



THE CITY OF FROSTBURG

Mayor and Council Meeting Agenda

Tuesday, April 21, 2026 at 5:30 PM

Frostburg Municipal Center Meeting Room 100
37 S. Broadway, Frostburg, MD 21532

Mayor Todd J. Logsdon

Donald L. Carter, Jr., Commissioner of Finance

Nina Forsythe, Commissioner of Water, Parks and Recreation

Kevin G. Grove, Commissioner of Public Safety

Adam Ritchey, Commissioner of Public Works

1. Call to Order

2. Pledge of Allegiance

3. Frostburg Blessing

4. Roll Call

5. Approval of the Agenda

6. Approval of the Minutes

A. Minutes from the March 2026 Council Meeting.

Motion and Second to Approve the Minutes for the March 2026 Council Meeting.

7. Special Presentations and Requests

A. Arbor Day Proclamation.

8. Mayor and Commissioners Reports and Announcements

A. Monthly Reports of the City Departments.

Motion and Second to Approve Monthly Reports of the City Departments; Vote of the Mayor and City Council.

9. Public Hearings

A. Combined Sewer Overflow Monthly Public Hearing

10. Old Business

11. New Business

A. Resolution 2026-09 Approving Contracts with Sun Central LLC to Receive Solar Energy Credits. Patrick O'Brien, City Administrator.

Motion and Second to Approve Resolution 2026-09; PUBLIC COMMENT; Vote of the Mayor and City Council.

B. Resolution 2026-10 Approving a Temporary Repeal of the Open Container Law. Nicholas Costello, Chief of Police.

Motion and Second to Approve Resolution 2026-10; PUBLIC COMMENT; Vote of the Mayor and City Council.

C. Resolution 2026-11 Authorizing Individuals to Execute Documents to Participate in Certain Opioid Settlements. Patrick O'Brien, City Administrator.

Motion and Second to Approve Resolution 2026-11; PUBLIC COMMENT; Vote of the Mayor and City Council.

D. Resolution 2026-12 Approving an Amendment to Change Order No. 3 to the Contract with Braddock Construction, LLC for the Construction of the CSO Elimination Phase X-A Georges Creek Project. Hayden Lindsey, Director of Public Works.

Motion and Second to Approve Resolution 2026-12; PUBLIC COMMENT; Vote of the Mayor and City Council.

E. Resolution 2026-13 Approving a Lease for 126 S Water Street with The Foundation for Frostburg, Inc. for use as the Food Pantry. Patrick O'Brien, City Administrator.

Motion and Second to Approve Resolution 2026-13; PUBLIC COMMENT; Vote of the Mayor and City Council.

F. Resolution 2026-14 Ratifying and Confirming Certain Appointed Officials. Patrick O'Brien, City Administrator.

Motion and Second to Approve Resolution 2026-14; PUBLIC COMMENT; Vote of the Mayor and City Council.

G. Resolution 2026-15 Approving Change Order No. 1 to the Contract with Wallace Montgomery & Associates, LLP for Services Supporting the Development of the City of Frostburg Comprehensive Plan. Jon Miller, Director of Community Development.

Motion and Second to Approve Resolution 2026-15; PUBLIC COMMENT; Vote of the Mayor and City Council.

H. Ordinance 2026-03 Approving the Form and Authorizing the Execution, Issuance, Sale, and Delivery of One or More General Obligation Installment Bonds. Patrick O'Brien, City Administrator.

Motion and Second to Approve Ordinance 2026-03 on the First Reading and Set the Public Hearing for May 19; PUBLIC COMMENT; Vote of the Mayor and City Council.

I. Ordinance 2026-04 To Repeal and Reenact Sections 4.01 and 4.02 of Appendix D of the City Code (The Rental Housing Code) Pertaining to Rental Housing Standards and Fire Safety. Jon Miller, Director of Community Development.

Motion and Second to Approve Ordinance 2026-04 on the First Reading and Set the Public Hearing for May 19; PUBLIC COMMENT; Vote of the Mayor and City Council.

