

*TOWN OF OCEAN CITY
ADOPTED BUDGET*

FISCAL YEAR 2009-2010





TOWN OF OCEAN CITY, MARYLAND

ADOPTED BUDGET

FISCAL YEAR 2009-2010

Richard W. Meehan
Mayor

Joseph M. Mitrecic
Council President

Lloyd Martin
Council Secretary

Douglas S. Cymek
Council Member

James S. Hall
Council Member

Joseph T. Hall, III
Council Member

Mary P. Knight
Council Member

Margaret Pillas
Council Member

Dennis W. Dare, PE
City Manager

Jennie T. Knapp
Budget Manager

Prepared by
Town of Ocean City
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TOWN OF
OCEAN CITY

The White Marlin Capital of the World

April 20, 2009

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

www.town.ocean-city.md.us

MAYOR
RICHARD W. MEEHAN

CITY COUNCIL MEMBERS

JOSEPH M. MITRECIC
President

LLOYD MARTIN
Secretary

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

DENNIS W. DARE
City Manager

CAROL L. JACOBS
City Clerk

TO THE CITIZENS, HONORABLE MAYOR AND CITY COUNCIL OF OCEAN CITY, I respectfully submit the proposed budget for the fiscal year 2009-2010.

The preparation of the annual budget may be the most difficult thing we do, but it is arguably the most important, for it is the budget that sets forth the blueprint of essential municipal services. As elected officials you are charged by the voters to deliver the desired services to our residents and visitors. Your responsibilities include public safety, infrastructure, planning, recreation and economic vitality. The budget establishes the degree to which these services will be provided, and it is an honor to propose a budget that is focused on the importance of these provisions and conservatively charts our course for the coming year.

This budget recognizes that we are in a time of economic uncertainty on a local, national and global scale. As severe as the fiscal challenges have been, they are further compounded by the affect of the reassessment of real property in Ocean City. The tri-annual assessment by the state resulted in residential real property being decreased 15.5% while commercial assessments increased 17% for an overall reduction in assessments of 12.2% or \$1.1 billion. This decrease in assessments equates to a reduction of \$4.2 million in tax revenue. Increases are phased in over three years but decreases are fully allotted in the first year; therefore, this budget reflects the entire impact. There is little new construction in progress or being planned in comparison to the recent past to offset the decline.

Ocean City, MD



2001

Realizing the impact of the global economy and devaluation of real property, we moved quickly in the current fiscal year to reduce spending. A hiring freeze was adopted in September and, in October, over 70 cost savings were approved and implemented to save several million dollars in FY-2009. These reoccurring cost saving measures are again included in the FY-2010 budget. The budget recognizes the current 26 employee vacancies and does not fund salaries or benefits for them. It is recommended that the current hiring practice remain and only operationally imperative positions be filled as we continue to “right size” the town’s work force. We continue to shift employees between departments to better utilize our resources. We will continue to evaluate the services provided to reduce and eliminate all that are not essential to our mission.

We must balance the “right sizing” of services with the expectation of our visitors and residents. They expect the same degree of service even during this period of fiscal stress. The beach, boardwalk and streets need to be clean and in good repair. Our public safety responses need to be immediate. This budget allows us to minimally maintain that level of service and meet our obligations.

The commitment of gross room revenue to the advertising budget increases from 1.6% to 1.8% in January 2010. This increase results in an increase of \$280,000 in the city advertising budget. In this economy, it is imperative to aggressively fight for our market share, and this budget will accomplish that goal. The increased advertising campaign last season resulted in Ocean City having a better season than other destinations. With a fresh new advertising campaign about to begin, and an all new tourism web site ready to open, Ocean City is doing all it can to overcome the economic effect on our industry.

This budget asks a lot of our employees. They will absorb the workload of the 26 vacancies and those that may be forthcoming in this fiscal year. They will not receive a Cost of Living Adjustment even though many essentials continue to rise in cost. They will not receive any longevity step increases to recognize their experience and dedication. They will see their co-share of the medical insurance increase in cost. Our Part-Time Seasonal employees are coming back

at last year's rates and without any step increase. There will be no incentive bonuses for working the entire season, and all nighttime differentials have been eliminated.

The budget includes labor contract concessions made to the Town by the Fraternal Order of Police and the International Association of Fire Fighters. These concessions are significant and completely voluntarily, and the Town owes them a great deal of gratitude.

Solid Waste is funded at the new level of service, which incorporates once a week pick-up in the off-season. Transportation incorporates the changes made this winter. We need to re-evaluate bus service after the summer season for further reductions in off-season operations.

Capital Improvements designed last year remain on the shelf waiting for funding. St. Louis Ave. reconstruction, downtown's Bayside Park and the environmentally friendly Caroline Street Public Restrooms are "shovel ready". Our street paving money has been exhausted. This budget does not fund any Capital Improvements, but we are ready to move forward should funding become available.

Both the Water and Waste Water Funds have balanced the revenue and expenditures and the rates for both will remain the same for fiscal year 2010. Good planning and management of these utilities will allow our citizens a savings from any rate increases.

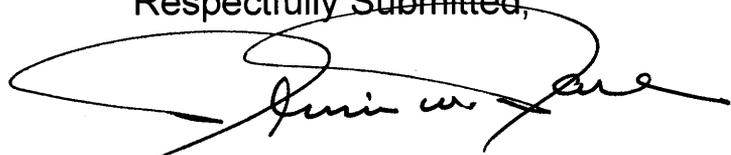
The assessed valuation of real property in Ocean City has decreased \$1.12 billion from \$11.78 billion to \$10.66 billion. Therefore, the Constant Yield Tax Rate would require the current tax rate of \$0.38 to be raised to \$0.432 to produce the same \$46.00 million in revenue. The tax rate required to fund the \$79.75 million proposed General Fund budget is \$0.41 or 5% below Constant Yield. This is a decrease of \$3.7 million or 4.4% from last year.

The FY10 Budget recognizes that we must continue to streamline costs without sacrificing services thereby presenting complex challenges and difficult decisions. I want to thank the department heads, their staff, and employees for their creative cost cutting

suggestions and for understanding the necessity of concessions during this uncertain economic environment. Special recognition goes to Budget Manager Jennie Knapp for her untiring efforts to prepare a responsible, comprehensive budget for your consideration.

I look forward to working as a team with the Mayor, City Council, and the Citizens of Ocean City in the coming weeks to review and adopt the Fiscal Year 2010 Budget.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "Dennis W. Dare", with a large, sweeping flourish that loops back under the signature.

Dennis W. Dare
City Manager

INTRODUCTORY SECTION

TOWN OF OCEAN CITY, MARYLAND
FY 2010 BUDGET
CALENDAR OF BUDGET PROCESS

08/10/08	Convention Center FY 2010 Budget due to the Maryland Stadium Authority
10/30/08	Budget Packets Forwarded to Departments
11/03/08	Transportation FY 2010 Budget due to MTA
11/30/08	CIP requests due to Jesse Houston
11/30/08	IT, Vehicle, Personnel Requests Due
1/07/09	Department Budgets updated to City Manager Level
01/11/09-01/26/09	IT, Risk Budget Hearings
2/12/09	Approximate Receipt of Property Tax Revenue Forecast for FY 2009
01/28/09-03/24/09	City Manager Review Process
04/20/09	Presentation of City Manager Budget Proposal to Council
04/22/09-05/12/09	Review of City Manager Budget Proposal, Public Requests and Recommendations by Mayor and Council
05/18/09	Public Hearing on Constant Yield Tax Rate First Reading of Budget
06/01/09	Second Reading of 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.



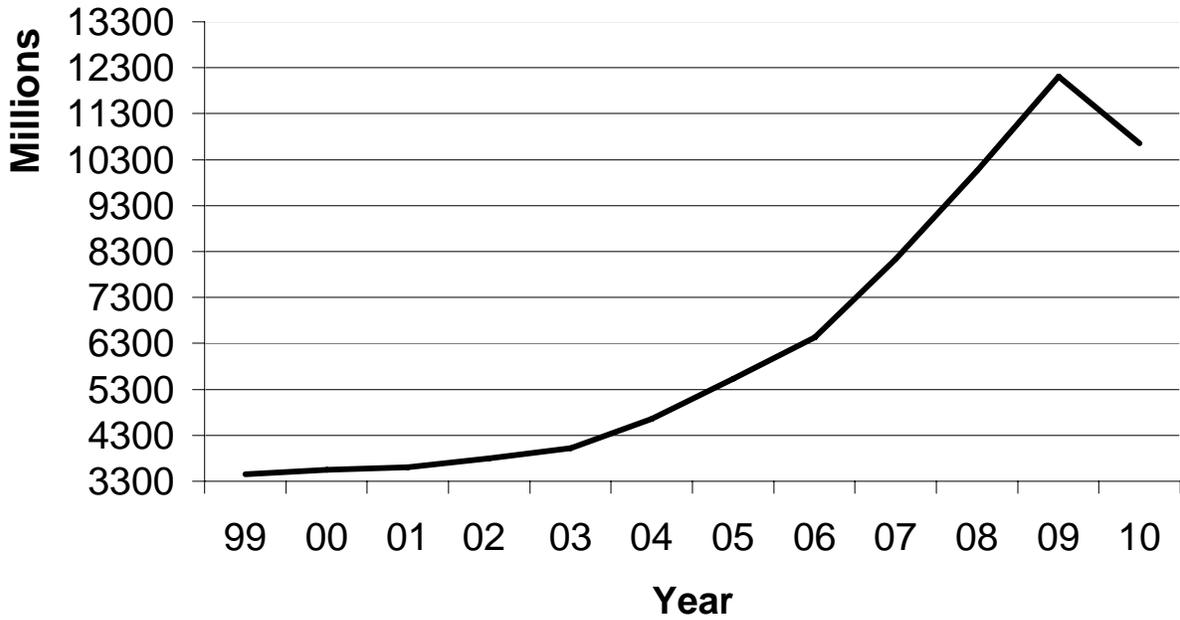
FISCAL YEAR 2009-2010 ADOPTED BUDGET

This budget document presents the annual operating budget for fiscal year 2009-2010. 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.

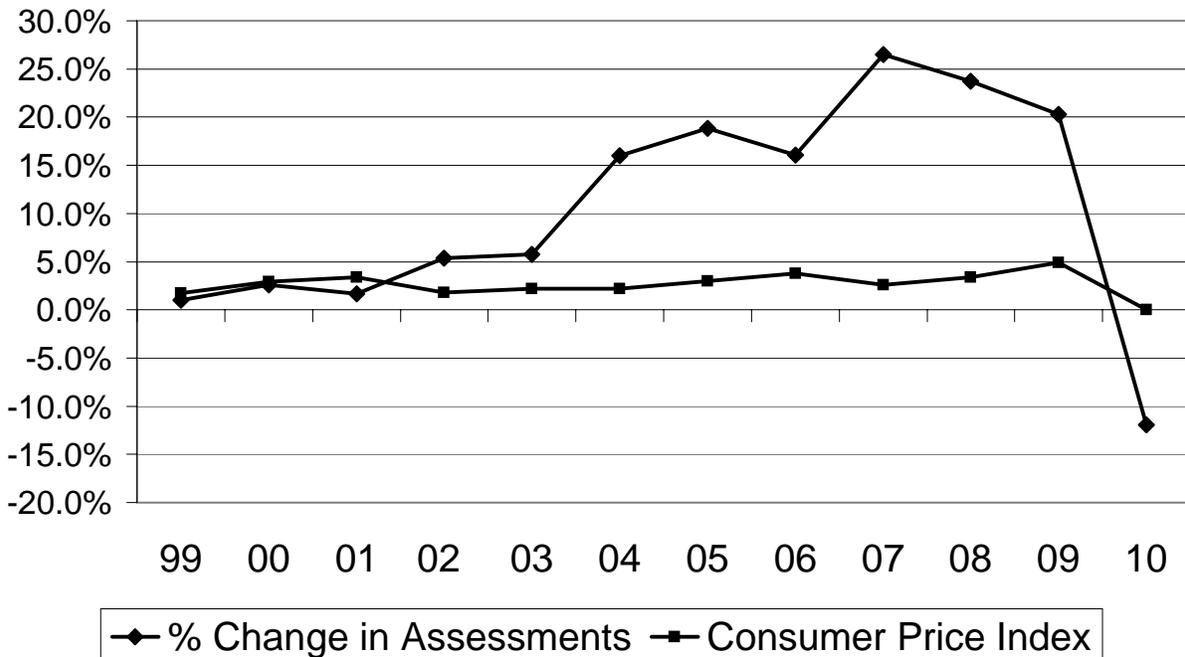
To aid the reader in evaluating costs and trends, each department within the General Fund and the operations of the Enterprise Funds and Internal Service Funds are summarized showing actual expenditures for fiscal year 2008, the revised budget for fiscal year 2009, and the proposed budget for fiscal year 2010. Revenue 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 such projections. The budget is, consequently, a plan based on current economic conditions, not a list of actual revenues and expenditures.

Assessed Value - Taxable Property 1999 - 2010



% Change in Assessments Compared to Consumer Price Index



CITY GOVERNMENT AND ADMINISTRATION

General

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

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

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

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

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

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

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

BUDGET

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

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

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

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

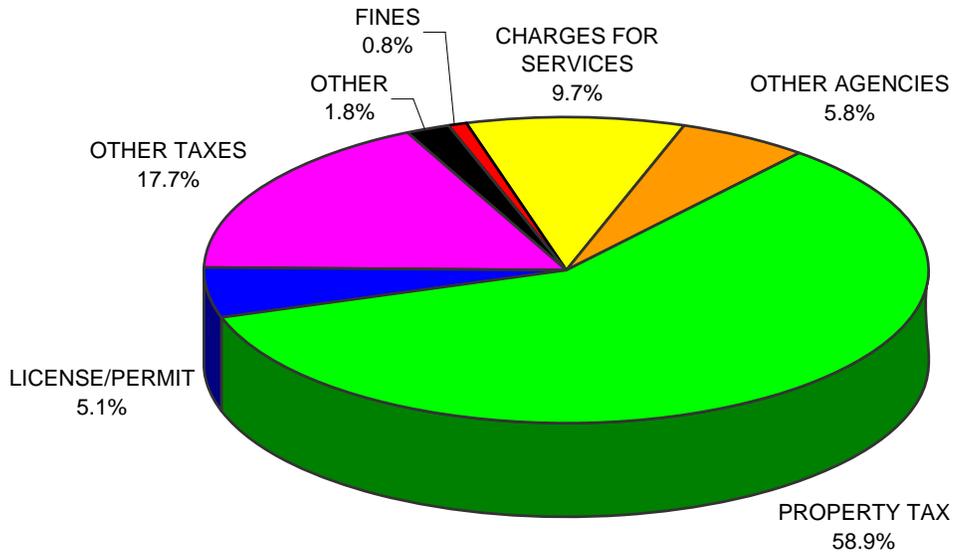
Budgetary Guidelines and Policies

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

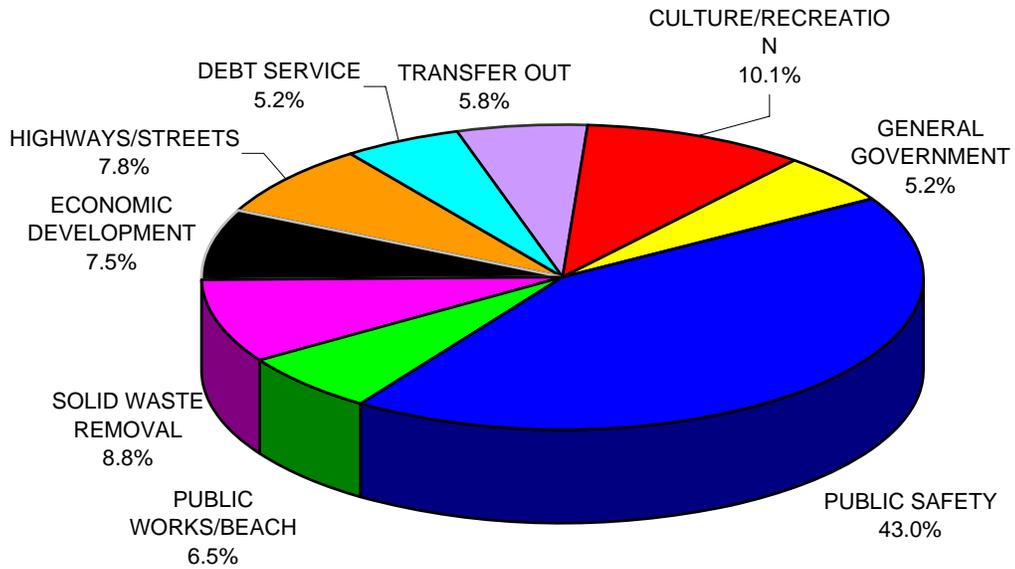
GENERAL FUND

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

General Fund Revenue 2010



General Fund Expenditures 2010



TOWN OF OCEAN CITY
GENERAL FUND
COMPARATIVE STATEMENT OF REVENUES AND EXPENDITURES
YEARS ENDED JUNE 30, 2008 (ACTUAL), 2009 (BUDGETED) AND 2010(ADOPTED)

	ACTUAL 2008	REVISED BUDGET 2009	COUNCIL ADOPTED 2010
REVENUES			
Property Taxes	\$ 43,744,359	\$ 47,329,932	\$ 44,229,769
Penalties And Interest	368,037	219,220	350,000
Other Taxes	13,831,745	14,212,438	13,392,372
Licenses And Permits	4,072,860	3,928,717	3,879,700
Revenue From Other Agencies	3,600,848	5,534,331	4,419,463
Charges For Current Services	8,120,979	7,970,700	7,372,834
Fines And Forfeitures	632,554	658,400	620,400
Other Revenue	1,831,895	1,008,045	1,369,130
Bond Proceeds	0	0	0
Discounts Allowed	0	0	0
TOTAL REVENUES	76,203,277	80,861,783	75,633,668
EXPENDITURES			
General Government	4,401,856	4,170,058	3,933,661
Public Safety	31,240,047	34,272,585	32,541,310
Public Works/Beach Maintenance	4,983,110	5,979,137	4,953,960
Sanitation And Waste Removal	6,641,973	7,326,630	6,643,447
Highways And Streets	5,320,690	5,805,747	5,906,480
Economic Development-Tourism	5,400,974	5,086,569	5,708,068
Culture & Recreation	7,644,710	8,832,690	7,660,678
Debt Service	3,627,592	3,726,981	3,936,819
TOTAL EXPENDITURES	69,260,952	75,200,397	71,284,423
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	6,942,325	5,661,386	4,349,245
OTHER FINANCING SOURCES (USES)			
Operating Transfers-Out	(5,340,728)	(4,996,514)	(4,349,245)
Transfer To Capital Construction	(2,064,944)	(874,016)	0
TOTAL OTHER FINANCING SOURCES (USES)	(7,405,672)	(5,870,530)	(4,349,245)
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	\$ (463,347)	\$ (209,144)	\$ 0

GENERAL GOVERNMENT

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

LEGISLATIVE DIVISION

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

EXECUTIVE AND ADMINISTRATIVE DIVISION

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

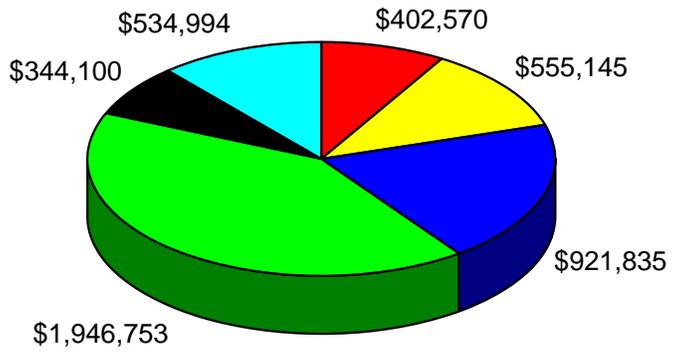
SPECIAL APPROPRIATIONS

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

PLANNING AND COMMUNITY DEVELOPMENT

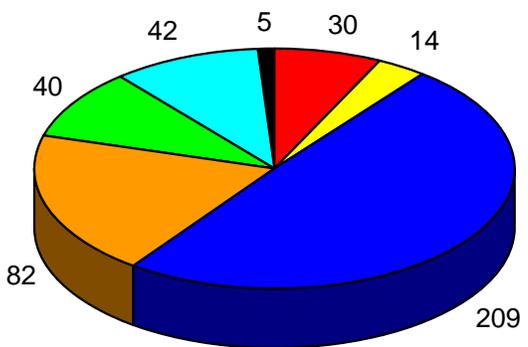
The department of Planning and Community Development consists of the divisions of Planning, Zoning and Code Enforcement. The department is responsible for preparing general and specific plans for the development of the Town, and for the administration of codes and regulations that implement those plans.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

FY 10 Departmental Expenses



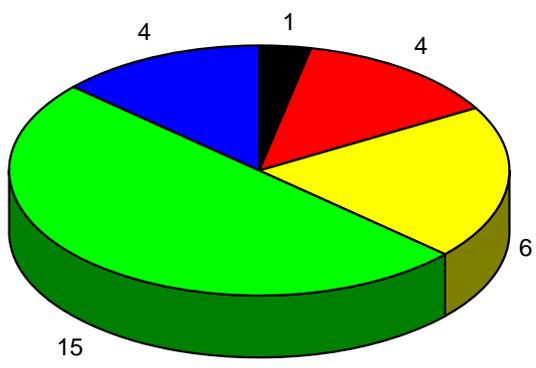
- Mayor & Council
- City Clerk
- City Manager
- Finance
- Legal
- Human Resources

FY 10 Full Time General Fund Personnel



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

FY 10 General Government Full Time Personnel



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

**TOWN OF OCEAN CITY
FISCAL YEAR 2010 BUDGET**

LEGISLATIVE AND ADMINISTRATIVE DIVISIONS

BUDGET HIGHLIGHTS:

PERSONNEL CHANGES:

No annual increments and no cost of living increases have been included in FY 2010. One fewer revenue specialist position has been budgeted in the Finance department beginning in December 2009. Health insurance is anticipated to increase 14.3% and equates to a \$57,000 increase in this division. Pension benefits are budgeted to increase \$36,339 in this division. The annual contribution for retiree health insurance was determined by the recently completed actuarial study, and has been included at a cost of \$90,346 in this division. Deletion of the annual employee picnic and a reduction in the scope of the employee awards luncheon result in savings of more than \$40,000.

CHANGES IN OPERATIONS:

Contracted Services include Professional Services such as Legal fees and consultants, maintenance, travel and training, printing and dues. Legal expenses account for \$312,500 of the Contracted Services line item in this division. Contract negotiations and an allowance for other employment issues that may arise have been included at \$200,000. In FY 08, legal costs for an Equal Employment Opportunity Commission (EEOC) lawsuit accounted for nearly \$450,000 of the Contracted Services line item. Due to the recent bid award for auditing services, the cost of the annual Town audit was reduced over \$20,000 for FY 10. Travel and training costs were reduced \$30,896 in this division. Other items included in FY 09 but not included in FY 10 were the actuarial study for funding of retiree health benefits, and a consultant to review the benefit plan. Supplies and materials increase slightly due to an anticipated increase in postage rates. Postage has been included at a cost of \$149,270, an increase of \$4,500. This increase has been partially offset by cuts in other supplies. All Intragovernmental allocations decrease in this division. Major reductions include reductions in the Information Technology department's expense allocations and the elimination of the lease/purchase cost for the telephone equipment. No capital outlay has been budgeted for this division.

SUMMARY COMMENTS:

These divisions are responsible for overall Town management, business functions, and record-keeping. The Mayor & Council, City Clerk, City Manager, Finance, Legal and Human Resources divisions are included in the summary. Administrative costs to manage the Town's various enterprise funds are allocated based on total expenses, number of personnel, and number of transactions performed for each fund. This reimbursement totals \$2,438,057 for FY 2010.

TOWN OF OCEAN CITY
FISCAL YEAR 2010 BUDGET
GENERAL FUND EXPENDITURES
LEGISLATIVE AND ADMINISTRATIVE DIVISIONS

EXPENDITURES	ACTUAL 2008	REVISED 2009	CITY MANAGER PROPOSED 2010	COUNCIL ADOPTED 2010
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 2,172,210	2,303,827	\$ 2,262,476	\$ 2,259,511
EMPLOYEE BENEFITS	878,607	1,066,029	1,144,535	1,106,325
	<u>3,050,817</u>	<u>3,369,856</u>	<u>3,407,011</u>	<u>3,365,836</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	1,213,456	810,431	693,842	690,985
SUPPLIES & MATERIALS	181,557	195,532	196,120	196,120
ENERGY	0	0	0	0
VEHICLE SUPPLIES & REPAIR	5,223	7,000	6,938	6,938
INTRAGOVERNMENTAL	464,408	500,213	448,809	445,518
	<u>1,864,644</u>	<u>1,513,176</u>	<u>1,345,709</u>	<u>1,339,561</u>
OTHER FINANCIAL USES:				
DEBT SERVICE	0	0	0	0
TRANSFER OUT	0	0	0	0
CAPITAL OUTLAY	5,543	1,383	0	0
	<u>5,543</u>	<u>1,383</u>	<u>0</u>	<u>0</u>
 TOTAL EXPENDITURES	 \$ <u>4,921,004</u>	 \$ <u>4,884,415</u>	 \$ <u>4,752,720</u>	 \$ <u>4,705,397</u>
LESS REVENUE GENERATED BY DIVISION				
REIMBURSEMENT FROM OTHER FUNDS FOR ADMINISTRATIVE SERVICES	<u>(2,211,868)</u>	<u>(2,375,349)</u>	<u>(2,438,057)</u>	<u>(2,438,057)</u>
 TOTAL TOWN CONTRIBUTION	 \$ <u><u>2,709,136</u></u>	 \$ <u><u>2,509,066</u></u>	 \$ <u><u>2,314,663</u></u>	 \$ <u><u>2,267,340</u></u>

**TOWN OF OCEAN CITY
FISCAL YEAR 2010 BUDGET**

PLANNING AND COMMUNITY DEVELOPMENT DIVISION

BUDGET HIGHLIGHTS:

REVENUE:

Several newly instituted fees were included in FY 10. Reinspection fees, additional plan review fees and mobile home removal fees have been added. \$5,500 in additional revenue is expected to be collected from these fees. Building Permit Revenue, the largest revenue generator in this division, has been budgeted at \$675,000, a slight decrease from FY 08 actual and \$790,000 lower than the FY 07 actual. The total revenue for this division is budgeted \$78,000 lower than the FY 09 revised budget. Fewer large projects are currently under design and construction. The Town contribution to funding of this division has been around \$1,000,000 for the past two years.

PERSONNEL CHANGES:

One position has been eliminated in the Construction Inspection division. Fourteen full-time employees are funded in this department. No cost of living and no annual increments have been included. A minimum amount of funding has been included for a part-time GIS intern. Increases in health insurance, pension contribution and retiree health insurance account for much of the increase in the employee benefits line item.

CHANGES IN OPERATIONS:

Contracted Services decrease \$139,350 from FY 09. In the FY 08 and FY 09 budgets, funds were included for a scanning service to scan the documents for the document imaging system. Aerial Photography in the amount of \$73,000 was also included in FY 08. These two items are completed and have not been included in FY 10. Fees for legal services to the boards account for \$31,800 of this line item. Other items funded in Contracted Services include equipment maintenance, travel, dues and advertising. Funding for the Ocean City Development Corporation was increased to \$200,000 in FY 07, and has again been included. The City's contribution continues to be \$100,000 and an additional \$90,000 will be contributed by Worcester County. Funding for the OCDC is reflected in the Supplies & Materials line item. Furniture and panels for the new conference room were included in the Supplies & Materials line item at a cost of \$9,000 in FY 09. Vehicle fuel and maintenance costs are expected to remain constant in FY 10. Intragovernmental expenses include an increase in allocated funding for the services of the Information Technology department. No Capital outlay is funded in FY 09.

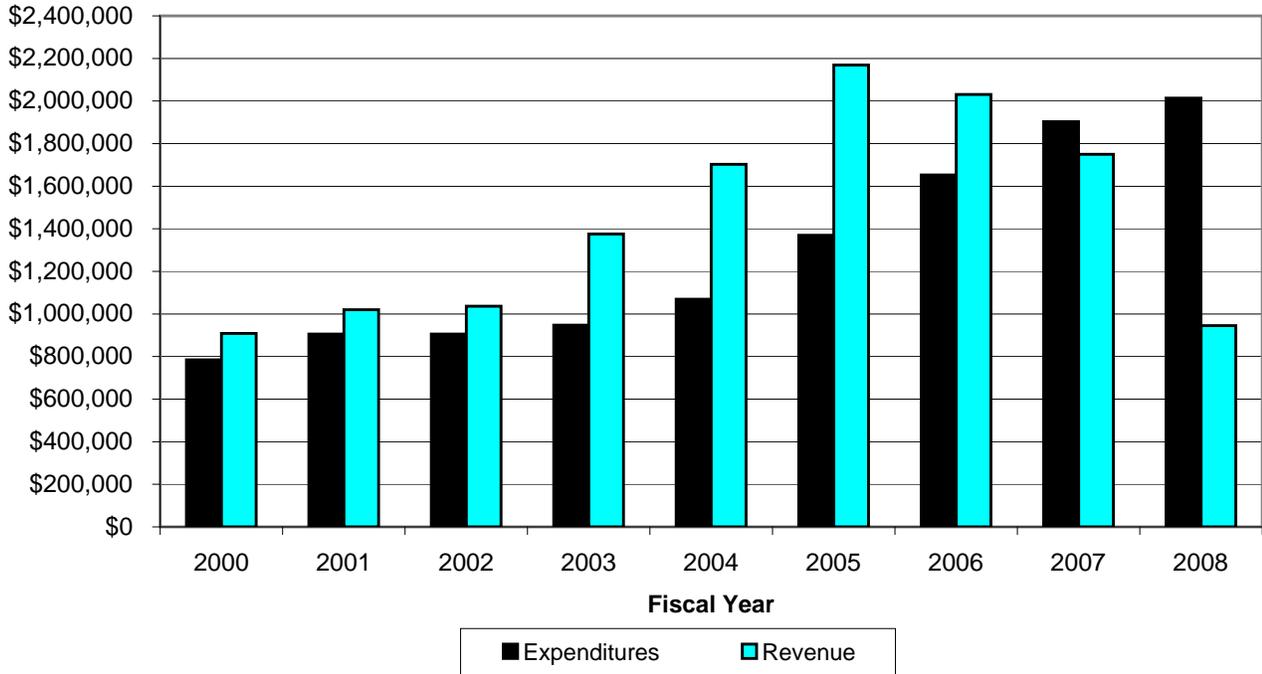
MAJOR 2009-2010 PROGRAM OBJECTIVES:

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. The Geographic Information System will continue to develop and be used by many town departments. As always, the review of building plans and construction inspections will be accomplished in a professional and efficient manner.

