

ICMA CODE OF ETHICS

The ICMA Code of Ethics was adopted by the ICMA membership in 1924, and most recently amended by the membership in May 1998.

The purposes of ICMA are to enhance the quality of local government and to support and assist professional local administrators in the United States and other countries. To further these objectives, certain principles, as enforced by the Rules of Procedure, shall govern the conduct of every member of ICMA, who shall:

1. Be dedicated to the concepts of effective and democratic local government by responsible elected officials and believe that professional general management is essential to the achievement of this objective.
2. Affirm the dignity and worth of the services rendered by government and maintain a constructive, creative, and practical attitude toward local government affairs and a deep sense of social responsibility as a trusted public servant.
3. Be dedicated to the highest ideals of honor and integrity in all public and personal relationships in order that the member may merit the respect and confidence of the elected officials, of other officials and employees, and of the public.
4. Recognize that the chief function of local government at all times is to serve the best interests of all of the people.
5. Submit policy proposals to elected officials; provide them with facts and advice on matters of policy as a basis for making decisions and setting community goals; and uphold and implement local government policies adopted by elected officials.
6. Recognize that elected representatives of the people are entitled to the credit for the establishment of local government policies; responsibility for policy execution rests with the members.
7. Refrain from all political activities which undermine public confidence in professional administrators. Refrain from participation in the election of the members of the employing legislative body.
8. Make it a duty continually to improve the member's professional ability and to develop the competence of associates in the use of management techniques.
9. Keep the community informed on local government affairs; encourage communication between the citizens and all local government officers; emphasize friendly and courteous service to the public; and seek to improve the quality and image of public service.
10. Resist any encroachment on professional responsibilities, believing the member should be free to carry out official policies without interference, and handle each problem without discrimination on the basis of principle and justice.
11. Handle all matters of personnel on the basis of merit so that fairness and impartiality govern a member's decisions, pertaining to appointments, pay adjustments, promotions, and discipline.
12. Seek no favor; believe that personal aggrandizement or profit secured by confidential information or by misuse of public time is dishonest.

City of Augusta, Maine

**Fiscal Year 2011
Budget**

City Council

Roger J. KatzMayor
Michael G. Byron Councilor, Ward 1
Darek M. Grant Councilor, Ward 2
Patrick E. Paradis Councilor, Ward 3
Mark S. O'Brien Councilor, Ward 4
Edward S. CoffinCouncilor, At-Large
Cecil E. Munson.....Councilor, At-Large
David M. Rollins.....Councilor, At-Large
William R. Stokes.....Councilor, At-Large

William R. Bridgeo City Manager

City of Augusta, Maine

Fiscal Year 2011 Budget



Management Team

Raphael St. Pierre Assistant City Manager
Roger Audette Fire Chief
John Charest Public Works Director
Dana Colwill Civic Center Director
Leif Dahlin Community Services Director
Michael Duguay City Services Director
Lesley Jones Solid Waste Director
Wayne McCamish Chief of Police



THE CITY OF AUGUSTA

ROGER J. KATZ, MAYOR

CITY COUNCIL

MICHAEL G. BYRON
EDWARD S. COFFIN
DAREK M. GRANT
CECIL E. MUNSON

Mark O'BRIEN
PATRICK E. PARADIS
DAVID M. ROLLINS
WILLIAM R. STOKES

WILLIAM R. BRIDGEO
CITY MANAGER

March 18, 2010

Mayor Katz and Members of the Augusta City Council,

In accordance with the relevant provisions of the City Charter, I herewith present to you my proposed 2010/2011 City budget. In last year's budget message, I said that "because of the difficult financial circumstances with which we are contending, this budget process has been the most challenging of them all (the prior twelve I'd done to date)." We all certainly would have hoped that by this year, state and national economic conditions would have improved and cascaded down to positively affect us. Unfortunately, that is not the case and – more importantly – it seems most likely that these times of fiscal distress are something we will need to confront for at least the next several years. For that reason, this proposal for fiscal year 2011 is austere. The course of action it recommends is designed to maintain core services and make modest investments in infrastructure and economic development. It asks for continued sacrifice from the City workforce. It defers justifiable capital purchases and only partially addresses basic capital investment in key items such as maintenance paving of our 300+ lane miles of City streets. Notwithstanding that spending restraint, it recommends a 2% increase in the City tax rate from \$16.70 per thousand to about \$17.04. As I have said often in the past, our City government is unlike a private business in that we will not be going out of business under any imaginable circumstances. Thus, we have an obligation to our current residents, as well as generations to come, to approach the budgeting process with a long view and to use a balanced approach in setting the financial plan for the year to come.

There are a number of significant factors that contribute to the difficult budget process we confront. With a recessionary economy, we do not see the year-to-year increases in our property tax base that were common in the past. Property taxes have typically made up about half of the \$50 million combined City/School budget. In the past couple of years, tax base growth has been flat. (It was common, as recently as three years ago, for us to see well over \$30 million annually in new tax base growth – enough to offset ordinary inflationary increases in municipal costs.) Funding from the State is our second largest revenue source. In FY '10, it accounted for almost \$18 million or 36% of total City/ School budget. In the coming year, we expect that revenue to be down by as much as \$1.5 million due to the State's own financial woes. On the expenditure side, we have certain fixed costs that escalate beyond our control. Primary among them are active and retiree health insurance premiums, bonded debt payments for pension obligations, utility costs and fossil fuel costs. As you can see from the chart below, just meeting existing obligations for employee pension contributions and a pension obligation bond and for projected active and retiree health insurance premium increases adds from \$481,990 to \$850,926 in each of the next eight years to the General Fund. That's the equivalent of a 2% tax increase next year and about 3% a year in each of the following years – so even if there is no increase in wages for the workforce (an unlikely scenario if we want to recruit capable people as vacancies occur), employee related compensation costs squeeze us absent tax base growth or more state/federal revenues.

FIXED COST ANALYSIS

<u>FY</u>	<u>MPERS</u>	<u>PENSION BOND</u>	<u>RETIREE HEALTH</u>	<u>ACTIVE HEALTH</u>	<u>TOTAL</u>	<u>BUDGET VAR.</u>	<u>TAX RATE</u>	<u>% TAX RATE</u>
FY 2010	305,423	1,255,975	711,671	2,069,204	4,342,273			18.15%
FY 2011	383,759	1,354,350	861,389	2,224,765	4,824,263	481,990	2.01%	20.16%
FY 2012	485,129	1,449,088	1,078,514	2,447,242	5,459,973	635,710	2.66%	22.82%
FY 2013	581,919	1,544,531	1,330,558	2,691,966	6,148,974	689,001	2.88%	25.70%
FY 2014	581,919	1,641,644	1,592,290	2,961,162	6,777,015	628,042	2.62%	28.33%
FY 2015	581,919	1,740,775	1,831,701	3,257,278	7,411,673	634,658	2.65%	30.98%
FY 2016	581,919	1,841,500	2,059,269	3,583,006	8,065,694	654,021	2.73%	33.71%
FY 2017	581,919	1,947,381	2,299,576	3,941,307	8,770,183	704,489	2.94%	36.66%
FY 2018	581,919	2,057,631	2,646,121	4,335,438	9,621,109	850,926	3.56%	40.21%
FY 2019	581,919	0	3,098,074	4,768,981	7,867,055	-1,754,053	7.33%	32.88%

To control costs, last year you adopted a budget that was \$3.5 million less than the year before – city and schools combined. The School Department closed the remaining middle school and cut 26 positions. On the City side, we cut costs by \$2 million and eliminated 11 positions, laying off some of our most valued employees. Employees were forced to take eight “shut-down” days without pay (and if this budget passes as proposed, will have to do the same in 2010/2011). We have been aggressive about consolidating services (assuming responsibility for finance administration of the utility district, merging City and School Department IT functions, contracting with the Town of Winthrop to perform their assessing responsibilities, and the full merger of the Clerk and Treasury/Tax Collection bureaus). This year, in addition to the “shut-down” days, I am recommending no increase in salaries and wages and the elimination of the following six full-time positions (with two – GA caseworker and assistant planner – funded at a part-time level):

- * One Fort Western Professional Staff (vacant)
- * Deputy City Clerk (vacant)
- * General Assistance Caseworker (vacant)
- * Assistant Planner
- * Police Officer (vacant)
- * Public Works Driver

I am proposing a 2% tax increase. To that point, it is worth keeping in mind that our tax rate has not gone up in the last three years and in the past ten years the compounded average increase has been six-tenths of one percent. The average homeowner is paying less in his/her property tax bill now than in 2000 (due to a number of factors including tax base growth and better state aid in the early years of the past decade). It is important to note also that this past year the state legislature – on the Governor’s recommendation – reduced the amount of the Homestead Exemption all residential property taxpayers statewide enjoy from \$13,000 to \$10,000. That change takes effect in 2010/2011 and has the effect of a 3% tax increase on the average Augusta homeowner (\$3,000 in lost property value exemption multiplied by our tax rate of \$16.70 per thousand or \$50.10 on a tax bill of \$1,735 for the average valued home worth \$129,900.)