J. Ordinance 2026-05 Formal Adoption of the Fiscal Year 2027 Operating Budget and Schedule of Municipal Fees. Amy Phillips, CPA, Director of Finance.

Motion and Second to Approve Ordinance 2026-05 on the First Reading and Set the Public Hearing for May 19; PUBLIC COMMENT; Vote of the Mayor and City Council.

12. Open Public Comment

13. Adjournment



THE CITY OF FROSTBURG

Mayor and Council Meeting Minutes

Tuesday, March 17, 2026 at 5:30 PM

Frostburg Municipal Center Meeting Room 100
37 S. Broadway, Frostburg, MD 21532

Mayor Todd J. Logsdon

Donald L. Carter, Jr., Commissioner of Finance

Nina Forsythe, Commissioner of Water, Parks and Recreation

Kevin G. Grove, Commissioner of Public Safety

Adam Ritchey, Commissioner of Public Works

1. Call to Order

Mayor Logsdon called the meeting to order at 5:30 pm.

2. Pledge of Allegiance

3. Frostburg Blessing

4. Roll Call

PRESENT

Mayor Todd Logsdon

Commissioner of Finance Donald Carter

Commissioner of Public Safety Kevin Grove

Commissioner of Water, Parks and Recreation Nina Forsythe

Commissioner of Public Works Adam Ritchey

5. Approval of the Agenda

Motion made by Commissioner of Water, Parks and Recreation Forsythe, Seconded by Commissioner of Public Safety Grove.

Voting Yea: Mayor Logsdon, Commissioner of Finance Carter, Commissioner of Public Safety Grove, Commissioner of Water, Parks and Recreation Forsythe, Commissioner of Public Works Ritchey

6. Approval of the Minutes

A. Minutes from the February 2026 Council Meeting.

Motion and Second to Approve the Minutes for the February 2026 Council Meeting.

Motion made by Commissioner of Finance Carter, Seconded by Commissioner of Public Works Ritchey.

Voting Yea: Mayor Logsdon, Commissioner of Finance Carter, Commissioner of Public Safety Grove, Commissioner of Water, Parks and Recreation Forsythe, Commissioner of Public Works Ritchey

7. Special Presentations and Requests

A. "If I Were Mayor..." Essay Contest Winners.

8. Mayor and Commissioners Reports and Announcements

A. Monthly Reports of the City Departments.

Motion and Second to Approve Monthly Reports of the City Departments; Vote of the Mayor and City Council.

Motion made by Commissioner of Finance Carter, Seconded by Commissioner of Water, Parks and Recreation Forsythe.

Voting Yea: Mayor Logsdon, Commissioner of Finance Carter, Commissioner of Public Safety Grove, Commissioner of Water, Parks and Recreation Forsythe, Commissioner of Public Works Ritchey

9. Public Hearings

- A. Combined Sewer Overflow Monthly Public Hearing
- B. Ordinance 2026-01** An Ordinance to Amend the City's Zoning Ordinance by Changing the Classification of Artisan/Small-Scale Manufacturing Land Use From a Special Exception Use to Permitted Use in All Commercial Districts. (Amended) Public Hearing.

10. Old Business

- A. Ordinance 2026-01** An Ordinance to Amend the City's Zoning Ordinance by Changing the Classification of Artisan/Small-Scale Manufacturing Land Use From a Special Exception Use to Permitted Use in All Commercial Districts.

Motion and Second to Approve Ordinance 2026-01 as Amended on Third Reading; PUBLIC COMMENT; Vote of the Mayor and City Council.

Motion made by Commissioner of Public Works Ritchey, Seconded by Commissioner of Public Safety Grove.

Voting Yea: Mayor Logsdon, Commissioner of Finance Carter, Commissioner of Public Safety Grove, Commissioner of Water, Parks and Recreation Forsythe, Commissioner of Public Works Ritchey

11. New Business

- A. Resolution 2026-03** Reappointing a Member of the Board of Zoning Appeals. Jon Miller, Director of Community Development.

Motion and Second to Approve Resolution 2026-03; PUBLIC COMMENT; Vote of the Mayor and City Council.

Motion made by Commissioner of Public Works Ritchey, Seconded by Commissioner of Finance Carter.

Voting Yea: Mayor Logsdon, Commissioner of Finance Carter, Commissioner of Public Safety Grove, Commissioner of Water, Parks and Recreation Forsythe, Commissioner of Public Works Ritchey

- B. Resolution 2026-04** Appointing a Member to the Housing Authority Board. Patrick O'Brien, City Administrator.

Motion and Second to Approve Resolution 2026-04; PUBLIC COMMENT; Vote of the Mayor and City Council.

Motion made by Commissioner of Public Works Ritchey, Seconded by Commissioner of Water, Parks and Recreation Forsythe.

Voting Yea: Mayor Logsdon, Commissioner of Finance Carter, Commissioner of Public Safety Grove, Commissioner of Water, Parks and Recreation Forsythe, Commissioner of Public Works Ritchey

- C. Resolution 2026-05** Approving a Contract with EmPOWER Maryland for Funding for the VFD Project. Hayden Lindsey, Director of Public Works.

Motion and Second to Approve Resolution 2026-05; PUBLIC COMMENT; Vote of the Mayor and City Council.

Motion made by Commissioner of Water, Parks and Recreation Forsythe, Seconded by Commissioner of Public Safety Grove.

Voting Yea: Mayor Logsdon, Commissioner of Finance Carter, Commissioner of Public Safety Grove, Commissioner of Water, Parks and Recreation Forsythe, Commissioner of Public Works Ritchey

D. Resolution 2026-06 Approving Change Order #3 for CSO Phase X-A. Hayden Lindsey, Director of Public Works.

Motion and Second to Approve Resolution 2026-06; PUBLIC COMMENT; Vote of the Mayor and City Council.

Motion made by Commissioner of Public Works Ritchey, Seconded by Commissioner of Finance Carter.

Voting Yea: Mayor Logsdon, Commissioner of Finance Carter, Commissioner of Public Safety Grove, Commissioner of Water, Parks and Recreation Forsythe, Commissioner of Public Works Ritchey

E. Resolution 2026-07 Approving Mid-Year Budget Amendments to the FY26 Budget. Amy Phillips, CPA, Director of Finance.

Motion and Second to Approve Resolution 2026-07; PUBLIC COMMENT; Vote of the Mayor and City Council.

Motion made by Commissioner of Finance Carter, Seconded by Commissioner of Public Safety Grove.

Voting Yea: Mayor Logsdon, Commissioner of Finance Carter, Commissioner of Public Safety Grove, Commissioner of Water, Parks and Recreation Forsythe, Commissioner of Public Works Ritchey

F. Resolution 2026-08 Approving an Increase in the Frostburg Summer Day Camp Fees. Patrick O'Brien, City Administrator.

Motion and Second to Approve Resolution 2026-09; PUBLIC COMMENT; Vote of the Mayor and City Council.

Motion made by Commissioner of Water, Parks and Recreation Forsythe, Seconded by Commissioner of Public Safety Grove.

Voting Yea: Mayor Logsdon, Commissioner of Finance Carter, Commissioner of Public Safety Grove, Commissioner of Water, Parks and Recreation Forsythe, Commissioner of Public Works Ritchey

12. Open Public Comment

Mr. Nathan McCarthy - Solar on Earth

Discussed the Solar on Earth program that the City of Frostburg is considering for energy credits. Also discussed a potential discount for residential customers that could equal up to 15-25%. Worked with the Housing Authority to offer them a 75% discount. Proposing to the City an open ended agreement for 10 years with up to two 5 year extensions. 180 notice. No termination fee.

For the city contract, the city would sign up as a subscriber to receive credits.

Ms. Kelly Mears

Candidate for Commissioner of Finance. Happy to hear comments about solar. Know there are energy issues in the area. Frostburg residents are concerned about state decisions whether it is energy, data centers, etc. What does it mean when we try to bring jobs to the area around energy. Will they stay?