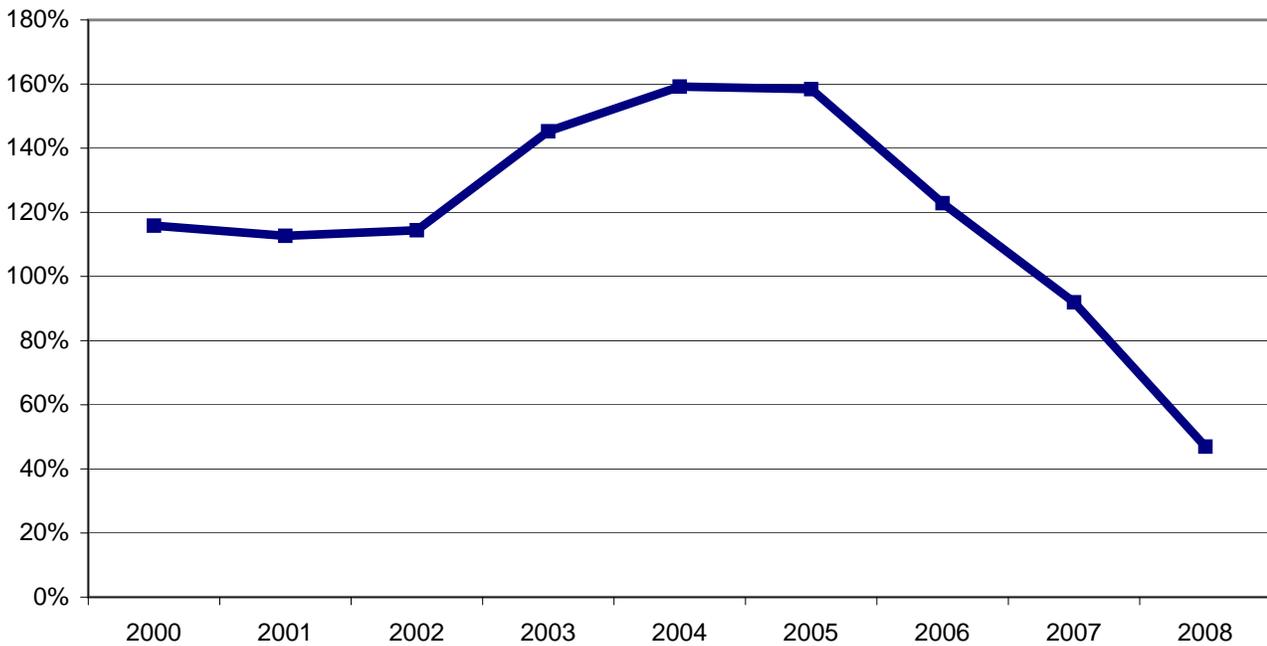
TOWN OF OCEAN CITY
FISCAL YEAR 2010 BUDGET
GENERAL FUND EXPENDITURES
PLANNING AND COMMUNITY DEVELOPMENT DIVISION

EXPENDITURES	ACTUAL 2008	REVISED 2009	CITY MANAGER PROPOSED 2010	COUNCIL ADOPTED 2010
PERSONNEL COSTS:				
SALARY AND WAGES	1,005,784	\$ 986,873	\$ 964,205	\$ 964,205
EMPLOYEE BENEFITS	382,932	446,409	478,856	459,776
	<u>1,388,716</u>	<u>1,433,282</u>	<u>1,443,061</u>	<u>1,423,981</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	220,366	191,021	51,671	51,671
SUPPLIES & MATERIALS	213,472	221,245	208,555	208,555
ENERGY	0	0	0	0
VEHICLE SUPPLIES & REPAIR	9,765	11,100	10,488	10,488
INTRAGOVERNMENTAL	112,123	153,156	177,405	176,839
	<u>555,726</u>	<u>576,522</u>	<u>448,119</u>	<u>447,553</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>1,944,442</u>	\$ <u>2,009,804</u>	\$ <u>1,891,180</u>	\$ <u>1,871,534</u>
LESS REVENUE GENERATED BY DIVISION				
SITE PLAN REVIEW - STAFF	(64,061)	(70,000)	(45,000)	(49,500)
PUBLIC HEARING - PLAN & ZONING	(2,960)	(1,500)	(1,500)	(1,500)
PLAN REVIEW - PLAN & ZONING	(15,873)	(15,000)	(1,000)	(1,000)
PUBLIC HEARING - ZONING APPEALS	(32,360)	(24,000)	(20,000)	(20,000)
PUBLIC HEARING - PORT WARDENS	(20,020)	(25,000)	(10,000)	(10,000)
MINOR REVIEW - PORT WARDENS	(3,125)	(4,000)	(4,000)	(4,000)
MOBILE HOME PERMITS	(8,376)	(5,000)	(2,000)	(3,000)
ALTERATION PERMITS	0	0	0	0
BUILDING PERMITS	(685,865)	(687,500)	(675,000)	(675,000)
TEMPORARY TRAILER PERMITS	(140)	(500)	(500)	(500)
SIGN PERMITS	(11,627)	(10,000)	(10,000)	(10,000)
O C DEVELOPMENT CORP	(100,000)	(100,000)	(97,000)	(90,000)
ADJUSTMENT & APPEALS HEARING	(468)	(750)	(750)	(750)
	<u>(944,875)</u>	<u>(943,250)</u>	<u>(866,750)</u>	<u>(865,250)</u>
TOTAL TOWN CONTRIBUTION	\$ <u>999,567</u>	\$ <u>1,066,554</u>	\$ <u>1,024,430</u>	\$ <u>1,006,284</u>

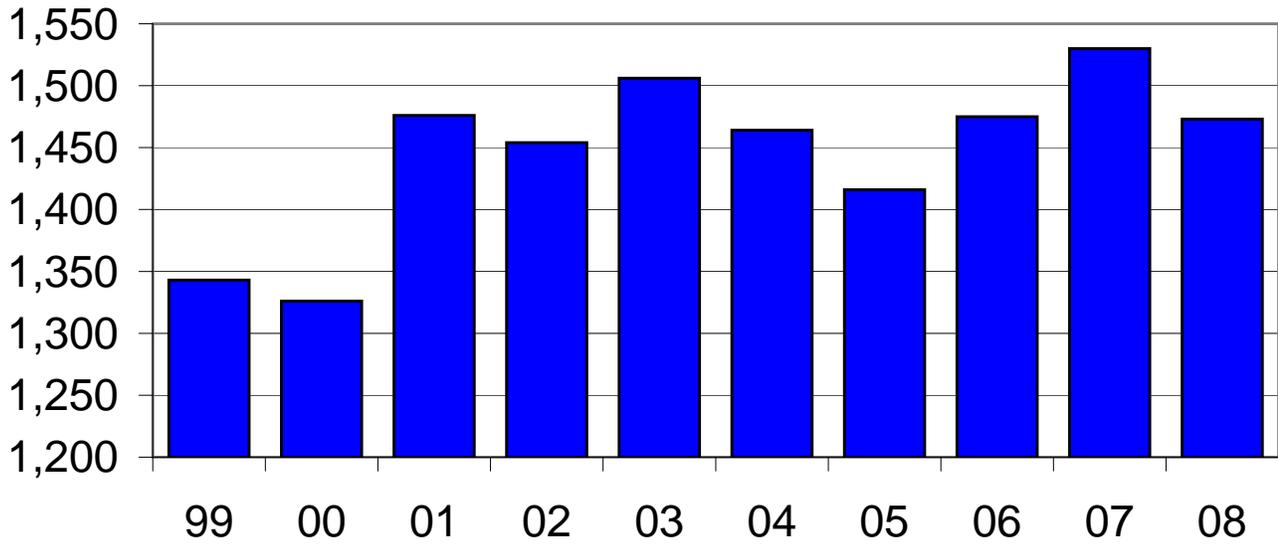
Revenues and Expenditures FY 2000 - FY 2008



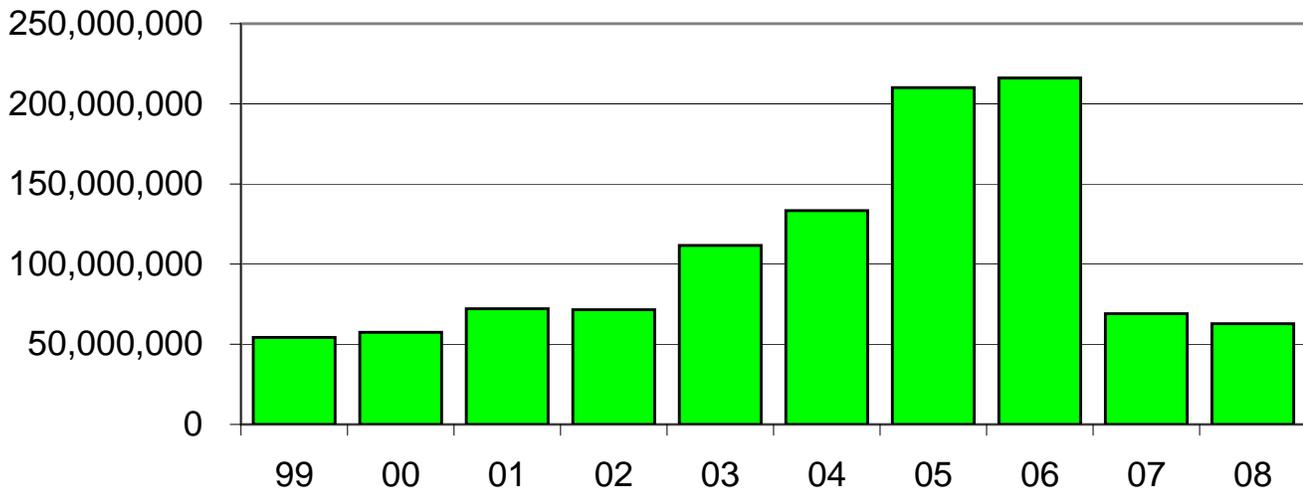
Revenue as a % of Expenditures FY 2000 - FY 2008



Total Permits Issued 1999-2008



Valuation of Permits 1999-2008



PUBLIC SAFETY

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

POLICE

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

COMMUNICATIONS/ELECTRONICS/EMERGENCY MANAGEMENT

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

VOLUNTEER FIRE COMPANY

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

PUBLIC SAFETY (CONTINUED)

VOLUNTEER FIRE COMPANY (CONTINUED)

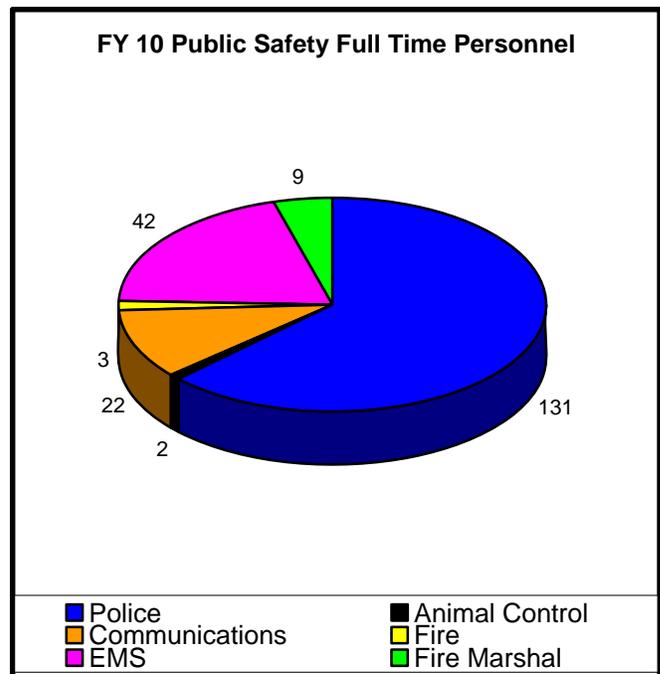
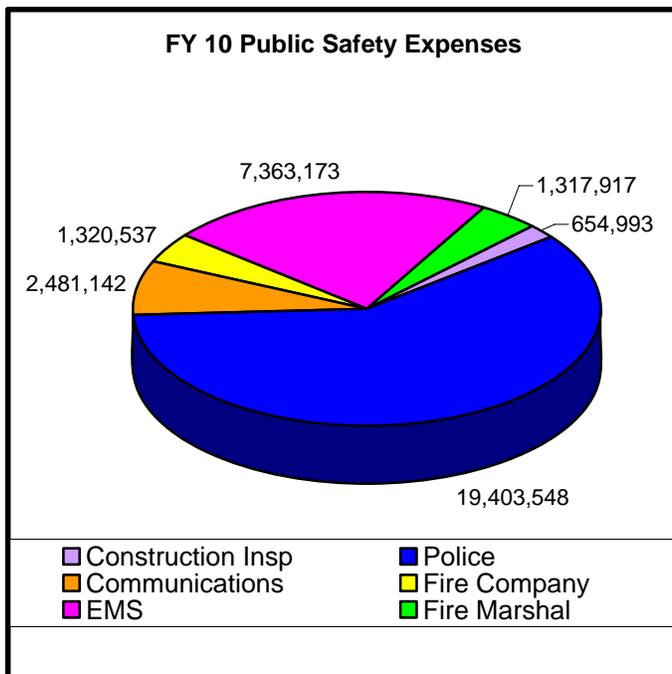
provides HazMat response to Ocean City and surrounding areas. The OCVFC is one of the largest volunteer fire companies in the state and is noted for its professionalism and expertise.

CAREER FIRE/EMERGENCY MEDICAL SERVICES

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

FIRE MARSHAL

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



TOWN OF OCEAN CITY
FISCAL YEAR 2010 BUDGET

POLICE DIVISION

BUDGET HIGHLIGHTS:

REVENUE CHANGES:

Revenue decreases significantly for this division. Homeland Security grants received in FY 09 totaled \$447,000. These funds will be added to the FY 10 budget as received. Block grant funding is uncertain in the coming fiscal year. Any funds remaining from the Block grants the Town has already received will be added to the budget in Budget Amendment # 1. State Police Aid is expected to increase slightly. Impounded vehicles and Funds decrease slightly. Revenue from tow fines is expected to decrease based on actual revenue received in the FY 09 summer season.

PERSONNEL CHANGES:

Two full-time sworn positions have been eliminated in the FY 10 budget. A part-time year-round records technician position was also eliminated and the summer hours of operation for the records division were reduced. Part-time Patrol division salaries have been reduced \$115,262. Overtime costs are budgeted \$30,000 lower than the revised FY 09 budget. Great effort has been made to control this cost in recent years. No cost of living adjustments and no annual increments have been included. Benefit increases include an additional \$138,000 for health insurance and an additional \$140,000 for pension contributions. Retiree health insurance has been budgeted at \$571,736 for this division. This is a decrease of \$275,000 from fiscal FY 09.

CHANGES IN OPERATIONS:

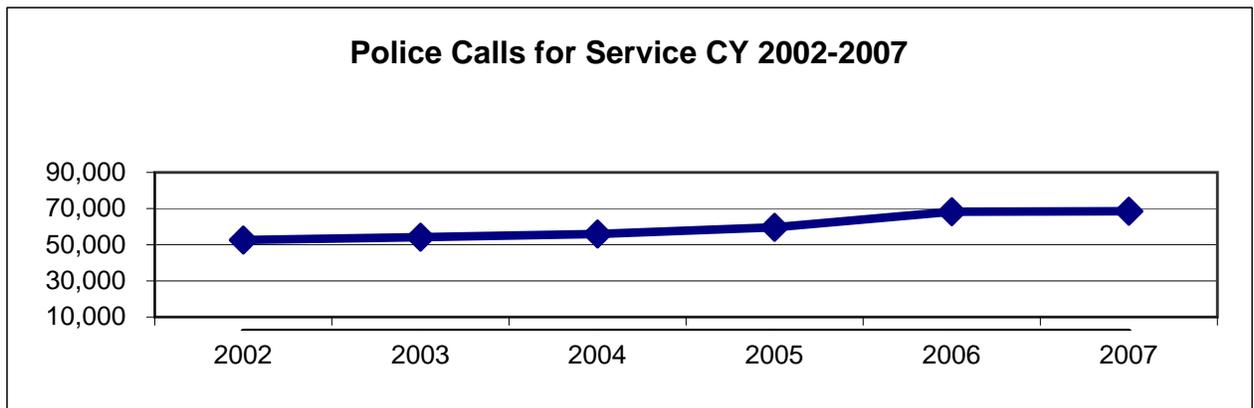
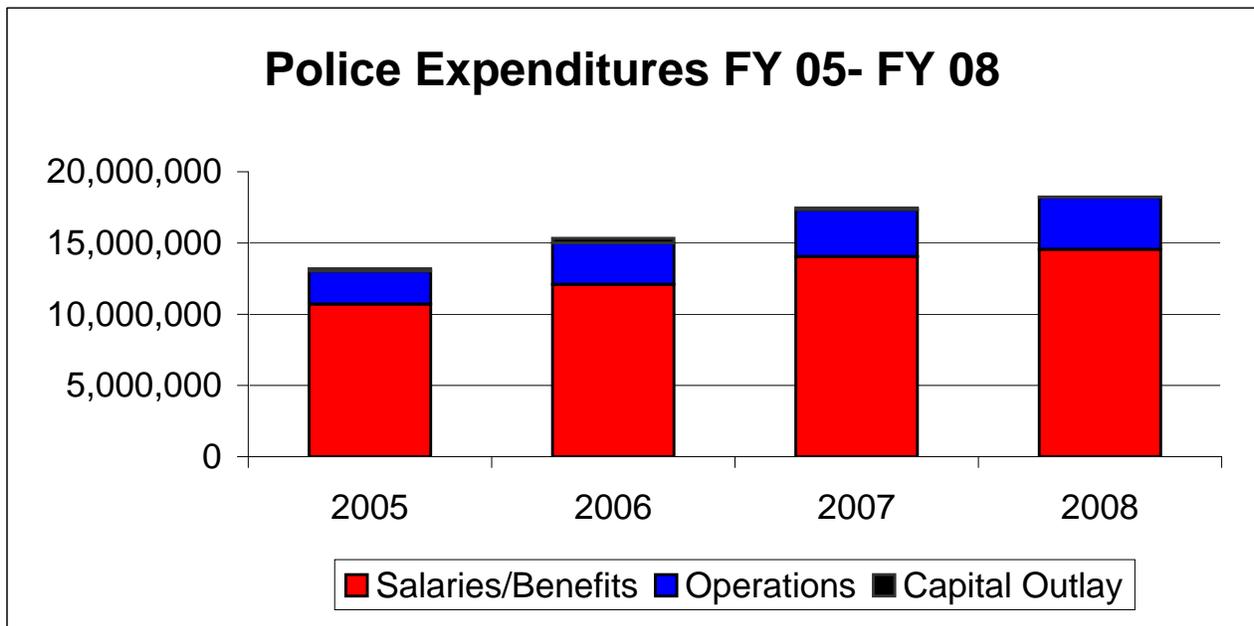
Contracted Services include \$181,108 for building and equipment maintenance, and \$180,000 in towing expenses. Communications expense is also included in this category and is budgeted at \$157,444. This is an decrease from FY 09, but includes \$46,800 for Sprint card monthly fees and \$47,000 for radio maintenance costs. Training and Travel have been budgeted at \$136,356. This is a reduction of over \$100,000 from FY 09 and includes \$40,500 for court-related travel, and \$29,000 for mandated training expenses. Also included in this line item is \$16,000 for consultants for the assessment center testing, and \$30,000 for policy review. Supplies and Materials include all operational supplies and uniform costs. The light bars, sirens and striping for the new Police vehicles have been included in this line item at a cost of \$40,800. Ammunition was not purchased in FY 09, but has been budgeted at \$43,000 in FY 10. Furniture and equipment for the Public Safety Building expansion were included at a cost of \$23,000 in FY 09 and have not been requested in FY 10. Replacement uniforms and items included in the Fraternal Order of Police contract are also included in this line item at a cost of \$250,843. This is a cost reduction of over \$28,500 from FY 09. Energy costs are expected to increase citywide. Vehicle maintenance costs are budgeted to increase \$14,000, but vehicle fuel has been budgeted to decrease \$50,000. Savings from changes in the take home vehicle policy have been incorporated. The Police department's portion of the CAD/RMS lease payment and maintenance costs have been charged through Intragovernmental expenses. Maintenance and support cost this department \$111,328 annually, while the lease payment is \$232,677. All Intragovernmental allocations decrease in FY 10. Capital outlay in FY 09 included over \$400,000 in Homeland Security grant purchases and a replacement UPS system for the Public Safety Building. The UPS system was not purchased and has not been included in FY 10. No capital outlay has been budgeted for this division.

TOWN OF OCEAN CITY
FISCAL YEAR 2010 BUDGET
GENERAL FUND EXPENDITURES
POLICE DIVISION

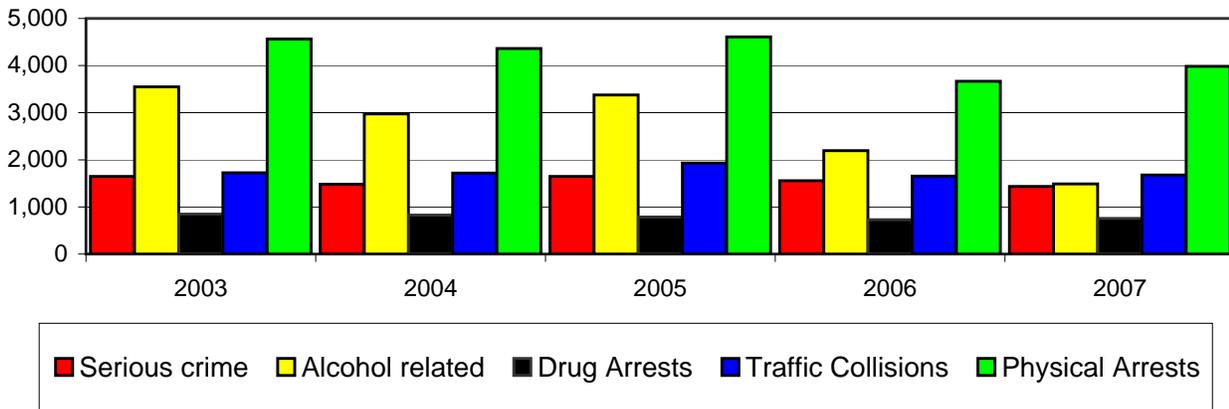
EXPENDITURES	ACTUAL 2008	REVISED 2009	CITY MANAGER PROPOSED 2010	COUNCIL ADOPTED 2010
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 10,528,551	\$ 11,140,474	\$ 11,014,771	\$ 11,014,771
EMPLOYEE BENEFITS	4,026,863	4,927,908	5,168,048	4,934,680
	<u>14,555,414</u>	<u>16,068,382</u>	<u>16,182,819</u>	<u>15,949,451</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	947,480	1,130,452	1,012,422	1,012,422
SUPPLIES & MATERIALS	511,158	620,492	588,513	588,513
ENERGY	241,493	170,000	226,000	226,000
VEHICLE SUPPLIES & REPAIR	690,838	622,150	585,873	561,364
INTRAGOVERNMENTAL	1,255,126	1,247,135	1,096,440	1,065,798
	<u>3,646,095</u>	<u>3,790,229</u>	<u>3,509,248</u>	<u>3,454,097</u>
OTHER FINANCIAL USES:				
DEBT SERVICE	0	0	0	0
TRANSFER OUT	0	0	0	0
CAPITAL OUTLAY	32,380	547,219	0	0
	<u>32,380</u>	<u>547,219</u>	<u>0</u>	<u>0</u>
TOTAL EXPENDITURES	\$ <u>18,233,889</u>	\$ <u>20,405,830</u>	\$ <u>19,692,067</u>	\$ <u>19,403,548</u>
LESS REVENUE GENERATED BY DIVISION				
ANIMAL LICENSES	(975)	(950)	(950)	(950)
NOISE PERMITS	(215,717)	(209,000)	(209,000)	(209,000)
PARKING FINES	(280,940)	(290,000)	(280,000)	(280,000)
STATE-POLICE AID	(411,500)	(415,000)	(420,000)	(420,000)
COUNTY-POLICE AID	(18,506)	(15,016)	(18,500)	(18,500)
STATE - OTHER GRANTS	0	0	0	0
STATE - EMG MGT GRANT	0	(447,219)	0	0
FEDERAL - " BLOCK GRANTS"	(8,993)	(15,410)	0	0
FINGERPRINTING	(1,466)	(1,200)	(1,400)	(1,400)
DOG VIOLATIONS	(875)	(400)	(400)	(400)
POLICE TOW FINES	(171,990)	(175,000)	(150,000)	(150,000)
PRIVATE TOW FINES	(69,820)	(85,000)	(85,000)	(85,000)
FALSE ALARMS	(4,449)	(2,500)	(5,000)	(5,000)
MUNICIPAL INFRACTIONS	(30,660)	(53,000)	(50,000)	(50,000)
BUILDING RENTAL	(176,316)	(176,316)	(178,044)	(178,044)
IMPOUNDED VEHICLES/FUNDS	(69,371)	(50,000)	(45,000)	(45,000)
	<u>(1,461,578)</u>	<u>(1,936,011)</u>	<u>(1,443,294)</u>	<u>(1,443,294)</u>
TOTAL TOWN CONTRIBUTION	\$ <u>16,772,311</u>	\$ <u>18,469,819</u>	\$ <u>18,248,773</u>	\$ <u>17,960,254</u>

OCEAN CITY POLICE DEPARTMENT
 FULL-TIME SWORN PERSONNEL ALLOCATIONS
 2008, 2009, BUDGET 2010

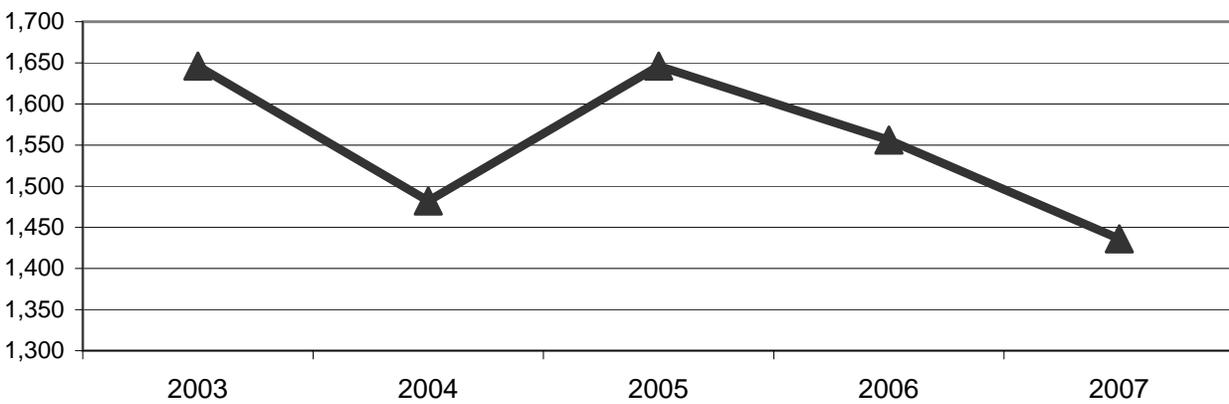
	FY-2008	FY-2009	FY-2010
Chief	1	1	1
Captain	4	4	4
Lieutenant	8	8	9
Sergeant	13	13	12
Corporal	18	18	18
PFC	38	33	43
Officer	25	30	18
	<u>107</u>	<u>107</u>	<u>105</u>



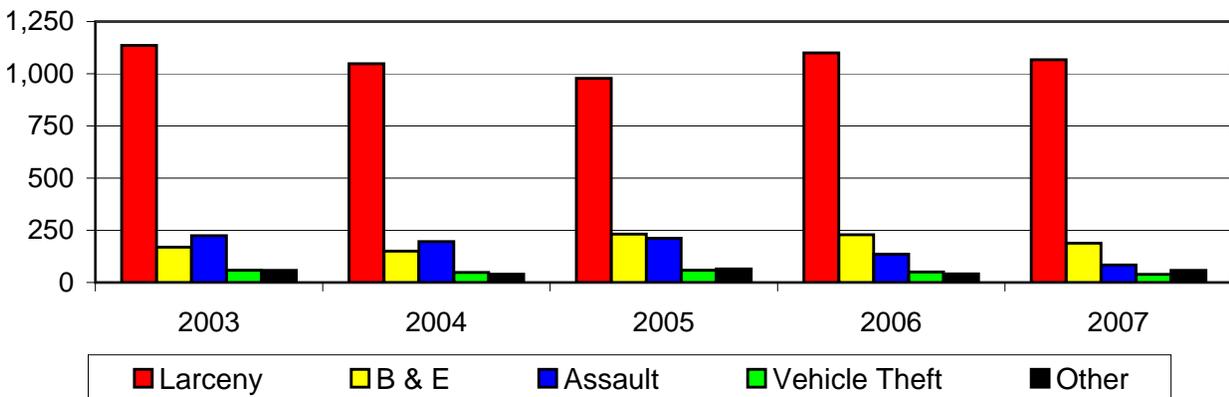
Types of Offense 2003-2007



Serious Crime Arrests 2003-2007



Serious Crime Arrests 2003-2007



**TOWN OF OCEAN CITY
FISCAL YEAR 2010 BUDGET**

COMMUNICATIONS, ELECTRONICS, EMERGENCY MANAGEMENT

BUDGET HIGHLIGHTS:

REVENUE CHANGES:

Continued participation in the Emergency Management Assistance (EMA) funding from the Federal Emergency Management Agency. A grant equivalent to the partial salary and benefits of the Emergency Management Director has been included. An additional grant to cover the salary and benefits of the Emergency Planner has also been included. Apparent decreases reflect Homeland Security funds received in FY 2008 and FY 2009. 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 remains the same.

PERSONNEL CHANGES:

Twenty-two positions are funded in this division. Funding continues for the Emergency Planner position and grant funds have been added on the revenue side to offset this cost. The Safety Technician position previously budgeted in Risk Management has been transferred to this division to assist in Emergency planning and training. No cost of living and no annual increments have been included in the FY 10 budget. Increases in benefits reflect anticipated increases in group insurance and in pension contribution. \$114,000 has been included for retiree health insurance. This decreases \$30,000 from FY 09 as a result of the recommendations of the most recent actuarial study.

CHANGES IN OPERATIONS:

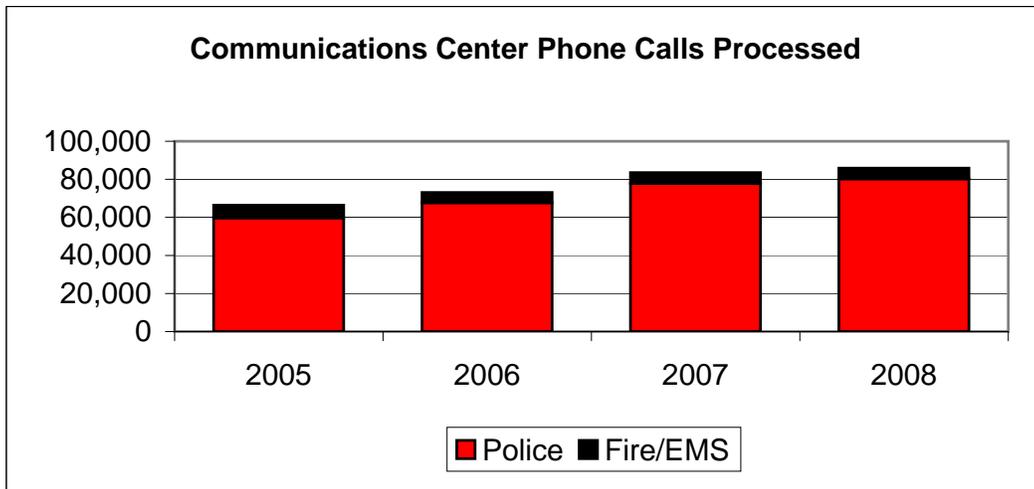
Contracted Services includes equipment maintenance, training costs, printing and other services. These costs decrease in FY 10. FY 09 included \$30,400 in Homeland Securities funds for training that were not included in FY 10. Training for the Communications operators and the Electronics Services specialists has been cut \$27,820. Supplies & Materials include operational and uniform costs for the three divisions. These costs have been reduced more than \$10,000. Energy costs increase. Vehicle Supplies and Repair includes an allowance for fuel and maintenance on the mobile command post. Intragovernmental expenses decrease because the allocations for Vehicle Lease, Radio/Equipment lease and Information Technology expenses decrease in FY 2010. Capital outlay decreases because equipment purchased with Homeland Security grant funds included in FY 2009 are not included in FY 2010. In addition, replacement console furniture for the Communications center was budgeted in FY 09, but has not been included in FY 10. Although budgeted in FY 09, this furniture was not purchased. The current furniture was purchased when the Public Safety Building was constructed and has been in use 24 hours a day/seven days a week.

SUMMARY COMMENTS:

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

TOWN OF OCEAN CITY
 FISCAL YEAR 2010 BUDGET
 GENERAL FUND EXPENDITURES
 COMMUNICATIONS, ELECTRONICS, EMERGENCY MANAGEMENT

EXPENDITURES	ACTUAL 2008	REVISED 2009	CITY MANAGER PROPOSED 2010	COUNCIL ADOPTED 2010
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 1,290,242	\$ 1,376,236	\$ 1,380,178	\$ 1,460,526
EMPLOYEE BENEFITS	518,072	663,589	693,585	700,750
	<u>1,808,314</u>	<u>2,039,825</u>	<u>2,073,763</u>	<u>2,161,276</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	106,416	134,706	77,328	77,328
SUPPLIES & MATERIALS	35,847	54,979	43,250	43,340
ENERGY	33,291	31,650	35,650	35,650
VEHICLE SUPPLIES & REPAIR	18,209	23,700	19,497	18,480
INTRAGOVERNMENTAL	224,526	158,457	145,346	145,068
	<u>418,289</u>	<u>403,492</u>	<u>321,071</u>	<u>319,866</u>
OTHER FINANCIAL USES:				
DEBT SERVICE	0	0	0	0
TRANSFER OUT	0	0	0	0
CAPITAL OUTLAY	103,102	180,020	0	0
	<u>103,102</u>	<u>180,020</u>	<u>0</u>	<u>0</u>
TOTAL EXPENDITURES	\$ <u>2,329,705</u>	\$ <u>2,623,337</u>	\$ <u>2,394,834</u>	\$ <u>2,481,142</u>
LESS REVENUE GENERATED BY DIVISION				
STATE EMERGENCY MGT. GRANT	(271,270)	(157,698)	(117,135)	(117,135)
ANTENNA RENTS	(57,028)	(60,000)	(60,000)	(60,000)
	<u>(328,298)</u>	<u>(217,698)</u>	<u>(177,135)</u>	<u>(177,135)</u>
TOTAL TOWN CONTRIBUTION	\$ <u><u>2,001,407</u></u>	\$ <u><u>2,405,639</u></u>	\$ <u><u>2,217,699</u></u>	\$ <u><u>2,304,007</u></u>



TOWN OF OCEAN CITY
FISCAL YEAR 2010 BUDGET

FIRE COMPANY

BUDGET HIGHLIGHTS:

PERSONNEL CHANGES:

The number of firefighter/mechanics remains at two with one clerical position on a full-time basis. A part-time office associate has been included for 23 hours per week. No cost of living allowance or annual increments have been included. Increases in health insurance costs and the pension contribution account for the increase in Employee benefits. The annual contribution for retiree health insurance has been budgeted at \$12,123.

CHANGES IN OPERATIONS:

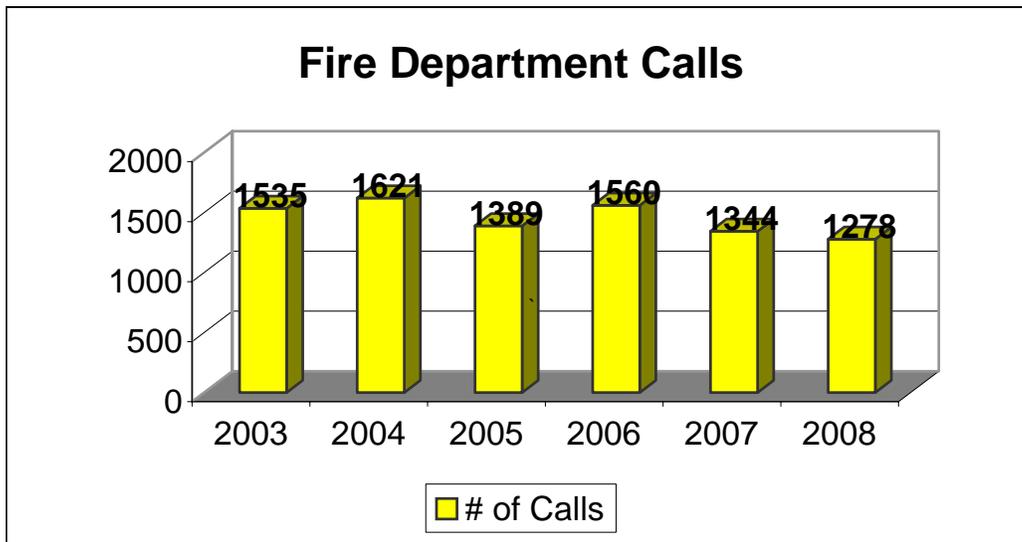
Contracted Services decrease and include such items as: building maintenance, \$45,600; and Fire Company insurance policies, \$69,500. Training costs decrease \$19,130 from the FY 09 budgeted amount, and are included in this line item at a total of \$19,920. Comprehensive physicals for thirty-three volunteer firemen have been budgeted at a cost of \$30,500. Fifteen replacement pagers were added at the Adopted level. Operational supplies include such items as replacement hose, nozzles, air bottles, and 10 sets of fire fighter turnout gear. This line item decreases \$132,882 from the FY 09 revised budget. Both electric and propane costs are expected to increase in FY 10, causing a budgeted increase in Energy costs. Vehicle maintenance costs have been reduced and include only necessary repairs and parts. Routine items such as rust removal and painting of apparatus, tire replacement and metal repair have been included. Intragovernmental expenses include allocations for the radio/equipment lease, IT services and Insurance costs. Lease/purchase payments for the CAD/RMS system are included in the Radio/Equipment line item. This line item decreases as the lease/purchase on the City telephone equipment has been paid off. IT Services include an allocation of the Information Technology expense and include costs for the AS400 programs, a PC allocation and the Fire Company's portion of the CAD/RMS system maintenance. The Risk allocation for property insurance has also been included at a cost of \$9,499. Capital outlay reflects the decrease in the Town's contribution to the fire equipment fund from \$444,839 to \$222,420. \$50,000 has been included to reconfigure living quarters for the duty crews.

SUMMARY COMMENTS:

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

TOWN OF OCEAN CITY
FISCAL YEAR 2010 BUDGET
GENERAL FUND EXPENDITURES
FIRE COMPANY

EXPENDITURES	ACTUAL 2008	REVISED 2009	CITY MANAGER PROPOSED 2010	COUNCIL ADOPTED 2010
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 171,949	\$ 180,225	\$ 183,235	\$ 183,235
EMPLOYEE BENEFITS	69,337	84,170	90,556	85,636
	<u>241,286</u>	<u>264,395</u>	<u>273,791</u>	<u>268,871</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	229,561	308,652	253,919	262,544
SUPPLIES & MATERIALS	292,411	287,182	154,300	154,300
ENERGY	63,846	61,000	65,500	65,500
VEHICLE SUPPLIES & REPAIR	238,048	275,760	232,180	232,180
INTRAGOVERNMENTAL	79,339	74,042	65,466	64,723
	<u>903,205</u>	<u>1,006,636</u>	<u>771,365</u>	<u>779,247</u>
OTHER FINANCIAL USES:				
DEBT SERVICE	0	0	0	0
TRANSFER OUT	0	0	0	0
CAPITAL OUTLAY	474,637	497,079	479,839	272,419
	<u>474,637</u>	<u>497,079</u>	<u>479,839</u>	<u>272,419</u>
TOTAL EXPENDITURES	\$ <u>1,619,128</u>	\$ <u>1,768,110</u>	\$ <u>1,524,995</u>	\$ <u>1,320,537</u>
LESS REVENUE GENERATED BY DIVISION				
FALSE ALARM FINES	(4,449)	(2,500)	(5,000)	(5,000)
	<u>(4,449)</u>	<u>(2,500)</u>	<u>(5,000)</u>	<u>(5,000)</u>
TOTAL TOWN CONTRIBUTION	\$ <u>1,614,679</u>	\$ <u>1,765,610</u>	\$ <u>1,519,995</u>	\$ <u>1,315,537</u>



TOWN OF OCEAN CITY
FISCAL YEAR 2010 BUDGET

FIRE/EMS DIVISION

BUDGET HIGHLIGHTS:

REVENUE CHANGES:

Fees consist of an Advanced Life Support or Basic Life Support charge depending upon the level of service rendered and a charge for mileage. Basic Life Support fees are \$325, advanced life support level I is \$415 and advanced life support level II is \$550. Charges for service to residents of West Ocean City is double those for residents of Ocean City. In FY 2007, Worcester County increased its cost per run to \$177 for in-town and \$708 for out-of-town calls. The per-paramedic subsidy remained at \$5,000, but the per-ambulance subsidy increased from \$5,000 to \$10,000. County grants have been included at \$1,073,431.

PERSONNEL CHANGES:

The FY 10 budget includes forty-two full-time positions. These include a Deputy Chief, an Assistant Chief, Captains, Lieutenants, 2nd Lieutenants, and Firefighters/EMTs. No cost of living and no annual increments have been included. Premium and Regular overtime are expected to decrease \$142,473 as a result of the recent restructuring of the division. Part-time salaries have been budgeted \$35,617 higher than FY 09. Group insurance and pension contributions increase \$116,010. Retiree health insurance has been included at \$191,321, which is a decrease of \$105,000 from FY 09.

CHANGES IN OPERATIONS:

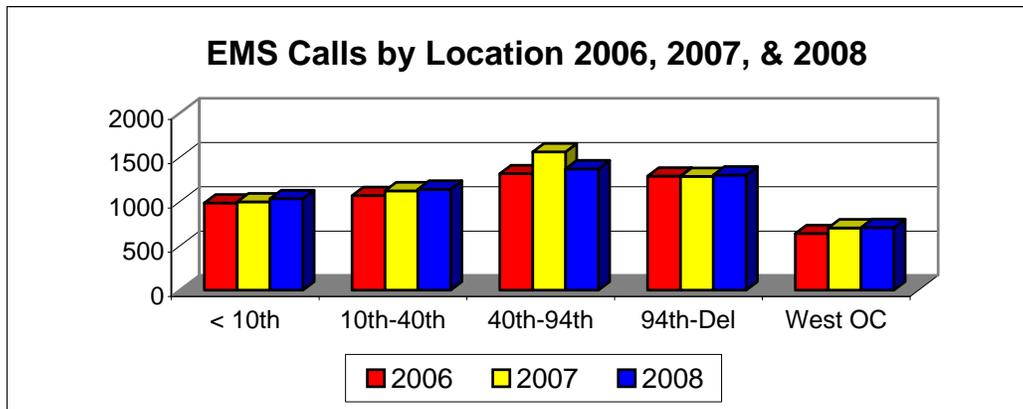
Contracted Services include \$45,000 for required physicals for all Fire/EMS personnel. Part of this cost includes comprehensive physicals at \$551 each. The implementation for this has been phased in over a three year period. Equipment, radio, and building maintenance costs are also included in this line item. Dive Team equipment maintenance is included at \$3,200 as is the maintenance contract on the defibrillators, \$14,500. Building maintenance decreases over \$16,000 as repairs to the career sections of the fire stations were included in FY 09. Training and Travel costs, also included here, are budgeted at \$18,540, a decrease of nearly \$13,000. Supplies and Materials include medical and training supplies and uniform costs. Three Stryker Propower stretchers were included at a cost of \$28,200 in FY 09. Uniform costs have also been reduced. Vehicle supplies and repairs decrease slightly. Lease/purchase and maintenance costs for the CAD/RMS system are included in Intragovernmental expenses. \$82,818 is this division's allocation for the lease/purchase payment and \$13,835 has been charged for the support costs. Vehicle Lease expense decreases \$15,728, but the allocation for IT services increases. Capital outlay includes three replacement defibrillators at a cost of \$18,060 each.

MAJOR 2009-2010 PROGRAM OBJECTIVES:

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

TOWN OF OCEAN CITY
FISCAL YEAR 2010 BUDGET
GENERAL FUND EXPENDITURES
EMERGENCY MEDICAL SERVICES DIVISION

EXPENDITURES	ACTUAL 2008	REVISED 2009	CITY MANAGER PROPOSED 2010	COUNCIL ADOPTED 2010
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 4,411,363	\$ 4,464,520	\$ 4,647,324	\$ 4,647,324
EMPLOYEE BENEFITS	1,486,421	1,775,439	1,885,848	1,801,940
	<u>5,897,784</u>	<u>6,239,959</u>	<u>6,533,172</u>	<u>6,449,264</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	126,356	181,967	134,205	134,205
SUPPLIES & MATERIALS	279,876	291,190	211,862	211,862
ENERGY	25,334	23,000	25,500	25,500
VEHICLE SUPPLIES & REPAIR	182,992	171,000	169,403	169,403
INTRAGOVERNMENTAL	382,852	331,517	319,380	318,759
	<u>997,410</u>	<u>998,674</u>	<u>860,350</u>	<u>859,729</u>
OTHER FINANCIAL USES:				
DEBT SERVICE	0	0	0	0
TRANSFER OUT	0	0	0	0
CAPITAL OUTLAY	17,569	15,300	54,180	54,180
	<u>17,569</u>	<u>15,300</u>	<u>54,180</u>	<u>54,180</u>
TOTAL EXPENDITURES	\$ <u>6,912,763</u>	\$ <u>7,253,933</u>	\$ <u>7,447,702</u>	\$ <u>7,363,173</u>
LESS REVENUE GENERATED BY DIVISION				
AMBULANCE SERVICE FEES	(721,242)	(695,000)	(725,000)	(725,000)
COUNTY OPERATING GRANT	(1,016,221)	(1,055,032)	(1,055,032)	(1,073,431)
	<u>(1,737,463)</u>	<u>(1,750,032)</u>	<u>(1,780,032)</u>	<u>(1,798,431)</u>
TOTAL TOWN CONTRIBUTION	\$ <u>5,175,300</u>	\$ <u>5,503,901</u>	\$ <u>5,667,670</u>	\$ <u>5,564,742</u>



TOWN OF OCEAN CITY
FISCAL YEAR 2010 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 \$163,000. This decrease in revenue is indicative of the trends witnessed since FY 08. Fewer large projects are currently under construction.

PERSONNEL CHANGES:

No cost of living and no step increases have been included. A part-time position that was responsible for maintaining the data base for the Quality Assurance program has been deleted at a savings of \$16,000. A 14.3% increase in health insurance and an increase in pension contributions are responsible for the increases in employee benefit costs. Retiree health insurance has been included at a cost of \$39,454. This decreases \$20,261 from the prior year as a result of the most recent actuarial study.

CHANGES IN OPERATIONS:

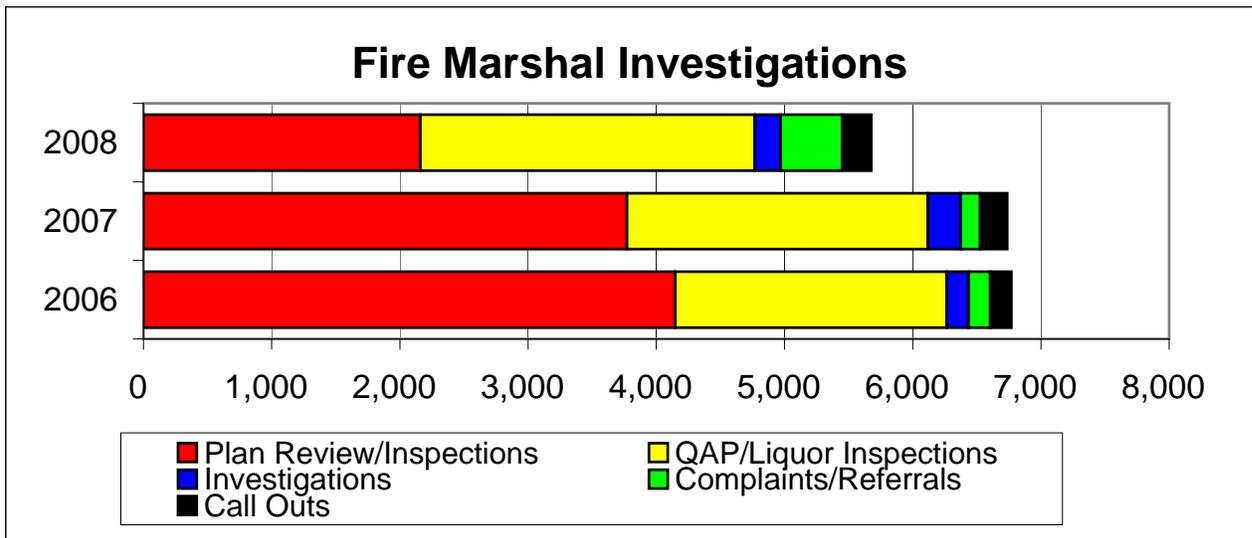
Contracted Services decrease as the \$42,560 included in FY 09 to scan and index current Fire Marshal files for the Town's ongoing Document Imaging project are not reflected in FY 10. Comprehensive physicals, equipment maintenance, and training are other costs included in Contracted Services. The maintenance contract on the bomb robot is included at a cost of \$7,500. Training has been budgeted at \$10,495 and includes Hazardous Materials training and attendance at the FDIC and International Association of Fire Chiefs conferences. Hazardous materials equipment for the Fire/EMS/Fire Marshal division has been included in this budget at a cost of \$27,330. Uniform costs decrease slightly from FY 09, but include items approved as part of the contract. Vehicle fuel has been budgeted at the average number of gallons consumed over the past three years. Fuel costs are expected to be lower than those experienced in FY 09. Changes resulting from the newly adopted take home vehicle policy also resulted in anticipated decreases in fuel costs. Vehicle maintenance costs are anticipated to remain constant. Intragovernmental expenses in FY 10 reflect decreases for Vehicle Lease expense and also reflect decreases in Equipment lease as the telephone equipment lease/purchase has been satisfied. \$17,747 has been included for the Fire Marshal's portion of the CAD/RMS lease/purchase payment. No capital outlay has been included for this division. Any items covered in future grants will be added as the grants are received.

SUMMARY COMMENTS:

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

TOWN OF OCEAN CITY
FISCAL YEAR 2010 BUDGET
GENERAL FUND EXPENDITURES
FIRE MARSHAL DIVISION

EXPENDITURES	ACTUAL 2008	REVISED 2009	CITY MANAGER PROPOSED 2010	COUNCIL ADOPTED 2010
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 666,557	\$ 709,354	\$ 705,843	\$ 705,843
EMPLOYEE BENEFITS	322,456	385,197	403,453	387,391
	<u>989,013</u>	<u>1,094,551</u>	<u>1,109,296</u>	<u>1,093,234</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	31,034	86,674	37,944	37,944
SUPPLIES & MATERIALS	33,183	39,317	51,858	51,858
ENERGY	0	0	0	0
VEHICLE SUPPLIES & REPAIR	35,437	36,775	32,318	29,518
INTRAGOVERNMENTAL	120,071	121,141	105,465	105,363
	<u>219,725</u>	<u>283,907</u>	<u>227,585</u>	<u>224,683</u>
OTHER FINANCIAL USES:				
DEBT SERVICE	0	0	0	0
TRANSFER OUT	0	0	0	0
CAPITAL OUTLAY	17,952	40,000	0	0
	<u>17,952</u>	<u>40,000</u>	<u>0</u>	<u>0</u>
TOTAL EXPENDITURES	\$ <u>1,226,690</u>	\$ <u>1,418,458</u>	\$ <u>1,336,881</u>	\$ <u>1,317,917</u>
LESS REVENUE GENERATED BY DIVISION				
SITE PLAN REVIEW	(78,807)	(100,000)	(80,000)	(80,000)
SPECIAL REVIEW FEES	(34,955)	(30,000)	(25,000)	(25,000)
QUALITY ASSURANCE	(48,895)	(52,000)	(55,000)	(55,000)
INSPECTION FEES	(1,819)	(2,000)	(3,000)	(3,000)
	<u>(164,476)</u>	<u>(184,000)</u>	<u>(163,000)</u>	<u>(163,000)</u>
TOTAL TOWN CONTRIBUTION	\$ <u>1,062,214</u>	\$ <u>1,234,458</u>	\$ <u>1,173,881</u>	\$ <u>1,154,917</u>



PUBLIC WORKS

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

ENGINEERING/PUBLIC WORKS ADMINISTRATION

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

PUBLIC WORKS CONSTRUCTION

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

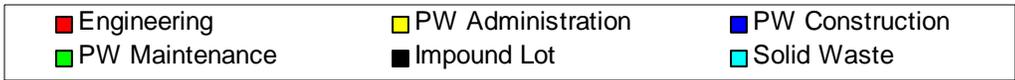
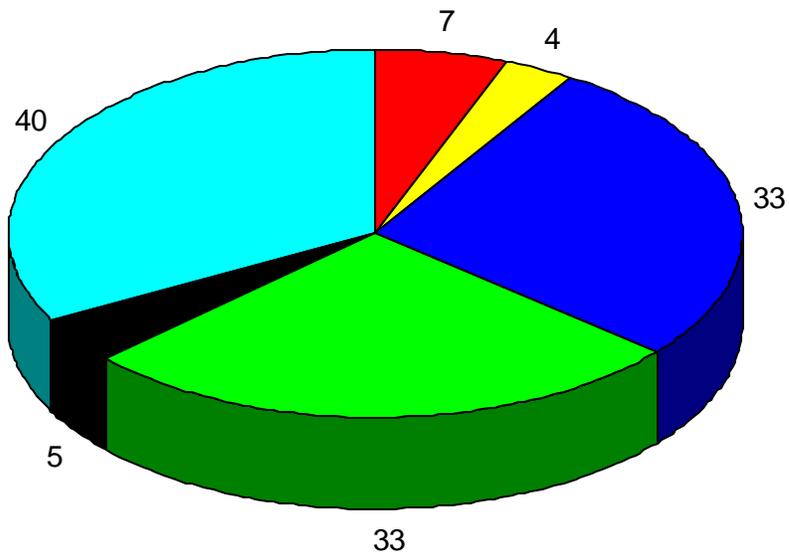
PUBLIC WORKS MAINTENANCE

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

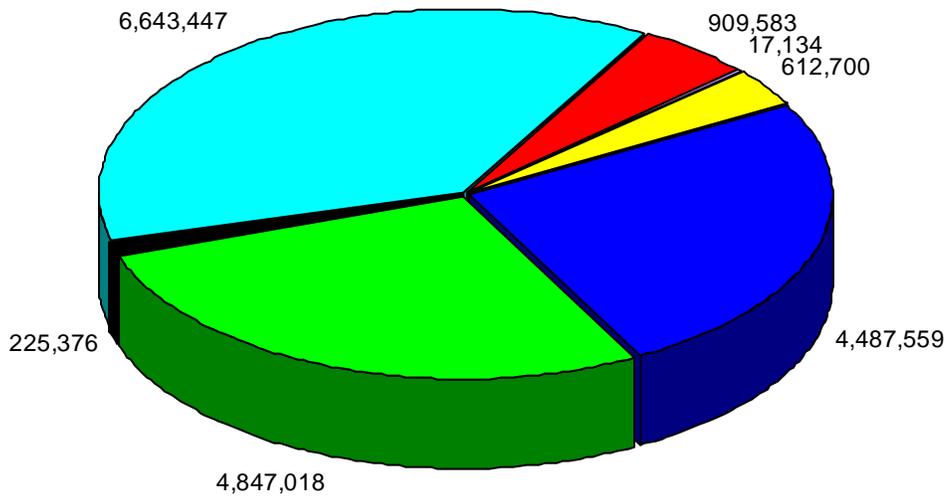
SOLID WASTE, TRANSFER STATION AND RECYCLING

The Solid Waste division is responsible for the collection, processing, recycling, 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. The Recycling division operates seven collection vehicles and services both residential and commercial establishments. Both curbside and condo-side recycling are offered by the Town.

FY 10 Public Works Full Time Personnel



FY 10 Public Works Expenses



**TOWN OF OCEAN CITY
FISCAL YEAR 2010 BUDGET**

ENGINEERING AND PUBLIC WORKS ADMINISTRATION

BUDGET HIGHLIGHTS:

PERSONNEL CHANGES:

Eleven full-time employees are budgeted in these divisions. A full-time Engineering Technician position was eliminated in FY 10. No cost of living or annual increments have been included. Increases have been budgeted in group insurance, retiree health insurance and pension contributions.

CHANGES IN OPERATIONS:

Payment to the State of Maryland for the beach maintenance fund is the largest expense in Contracted Services. No payment was required in FY 10 resulting in a decrease of \$326,828 in FY 10. The payment was \$326,828 in FY 2009 and \$308,961 in FY 08. In FY 09, \$75,000 was included for design services, permits and sampling for canal dredging. Robin Drive Bulkhead design was also included at \$25,000. No Professional Services comparable to these have been included in FY 10. Consulting services for Energy procurement bids have been included for \$4,000. ADA improvements at various locations have been included at \$35,000 in Supplies & Materials. In FY 09, funds from Stormwater Management fees were utilized to set up community grants. Funding was assigned to the Supplies and Materials line item. These funds are not included in FY 10 and explain the decrease in this line item. Vehicle Supplies and Repairs are budgeted to decrease as several hybrid vehicles are assigned to these divisions. Reductions in the allocations for Vehicle Lease, Equipment Lease and Information Technology services are responsible for the decrease in Intragovernmental expenses. No capital outlay requests have been made in these divisions.

MAJOR 2009-2010 PROGRAM OBJECTIVES:

Very few capital projects have been funded in FY 10. The FY 08 bond issue funded \$2,000,000 of street improvements, the Public Safety Building expansion, the Public Works shop facility expansion and St. Louis Avenue reconstruction design. Most of these projects will be completed prior to the end of FY 09. Water and Wastewater capital projects will remain a focus of this division. \$1,291,202 has been allocated for capital projects in the Water and Wastewater funds in FY 10. In the Water fund, Water main upgrades have been funded at \$691,202. In Wastewater, \$600,000 has been allocated to rehabilitate the 48" plant influent sewer. Transportation and Airport projects are also monitored by these departments.

TOWN OF OCEAN CITY
FISCAL YEAR 2010 BUDGET
GENERAL FUND EXPENDITURES
ENGINEERING AND PUBLIC WORKS ADMINISTRATION

EXPENDITURES	ACTUAL 2008	REVISED 2009	CITY MANAGER PROPOSED 2010	COUNCIL ADOPTED 2010
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 1,092,042	\$ 1,185,497	\$ 1,133,857	\$ 1,133,857
EMPLOYEE BENEFITS	368,399	458,790	477,138	456,848
	<u>1,460,441</u>	<u>1,644,287</u>	<u>1,610,995</u>	<u>1,590,705</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	385,332	513,811	46,693	46,693
SUPPLIES & MATERIALS	26,828	72,997	47,232	47,232
ENERGY	0	0	0	0
VEHICLE SUPPLIES & REPAIR	26,738	23,900	19,737	19,737
INTRAGOVERNMENTAL	66,835	82,598	60,540	60,426
	<u>505,733</u>	<u>693,306</u>	<u>174,202</u>	<u>174,088</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>\$ 1,966,174</u>	<u>\$ 2,337,593</u>	<u>\$ 1,785,197</u>	<u>\$ 1,764,793</u>
 TOTAL TOWN CONTRIBUTION	 <u>\$ 1,966,174</u>	 <u>\$ 2,337,593</u>	 <u>\$ 1,785,197</u>	 <u>\$ 1,764,793</u>

**TOWN OF OCEAN CITY
FISCAL YEAR 2010 BUDGET**

PUBLIC WORKS CONSTRUCTION DIVISION

BUDGET HIGHLIGHTS:

REVENUE CHANGES:

State Highway User Tax has been projected to decrease in the State Highway Administration's revenue projection. Sidewalk condemnations are anticipated to remain at the FY 09 level. One-half of this cost is billable to the owners of the condemned sidewalks. The vehicle vending franchise has been budgeted at a reduced amount.

PERSONNEL CHANGES:

Three full-time positions have been eliminated from this budget. Full-time salary increases reflect the fact that deductions have been made only for labor being charged to Water and Wastewater capital projects. No General Fund capital projects have been included in FY 10. Increases in Group insurance and pension contributions have been included. Retiree health insurance is budgeted at \$99,38, a decrease of \$30,000. A minimal increase in worker's compensation and a \$3,500 increase in anticipated unemployment costs have also been included.

CHANGES IN OPERATIONS:

Brick pavers for the landscaping strips on 94th Street and bulkhead maintenance were included in the FY 09 budget, but have not been included in FY 10, resulting in the decrease in the Contracted Services line item. Building Maintenance for city-owned buildings such as City Hall, the Art League and the Public Works office building, and sidewalk replacement are the other two significant costs in this line item. Costs for concrete disposal are included at \$27,615. Supplies for Streets and Storm Drains have been budgeted at \$130,000. Replacement light poles have been included at a cost of \$20,000. Snow removal supplies are also included in this category. Replacement equipment included in FY 09 has not been included in FY 10, resulting in savings in Operational Supplies. In Energy, street lighting is the major expense and has been budgeted at \$553,000. Vehicle repair costs are anticipated to decrease. Allocations for vehicle lease and insurance decrease for this division. The telephone equipment lease has been satisfied, resulting in savings to this division of \$2,996. No capital outlay has been included in the FY 10 budget. FY 09 included \$190,932 for concrete and street repairs at South Ocean Drive, bulkhead repairs and roof repairs at District Court. No replacement vehicles have been approved in this department in the coming fiscal year.

MAJOR 2009-2010 PROGRAM OBJECTIVES:

Maintenance is the ultimate objective for the Construction Division for FY '10. Completion of Water and Wastewater capital projects, and routine street and storm drain repairs will be the focus.

TOWN OF OCEAN CITY
FISCAL YEAR 2010 BUDGET
GENERAL FUND EXPENDITURES
PUBLIC WORKS CONSTRUCTION DIVISION

EXPENDITURES	ACTUAL 2008	REVISED 2009	CITY MANAGER PROPOSED 2010	COUNCIL ADOPTED 2010
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 1,184,910	\$ 1,197,724	\$ 1,555,712	\$ 1,555,712
EMPLOYEE BENEFITS	722,478	858,384	1,064,636	1,015,427
	<u>1,907,388</u>	<u>2,056,108</u>	<u>2,620,348</u>	<u>2,571,139</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	206,013	259,254	221,218	221,218
SUPPLIES & MATERIALS	260,090	258,932	238,087	238,087
ENERGY	649,237	522,780	719,475	719,475
VEHICLE SUPPLIES & REPAIR	477,317	492,500	484,204	477,626
INTRAGOVERNMENTAL	298,464	286,517	265,130	260,014
	<u>1,891,121</u>	<u>1,819,983</u>	<u>1,928,114</u>	<u>1,916,420</u>
OTHER FINANCIAL USES:				
DEBT SERVICE	0	0	0	0
TRANSFER OUT	0	0	0	0
CAPITAL OUTLAY	33,386	471,457	0	0
	<u>33,386</u>	<u>471,457</u>	<u>0</u>	<u>0</u>
TOTAL EXPENDITURES	\$ <u>3,831,895</u>	\$ <u>4,347,548</u>	\$ <u>4,548,462</u>	\$ <u>4,487,559</u>
LESS REVENUE GENERATED BY DIVISION				
STATE - HIGHWAY USER TAX	(881,128)	(846,525)	(839,868)	(762,372)
FRANCHISE FEES - VEHICLE	(101,500)	(101,500)	(80,000)	(80,000)
STATE - STREET AID	(26,363)	(26,363)	(26,363)	(26,363)
STATE - STORMWATER MGMT	(13,315)	(17,134)	(17,134)	(17,134)
COUNTY - STREET AID	(116,909)	(116,909)	(116,100)	0
STREET CUT FEES	(5,183)	(6,000)	(6,000)	(6,000)
SIDEWALK PAYMENTS	(37,257)	(27,000)	(27,000)	(27,000)
	<u>(1,181,655)</u>	<u>(1,141,431)</u>	<u>(1,112,465)</u>	<u>(918,869)</u>
TOTAL TOWN CONTRIBUTION	\$ <u>2,650,240</u>	\$ <u>3,206,117</u>	\$ <u>3,435,997</u>	\$ <u>3,568,690</u>

**TOWN OF OCEAN CITY
FISCAL YEAR 2010 BUDGET**

PUBLIC WORKS MAINTENANCE DIVISION

BUDGET HIGHLIGHTS:

REVENUE CHANGES:

For the 2008 summer season, parking revenue decreased 8.8% from the summer of 2007. The original budget estimates in FY 09 were reduced \$190,000 in budget amendment # 1 to reflect this. In FY 10, parking revenue has been reduced an additional \$90,000. All other revenue in this division is expected to remain constant.

PERSONNEL CHANGES:

Five full-time positions were eliminated from this division. Two of these positions were converted to part-time, year-round employees on the Janitorial staff. Overtime costs decrease \$17,000 in this division. Employee benefit costs increase as health insurance, retiree health contributions and pension contributions increase in FY 10. Unemployment expense is anticipated to increase \$27,000 in this division.

CHANGES IN OPERATIONS:

Credit Card fees for use of the Cale parking meters have been budgeted at \$60,000 in FY 10. Other expenses in Contracted Services include tipping fees for this division, maintenance on the comfort stations and printing of tickets for the Inlet Lot. A contractor has been included at \$65,000 for maintenance to the boardwalk in FY 10. Boardwalk decking and supplies for repairs to the boardwalk have been included in Supplies and Materials in the amount of \$74,000. Boardwalk operational supplies decrease more than \$200,000 since boardwalk bench purchases, railing replacement and repainting of the Somerset Street Arch were included in FY 09, but are not included in FY 10. Energy costs are expected to increase. Vehicle fuel is budgeted to decrease in FY 10. Vehicle repairs are budgeted to increase slightly. Decreases in vehicle lease expense and in the completion of the lease/purchase for the telephone equipment lease are responsible for the decrease in Intragovernmental expenses. No capital outlay has been budgeted. One replacement pick-up and a surf rake were approved as purchases in the Vehicle Trust Fund for this department. The surf rake will replace a much older beach sanitizer.

SUMMARY COMMENTS:

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

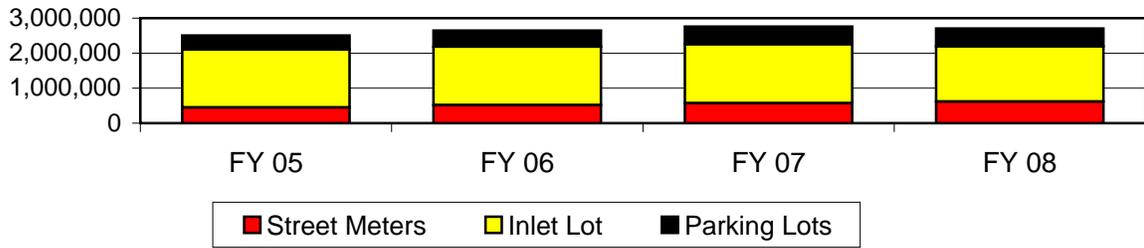
MAJOR 2009-2010 PROGRAM OBJECTIVES:

Maintenance of the boardwalk will continue to be a priority. The annual replacement of boards has been included in the FY 10 budget. The boardwalk has been enhanced greatly by the Public Works staff's attention to its maintenance. Cleanliness of the City streets, beaches, and comfort stations is another priority.

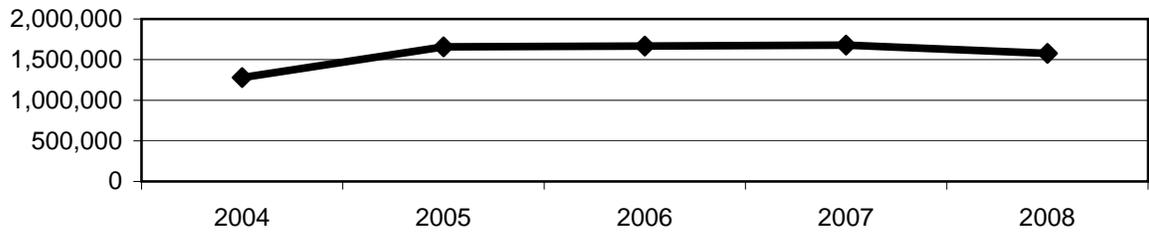
TOWN OF OCEAN CITY
FISCAL YEAR 2010 BUDGET
GENERAL FUND EXPENDITURES
PUBLIC WORKS MAINTENANCE DIVISION

EXPENDITURES	ACTUAL 2008	REVISED 2009	CITY MANAGER PROPOSED 2010	COUNCIL ADOPTED 2010
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 2,100,269	\$ 2,275,472	\$ 2,169,457	\$ 2,153,635
EMPLOYEE BENEFITS	816,379	989,502	1,068,134	1,012,540
	<u>2,916,648</u>	<u>3,264,974</u>	<u>3,237,591</u>	<u>3,166,175</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	224,610	303,170	329,820	329,820
SUPPLIES & MATERIALS	547,294	710,185	476,246	476,246
ENERGY	86,011	76,292	90,820	90,820
VEHICLE SUPPLIES & REPAIR	619,759	559,785	551,075	550,609
INTRAGOVERNMENTAL	281,111	252,186	234,317	233,348
	<u>1,758,785</u>	<u>1,901,618</u>	<u>1,682,278</u>	<u>1,680,843</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>\$ 4,675,433</u>	<u>\$ 5,166,592</u>	<u>\$ 4,919,869</u>	<u>\$ 4,847,018</u>
LESS REVENUE GENERATED BY DIVISION				
STREET PARKING METER REVENUE	(619,733)	(580,000)	(580,000)	(580,000)
100TH ST PARKING LOT REVENUE	0	0	0	0
PARKING LOT REVENUE	(509,284)	(480,000)	(470,000)	(470,000)
INLET PARKING LOT REVENUE	(1,577,663)	(1,480,000)	(1,400,000)	(1,400,000)
RESIDENTIAL PARKING PERMITS	(1,420)	(1,400)	(1,400)	(1,400)
FRANCHISE FEES-PHOTO	(709,790)	(710,000)	(710,000)	(710,000)
SERVICE CHARGES	(8,954)	(15,000)	(15,000)	(15,000)
	<u>(3,426,844)</u>	<u>(3,266,400)</u>	<u>(3,176,400)</u>	<u>(3,176,400)</u>
TOTAL TOWN CONTRIBUTION	<u>\$ 1,248,589</u>	<u>\$ 1,900,192</u>	<u>\$ 1,743,469</u>	<u>\$ 1,670,618</u>

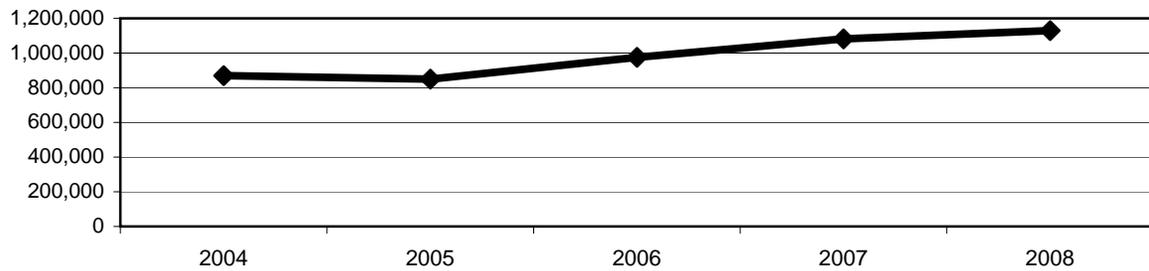
Parking Revenue Fiscal Year 2005-2008

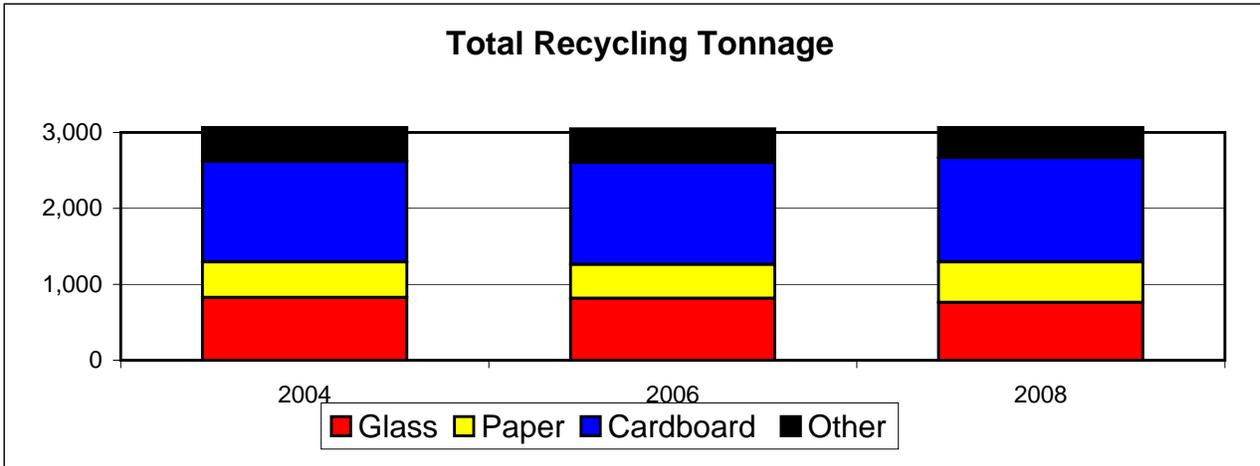
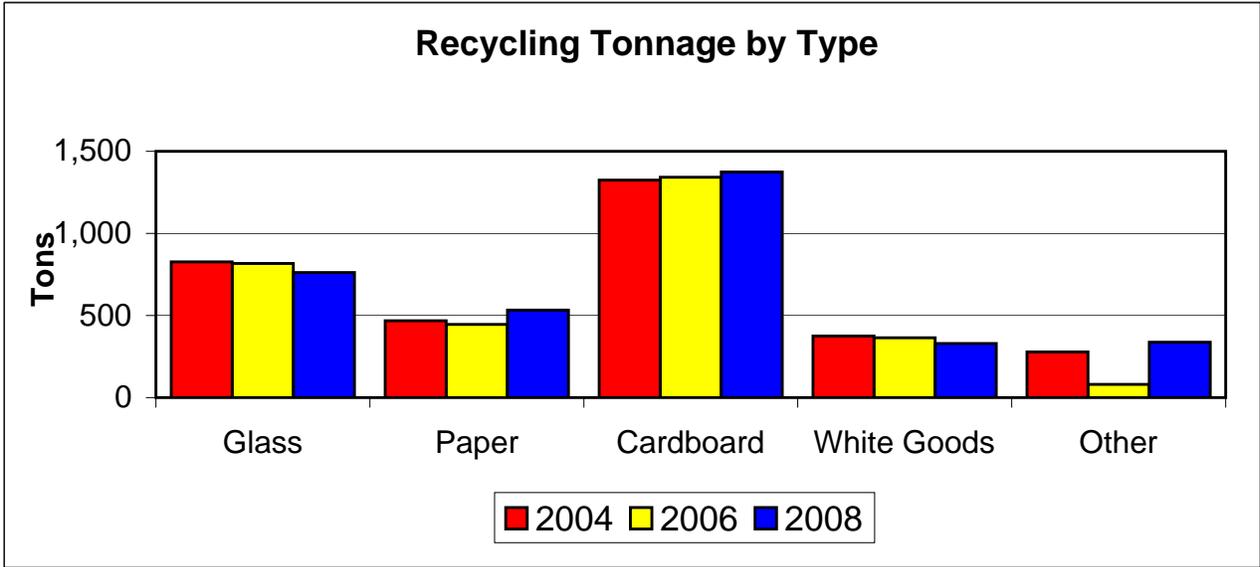
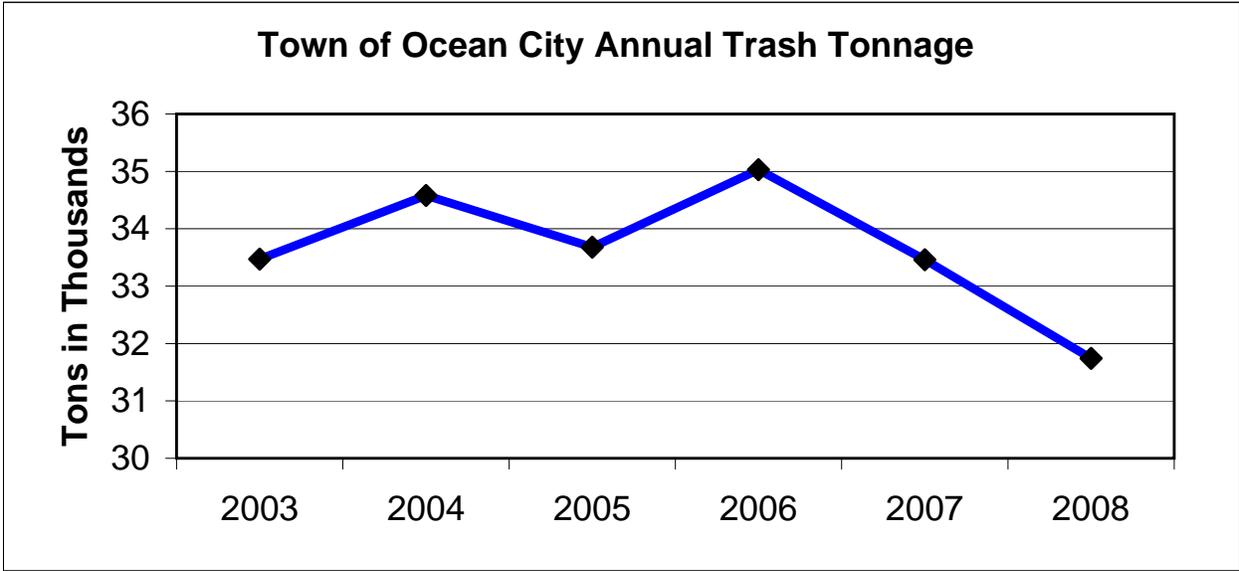


Inlet Lot Revenue FY 2004-2008



All Other Parking Revenue FY 2004-2008





**TOWN OF OCEAN CITY
FISCAL YEAR 2010 BUDGET**

SOLID WASTE, TRANSFER STATION AND RECYCLING DIVISIONS

BUDGET HIGHLIGHTS:

REVENUE CHANGES:

Recycling sales decrease significantly as the commodity costs for recyclables have changed drastically. In the past year, cardboard has decreased from \$95 to \$20 per ton, plastic has decreased from \$170 to \$40 per ton, and paper has decreased from \$60 to \$20 per ton. Solid Waste collection fees charged to establishments requiring trash collection more than five times per week is expected to remain constant. The bulk collection fee was increased from \$10 to \$15 for the pickup of one to three items.

