CITY OF SALISBURY, MARYLAND

REGULAR MEETING ***APRIL 25, 2011***

PRESENT

Council President Terry E. Cohen
Councilwoman Laura Mitchell
Councilman Timothy K. Spies
Council Vice President Deborah S. Campbell
*Councilwoman Eugenie P. Shields**
Mayor James Ireton, Jr.

**arrived 6:05 p.m. (after adoption of agenda)*

IN ATTENDANCE

City Clerk Brenda Colegrove, MMC, Assistant City Administrator Loré Chambers, City Attorney Paul Wilber, Police Chief Barbara Duncan, Internal Services Director Pam Oland, Fire Chief Jeff Simpson, Neighborhood Services and Code Compliance Director Tom Stevenson, and interested Citizens and Members of the Press.

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CONVENING - ADOPTION OF AGENDA

The City Council met in regular session at 6:00 p.m. in Council Chambers. Council President Cohen called the meeting to order followed by a moment of silence and the Pledge of Allegiance.

Mrs. Campbell moved and Mrs. Mitchell seconded to adopt the agenda as presented. Mrs. Campbell moved to amend the agenda by removing the manufacturing exemption request (Spartech Polycom) from the Consent Agenda and return it to a work session for discussion. Mr. Spies seconded and the amendment passed unanimously. Mrs. Campbell moved to amend the agenda by removing the April 18, 2011 minutes from the Consent Agenda for discussion immediately following the Consent Agenda. Mr. Spies seconded and the amendment passed unanimously. The agenda, as amended, was unanimously adopted.

PROCLAMATION *– presented by Mayor James Ireton, Jr.*

City Clerk Brenda Colegrove accepted a Proclamation proclaiming the week of May 1 through May 7, 2011 as "Municipal Clerks Week" in the City of Salisbury.

CONSENT AGENDA *– presented by City Clerk Brenda Colegrove*

The Consent Agenda, consisting of the following items, was unanimously approved on a motion by Mrs. Mitchell and seconded by Mr. Spies:

- *Resolution No. 2047 - accepting an $8,000 State Homeland Security Grant authorized by the Federal Emergency Management Agency for Haz-Mat Dry Suits for the Salisbury Fire Department*

- *Resolution No. 2048 - approving the appointment of Timothy K. Spies to the Planning Commission for a five year term*
- *Resolution No. 2049 - authorizing the mayor to sign an amended memorandum of understanding for the Wicomico County Public Entities Healthcare Consortium to change the call percentage from 5% to 7%*

APRIL 18, 2011 MINUTES

Mrs. Campbell moved and Mr. Spies seconded to approve the minutes of April 18, 2011. Mrs. Campbell moved to amend the April 19, 2011 closed session statement included in the April 18, 2011 minutes by adding that the motion to adjourn was by unanimous vote. Mr. Spies seconded and the amendment passed unanimously. The minutes of April 18, 2011, as amended (closed session statement) was unanimously approved.

RESOLUTION *- presented by Council President Terry E. Cohen*

- *Resolution No. 2050 – committing to the review and formal approval of closed meeting and work session minutes in compliance with the Maryland Open Meetings Act*

  Mrs. Campbell moved and Mrs. Shields seconded to approve Resolution No. 2050. Mrs. Campbell moved to amend the Resolution by adding an additional Whereas paragraph (before the Now, Therefore Be It Resolved paragraph) as follows:

  > *Whereas, review and adoption of these minutes will increase transparency for the public and efficiency for the Council;*

  Mr. Spies seconded and the amendment passed unanimously. Resolution No. 2050, as amended, was unanimously approved.

AWARD OF BIDS

On a motion by Mrs. Shields and seconded by Mrs. Campbell, the Award of Bids, consisting of the following item, was unanimously approved:

- *Change Order #1 to Contract 103-11* — *$8,996.00*
  Doverdale Park Concession Bldg.
  Brooks Creek Construction, LLC
  Acct. No. 10500-546006-11070

ORDINANCES *– presented by City Attorney Paul Wilber*

- *Ordinance No. 2147 - 2nd reading - adding Section 8.09, Tree and Plant Trimming or Removal, to the Salisbury Municipal Code, to provide departmental authority to examine nuisance tree, shrub or other plant growth*

Mrs. Campbell moved and Mrs. Mitchell seconded to approve Ordinance No. 2147 for second reading. Mrs. Mitchell moved to amend Section 8.09.080 in the Ordinance by adding item C to include the same wording in previous Ordinances that allowed the refund of the appeal fee if the applicant was successful. Mrs. Campbell seconded and the amendment passed unanimously. Ordinance No. 2147, as amended, was unanimously approved.

- *Ordinance No. 2148 - 2nd reading - amending Chapter 10.08 General Traffic Regulations of the Salisbury Municipal Code to include the use of speed monitoring devices, setting fees for exceeding speed limits and penalties for violation of Chapter 10.08*

  Mrs. Shields moved and Mr. Spies seconded to approve Ordinance No. 2148 for second reading. Mr. Spies moved and Mrs. Shields seconded to amend Section 10.08.010 in the Ordinance to also include at a speed greater than thirty-five (35) miles per hour in a posted thirty-five mile per hour speed zone. The amendment passed unanimously. Ordinance No. 2148, as amended, was unanimously approved.

FY2012 BUDGET *– Mayor James Ireton, Jr./Internal Services Director Pam Oland*

- *Overview of City's financial condition (copy attached to original minutes)*

- *Overview of General Fund Revenues (copy attached to original minutes)*

- *Mayor's FY2012 Budget PowerPoint presentation (copy attached to original minutes)*

- *Ordinance No. 2150 - 1st reading - proposed FY2012 Budget ($49,099,253 – total of all funds) and setting date for a public hearing (May 9, 2011)*

  On a motion by Mrs. Shields and seconded by Mrs. Campbell, Ordinance No. 2150 for first reading was unanimously approved.

- *Ordinance No. 2151 - 1st reading - proposed water and sewer rates (increasing sewer rates only – 18.6% - effective with bills dated October 1, 2011 and after)*

  Ordinance No. 2151 for first reading passed unanimously on a motion by Mr. Spies and seconded by Mrs. Mitchell.

- *Ordinance No. 2152 - 1st reading - amending City parking rates by increasing the permit rates $5.00 per month for all lots located in the core of the downtown (Lots #1, 4, 5, 10, 11, 12, 15, 16, SPS, Church Street East & West and parking garage) effective for all purchases July 1, 2011 and thereafter*

  Ordinance No. 2152 for first reading passed unanimously on a motion and a second by Mrs. Campbell and Mrs. Mitchell, respectively.

PUBLIC COMMENTS

Two citizens commented on the following issues:

- *Clean-up day in the spring*
- *Trimming of trees on City property*
- *Adopting policy to utilize funds realized from the neighborhood clean-up efforts toward the recycling program*
- *Budget (i.e., consideration of mandatory recycling; concern with increase in budget from FY11; appears that expenditures exceed revenues in chart presented)*

ADJOURNMENT

On unanimous vote, the meeting adjourned at 7:55 p.m. on a motion by Mrs. Shields and Mrs. Campbell, respectively.

CITY OF SALISBURY, MARYLAND
CLOSED SESSION
MAY 2, 2011

TIME & PLACE:	*3:03 p.m. – Council Chambers, Government Office Building*
PURPOSE:	*Consult with legal counsel/pending litigation*
VOTE TO CLOSE:	*Unanimous*
CITATION:	*Annotated Code of Maryland Sections 10-508(a)(7)(8)*
PRESENT:	*Council President Terry Cohen, Council Vice President Debbie Campbell, Councilwoman Laura Mitchell, Councilwoman Eugenie Shields, Councilman Tim Spies, Mayor James Ireton, Jr., City Clerk Brenda Colegrove, City Administrator John Pick, Assistant City Administrator Loré Chambers, City Attorney Paul Wilber, Public Works Director Teresa Gardner, Internal Services Director Pam Oland, Mike Oates, Al Porianda*

At 3:03 p.m., in Council Chambers, Mrs. Shields moved to convene in closed session to consult with legal counsel on pending litigation as permitted under the Annotated Code of Maryland Sections 10-508(a)(7)(8). Mrs. Campbell seconded and the vote was unanimous.

The negotiations involving the Wastewater Treatment Plant were discussed and direction provided to Administration for moving forward.

On a motion and a second by Mrs. Campbell and Mrs. Shields, respectively, and by unanimous vote, the closed session adjourned at 4:49 p.m.

Brenda J. Colegrove
City Clerk

Terry E. Cohen
Council President

STATEMENT FOR CLOSING A MEETING

Location: Council Chambers

Date: 5-2-11
Time: 3:03 pm

Motion: Shanie Shields

Seconded By: Debbie Campbell

Vote to Close Session:

	AYE	NAY	ABSTAIN	ABSENT
Deborah S. Campbell	{✓}	{ }	{ }	{ }
Terry E. Cohen	{✓}	{ }	{ }	{ }
Laura Mitchell	{✓}	{ }	{ }	{ }
Eugenie P. Shields	{✓}	{ }	{ }	{ }
Timothy K. Spies	{✓}	{ }	{ }	{ }

STATUTORY AUTHORITY TO CLOSE SESSION

State Government Article §10-508(a):

(1) To discuss:

{ } (i) The appointment, employment, assignment, promotion, discipline, demotion, compensation, removal, resignation, or performance evaluation of appointees, employees, or officials over whom it has jurisdiction; or

{ } (ii) Any other personnel matter that affects one or more specific individuals.

(2) { } To protect the privacy or reputation of individuals with respect to a matter that is not related to public business.

(3) { } To consider the acquisition of real property for a public purpose and matters directly related thereto.

(4) { } To consider a preliminary matter that concerns the proposal for a business or industrial organization to locate, expand, or remain in the State.

(5) { } To consider the investment of public funds.

(6) { } To consider the marketing of public services.

(7) {✓} To consult with counsel to obtain legal advice on a legal matter.

(8) {✓} To consult with staff, consultants, or other individuals about pending or potential litigation.

(9) { } To conduct collective bargaining negotiations or consider matters that relate to the negotiations.

(10) { } To discuss public security, if the public body determines that public discussions would constitute a risk to the public or public security, including:

(i) the deployment of fire and police services and staff; and

(ii) the development and implementation of emergency plans.

(11) { } To prepare, administer or grade a scholastic, licensing, or qualifying examination.

(12) { } To conduct or discuss an investigative proceeding on actual or possible criminal conduct.

(13) { } To comply with a specific constitutional, statutory, or judicially imposed requirement that prevents public disclosures about a particular proceeding or matter.

(14) { } Before a contract is awarded or bids are opened, discuss a matter directly related to a negotiation strategy or the contents of a bid or proposal, if public discussion or disclosure would adversely impact the ability of the public body to participate in the competitive bidding or proposal process.

TOPICS TO BE DISCUSSED:

WWTP

REASON FOR CLOSING:

Consult with legal counsel / pending litigation

Terry E. Cohen

Terry E. Cohen
Council President
City of Salisbury

JAMES IRETON, JR.
MAYOR

JOHN R. PICK
CITY ADMINISTRATOR

LORÉ L. CHAMBERS
ASSISTANT CITY ADMINISTRATOR

City of Salisbury

MARYLAND

Salisbury
All-America City
2010

125 NORTH DIVISION STREET
SALISBURY, MARYLAND 21801
Tel: 410-548-3190
Fax: 410-548-3192

PAMELA B. OLAND
DIRECTOR OF INTERNAL SERVICES
PROCUREMENT DIVISION

COUNCIL AGENDA

April 25, 2011

1.	Change Order # 1 to Contract 103-11 Doverdale Park Concession Bldg.	$8,996.00

JAMES IRETON, JR.
MAYOR

JOHN R. PICK
CITY ADMINISTRATOR

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PAMELA B. OLAND
DIRECTOR OF INTERNAL SERVICES
PROCUREMENT DIVISION

COUNCIL AGENDA

April 25, 2011

TO: Mayor and City Council
SUBJECT: Change Order #1 Contract 103-11

The City of Salisbury Internal Services Department, Procurement Division, received a request from Salisbury Public Works (SPW) to process Change Order #1 for Contract 103-11 *Doverdale Park Concession Building* in the amount of $8,996.00. This Change Order is to cover the costs of unforeseen additional grading, addition of epoxy floor coating and installation of an exhaust venting system in the kitchen area. Additional details are noted in the department memo.

Funds are available in the Project Account 10500-546006-11070, Doverdale Playground Rehab. – Phase 1.

The Department of Internal Services-Procurement Division requests Council's approval to approve Change Order #1 as noted above to Brooks Creek Construction, LLC, the City's contractor, in the amount of $8,996.00.

Thank you.

Thomas Tengman

Thomas Tengman

Acting Assistant Director of Internal Services-Procurement Division

JAMES IRETON, JR.
MAYOR

JOHN R. PICK
CITY ADMINISTRATOR

LORÉ L. CHAMBERS
ASSISTANT CITY ADMINISTRATOR

City of Salisbury

MARYLAND

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125 NORTH DIVISION STREET
SALISBURY, MARYLAND 21801
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Fax: 410-548-3107

TERESA GARDNER, P.E.
DIRECTOR OF PUBLIC WORKS

To: Tom Tengman, Acting Assistant Director Internal Services - Procurement

From: Frank Ennis, Technical Services Manager

Subject: Change Order No. 1- Contract No. 103-11- P.O. 02110187-00
Doverdale Park Concession Building

Salisbury Public Works requests the City of Salisbury Internal Services Department, Procurement Division to process change order #1 for Contract #103-11 (Doverdale Park Concession Building), in the amount of $8,966.00.

Salisbury Public Works requested Brooks Creek Construction provide a cost estimate for the installation of an epoxy floor in the kitchen area with 4" epoxy cove base. To furnish and install select borrow under the perimeter slab due to additional topsoil encountered. Additionally, the specified caulked wash and epoxy base from the mechanical chase, electrical room, and dry storage areas will be removed.

In addition, Salisbury Public Works requested Brooks Creek Construction provide a cost estimate for the installation of the specified kitchen exhaust and the installation of a make-up air system to include 2 fresh air motorized dampers, a 1 ½ horsepower exhaust system with back draft damper, grills, thermostat, and electrical work. As a result of this request, 32 days will be added to the substantial completion date. This will change the substantial completion date from May 12, 2011 to June 13, 2011.

Funds are available in the following account:
Acct. No. 10500-546006-11070 Doverdale Playground Rehab – Phase 1 .....$ 8,966.00

By: Frank Ennis
Frank Ennis, Technical Services Manager

Approved: Deborah
Debbie Stam, Director of Community Development
4/15/2011

CHANGE ORDER

PROJECT: **Contract No. 103-11**
Doverdale Park Concession Building

P.O. NO: **02110187-00**

CHANGE ORDER NO: 1
INITIATION DATE: 4-13-11
CONTRACT DATE: 11-9-10
ACCOUNT NO: 10500-546006-11070

TO: **Brooks Creek, Inc.**
714 Meadow Avenue
Cambridge, MD 21613

Salisbury Public Works recommends you make the following changes in this contract:

To add the installation of an epoxy floor to the kitchen area with a 4" epoxy cove base. To furnish and install additional select borrow under the perimeter slab due to additional topsoil encountered and deletion of the specified caulked wash and epoxy base in the mechanical chase, electrical room, and dry storage.

Add the installation of the specified kitchen exhaust and the installation of a make-up air system to include 2 fresh air motorized dampers, a 1 ½ horsepower exhaust system with back draft damper, grills, thermostat, and electrical work. As a result of this change order request, 32 days will be added to the substantial completion date. This will change the substantial completion date from May 12, 2011 to June 13, 2011.

Funds are available in the following account:
Acct. No. 10500-546006-11070 Doverdale Playground Rehab – Phase 1 ..... $ 8,966.00

Not valid until signed by the Owner and Department Head.
Signature of the Contractor indicates his agreement herewith, including any adjustment in the Contract Sum or Contract Time.

The original Contract Sum was.....	$ 123,900.00
Net change by previously authorized Change Order(s).....	$ -0-
The Contract Sum prior to this Change Order was.....	$ 123,900.00
The Contract Sum will be **increased** by this Change Order.....	$ 8,966.00
The new Contract Sum including this Change Order will be	$ 132,866.00
The Contract Time will be **increased** by this Change Order by 32 days	
The date of substantial completion as of the date of this Change Order..... therefore is	June 13, 2011

AUTHORIZED:

BY_____
Debbie Stam
Director of Community Development

_____
Contractor

BY_____
Tom Tengman, Acting Assistant Director
Internal Services - Procurement

BY_____
Pamela Oland
Director of Internal Services

BY_____

BY_____
President, City Council

BY_____
Paul D. Wilber
City Solicitor

_____
Title

DATE_____

DATE_____

DATE_____

FINANCIAL HEALTH

FY 12

FINANCIAL BENCHMARKS
Total General Fund Balance

General Fund Balance @ 6/30/10	$10,292,454
Total Operating Revenue FY12	$31,236,874
Ratio	33% (Strong)

Total General Fund Balance Ratio

Strong = > 15%
Adequate = 5%- 15%
Weak = < 5%

FINANCIAL BENCHMARKS
Total General Fund Balance

General Fund Balance	$ 10,292,454
To Balance FY-11 Budget	$ (301,120)
To Balance FY-12 Budget	$ (886,808)
Remaining Balance	$ 9,104,526
Total Operating Revenue	$ 31,236,874
Ratio	29%(Strong)

TGFB Ratio

Strong = > 15%

Adequate = 5%- 15%

Weak = < 5%

FINANCIAL BENCHMARKS
Unreserved Fund Balance

Unreserved Fund Balance	$ 5,711,106
Total Operating Revenue	$31,236,874
Ratio	18% (Strong)

Unreserved Fund Balance Ratio

- » **Strong =>8%**
- » **Adequate = 2-8%**
- » **Weak = <2%**

FINANCIAL BENCHMARKS
Unreserved Fund Balance

Unreserved Fund Balance	$ 5,711,106
To Balance FY-11 Budget	$ (301,120)
To Balance FY-11 Budget	$ (836,808)*
Remaining Balance	$ 4,573,178
Total Operating Revenue	$ 31,236,874
Ratio	14.6% (Strong)

Unreserved Fund Balance

Strong = > 8%

Adequate = 2-8%

Weak = < 2%

* Amount excludes $50K used from operating reserve, as this reserve is not part of the unreserved fund balance.

FINANCIAL BENCHMARKS
Ratio of Debt to Market Value

General Obligation Debt @ 6/30/10	$ 67,471,893
Market Value of Property @ 6/30/10	$2,332,854,978
Ratio	2.9% (Strong)

Ratio of Debt to Market Value

Strong = < 3%

Adequate = 3-6%

Weak = > 6%

FINANCIAL BENCHMARKS
Overall Debt Per Capita

General Obligation Debt @ 6/30/10	$67,471,893
Population (2010 census)	30,343
Debt Per Capita	$2,224 (Adequate)

G.O. Debt Per Capita

Strong = < $1,000
Adequate = $1,000 - $2,500
Weak = > $2,500

Financial Benchmarks
Annual Debt Service

FY 12 Budgeted Debt Service	$ 2,423,636
FY 12 General Budget	$ 31,236,874
Ratio	7.76% (Adequate)

15% is typically a recommended cap.

FINANCIAL BENCHMARKS
Water & Sewer Unrestricted Fund Balance

Water & Sewer Unrestricted Fund Balance @ 6/30/10	$5,983,477
Total Operating Revenue FY12	$17,041,194
Ratio	35% (Strong)

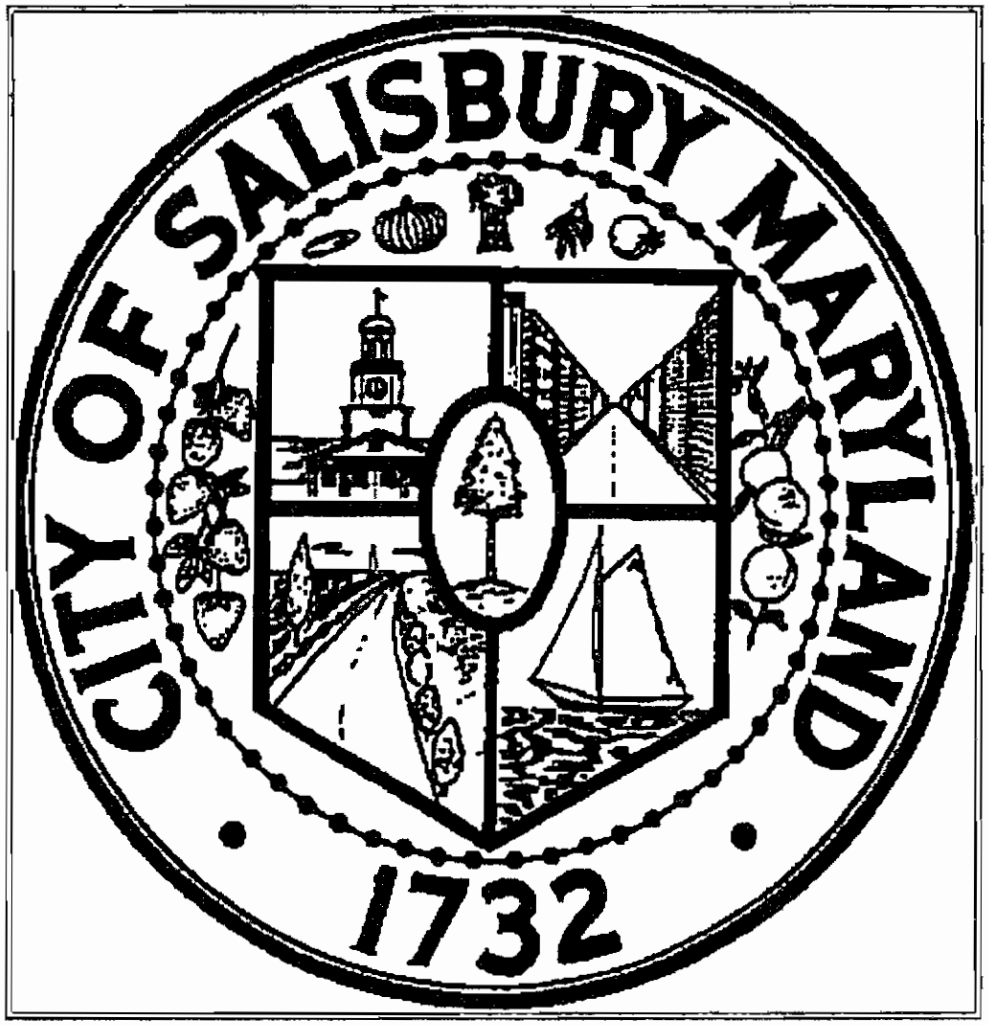
FINANCIAL BENCHMARKS
Parking Authority Unreserved Fund Balance