As of this writing, the State has not finalized its supplemental budget. Depending on how that plays out, there could be more school and general fund revenues available. For that reason and the fact that the School Board has not yet finalized its budget, the School Department needs from taxation are herein reflected at this year's level. As you review and modify this proposal over the coming weeks to reflect your policy decisions, we will gain a clearer sense of those General Purpose Aid and Revenue Sharing numbers.

General Government Revenues

The proposed General Government budget for 2010/2011 is \$23,118,516 - which does not include the School Department. That represents an increase of \$394,174 over this year's budget - with \$60,000 of that attributable to an increase in our County Tax assessment - or 1.6%. Property tax revenues (assuming the recommended increase) will be \$24,730,559 (about 42% of which supports the School Department budget) and will result in a new tax rate of \$17.04. The taxable valuation for the City is projected to be \$1,450,683,800, which is an increase of \$19,000,000 over this year or 1.33%. That is not new growth but rather the result of the reduction in the Homestead Exemption from \$13,000 to \$10,000. Because of the weakened economy, there has been a drop in our rate of collections (about \$500,000 this year and a like amount expected next year - which we will be charging off against the Fund Balance).

An important source of revenue for Maine municipalities is excise tax on motor vehicle registrations. This past year, Maine voters resoundingly (four to one) rejected a citizens' initiative to cut that important revenue source. As of eight months into this fiscal year, our excise tax revenues are on target to meet budget projections. For next year - based on an analysis by Ralph St. Pierre - I am projecting an increase of 3% or an additional \$87,000. This assumes a bit of an uptick in the economy as well as some expectation that depressed sales in the past two years will gradually give way to some new car purchases.

The third largest municipal revenue source for us is State Revenue Sharing. By law, the State must distribute by formula to all of Maine's cities and towns an amount equal to 5% (it used to be 5.1% up until last year) of all of the income and sales tax revenues it collects. Due to a combination of a natural reduction in that pool of funds from the recessionary economy and consecutive raids on the funds to balance the State budget, that line item will be down 26% in 2011 to \$1,542,920 - a loss of \$528,441 (in itself the equivalent of a 2.1% tax increase). The five-year history of Revenue Sharing receipts is as follows:

<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010 (est.)</u>	<u>2011 (est.)</u>
\$2,520,594	\$2,556,662	\$2,297,698	\$1,782,290	\$1,542,920

That's a million dollars less to the City since 2008.

Last year, Council appropriated what had accrued as interest in the reserve fund housing the \$1.5 million the City was paid for the sale of the Old Cony High School property. That was \$41,611. This year, I am recommending that you appropriate an additional \$125,000 for a total of \$166,611. I make this recommendation cognizant that the ultimate disposition of the balance of these funds is still at your option.

Given the state of the investment market, it is reasonable to assume an uptick in interest rates. For that reason, this budget proposes an increase in the Investment Income line of \$68,000 to \$488,347.

I am proud of the work that we have done to collaborate with other governmental entities and in the process both economize and generate revenue for the City. This year we add \$16,218 to the revenue item for dispatch services to Hallowell (it was \$10,000 for many years and renegotiated a year ago to more accurately reflect our costs) and \$36,000 for assessing services to Winthrop. (We also receive \$32,763 for provision of HR services and \$37,500 for financial management services and – new this year - \$27,000 for engineering services, all for services to the Greater Augusta Utilities District.)

Rental of City Property is up next year by \$44,280. This is attributable to scheduled inflationary increases in leases and greater occupancy (virtually 100% at this time) at the Buker Community Center.

With the recessionary economy, we have seen our building permit fees drop markedly from about \$75,000 annually to \$25,000.

Changes in State law two years ago have reduced the reimbursement from the State that we receive for the Business Equipment Tax Reimbursement program. (The State eliminated the tax on newly purchased business equipment effective April 1, 2008, and because of a constitution requirement, gradually reduces the reimbursement to municipalities of the tax revenues they would otherwise have received 10% a year. The cumulative effect to Augusta of the State choosing to exempt business equipment from property taxation is \$75,000 in lost revenues over the past two years.) This revenue line item is \$184,368 for next year (down \$10,000 budget to budget and \$50,000 actual to budget).

With the decrease in the Homestead Exemption discussed above, we must also book a revenue reduction of \$119,392.

Last year, we eliminated the separate Ambulance Enterprise Fund and began accounting for the emergency medical service role of the Fire Department within the department's General Government account. When we did so, we overestimated the various revenue charges we would receive in 2009/2010 by about \$110,000. I am, therefore, recommending that we lower the revenue estimate for ambulance related services in next year's budget from \$1.2 million to \$1.08 million. (I discuss Fire/EMS costs in greater detail in the Expenditures narrative below.)

The last revenue line item worthy of note here is the Unappropriated Fund Balance - the City's savings account, if you will. Prudent fiscal policy and our City Charter dictate that we maintain an unencumbered reserve for financial stability and to cope with emergencies of at least 8.3% of the City's annual budget. As our annual independent audits confirm, over the years, we have been quite responsible in that regard. With the drop in tax collections and other strains on the budget, it becomes harder to maintain that level of reserve. However, it is critically important that we do so. As of June 30, 2009, our Fund Balance stood at \$5,231,983 – representing about 10.5% of budget. Due to uncollected taxes, mid-year appropriations and use this year to stabilize the tax rate, Ralph St. Pierre projects it will be \$4,728,205 on June 30, 2010, which is 9.5% of total City budget. For the 2011 budget, I am recommending that \$500,000 of the fund balance be transferred to the Lithgow Library Restoration Fund. If the private fund raising effort for this project is successful and the voters approve a companion bond issue, then this reserve would reduce the amount the City would

have to put out to bond (this reserve allocation would, I believe, also be helpful as we compete for USDA loan/grant financing this spring). If for some reason, the Lithgow project does not eventually go forward, this allocation could be returned to the fund balance.

General Fund Expenditures

The proposed General Fund expenditure budget for 2010/2011 increases from \$21,281,562 this year to \$21,615,736 – an increase of \$334,174 or 1.57%. Virtually all of that increase is accounted for in two items: the unrelenting rise in the cost of health insurance coverage for current employees and retirees, and increased public safety costs – most notably Fire Department overtime costs. Beyond that, all departmental budgets are at or below this year's appropriation levels. It is important to keep in mind that a year ago, as we faced a large budget shortfall, the General Government budget was reduced by \$2 million. With the exceptions just noted, this budget maintains those reductions in staff and services (and in fact requires six additional position cuts to do so). It continues to require that City employees (with the exception of uniform police and fire personnel) incur eight "shut-down" days and it makes no provision for cost-of-living or step increases for the workforce (all of our collective bargaining agreements expire this June 30th so there is no breach of contractual commitments – understanding that we will nonetheless honor our statutory obligation to bargain in "good faith" and address any financial implications of that as they may arise).