PERSONNEL CHANGES:

No cost of living increases and no annual increments have been budgeted in FY 10. Four positions were eliminated at the Transfer Station as the Town has contracted with East Coast Resources to haul our trash to a landfill in Pennsylvania where it will be converted to energy. The number of part-time Solid Waste workers has been reduced by two positions for the summer season. Increases in health insurance premiums, retiree health insurance and pension contributions account for the majority of the increase in employee benefits. Unemployment costs are also expected to increase \$15,000 for this division.

CHANGES IN OPERATIONS:

Tipping fees are no longer budgeted due to our contract with East Coast Resources. The contract costs will be \$240,000 less than the tipping fees that were anticipated. Additional savings were realized from the need for fewer positions in this division. Supplies and Materials costs include \$78,000 for the purchase of wastewheelers and 300-gallon containers for sale to the public in conjunction with the Town's expanded recycling program. Replacement tip hoppers, wastewheelers for city facilities and a roll off container were included in FY 09 at a cost of \$17,500. These items have not been included in FY 10. Energy costs have been budgeted at lower amount based on actual costs for the past two years. Savings of \$60,000 in vehicle fuel and \$82,000 in vehicle maintenance were also realized with the adoption of the contract with East Coast Resources. In addition, \$70,000 was budgeted for maintenance to transfer trailers in FY 09. This cost was not included in FY10. Fuel usage has been budgeted at the average number of gallons used over the past three years. Intragovernmental expenses include a significant decrease in Vehicle lease as a lease/purchase for Solid Waste vehicles has been completed.

SUMMARY COMMENTS:

Approximately \$600,000 in savings are anticipated to be realized from contracting with East Coast Resources.

TOWN OF OCEAN CITY
FISCAL YEAR 2010 BUDGET
GENERAL FUND EXPENDITURES
SOLID WASTE, TRANSFER STATION AND RECYCLING DIVISION

EXPENDITURES	ACTUAL 2008	REVISED 2009	CITY MANAGER PROPOSED 2010	COUNCIL ADOPTED 2010
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 2,261,864	\$ 2,420,839	\$ 2,427,180	\$ 2,251,180
EMPLOYEE BENEFITS	964,244	1,155,748	1,291,961	1,184,678
	<u>3,226,108</u>	<u>3,576,587</u>	<u>3,719,141</u>	<u>3,435,858</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	1,469,903	1,704,404	1,840,921	1,596,441
SUPPLIES & MATERIALS	153,144	295,872	186,709	186,709
ENERGY	78,007	107,449	87,000	87,000
VEHICLE SUPPLIES & REPAIR	1,132,369	1,123,875	1,028,480	882,619
INTRAGOVERNMENTAL	582,442	518,311	455,976	454,820
	<u>3,415,865</u>	<u>3,749,911</u>	<u>3,599,086</u>	<u>3,207,589</u>
OTHER FINANCIAL USES:				
DEBT SERVICE	0	0	0	0
TRANSFER OUT	0	0	0	0
CAPITAL OUTLAY	0	0	0	0
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL EXPENDITURES	<u>\$ 6,641,973</u>	<u>\$ 7,326,498</u>	<u>\$ 7,318,227</u>	<u>\$ 6,643,447</u>
LESS REVENUE GENERATED BY DIVISION				
SALES - RECYCLING	(372,936)	(254,228)	(76,214)	(76,214)
SALES - CONTAINERS	(104,446)	(160,300)	(96,900)	(96,900)
SOLID WASTE COLLECTION	(51,905)	(60,000)	(60,000)	(60,000)
BULK PICK UP FEE	(23,577)	(30,000)	(35,000)	(35,000)
	<u>(552,864)</u>	<u>(504,528)</u>	<u>(268,114)</u>	<u>(268,114)</u>
TOTAL TOWN CONTRIBUTION	<u>\$ 6,089,109</u>	<u>\$ 6,821,970</u>	<u>\$ 7,050,113</u>	<u>\$ 6,375,333</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

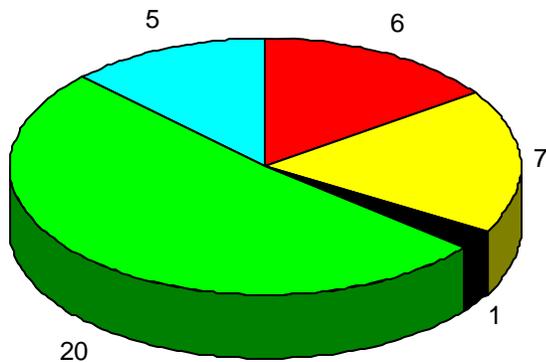
BEACH PATROL (CONTINUED)

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

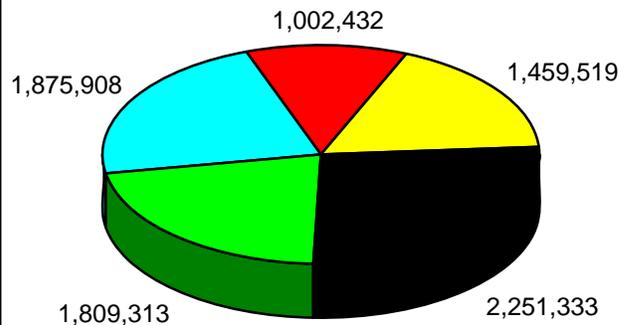
The Special Events division, a unit of the Department of Recreation and Parks, has responsibility to plan, coordinate, and execute festivals and special events for the Town, including Springfest, Art’s Alive, Sundaes in the Park, Fourth of July Fireworks on the Beach, Jamboree in the Park, Concerts on 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 10 Recreation Full Time Personnel



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

FY 10 Recreation Expenses



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

TOWN OF OCEAN CITY
FISCAL YEAR 2010 BUDGET

RECREATION DIVISION

BUDGET HIGHLIGHTS:

REVENUE CHANGES:

Program Open Space funds shown include Open Space funds in the amount of \$10,000, a decrease from the current fiscal year. Program revenue decreases slightly and reflects that fewer weeks of Camp Horizon will be offered this summer. Most other revenue for this division has been budgeted at the average amount collected for the past several years.

PERSONNEL CHANGES:

No cost of living adjustment and no annual increments have been included. Part-time wages in the Programs division decrease \$7,775 as fewer weeks of Camp Horizon will be offered this summer. Benefit costs reflect the increases in Group insurance, pension contribution, and retiree health insurance.

CHANGES IN OPERATIONS:

Contracted Services decrease by \$44,690. Contracted Services include payments to Sports camp directors, building maintenance, equipment maintenance and equipment rental. The daily bus service for Camp Horizon will no longer be contracted, creating a savings of \$15,700. New program offerings include an adult kickball league, a girls' golf clinic, a nature clinic and a wrestling camp. Supply & Material costs for Programs also decrease. A replacement scoreboard, equipment for the concession stand, replacement furniture for the Tennis Center and energy saving devices for Northside Park were included in FY 09. No comparable requests have been made in FY 10. Additional supplies for the new program offerings have been included. Also included are replacement tables and chairs for Northside Park and stools for the softball pavilion. Vehicle fuel and labor costs are expected to remain constant in FY 10. Repayment of the Equipment Lease for the telephone equipment, and smaller allocations for Information Technology services and for Insurance result in a decrease in Intragovernmental expenses. No capital outlay has been budgeted in FY 10. Repairs to the Skatepark vertical ramp were requested at \$33,000, but were not included in the FY 10 budget.

SUMMARY COMMENTS:

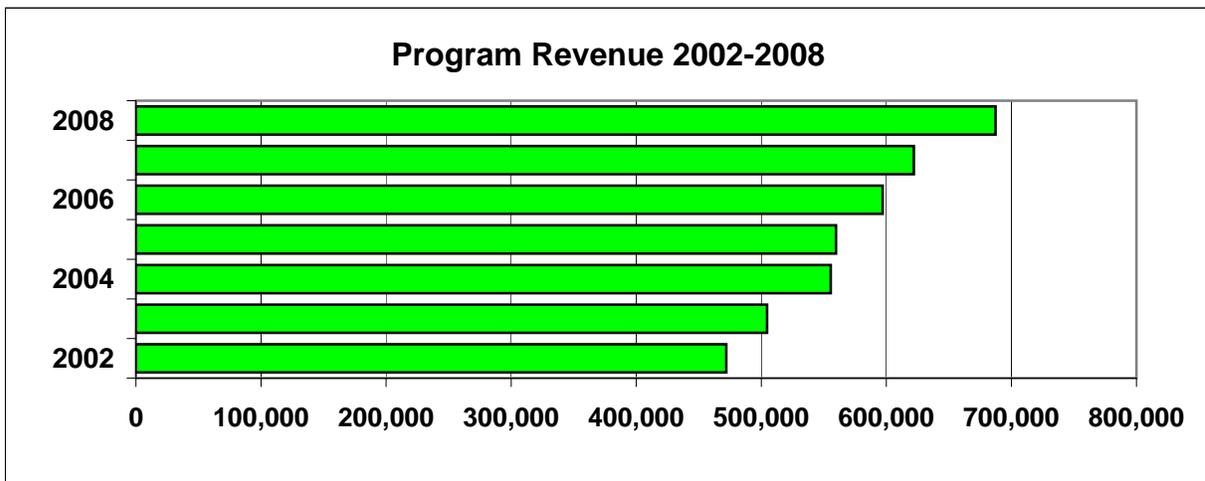
Programs in the expanded space provided by the addition at Northside Park continue to increase in number of participants. Program revenue is steadily rising as a result. New programs and camps are creatively added each fiscal year to maximize the potential of this facility.

MAJOR 2009-2010 PROGRAM OBJECTIVES:

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

TOWN OF OCEAN CITY
FISCAL YEAR 2010 BUDGET
GENERAL FUND EXPENDITURES
RECREATION DIVISION

EXPENDITURES	ACTUAL 2008	REVISED 2009	CITY MANAGER PROPOSED 2010	COUNCIL ADOPTED 2010
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 1,161,486	\$ 1,211,181	\$ 1,218,735	\$ 1,218,735
EMPLOYEE BENEFITS	332,562	398,703	435,359	416,670
	<u>1,494,048</u>	<u>1,609,884</u>	<u>1,654,094</u>	<u>1,635,405</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	418,824	473,699	429,009	429,009
SUPPLIES & MATERIALS	172,551	211,629	182,216	182,216
ENERGY	76,460	79,500	85,500	85,500
VEHICLE SUPPLIES & REPAIR	18,742	10,746	11,107	11,107
INTRAGOVERNMENTAL	160,672	164,057	121,317	118,714
	<u>847,249</u>	<u>939,631</u>	<u>829,149</u>	<u>826,546</u>
OTHER FINANCIAL USES:				
DEBT SERVICE	0	0	0	0
TRANSFER OUT	0	0	0	0
CAPITAL OUTLAY	13,375	4,750	0	0
	<u>13,375</u>	<u>4,750</u>	<u>0</u>	<u>0</u>
TOTAL EXPENDITURES	\$ <u>2,354,672</u>	\$ <u>2,554,265</u>	\$ <u>2,483,243</u>	\$ <u>2,461,951</u>
LESS REVENUE GENERATED BY DIVISION				
STATE GRANT - OPEN SPACE	(96,931)	(23,648)	(10,000)	(10,000)
PROGRAM REVENUE	(687,327)	(685,341)	(678,841)	(678,841)
PERMIT FEES	(11,319)	(14,000)	(14,000)	(14,000)
ADMISSIONS/RENTAL	(54,806)	(53,000)	(58,000)	(63,000)
CONCESSION REVENUE	(63,689)	(54,700)	(57,200)	(57,200)
ADVERTISING REVENUE	(5,500)	(6,100)	(6,100)	(6,100)
MEALS - SENIOR CITIZENS	(9,553)	(7,500)	(8,800)	(8,800)
MISCELLANEOUS	(20)	(75)	(75)	(75)
	<u>(929,145)</u>	<u>(844,364)</u>	<u>(833,016)</u>	<u>(838,016)</u>
TOTAL TOWN CONTRIBUTION	\$ <u>1,425,527</u>	\$ <u>1,709,901</u>	\$ <u>1,650,227</u>	\$ <u>1,623,935</u>



**TOWN OF OCEAN CITY
FISCAL YEAR 2010 BUDGET**

PARKS DIVISION

BUDGET HIGHLIGHTS:

REVENUE CHANGES:

A Community Parks and Playgrounds grant was shown in FY 08. This was a reimbursement for Fiesta Park expenses. No Community Parks and Playgrounds funds were received in FY 09 and none are anticipated in FY 10.

PERSONNEL CHANGES:

There are twenty employees in this division as two full-time Parks Worker positions were eliminated in FY 10. No cost of living and no annual increments have been included in the FY 10 budget. FY 08 actual reflects deductions for labor charged to the Town festivals. FY 09 reflects deductions for Sunfest and Winterfest, but not Springfest. FY 10 has not been adjusted for festival labor. Once these costs have been determined in FY 10, wages will be reduced in this department and transferred to the festivals. Benefit increases include additional funding for health insurance, retiree health insurance and pension contributions. Unemployment costs are expected to increase \$2,000.

CHANGES IN OPERATIONS:

Contracted Services in this division include maintenance for the parks and landscaping throughout the Town. Training costs for this division decrease \$7,835. Walkway and drainage repairs at Northside Park have been included at \$10,000. All other items cover routine maintenance. Normal maintenance and supply costs have been budgeted for FY 10. Supplies include athletic field supplies, landscaping supplies, and general maintenance supplies. In FY 09, \$35,000 was included for landscape median renovations from 74th to 85th street. Replacement equipment included at \$27,500 in FY 09 has been reduced to \$3,510 in FY 10. These items include three replacement self-propelled 21" mowers. Special Appropriations in FY 09 include recognition of funds donated to the Beautification Committee for the "Tree of Life" fund-raising campaign. FY 2010 reflects the budget for the Beautification Committee alone. Their requests were reduced \$1,100. Vehicle Supplies & Repair includes a \$5,000 decrease in fuel costs and a decrease of \$7,715 for anticipated vehicle repair costs. Reductions due to the elimination of some take home vehicles in this department are also reflected. Intragovernmental expenses decrease as the IT allocation for this division decreases. Capital outlay in FY 09 included \$55,000 for Northside Park walkway and drainage repairs, and \$15,000 for softball field irrigation repairs. No capital outlay has been included in FY 10.

SUMMARY COMMENTS:

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

MAJOR 2009-2010 PROGRAM OBJECTIVES:

In the coming fiscal year, the department will again focus on routine maintenance items such as playground maintenance, Coastal Highway median renovation and upkeep, 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 2010 BUDGET
GENERAL FUND EXPENDITURES
PARKS DIVISION

EXPENDITURES	ACTUAL 2008	REVISED 2009	CITY MANAGER PROPOSED 2010	COUNCIL ADOPTED 2010
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 754,915	\$ 842,498	\$ 945,374	\$ 945,374
EMPLOYEE BENEFITS	321,140	415,605	473,363	447,224
	<u>1,076,055</u>	<u>1,258,103</u>	<u>1,418,737</u>	<u>1,392,598</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	78,439	64,170	53,015	53,015
SUPPLIES & MATERIALS	177,784	229,535	182,897	182,897
SPECIAL APPROPRIATIONS	2,068	44,296	8,100	8,100
ENERGY	22,167	21,500	24,000	24,000
VEHICLE SUPPLIES & REPAIR	120,889	109,185	96,306	94,956
INTRAGOVERNMENTAL	61,972	55,761	53,978	53,747
	<u>463,319</u>	<u>524,447</u>	<u>418,296</u>	<u>416,715</u>
OTHER FINANCIAL USES:				
DEBT SERVICE	0	0	0	0
TRANSFER OUT	0	0	0	0
CAPITAL OUTLAY	68,518	70,000	0	0
	<u>68,518</u>	<u>70,000</u>	<u>0</u>	<u>0</u>
TOTAL EXPENDITURES	<u>\$ 1,607,892</u>	<u>\$ 1,852,550</u>	<u>\$ 1,837,033</u>	<u>\$ 1,809,313</u>
 TOTAL TOWN CONTRIBUTION	 <u>\$ 1,607,892</u>	 <u>\$ 1,852,550</u>	 <u>\$ 1,837,033</u>	 <u>\$ 1,809,313</u>
 LESS REVENUE GENERATED BY DIVISION				
COMMUNITY PARKS GRANT	<u>(65,000)</u>	<u>0</u>	<u>0</u>	<u>0</u>
 TOTAL TOWN CONTRIBUTION	 <u>\$ 1,542,892</u>	 <u>\$ 1,852,550</u>	 <u>\$ 1,837,033</u>	 <u>\$ 1,809,313</u>

TOWN OF OCEAN CITY
FISCAL YEAR 2010 BUDGET

BEACH PATROL DIVISION

BUDGET HIGHLIGHTS:

REVENUE CHANGES:

Beach Stand revenue decreased due to current bids. Panama Jack continues to provide sun protection products to our employees as well as sponsorship of our Beach Safety Seminar program. Participation in our Junior Beach Patrol Program is expected to increase slightly this year and generate \$17,496 from program registration and uniform sales.

PERSONNEL CHANGES:

Hours budgeted for the Captain, part-time lieutenants and part-time office associates have been reduced resulting in a reduction in part-time wages of \$40,080. In prior years, a bonus was given to all employees who fulfilled a length of employment agreement. This bonus has been deleted in FY 10 at a savings of \$33,758. A full-time year-round lieutenant position has been included since FY 07. An allowance has been included for additional coverage if surf conditions are severe. Benefit costs for Unemployment and for FICA decrease for this division.

CHANGES IN OPERATIONS:

Contracted Services include building maintenance for all Beach Patrol facilities, rental of testing facilities for Beach Patrol try-outs, telephone service and radio maintenance costs. Travel costs for senior officers to return for work weekends and to attend try-outs have been included. An Employee recognition banquet has been eliminated in FY 10. Operational Supplies and uniform purchases have been reduced in FY 10. Three ATVs and a rescue watercraft have been budgeted at a cost of \$25,000. Replacement equipment including first aid supplies, rescue boards and materials to replace beach patrol stands have also been included. Uniforms are included at a cost of \$25,180. Vehicle fuel and maintenance costs are anticipated to decrease in FY 10. Intragovernmental expenses decrease as Vehicle Lease and Equipment Lease allocations decrease. The allocation for Information Technology services increases slightly. No capital outlay has been budgeted.

SUMMARY COMMENTS:

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

TOWN OF OCEAN CITY
FISCAL YEAR 2010 BUDGET
GENERAL FUND EXPENDITURES
BEACH PATROL DIVISION

EXPENDITURES	ACTUAL 2008	REVISED 2009	CITY MANAGER PROPOSED 2010	COUNCIL ADOPTED 2010
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 1,739,967	\$ 1,898,849	\$ 1,819,169	\$ 1,819,169
EMPLOYEE BENEFITS	180,919	204,086	197,337	193,291
	<u>1,920,886</u>	<u>2,102,935</u>	<u>2,016,506</u>	<u>2,012,460</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	55,269	76,100	67,001	67,001
SUPPLIES & MATERIALS	73,668	110,658	96,096	96,096
ENERGY	7,353	6,000	8,000	8,000
VEHICLE SUPPLIES & REPAIR	26,131	35,900	30,632	29,996
INTRAGOVERNMENTAL	62,995	55,431	37,832	37,780
	<u>225,416</u>	<u>284,089</u>	<u>239,561</u>	<u>238,873</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>2,146,302</u>	\$ <u>2,387,024</u>	\$ <u>2,256,067</u>	\$ <u>2,251,333</u>
LESS REVENUE GENERATED BY DIVISION				
BEACH PATROL MISC	(15,972)	(14,000)	(17,496)	(17,496)
SPONSORSHIPS	(14,500)	(12,500)	(12,500)	(12,500)
FRANCHISE FEES-BEACH STAND	(603,327)	(622,457)	(611,567)	(611,567)
	<u>(633,799)</u>	<u>(648,957)</u>	<u>(641,563)</u>	<u>(624,067)</u>
TOTAL TOWN CONTRIBUTION	\$ <u>1,512,503</u>	\$ <u>1,738,067</u>	\$ <u>1,614,504</u>	\$ <u>1,627,266</u>

**TOWN OF OCEAN CITY
FISCAL YEAR 2010 BUDGET**

TOWN SPONSORED EVENTS AND FESTIVALS

BUDGET HIGHLIGHTS:

REVENUE CHANGES:

Art's Alive revenue was combined with Special Events revenue for FY 08. Springfest and Sunfest revenue for this division are expected to increase in FY 10. Rates for the Arts and Crafts vendors for both Springfest and Sunfest were increased from \$615 to \$630 in FY 09. Winterfest revenue is expected to decrease slightly in FY 2010. Adult admission will be kept at \$4.00. Special Event Revenue in FY 08 and FY 09 reflects revenue from last summer's concert series. Corporate Sponsorships include Pepsi and Esskay.

PERSONNEL CHANGES:

The Private Events coordinator has been converted from a full-time position to a part-time position in FY 10. Salary expenses in the FY 08 actual column include actual costs for Sunfest, Winterfest and Springfest. FY 09 reflects Sunfest and Winterfest and FY 10 does not reflect the final actual total for labor costs. All festival interdepartmental labor has been budgeted in the department's home account for better supervisory accountability. Costs will continue to be tracked by festival and included in the amended budget. There are five full-time positions in this division. No cost of living adjustments and no annual increments have been included. Employee benefits include increases in health insurance contributions, retirement contributions and the worker's compensation allocation.

CHANGES IN OPERATIONS:

Contracted Services decrease from revised FY 09 budget, however, the FY 09 budget includes costs associated with the Charlie Daniels, Beach Boys and KC and the Sunshine Band concerts held last summer. Entertainment expenses for the Town's festivals continue to be the major expenditure for festivals. \$302,500 has been budgeted for entertainment costs for all events and festivals in FY 2010. Entertainment in Sunset Park was reduced from \$7,000 to \$3,500. In addition, no entertainment has been budgeted for Winterfest. Other major expenditures in this division are tent rental, accommodations for the entertainers and back-up services for the shows. Refurbishment of Winterfest displays has been budgeted for \$25,000 in the Contracted Services line item. Winterfest tents have once again been included. Advertising costs have been reduced \$28,500. Supplies and Materials decrease as the City will no longer be funding Seaside 10. In addition, the scope of the July 4th celebration at 65th street has been reduced. Other reductions include fewer Winterfest decorations and an overall reduction in Sunfest and Springfest materials. Special Appropriations reflects the elimination of the City's contribution of \$7,500 to the Maryland International Kite Exposition. Energy costs are anticipated to remain constant. Vehicle costs reflect the elimination of a take home vehicle. No capital outlay has been included.

SUMMARY COMMENTS:

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

MAJOR 2009-2010 PROGRAM OBJECTIVES:

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

TOWN OF OCEAN CITY
FISCAL YEAR 2010 BUDGET
GENERAL FUND EXPENDITURES
TOWN SPONSORED EVENTS AND FESTIVALS

EXPENDITURES	ACTUAL 2008	REVISED 2009	CITY MANAGER PROPOSED 2010	COUNCIL ADOPTED 2010
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 743,588	\$ 686,890	\$ 427,075	\$ 427,075
EMPLOYEE BENEFITS	191,283	206,549	153,027	143,566
	<u>934,871</u>	<u>893,439</u>	<u>580,102</u>	<u>570,641</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	1,183,642	1,325,189	1,015,180	1,015,180
SUPPLIES & MATERIALS	201,115	273,480	216,725	216,725
SPECIAL APPROPRIATIONS	7,000	7,500	0	0
ENERGY	54,631	49,700	50,000	50,000
VEHICLE SUPPLIES & REPAIR	10,102	6,600	6,476	4,268
INTRAGOVERNMENTAL	17,599	17,733	19,094	19,094
	<u>1,474,089</u>	<u>1,680,202</u>	<u>1,307,475</u>	<u>1,305,267</u>
OTHER FINANCIAL USES:				
DEBT SERVICE	0	0	0	0
TRANSFER OUT	0	0	0	0
CAPITAL OUTLAY	51,062	20,360	0	0
	<u>51,062</u>	<u>20,360</u>	<u>0</u>	<u>0</u>
TOTAL EXPENDITURES	\$ <u>2,460,022</u>	\$ <u>2,594,001</u>	\$ <u>1,887,577</u>	\$ <u>1,875,908</u>
LESS REVENUE GENERATED BY DIVISION				
SUNFEST REVENUE	(380,174)	(363,230)	(381,230)	(381,230)
SPRINGFEST REVENUE	(336,854)	(351,970)	(362,470)	(362,470)
WINTERFEST REVENUE	(363,778)	(376,000)	(371,000)	(371,000)
ART'S ALIVE IN OC REVENUE	100	0	0	0
SPECIAL EVENT REVENUE	(155,870)	(212,446)	(85,000)	(85,000)
CORPORATE SPONSORSHIP	(66,000)	(80,500)	(67,500)	(67,500)
	<u>(1,302,576)</u>	<u>(1,384,146)</u>	<u>(1,267,200)</u>	<u>(1,267,200)</u>
TOTAL TOWN CONTRIBUTION	\$ <u>1,157,446</u>	\$ <u>1,209,855</u>	\$ <u>620,377</u>	\$ <u>608,708</u>

FY 2008 Summary of Town Sponsored Festivals

	Sunfest	Springfest	Winterfest
Revenues	380,174	336,854	363,778
Expenditures	<u>436,564</u>	<u>393,351</u>	<u>605,139</u>
Town Contribution	(56,390)	(56,497)	(241,361)

**TOWN OF OCEAN CITY
FISCAL YEAR 2010 BUDGET**

TOURISM PROMOTIONS, PUBLIC RELATIONS & LIFESAVING MUSEUM

BUDGET HIGHLIGHTS:

REVENUE CHANGES:

The State Tourism grant has not been included as the amount of this grant is uncertain. \$187,500 was recently received in FY 09 and has not yet been added to the revised budget. Any FY 10 grants will be added to the budget if and when received. Ad sales and mailing fees have been deleted from the FY 10 budget as the Ocean City Chamber of Commerce will take over publication of the Sea For Yourself Visitor's Guide in FY 10.

PERSONNEL CHANGES:

A full-time Visitors Relations Representative position was eliminated in FY 10. A part-time mailroom clerk position was also eliminated. Hours for the Visitors Center have been reduced resulting in additional savings in part-time salaries. Hours for the Boardwalk Cottage information center have been reduced as well. It will now be open Thursdays through Sundays Memorial Day through Labor Day. No cost of living adjustment, and no annual increments have been included. Increases in health insurance, pension contributions, and retiree health insurance have been included.

CHANGES IN OPERATIONS:

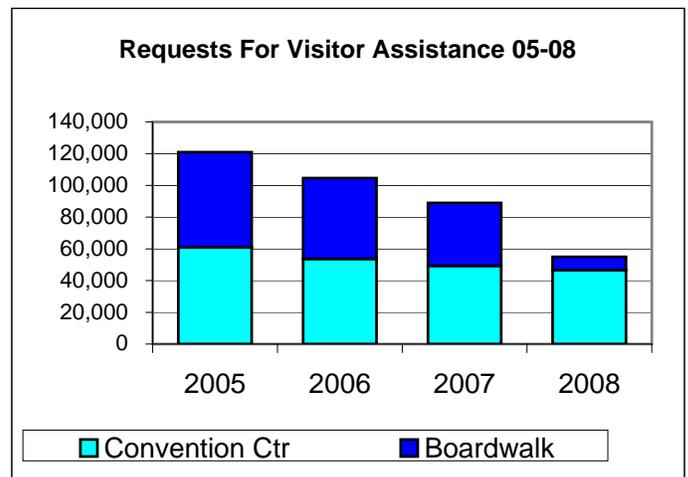
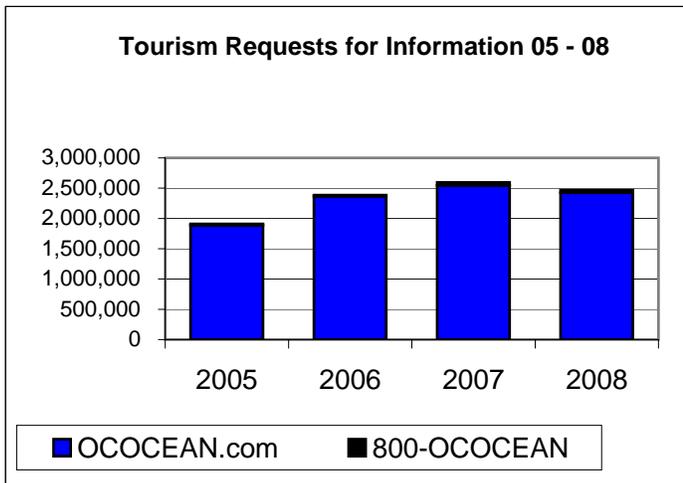
Advertising is the main expense in the Contracted Services line item. \$3,952,617 has been budgeted for advertising in FY 2010. The FY 09 adopted budget for advertising totaled \$3,784,617. An additional \$187,500 in Tourism grants will be added in Budget Amendment # 2, as the funds have recently been received. The FY 09 advertising budget was reduced \$111,842 in Budget Amendment # 1 in conjunction with a reduction in the estimated Room Tax. The funding formula outlined in the FY 08 ordinance has been followed for FY 10. 1.6% of the estimated gross room receipts has been budgeted for the first six months of FY 10 and 1.8% of the estimated gross room receipts has been budgeted for the second six months of FY 10. Building maintenance at the Museum is also included in this line item. Included in FY 09 was replacement of the exterior siding of the Museum at a cost of \$260,000, and structural repairs to the watch tower at the end of the boardwalk at a cost of \$100,000. Museum building maintenance has been budgeted at \$15,000 in FY 10. Printing and mailing costs for the Town's newsletter and calendar of events are included at a cost of \$34,900. Printing costs for the Sea For Yourself Visitor's Guide have been eliminated, resulting in savings of \$135,000. Postage expense has been included at \$40,000. Intragovernmental expenses decrease. Vehicle lease expense increases, but the allocations for IT Services and Radio/Equipment Lease decrease. No capital outlay has been requested.

MAJOR 2009-2010 PROGRAM OBJECTIVES:

Introduction of the enhanced Internet website to promote the Town's tourism efforts will be a major objective in FY 2010. Working with the Town's advertising agency to make the most of the Town's advertising dollars will be another major objective, made even more imperative in the current economic conditions.

TOWN OF OCEAN CITY
FISCAL YEAR 2010 BUDGET
GENERAL FUND EXPENDITURES
TOURISM PROMOTIONS, PUBLIC RELATIONS AND LIFESAVING MUSEUM

EXPENDITURES	ACTUAL 2008	REVISED 2009	CITY MANAGER PROPOSED 2010	COUNCIL ADOPTED 2010
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 526,087	\$ 545,584	\$ 491,153	\$ 491,153
EMPLOYEE BENEFITS	194,636	228,221	233,911	223,622
	<u>720,723</u>	<u>773,805</u>	<u>725,064</u>	<u>714,775</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	3,411,984	3,922,985	4,113,665	4,113,665
SUPPLIES & MATERIALS	116,201	108,917	90,806	89,806
ENERGY	16,359	15,300	18,000	18,000
VEHICLE SUPPLIES & REPAIR	1,119	2,100	1,900	1,900
INTRAGOVERNMENTAL	38,940	35,750	32,366	32,095
	<u>3,584,603</u>	<u>4,085,052</u>	<u>4,256,737</u>	<u>4,255,466</u>
OTHER FINANCIAL USES:				
DEBT SERVICE	0	0	0	0
TRANSFER OUT	0	0	0	0
CAPITAL OUTLAY	0	0	0	0
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL EXPENDITURES	\$ 4,305,326	\$ 4,858,857	\$ 4,981,801	\$ 4,970,241
LESS REVENUE GENERATED BY DIVISION				
AD SALES	(111,809)	(113,000)	0	0
STATE - TOURISM GRANT	(187,500)	0	0	0
MAILING FEES	(20,705)	(35,000)	0	0
SALES/OTHER MISC.	(925)	0	0	0
	<u>(320,939)</u>	<u>(148,000)</u>	<u>0</u>	<u>0</u>
TOTAL TOWN CONTRIBUTION	\$ 3,984,387	\$ 4,710,857	\$ 4,981,801	\$ 4,970,241



**TOWN OF OCEAN CITY
FISCAL YEAR 2010 BUDGET
MISCELLANEOUS DIVISION**

ACTIVITIES:

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

BUDGET HIGHLIGHTS:

	<u>Amount Requested</u>	<u>Council Adopted</u>
Special Appropriations includes requested grants to:		
OC Drug and Alcohol Abuse Prevention/Play It Safe	\$ 7,500	\$ 7,500
Diakonia	30,000	25,000
Worcester Youth & Family Counseling	12,000	9,000
Life Crisis Center	8,000	8,000
Stephen Decatur After Prom Party	750	750
Lower Shore Heritage Committee	0	0
Town Cats	2,500	2,500
White Marlin Catch/Release Program	5,000	5,000
Wor Wic	10,000	10,000
Assistance to Foreign Students	0	2,500
AGH Hospital Expansion	<u>125,000</u>	<u>125,000</u>
Total	\$ 200,750	\$ 197,250
Interfund Transfers:		
Town events at Convention Center	\$ 12,000	\$ 12,000
Rent of Airport Land (Lion's Club)	3,600	3,600
Debt Service includes principal and interest for:		
Recreation Facilities		110,728
Burke – 111 Dorchester Street		41,250
Walker – Somerset Street		11,250
DNR Loans		55,665
2001 Municipal Bonds		528,045
2004 Refunding Bonds		1,257,896
2005 Municipal Purpose Bonds		685,249
2007 Municipal Purpose Bonds		<u>1,246,736</u>
Total		\$ 3,936,819
Transfers to Other Funds consists of the following:		
Operating Transfers:		
Transportation		\$ 2,502,538
Airport		272,546
Convention Center		1,574,161

TOWN OF OCEAN CITY
 FISCAL YEAR 2010 BUDGET
 GENERAL FUND EXPENDITURES
 MISCELLANEOUS DIVISION

EXPENDITURES	ACTUAL 2008	REVISED 2009	CITY MANAGER PROPOSED 2010	COUNCIL ADOPTED 2010
OPERATING EXPENSES:				
SPECIAL APPROPRIATIONS	\$ 341,192	\$ 247,450	\$ 212,850	\$ 210,850
DEBT SERVICE - PRINCIPAL	2,245,407	2,332,119	2,639,878	2,639,878
INTEREST EXPENSE	1,334,999	1,394,862	1,296,941	1,296,941
TRANSFER TO TRANSPORTATION	2,572,506	3,028,263	2,675,055	2,502,538
TRANSFER TO AIRPORT	481,320	228,229	284,561	272,546
TRANSFER TO GOLF COURSE	238,995	0	0	0
TRANSFER TO CONVENTION CENTER	1,693,669	1,740,022	1,582,136	1,574,161
TRANSFER TO VEHICLE TRUST	354,238	0	0	0
TRANSFER TO CAPITAL CONSTRUCTION	2,064,944	874,016	0	0
 TOTAL EXPENDITURES	 \$ <u>11,327,270</u>	 \$ <u>9,844,961</u>	 \$ <u>8,691,421</u>	 \$ <u>8,496,914</u>
 TOTAL TOWN CONTRIBUTION	 \$ <u><u>11,327,270</u></u>	 \$ <u><u>9,844,961</u></u>	 \$ <u><u>8,691,421</u></u>	 \$ <u><u>8,496,914</u></u>

ENTERPRISE FUNDS

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

WATER FUND

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

WASTEWATER FUND

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

TRANSPORTATION FUND

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

AIRPORT FUND

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

ENTERPRISE FUNDS (CONTINUED)

AIRPORT FUND (CONTINUED)

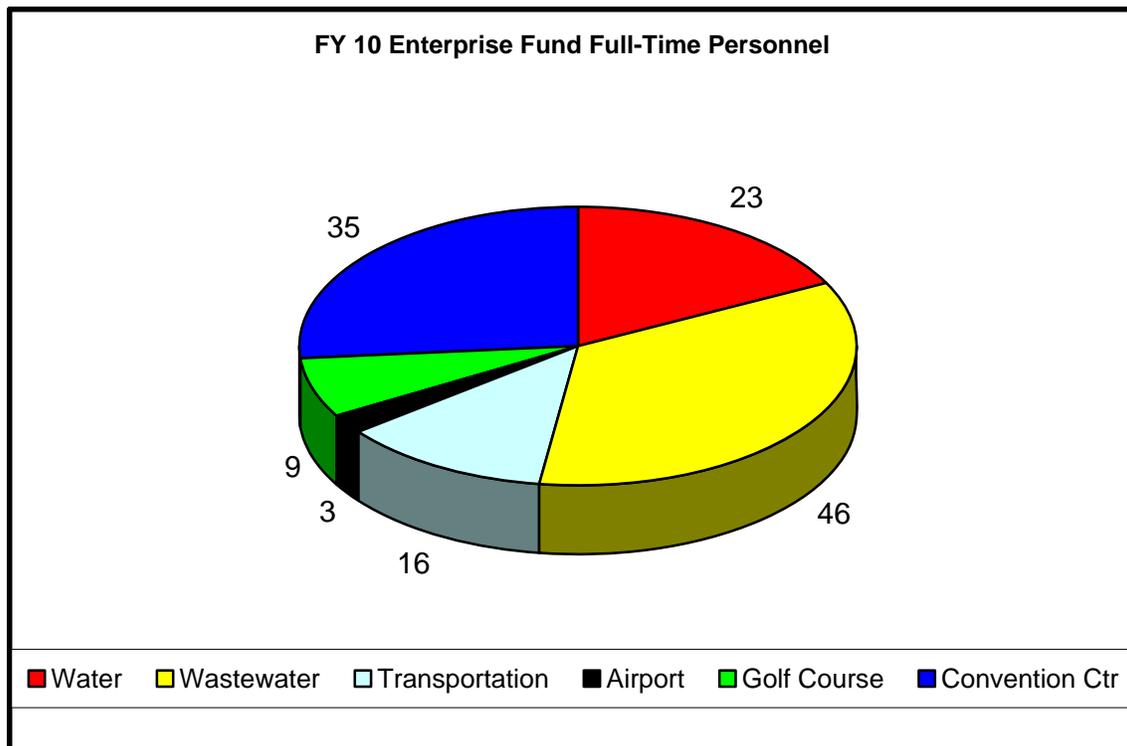
tourists, businesses, and government agencies quick and efficient access to Ocean City and Worcester County.

GOLF COURSE FUND

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

CONVENTION CENTER FUND

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



**TOWN OF OCEAN CITY
FISCAL YEAR 2010 BUDGET**

WATER FUND

BUDGET HIGHLIGHTS:

REVENUE CHANGES:

In accordance with ordinance 2005-4, the metered rate was to increase from \$2.70 to \$2.80 per 1,000 gallons, and the fixture rate was set to increase to \$3.10 per equivalent fixture. Neither of these increases have been included in the FY 10 budget. Water connection charges are expected to decrease. Capacity, or Impact fees were enacted in FY 2005 and are budgeted at \$120 per fixture in the FY 10 budget. Capacity fees are anticipated to result in \$79,200 revenue to fund Water department capital projects; a decrease from the prior two fiscal years. Overall, revenue is expected to decrease \$79,844 in FY 10.

PERSONNEL CHANGES:

Twenty-three full-time positions are included in the Water Fund. One Meter Reader Technician position has been eliminated in FY 10. No cost of living adjustments or annual increments have been included. Interdepartmental labor has been budgeted at \$225,000 for the use of Public Works' manpower. Deductions have been made from Public Works for like amounts. Employee benefit cost increases reflect increases in health insurance, retiree health insurance, and retirement contributions.

CHANGES IN OPERATIONS:

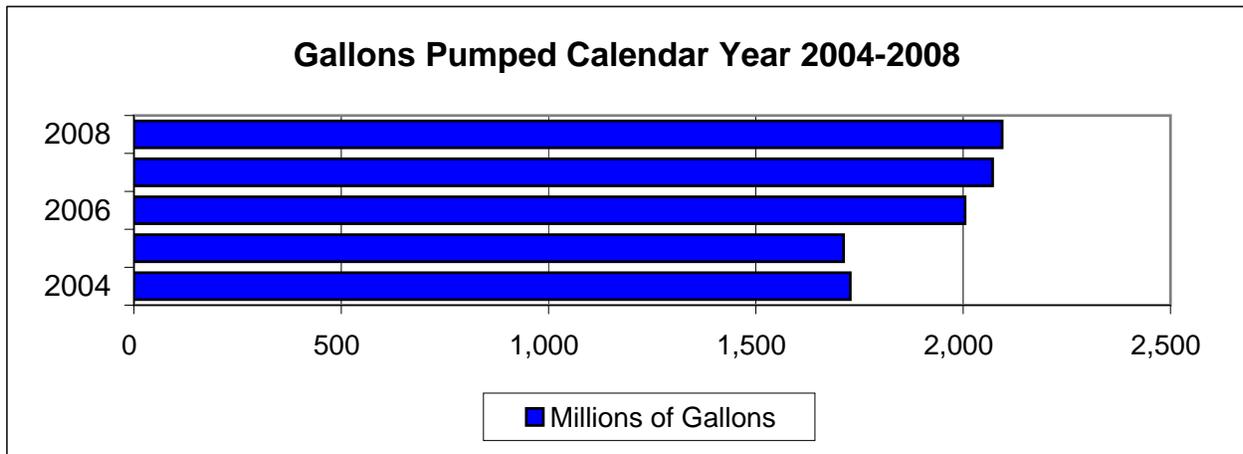
The Contracted Services line item includes professional services, building and equipment maintenance and contracted services. The main item included in this category is the painting and inspection services for the South Division Street water tower, which is budgeted at \$579,500. Other building maintenance and routine equipment maintenance have also been included in this category and total \$173,800. Power washing of water tanks and miscellaneous repairs to the water tanks has been budgeted at \$40,000. An additional \$80,000 in professional services has also been included. Supplies for the touch-read meter changeover have been included at \$220,000. Other items included in Supplies are the Water chemicals budgeted at \$233,671. Supplies for repairs to water pipes, fire hydrants and valves is included at \$81,250. Energy costs are expected to increase and have been budgeted at 12% more than the FY 08 actual. Vehicle parts have been increased based on actual costs for the past few budget years. Intragovernmental expenses reflect an increase in the General Overhead expense allocation and in the IT allocation. Insurance costs for this division decrease. Debt service in FY 10 increases slightly. Transfer to capital projects includes \$691,202 for Water Main upgrades.

MAJOR 2009-2010 PROGRAM OBJECTIVES:

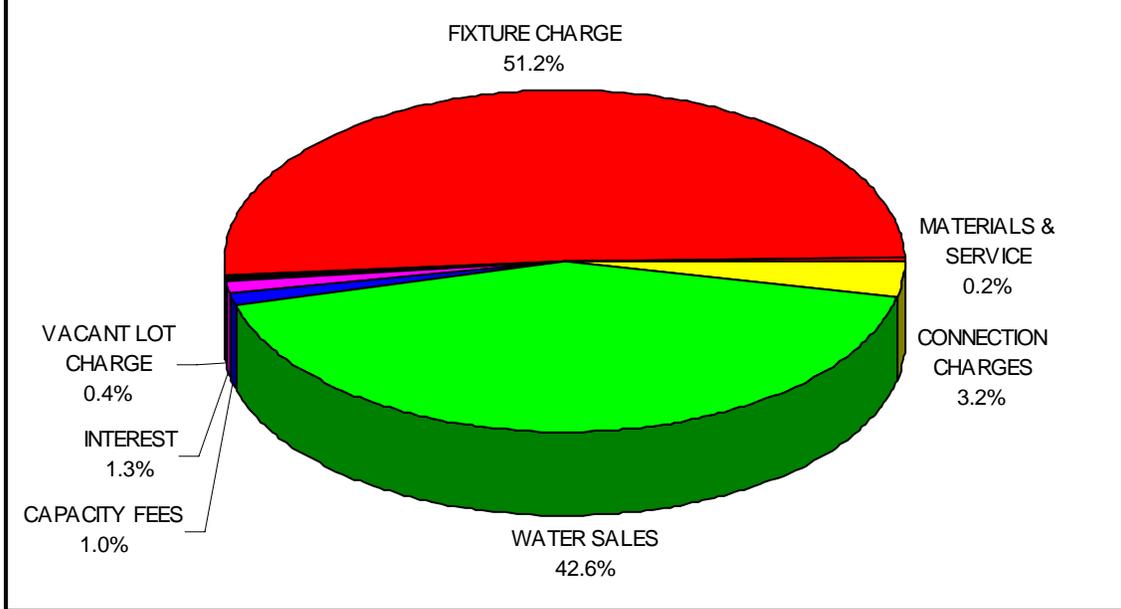
The major objective of the Water Fund is to maintain its current level of service while continuing to meet the ever-increasing demands imposed by State and Federal regulations. By maintaining its infrastructure through improvement and/or replacement, these demands can be met and level of service continued. The constant monitoring of current raw water supply as well as the search for new sources of supply and development of new technology will be closely observed for future considerations.

TOWN OF OCEAN CITY
FISCAL YEAR 2010 BUDGET
WATER FUND

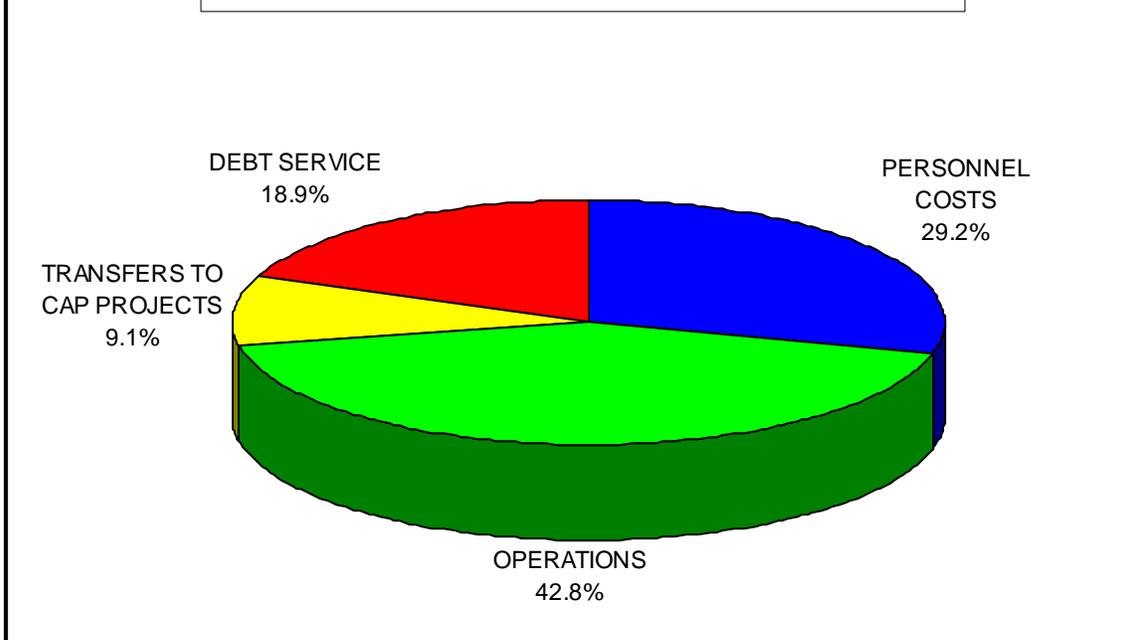
EXPENDITURES	ACTUAL 2008	REVISED 2009	CITY MANAGER PROPOSED 2010	COUNCIL ADOPTED 2010
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 1,416,734	\$ 1,522,758	\$ 1,514,665	\$ 1,514,665
EMPLOYEE BENEFITS	569,204	649,680	705,389	699,896
	<u>1,985,938</u>	<u>2,172,438</u>	<u>2,220,054</u>	<u>2,214,561</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	943,392	1,036,145	994,888	994,888
SUPPLIES & MATERIALS	643,342	739,884	755,962	755,962
ENERGY	456,523	451,650	507,150	507,150
VEHICLE SUPPLIES & REPAIR	159,604	119,450	141,377	140,999
INTRAGOVERNMENTAL	778,315	817,317	850,659	842,211
	<u>2,981,176</u>	<u>3,164,446</u>	<u>3,250,036</u>	<u>3,241,210</u>
OTHER FINANCIAL USES:				
DEBT SERVICE	1,409,496	1,395,767	1,429,093	1,429,093
TRANSFER TO RESERVES	0	0	0	0
TRANSFER TO CAP PROJECTS	1,051,903	1,133,119	676,883	691,202
CAPITAL OUTLAY	134,250	0	0	0
	<u>2,595,649</u>	<u>2,528,886</u>	<u>2,105,976</u>	<u>2,120,295</u>
TOTAL EXPENDITURES	\$ <u>7,562,763</u>	\$ <u>7,865,770</u>	\$ <u>7,576,066</u>	\$ <u>7,576,066</u>
LESS REVENUE GENERATED BY DEPARTMENT				
WATER SALES	(3,110,025)	(3,156,189)	(3,225,181)	(3,225,181)
WATER FIXTURE CHARGE	(3,558,316)	(3,900,548)	(3,875,282)	(3,875,282)
CAPACITY FEES	(149,551)	(126,500)	(79,200)	(79,200)
INSURANCE PAYMENTS	(11,088)	0	0	0
INTEREST	(183,241)	(115,000)	(100,000)	(100,000)
WATER VACANT LOT CHARGE	(33,402)	(34,382)	(34,034)	(34,034)
WATER CONNECTION CHARGES	(410,160)	(305,291)	(244,369)	(244,369)
SALES - MATERIALS & SERVICE	(18,887)	(18,000)	(18,000)	(18,000)
	<u>(7,474,670)</u>	<u>(7,655,910)</u>	<u>(7,576,066)</u>	<u>(7,576,066)</u>
REVENUE (OVER)/UNDER EXPENDITURES	\$ <u>88,093</u>	\$ <u>209,860</u>	<u>0</u>	\$ <u>0</u>



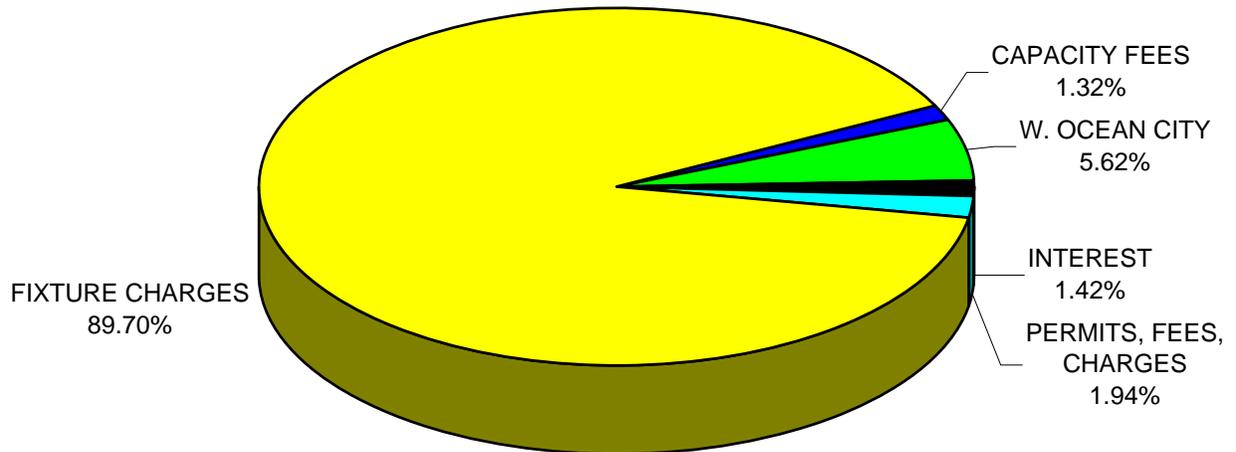
Water Fund Revenue 2010 Adopted



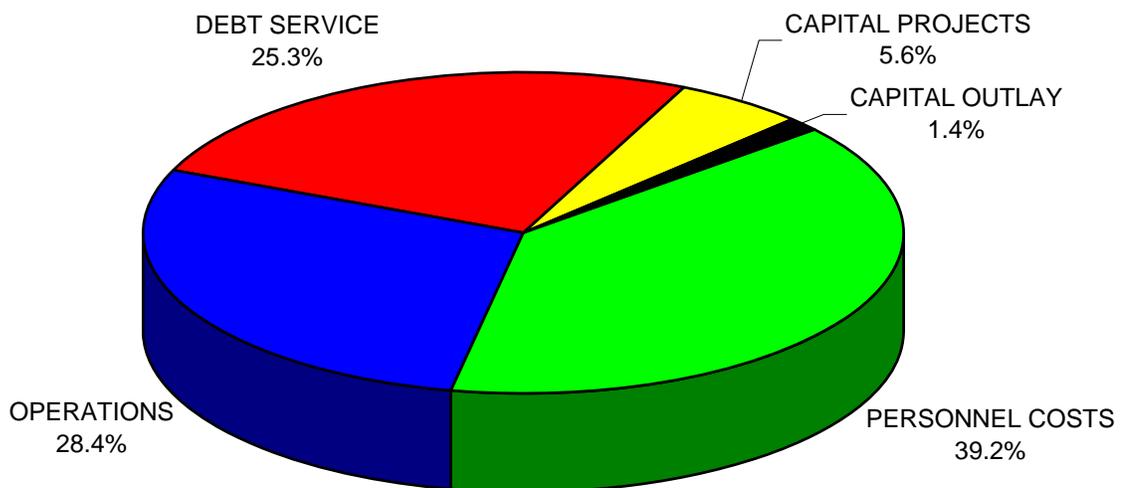
Water Fund Expenditures 2010 Adopted



Wastewater Fund Revenue 2010 Adopted



Wastewater Fund Expenditures 2010 Adopted



TOWN OF OCEAN CITY
FISCAL YEAR 2010 BUDGET

WASTEWATER FUND

BUDGET HIGHLIGHTS:

REVENUE CHANGES:

In accordance with Resolution 2005-4, the wastewater rates for wastewater service were set to increase to \$7.20 per quarter. No rate increase has been included in the FY 10 budget. Revenue from fixture charges will exceed the budget estimate in FY 09. Capacity fees are based on new capacity and are expected to decrease in FY 10. These funds are anticipated to total \$138,600 and will be used to fund Wastewater department capital projects. Service to West Ocean City is expected to increase slightly. Interest earned on investments is expected to remain constant.

PERSONNEL CHANGES:

Forty-six positions are funded in the Wastewater Fund. The Pre-Treatment Coordinator position budgeted in FY 09 was never filled and has been eliminated in FY '10. A plumbing inspector position has also been eliminated. In addition, a lab technician position was converted from full-time to part-time. No cost of living and no annual increments have been included. Increases in Group health insurance are responsible for the increase in the Employee Benefits line item. Retiree health insurance decreases from FY 09, as an error in FY 09 was corrected in FY 10. Retiree health insurance has been budgeted at \$490,494.

CHANGES IN OPERATIONS:

Contracted Services include \$371,890 in building and equipment maintenance costs. \$100,000 has been included to paint a primary clarifier. Plant equipment maintenance has been budgeted at \$175,000. Although tipping fees have decreased, this budget includes \$56,400 to cover this expense. Manhole and sewer line repairs have been included at \$70,000. Additional maintenance items were included in FY 09. Supplies and Materials decrease \$82,456 from FY 09. Nearly \$340,000 of this line item is budgeted to purchase chemicals for wastewater treatment. Energy costs have been budgeted to increase 12% over the FY 08 actual cost per the City Engineer. Intragovernmental expenses increase due to an increase in the General Overhead expense allocation and an increase in the Insurance allocation. Debt service in FY 10 reflects the principal and interest for bonds issued in 2001, 2005 and 2007. Capital outlay includes: a primary clarifier drive replacement, \$40,000, a density meter and thickener replacement, \$28,000, and the rebuild of the barscreen at the headworks, \$82,000.

SUMMARY COMMENTS:

Pay-as-you-go capital projects include: the rehabilitation of the 48" plant influent sewer at a cost of \$600,000. This budget requires \$105,387 from fund balance in the Wastewater Fund.

TOWN OF OCEAN CITY
FISCAL YEAR 2010 BUDGET
WASTEWATER FUND

EXPENDITURES	ACTUAL 2008	REVISED 2009	CITY MANAGER PROPOSED 2010	COUNCIL ADOPTED 2010
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 2,522,618	\$ 2,692,125	\$ 2,750,944	\$ 2,730,502
EMPLOYEE BENEFITS	947,165	1,415,049	1,459,543	1,440,915
	<u>3,469,783</u>	<u>4,107,174</u>	<u>4,210,487</u>	<u>4,171,417</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	786,104	1,045,953	676,728	676,728
SUPPLIES & MATERIALS	563,218	655,096	572,640	572,640
ENERGY	575,686	571,475	644,580	644,580
VEHICLE SUPPLIES & REPAIR	156,702	159,530	148,744	146,044
INTRAGOVERNMENTAL	877,132	937,821	996,103	986,237
	<u>2,958,842</u>	<u>3,369,875</u>	<u>3,038,795</u>	<u>3,026,229</u>
OTHER FINANCIAL USES:				
DEBT SERVICE	2,416,252	2,354,933	2,694,725	2,694,725
TRANSFER TO RESERVES	0	0	0	0
TRANSFER TO CAPITAL PROJECTS	871,475	1,519,641	600,000	600,000
CAPITAL OUTLAY	0	220,963	150,000	150,000
	<u>3,287,727</u>	<u>4,095,537</u>	<u>3,444,725</u>	<u>3,444,725</u>
TOTAL EXPENDITURES	\$ <u>9,716,352</u>	\$ <u>11,572,586</u>	\$ <u>10,694,007</u>	\$ <u>10,642,371</u>
LESS REVENUE GENERATED BY DEPARTMENT				
FIXTURE CHARGES	(8,869,344)	(9,281,582)	(9,451,850)	(9,451,850)
INTEREST	(27,096)	(27,000)	(25,000)	(25,000)
VACANT LOT CHARGE	(32,097)	(32,604)	(32,274)	(32,274)
CONNECTION CHARGES	(38,957)	(24,000)	(10,500)	(10,500)
SALES - MATERIALS & SERVICES	(1,032)	(14,612)	(7,200)	(7,200)
SERVICE TO WEST OCEAN CITY	(642,545)	(586,456)	(592,056)	(592,056)
PLUMBING PERMITS	(42,776)	(60,762)	(45,000)	(55,000)
LAB FEES	(79,131)	(80,423)	(84,504)	(94,504)
CAPACITY FEES	(421,425)	(231,000)	(138,600)	(138,600)
INTEREST EARNED ON INVESTMENTS	(304,117)	(125,000)	(125,000)	(125,000)
CAPITAL ASSET SALES	(7,579)	0	0	0
MISCELLANEOUS	(12,727)	0	0	(5,000)
PROCEEDS OF LONG TERM DEBT	0	0	0	0
	<u>(10,478,826)</u>	<u>(10,463,439)</u>	<u>(10,511,984)</u>	<u>(10,536,984)</u>
REVENUE (OVER)/UNDER EXPENDITURES	\$ <u>(762,474)</u>	\$ <u>1,109,147</u>	\$ <u>182,023</u>	\$ <u>105,387</u>

Fixture Charge
Vacant Lot

6.70	7.05	7.05
15.65	16.50	16.50

**TOWN OF OCEAN CITY
FISCAL YEAR 2010 BUDGET**

TRANSPORTATION FUND

BUDGET HIGHLIGHTS:

REVENUE CHANGES:

Bus passenger revenue has been reduced in FY 10 since bus pass revenue has been decreasing for the past few years. Books of ten ride-all-day passes will continue to be available for \$15.00. Tram fare will continue to be \$3.00 one-way seven days a week. \$1,048,000 is projected for tram revenue for FY 10. Advertising on the trains has been estimated at \$30,000. Direct Media has estimated that bus advertising will total \$160,000 in FY 10. Federal and State operating grants are budgeted at \$825,782, the same level since FY 07. Capital grants decrease and include 90% funding for the requested items listed in "Operational changes" below.

PERSONNEL CHANGES:

No cost of living adjustments and no annual increments have been included. Part-time hours for bus drivers decrease resulting in savings of \$26,000. One full-time bus driver position was converted to part-time. Reduction in the weeks of service for the trams results in a decrease in part-time hours for these employees and savings of almost \$30,000. Premium overtime decreases \$18,000. Benefit costs reflect anticipated increases in Group insurance, retiree health insurance and pension for full-time employees. Unemployment expense is budgeted to decrease \$36,000 and accounts for \$599,000 in this category.

OPERATIONAL CHANGES:

Contracted Services decrease in FY 10. Advertising was reduced from \$50,000 to \$20,000 in FY 09's Budget Amendment # 1. In FY 10, the advertising budget has been eliminated. Building maintenance for the transit centers and tram buildings has been reduced \$20,000. Operational Supplies remain constant. Energy costs increase, and are budgeted at 12% more than the FY 08 actual expense. Vehicle fuel is a major expense for this department and has been budgeted at \$695,222, a decrease of \$81,587. Vehicle parts decrease over \$300,000. Spare bus parts were approved under the American Recovery and Reinvestment Act in FY 09, so the FY 10 estimate has been reduced. This act pays 100% of the cost of the equipment purchased through the act. Intragovernmental expenses decrease as the allocations for General Overhead expense and Vehicle lease costs decrease. Capital Outlay includes: a bus barn fire suppression system at a cost of \$40,000 and a replacement HVAC system in the Operations building at a cost of \$15,000. Both 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.

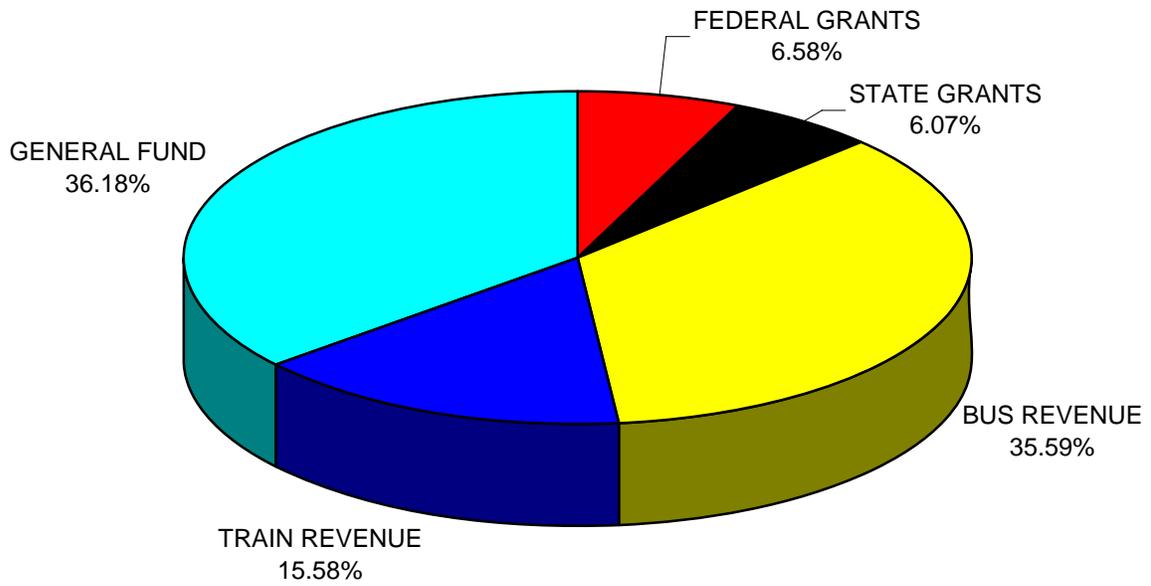
SUMMARY COMMENTS:

Articulating buses have been requested of the MTA for the FY 10 season. These buses have become a staple of the summer season and will once again be added to the schedule in an effort to meet the greater demand during late evening hours. 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.

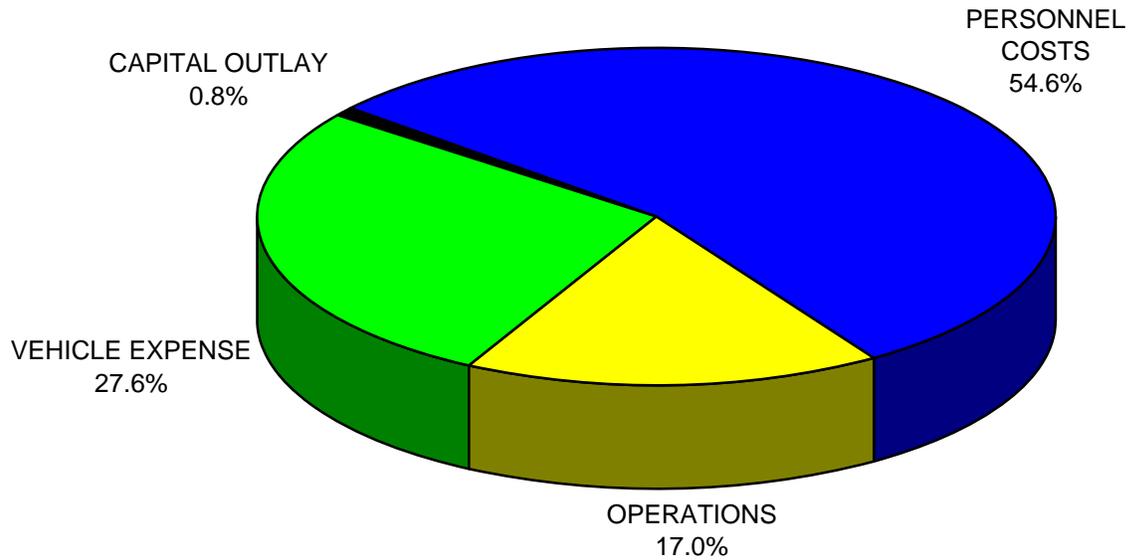
TOWN OF OCEAN CITY
FISCAL YEAR 2010 BUDGET
TRANSPORTATION FUND

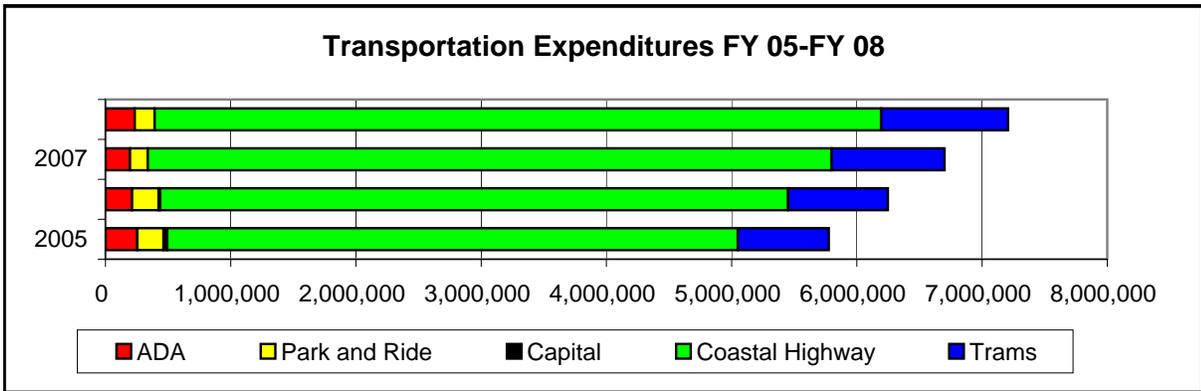
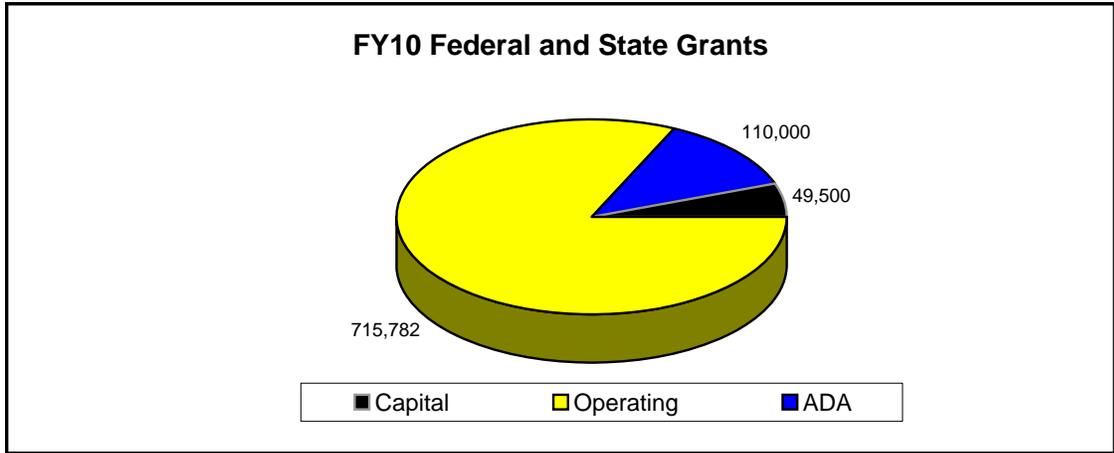
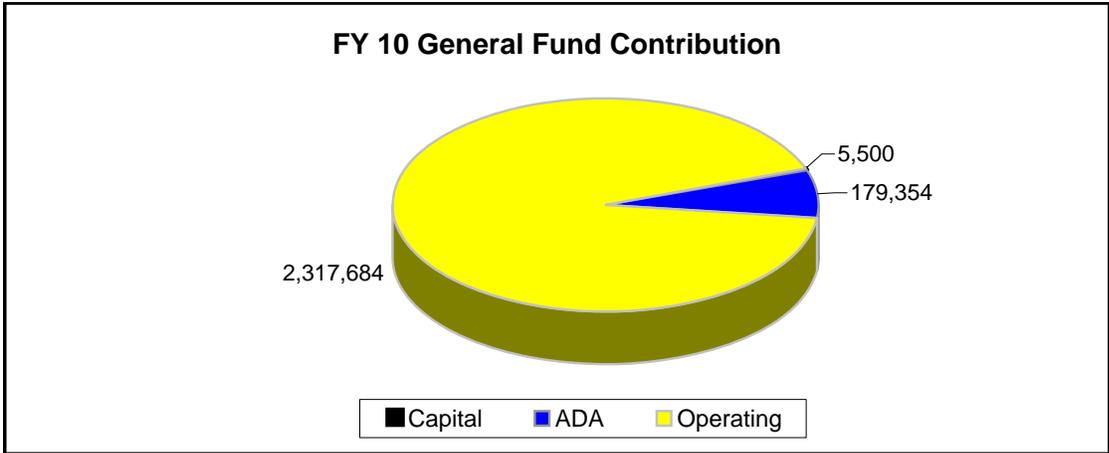
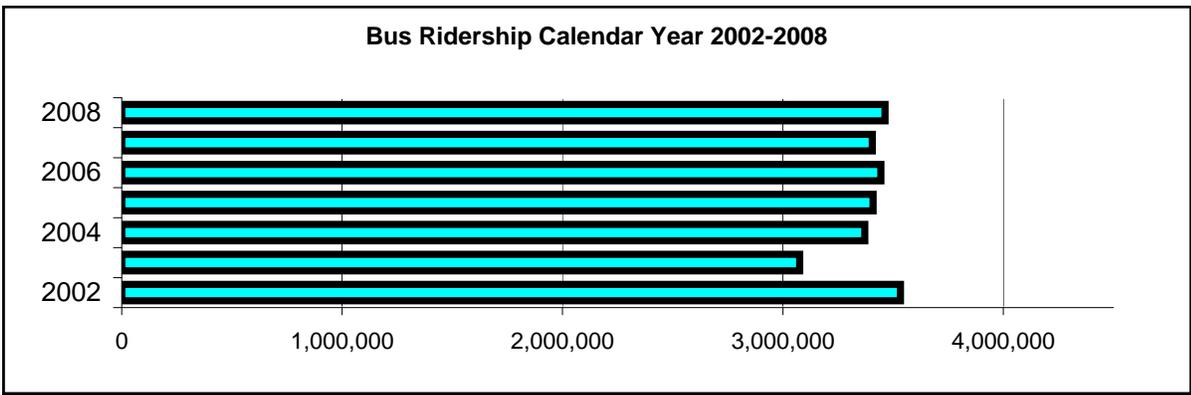
EXPENDITURES	ACTUAL 2008	REVISED 2009	CITY MANAGER PROPOSED 2010	COUNCIL ADOPTED 2010
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 2,655,637	\$ 2,803,505	\$ 2,748,624	\$ 2,667,789
EMPLOYEE BENEFITS	1,033,756	1,145,494	1,135,042	1,108,970
	<u>3,689,393</u>	<u>3,948,999</u>	<u>3,883,666</u>	<u>3,776,759</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	172,450	160,805	112,161	112,161
SUPPLIES & MATERIALS	95,880	64,621	63,215	63,215
ENERGY	67,727	61,000	75,700	75,700
VEHICLE SUPPLIES & REPAIR	2,175,737	2,192,599	1,967,090	1,906,987
INTRAGOVERNMENTAL	915,604	979,172	933,105	927,598
	<u>3,427,398</u>	<u>3,458,197</u>	<u>3,151,271</u>	<u>3,085,661</u>
OTHER FINANCIAL USES:				
DEBT SERVICE	0	0	0	0
TRANSFER OUT	0	0	0	0
CAPITAL OUTLAY	0	263,540	55,000	55,000
	<u>0</u>	<u>263,540</u>	<u>55,000</u>	<u>55,000</u>
TOTAL EXPENDITURES	<u>\$ 7,116,791</u>	<u>\$ 7,670,736</u>	<u>\$ 7,089,937</u>	<u>\$ 6,917,420</u>
LESS REVENUE GENERATED BY DEPARTMENT				
BUS REVENUE	(2,365,237)	(2,321,368)	(2,297,600)	(2,297,600)
TRAIN REVENUE	(1,042,842)	(1,048,000)	(1,078,000)	(1,078,000)
BUS ADVERTISING	(197,235)	(128,823)	(160,000)	(160,000)
INTEREST ON INVESTMENTS	(9,901)	(4,000)	(4,000)	(4,000)
BOND PROCEEDS	0	0	0	0
PRIOR YEAR RESERVES	0	(9,814)	0	0
CAPITAL GRANT - FEDERAL	(43,979)	(270,832)	(44,000)	(44,000)
CAPITAL GRANT - STATE	(58,853)	(33,854)	(5,500)	(5,500)
ADA GRANT - STATE	(110,000)	(110,000)	(110,000)	(110,000)
OPERATING GRANT - FEDERAL	(411,362)	(411,362)	(411,362)	(411,362)
OPERATING GRANT - STATE	(304,876)	(304,420)	(304,420)	(304,420)
	<u>(4,544,285)</u>	<u>(4,642,473)</u>	<u>(4,414,882)</u>	<u>(4,414,882)</u>
TOWN CONTRIBUTION	<u>\$ 2,572,506</u>	<u>\$ 3,028,263</u>	<u>\$ 2,675,055</u>	<u>\$ 2,502,538</u>

Transportation Fund Revenue 2010 Adopted



Transportation Fund Expenditures 2010 Adopted





TOWN OF OCEAN CITY
FISCAL YEAR 2010 BUDGET

AIRPORT FUND

BUDGET HIGHLIGHTS:

REVENUE CHANGES:

Approximately \$1,900,000 in Federal and State grants were included in the FY 2008 budget. These grants represent 95% of the funding for the remainder of the Runway 20 land acquisition and design, and for Phase II of the Airport Master Plan. No Airport capital projects were budgeted for FY 09, but FY 10 includes \$390,000 in grant funds for an Environmental Assessment. Fuel revenue is expected to increase as the new t-hangars have been completed and are occupied. Rental revenue increases as hangar rates are being increased slightly. Land rent to the Lion's Club has been increased to \$3,600. As fewer capital projects have been budgeted throughout the other Town departments, there will be less usage of the concrete crushing operation resulting in a decrease of \$256,500 in Service Charge revenue.

PERSONNEL CHANGES:

Three full-time employees are budgeted in this division. One full-time position was converted to a part-time, year-round position in FY 10. Overall salaries and overtime in this division decrease more than \$27,000. No cost of living adjustments and no annual increments have been included. Employee benefits include increases in health insurance, retiree health insurance and retirement contributions. Projected unemployment expense decreases slightly.

CHANGES IN OPERATIONS:

Contracted Services include professional services, building and equipment maintenance, credit card fees and other services. Only routine building maintenance has been included in FY 10. No concrete crushing expense has been included in FY 10. Concrete crushing was included at \$162,000 in FY 09. Mowing of the fields surrounding the airport has been included at a cost of \$20,000. Other expenses included in Contracted Services include maintenance of the field lighting, \$10,000 and Navigation Aid technical support, \$14,000. Purchases for Resale costs for fuel purchase is the primary expense in the Supplies & Materials line item. Fuel purchases are budgeted at \$553,000 for the coming year. Energy costs have been budgeted at the FY 09 level, which should still provide adequate funds. Electricity for the new hangars has been included in the estimate. Vehicle Supplies & Repairs decrease since a replacement broom for Tractor 120 was purchased in FY 09. This item was budgeted at \$4,000. Changes resulting from the take home vehicle policy are also reflected in Vehicle Supplies & Repairs. Intragovernmental expenses increase to cover an increased allocation for General Overhead expense and for Information Technology expense. Debt Service remains steady. Transfer to Capital Projects includes \$400,000 to conduct an Environmental Assessment. This cost is offset by \$390,000 in State and Federal grants. No capital outlay has been included for this division.

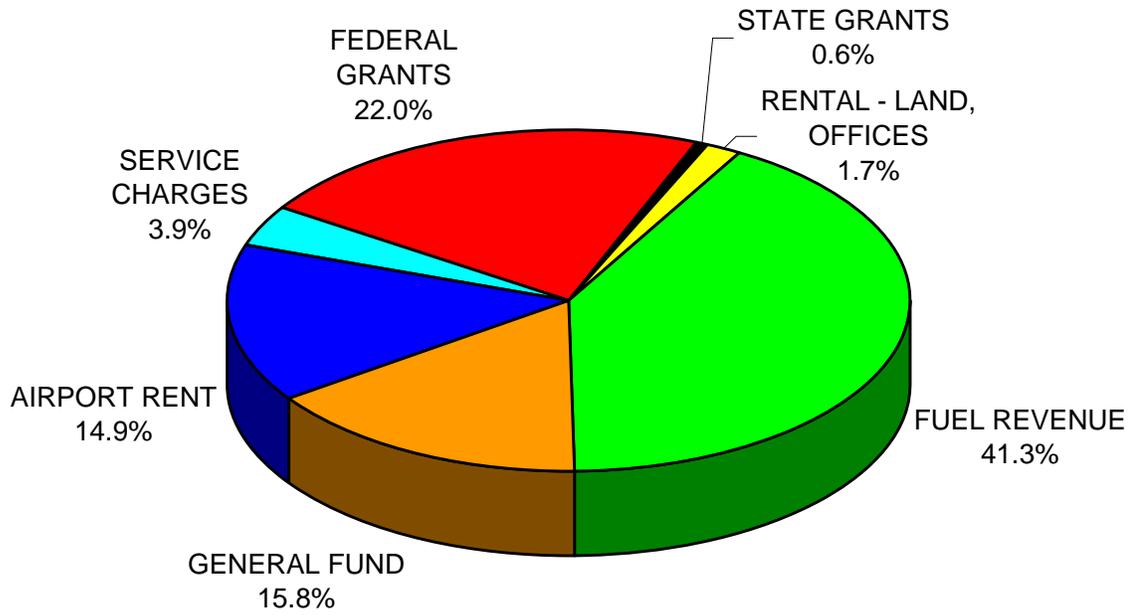
SUMMARY COMMENTS:

The General Fund subsidy is budgeted at \$272,546 for FY 2010. This is an increase of \$46,537 from FY 09. The Town's \$10,000 local match for the Environmental Assessment is part of this cost. Fuel sales continue to be strong, growing in the number of gallons sold each year.

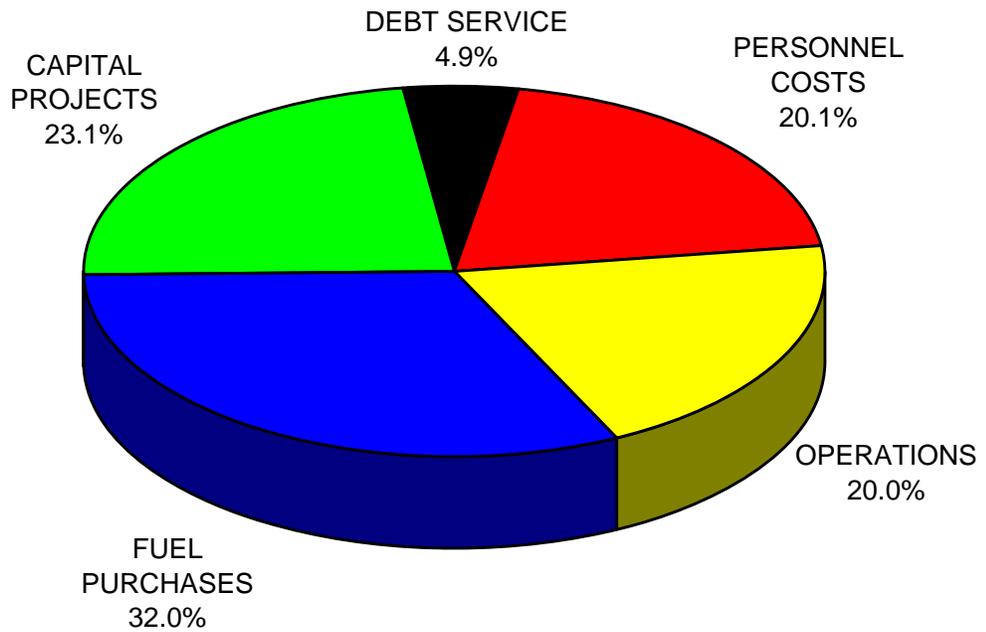
TOWN OF OCEAN CITY
FISCAL YEAR 2010 BUDGET
AIRPORT FUND

EXPENDITURES	ACTUAL 2008	REVISED 2009	CITY MANAGER PROPOSED 2010	COUNCIL ADOPTED 2010
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 302,026	\$ 275,780	\$ 260,388	\$ 253,050
EMPLOYEE BENEFITS	85,049	88,382	95,796	94,623
	<u>387,075</u>	<u>364,162</u>	<u>356,184</u>	<u>347,673</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	251,326	344,800	151,159	151,159
SUPPLIES & MATERIALS	490,582	520,477	569,405	569,405
ENERGY	38,825	40,400	40,000	40,000
VEHICLE SUPPLIES & REPAIR	19,666	22,850	15,726	13,136
INTRAGOVERNMENTAL	107,113	120,935	125,642	124,728
	<u>907,512</u>	<u>1,049,462</u>	<u>901,932</u>	<u>898,428</u>
OTHER FINANCIAL USES:				
DEBT SERVICE	83,770	84,120	84,120	84,120
TRANSFER TO CAPITAL PROJECTS	2,030,900	0	400,000	400,000
CAPITAL OUTLAY	10,245	0	0	0
	<u>2,124,915</u>	<u>84,120</u>	<u>484,120</u>	<u>484,120</u>
TOTAL EXPENDITURES	<u>\$ 3,419,502</u>	<u>\$ 1,497,744</u>	<u>\$ 1,742,236</u>	<u>\$ 1,730,221</u>
LESS REVENUE GENERATED BY DEPARTMENT				
FUEL REVENUE	(590,249)	(671,200)	(713,800)	(713,800)
RENT REVENUES	(232,218)	(251,485)	(258,895)	(257,695)
RENTAL - LAND, OFFICE SPACE	(22,965)	(24,100)	(27,480)	(27,480)
GOLF LAND RENT & CONTRIBUTION	0	0	0	(1,200)
FEDERAL GRANTS	(1,765,500)	0	(380,000)	(380,000)
STATE GRANTS	(132,700)	0	(10,000)	(10,000)
BOND PROCEEDS	0	0	0	0
SERVICE CHARGES	(193,190)	(324,000)	(67,500)	(67,500)
INTEREST ON ACCOUNTS	(1)	0	0	0
INTEREST ON INVESTMENTS	(1,359)	0	0	0
PRIOR YEAR SURPLUS	0	(950)	0	0
	<u>(2,938,182)</u>	<u>(1,271,735)</u>	<u>(1,457,675)</u>	<u>(1,457,675)</u>
TOTAL TOWN CONTRIBUTION	<u>\$ 481,320</u>	<u>\$ 226,009</u>	<u>\$ 284,561</u>	<u>\$ 272,546</u>

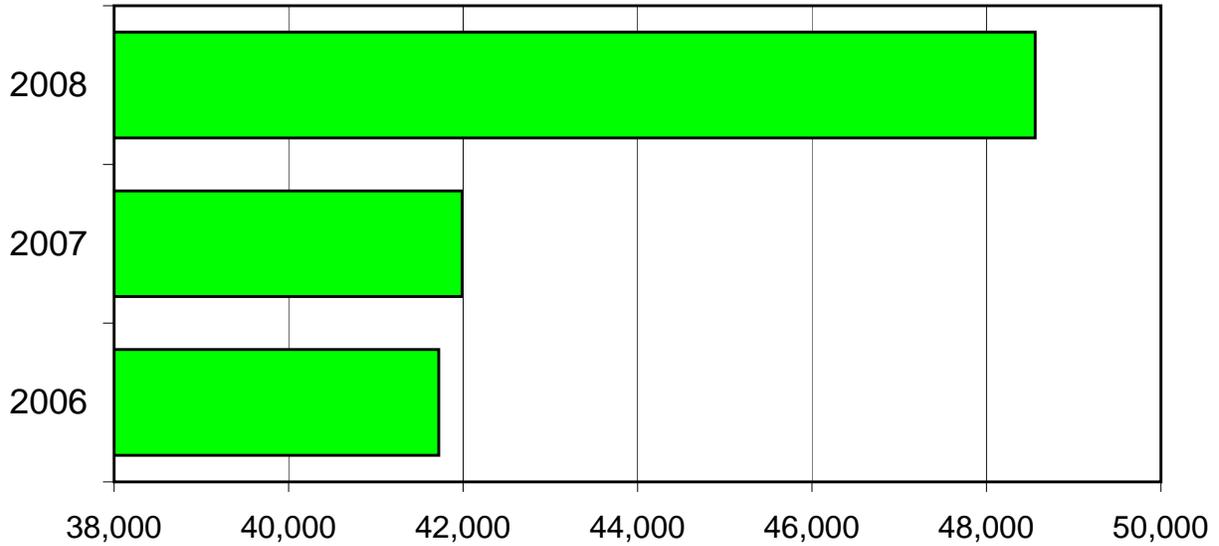
Airport Fund Revenues 2010 Adopted



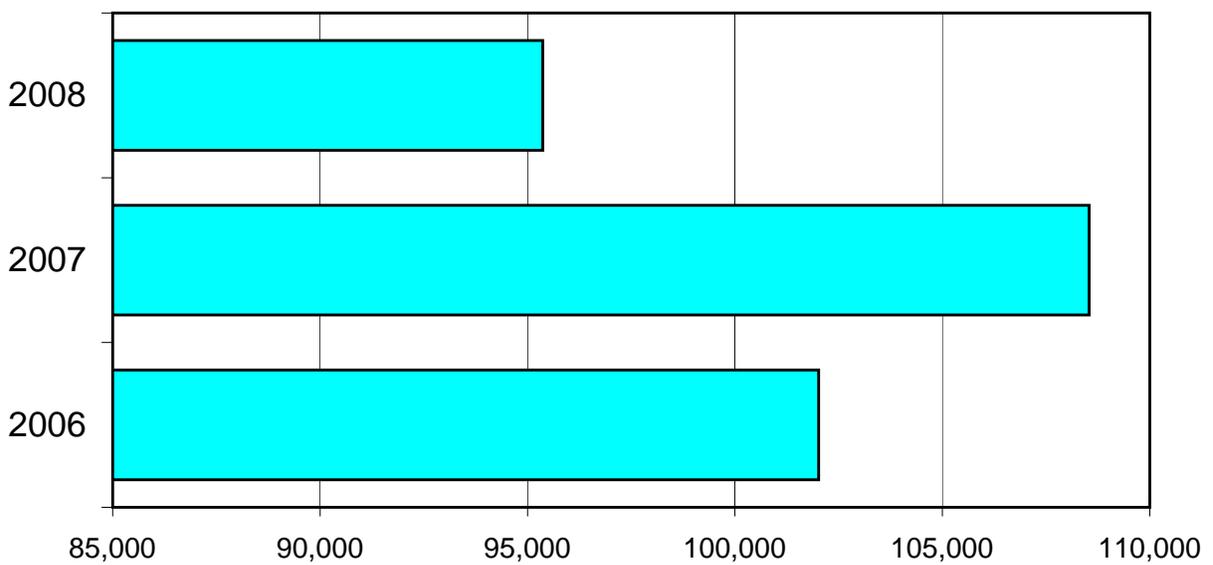
Airport Fund Expenditures 2010 Adopted



Gallons of Jet Fuel Sold FY 06 - FY08



Gallons of 100LL Sold FY 06 - FY 08



TOWN OF OCEAN CITY
FISCAL YEAR 2010 BUDGET

GOLF COURSE FUND

BUDGET HIGHLIGHTS:

REVENUE CHANGES:

No fee increases are scheduled for FY 2010. Admissions Tax revenue for Eagle's Landing, previously assigned to the General Fund, has been assigned to the Golf Course in FY 10. Eagle's Landing has partnered with two other area golf facilities to compete with other multi-course operators for package business. This has proven to be very successful, as reflected in the increase in Greens Fees revenue. Also new in FY 10 are corporate sponsorships for the Golden Eagle Partner Program. An advance from the General Fund was necessary to break even in FY 08. No loan was necessary in FY 09 and none has been budgeted in FY 10. Concession revenue is anticipated to increase in FY 10.

PERSONNEL CHANGES:

Nine full-time positions are included in this budget. Part-time hours for rangers, concession workers, cart attendants and greens keepers have been reduced in FY 10, resulting in savings. No cost of living adjustments and no merit increments have been included. Group insurance, retiree health insurance and pension contributions increase \$28,000 for this department.

CHANGES IN OPERATIONS:

Contracted Services include building & equipment maintenance and golf cart rental, advertising and credit card fees. The Pro Link GPS system lease increases expenses in this division by \$38,000. A reduction in the Greater Ocean Golf Association fees and the elimination of the clubhouse cleaning contract offset the GPS lease. Greater Ocean City Golf Association fees have been budgeted at \$35,000. Advertising has been budgeted at \$60,000. Supplies & Materials also decrease. Maintenance supplies are budgeted at \$196,500, 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 \$218,000 of the amount budgeted for Supplies and Materials. Energy costs are budgeted 12% higher than in FY 08, per the City Engineer's estimate. Vehicle fuel and parts have been budgeted to decrease in FY 10. Intragovernmental allocations decrease for this division. Both General Overhead expense and Vehicle Lease decrease, while the allocation for Information Technology services increases. Debt service increases \$162,116, as the first principal payment for the land purchase is due. No items have been budgeted in capital outlay.

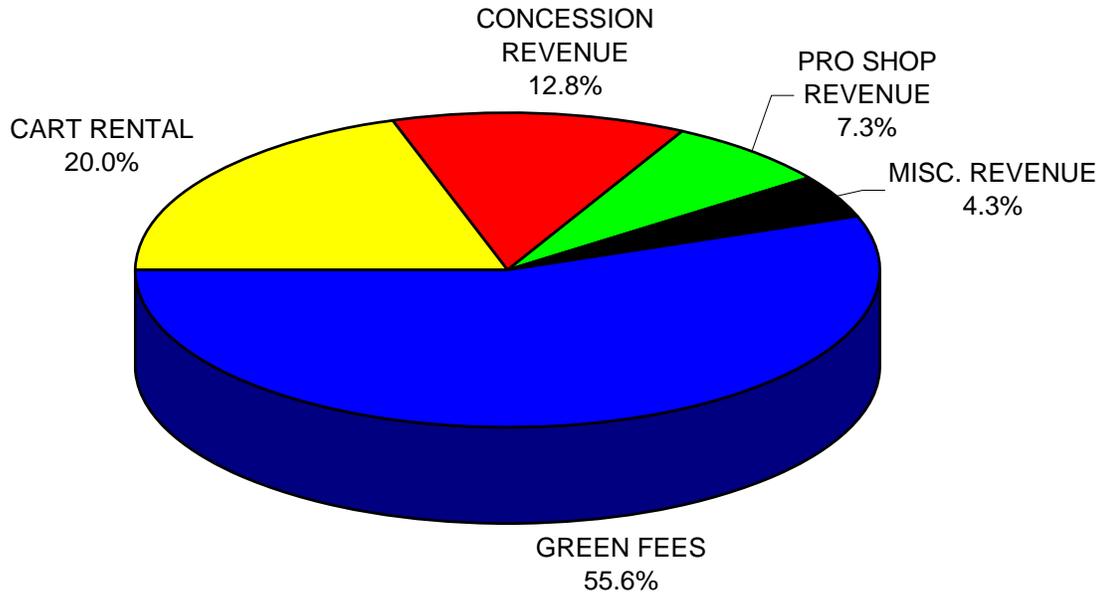
SUMMARY COMMENTS:

Innovative ideas brought forth in FY 09 are included in the FY 10 budget. Marketing changes to package Eagle's Landing with other golf courses have increased the number of golf packages booked in the critical shoulder season. Rounds continue to be strong in the summer season. The introduction of the GPS system at the course has also increased interest in Eagle's Landing. All efforts have been made to minimize costs while maintaining the quality of the course. The Talon club membership program continues to be successful. It is offered at a rate of \$179 per year, and provides discounted Green and Cart fees.

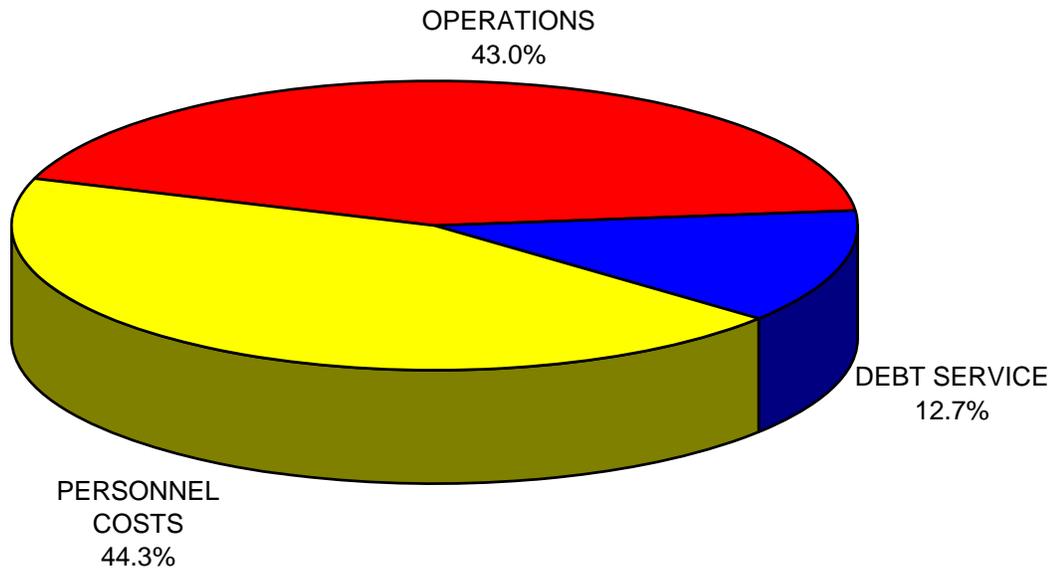
TOWN OF OCEAN CITY
FISCAL YEAR 2010 BUDGET
GOLF COURSE FUND

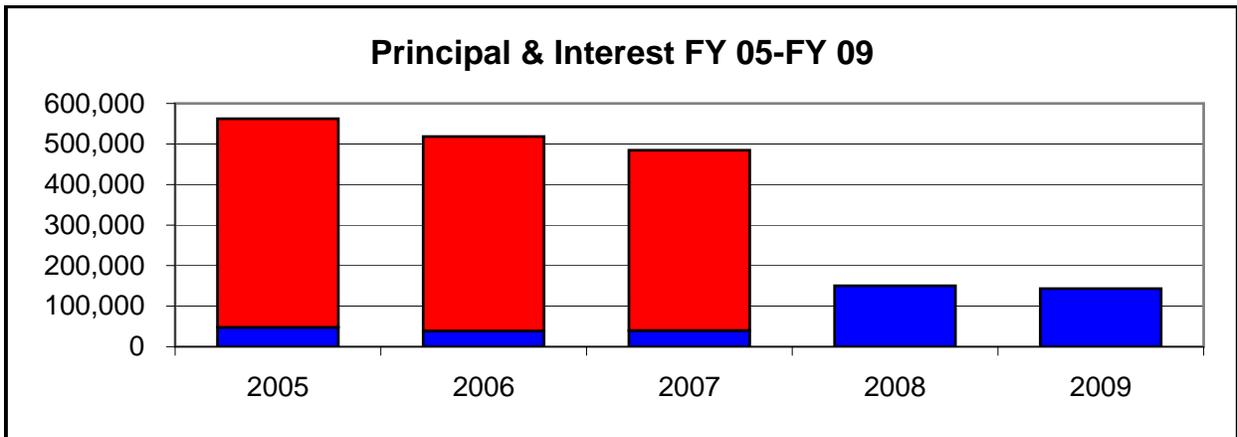
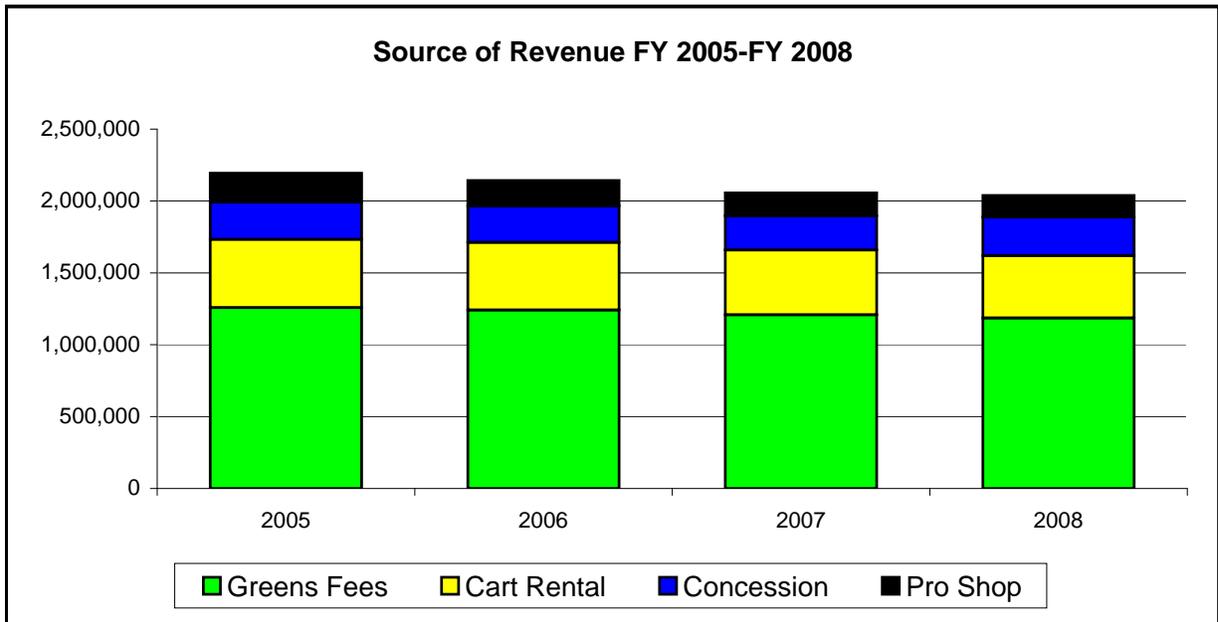
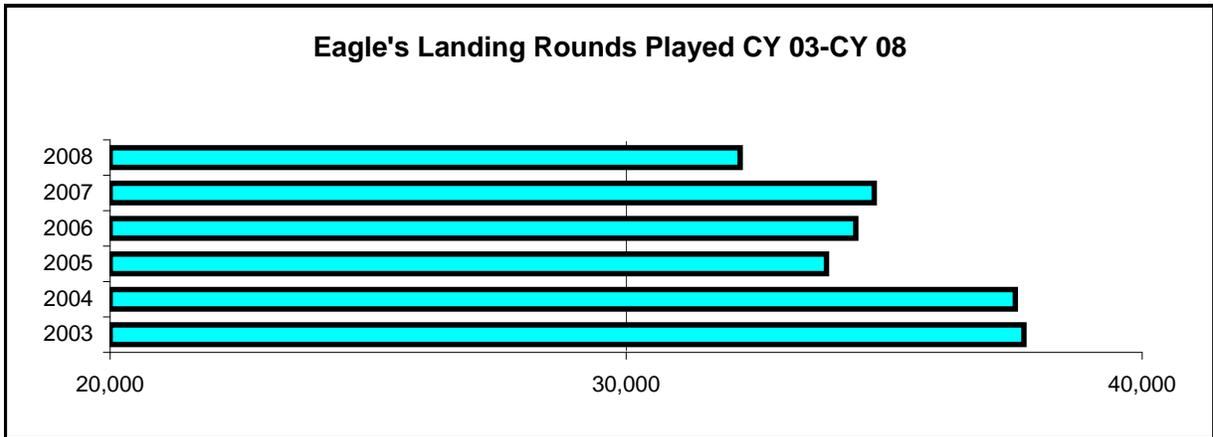
EXPENDITURES	ACTUAL 2008	REVISED 2009	CITY MANAGER PROPOSED 2010	COUNCIL ADOPTED 2010
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 725,542	\$ 765,307	\$ 756,352	\$ 756,352
EMPLOYEE BENEFITS	242,078	279,827	310,351	307,437
	<u>967,620</u>	<u>1,045,134</u>	<u>1,066,703</u>	<u>1,063,789</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	259,502	295,040	292,529	292,529
SUPPLIES & MATERIALS	409,955	450,974	445,910	445,910
ENERGY	47,228	59,000	52,000	52,000
VEHICLE SUPPLIES & REPAIR	42,384	44,500	39,747	38,896
INTRAGOVERNMENTAL	237,472	247,498	207,871	205,052
	<u>996,541</u>	<u>1,097,012</u>	<u>1,038,057</u>	<u>1,034,387</u>
OTHER FINANCIAL USES:				
DEBT SERVICE	475,387	143,336	305,452	305,452
TRANSFERS OUT / LAND RENT	0	0	0	0
CAPITAL OUTLAY	0	0	0	0
	<u>475,387</u>	<u>143,336</u>	<u>305,452</u>	<u>305,452</u>
TOTAL EXPENDITURES	\$ <u>2,439,548</u>	\$ <u>2,285,482</u>	\$ <u>2,410,212</u>	\$ <u>2,403,628</u>
LESS REVENUE GENERATED BY DIVISION				
ADMISSIONS TAX	0	0	(45,000)	(45,000)
GREEN FEES	(1,186,489)	(1,327,916)	(1,342,371)	(1,337,302)
CART RENTAL	(432,614)	(480,118)	(482,100)	(480,585)
CONCESSION REVENUE	(268,631)	(287,427)	(307,396)	(307,396)
PRO SHOP REVENUE	(150,813)	(177,579)	(174,822)	(174,822)
CLUB RENTAL	(4,705)	(4,823)	(6,623)	(6,623)
TOURNAMENT REVENUE	(3,890)	(3,500)	(3,800)	(3,800)
PULL CART RENTAL	(147)	(500)	(500)	(500)
INTEREST ON INVESTMENTS	(5,600)	(2,000)	(2,000)	(2,000)
MISCELLANEOUS REVENUE	(5,614)	0	(15,600)	(15,600)
APPROPRIATED FUND BALANCE	0	(1,619)	0	0
ADVANCE FROM GEN'L FUND	(238,995)	0	0	0
CORPORATE SPONSORSHIPS	0	0	(30,000)	(30,000)
DISCOUNTS TAKEN	(2,490)	0	0	0
	<u>(2,299,988)</u>	<u>(2,285,482)</u>	<u>(2,410,212)</u>	<u>(2,403,628)</u>
REVENUE (OVER)/UNDER EXPENDITURES	\$ <u>139,560</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>

Golf Course Revenue 2010 Adopted



Golf Course Expenditures 2010 Adopted





TOWN OF OCEAN CITY
FISCAL YEAR 2010 BUDGET

CONVENTION CENTER FUND

BUDGET HIGHLIGHTS:

REVENUE CHANGES:

Hall Rental and Service Charges are expected to decrease a total of \$52,000 in the coming year. Food & Beverage Tax generated goes toward the retirement of debt for the Convention Center expansion. The rate was reduced from 1% to ½% for this fiscal year. Food & Beverage Tax is anticipated to generate \$1,102,212 that will go toward debt retirement in FY 2010. An additional \$100,000 will go into a fund for capital improvements at the Convention Center. In FY 08, \$71,900 of capital funds was used for canopy repairs. Ad sales are not budgeted in FY 2010, as the printing of the Meeting Planner's Guide is not included. Overall, the Town contribution and the State Operating Grant have been budgeted to decrease \$175,000 each.

PERSONNEL CHANGES:

In this division, a Sales position and four maintenance worker positions were eliminated. No annual increments and no cost of living increases have been included. Increases in retiree health insurance and in pension contribution account for the increase in the Employee Benefits line item. Health insurance costs for this division decrease \$12,715 as the increases in health insurance premiums is offset by the elimination of positions. Retiree health insurance has been budgeted to decrease \$12,000 for this department.

CHANGES IN OPERATIONS:

Contracted Services decrease in FY 10. Routine escalator, elevator, HVAC, and equipment repair are budgeted in this category and total \$191,141. Building maintenance accounts for another \$75,000. Travel, credit card fees and advertising are other expenses charged in this line item. Printing of the Meeting Planner Guide has been deleted at a savings of \$25,000. Services such as carpet cleaning have been reduced for FY 10, resulting in savings of \$19,000. Training and Travel has been reduced nearly \$8,600. Operational supplies decrease and include only routine items. This line item includes costs for such items as replacement tables and chairs, supplies to clean and maintain the building, aisle and booth carpet, and landscaping supplies. Energy costs are budgeted at 12% over the actual energy costs for FY 08. This results in an increase of \$73,000. Vehicle supplies including fuel and vehicle labor costs are budgeted to increase slightly in FY 10. Intragovernmental expenses decrease in several areas. The satisfaction of the lease/purchase for the telephone equipment results in savings of \$18,164. Allocations for General Overhead expense and Insurance expense also decrease significantly. Debt Service decreases \$20,701. Transfer to Reserves decreases \$1,057,556 as the amount of Food and Beverage tax earned is expected to decrease. The Transfer to Reserves reflects only the amount for capital reserves as the Food Tax revenue is anticipated to equal the amount of the principal and interest payments. Capital Outlay includes carpet replacement in the upper mezzanine area.

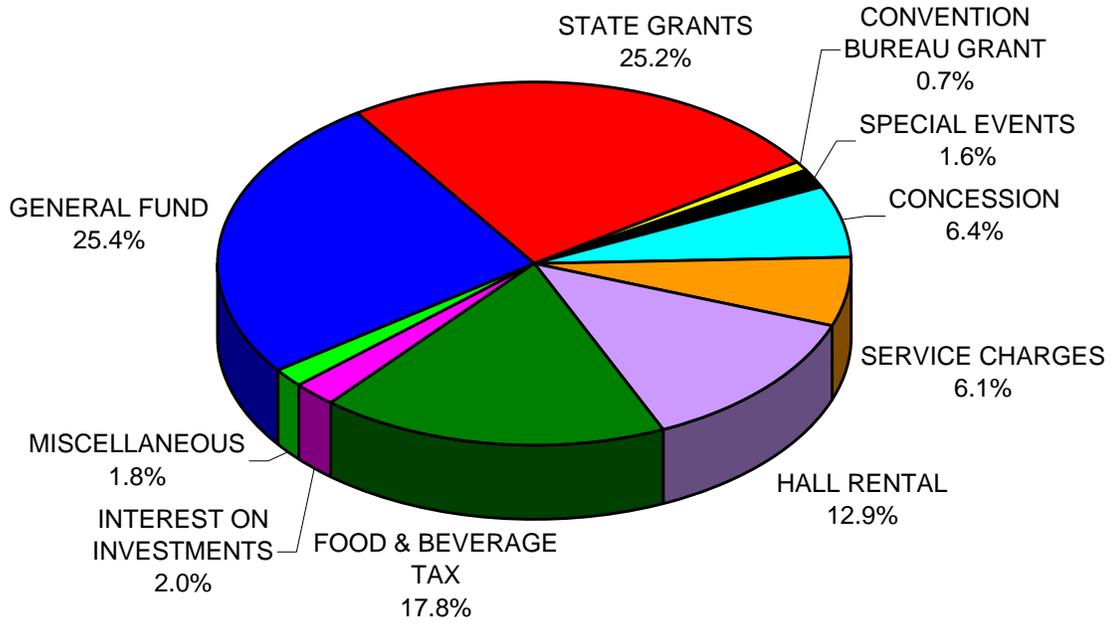
MAJOR 2009-2010 PROGRAM OBJECTIVES:

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

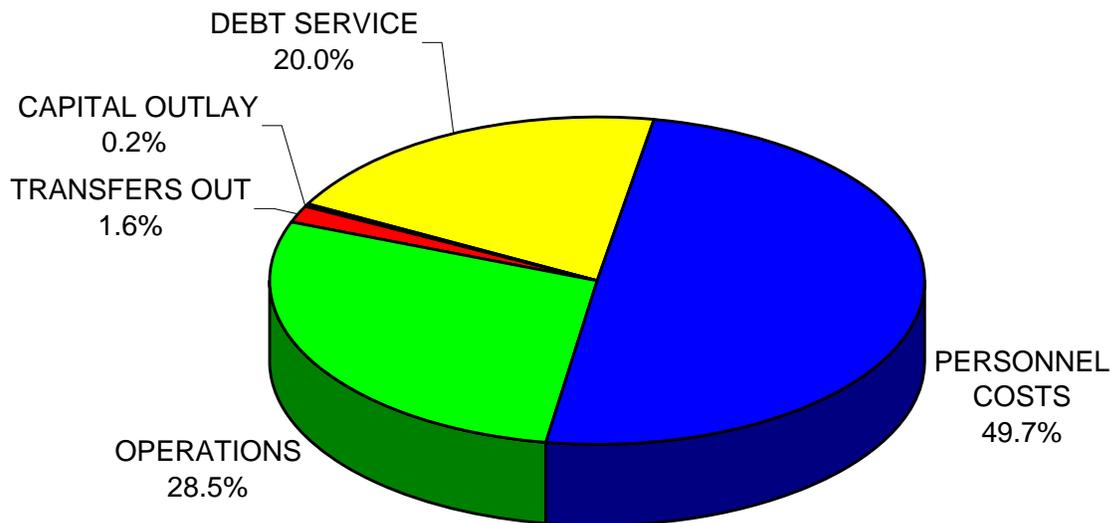
TOWN OF OCEAN CITY
FISCAL YEAR 2010 BUDGET
CONVENTION CENTER FUND

EXPENDITURES	ACTUAL 2008	REVISED 2009	CITY MANAGER PROPOSED 2010	COUNCIL ADOPTED 2010
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 2,221,272	\$ 2,270,117	\$ 2,174,305	\$ 2,174,305
EMPLOYEE BENEFITS	730,938	896,933	915,163	905,772
	<u>2,952,210</u>	<u>3,167,050</u>	<u>3,089,468</u>	<u>3,080,077</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	569,498	598,314	510,729	510,729
SUPPLIES & MATERIALS	206,129	266,184	228,418	228,418
ENERGY	578,859	575,000	648,030	648,030
VEHICLE SUPPLIES & REPAIR	29,431	30,111	30,253	30,253
INTRAGOVERNMENTAL	432,726	458,699	358,251	348,192
	<u>1,816,643</u>	<u>1,928,308</u>	<u>1,775,681</u>	<u>1,765,622</u>
OTHER FINANCIAL USES:				
DEBT SERVICE	1,307,316	1,257,444	1,236,743	1,236,743
TRANSFER TO RESERVES	1,219,392	1,157,556	100,000	100,000
CAPITAL OUTLAY	256,564	289,249	15,000	15,000
	<u>2,783,272</u>	<u>2,704,249</u>	<u>1,351,743</u>	<u>1,351,743</u>
TOTAL EXPENDITURES	\$ <u>7,552,125</u>	\$ <u>7,799,607</u>	\$ <u>6,216,892</u>	\$ <u>6,197,442</u>
LESS REVENUE GENERATED BY DIVISION				
HALL RENTAL REVENUE	(724,279)	(825,000)	(800,000)	(800,000)
SPECIAL EVENT REVENUE	(100,046)	(105,000)	(102,200)	(102,200)
CONCESSION REVENUE	(344,362)	(395,000)	(395,000)	(395,000)
AD SALES REVENUE	0	(20,000)	0	0
SERVICE CHARGES	(353,246)	(407,000)	(380,000)	(380,000)
BUS PARKING REVENUE	(1,410)	0	0	0
MONTHLY LEASE REVENUE	(16,742)	(19,300)	(19,300)	(19,300)
SALES/OTHER	(83,252)	(90,000)	(75,000)	(75,000)
FOOD & BEVERAGE TAX	(2,118,990)	(2,190,000)	(1,102,212)	(1,102,212)
DONATIONS	0	0	0	0
INTEREST ON INVESTMENTS	(391,741)	(125,000)	(125,000)	(125,000)
ATM REVENUE	(13,500)	(9,000)	(15,000)	(15,000)
CAPITAL ASSET SALES	0	0	0	0
COUNTY - VISITORS/CONV BUREAU	(50,000)	(50,000)	(48,500)	(45,000)
BOND PROCEEDS	0	0	0	0
CAPITAL LEASE PROCEEDS	0	0	0	0
PRIOR YEAR RESERVES	0	(84,263)	0	0
STATE OPERATING/CAPITAL GRANT	(1,660,888)	(1,740,022)	(1,572,544)	(1,564,569)
	<u>(5,858,456)</u>	<u>(6,059,585)</u>	<u>(4,634,756)</u>	<u>(4,623,281)</u>
TOTAL TOWN CONTRIBUTION	\$ <u>1,693,669</u>	\$ <u>1,740,022</u>	\$ <u>1,582,136</u>	\$ <u>1,574,161</u>

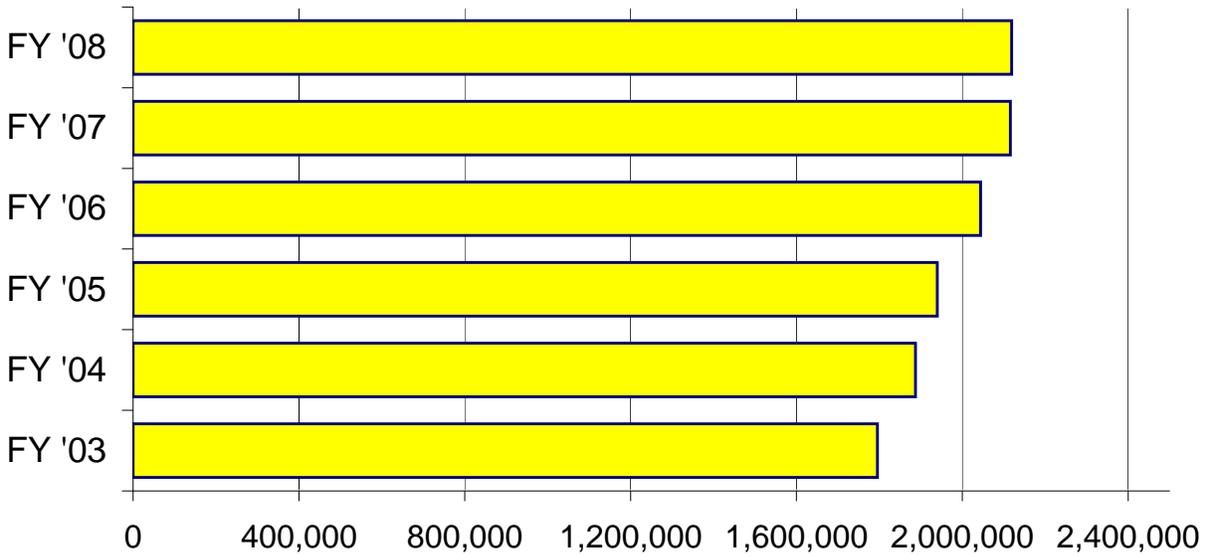
Convention Center Fund Revenue 2010 Adopted



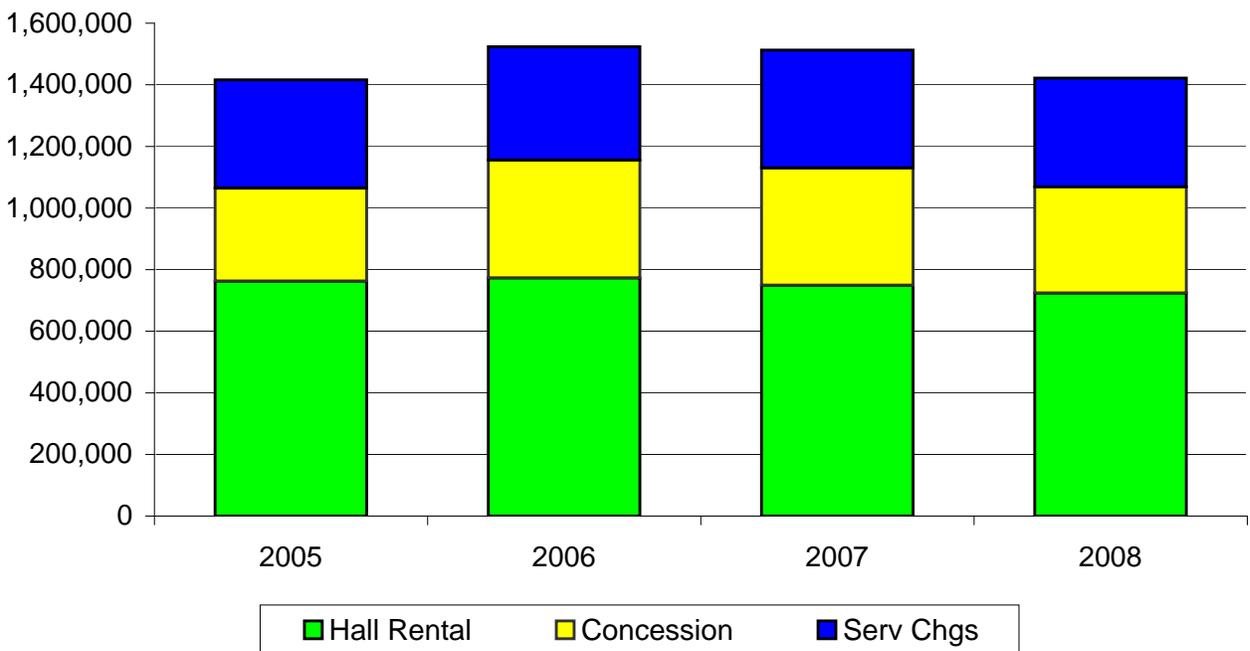
Convention Center Fund Expenditures 2010 Adopted



Food & Beverage Tax FY 2003 - FY 2008



OCCC Operations Revenue by Type



INTERNAL SERVICE FUNDS

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

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

INFORMATION TECHNOLOGY

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

SERVICE CENTER FUND

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

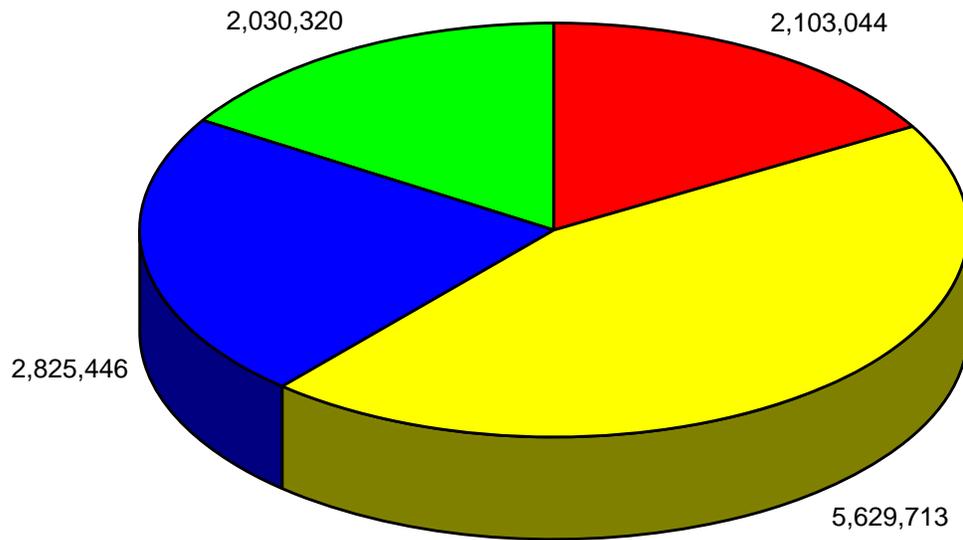
VEHICLE AND EQUIPMENT TRUST FUND

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

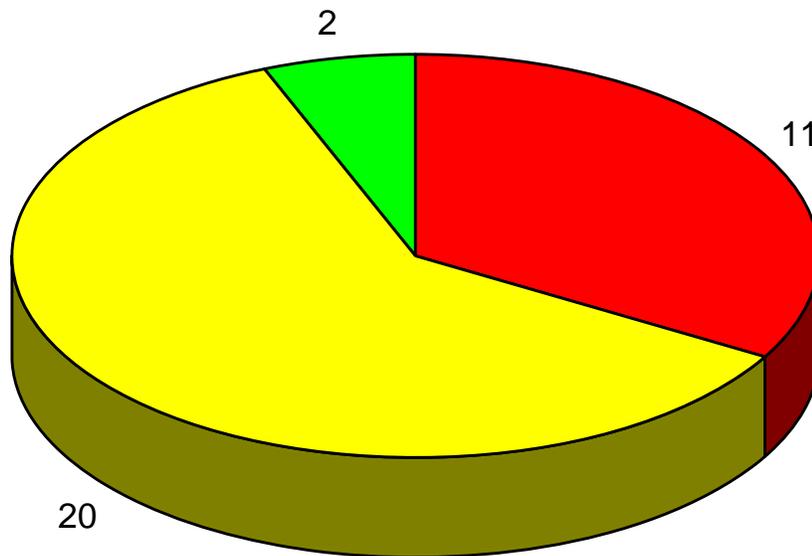
RISK MANAGEMENT FUND

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

FY 10 Internal Service Funds Expenses



FY 10 Internal Service Fund Full-Time Personnel



TOWN OF OCEAN CITY
FISCAL YEAR 2010 BUDGET

INFORMATION TECHNOLOGY

BUDGET HIGHLIGHTS:

REVENUE CHANGES:

The charges for IT services have been reduced for all Town departments for FY 2010. Once again, charges for voice and data equipment maintenance have been charged to IT and allocated out to each department as a part of the IT allocation. Maintenance costs for the CAD/RMS system cost \$166,841 and are allocated directly to the users of this software. In FY 09, \$4,113 of fund balance was allocated to cover prior year purchase orders brought forward.

PERSONNEL CHANGES:

Eleven positions are funded in this budget. No cost of living adjustment, and no annual increments are included in the Salary and Wages line item. Reflected in the employee benefits line item are anticipated increases in pension contribution, health insurance and retiree health insurance. These three benefits account for \$35,000 of the increase in employee benefits.

CHANGES IN OPERATIONS:

Software support, maintenance and software upgrades account for \$684,402 of the Contracted Services expenses. Annual costs for the Town's Voice and Data equipment maintenance agreement total \$156,000. Another large component of this line item is the software support for the CAD/RMS software. This maintenance agreement costs \$166,841 annually. Maintenance and software support for all other software programs totals \$361,115. A security audit follow-up, which was recommended by the auditing firm in the management letter, was included in FY 09 at a cost of \$20,000. Training has decreased \$5,031, as fewer outside trainers have been scheduled. Operational Supplies decrease in FY 10 as there were fewer departmental requests. Memory and software upgrades and replacement computers are included in this line item. Other large items include conversion to Microsoft e-mail, a CAFR program for Finance, two replacement Datalux Tracers for the Police, a toughbook and software for Wastewater and equipment for the training room at 65th street. Intragovernmental expenses decrease as the lease/purchase agreement for the telephone equipment has been paid off. A fire suppression system for the server room at the Public Safety Building has been included in Capital Outlay at a cost of \$25,000.

SUMMARY COMMENTS:

Every effort has been made to maintain service to City employees while reducing costs overall. The laserfiche project will be continued with Wastewater and Police in FY 10. Conversion to Microsoft e-mail is another major objective for FY 10.

TOWN OF OCEAN CITY
FISCAL YEAR 2010 BUDGET
INFORMATION TECHNOLOGY

EXPENDITURES	ACTUAL 2008	REVISED 2009	CITY MANAGER PROPOSED 2010	COUNCIL ADOPTED 2010
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 662,810	\$ 704,529	\$ 723,211	\$ 723,211
EMPLOYEE BENEFITS	206,226	258,153	298,127	295,492
	<u>869,036</u>	<u>962,682</u>	<u>1,021,338</u>	<u>1,018,703</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	754,719	827,493	778,755	778,755
SUPPLIES & MATERIALS	243,982	283,500	233,755	209,525
ENERGY	0	0	2,000	2,000
VEHICLE SUPPLIES & REPAIR	3,082	7,000	5,672	5,672
INTRAGOVERNMENTAL	67,071	72,592	63,465	63,389
	<u>1,068,854</u>	<u>1,190,585</u>	<u>1,083,647</u>	<u>1,059,341</u>
OTHER FINANCIAL USES:				
DEBT SERVICE	0	0	0	0
TRANSFER OUT	0	0	0	0
CAPITAL OUTLAY	14,326	0	25,000	25,000
	<u>14,326</u>	<u>0</u>	<u>25,000</u>	<u>25,000</u>
TOTAL EXPENDITURES	\$ <u>1,952,216</u>	\$ <u>2,153,267</u>	\$ <u>2,129,985</u>	\$ <u>2,103,044</u>
LESS REVENUE GENERATED BY DEPARTMENT				
GENERAL FUND	(1,459,373)	(1,704,543)	(1,652,131)	(1,625,190)
WATER FUND	(62,391)	(84,558)	(104,178)	(104,178)
WASTEWATER FUND	(102,577)	(135,695)	(135,888)	(135,888)
TRANSPORTATION FUND	(30,745)	(32,996)	(33,060)	(33,060)
AIRPORT FUND	(11,770)	(12,017)	(14,209)	(14,209)
GOLF COURSE FUND	(18,395)	(20,875)	(29,701)	(29,701)
CONVENTION CENTER FUND	(49,684)	(57,079)	(56,632)	(56,632)
SERVICE CENTER FUND	(99,161)	(87,088)	(91,134)	(91,134)
RISK MANAGEMENT FUND	(14,411)	(14,303)	(13,052)	(13,052)
DISCOUNTS TAKEN	(407)	0	0	0
	<u>(1,848,914)</u>	<u>(2,149,154)</u>	<u>(2,129,985)</u>	<u>(2,103,044)</u>
REVENUES (OVER)/UNDER EXPENDITURES	\$ <u>103,302</u>	\$ <u>4,113</u>	\$ <u>0</u>	\$ <u>0</u>

TOWN OF OCEAN CITY
FISCAL YEAR 2010 BUDGET

SERVICE CENTER FUND

BUDGET HIGHLIGHTS:

REVENUE:

No rate changes are included in FY 10. Fuel revenue is dependent on fuel cost. As fuel costs are anticipated to be lower in FY 10, fuel revenue is projected to decrease. Parts revenue offsets the decrease in fuel revenue. Vehicle labor charges are also budgeted to decrease slightly. In FY 09, \$38,953 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. No cost of living or annual increments have been included. Employee benefit increases include increases in health insurance and pension contributions totaling \$21,109. Retiree health insurance contributions decrease \$8,030 from FY 09. In this budget, the tool allowance has been reduced from \$1,000 per mechanic to \$500 per mechanic, resulting in a savings of \$6,000.

CHANGES IN OPERATIONS:

Contracted Services expenses are expected to decrease. This category includes building and equipment maintenance, training and travel, printing costs and tipping fees, as well as other contracted services. Garage door repair and replacement and interior painting were included in FY 09 at a cost of \$30,750. Equipment maintenance has been reduced \$2,500 and training costs have been reduced \$6,570 in FY 10. Purchases of fuel and inventory are the major expenses in the Supplies & Materials category. Vehicle fuel is purchased by this department and charged to all other City departments as it is consumed. This expense is reflected in the vehicle fuel line item in all City departments and affects Transportation, Solid Waste, and Police to a great degree. Purchases of stock items is expected to increase slightly. As with all other city departments, Energy costs are expected to increase in this department as well. Intragovernmental allocations increase for this department. Increases in allocations for Information Technology, General Overhead and Vehicle Lease were somewhat offset by decreases in Equipment lease and Insurance. A replacement boiler was budgeted in Capital Outlay in FY 09. Sandblasting and painting the fuel depot canopy structural steel is included in FY 10.

SUMMARY COMMENTS:

The tool reimbursement program started in FY 05 for the Service Center mechanics has proven successful with all fourteen mechanics receiving the full \$1,000 allowance in FY 08. In FY 10, the tool allowance has been reduced to \$500 per mechanic as the mechanics have been able to replace many of their tools over the past several years. An average value of each mechanic's tools is approximately \$15,000.

TOWN OF OCEAN CITY
FISCAL YEAR 2010 BUDGET
SERVICE CENTER FUND

EXPENDITURES	ACTUAL 2008	REVISED 2009	CITY MANAGER PROPOSED 2010	COUNCIL ADOPTED 2010
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 1,164,559	\$ 1,247,598	\$ 1,165,823	\$ 1,165,823
EMPLOYEE BENEFITS	535,228	635,675	657,735	650,061
	<u>1,699,787</u>	<u>1,883,273</u>	<u>1,823,558</u>	<u>1,815,884</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	61,298	106,058	52,692	52,692
SUPPLIES & MATERIALS	3,384,798	3,348,005	3,361,306	3,361,306
ENERGY	33,416	42,000	51,000	51,000
VEHICLE SUPPLIES & REPAIR	24,427	25,400	25,904	25,904
INTRAGOVERNMENTAL	278,630	269,561	296,092	294,927
	<u>3,782,569</u>	<u>3,791,024</u>	<u>3,786,994</u>	<u>3,785,829</u>
OTHER FINANCIAL USES:				
DEBT SERVICE	0	0	0	0
TRANSFER OUT	0	0	0	0
CAPITAL OUTLAY	17,219	50,000	28,000	28,000
	<u>17,219</u>	<u>50,000</u>	<u>28,000</u>	<u>28,000</u>
TOTAL EXPENDITURES	\$ <u>5,499,575</u>	\$ <u>5,724,297</u>	\$ <u>5,638,552</u>	\$ <u>5,629,713</u>
LESS REVENUE GENERATED BY DIVISION				
FUEL REVENUE	(2,274,018)	(2,000,000)	(1,948,538)	(1,948,538)
PARTS REVENUE	(1,958,509)	(2,259,220)	(2,310,848)	(2,302,009)
LABOR REVENUE	(1,359,573)	(1,426,124)	(1,379,166)	(1,379,166)
PRIOR YEAR RESERVES	0	(38,953)	0	0
DISCOUNTS TAKEN	(2,961)	0	0	0
	<u>(5,595,061)</u>	<u>(5,724,297)</u>	<u>(5,638,552)</u>	<u>(5,629,713)</u>
REVENUES (OVER)/UNDER EXPENDITURES	\$ <u>(95,486)</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>

**TOWN OF OCEAN CITY
FISCAL YEAR 2010 BUDGET**

VEHICLE AND EQUIPMENT TRUST FUND

<u>REQUESTED VEHICLES</u>	<u>REPLACEMENT Yes/No</u>	<u>ADOPTED BUDGET</u>
POLICE:		
Marked Full-Size Sedans (6)	Y	150,000
Unmarked Full-Size Sedans (3)	Y	78,000
ANIMAL CONTROL:		
One-Ton Marked Van	Y	19,500
GOLF COURSE:		
Tractor Mount Aerator	Y	28,360
PUBLIC WORKS MAINTENANCE:		
½ Ton 4 x 4 Pickup	Y	19,000
Barber Surf Rake	Y	56,000
WASTEWATER:		
½ Ton 4 x 4 Pickup	Y	19,000
		<u>19,000</u>
		\$ 369,860
ALLOWANCE FOR ADDITIONAL VEHICLES		\$ 537,798
ALLOWANCE FOR FUTURE RADIO PURCHASES		\$ 311,102
REPAYMENT TO GENERAL FUND		\$ 592,948

TOWN OF OCEAN CITY
FISCAL YEAR 2010 BUDGET
VEHICLE AND EQUIPMENT TRUST FUND

EXPENDITURES	ACTUAL 2008	REVISED 2009	CITY MANAGER PROPOSED 2010	COUNCIL ADOPTED 2010
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 0	\$ 0	\$ 0	\$ 0
EMPLOYEE BENEFITS	0	0	0	0
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	64,048	50,000	130,000	130,000
SUPPLIES & MATERIALS	2,571	5,000	5,000	5,000
ENERGY	0	0	0	0
VEHICLE SUPPLIES & REPAIR	0	0	0	0
INTRAGOVERNMENTAL	467,253	466,703	502,114	502,114
	<u>533,872</u>	<u>521,703</u>	<u>637,114</u>	<u>637,114</u>
OTHER FINANCIAL USES:				
DEBT SERVICE	1,428,580	1,072,359	376,624	376,624
TRANSFER OUT	0	0	270,561	592,948
CAPITAL OUTLAY	3,388,440	2,482,120	1,541,147	1,218,760
	<u>4,817,020</u>	<u>3,554,479</u>	<u>2,188,332</u>	<u>2,188,332</u>
TOTAL EXPENDITURES	\$ <u>5,350,892</u>	\$ <u>4,076,182</u>	\$ <u>2,825,446</u>	\$ <u>2,825,446</u>
LESS REVENUE GENERATED BY DEPARTMENT				
CAPITAL GRANT - FEDERAL	(1,177,696)	(548,800)	0	0
CAPITAL GRANT - STATE	(93,856)	(68,600)	0	0
SALE - CAPITAL ASSETS	(167,391)	(140,000)	(110,000)	(110,000)
TRANSFER IN FROM GEN'L FUND	(354,238)	0	0	0
INTEREST	0	0	0	0
PRIOR YEAR RESERVES	0	(209,161)	0	0
SALES - MATERIALS & SERVICE	(446,323)	(429,216)	(441,102)	(441,102)
GENERAL FUND CONTRIBUTION	(1,679,639)	(1,472,723)	(1,309,877)	(1,309,877)
WATER FUND CONTRIBUTION	(39,228)	(42,945)	(37,880)	(37,880)
WASTEWATER CONTRIBUTION	(73,234)	(66,343)	(66,675)	(66,675)
TRANSPORTATION CONTRIBUTION	(422,196)	(422,982)	(405,618)	(405,618)
AIRPORT FUND CONTRIBUTION	(6,194)	(6,842)	(6,228)	(6,228)
GOLF COURSE CONTRIBUTION	(67,171)	(62,295)	(43,074)	(43,074)
TOURISM FUND CONTRIBUTION	(4,214)	(4,685)	(2,220)	(2,220)
IT FUND CONTRIBUTION	(3,039)	(3,045)	(1,683)	(1,683)
SERVICE CENTER CONTRIBUTION	(16,713)	(16,264)	(20,947)	(20,947)
RISK MGT CONTRIBUTION	(4,255)	(4,125)	(3,518)	(3,518)
DISCOUNTS TAKEN	(180)	0	0	0
EQUIPMENT LEASE/PURCHASE	(661,005)	(578,156)	(376,624)	(376,624)
800 MHZ RADIO LEASE	(134,320)	0	0	0
	<u>(5,350,892)</u>	<u>(4,076,182)</u>	<u>(2,825,446)</u>	<u>(2,825,446)</u>
REVENUES (OVER)/UNDER EXPENDITURES	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>

TOWN OF OCEAN CITY
FISCAL YEAR 2010 BUDGET

RISK MANAGEMENT FUND

BUDGET HIGHLIGHTS:

REVENUE CHANGES:

Interest earnings are expected to increase slightly in FY 2010. Allocations to all funds decreased this fiscal year as expenses decreased in this fund.

PERSONNEL CHANGES:

The Safety Technician position was transferred to the Emergency Management division to assist with training and emergency preparedness functions. Two positions remain in this division. No cost of living and no annual increments have been budgeted. No part-time salaries have been included in the budget.

CHANGES IN OPERATIONS:

Contracted Services decrease in FY 10. Insurance costs make up the majority of this line item. Overall insurance costs are expected to decrease \$40,345 in FY 10. Worker's Compensation claims are expected to decrease in the coming year. Automobile and General Liability claims are budgeted to increase \$25,000 each, while worker's compensation claims have been budgeted at the same amount as FY 09. \$1,569,755 has been budgeted to cover the cost of insurance policies and insurance claims for FY 2010. Legal fees and Professional Services make up the other expenses in the Contracted Services category. An Actuarial study conducted in FY 09 has not been included in FY 10. This study estimated ultimate losses and outstanding liability associated with the Town's self-insured worker's compensation, general liability and auto exposure. In addition, it determined the departmental allocations for these expenses. The Town's audit firm has recommended that this study be conducted every two fiscal years. In addition, the estimate for rehabilitation services for worker's compensation claims has been reduced \$10,000. Intragovernmental expenses decrease because the allocation for General Overhead expense decreases this fiscal year.

SUMMARY COMMENTS:

Insurance premiums are anticipated to increase minimally overall. There is a possibility that the property line of business will decrease in FY 2010. OSHA training continues to be one of the focuses for the department in FY 10. Specific training for NIMS will be emphasized. The Town's in-house training has been enhanced over the past few years, resulting in a reduction of overall claims. All claims continue to be properly investigated and documented to determine why they occurred and what steps need to be taken to reduce and/or eliminate similar claims in the future. The department is being more proactive rather than reactive, especially in the worker's compensation line of business.

MAJOR 2009-2010 PROGRAM OBJECTIVES:

Worker's compensation claims continue to rise, not only in number, but in severity as well. As a result, Risk will continue to review the various risks and causes for worker's compensation injuries and claims and to make recommendations to departments to encourage reduction of this escalating line of business.

TOWN OF OCEAN CITY
FISCAL YEAR 2010 BUDGET
RISK MANAGEMENT FUND

EXPENDITURES	ACTUAL 2008	REVISED 2009	CITY MANAGER PROPOSED 2010	COUNCIL ADOPTED 2010
PERSONNEL COSTS:				
SALARY AND WAGES	\$ 229,637	\$ 239,451	\$ 236,647	\$ 162,618
EMPLOYEE BENEFITS	68,076	101,875	111,560	65,890
	<u>297,713</u>	<u>341,326</u>	<u>348,207</u>	<u>228,508</u>
OPERATING EXPENSES:				
CONTRACTED SERVICES	1,636,659	1,788,845	1,702,105	1,702,105
SUPPLIES & MATERIALS	3,776	4,440	2,200	2,110
ENERGY	0	0	0	0
VEHICLE SUPPLIES & REPAIR	5,589	5,600	5,734	3,232
INTRAGOVERNMENTAL	98,590	104,907	94,365	94,365
	<u>1,744,614</u>	<u>1,903,792</u>	<u>1,804,404</u>	<u>1,801,812</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>2,042,327</u>	\$ <u>2,245,118</u>	\$ <u>2,152,611</u>	\$ <u>2,030,320</u>
LESS REVENUE GENERATED BY DEPARTMENT				
INTEREST EARNED	(203,195)	(111,165)	(115,000)	(115,000)
GENERAL FUND	(918,347)	(970,205)	(926,600)	(857,987)
WATER FUND	(137,141)	(138,264)	(123,878)	(114,190)
WASTEWATER FUND	(145,221)	(146,047)	(152,833)	(140,880)
TRANSPORTATION FUND	(138,164)	(145,835)	(140,449)	(129,464)
AIRPORT FUND	(27,133)	(27,079)	(22,591)	(21,645)
GOLF COURSE FUND	(42,337)	(44,201)	(42,313)	(39,004)
CONVENTION CENTER FUND	(210,804)	(211,798)	(159,849)	(147,346)
SERVICE CENTER FUND	(49,964)	(52,433)	(49,514)	(45,450)
MIS FUND	(2,739)	(2,975)	(2,973)	(2,743)
VEHICLE TRUST FUND	(373,250)	(393,000)	(416,611)	(416,611)
PRIOR YEAR RESERVES	0	(2,116)	0	0
	<u>(2,248,295)</u>	<u>(2,245,118)</u>	<u>(2,152,611)</u>	<u>(2,030,320)</u>
REVENUES (OVER)/UNDER EXPENDITURES	\$ <u>(205,968)</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>

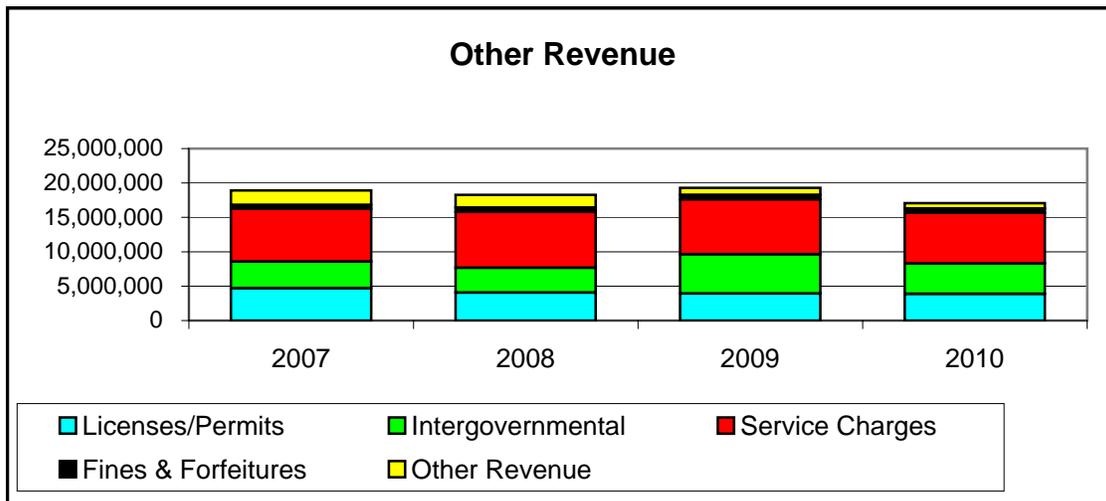
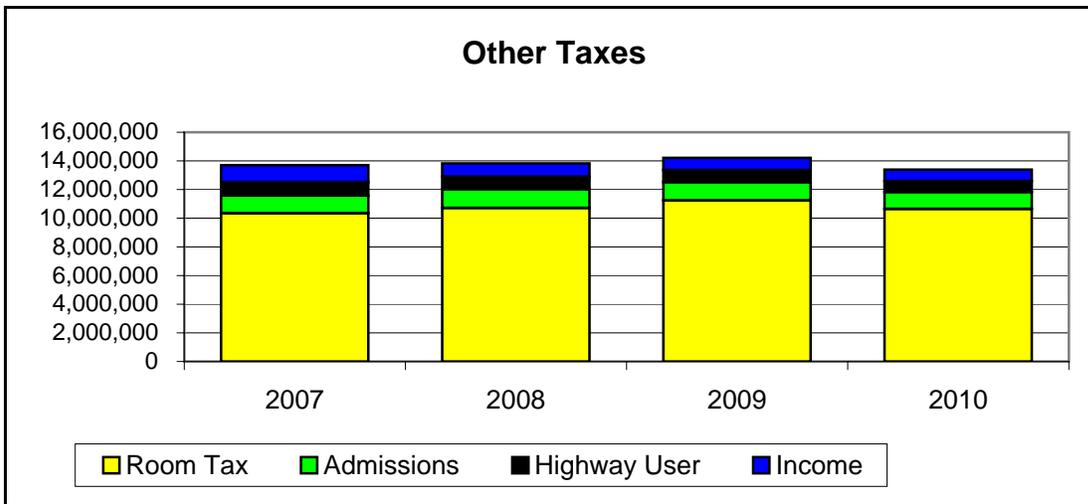
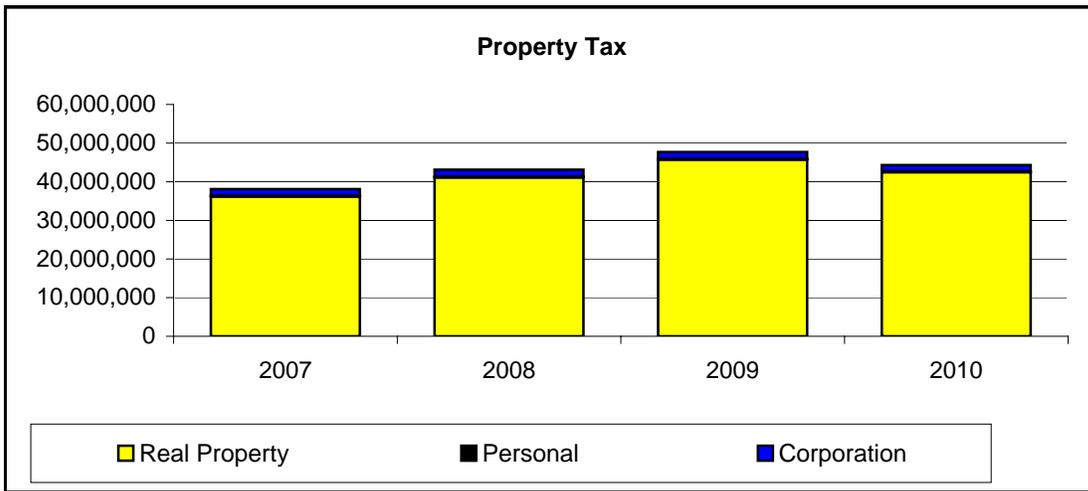


SUPPLEMENTARY INFORMATION

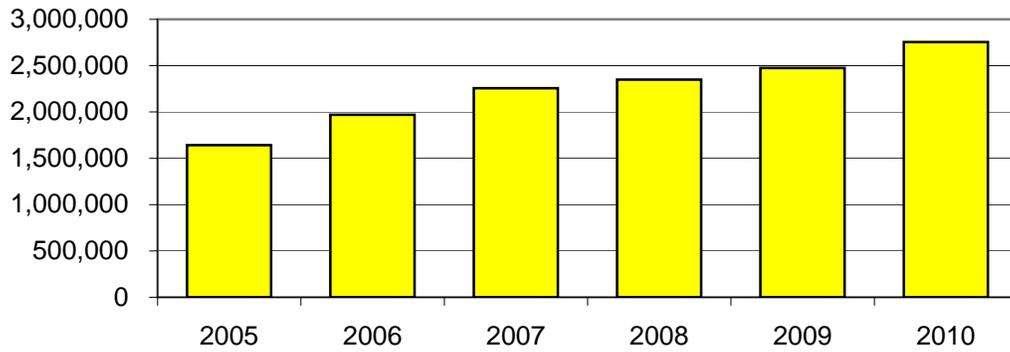
TOWN OF OCEAN CITY
 FULL TIME PERSONNEL, ALLOCATIONS
 1987, 1997, 2002, 2008, 2009, AND BUDGET 2010

	<u>FY-87</u>	<u>FY-97</u>	<u>FY-2008</u>	<u>FY-2009</u>	<u>FY-2010</u>	<u>Variance</u>
GENERAL GOVERNMENT						
Mayor and Council	1	1	1	1	1	0
Clerk	2	3	4	4	4	0
City Manager	3	3	6	6	6	0
Finance	18	16	16	16	15	-1
Human Resources	3	3	4	4	4	0
	<u>27</u>	<u>26</u>	<u>31</u>	<u>31</u>	<u>30</u>	<u>-1</u>
PLANNING AND BUILDING						
Planning Administration	11	4	8	8	8	0
Building Inspection	9	5	7	7	6	-1
	<u>20</u>	<u>9</u>	<u>15</u>	<u>15</u>	<u>14</u>	<u>-1</u>
PUBLIC SAFETY						
Police - Administration	34	21	15	14	13	-1
Police - Services		15	29	26	27	1
Police - CID	10	12	16	22	21	-1
Police - Patrol	54	60	73	71	70	-1
Animal Control	2	2	2	2 2	2 2	0
Communications	1	14	21	22	22	0
Fire	3	3	3	3	3	0
Emergency Medical	27	26	42	42	42	0
Fire Marshal	5	5	9	9	9	0
	<u>136</u>	<u>158</u>	<u>210</u>	<u>211</u>	<u>209</u>	<u>-2</u>
PUBLIC WORKS						
Engineering	11	5	8	8	7	-1
PW - Administration	3	3	4	4	4	0
PW - Bldg & Grounds	6	8	11	11	10	-1
PW - Streets	23	21	25	25	23	-2
PW - Storm Drains	7	7	0	0	0	0
PW - Street Maintenance			15	15	15	0
PW - Beach	5	7	5	5	3	-2
PW - Boardwalk	6	6	5	5	5	0
PW - Janitorial	2	5	9	9	7	-2
PW - Parking	1	1	4	4	3	-1
Impound Lot	5	4	5	5	5	0
	<u>69</u>	<u>67</u>	<u>91</u>	<u>91</u>	<u>82</u>	<u>-9</u>
SOLID WASTE						
Solid Waste - Operations	49	32	22	19	19	0
Solid Waste - Transfer Station		7	9	9	5	-4
Solid Waste - Recycling		7	13	16	16	0
	<u>49</u>	<u>46</u>	<u>44</u>	<u>44</u>	<u>40</u>	<u>-4</u>
RECREATION AND PARKS						
Administration	4	7	6	6	6	0
Recreation Programs	4	5	7	7	7	0
Beach Patrol			1	1	1	0
Park Maintenance	11	12	22	22	20	-2
Special Events		2	6	6	5	-1
	<u>19</u>	<u>26</u>	<u>42</u>	<u>42</u>	<u>39</u>	<u>-3</u>

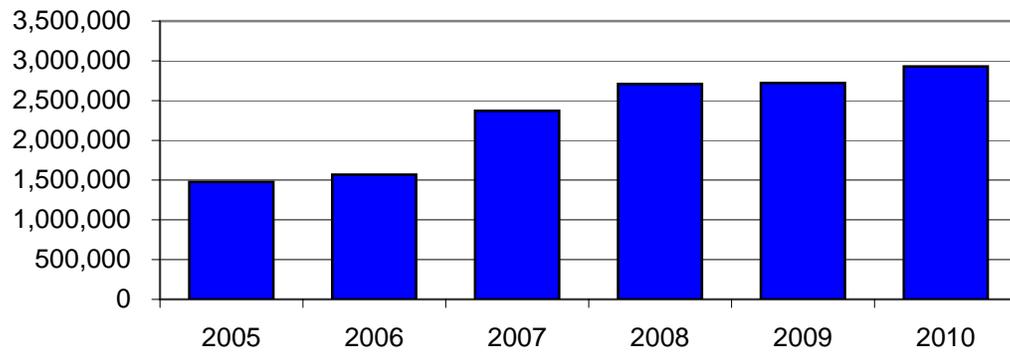
	<u>FY-87</u>	<u>FY-97</u>	<u>FY-2008</u>	<u>FY-2009</u>	<u>FY-2010</u>	<u>Variance</u>
TOURISM						
Tourism Promotions		1	5	5	4	-1
Public Relations	3	6	1	1	1	0
Museum	2	2	3	3	3	0
	<u>5</u>	<u>9</u>	<u>9</u>	<u>9</u>	<u>8</u>	<u>-1</u>
WATER						
Water Administration	2	2	2	2	2	0
Distribution System	7	7	7	7	7	0
Plants	10	10	11	11	11	0
Meter Reading/Install	5	5	5	4	3	-1
	<u>24</u>	<u>24</u>	<u>25</u>	<u>24</u>	<u>23</u>	<u>-1</u>
WASTEWATER						
Administration		4	5	5	4	-1
Treatment Plant		32	32	32	32	0
Collection System		8	8	9	8	-1
Farm		3	0	0	0	0
Lab		3	3	3	2	-1
		<u>50</u>	<u>48</u>	<u>49</u>	<u>46</u>	<u>-3</u>
TRANSPORTATION						
Administration	3	3	5	5	5	0
Buses	9	12	12	12	11	-1
	<u>12</u>	<u>15</u>	<u>17</u>	<u>17</u>	<u>16</u>	<u>-1</u>
AIRPORT OPERATIONS						
	3	3	4	4	3	-1
GOLF COURSE						
Operations		3	3	3	3	0
Maintenance		8	6	6	6	0
		<u>11</u>	<u>9</u>	<u>9</u>	<u>9</u>	<u>0</u>
CONVENTION CENTER						
Tourism Administration	5	5	7	7	7	0
Convention Sales		3	3	3	2	-1
Tourism Maintenance	12	11	30	30	26	-4
	<u>17</u>	<u>19</u>	<u>40</u>	<u>40</u>	<u>35</u>	<u>-5</u>
INFORMATION TECH						
	2	4	11	11	11	0
SERVICE CENTER						
Administration	3	3	2	2	2	0
Central Purchasing	6	5	5	5	5	0
Garage	14	16	15	15	13	-2
	<u>23</u>	<u>24</u>	<u>22</u>	<u>22</u>	<u>20</u>	<u>-2</u>
RISK MANAGEMENT						
		2	3	3	2	-1
TOTAL	<u>406</u>	<u>493</u>	<u>621</u>	<u>622</u>	<u>587</u>	<u>-35</u>



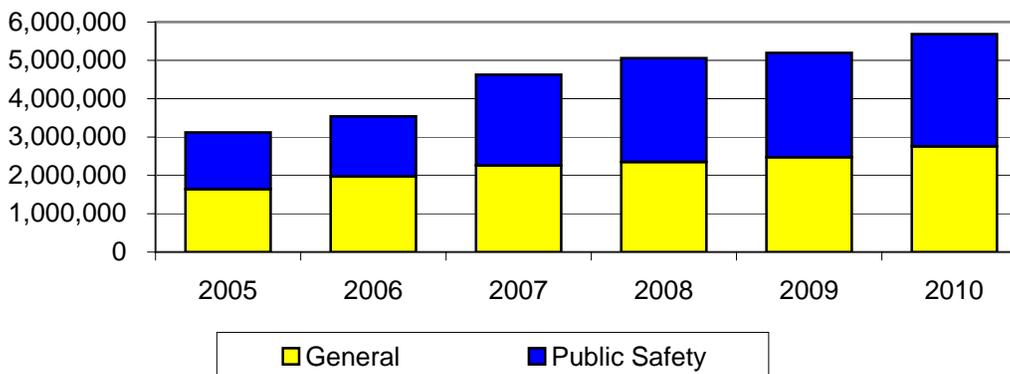
General Employees Pension Contribution FY '05-FY'10



Public Safety Pension Contribution FY '05-FY '10



Combined Pension Contribution FY '05-FY '10





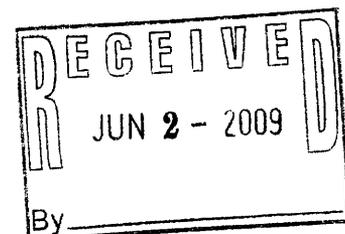
BUDGET ORDINANCE

First Reading. 5/19/2009
 Second Reading 6/1/2009

ORDINANCE 2009- 12

TOWN OF OCEAN CITY
 OPERATING BUDGET
 FISCAL YEAR 2010

SOURCE	1ST READING FY-2010	2ND READING FY-2010
Section I, General Fund:		
A. Anticipated Revenue:		
Property Taxes	\$ 44,579,769	\$ 44,579,769
Other Taxes	13,469,868	13,392,372
Licenses and Permits	3,879,700	3,879,700
Revenue From Other Agencies	4,535,563	4,419,463
Charges For Services	7,372,834	7,372,834
Fines and Forfeitures	620,400	620,400
Other Revenue	<u>1,369,130</u>	<u>1,369,130</u>
 Total Revenue	 \$ <u>75,827,264</u>	 \$ <u>75,633,668</u>
 B. Anticipated Expenditures:		
General Government	\$ 3,933,661	\$ 3,933,661
Public Safety	32,541,310	32,541,310
Public Works/Beach Maintenance	4,953,960	4,953,960
Sanitation and Waste Removal	6,837,043	6,643,447
Highways and Streets	5,906,480	5,906,480
Economic Development -Tourism	5,708,068	5,708,068
Culture and Recreation	7,660,678	7,660,678
Debt Service	<u>3,936,819</u>	<u>3,936,819</u>
 Sub Total	 \$ 71,478,019	 \$ 71,284,423
To Transportation Fund	2,502,538	2,502,538
To Airport Fund	272,546	272,546
To Convention Center Fund	1,574,161	1,574,161
To Capital Projects	<u>0</u>	<u>0</u>
 Total Expenditures	 \$ <u>75,827,264</u>	 \$ <u>75,633,668</u>



SOURCE	1ST READING FY-2010	2ND READING FY-2010
Section II, Water Fund:		
A. Anticipated Revenue:		
Water Sales	\$ 3,225,181	\$ 3,225,181
Water Fixture Charge	3,875,282	3,875,282
Service Charges	396,403	396,403
Capacity/Impact Fees	79,200	79,200
Prior Year Reserves	<u>0</u>	<u>0</u>
Total Revenue	\$ <u>7,576,066</u>	\$ <u>7,576,066</u>
B. Anticipated Expenditures:		
Personal Services	\$ 2,214,561	\$ 2,214,561
Non-Personal Services	3,241,210	3,241,210
Debt Service	1,429,093	1,429,093
Capital Outlay	<u>691,202</u>	<u>691,202</u>
Total Expenditures	\$ <u>7,576,066</u>	\$ <u>7,576,066</u>

Section III, Transportation Fund:

A. Anticipated Revenue:

Bus Revenue	\$ 2,461,600	\$ 2,461,600
Train Revenue	1,078,000	1,078,000
Federal and State Grants	875,282	875,282
Transfer-In From General Fund	<u>2,502,538</u>	<u>2,502,538</u>
Total Revenue	\$ <u>6,917,420</u>	\$ <u>6,917,420</u>

B. Anticipated Expenditures:

Personal Services	\$ 3,776,759	\$ 3,776,759
Non-Personal Services	3,085,661	3,085,661
Capital Outlay	<u>55,000</u>	<u>55,000</u>
Total Expenditures	\$ <u>6,917,420</u>	\$ <u>6,917,420</u>

SOURCE	1ST READING FY-2010	2ND READING FY-2010
Section IV, Wastewater Fund:		
A. Anticipated Revenue:		
Wastewater Treatment Charges	\$ 9,451,850	\$ 9,451,850
Service Charges	960,134	960,134
Capacity/Impact Fees	125,000	125,000
Prior Year Reserves	<u>105,387</u>	<u>105,387</u>
 Total Revenue	 \$ <u>10,642,371</u>	 \$ <u>10,642,371</u>
B. Anticipated Expenditures:		
Personal Services	\$ 4,171,417	\$ 4,171,417
Non-Personal Services	3,026,229	3,026,229
Debt Service	2,694,725	2,694,725
Capital Outlay	<u>750,000</u>	<u>750,000</u>
 Total Expenditures	 \$ <u>10,642,371</u>	 \$ <u>10,642,371</u>

Section V, Airport Fund:

A. Anticipated Revenue:

Fuel Sales	\$ 712,600	\$ 712,600
Rents and Other Revenue	287,575	287,575
State and Federal Grants	390,000	390,000
Service Charges	67,500	67,500
Transfer-In From General Fund	<u>272,546</u>	<u>272,546</u>
 Total Revenue	 \$ <u>1,730,221</u>	 \$ <u>1,730,221</u>

B. Anticipated Expenditures:

Personal Services	\$ 347,673	\$ 347,673
Non-Personal Services	898,428	898,428
Debt Service	84,120	84,120
Capital Outlay	<u>400,000</u>	<u>400,000</u>
 Total Expenditures	 \$ <u>1,730,221</u>	 \$ <u>1,730,221</u>

SOURCE	1ST READING FY-2010	2ND READING FY-2010
Section VI, Municipal Golf Course Fund:		
A. Anticipated Revenue:		
Service Charges	\$ 1,830,810	\$ 1,830,810
Sales and Concessions	482,218	482,218
Other Revenue	90,600	90,600
Total Revenue	\$ <u>2,403,628</u>	\$ <u>2,403,628</u>
B. Anticipated Expenditures:		
Personal Services	\$ 1,063,789	\$ 1,063,789
Non-Personal Services	1,034,387	1,034,387
Debt Service	305,452	305,452
Capital Outlay	<u>0</u>	<u>0</u>
Total Expenditures	\$ <u>2,403,628</u>	\$ <u>2,403,628</u>

Section VII, Convention Center Fund:

A. Anticipated Revenue:		
Service Charges	\$ 1,911,500	\$ 1,911,500
State and County Grants	1,609,569	1,609,569
Food & Beverage Tax	1,102,212	1,102,212
Transfer-In From General Fund	<u>1,574,161</u>	<u>1,574,161</u>
Total Revenue	\$ <u>6,197,442</u>	\$ <u>6,197,442</u>
B. Anticipated Expenditures:		
Personal Services	\$ 3,080,077	\$ 3,080,077
Non-Personal Services	1,765,622	1,765,622
Debt Service	1,236,743	1,236,743
Transfer to Debt Service Reserves	100,000	100,000
Capital Outlay	<u>15,000</u>	<u>15,000</u>
Total Expenditures	\$ <u>6,197,442</u>	\$ <u>6,197,442</u>

SOURCE	1ST READING FY-2010	2ND READING FY-2010
Section VIII, Information Technology Fund:		
A. Anticipated Revenue:		
Service Charges To Other Funds	\$ 2,103,044	\$ 2,103,044
Total Revenue	\$ <u>2,103,044</u>	\$ <u>2,103,044</u>
B. Anticipated Expenditures:		
Personal Services	\$ 1,018,703	\$ 1,018,703
Non-Personal Services	1,059,341	1,059,341
Capital Outlay	<u>25,000</u>	<u>25,000</u>
Total Expenditures	\$ <u>2,103,044</u>	\$ <u>2,103,044</u>

Section IX, Service Center Fund:

A. Anticipated Revenue:		
Service Charges To Other Funds	\$ 5,629,713	\$ 5,629,713
Total Revenue	\$ <u>5,629,713</u>	\$ <u>5,629,713</u>
B. Anticipated Expenditures:		
Personal Services	\$ 1,815,884	\$ 1,815,884
Non-Personal Services	3,785,829	3,785,829
Debt Service	0	0
Capital Outlay	<u>28,000</u>	<u>28,000</u>
Total Expenditures	\$ <u>5,629,713</u>	\$ <u>5,629,713</u>

SOURCE	1ST READING FY-2010	2ND READING FY-2010
Section X, Vehicle & Equipment Trust Fund:		
A. Anticipated Revenue:		
Service Charges To Other Funds	\$ 2,715,446	\$ 2,715,446
State and Federal Grants	0	0
Sale of Assets	<u>110,000</u>	<u>110,000</u>
Total Revenue	<u>\$ 2,825,446</u>	<u>\$ 2,825,446</u>
B. Anticipated Expenditures:		
Non-Personal Services	\$ 637,114	\$ 551,611
Debt Service	376,624	376,624
Transfers Out	592,948	678,451
Capital Outlay	<u>1,218,760</u>	<u>1,218,760</u>
Total Expenditures	<u>\$ 2,825,446</u>	<u>\$ 2,825,446</u>

Section XI, Risk Management Fund:

A. Anticipated Revenue:		
Service Charges To Other Funds	\$ 1,915,320	\$ 1,915,320
Interest Earned	<u>115,000</u>	<u>115,000</u>
Total Revenue	<u>\$ 2,030,320</u>	<u>\$ 2,030,320</u>
B. Anticipated Expenditures:		
Personal Services	\$ 228,508	\$ 228,508
Non-Personal Services/Claims	1,801,812	1,801,812
Capital Outlay	<u>0</u>	<u>0</u>
Total Expenditures	<u>\$ 2,030,320</u>	<u>\$ 2,030,320</u>

SOURCE	1ST READING FY-2010	2ND READING FY-2010
Section XII, Pension Trust Funds:		
A. Anticipated Revenue:		
Employer Contributions	\$ 5,682,617	\$ 5,682,617
Employee Contributions	1,860,000	1,860,000
Investment Earnings	<u>3,325,000</u>	<u>3,325,000</u>
 Total Revenue	 \$ <u>10,867,617</u>	 \$ <u>10,867,617</u>
B. Anticipated Expenditures:		
Benefit Payments	\$ 2,175,000	\$ 2,175,000
Non-Personal Services	500,000	500,000
Reserve for Employee's Retirement	<u>8,192,617</u>	<u>8,192,617</u>
 Total Expenditures	 \$ <u>10,867,617</u>	 \$ <u>10,867,617</u>

Section XIII, General Capital Projects Fund:

A. Anticipated Revenue:		
General Fund Contribution	\$ 0	\$ 0
Program Open Space	0	0
Inlet Lot Parking Revenue	320,000	320,000
Miscellaneous Grants	<u>0</u>	<u>0</u>
 Total Revenue	 \$ <u>320,000</u>	 \$ <u>320,000</u>
B. Anticipated Expenditures:		
Reserve for Future Capital Projects	<u>320,000</u>	<u>320,000</u>
 Total Expenditures	 \$ <u>320,000</u>	 \$ <u>320,000</u>

SOURCE	1ST READING FY-2010	2ND READING FY-2010
Section XIV, All Funds Expenditure Summary:		
General Fund	\$ 75,827,264	\$ 75,633,668
Water Fund	7,576,066	7,576,066
Transportation Fund	6,917,420	6,917,420
Wastewater Fund	10,642,371	10,642,371
Airport Fund	1,730,221	1,730,221
Municipal Golf Course Fund	2,403,628	2,403,628
Convention Center Fund	6,197,442	6,197,442
Management Information Services Fund	2,103,044	2,103,044
Service Center Fund	5,629,713	5,629,713
Vehicle & Equipment Trust Fund	2,825,446	2,825,446
Risk Management Fund	2,030,320	2,030,320
Pension Trust Funds	<u>10,867,617</u>	<u>10,867,617</u>
Sub Total	\$ 134,750,552	\$ 134,556,956
LESS: Interfund Transfers	<u>(22,395,385)</u>	<u>(22,395,385)</u>
Total Expenditures	\$ 112,355,167	\$ 112,161,571
Capital Projects Fund - General	<u>320,000</u>	<u>320,000</u>
Grand Total	\$ <u>112,675,167</u>	\$ <u>112,481,571</u>

Section XV, Special Authorization - Budget Manager:

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

Section XVI, Restrictions - City Manager:

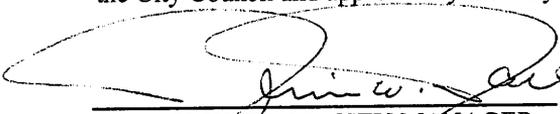
- A. The utilization of any contingency appropriation shall be accomplished only with prior authorization from the Mayor and Council.
- B. Utilization of appropriations established in the Capital Improvement Fund may be accomplished only with the express approval of the Mayor and Council.

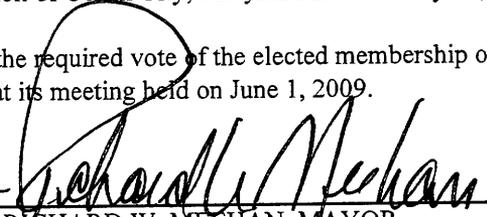
Section XVII, Tax Rate:

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

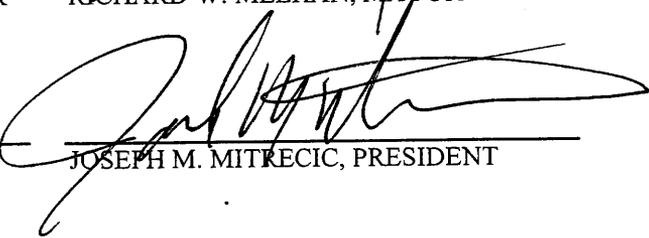
INTRODUCED at a meeting of the City Council of Ocean City, Maryland held on May 18, 2009.

ADOPTED AND PASSED, as amended, by the required vote of the elected membership of the City Council and approved by the Mayor at its meeting held on June 1, 2009.


 DENNIS W. DARE, CITY MANAGER


 RICHARD W. MEEHAN, MAYOR


 CAROL L. JACOBS, CITY CLERK


 JOSEPH M. MITRECIC, PRESIDENT

LLOYD MARTIN, SECRETARY

ADOPTED:

Date 6/1/2009

MOTION TO ADOPT BY: Jim Hall

MOTION SECONDED BY: Mary Knight

VOTE: 6 FOR: AGAINST: 0

Lloyd Martin absent