Parking Authority Unreserved Fund Balance @ 6/30/10	$314,221
Total Operating Revenue FY12	$732,031
Ratio	43% (Strong)

FINANCIAL BENCHMARKS
Summary

Total General Fund Balance	Strong
Unreserved Fund Balance	Strong
Debt to Market Value	Strong
Overall Debt per Capita	Adequate
Unrestricted W&S Fund Balance	Strong
Unreserved Parking Fund Balance	Strong

- **In prior years the debt to market value was considered adequate, while overall debt per capita was considered weak. These have improved with starting principal payments on the WWTP debt.**



MAYOR'S FY-12 BUDGET

General Fund Budgets

- FY-05 $20,093,000
- FY-06 $25,437,000
- FY-07 $26,662,260
- FY-08 $29,289,244
- FY-09 $30,901,830
- FY-10 $33,212,042
- FY-11 $29,502,695
- FY-12 $31,236,874

Revenues vs Appropriation

(In thousands, per audits)

YEAR	2007	2008	2009	2010
APPROPRIATED	$ 27,026	$ 29,885	$ 34,560	$ 32,604
RECEIVED	$ 26,509	$ 30,429	$ 33,456	$ 30,094
DIFFERENCE	$ (517)	$ 544	$ (1,104)	$ (2,510)
PERCENT	-2%	2%	-3%	-8%

Expenditures vs Appropriation

(In thousands, per audits)

YEAR	2007	2008	2009	2010
APPROPRIATED	$28,145	$30,819	$35,661	$34,266
EXPENDED	$26,055	$28,446	$31,196	$31,143
DIFFERENCE	$ 2,090	$ 2,373	$ 4,465	$ 3,123
PERCENT	7.4%	7.7%	12.5%	9.1%

FY 2012 MAYOR'S BUDGET
General Fund Revenue Increases

Landlord Licenses/Rental Registration (increase fee by $7.50 to $40.00	$65,415

FY 2012 MAYOR'S BUDGET
General Fund Revenue Decreases

Real Property	$128,278
Admissions/Amusement Tax	$5,000
Building Permits	$10,000
Personal Property Tax	$13,000
Admin & City PILOT's	$52,789

FY 2012 MAYOR'S BUDGET

- Amount in the General Fund for Capital Outlay and Monitored Items
  - Capital Outlay $1,015,689
    - (excluding Air Light Unit & Onley/Bateman Intersection
  - Monitored Items 28,300
  - Total $1,043,989
- Total amount of Current Surplus - Appropriated $836,808
- Difference between Surplus and Capital/Monitored Items ($207,181)
- As capital expenditures are greater than appropriated surplus, no funds are being used to finance operating expenditures. According to the adopted financial policy, less than 1% of estimated revenue should be used to finance operating expenditures.

Property Tax Rate

Year	Total	G.F.	Bond	Year	Total	G.F.	Bond
FY-12	.819	.690	.129	FY-07	.729	.650	.079
FY-11	.819	.709	.110	FY-06	.729	.649	.082
FY-10	.819	.715	.104	FY-05	.729	.648	.081
FY-09	.819	.701	.118	FY-04	.704	.648	.056
FY-08	.819	.739	.080	FY-03	.652	.596	.056

Summary

- City continues in good financial health; however, unreserved fund balance and debt burden are matters of concern
- Debt Burden is high due to WWTP project
- Need to continue to look at new revenue sources

City of Salisbury
Revenue Summary
Detail - General Fund
Fiscal Year 2012

ACCOUNT NUMBER		ACCOUNT NAME	FY 10 ACTUAL	FY 11 ORIGINAL BUDGET	FY 11 REVISED BUDGET	FY 11 PROJECTION	FY 12 MAYOR'S BUDGET
01000	403100	**Real Property**	15,771,214	15,566,804	15,566,804	15,566,804	15,438,526
		Based on 2012 Constant Yield Tax Rate Certification showing assessable base at $1,885,046,023					
01000	403201	**Local Pers. Prop-Current**	60,436	63,000	63,000	60,000	60,000
01000	403301	**OBC - Current Year**	4,329,681	4,300,000	4,300,000	4,300,000	4,365,000
01000	403302	**Railroad/Utilities**	986,924	1,075,000	1,075,000	1,000,000	1,000,000
		Based on FY 10 Collections					
01000	403510	**Local Income Taxes**	1,537,197	1,470,000	1,470,000	1,470,000	1,470,000
		Based on FY 11 Budget					
01000	403605	**Admission & Amuse. Tax**	155,738	160,000	160,000	155,000	155,000
		Reduced amt based on FY 10 Collection.					
01000	403610	**Water & Sewer Utility**	151,667	173,825	173,825	173,825	172,653
		This is a PILOT for the water and sewer property					
01000	403612	**PILOT - University Park**	94,827	96,114	96,114	96,114	97,515
		This is a PILOT for the university park property					
01000	403613	**PILOT - Parking**	-	95,313	95,313	95,313	87,898
		This is a PILOT for the parking lots					
01000	403910	**Interest-Delinquent Taxes**	151,411	105,000	105,000	105,000	125,000
		Based on FY 10 collections					
01000	413101	**Amusement Licenses**	4,730	4,500	4,500	4,500	4,500
		Based on FY 11 Budget					
01000	413102	**Traders Licenses**	144,947	120,000	120,000	120,000	140,000
		Billed at end of year, collected by the County Clerk. Fluctuates with the economy, reducing due to economy.					
01000	413103	**Prof & Occupational**	50	-	-	50	-
01000	413104	**Towing Companies**	2,225	1,800	1,800	1,800	1,800
		Based on FY 11 Budget					

City of Salisbury
Revenue Summary
Detail - General Fund
Fiscal Year 2012

ACCOUNT NUMBER		ACCOUNT NAME	FY 10 ACTUAL	FY 11 ORIGINAL BUDGET	FY 11 REVISED BUDGET	FY 11 PROJECTION	FY 12 MAYOR'S BUDGET
01000	413105	**Billboard Licenses**	8,593	22,593	22,593	22,516	22,516
		Based on FY 11 (rate $0.50/sq ft)					
01000	413106	**Cable TV Franchise Fee**	338,896	330,000	330,000	330,000	330,000
		Estimate based on current year.					
01000	413109	**Restaurant Licenses**	4,750	9,700	9,700	10,075	10,000
		Based on FY 11 actual (fee $50/yr)					
01000	413110	**Natural Gas Franchise**	5,000	5,000	5,000	5,000	5,000
		Current Franchise Tax.					
01000	413111	**Franchise Fee-Paddle Boat**	600	600	600	600	600
		Based on agreement.					
01000	413112	**Multi-Family Dwelling Fee**	228,971	247,098	247,098	253,380	311,040
		Based on number of units (7,776 * $40 per unit), recommending increase rate by $7.50					
01000	413113	**Multifamily Landlord License**	31,903	28,502	28,502	47,538	37,840
		Based on number of landlords. (946*$40) recommending increase rate by $7.50					
01000	413115	**Appeal Fee**	200	-	-	-	-
01000	413116	**HBAA**	966	-	-	1,940	-
01000	413201	**Building Permit**	186,017	150,000	150,000	140,000	140,000
		Based on FY 11 projected					
01000	413202	**Grading Permits**	200	-	-	200	-
01000	413203	**Peddlers License**	450	100	100	125	100
		Based on prior years.					
01000	413205	**Parking Meters/Coin**	-	100	100	232	100
		Estimated.					
01000	413207	**Plumbing Permits**	24,822	20,000	20,000	20,000	20,000
		Based on FY 11 projection					

City of Salisbury
Revenue Summary
Detail - General Fund
Fiscal Year 2012

ACCOUNT NUMBER		ACCOUNT NAME	FY 10 ACTUAL	FY 11 ORIGINAL BUDGET	FY 11 REVISED BUDGET	FY 11 PROJECTION	FY 12 MAYOR'S BUDGET
01000	413208	**Other Misc Permits**	55	-	-	110	-
01000	413209	**Street Breaking Permits**	975	1,750	1,750	1,750	1,750
		Based on FY 11					
01000	413210	**Sign Permit**	15,440	10,000	10,000	11,379	10,000
01000	413211	**Well Permit**	550	500	500	525	500
01000	413212	**Zoning Permit**	2,650	3,500	3,500	3,000	3,000
01000	413214	**Fine/Violation**	-	-	-	-	-
01000	413215	**Fence Permit**	2,335	1,500	1,500	1,500	1,500
01000	413216	**Temporary Sign**	300	100	100	100	100
01000	413217	**Demolition Permit**	1,375	500	500	625	850
01000	413218	**Pool Permit**	272	200	200	684	400
01000	413219	**Tent Permit**	160	-	-	100	100
01000	413221	**Trailer Permit**	650	100	100	100	100
01000	424101	**Police Regular Grant**	164,917	174,000	174,000	164,000	164,000
		Based on Fy 11					
01000	424102	**Supplement**	44,344	44,000	44,000	44,000	44,000
		Based on Fy 11					
01000	424103	**Municipal**	108,123	110,000	110,000	110,000	110,000
		Based on Fy 11					
01000	424200	**Transportation**	-				240,253
01000	424201	**Highway User**	281,717	56,383	56,383	68,930	347,690
		Based on info from State					
01000	425400	**Enterprise Zone**	74,159	55,000	55,000	80,591	55,000
		Based on FY 12 estimate					

City of Salisbury
Revenue Summary
Detail - General Fund
Fiscal Year 2012

ACCOUNT NUMBER		ACCOUNT NAME	FY 10 ACTUAL	FY 11 ORIGINAL BUDGET	FY 11 REVISED BUDGET	FY 11 PROJECTION	FY 12 MAYOR'S BUDGET
01000	427100	**Bank Shares Tax**	18,302	18,302	18,302	18,302	18,302
		Received from County, based on FY-10 actual.					
01000	427300	**Fire Protection**	125,000	125,000	125,000	125,000	125,000
		This is the amt computed under the new fire agreement for Haz Mat services. Fire suppression support will be made directly to the volunteer companies within the City.					
01000	427403	**EMS County**	447,000	447,000	447,000	447,000	447,000
		Based on FY 11 actual					
01000	427600	**Zoo-County Room Tax**	227,715	160,000	160,000	200,000	200,000
		Based on FY 10 Actual & Estimate for FY 11					
01000	433101	**Filing Fees**	-	200	200	120	-
		Based on FY 10 budget					
01000	433102	**Advertising Fees**	35	100	100	100	100
		Based on FY 11 budget					
01000	433103	**Plan Review Fees**	23,216	25,000	25,000	20,000	20,000
		Reduced from FY 11 budget due to economy slowdown					
01000	433104	**Administrative**	-	313,283	313,283	313,283	269,081
		Allocation of costs from General Fund to Water, Sewer and Parking Funds.					
01000	433105	**Zoning Appeal Fee**	200	100	100	100	100
		Based on FY 11 Budget					
01000	433107	**Board Fee**	4,300	1,000	1,000	2,700	3,000
01000	433209	**Fire Alarm**	9,000	10,000	10,000	12,350	10,000
01000	433210	**False Alarms**	51,141	55,000	55,000	69,550	60,000
		Based on FY 11					
01000	433225	**Ambulance Claim**	1,467,688	1,375,000	1,375,000	1,375,000	1,450,000
		Based on estimate and utilization increase					

City of Salisbury
Revenue Summary
Detail - General Fund
Fiscal Year 2012

ACCOUNT NUMBER		ACCOUNT NAME	FY 10 ACTUAL	FY 11 ORIGINAL BUDGET	FY 11 REVISED BUDGET	FY 11 PROJECTION	FY 12 MAYOR'S BUDGET
01000	433247	**Adm Fee**	6	-	-	-	-
01000	433250	**Weed Cleaning/Removal**	69,794	70,000	70,000	65,000	65,000
		Based on FY 11 estimate					
01000	433251	**Clean It/Lien It Fees**	36,474	42,000	42,000	42,000	42,000
		Based on FY 11 budget					
01000	433253	**Aband. Vehicle Removal**	1,410	500	500	500	500
		Based on FY 11 collections					
01000	433260	**Inspection Fees**	-	100	100	100	100
01000	433261	**Reinspection Fees**	37,855	25,000	25,000	25,000	25,000
		Increased for increased collections					
01000	433270	**Police Reports**	7,248	18,000	18,000	13,000	13,000
		Based on FY 10 actual with increase in report cost (double price)					
01000	433271	**Fingerprinting**	460	2,000	2,000	-	-
		Budget eliminated, with rate increase no utilization					
01000	433272	**Adm Fees-Towing**	805	1,000	1,000	1,000	1,000
		Bsed on FY11 budget					
01000	434505	**Recycling**	4,968		1,900	15,649	5,000
01000	434610	**Trash Fees**	683,581	680,000	680,000	680,000	680,000
		Based on FY 11 budget					
01000	434613	**Bulk Trash Pickup**	4,587	3,000	3,000	3,000	3,000
		This is a fee charged for picking up appliances					
01000	434620	**Street Sweeping**	-	-	-	-	-
		Will no longer bill the State for this service.					
01000	445110	**Parking**	69,753	77,300	77,300	77,300	85,000
		Half of the revenue in this account is transferred to the Parking Fund. Based on FY 11 projected.					

City of Salisbury
Revenue Summary
Detail - General Fund
Fiscal Year 2012

ACCOUNT NUMBER		ACCOUNT NAME	FY 10 ACTUAL	FY 11 ORIGINAL BUDGET	FY 11 REVISED BUDGET	FY 11 PROJECTION	FY 12 MAYOR'S BUDGET
01000	445130	**Municipal Infractions**	33,214	24,000	24,000	46,805	30,000
		Based on FY 11 budget					
01000	445134	**Vacant Building**	6,300	1,000	1,000	7,600	5,000
01000	456110	**Investment Interest**	16,671	15,000	15,000	15,000	15,000
		Based on FY 11 projected.					
01000	456120	**Other Interest**	12,223	2,000	2,000	5,557	4,000
		Based on FY 11 projected.					
01000	456130	**Trash Disposal Fee**	7,000	6,100	6,100	6,100	6,100
		Based on FY 11 budget					
01000	456300	**Rent Earnings**	1	-	-	-	-
01000	456400	**Donations**	211,515	527,000	527,000	537,000	701,857
		$40k from University for Truck 16, $130k from volunteers for Engine 1& 2, $275 for Air light unit $208,835 from Salisbury University for Onley/Bateman, $48,022 from volunteers for 2nd ambulance					
01000	456910	**Misc A/R**	61,502				
01000	456911	**Other Misc. Receipts**	345,212	20,000	20,000	120,983	20,000
		Unanticipated revenue.					
01000	456912	**Cash Over/Short**	76	10	10	10	10
01000	456913	**Returned Check Fee**	165	240	240	240	300
		Based on FY 11 budget					
01000	456914	**Bad Debt Collections**	5,214	4,000	4,000	4,554	4,000
		Represents balance of bad debt collection and charges.					
01000	456915	**Damages to City Property**	-	100	100	4,228	100
		Can vary widely from year to year.					
01000	456916	**Sale of Maps and Codes**	1,637	2,500	2,500	2,000	2,000
		Based on FY 11 projected.					

City of Salisbury
Revenue Summary
Detail - General Fund
Fiscal Year 2012

ACCOUNT NUMBER		ACCOUNT NAME	FY 10 ACTUAL	FY 11 ORIGINAL BUDGET	FY 11 REVISED BUDGET	FY 11 PROJECTION	FY 12 MAYOR'S BUDGET
01000	456917	**Bid Documents**	10,775	1,000	1,000	1,000	1,000
01000	456918	**Zoo Commission FT**	107,622	154,035	154,035	154,035	151,785
		In FY 12 this will be an acct for the 3 full time zoo commission salaries.					
01000	456919	**Zoo Commission PT**	65,344	44,242	44,242	44,242	40,400
		In FY 12 this will be an acct for all PT zoo commission salaries					
01000	456926	**Compensated Allow. Adj.**	(22,700)	-	-	-	-
01000	456931	**City Auctions**	-	-	-	-	-
01000	456935	**Insurance Proceeds**	74,788	15,000	22,980	146,488	15,000
		Budget amount for costs associated with insured losses.					
01000	456940	**BD-Claim A**	21,946	4,000	4,000	17,532	6,000
01000	469113	**Trf Health Care**	-				
01000	469200	**Sale of Fixed Assets**	271,400	150,000	150,000	150,000	-
01000	469201	**Gain on Fixed Assets**	68,000				
01000	469311	**Cap Lease**	-	330,000	330,000	330,000	851,000
		Capital lease proceeds.					
01000	469810	**Current Surplus Available**	-	224,520	301,120	301,120	295,528
01000	469811	**Capital Surplus**	-	-	-	-	541,280
01000	469812	**Operating Reserve**	-	-	-	-	50,000
		Appropriated to build reserve for the year we assume COPS grant funded positions.					
		General Fund Total	**29,508,880**	**29,476,214**	**29,562,694**	**29,867,952**	**31,236,874**

City of Salisbury
General Fund
Revenue Descriptions

General Property Taxes	
403100 Real Property	Tax imposed on all real property within City limits. The City Charter limits the rate of taxation for general purposes to $.76 per $100 of assessed valuation.
403201 Local Personal Property – Curr	Personal property taxes for unincorporated businesses. The current rate is $2.04 per $100 of assessed value.
403301 OBC - Current Year	Personal property taxes for incorporated businesses. The current rate is $2.04 per $100 of assessed value.
403302 Railroad/Utilities	Personal property taxes assessed by the state for railroads/utilities. The current rate is $2.04 per $100 of assessed value.
403510 Local Income Taxes	State collected revenues remitted to the City on a quarterly basis. Revenues equal the greater of 17% of the county income tax liability to the respective governments **or** .37% of the State taxable income of municipal or taxing district residents. These payments are deducted from the county share of the local income tax. Each county and Baltimore City are required to levy a local income tax equivalent to 1% to 3.2% of the State taxable income of their residents.
403605 Admission & Amusement Taxes	A tax levied on the gross receipts of a wide variety of entertainment and amusement activities that take place within the City's jurisdiction. The tax is equal to 4.5% except for admission to motion pictures, which is equal to 5%. Gross receipts may be taxed at a rate of 10%. However, if the activity is also subject to a State sales or use tax, the combined total tax on gross receipts may not exceed 10%.
403610 Water & Sewer Utility	Payment in lieu of real property tax from the water & sewer fund. The payment is equivalent to the tax that would have been levied based on the assessed value of the property had it not been tax exempt.
403612 PILOT - University Park	Payment in lieu of real property tax for University Park (1/2 of the assessed value)
403613 PILOT - Parking Authority	Payment in lieu of real property tax from the parking authority. The payment is equivalent to the tax that would have been levied based on the assessed value of the property had it not been tax exempt.
403910 Interest-Delinquent Taxes	Interest collected on past due real estate and personal property taxes.
Licenses & Permits	
413101 Amusement Licenses	Fees collected from the issuance of coin-operated amusement machine licenses. Fees range from $500 to $1,500 depending on the number of machines.
413102 Trader's Licenses	Fees collected from the issuance of trader's licenses. The City receives 92% of fees collected and the State receives the other 8%.
413104 Towing Companies	Fee collected from the issuance of towing licenses. The fee is $75 annually. Towing licenses also require a $25 application/filing fee.
413105 Billboard Licenses	Fees collected from licenses issued for the erection & use of billboards. The annual fee is equal to $.50/sq ft.

City of Salisbury
General Fund
Revenue Descriptions

413106 Cable TV Franchise Fee	Franchise fees collected from Comcast Cablevision. The fee is equal to 5% of their annual gross revenues.
413109 Restaurant Licenses	Fees collected from the issuance of restaurant licenses. Restaurant licenses are $50 per year.
413110 Natural Gas Franchise	Franchise fee for Chesapeake Utilities. The fee is $5,000 annually.
413111 Franchise Fee-Paddle Boat	Fees collected from holders of paddle-boat franchises in the City Park.
413112 Multi-Family Dwelling Fee	Fees collected from landlord's at the annual rate of $32.50 per rental unit. Recommending an increase to $40
413113 Multifamily Landlord License	Fees collected from landlord's at the annual rate of $32.50. Recommeding an increase to $40
413115 Landlord Appeals Fee	Fees collected to appeal NSCC rulings
413116 HBAA Processing Charge	Fee for processing a Housing Board of Adjustment and Appeals filing.
413201 Building Permits	Fees collected from the issuance of building permits. Rates vary.
413202 Grading Permits	Fees collected from the issuance of grading permits. Permits are $100.
413203 Peddlers License	Fees collected from the issuance of a peddler's license. Licenses are $25 annually.
413205 Parking Meters/Coin	Fees collected from City owned parking meters (not owned by the Parking Authority).
413207 Plumbing Permits	Fees collected from the issuance of plumbing permits. Permits are $20 plus $4 for each fixture.
413208 Other Misc Permits	Fees collected for sign permits, fence permits, etc. (now accounts are split by actual permit type)
413209 Street Breaking Permits	Fees collected for issuance of a street break permit.
413210 Sign Permit	Fees collected for issuance of a sign permit.
413211 Well Permit	Fees collected for issuance of a well permit (typically for a sprinkler system).
413212 Zoning/Variances	Fees collected for issuance of letters showing what property is zoned and/or allowed uses.
413214 Fine/Violation	Fees collected related to fines and violations issued by BPI.
413215 Fence Permit	Fees collected for issuance of a fence permit
413216 Temporary Sign Permit	Fees collected for issuance of a temporary sign permit.
413217 Demolition Permit	Fees collected for issuance of a demolition permit.
413218 Pool Permit	Fees collected for issuance of a pool permit.
413219 Tent Permit	Fees collected for issuance of permits for tents located in parking lots
413221 Temporary Trailer Permit	Fees collected for construction trailer, or moving storage trailer at residental or business locations.
Intergovernmental	
424100 State Police Aid	Grant monies received from MD State Police to partially offset local expenditures for law enforcement.
424101 Police Regular Grant	See #424100
424102 Supplement	See #424100

City of Salisbury
General Fund
Revenue Descriptions

424201 Highway User	State revenues collected through gasoline taxes, vehicle titling taxes, vehicle rentals, sales and use taxes, and specified vehicle registration fees. The state remits 30% of revenues collected to the counties and municipalities. County area shares are determined by apportioning half of the funds on the basis of each county's proportionate road mileage (compared to the State total) and the remaining half on the basis of proportionate automobile registration within each county area. Funds within the county are then divided between the county and municipalities located within the county in the same manner with which funds are allocated to the county from the state. In FY 10, State reduced funding by $1 million. Budgeted FY 12 with same reduction.
425400 Enterprise Zone	State reimbursement of one-half of the tax credits awarded to businesses located within a specifically designated geographical area located primarily within the City limits.
427100 Bank Shares Tax	"Hold Harmless" grant monies received from the County for a discontinued tax where owners of stock in financial institutions resided within City limits prior to July 1, 1968. The revenue is based on the amount of revenues the City received from this revenue source in the last year of its existence.
427300 Fire Protection	This is the amount computed under the new fire agreement for Haz Mat services. Fire suppression support will be made directly to the volunteer companies within the City.
427403 EMS County	Payment by the County for EMS services. Each volunteer company in the County receives the same amount. Since the City has 3 volunteer companies, we receive 3 times the base amount. Payment is made to the City because this is a fee and tax based service.
427600 Zoo-County Room Tax	County revenues based on the General Assembly 2% tax increase on hotel and motel rooms. The revenues from one-half of this increase are dedicated to the Zoo.
	Charges for Services
433101 Filing Fees	Fees collected to record land plat information.
433102 Advertising Fees	Fees collected for recording and advertising in connection with various activities.
433103 Plan Review Fees	Fees collected for the review of building and site plans for compliance with all City codes prior to construction. Fees are based on estimated construction costs.
433104 Administrative Fees	Allocation of costs from the General Fund to Water, Sewer and Parking Funds. Allocation based on FY 10 budget.
433105 Zoning Appeal Fee	Fees collected to process property owner's request for zoning change.
433107 Housing Board Appeal Fee	Fees collected for housing board appeals.
433209 False Fire Alarms	Fees collected for false fire alarms.
433210 False Alarms	Fees collected for false alarms. The fees are on a graduated scale based on the number of occurrences.
433225 Ambulance Claims	Amounts collected by ClaimAid for billed ambulance charges.
433250 Weed Cleaning/Removal	Fines imposed for violations of the City Brush, Weeds, and Noxious Growth Ordinance.

City of Salisbury
General Fund
Revenue Descriptions

433251 Clean It/Lien It Fees	Fees collected for the removal of rubbish from noncomplying property owners. Fees include actual cost incurred by the City or contractors for removal plus an administrative charge equal to $100.
433253 Abandoned Vehicle Removal	Fees collected for towing abandoned vehicles. The fee is $235.
433260 Inspection Fees	Fees collected for miscellaneous inspections.
433261 Reinspection Fees	Recently instituted fee for reinspections when findings not remedied.
433270 Police Reports	Fees collected from the sale of Police Reports to the Public. Fees vary.
433271 Fingerprints	Fees collected for fingerprints. The fee is $10.
433272 Adm Fees-Towing	Fees collected to offset the City's expenses for Scofflaw towing. The fee is $35 per occurrence.
433275 EMS Reports	Fees collected from the sale of Ambulance Service Reports to the Public. The fee for a report is $15.00 per report.
434505 Delmarva Recycling	Amount collected for selling recyclable material.
434610 Trash Fees	Fees collected for to offset disposal fees at County landfill for disposing garbage collected from City residents.
434611 Demolition Tipping Fees	Fees collected for landfill usage of demolished noncomplying property.
434613 Bulk Trash	Fee for collecting large trash items.
Forfeitures	
445110 Parking	Fees collected for parking violations.
445120 Fines-Other	Fees collected for miscellaneous fines.
445130 Municipal Infractions	Fees collected for municipal infraction fines issued by the Building, Permits and Inspections or Neighborhood Services and Code Compliance or other City officials.
445134 Vacant Building Registration	Fees collected for the registration of vacant buildings.
Other Revenues	
456110 Investment Interest	Proceeds from the investment of City funds.
456120 Other Interest	Interest collected on accounts receivable.
456130 Trash Disposal Fee	Fees collected for trash disposal. The fees are $19 per quarter per housing unit.
456300 Rent Earnings	Revenues collected from the rental of miscellaneous City-owned equipment or property.
456400 Donations	
456910 Miscellaneous A/R	
456911 Other Misc. Receipts	Revenues not otherwise classified.
456912 Cash Over/Short	Variances in daily cashier reconciliations.
456913 Returned Check Fee	Fees collected for checks returned to the City.
456914 Bad Debt Collections	Revenues from the collection of old debt that has been previously written off.
456915 Damages To City Property	Reimbursements for damages to City property.
456916 Sale of Maps and Codes	Revenues from the sale of maps and City Code books or supplements.

City of Salisbury
General Fund
Revenue Descriptions

456917 Bid Documents	Revenues from the sale of copies of contract and bid specification documents.
456918 Zoo Commission FT	This account is being used to receive reimbursement for all full-time zoo commission funded positions.
456919 Zoo Commission PT	This account is being used to receive reimbursement for all part-time zoo commission funded positions.
456926 Compensated Allowance Adjustment	Amount to adjust our time off bank at year end during audit (this is non budgeted)
456931 City Auctions	Fees collected from the auction of surplus materials.
456935 Insurance Proceeds	Revenues from the settlement of insurance claims.
456940 Bad Debt Claim Aid	Revenues from claim aid collections of old ambulance claims.
Other Financing Sources	
469200 Sale of Fixed Assets	Revenue realized from the sale of fixed assets.
469201 Gain on Sale of Fixed Assets	
469311 Capital Lease Proceeds	Proceeds from Capital Lease obligations issued in the current fiscal year.
469810 Current Surplus Available	Use of surplus to fund operating expenditures
469811 Capital Surplus	Use of surplus to fund capital expenditures
469812 Operating Reserve	Use of rainy day surplus, to build reserve for the year we assume COPS grant funded positions.

Mayor's FY 12 Budget
Public Presentation and Narrative

Mayor James Ireton, Jr.

City of Salisbury,
Maryland

April 25, 2011

FY2012 Budget Summary

- **Totals:**
- **Fiscal Year 2012 City of Salisbury Budget:**
- **Mayor's FY2012 Proposed - $49,099,253**
- **FY 2011 - $46,929,633**
- **Difference - $2,169,620 (Increase of 4.62% from FY11)**
- **General Fund Mayor's FY2012 Proposed Budget - $31,236,874**
- **General Fund FY11 - $29,476,214**
- **Difference - $1,760,660 (Increase of 5.97% from FY11)**

Major Revenue Reductions

Real Property Tax	$128,278
Railroad & Utilities Personal Property Tax	$ 13,000
Admissions & Amusement Tax	$ 5,000
Building Permits	$ 10,000
Administration Fees	$ 44,202
Parking & W/S Pilot	$ 8,587
	$209,067

Budget Cuts by Department - Represents a 16-17% Cut Across the Departments (since FY 10)

- City Council - $428 ($1,379 since FY10)
- Mayor - $5,275 ($15,580 since FY10)
- City Clerk - $1,140 ($3,820 since FY10)
- Elections - $0 ($30 since FY10)
- Finance - $23,298 ($55,062 since FY10)
- Procurement - $0 ($6,038 since FY 10)
- Human Resources - $0 ($3,147 since FY10)

  Internal Services (Total since FY10 $64,247)
- Planning and Zoning - $14,025 ($40,032 since FY10)

Budget Cuts by Department - Represents a 16-17% Cut Across the Departments (since FY 10)

- Poplar Hill Mansion - $745 ($37,595 FY10)
- Fire Fighting - $50,788 ($171,912 since FY10)
- Fire Volunteer - $1,606 ($22,009 since FY10)

  Fire Total - $52,394 ($193,921 since FY10)
- BPI - $2,413 ($5,943 since FY10)
- NSCC - $19,930 ($49,022 since FY10)

Budget Cuts by Department - Represents a 16-17% Cut Across the Departments (since FY 10)

