	-1
	<u>406</u>	<u>493</u>	<u>622</u>	<u>587</u>	<u>528</u>	<u>524</u>	<u>-4</u>	<u>-98</u>







BUDGET ORDINANCE



1st Reading 5.07.2012

2nd Reading 5.21.2012

ORDINANCE 2012- 18

TOWN OF OCEAN CITY
OPERATING BUDGET
FISCAL YEAR 2013

SCANNED INTO
LASERFICHE
OCEAN CITY REPOSITORY
SEE 'CITY CLERK'

SOURCE	1ST READING FY-2013	2ND READING FY 2013
Section I, General Fund:		
A. Anticipated Revenue:		
Property Taxes	\$ 42,306,536	\$ 41,442,940
Other Taxes	14,359,087	14,359,087
Licenses and Permits	3,883,300	3,883,300
Revenue From Other Agencies	4,395,639	4,395,639
Charges For Services	8,725,492	8,725,492
Fines and Forfeitures	675,000	675,000
Other Revenue	424,344	424,344
Prior Year Reserves	<u>1,885,799</u>	<u>2,749,395</u>
 Total Revenue	 \$ <u>76,655,197</u>	 \$ <u>76,655,197</u>
B. Anticipated Expenditures:		
General Government	\$ 3,665,533	\$ 3,665,533
Public Safety	33,072,659	33,072,659
Public Works/Beach Maintenance	4,783,375	4,783,375
Sanitation and Waste Removal	5,568,131	5,568,131
Highways and Streets	4,900,408	4,900,408
Economic Development -Tourism	6,730,104	6,730,104
Culture and Recreation	7,366,729	7,366,729
Debt Service	<u>4,551,710</u>	<u>4,551,710</u>
 Sub Total	 \$ 70,638,649	 \$ 70,638,649
To Transportation Fund	1,927,997	1,927,997
To Airport Fund	116,976	116,976
To Convention Center Fund	1,483,575	1,483,575
To Vehicle Trust Fund	488,000	488,000
To Capital Projects	<u>2,000,000</u>	<u>2,000,000</u>
 Total Expenditures	 \$ <u>76,655,197</u>	 \$ <u>76,655,197</u>

SOURCE	1ST READING FY-2013	2ND READING FY 2013
Section II, Water Fund:		
A. Anticipated Revenue:		
Water Sales	\$ 3,349,934	\$ 3,349,934
Water Fixture Charge	3,486,777	3,486,777
Service Charges	186,794	186,794
Capacity/Impact Fees	55,440	55,440
Prior Year Reserves	<u>102,808</u>	<u>102,808</u>
Total Revenue	\$ <u>7,181,753</u>	\$ <u>7,181,753</u>
B. Anticipated Expenditures:		
Personal Services	\$ 1,926,770	\$ 1,926,770
Non-Personal Services	3,121,098	3,121,098
Debt Service	1,068,885	1,068,885
Capital Outlay	<u>1,065,000</u>	<u>1,065,000</u>
Total Expenditures	\$ <u>7,181,753</u>	\$ <u>7,181,753</u>

Section III, Transportation Fund:

A. Anticipated Revenue:		
Bus Revenue	\$ 2,951,577	\$ 2,951,577
Train Revenue	1,073,051	1,073,051
Federal and State Grants	2,652,782	2,652,782
Transfer-In From General Fund	1,927,997	1,927,997
Prior Year Reserves	<u>0</u>	<u>0</u>
Total Revenue	\$ <u>8,605,407</u>	\$ <u>8,605,407</u>
B. Anticipated Expenditures:		
Personal Services	\$ 3,653,751	\$ 3,653,751
Non-Personal Services	3,421,656	3,421,656
Capital Outlay	<u>1,530,000</u>	<u>1,530,000</u>
Total Expenditures	\$ <u>8,605,407</u>	\$ <u>8,605,407</u>

SOURCE	1ST READING FY-2013	2ND READING FY 2013
Section IV, Wastewater Fund:		
A. Anticipated Revenue:		
Wastewater Treatment Charges	\$ 11,041,867	\$ 11,041,867
Service Charges	958,578	958,578
Capacity/Impact Fees	96,800	96,800
Build America Bond Subsidy	133,381	133,381
Prior Year Reserves	<u>101,226</u>	<u>101,226</u>
Total Revenue	<u>\$ 12,331,852</u>	<u>\$ 12,331,852</u>
B. Anticipated Expenditures:		
Personal Services	\$ 4,199,765	\$ 4,199,765
Non-Personal Services	3,476,670	3,476,670
Debt Service	3,555,417	3,555,417
Capital Outlay	<u>1,100,000</u>	<u>1,100,000</u>
Total Expenditures	<u>\$ 12,331,852</u>	<u>\$ 12,331,852</u>

Section V, Airport Fund:

A. Anticipated Revenue:

Fuel Sales	\$ 729,600	\$ 729,600
Rents and Other Revenue	351,530	351,530
State and Federal Grants	427,500	427,500
Service Charges	108,000	108,000
Transfer-In From General Fund	116,976	116,976
Prior Year Reserves	<u>150,000</u>	<u>150,000</u>
Total Revenue	<u>\$ 1,883,606</u>	<u>\$ 1,883,606</u>