Comments on ordinance 2026-02. Happy to see that the chief spoke on the ordinance as his views aligned with hers. Concerns about the enforcement concept of the code as it sits.

Hotel motel tax applications - Knows that it is a controversial topic. Thanked Commissioner Carter for laying out what the funding is meant for. Happy to see there was an initiative to meet with those over a certain request and movement toward a rubric of sorts.

End on a win. Happy to see the zoning ordinance pass that took into residents concerns. JMA software was really good to see.

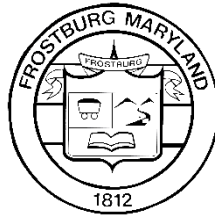
13. Adjournment

Mayor Logsdon adjourned the meeting at 6:47 pm.

Todd J. Logsdon, Mayor

Patrick O'Brien, City Administrator

City of Frostburg
Monthly Reports



For the month of March 2026
Reports from the Departments of:

Community Development
Finance
Parks and Recreation
Street
Water
Police

CITY OF FROSTBURG

Monthly Report: Community Development Department

For the Month of: March 2026

Submitted by: Jon Miller, Director of Community Development; Jamie Klink, Planner; Erica Beeman, Rental Housing Program Coordinator; Jay Hovatter, Code Enforcement Officer/Rental Housing Inspector

Permits

Please see attached permit report.

Rental Housing

- Started intake on third fee schedule rental registration renewals, 22 licenses remaining as of 4/20/2026.
- Provided additional copies of renewal documents for those who requested new copies.
- Mailing address and email address updates were made for property owners who needed them.
- Updating iWorQ and Rental Housing Spreadsheet to reflect new and/or updated information for rental owners/agents.
- Provided Rental Housing welcoming materials to new property owners and rental properties brought into the program.
- Owner and Agent list was provided to property owners searching for new management agencies.
- Continued providing inspection notices for B-1 cycle property owners and agents. 53 of 117 inspections have been completed as of 4/20/26. An additional 22 have been scheduled to take place between now and June 30, 2026.
- Continued working on proposal for Vacant and Blighted Property Registration Program with Code Enforcement and Director of Community Development.

Code Enforcement

- Detailed code enforcement action reports are attached. Please note that the Phone Call/Emails in the Activity Report reflect calls and emails from complainants, property owners, and/or tenants related to code enforcement matters.

Boards and Commissions

- *Historic District Commission* – The Historic District Commission met on March 9 to discuss updates to the City’s Historic District Guidelines, focused primarily on updates to demolition guidelines. The Commission members voted to review example guidelines from Cumberland, Hagerstown, and Frederick over the next month in preparation of potentially adopting updated guidelines.

Additionally, Layne Thompson of JMA Resources, Inc. was on-hand to give an overview and update of the 76Unboxed, the City’s new web-based Historic District management, promotion, and discussion platform. Mr. Thompson stated that staff members of JMA Resources came to Frostburg to take photos of approximately 200 properties in the Historic District and the system is now live in “Test Mode”.

- *Planning Commission* – The Frostburg Planning Commission did not meet in March due to a lack of applications received.
- *Board of Zoning Appeals* – The Board of Zoning Appeals did not meet in March due to a lack of applications received.
- *Green Team* – The Green Team met on Thursday, March 5 to discuss topics that included the Seed Swap/Garden Supply Swap event to be held on March 7, the Buy Nothing Event, social media postings, the upcoming Sustainable Maryland Recertification deadline of June 30, and the transition of Green Team Coordinator duties on a quarterly basis. An additional meeting was also held on Thursday, March 26 at the Frostburg Library to discuss planning for the Buy Nothing Event which will take place on May 16 and 17.

Director’s Report:

Meetings, Webinars, Conferences, and Trainings Attended:

- March 5th – Green Team
- March 6th – Comprehensive Plan Monthly Meeting
- March 10th – Staff Meeting
- March 10th – