Introduction to the Budget Document

The City of Rockville's Operating Budget and the companion Capital Improvements Program (CIP) provide citizens and City officials with detailed information about the City's operations and spending. Through the elements listed below, the goal of the budget is to provide transparency to City of Rockville residents about programs, services, and policy implications of the City's spending decisions. The Operating Budget and CIP together serve as a:

1. **Policy Document** – to describe financial and operating policies, goals, and priorities for the organization.
2. **Financial Plan** – to provide revenue and expenditure information by fund, department, division, and category.
3. **Operations Guide** – to describe activities, objectives for the fiscal year, performance measures to track progress on the objectives and the workforce.
4. **Communications Device** – to provide information on budgetary trends, planning processes, and integration of the operating and capital budgets.

FIGURE i-1. The City's FY13 Adopted Operating Budget document.

The major sections of the operating budget include:

Overview and Summary Information (Sections 1 – 4)

Executive Summary
This section includes the City Manager's transmittal letter, budget highlights, position changes and FTE summaries, and budget development overview. This section is intended to provide a high level overview of the City's budget and current financial position for FY 2013. Graphs with summary information including expenditures by type, revenues by category, and FTEs by fund and department are located throughout this section.

Policies and Goals
This section lists the Mayor and Council's Strategic Goals and Principles, the City's financial management policies, a summary of major policy documents, and directories of officials and boards and commissions. This section is intended to provide the reader with the policies and documents that guide the City's financial practices.

Fund Summaries
This section describes and analyzes each of the City's funds both individually and in consolidated form using tables and graphs to highlight key aspects of the budget. Revenue and expenditure summary information is detailed by fund and department on the first several pages. If the reader finds that this overview of information is too general and more detailed information is needed, the reader can refer to the specific fund pages that follow in Section 3, or the reader can reference the department budget pages (Sections 5 through 14) that each fund supports.

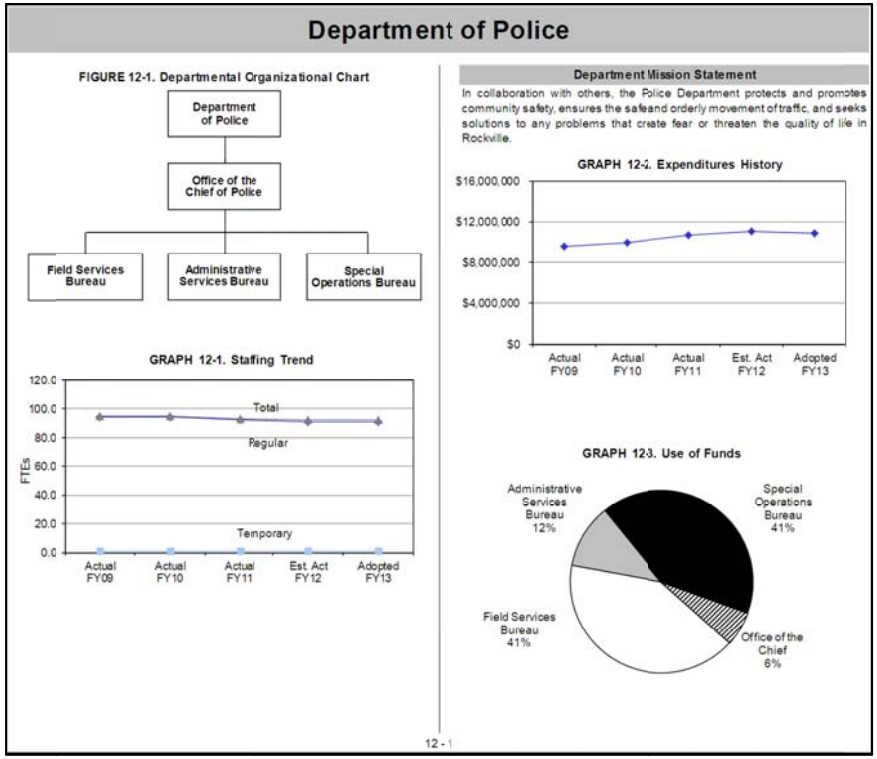
Five-Year Forecast
This section is intended to facilitate the City in establishing priorities and allocating resources appropriately. The Forecast is a tool that assists the City in focusing its efforts on long-term initiatives, including necessary funding for infrastructure, maintenance, and capital needs. The Forecast paints a picture and is not predictive of future years budgets. The Forecast presents an overview of the revenues, expenditures, and changes in financial position for the City's General Fund, six enterprise funds, and Speed Camera Fund. For the City's General Fund and Speed Camera Fund, financial position is defined as fund balance, and for the enterprise funds it is defined as cash balance. Several forecasting techniques or methods are used to project the revenues and expenditures in this section. The rationale for using one method over another depends on the type of revenue or expenditure. Regardless of the technique, staff's projections are conservative throughout the Forecast, ensuring prudent management of the City's resources.

Operating Budgets (Sections 5 – 14)

Department Sections

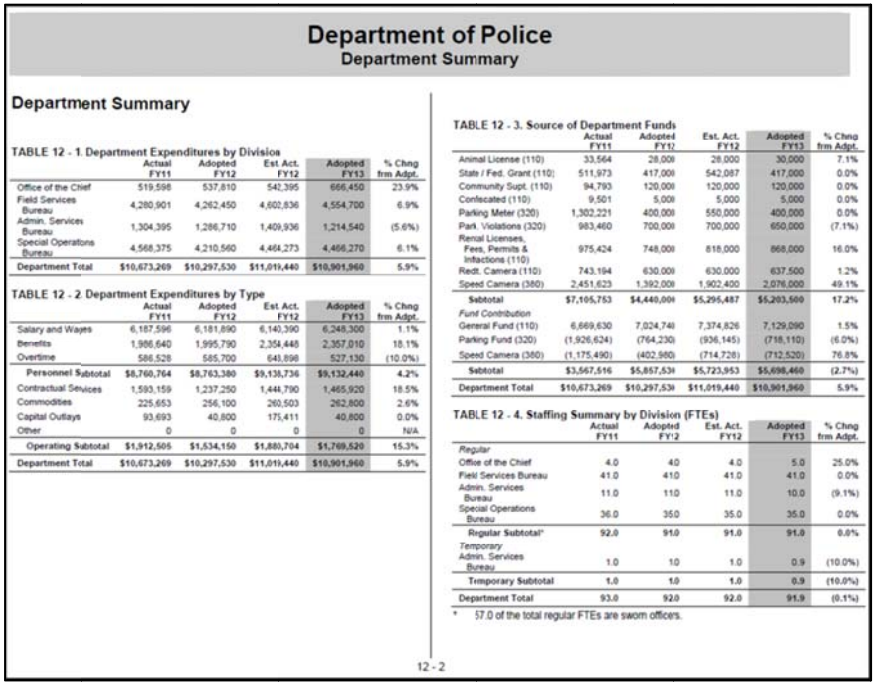
The departmental sections provide strategic, operational, performance, and budgetary information for each of the City's departments. The first page of each departmental section includes: an organization chart, staffing trend graph, mission statement, expenditure history graph, and use of funds graph, each presented at the department level. Depending on the level of detail that the reader prefers, each department section contains a Department Summary, Division Summaries, and cost center sections. The paragraphs that follow explain the type of information found at each level of detail.

FIGURE i-2. Example of the first page of a department section, including the department's mission statement and department-level charts and graphs.



The Department Summary begins with: 1) department expenditures by division, 2) department expenditures by type, 3) the source of department funds, and 4) a staffing summary by division. The remainder of the Department Summary explains significant changes between the prior year's adopted and upcoming year's proposed or adopted budgets, and an overview of the department. In some cases, this part of the budget includes supplemental information in the form of charts, graphs and text. These Department Summary pages are intended to be a high level overview of the department. If the reader finds that the information in the Department Summary is too general and more detailed information is needed, the reader can refer to the separate Division Summary pages within that department section.

FIGURE i-3. The Department Summary table example below highlights the breakout of department expenditures by division and by type in the left column, and revenues by type in the right column.



Department of Police
Department Summary

Department Summary

TABLE 12 - 1. Department Expenditures by Division

	Actual FY11	Adopted FY12	Est. Act. FY12	Adopted FY13	% Chng frm Adpt.
Office of the Chief	519,598	537,810	542,395	666,450	23.9%
Field Services Bureau	4,280,901	4,262,450	4,602,836	4,554,700	6.9%
Admin. Services Bureau	1,304,395	1,286,710	1,409,936	1,214,540	(5.6%)
Special Operations Bureau	4,568,375	4,210,560	4,464,273	4,466,270	6.1%
Department Total	**$10,673,269**	**$10,297,530**	**$11,019,440**	**$10,901,960**	**5.9%**