B. Anticipated Expenditures:

Personal Services	\$ 311,695	\$ 311,695
Non-Personal Services	975,829	975,829
Debt Service	146,082	146,082
Capital Outlay	<u>450,000</u>	<u>450,000</u>
Total Expenditures	<u>\$ 1,883,606</u>	<u>\$ 1,883,606</u>

SOURCE	1ST READING FY-2013	2ND READING FY 2013
Section VI, Municipal Golf Course Fund:		
A. Anticipated Revenue:		
Service Charges	\$ 1,737,052	\$ 1,737,052
Sales and Concessions	446,097	446,097
Other Revenue	56,628	56,628
Prior Year Reserves	<u>0</u>	<u>0</u>
Total Revenue	\$ <u>2,239,777</u>	\$ <u>2,239,777</u>
B. Anticipated Expenditures:		
Personal Services	\$ 1,046,401	\$ 1,046,401
Non-Personal Services	1,042,618	1,042,618
Transfer to General Fund	150,758	150,758
Capital Outlay	<u>0</u>	<u>0</u>
Total Expenditures	\$ <u>2,239,777</u>	\$ <u>2,239,777</u>

Section VII, Convention Center Fund:

A. Anticipated Revenue:		
Service Charges	\$ 1,813,428	\$ 1,813,428
State and County Grants	1,549,102	1,549,102
Food & Beverage Tax	1,110,000	1,110,000
Transfer-In From General Fund	1,483,575	1,483,575
Prior Year Reserves	1,087,642	1,087,642
Contributed Equity	<u>0</u>	<u>0</u>
Total Revenue	\$ <u>7,043,747</u>	\$ <u>7,043,747</u>
B. Anticipated Expenditures:		
Personal Services	\$ 2,967,379	\$ 2,967,379
Non-Personal Services	1,648,058	1,648,058
Debt Service	2,328,310	2,328,310
Transfer to Debt Service Reserves	100,000	100,000
Capital Outlay	<u>0</u>	<u>0</u>
Total Expenditures	\$ <u>7,043,747</u>	\$ <u>7,043,747</u>

SOURCE	1ST READING FY-2013	2ND READING FY 2013
Section VIII, Information Technology Fund:		
A. Anticipated Revenue:		
Service Charges To Other Funds	\$ 1,743,443	\$ 1,743,443
Prior Year Reserves	<u>0</u>	<u>0</u>
Total Revenue	\$ <u>1,743,443</u>	\$ <u>1,743,443</u>
B. Anticipated Expenditures:		
Personal Services	\$ 920,978	\$ 920,978
Non-Personal Services	822,465	822,465
Capital Outlay	<u>0</u>	<u>0</u>
Total Expenditures	\$ <u>1,743,443</u>	\$ <u>1,743,443</u>

Section IX, Service Center Fund:

A. Anticipated Revenue:		
Service Charges To Other Funds	\$ 5,360,362	\$ 5,360,362
Prior Year Reserves	<u>0</u>	<u>0</u>
Total Revenue	\$ <u>5,360,362</u>	\$ <u>5,360,362</u>
B. Anticipated Expenditures:		
Personal Services	\$ 1,825,261	\$ 1,825,261
Non-Personal Services	3,535,101	3,535,101
Debt Service	0	0
Capital Outlay	<u>0</u>	<u>0</u>
Total Expenditures	\$ <u>5,360,362</u>	\$ <u>5,360,362</u>

SOURCE	1ST READING FY-2013	2ND READING FY 2013
Section X, Vehicle & Equipment Trust Fund:		
A. Anticipated Revenue:		
Service Charges To Other Funds	\$ 2,380,353	\$ 2,380,353
State and Federal Grants	1,984,500	1,984,500
Sale of Assets	150,000	150,000
Transfer In From General Fund	<u>488,000</u>	<u>488,000</u>
Total Revenue	<u>\$ 5,002,853</u>	<u>\$ 5,002,853</u>
B. Anticipated Expenditures:		
Non-Personal Services	\$ 760,721	\$ 760,721
Debt Service	0	0
Transfers Out	0	0
Capital Outlay	<u>4,242,132</u>	<u>4,242,132</u>
Total Expenditures	<u>\$ 5,002,853</u>	<u>\$ 5,002,853</u>

Section XI, Risk Management Fund:

A. Anticipated Revenue:		
Service Charges To Other Funds	\$ 2,109,754	\$ 2,109,754
Interest Earned	65,081	65,081
Prior Year Reserves	<u>0</u>	<u>0</u>
Total Revenue	<u>\$ 2,174,835</u>	<u>\$ 2,174,835</u>
B. Anticipated Expenditures:		
Personal Services	\$ 236,940	\$ 236,940
Non-Personal Services/Claims	1,937,895	1,937,895
Capital Outlay	<u>0</u>	<u>0</u>
Total Expenditures	<u>\$ 2,174,835</u>	<u>\$ 2,174,835</u>

SOURCE	1ST READING FY-2013	2ND READING FY 2013
Section XII, Pension Trust Funds:		
A. Anticipated Revenue:		
Employer Contributions	\$ 6,128,044	\$ 6,128,044
Employee Contributions	1,715,000	1,715,000
Investment Earnings	<u>3,925,000</u>	<u>3,925,000</u>
Total Revenue	<u>\$ 11,768,044</u>	<u>\$ 11,768,044</u>
B. Anticipated Expenditures:		
Benefit Payments	\$ 4,225,000	\$ 4,225,000
Non-Personal Services	600,000	600,000
Reserve for Employee's Retirement	<u>6,943,044</u>	<u>6,943,044</u>
Total Expenditures	<u>\$ 11,768,044</u>	<u>\$ 11,768,044</u>
Section XIII, OPEB Trust Funds:		
A. Anticipated Revenue:		
Employer Contributions	\$ 3,858,750	\$ 3,858,750
Employee Contributions	155,000	155,000
Investment Earnings	<u>235,000</u>	<u>235,000</u>
Total Revenue	<u>\$ 4,248,750</u>	<u>\$ 4,248,750</u>
B. Anticipated Expenditures:		
Benefit Payments	\$ 850,000	\$ 850,000
Non-Personal Services	55,000	55,000
Reserve for Retiree Health	<u>3,343,750</u>	<u>3,343,750</u>
Total Expenditures	<u>\$ 4,248,750</u>	<u>\$ 4,248,750</u>

SOURCE	1ST READING FY-2013	2ND READING FY 2013
Section XIV, General Capital Projects Fund:		
A. Anticipated Revenue:		
General Fund Contribution	2,000,000	2,000,000
Bond Proceeds	0	0
Inlet Lot Parking Revenue	<u>290,000</u>	<u>290,000</u>
Total Revenue	\$ <u>2,290,000</u>	\$ <u>2,290,000</u>
B. Anticipated Expenditures:		
Street Paving	2,000,000	2,000,000
Reserve for Future Capital Projects	<u>290,000</u>	<u>290,000</u>
Total Expenditures	\$ <u>2,290,000</u>	\$ <u>2,290,000</u>

Section XIV, All Funds Expenditure Summary:

General Fund	\$ 76,655,197	\$ 76,655,197
Water Fund	7,181,753	7,181,753
Transportation Fund	8,605,407	8,605,407
Wastewater Fund	12,331,852	12,331,852
Airport Fund	1,883,606	1,883,606
Municipal Golf Course Fund	2,239,777	2,239,777
Convention Center Fund	7,043,747	7,043,747
Management Information Services Fund	1,743,443	1,743,443
Service Center Fund	5,360,362	5,360,362
Vehicle & Equipment Trust Fund	5,002,853	5,002,853
Risk Management Fund	2,174,835	2,174,835
Pension Trust Funds	11,768,044	11,768,044
OPEB Trust Fund	<u>4,248,750</u>	<u>4,248,750</u>
Sub Total	\$ 146,239,626	\$ 146,239,626
LESS: Interfund Transfers	<u>(27,597,254)</u>	<u>(27,597,254)</u>
Total Expenditures	\$ 118,642,372	\$ 118,642,372
Capital Projects Fund - General	<u>2,290,000</u>	<u>2,290,000</u>
Grand Total	\$ <u>120,932,372</u>	\$ <u>120,932,372</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:

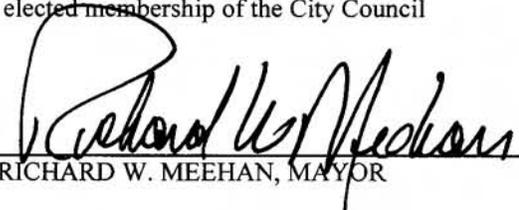
- A. The utilization of any contingency appropriation shall be accomplished only with prior authorization from the Mayor and Council.
- B. Utilization of appropriations established in the Capital Improvement Fund may be accomplished only with the express approval of the Mayor and Council.

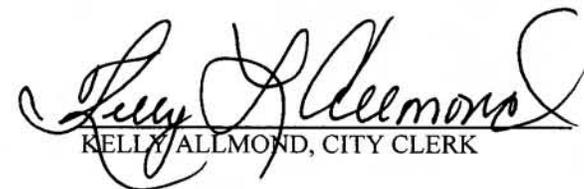
Section XVII, Tax Rate:

An Ad Valorem Tax Rate of \$0.4585 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 7, 2012.

ADOPTED AND PASSED, as amended, by the required vote of the elected membership of the City Council and approved by the Mayor at its meeting held on May 21, 2012.


 RICHARD W. MEEHAN, MAYOR


 KELLY ALLMOND, CITY CLERK


 JAMES S. HALL, PRESIDENT


 LLOYD MARTIN, SECRETARY

ADOPTED:

Date 5-21-2012

MOTION TO ADOPT BY: Joseph T. Hall

MOTION SECONDED BY: Brent Ashley

VOTE: 4 - 3

FOR:

AGAINST:

Council President
 Jim Hall
 Council Members
 Joe Hall
 Brent Ashley
 Margaret Pillas

Council Members
 Lloyd Martin
 Mary Knight
 Douglas Cymek