- Traffic Control - $850 ($24,605 since FY10)
- Engineering - $6,203 ($674,223 since FY10)
- Streets $16,705 - ($51,610 since FY10)
- Street Lighting - $ 925 ($24,050 since FY10)
- Street Sweeping - $1,734($2,644 since FY10)
- Waste Disposal - $2,430 ($8,517 since FY10)
- Recycling - $20,051 ($21,726 since FY10)

Budget Cuts by Department - Represents a 16-17% Cut Across the Departments (since FY 10)

- Fleet Management - $23,473 ($57,008 FY10)
- Carpenter Shop $1,400 ($5,700 since FY10)
- Zoo - $12,804 ($42,613 since FY 10)
- Parks - $11,180 ($40,530 since FY10)
- Public Works Total

  $97,905 ($953,376 since FY10)

Budget Cuts by Department - Represents a 16-17% Cut Across the Departments (since FY 10)

- Police Services - $64,257 ($168,686 FY10)
- Police Communications
  $3,247 ($17,769 since FY 10)
- Animal Control - $3,174 ($23,393 since FY10)

Police - $70,678 ($209,848 since FY 10)

Totals: $302,105 ($1,588,667 since FY10)

Furlough Schedule

Annual Pay Level	Number of Furlough Days
Less than $30,000	2
$30,000 – 40,000	3
$40,001 – 50,000	4
$50,001 – 60,000	5
$60,001 – 75,000	6
$75,001 – 90,000	7
Over $90,000	8

We are planning to make the associated reductions in pay pre-tax but these reductions will not affect the future retirement benefits of our employees. Reduction of 2 days from FY 11. $650,123 given back by employees from Furloughs since FY 11. Classification corrections not included in this budget.

Unfunded Initiatives

- 4 Police Vehicles ($106K, 4 Funded)
- Fire Sedan, Utility Truck ($60K)
- Police Overtime ($28K), training ($9K)
- Pavement Marking ($16K)
- GOB Window Replacement and Tinting ($14K)

Expenditure Reductions

- Employee Furlough Days - $277,563 ($650,123 since FY11)
- Mayor Contingency Reduction – $50,000 (reduced to $0 since FY11)
- Energy Savings - $19,000 ($58,163 since FY 11)
- 6 Frozen for 1 year through attrition savings - $204,126 (13 since FY 11 – $758,682)

Additional Expenditures

- COPS Grant Transfer - $50,000
- Neighborhood Service Center - $5,000
- Health Insurance Increase - $159, 740
- Retirement Contribution - $27,000
- Bidding Property and Liability Insurance – $10K
- Gasoline Cost – 1 Gallon @$4.00
- Debt Service Increase – Fire Headquarters/Riverwalk Repairs - $327K

Budget Surpluses by Account

General Fund Reserve - $3,074,385 (10% by City Financial Policies)

Capital Reserve Surplus –

$2,636,721 ($541K for Infrastructure Projects)

Water and Sewer Fund Surplus – $5,983,477 (Portion Used to reduce 18.6% rate increase?)

Moody's Operating Surplus - $400,000 ($50K to COPS Grant)

Additional Expenditures – Capital and Infrastructure (From Capital Surplus)

Expenditures from Capital Surplus are provided for in City Financial Policies

- $310K Paving (Plus $290K from SHUF)
- $231K for Vine Street Flood Engineering, Beaverdam Creek Engineering, Harbor Pointe Sidewalk, 1 Ambulance Lease/Purchase, 4 Police Cars Lease/Purchase, Police Radio Leases, Camden/College Signal (local match), GOB IT Server

Additional Revenue Sources

General Fund

- Rental and Landlord Licensing Fees Increased by $7.50 - $65,415
- Restoration of a portion of State Highway User Tax Revenue - $290,000 (road paving only)
- Capital Surplus - $310,000 (road paving only)
- General Fund Surplus - $295,528 (per council guidelines)

Parking Fund

- Parking Permit $5 increase - $56,280

Sewer Fund

- Sewer Rate Increase of 18.6%

Debt Issuance

This budget proposes the issuance of debt during FY12 for the following projects:

General Fund

- None

Water Fund

- Caustic Soda Chemical Feed System

Sewer Fund

- Interim WWTP Expansion Requirement
- 36" Sewer N. Division Street (Naylor Mill Lift Station Expansion)

Transfer of Funds Requirements

- No transfers between broad budget categories (personnel costs, operating costs, capital expenditures), except emergencies and accounting treatment transfers
- If a transfer is needed between categories, there must be a detailed memo explaining the reason
- No transfers in or out of Travel/Training and utilities (can transfer within the group)
- All transfers will be sent to Finance division to ensure rules are met before they are sent to the Mayor's office for approval.
- All transfers over $50,000 will be reported to City Council on a monthly basis for informational purposes.

Summary

This Fiscal Year 2012 budget for the City of Salisbury makes clear to citizens that the size of local government has been reduced 17% over the past three years. The city is doing more with less. Department heads have slashed $1.5 Million dollars from their operating budgets since FY10. Employees have borne a large burden as city government continues to feel the effects of the national economic downturn. Employees have given back $650,123 dollars of salary by way of furlough days over the past two years and frozen or unfunded positions, 13 in all, have shown a savings of $758,862. Those reductions by employees amount to $2,908,985.

With the adjustments in priorities and staffing the city has made since the economy tanked and with sluggish growth continuing to be forecasted, it is the priority of this administration to refocus local government efforts in the most critical of areas to our citizens:

Law Enforcement, Emergency Medical Service, Infrastructure and Neighborhood Integrity. We do this with no property tax increase for the 4th year in a row. This FY 2012 budget invests in the above priorities in the following ways:

Summary (cont.)

Law Enforcement

- $50K in ARRA (Stimulus Account) for keeping officers hired at end of grant

From Capital Surplus

- $27K 4 new police cruisers
- $25K Police radio replacements

Emergency Medical Service

- $48K – 1 Ambulance (Donation from SFD Volunteers)

From Capital Surplus

- $48K – 1 Ambulance

Infrastructure and Neighborhood Integrity

- $5K for Neighborhood Service Center
- $37K for upgrades to street lights in Pemberton, Spring Chase and Canal Park Drive
- $14K GOB IT Server
- $290K in State Highway User Funds for paving projects
- $310K in Capital Surplus for paving projects

$117K in Capital Surplus for the projects below:

- $48K for a new sidewalk in Harbor Pointe
- $15K for Vine Street Flood Relief Engineering
- $30K for Beaverdam Tidal Creek Repair
- $24K for upgrading the traffic signals at Camden & College Avenue

Summary (cont.)

We have recommended the following fee and/or rate increases.

- $7.50 rate increase for the landlord licensing and rental registration fee
- Increase the parking permit fee by $5 per month for the prime parking lots. The parking permit fee increase is in accordance with our parking study completed in October 2007, which recommended increases to ensure that the fees charged for the parking lots can cover the maintenance expenditures necessary.
- Increase the sewer rates by 18.6%. The sewer rate increase is based primarily on the need to continue working on the Corrective Action Plan for the Wastewater Treatment Plant. The CAP has been posted on the City website since June 8, 2010.

Summary (cont.)

- The city has consistently been putting money into surplus for times like this. Of $11.7 Million dollars that the city has put aside, I am requesting that we spend $541,000 on capital improvement projects that will improve law enforcement, better serve the medical emergency needs of the community, and invest in infrastructure and our neighborhoods.

Thank You's

John Pick, City Administrator

Lore Chambers, Assistant City Administrator

Pam Oland, Director of Internal Services

Jessie Cocci, Executive Office Associate

Sherrell McBride, Office Associate

City Department Heads

And all City employees for their help creating this budget.