A month or so ago, I was very worried that the economic climate would mandate cuts that deeply impacted some of the things we take the most pride in as a community. I shared with you a long list of possible staff and program reductions. It now appears that some of those program reductions (but certainly not all) can be avoided with a modest tax rate increase. Thus, I project we will keep Bicentennial Park and neighborhood pools open, maintain our community gardens and flower plantings, maintain staffing levels at Lithgow Library, the mechanic position in the Fire Department, weekly garbage collection, the Police Department's animal control program to name some. Thus, with some exceptions, this proposed budget is a "maintenance of effort" program in terms of municipal services for the coming year.

The Legislative and Executive Department is flat-funded for the coming year (and was down by 5.8% this year from a year ago) at \$600,845. Last year, throughout the budget, travel and training costs were cut by 50% from \$64,000 to \$32,000. In this department – and, with a couple of exceptions, throughout the entire budget – those costs are held to last year's levels. The 2010/2011 budget funds the contractual increase in salary for me (3%) that takes effect this April. (You will recall I voluntarily gave up last year's raise.) If the policy decision to freeze COLA and step increases for next year called for in this proposed budget is implemented, that will apply to me as well.

The Finance and Administration Department is down by \$2,013 from this year to \$1,542,979. That includes a reduction of \$28,295 in the Clerk/Treasury Bureau attributable to elimination of the full-time Deputy Clerk position and its substitution with a part-time clerical position. Information Systems is up \$15,776 due to health insurance costs and some added equipment maintenance costs.

In the City Services Department, the overall budget is down by \$7,061 or .49% to \$1,437,231. The Economic Development Bureau (which is fully funded by sheltered Tax Increment Financing proceeds) is flat this year at \$233,121. In the coming year, this bureau will be charged, among other things, with moving forward on the former Augusta Tissue Mill site, with advancing the

MaineGeneral Hospital/Exit 113 process, with implementing our downtown strategy, and with redevelopment of historic properties like the Flatiron Building, the Arsenal Complex and the Old YMCA to name a few. The Planning Bureau staffing is being reduced from two full-time positions to one full-time and one part-time for a bureau savings of \$28,018. Code Enforcement – down a full-time position as a result of this year’s budget – is up \$3,091 due to increased health insurance costs. Engineering is reduced by \$35,772 to \$107,796 because we expect to charge off most of the Engineering Aide position to contractual work for the Utility District and CIP projects that DPW will do. City Buildings is up \$24,504 to \$511,267. Much of that (\$15,339) is attributable to the increase in fuel oil costs. The Buker Community Center operating and maintenance costs are also up \$20,293 to \$178,679 – here, too, most of that (\$17,400) is increased heating oil costs. The Flatiron Building is up \$6,041 to \$56,026, also attributable to heating oil increases.

The Community Services Department budget is down next year by \$67,696 to \$1,908,509 Administration and the bureaus of Library, Recreation, Parks and Cemeteries, and Bicentennial Nature Park are funded on a level relatively consistent with this year. Staffing at Old Fort Western is reduced from two full-time positions to one. That reflects in a \$59,262 savings in that bureau. (I expect there will, and should, be some extended discussion about this item as the staff reduction will certainly impact the capacity of the Fort’s trustees and staff to carry out their traditional mission.) The General Assistance Administration budget is down \$32,894 next year to \$98,676. This is due to a reduction of staff from two full-time to one full and one part-time position. You will recall that in this year’s budget, we went down from three full-time to two with Department Director Leif Dahlin assuming GA supervisory duties. Both of the incumbent caseworkers are retiring this spring, thus making the restructuring more opportune. General Assistance awards are budgeted to increase by \$18,600 to \$93,900 due to a larger caseload resulting from the depressed economy.

The Public Safety Department budget is proposed to increase by 5.5% (\$400,251) to \$7,654,413. Within that, the Police Department budget increases by \$125,508 (3.25%) to \$3,985,435. Seventy-five thousand dollars is “contractual benefit,” \$50,000 of which is increased health insurance premium costs. Salaries are down \$4,200 due in part to the elimination of one patrol officer position (one half of the funding coming from a federal grant which we will forego). Overtime in the PD is held to this year’s level. There is an increase of almost \$20,000 in repairs and maintenance of equipment that is associated with the new multi-million communications equipment installed this year. There is also \$14,388 in additional vehicle fuel costs associated with higher prices.

For a number of reasons discussed below, the Fire Department budget for next year is proposed to increase by \$272,868 (8%) to \$3,655,438. Health insurance and fringe benefit costs go up \$76,222. The largest single factor in the department increase is the overtime line, which needs to increase by \$169,432 to accurately reflect this year’s experience. We will discuss this at length during the budget review meetings but, briefly, with minimum staffing requirements (dictated both by labor contract and national safety standards), a switch in the last collective bargaining agreement from a 48-hour work week to a 42-hour work week, an underestimate of ambulance related overtime a year ago when we did away with the Ambulance enterprise fund and merged it with the Fire budget, and some measurable increase in employee sick leave, this line will be over expended this year by a comparable amount. I have reviewed this issue at length with Chief Audette and Ralph St. Pierre and I see no easy resolution. An argument could be made that we are understaffed for the workload. I have asked Human Resources to study comparable communities and will have that data be available to you in a few weeks.

There has been a fair bit of turnover in the Fire Department in the past couple of years due to retirements. That has created a need for more funding for training and related travel. This training is typically mandatory for required certifications. Those accounts, therefore, increase \$15,550. Last year, we also retained the service of a local physician as medical director (which has proved to be a very positive step). It is budgeted for the first time here and is \$6,000 for the stipend involved. Fuel oil, as with other departments, is up \$7,200 due to price increases. The public safety equipment line increases by \$10,200 to provide for replacing one of two ten-year old thermal imaging cameras.

There is a small increase in the Civil Emergency Preparedness budget of \$1,875 (to a total of \$13,540) for the replacement of equipment in the emergency operations center.

The proposed Public Works Department budget for next year is up nominally (\$3,954) to \$3,181,539. It would be nice to think that Mother Nature might be as kind to us in 2010/2011 as she has been this winter, but experience suggests otherwise. (For that reason, when estimating for the most variable of all our municipal expenditures – winter maintenance – we look at average costs over five years and we budget for 14 full-plow (all 21 units) and 7 partial-plow events, as well as 28 nights for snow hauling.) We have booked substantial savings this year – with no plowing for the past fifty days as I write this – and that will just about offset our loss in state revenue sharing proceeds. For next year's highway (summer maintenance) budget, I am proposing a reduction of \$109,289 (8.6%). That includes \$17,901 in wages due to a driver position reduction (the other half of which is in the winter maintenance account); \$142,875 in elimination of General Fund paving (all of our maintenance paving program is recommended to be funded in the Capital Improvement Program Council bond); and a \$5,747 reduction in gasoline charges from Central Garage. Health and fringe benefit costs increase \$10,000 and there is a \$40,000 increase in Motor Pool vehicle rental rates.

In DPW winter maintenance, the budget is up \$116,369 (remember the averaging) - \$107,152 of that for Motor Pool vehicle rental rates. (These rate increases are discussed below in the Central Garage section.)

Solid Waste Collection, which is our residential curbside rubbish and recycling collection program is budgeted slightly lower next year (\$4,162) at \$745,907. Increased Motor Pool charges are offset by lower tipping fees paid to Hatch Hill landfill due to less rubbish collected as a result of a depressed economy.

Ralph St. Pierre – who has a particular talent for analyzing and projecting complex utility billings - estimates that we can flat fund the Electricity (\$195,476), Water (\$723,036), Sanitary and Storm Sewers (\$596,323) and Street Lights (\$354,552) accounts for next year. These accounts in the aggregate equate to almost 10% of our General Fund budget. I've asked Ralph to prepare a presentation on this for one of your review sessions.

Insurances – another major expense category equaling 12% of the General Government budget – is projected to increase by \$274,727 (12%) next year to \$2,558,913. Unemployment insurance (which we self-insure) remains flat at \$26,000. Workers' Compensation premiums will decrease by \$24,111 to \$310,982 due to an improved experience modification that comes from workforce efforts to improve attention to safety. It is health insurance premium costs for retirees that take the huge jump in this category of \$209,462 (from \$711,671 to \$921,133). There are two reasons for this. The first is the anticipated across-the-board rate increase of 10% we expect and the second is that projected addition of 11 qualified employees in the ranks of the retired. You are aware from prior discussions

that until City Council changed the policy in the 1990's, employees hired prior to that time were entitled to 100% employer paid health for life (it stopped for firefighters in 2005). As a continuous element of our older workforce reached retirement age (we had five this year), this continues to be a difficult obligation to honor (and one which Corporation Counsel's research has shown – in most cases – we must). Property and casualty insurance is projected to remain at this year's level - \$203,160. The remaining item in this cost center is the principal and interest payments on the bond issued in 2003 to pay off the City's accrued unfunded employee pension liability. There is eight years left on that bond amortization schedule. As it is structured, the combined P&I goes up \$89,376 in 2011.

In the Debt Service account, principal and interest payments for outstanding bond issues (for detail see the schedule marked Exhibit "A" following this message) decreases by \$260,411 to \$837,835. That amount includes provision for a \$750,000 Council bond discussed below.

By State law, all municipalities are assessed and obligated to pay a County Tax, which represents a pro-rata share of the operating cost of county government. It is projected that the county tax will increase by 4% next year (\$60,000) to \$1,502,780.

Capital Improvements Program

Each year, the City identifies a program of major capital investment (in the General Fund and the Enterprise Funds), with an eye to at least five years out. As with any well run business, it is important to plan for the systematic replacement of expensive equipment, for the repair and major improvement to buildings and grounds, for maintenance and upgrade of public infrastructure, including streets and sidewalks, and for such things as computer systems and telecommunications. As a rule, we rely on a mix of tax dollars, surplus funds from prior years' operations, and bond financing (voter-approved for large projects) to fund the Capital Improvement Program (CIP). As with last year and this year, faced with the financial challenges we by now appreciate too well, I believe we are compelled next year to rely on your Charter-authorized Council Bond authority and a possible public referendum bond to provide at least a minimal level of capital investment. The other possible source of CIP funding for next year (and beyond) is grants and community fund-raising. The proposed CIP follows this message as Appendix "D". It's highlights are:

- In the Council Bond, provision is made for \$750,000 capital investment. That includes \$140,000 for upgrading and paving the Blair Road; \$65,000 in building upgrades to the Buker Community Center that includes some asbestos removal, some energy improvements (lighting, windows), and some bathroom improvements and ADA accessibility improvements; \$42,000 to heating system and roof repairs to City Hall; \$53,000 for building improvements to fire stations; \$48,000 in building repairs to the police station; \$50,000 in upgrades to the traffic light system (at Water and Bridge Street intersection); \$35,000 in sidewalk improvements; and \$300,000 in street paving throughout the City.
- In the suggested referendum bond (which would total \$555,000 and would add about \$50,000 in new debt service payments in the 2011/2012 fiscal year), there would be \$15,000 to replace Parks Bureau equipment, \$156,000 to upgrade the downtown bus stop (to include ADA accessibility and modern public bathrooms); \$250,000 to replace the

home-stand bleachers at Alumni Field; \$98,000 in improvements to Capital Park (mostly new play equipment) and Williams Playground (which includes public bathrooms); and \$30,000 for driveway repairs to the Western Avenue fire station.

- Investments that would, in my opinion, need to be predicated on the availability of grants or community fund-raising are shown as such in the CIP and include \$900,000 for a new “Quint” fire truck (which we will eventually need to provide for but not for the next few years if grant funds are unavailable); \$60,000 for upgrades and landscape repairs to the East Side Boat Landing; and \$73,000 for landscape repairs to the Mt. Vernon Ball Field.

In the out years, the CIP recommends \$7.9 million in capital investments. They range from \$1.8 million in paving to \$1 million in replacement fire equipment (excluding the “Quint”), to \$1.2 million in street reconstruction, to a couple million dollars in parks and buildings upgrades. Of course, these capital recommendations are subject to your review and adjustment and to changing circumstances as the years progress. They do, however, provide a good snapshot in time of our long-term organizational needs.

Enterprise Accounts

As you know, in addition to the municipal services supported by the General Fund, there are several separate and distinct operations in the City of Augusta classified and operated as enterprise funds. They include the Airport, Civic Center, Hatch Hill Regional Landfill and Central Garage (although this last one is technically considered an “internal service fund”). The key operating principle of an enterprise fund is that it is sustained for the most part, if not completely, by the revenues that its operations generate.

The Augusta State Airport is owned by the State of Maine and for the past fifteen years or so has been managed by the City through a contract for services. All costs associated with the personnel who run the airport, as well as all related supplies, contractual services and capital improvements, are paid for with State funds or Federal funds channeled through the State. For the coming year, the budget for the airport is \$550,000. As you know from recent discussions, these are exciting times for the airport staff and its advisory committee. The Federal Aviation Administration has made a huge commitment to capital upgrades at the new terminal facility and most recently a \$100,000 grant for marketing. (Last year, the FAA fully funded new firefighting equipment and 100% of personnel costs to staff it so that U.S. Airways could serve Augusta with a 34-passenger Saab aircraft.) In the State’s next biennial budget, there is over \$12 million for runway improvements designed to boost safety. There is much reason to be optimistic about the future of the City’s airport.

Not technically an enterprise fund but outside the General Fund (because it is supported by users fees and state grants) is the Childcare program. This popular and valued community service operates as a bureau of Community Services and provides after school care for about 130 children (over 95% of whom are Augusta residents) and another 100 children in the summer program. The budget for the Childcare program for 2011 is \$375,979, down \$3,923 (1%) from this year.

The Augusta Civic Center is the premiere conference, arena and public meeting venue in Maine. Due to a combination of factors, including capable and dedicated staff, a central location in the state, capital upgrades accomplished as needed, and a strong customer service ethic, our Civic Center does

what most comparable municipally-owned facilities fail to do and that's break even (or at least come close) and avoid the need for substantial property tax funded support. It has been a struggle to even come close in the past two years because the bad economy has directly impacted the use (thus revenues) of the complex. For 2011, we project that revenues will be down by \$80,000 (2.5%) to \$2,876,644. To address that, I recommend that the expenditure budget be reduced by \$61,571 and that \$12,294 be appropriated from retained earnings to bring us to balance. As of June 30, 2009, the Civic Center had retained earnings of \$138,000. In better times, we would hope to see that amount be about three times that. Expenditure line items remain at pretty much this year's level. The Civic Center's Capital Improvement Plan calls for one major investment, repaving the lower parking lot, for FY 2011.

The other major enterprise the City owns and operates is the Hatch Hill Regional Landfill. It is a valuable resource serving Augusta and eight surrounding communities (Hallowell, Farmingdale, Gardiner, Pittston, Randolph, Chelsea, Whitefield and Manchester). It is also a complex, highly regulated business. For the coming year, the proposed budget is \$2,323,914 – down \$142,329 (5.8%) from this year. On the revenue side, staff projects a drop of \$30,951 to \$2,435,292, which will add \$111,378 to retained earnings. For the past couple of years, the principal revenue sources, tipping fees (currently set at \$72 a ton), have been flat. This is common in recessionary times as there is less consumption thus less rubbish. Revenue from sale of recyclable materials is projected to be down about 23% or \$48,900, also due to economic conditions and fluctuations in the recycling market. The fund's other substantial revenue source is the per-capita fee charged to the participating communities. It is recommended to remain constant at \$368,369 for the coming year (it was raised by 43% in 2006).

As with the General Fund, employee compensation is proposed to be flat next year but there are increases in the health insurance and contractual benefits lines. Just as recycling revenues are down, so are costs of processing the materials. The projection for next year is \$116,575, down \$16,675. Gasoline and oil are up \$12,000 to \$63,675 due to price increases and the closure liability is increased by \$45,000 to \$351,028 based on current usage and resultant projections as to the future cost of closure based upon current regulations. Debt service on the 2001 expansion bond goes down in 2010/2011 by approximately \$25,000 as the principal reduces.

The most significant expenditure change for next year in the Hatch Hill fund is a reduction of \$191,958 in the depreciation line item. A proper calculation of depreciation – required by generally accepted accounting principles – of the landfill as an asset involves a technical assessment of its remaining useful life. The current estimated remaining useful life of Hatch Hill is fifteen years or 2025. Depreciation for 2010/2011 is down from \$699,823 to \$507,865 for two reasons. First, in order to close Phase Two (something we are engineering right now and will put into effect this summer at an estimated capital costs from closure reserves of over \$2 million), we will excavate 30,000 tons of buried waste in the current cell (Phase Three) and deposit it in Phase Two to properly slope Phase Two for closure (a much cheaper process than importing clean fill to accomplish the same thing). That will add over a year of useful life to the landfill. Secondly, we are seeing our annual intake of solid waste averaging to about 25,000 tons per year from the previous annual base line projection of 29,300 tons. Using that number also adds to life expectancy and reduces the amount we need to annually depreciate the asset.

For many years, the City has effectively used an internal service fund – Central Garage – to provide for fleet acquisition, replacement and maintenance for all vehicles and motorized equipment with the

exception of Police and Fire vehicles (which are maintained by the Fire Department mechanic). Central Garage employs a fleet services manager (who reports to the Director of Public Works), a working foreman and four mechanics. The budget for Central Garage is funded through vehicle rental charges for vehicles assigned to city departments and fuel surcharges. For 2010/2011, the Central garage revenue budget is \$1,633,763 which is \$102,578 (6.7%) over this year. Due to an accounting change as a result of the City's new work order and inventory software package, \$71,850 is added to both revenues and expenditures. On the expenditure side, the budget increases from \$1,440,150 to \$1,521,460 with the difference going to retained earnings. The estimated net earnings of \$112,303 is necessitated in order to sustain the replacement schedule of equipment (see Appendix "B") for the five-year program. Depreciation expense for FY 2011 is \$276,353. The replacement schedule is \$365,000, a difference of \$88,647, which is covered by the estimated net earnings.

The Civic Center, Hatch Hill and Central Garage all transfer an amount equal to approximately 2% of their budgets to the General Fund as compensation for management services (accounting, human resources, etc).

Conclusion

As your recent goal-setting discussions reflect, notwithstanding current fiscal challenges, our City is an attractive place to live and work and we have a very promising future. We are engaged in many important initiatives ranging from the pursuit of a new library, the redevelopment of our traditional downtown, redevelopment of virtually the entire east side of the City's riverfront and the historic preservation of iconic properties like the Flatiron Building. Our dedicated and capable workforce provides innumerable services to our residents and visitors every day – services that surveys show are much appreciated. We interact well with our counterparts in other levels of government, in the business community and neighboring municipalities and recognize the importance of strengthening those relationships. We are in sound financial condition precisely because of the fiscal policies you and your predecessors have implemented, particularly through the annual budget process. Certainly, this year's process will build upon that tradition and ensure the continuation of vital municipal services balanced against the realities of limited financial resources. City staff and I look forward to assisting you with this in the weeks ahead.

Respectfully

William R. Bridgeo
City Manager

EXHIBIT A

FY	MUNICIPAL			SCHOOL		
	PRINCIPAL	INTEREST	TOTAL	PRINCIPAL	INTEREST	TOTAL
2010	\$831,750	\$171,097	\$1,002,847	\$1,400,000	\$1,058,875	\$2,458,875
2011	\$621,750	\$143,584	\$765,334	\$1,400,000	\$1,001,125	\$2,401,125
2012	\$529,500	\$122,851	\$652,351	\$1,400,000	\$943,375	\$2,343,375
2013	\$480,000	\$105,256	\$585,256	\$1,400,000	\$885,625	\$2,285,625
2014	\$430,000	\$90,300	\$520,300	\$1,400,000	\$827,875	\$2,227,875
2015	\$430,000	\$75,663	\$505,663	\$1,400,000	\$770,125	\$2,170,125
2016	\$330,000	\$62,506	\$392,506	\$1,400,000	\$712,375	\$2,112,375
2017	\$280,000	\$52,488	\$332,488	\$1,400,000	\$654,625	\$2,054,625
2018	\$225,000	\$43,438	\$268,438	\$1,400,000	\$596,875	\$1,996,875
2019	\$225,000	\$35,125	\$260,125	\$1,400,000	\$538,250	\$1,938,250
2020	\$125,000	\$28,438	\$153,438	\$1,400,000	\$478,750	\$1,878,750
2021	\$125,000	\$23,438	\$148,438	\$1,400,000	\$418,375	\$1,818,375
2022	\$125,000	\$18,359	\$143,359	\$1,400,000	\$357,125	\$1,757,125
2023	\$125,000	\$13,203	\$138,203	\$1,400,000	\$295,000	\$1,695,000
2024	\$125,000	\$7,969	\$132,969	\$1,400,000	\$232,000	\$1,632,000
2025	\$125,000	\$2,656	\$127,656	\$1,400,000	\$169,000	\$1,569,000
2026				\$1,400,000	\$102,500	\$1,502,500
2027				\$1,350,000	\$33,750	\$1,383,750
	\$5,133,000	\$996,369	\$6,129,369	\$25,150,000	\$10,075,625	\$35,225,625

FY	PENSION OBLIGATION			TOTAL GENERAL FUND		
	PRINCIPAL	INTEREST	TOTAL	PRINCIPAL	INTEREST	TOTAL
2010	\$665,000	\$590,975	\$1,255,975	\$2,896,750	\$1,820,947	\$4,717,697
2011	\$800,000	\$554,350	\$1,354,350	\$2,821,750	\$1,699,059	\$4,520,809
2012	\$940,000	\$509,088	\$1,449,088	\$2,869,500	\$1,575,313	\$4,444,813
2013	\$1,090,000	\$454,531	\$1,544,531	\$2,970,000	\$1,445,413	\$4,415,413
2014	\$1,250,000	\$391,644	\$1,641,644	\$3,080,000	\$1,309,819	\$4,389,819
2015	\$1,420,000	\$320,775	\$1,740,775	\$3,250,000	\$1,166,563	\$4,416,563
2016	\$1,600,000	\$241,500	\$1,841,500	\$3,330,000	\$1,016,381	\$4,346,381
2017	\$1,795,000	\$152,381	\$1,947,381	\$3,475,000	\$859,494	\$4,334,494
2018	\$2,005,000	\$52,631	\$2,057,631	\$3,630,000	\$692,944	\$4,322,944
2019	\$0	\$0	\$0	\$1,625,000	\$573,375	\$2,198,375
2020	\$0	\$0	\$0	\$1,525,000	\$507,188	\$2,032,188
2021	\$0	\$0	\$0	\$1,525,000	\$441,813	\$1,966,813
2022	\$0	\$0	\$0	\$1,525,000	\$375,484	\$1,900,484
2023	\$0	\$0	\$0	\$1,525,000	\$308,203	\$1,833,203
2024	\$0	\$0	\$0	\$1,525,000	\$239,969	\$1,764,969
2025	\$0	\$0	\$0	\$1,525,000	\$171,656	\$1,696,656
2026	\$0	\$0	\$0	\$1,400,000	\$102,500	\$1,502,500
2027	\$0	\$0	\$0	\$1,350,000	\$33,750	\$1,383,750
	\$11,565,000	\$3,267,875	\$14,832,875	\$41,848,000	\$14,339,869	\$56,187,869

EXHIBIT A (CONT'D.)

FY	HATCH HILL			CIVIC CENTER		
	PRINCIPAL	INTEREST	TOTAL	PRINCIPAL	INTEREST	TOTAL
2010	\$485,000	\$298,367	\$783,367	\$226,315	\$130,755	\$357,070
2011	\$485,000	\$271,678	\$756,678	\$226,315	\$120,798	\$347,113
2012	\$485,000	\$243,351	\$728,351	\$226,315	\$110,423	\$336,738
2013	\$485,000	\$214,722	\$699,722	\$226,315	\$103,055	\$329,370
2014	\$485,000	\$186,092	\$671,092	\$226,315	\$91,625	\$317,940
2015	\$485,000	\$157,463	\$642,463	\$226,315	\$79,637	\$305,952
2016	\$485,000	\$128,833	\$613,833	\$226,315	\$67,557	\$293,872
2017	\$485,000	\$100,203	\$585,203	\$226,315	\$55,313	\$281,628
2018	\$485,000	\$71,574	\$556,574	\$226,315	\$42,804	\$269,119
2019	\$485,000	\$42,944	\$527,944	\$226,320	\$30,395	\$256,715
2020	\$485,000	\$14,315	\$499,315	\$226,320	\$17,817	\$244,137
2021	\$0	\$0	\$0	\$226,320	\$5,163	\$231,483
2022	\$0	\$0	\$0	\$0	\$0	\$0
2023	\$0	\$0	\$0	\$0	\$0	\$0
2024	\$0	\$0	\$0	\$0	\$0	\$0
2025	\$0	\$0	\$0	\$0	\$0	\$0
	\$5,335,000	\$1,729,542	\$7,064,542	\$2,715,795	\$855,342	\$3,571,137

FY	TOTAL ENTERPRISE FUNDS			TOTAL BONDED INDEBTEDNESS		
	PRINCIPAL	INTEREST	TOTAL	PRINCIPAL	INTEREST	TOTAL
2010	\$711,315	\$429,122	\$1,140,437	\$3,608,065	\$2,250,069	\$5,858,134
2011	\$711,315	\$392,476	\$1,103,791	\$3,533,065	\$2,091,534	\$5,624,599
2012	\$711,315	\$353,774	\$1,065,089	\$3,580,815	\$1,929,088	\$5,509,903
2013	\$711,315	\$317,777	\$1,029,092	\$3,681,315	\$1,763,189	\$5,444,504
2014	\$711,315	\$277,717	\$989,032	\$3,791,315	\$1,587,536	\$5,378,851
2015	\$711,315	\$237,100	\$948,415	\$3,961,315	\$1,403,662	\$5,364,977
2016	\$711,315	\$196,390	\$907,705	\$4,041,315	\$1,212,771	\$5,254,086
2017	\$711,315	\$155,516	\$866,831	\$4,186,315	\$1,015,010	\$5,201,325
2018	\$711,315	\$114,378	\$825,693	\$4,341,315	\$807,322	\$5,148,637
2019	\$711,320	\$73,339	\$784,659	\$2,336,320	\$646,714	\$2,983,034
2020	\$711,320	\$32,132	\$743,452	\$2,236,320	\$539,319	\$2,775,639
2021	\$226,320	\$5,163	\$231,483	\$1,751,320	\$446,976	\$2,198,296
2022	\$0	\$0	\$0	\$1,525,000	\$375,484	\$1,900,484
2023	\$0	\$0	\$0	\$1,525,000	\$308,203	\$1,833,203
2024	\$0	\$0	\$0	\$1,525,000	\$239,969	\$1,764,969
2025	\$0	\$0	\$0	\$1,525,000	\$171,656	\$1,696,656
2026				\$1,400,000	\$102,500	\$1,502,500
2027				\$1,350,000	\$33,750	\$1,383,750
	\$8,050,795	\$2,584,884	\$10,635,679	\$49,898,795	\$16,924,753	\$66,823,548

APPENDIX B

FY 2011

5-YEAR EQUIPMENT REPLACEMENT SCHEDULE

<u>UNITS TO BE PURCHASED</u>	<u>EST COST</u>	<u>UNITS TO BE TRADED</u>	
		<u>VEH #</u>	<u>YEAR & TYPE</u>
	FY 2011		
1 Class 8 Dump w/plow, wing and computer system	\$125,000	720	1994 Class 8 Dump
1 Rubbish Truck	\$122,000	731	2001 GMC Rubbish Truck
1 S.U.V. 4wd	\$28,000	760	2000 GMC
1 1 ton 4wd Dump w plow	\$45,000	704	2002 Ford 1 ton dump
1 3 yd Loader	\$110,000	869	2000 Loader
Total	\$430,000		
	FY2012		
1 Class 8 Dump w/plow, wing and computer system	\$120,000	713	1991 GMC Class 8 Dump
1 Mechanical Sweeper	\$150,000	808	1994 Vaccum Sweeper
1 SUV 4wd	\$22,000	701	2004 S.U.V.
1 1 ton 4wd Dump w plow	\$45,000	777	2003 Ford 1-ton
1 Pickup w/Utility Body	\$28,000	765	1991 GMC Pickup
Total	\$365,000		
	FY2013		
1 3/4 ton Pickup w/utility body	\$30,000	707	1993 GMC Pickup
1 Grader	\$150,000	802	1998 Grader
1 Sidewalk Tractor	\$90,000	813	2001 Sidewalk Tractor
1 Class 8 Dump w/plow & wing	\$125,000	725	1998 GMC Class 8 Dump
1 Bucket Truck (<i>used</i>)	\$26,000	761	1996 Bucket Truck
1 SUV 4wd	\$22,000	762	2004 S.U.V.
1 1 ton 4wd Dump w plow	\$45,000	703	2003 Ford 1 ton dump
Total	\$488,000		
	FY2014		
1 Rubbish Truck	\$130,000	732	2004 Freightliner
1 Wheeler	\$180,000	737	2002 Vovlo Wheeler
1 Rackbody	\$80,000	752	2002 Chev Rackbody
1 1 ton 4wd Dump w plow	\$45,000	706	2002 GMC 1 ton dump
Total	\$435,000		
	FY2015		
1 Backhoe	\$70,000	868	1998 Backhoe
1 Class 8 Dump w/plow & wing	\$125,000	739	2002 GMC Class 8 Dump
1 SUV 4wd	\$28,000	750	2006 Pontiac Torent
1 1 ton 4wd Dump w plow	\$32,000	710	2007 GMC 1 ton dump
Total	\$255,000		

APPENDIX C

**FY 2011 MANAGER BUDGET
TAX RATE SUMMARY**

	FY 2009 ACTUAL	FY 2010 MANAGER	\$ VARIANCE	% VARIANCE
<u>EXPENDITURES</u>				
	FY 2010	FY 2011	\$ VAR	% VAR
EXPENDITURES				
MUNICIPAL	\$21,281,562	\$21,615,736	\$334,174	1.57%
EDUCATION	\$27,039,714	\$27,039,714	\$0	0.00%
COUNTY	\$1,442,780	\$1,502,780	\$60,000	4.16%
	<u>\$49,764,056</u>	<u>\$50,158,230</u>	<u>\$394,174</u>	<u>0.79%</u>
REVENUES				
MUNICIPAL	\$9,157,178	\$8,746,610	-\$410,568	-4.48%
EDUCATION	\$16,681,061	\$16,681,061	\$0	0.00%
	<u>\$25,838,239</u>	<u>\$25,427,671</u>	<u>-\$410,568</u>	<u>-1.59%</u>
TAXES				
MUNICIPAL	\$12,124,384	\$12,869,126	\$744,742	6.14%
EDUCATION	\$10,358,653	\$10,358,653	\$0	0.00%
COUNTY	\$1,442,780	\$1,502,780	\$60,000	4.16%
	<u>\$23,925,817</u>	<u>\$24,730,559</u>	<u>\$804,742</u>	<u>3.36%</u>
VALUATION	\$1,431,620,800	\$1,450,683,800	\$19,063,000	1.33%
TAX RATE				
MUNICIPAL	\$8.46	\$8.87	\$0.41	4.96%
EDUCATION	\$7.23	\$7.14	-\$0.09	-1.24%
COUNTY	\$1.01	\$1.03	\$0.02	1.98%
	<u>\$16.70</u>	<u>\$17.04</u>	<u>\$0.34</u>	<u>2.10%</u>

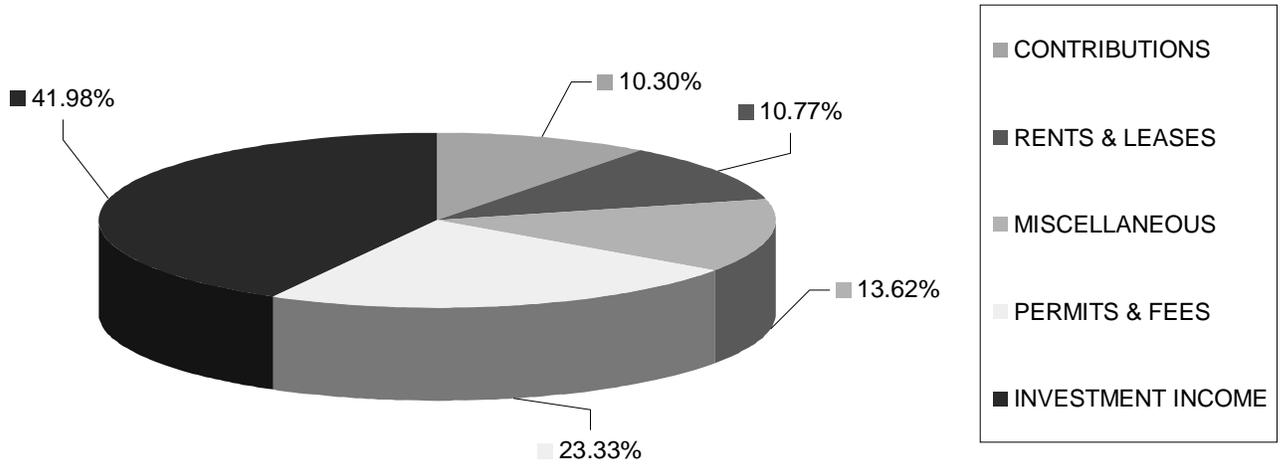
PARTMENT	BUREAU	CAPITAL IMPROVEMENT PROGRAM		FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	TOT
TY SERVS	Engineering	Blair Road Upgrade	CB	\$140,000					\$140,
TY SERVS	Engineering	Bond Brook Road	RB		\$415,000				\$415,
TY SERVS	Engineering	Patterson Street				\$405,000			\$405,
TY SERVS	Engineering	Cross Hill Road					\$415,000		\$415,
MM SERVS	Recreation	Scoreboard in the Buker Center Gym					\$5,000		\$5,
MM SERVS	Parks & Cem	Tree Stock and Landscape			\$10,000		\$10,000		\$20,
MM SERVS	Parks & Cem	Bicentennial Nature Park					\$5,000	\$25,000	\$30,
MM SERVS	Parks & Cem	Fencing & Road Work				\$14,000			\$14,
MM SERVS	Parks & Cem	Replace Play Structures					\$15,000	\$20,000	\$35,
MM SERVS	Parks & Cem	Equipment Replacement	RB	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$75,
MM SERVS	Parks & Cem	Basketball / Tennis Court Renovations		\$0	\$15,000	\$15,000	\$20,000	\$20,000	\$70,
MM SERVS	Parks & Cem	Pool Repairs	CB	\$6,000	\$6,000	\$6,000	\$15,000	\$100,000	\$133,
MM SERVS	Parks & Cem	Bus Stop Re-Construction	RB	\$156,000					\$156,
MM SERVS	Parks & Cem	Buker Park	RB	\$6,000			\$15,000		\$21,
MM SERVS	Parks & Cem	Alumni Field	RB	\$250,000	\$277,000		\$15,000		\$542,
MM SERVS	Parks & Cem	Park Compound & Storage	CB	\$5,000		\$82,000			\$87,
MM SERVS	Parks & Cem	Waterfront Park Boat Landing				\$60,000			\$60,
MM SERVS	Parks & Cem	Eastside Boat Landing Dock Repair	GT	\$60,000	\$550,000				\$610,
MM SERVS	Parks & Cem	Capital Park	RB	\$66,000	\$5,000				\$71,
MM SERVS	Parks & Cem	Williams Park	RB	\$32,000					\$32,
MM SERVS	Parks & Cem	McCalls Playground			\$6,000				\$6,
MM SERVS	Parks & Cem	Mill Park				\$195,000	\$10,000		\$205,
MM SERVS	Parks & Cem	Mt Vernon Ball Field	GT	\$73,000					\$73,
CILITIES	Buker Center	Remove Asbestos Flooring	CB	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$50,
CILITIES	Buker Center	55 Space Parking Lot			\$148,000				\$148,
CILITIES	Buker Center	Metal Wrap - Exterior Trim	CB	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$75,
CILITIES	Buker Center	Upgrade Lights & Ceilings	CB	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$50,
CILITIES	Buker Center	Replace Windows	CB	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$50,
CILITIES	Buker Center	Upgrade Restrooms / ADA	CB	\$20,000					\$20,

PARTMENT	BUREAU	CAPITAL IMPROVEMENT PROGRAM		FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	TOTAL
CILITIES	Baker Center	Roof Renovations	CB	\$22,000		\$30,000	\$30,000	\$30,000	\$112,000
CILITIES	City Center	Heat Pump Replacement	CB	\$20,000	\$30,000	\$30,000	\$30,000		\$110,000
CILITIES	City Center	Resurface Parking Lot						\$50,000	\$50,000
CILITIES	City Center	Replace cooling tower				\$50,000	\$50,000		\$100,000
CILITIES	City Center	Roof Renovations	CB	\$6,000		\$20,000	\$20,000	\$20,000	\$66,000
CILITIES	Fire Dept.	Hospital Street overhead doors replace			\$25,000				\$25,000
CILITIES	Fire Dept.	Hartford Bunk Room Renovation	CB	\$14,000					\$14,000
CILITIES	Fire Dept.	Western Avenue Driveway Repairs	RB	\$30,000					\$30,000
CILITIES	Fire Dept.	Western Avenue Kitchen renovation			\$20,000				\$20,000
CILITIES	Fire Dept.	Hartford Heating System Replacement			\$65,000				\$65,000
CILITIES	Fire Dept.	DP Wells / Hospital St. roof repairs	CB	\$25,000	\$25,000	\$25,000			\$75,000
CILITIES	Fire Dept.	Hartford Air Quality Improvement	CB	\$8,000					\$8,000
CILITIES	Fire Dept.	Safety Devices All Overhead Doors	CB	\$6,000					\$6,000
CILITIES	Library	Elevator Upgrade / Replacement			\$150,000				\$150,000
CILITIES	Library	Replace Air Handling (1 of 4)			\$45,000	\$45,000	\$45,000	\$45,000	\$180,000
CILITIES	Library	Re-Paint / Re Glaze Exterior Trim	CB	\$8,000					\$8,000
CILITIES	Police Dept.	Replace entire roof system				\$60,000			\$60,000
CILITIES	Police Dept.	Re-surface Satellite Parking Area					\$30,000		\$30,000
CILITIES	Police Dept.	Re-surface Front Parking Area				\$30,000			\$30,000
CILITIES	Police Dept.	Demolition of Old Storage Garage				\$20,000			\$20,000
CILITIES	Police Dept.	Remove oil tank, build storage building	CB	\$24,000					\$24,000
CILITIES	Police Dept.	Renovate Main Entrance/Replace Rear Door	CB	\$16,000					\$16,000
CILITIES	Traffic Signals	Water St / Bridge St	CB	\$50,000					\$50,000
REVENUE	EMS	Rescue 1 Replacement			\$170,000				\$170,000
REVENUE	Fire Dept.	Unit 6 Replacement			\$50,000		\$50,000		\$100,000
REVENUE	Fire Dept.	Quint replace snorkel and Engine 6	GT	\$900,000					\$900,000
REVENUE	Fire Dept.	New Boat			\$50,000				\$50,000
REVENUE	Fire Dept.	Rescue 3 Replacement				\$170,000			\$170,000
REVENUE	Fire Dept.	Rescue 2 Replacement					\$170,000		\$170,000
REVENUE	Fire Dept.	Engine 2 Replacement				\$650,000			\$650,000
PUBLIC WORKS	Public Works	Paving	CB	\$300,000	\$400,000	\$440,000	\$450,000	\$500,000	\$2,090,000

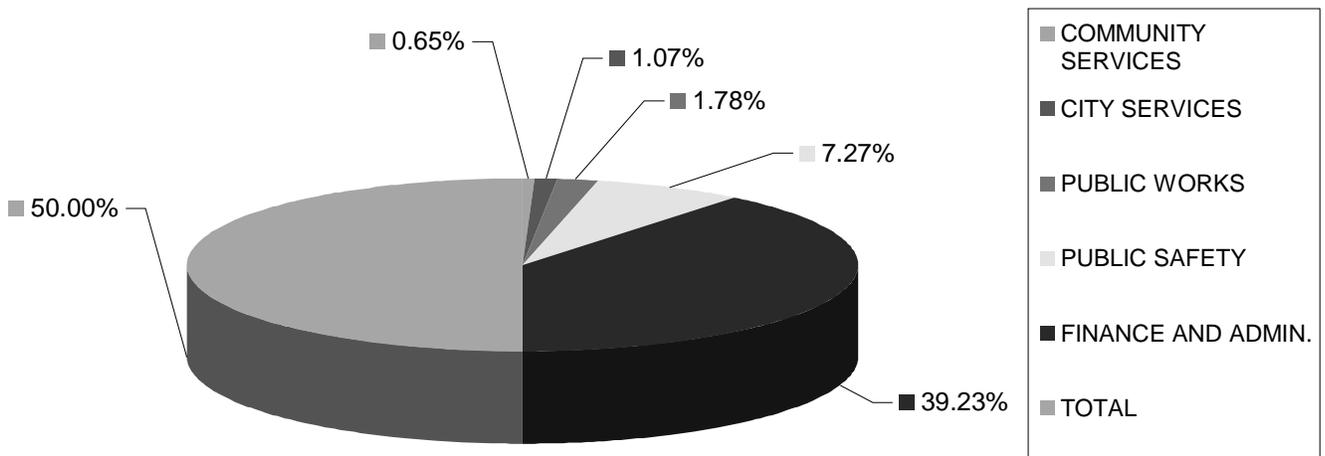
PARTMENT	BUREAU	CAPITAL IMPROVEMENT PROGRAM		FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	TOTAL
BLIC WORKS	Public Works	New Equipment Storage Bldg			\$50,000	\$450,000			\$500,000
BLIC WORKS	Public Works	Sidewalks	CB	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000	\$175,000
				\$2,338,000	\$2,607,000	\$2,892,000	\$1,495,000	\$905,000	\$10,237,000
		<u>Funding Source</u>							
		Council Bond	CB	\$750,000	\$750,000	\$745,000	\$750,000	\$695,000	
UNCIL BOND		Referendum Bond	RB	\$555,000	\$1,030,000	\$1,302,000	\$745,000	\$210,000	
		Grants/Other	GT	\$1,033,000	\$827,000	\$845,000	\$0	\$0	
NTRAL RAGE	Central Garage	See Appendix B		\$430,000	\$365,000	\$488,000	\$435,000	\$255,000	\$1,973,000
IC CENTER									
ic Center	Physical Plant	Replace Inner Overhead Door in Air Lock		\$8,000					\$8,000
ic Center	Physical Plant	Construct Roof Loading Dock				\$16,500			\$16,500
ic Center	Physical Plant	Pave lower Lot		\$110,000					\$110,000
ic Center	Physical Plant	Door Frames (UMA Side)				\$6,000			\$6,000
ic Center	Physical Plant	Bleacher Repairs/Renovations			\$10,000		\$5,000		\$15,000
ic Center	Physical Plant	Roof Repair Main Auditorium			\$30,000				\$30,000
ic Center	Physical Plant	Fork Lift					\$20,000		\$20,000
ic Center	Physical Plant	Replace Lobby Heaters			\$18,000				\$18,000
ic Center	Physical Plant	Replace Riding Floor Cleaner				\$24,000			\$24,000
ic Center	Physical Plant	UV Exterior Insulated Glass					\$50,000	\$50,000	\$100,000
ic Center	Physical Plant	North Wing Entry Doors				\$15,000			\$15,000
ic Center	Physical Plant	Chair Parts for Auditorium							
ic Center	Physical Plant	Wireless Internet Upgrade				\$6,000			\$6,000
ic Center	Physical Plant	Table Skirting				\$3,000			\$3,000
ic Center	Physical Plant	North End 2nd level exit doors					\$22,000		\$22,000
ic Center	Physical Plant	Pipe and Drape				\$10,000			\$10,000
ic Center	Physical Plant	Banquet chairs				\$10,000			\$10,000
ic Center	Physical Plant	16" Stage Sections			\$10,000				\$10,000
ic Center	Physical Plant	Rectangular and Round Tables				\$20,000			\$20,000
ic Center	Physical Plant	Auditorium H V # 1 Renovations							
ic Center	Physical Plant	Main Roof Repair					\$20,000		\$20,000
ic Center	Physical Plant	Kitchen Air Make-up Unit			\$35,000				\$35,000
ic Center	Physical Plant	Scoreboard and controls				\$24,000			\$24,000

PARTMENT	BUREAU	CAPITAL IMPROVEMENT PROGRAM	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	TOTAL
ic Center	Physical Plant	Electrical Transformer			\$18,000			\$18,000
ic Center	Physical Plant	Portable PA System					\$3,000	\$3,000
ic Center	Catering	Ice Machine for Kitchen		\$10,000				\$10,000
ic Center	Catering	Stack Ovens for Kitchen		\$10,000		\$10,000		\$20,000
ic Center	Catering	Soft Serve Ice Cream Machine			\$20,000			\$20,000
TAL CIVIC CENTER			\$118,000	\$123,000	\$172,500	\$127,000	\$53,000	\$585,000
AND TOTAL			\$2,886,000	\$3,095,000	\$3,552,500	\$2,057,000	\$1,213,000	\$12,795,000

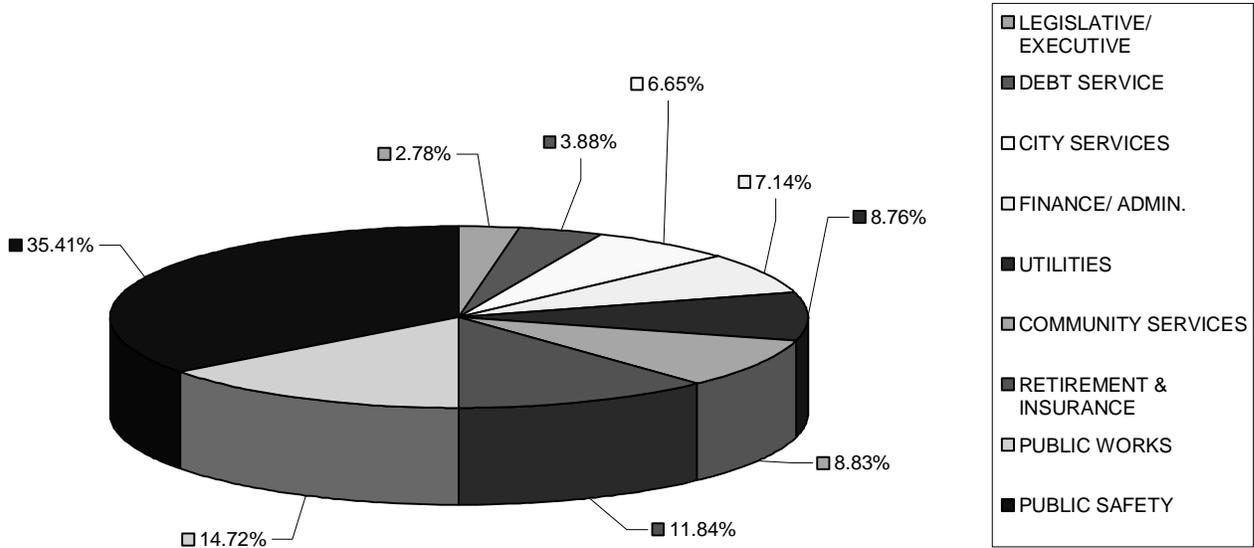
REVENUES BY CATEGORY



REVENUES BY FUNCTION



EXPENDITURES BY FUNCTION



EXPENDITURES BY CATEGORY