TABLE 12 - 2. Department Expenditures by Type

	Actual FY11	Adopted FY12	Est. Act. FY12	Adopted FY13	% Chng frm Adpt.
Salary and Wages	6,187,596	6,181,890	6,140,390	6,248,300	1.1%
Benefits	1,986,640	1,995,790	2,354,448	2,357,010	18.1%
Overtime	586,528	585,700	643,898	527,130	(10.0%)
Personnel Subtotal	**$8,760,764**	**$8,763,380**	**$9,138,736**	**$9,132,440**	**4.2%**
Contractual Services	1,593,159	1,237,250	1,446,790	1,465,920	18.5%
Commodities	225,653	256,100	260,503	262,800	2.6%
Capital Outlays	93,693	40,800	175,411	40,800	0.0%
Other	0	0	0	0	N/A
Operating Subtotal	**$1,912,505**	**$1,534,150**	**$1,880,704**	**$1,769,520**	**15.3%**
Department Total	**$10,673,269**	**$10,297,530**	**$11,019,440**	**$10,901,960**	**5.9%**

TABLE 12 - 3. Source of Department Funds

	Actual FY11	Adopted FY12	Est. Act. FY12	Adopted FY13	% Chng frm Adpt.
Animal License (110)	33,564	28,000	28,000	30,000	7.1%
State / Fed. Grant (110)	511,973	417,000	542,087	417,000	0.0%
Community Supt. (110)	94,793	120,000	120,000	120,000	0.0%
Confiscated (110)	9,501	5,000	5,000	5,000	0.0%
Parking Meter (320)	1,302,221	400,000	550,000	400,000	0.0%
Park. Violations (320)	983,460	700,000	700,000	650,000	(7.1%)
Rental Licenses, Fees, Permits & Infractions (110)	975,424	748,000	818,000	868,000	16.0%
Redt. Camera (110)	743,194	630,000	630,000	637,500	1.2%
Speed Camera (380)	2,451,623	1,392,000	1,902,400	2,076,000	49.1%
Subtotal	**$7,105,753**	**$4,440,000**	**$5,295,487**	**$5,203,500**	**17.2%**
Fund Contribution					
General Fund (110)	6,669,630	7,024,746	7,374,826	7,129,090	1.5%
Parking Fund (320)	(1,926,624)	(764,230)	(936,145)	(718,110)	(6.0%)
Speed Camera (380)	(1,175,490)	(402,960)	(714,728)	(712,520)	76.8%
Subtotal	**$3,567,516**	**$5,857,530**	**$5,723,953**	**$5,698,460**	**(2.7%)**
Department Total	**$10,673,269**	**$10,297,530**	**$11,019,440**	**$10,901,960**	**5.9%**

TABLE 12 - 4. Staffing Summary by Division (FTEs)

	Actual FY11	Adopted FY12	Est. Act. FY12	Adopted FY13	% Chng frm Adpt.
Regular					
Office of the Chief	4.0	4.0	4.0	5.0	25.0%
Field Services Bureau	41.0	41.0	41.0	41.0	0.0%
Admin. Services Bureau	11.0	11.0	11.0	10.0	(9.1%)
Special Operations Bureau	36.0	35.0	35.0	35.0	0.0%
Regular Subtotal*	**92.0**	**91.0**	**91.0**	**91.0**	**0.0%**
Temporary					
Admin. Services Bureau	1.0	1.0	1.0	0.9	(10.0%)
Temporary Subtotal	**1.0**	**1.0**	**1.0**	**0.9**	**(10.0%)**
Department Total	**93.0**	**92.0**	**92.0**	**91.9**	**(0.1%)**

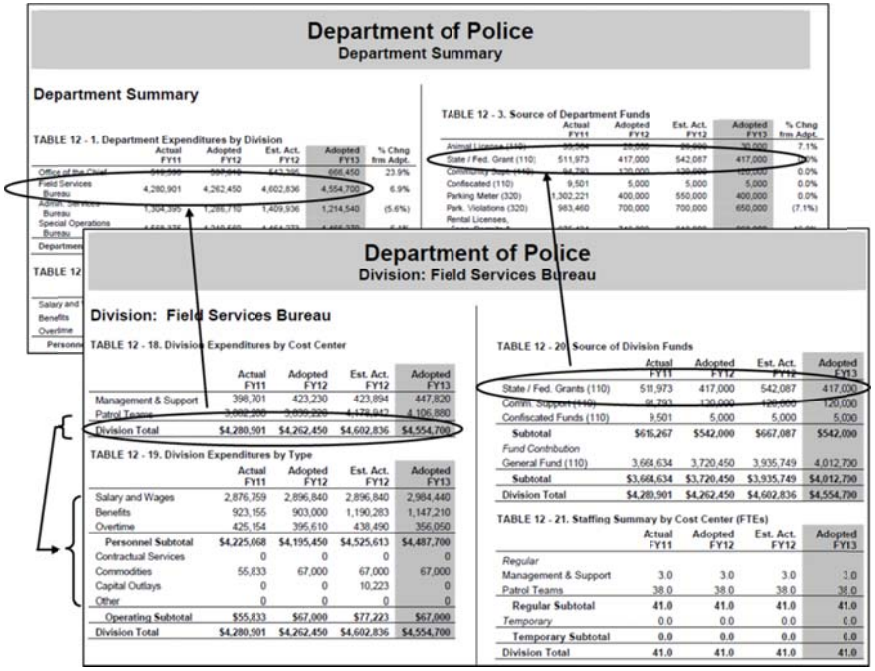
* 57.0 of the total regular FTEs are sworn officers.

12 - 2

Introduction to the Budget Document

Each Division Summary provides a greater level of detail for the reader. The first page of each Division Summary provides: 1) division expenditures by cost center, 2) division expenditures by type, 3) the source of division funds, and 4) a staffing summary by cost center. A division purpose statement and significant changes between the prior year's adopted and upcoming year's proposed or adopted budgets are also included. These Division Summary pages are intended to provide more specific information about each major City function. If the reader finds that the information in the Division Summary is too general and more detailed information is needed, the reader can refer to the separate cost center sections within the division section.

FIGURE i-4. The example below highlights the relationship between the Division Summary and Department Summary pages. Each division's total expenditures and each division's total revenues by source can be found on the Department Summary table. The Division Summary also contains a breakout of division expenditures by type.



Department of Police
Department Summary

Department Summary

TABLE 12 - 1. Department Expenditures by Division

	Actual FY11	Adopted FY12	Est. Act. FY12	Adopted FY13	% Chng frm Adpt.
Office of the Chief	[illegible]	[illegible]	[illegible]	666,450	23.9%
Field Services Bureau	4,280,901	4,262,450	4,602,836	4,554,700	6.9%
Admin. Services Bureau	1,304,395	1,286,710	1,409,936	1,214,540	(5.6%)
Special Operations Bureau	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Departmen[illegible]					

TABLE 12 - 3. Source of Department Funds

	Actual FY11	Adopted FY12	Est. Act. FY12	Adopted FY13	% Chng frm Adpt.
Animal Licenses (110)	35,500	28,000	28,000	30,000	7.1%
State / Fed. Grant (110)	511,973	417,000	542,087	417,000	0%
Community Supp. (110)	94,793	120,000	120,000	120,000	0.0%
Confiscated (110)	9,501	5,000	5,000	5,000	0.0%
Parking Meter (320)	1,302,221	400,000	550,000	400,000	0.0%
Park. Violations (320)	983,460	700,000	700,000	650,000	(7.1%)
Rental Licenses, [illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Department of Police
Division: Field Services Bureau

Division: Field Services Bureau

TABLE 12 - 18. Division Expenditures by Cost Center

	Actual FY11	Adopted FY12	Est. Act. FY12	Adopted FY13
Management & Support	398,701	423,230	423,894	447,820
Patrol Teams	3,882,200	3,839,220	4,178,942	4,106,880
Division Total	$4,280,901	$4,262,450	$4,602,836	$4,554,700

TABLE 12 - 19. Division Expenditures by Type

	Actual FY11	Adopted FY12	Est. Act. FY12	Adopted FY13
Salary and Wages	2,876,359	2,896,840	2,896,840	2,984,440
Benefits	923,155	903,000	1,190,283	1,147,210
Overtime	425,154	395,610	438,490	356,050
Personnel Subtotal	$4,225,668	$4,195,450	$4,525,613	$4,487,700
Contractual Services	0	0	0	0
Commodities	55,833	67,000	67,000	67,000
Capital Outlays	0	0	10,223	0
Other	0	0	0	0
Operating Subtotal	$55,833	$67,000	$77,223	$67,000
Division Total	$4,280,901	$4,262,450	$4,602,836	$4,554,700

TABLE 12 - 20. Source of Division Funds

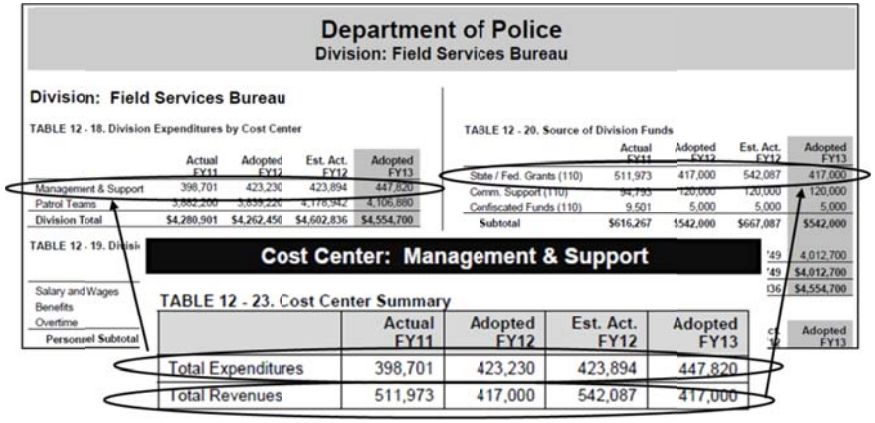
	Actual FY11	Adopted FY12	Est. Act. FY12	Adopted FY13
State / Fed. Grants (110)	511,973	417,000	542,087	417,000
Comm. Support (110)	94,793	120,000	120,000	120,000
Confiscated Funds (110)	9,501	5,000	5,000	5,000
Subtotal	$616,267	$542,000	$667,087	$542,000
Fund Contribution				
General Fund (110)	3,664,634	3,720,450	3,935,749	4,012,700
Subtotal	$3,664,634	$3,720,450	$3,935,749	$4,012,700
Division Total	$4,280,901	$4,262,450	$4,602,836	$4,554,700

TABLE 12 - 21. Staffing Summary by Cost Center (FTEs)

	Actual FY11	Adopted FY12	Est. Act. FY12	Adopted FY13
Regular				
Management & Support	3.0	3.0	3.0	3.0
Patrol Teams	38.0	38.0	38.0	38.0
Regular Subtotal	41.0	41.0	41.0	41.0
Temporary	0.0	0.0	0.0	0.0
Temporary Subtotal	0.0	0.0	0.0	0.0
Division Total	41.0	41.0	41.0	41.0

A cost center is a sub-section of a division that is responsible for a specific activity or group of activities under the division. For each cost center, the budget presents a summary of expenditures and revenues, as well as objectives, performance and workload measures, regular position titles and numbers of FTEs (including grade), and supplemental information in the form of charts, graphs, maps and text. A cost center provides the lowest level of detail available in the budget book. If a reader is considering options for increasing or decreasing the overall budget, the cost center level is an ideal place to start since it provides the most information about a specific operation, including number of FTEs and actual performance and workload information.

FIGURE i-5. The example below highlights the relationship between the Cost Center Summary tables and the Division Summary tables. Each cost center's total expenditures and revenues can be found in the cost center's section. Total cost center expenditures can also be seen on the Division Summary table, and cost center revenues appear on the Division Summary table by revenue source.



Department of Police
Division: Field Services Bureau

Division: Field Services Bureau

TABLE 12 - 18. Division Expenditures by Cost Center

	Actual FY11	Adopted FY12	Est. Act. FY12	Adopted FY13
Management & Support	398,701	423,230	423,894	447,820
Patrol Teams	3,882,200	3,839,220	4,178,942	4,106,880
Division Total	$4,280,901	$4,262,450	$4,602,836	$4,554,700

TABLE 12 - 20. Source of Division Funds

	Actual FY11	Adopted FY12	Est. Act. FY12	Adopted FY13
State / Fed. Grants (110)	511,973	417,000	542,087	417,000
Comm. Support (110)	94,793	120,000	120,000	120,000
Confiscated Funds (110)	9,501	5,000	5,000	5,000
Subtotal	$616,267	$542,000	$667,087	$542,000

TABLE 12 - 19. Divisi[illegible]

Salary and Wages			[illegible]49	4,012,700
Benefits			[illegible]49	$4,012,700
Overtime			[illegible]36	$4,554,700
Personnel Subtotal				

Cost Center: Management & Support

TABLE 12 - 23. Cost Center Summary

	Actual FY11	Adopted FY12	Est. Act. FY12	Adopted FY13
Total Expenditures	398,701	423,230	423,894	447,820
Total Revenues	511,973	417,000	542,087	417,000

Non-Departmental (Section 15)

This section summarizes the non-departmental operating expenditures, which are those costs not charged directly to specific departments but are general costs to the City. Expenditures that are budgeted within this section include fund contingencies, unemployment insurance, property and liability insurance, debt service, and administrative charges. Each fund is listed separately and is broken down by major expenditure category.

Appendix (Section 16)

This section contains supporting information, such as employee/position grades, classifications and pay scales, organizational listing, cost center summary, line item summary, glossary, and index.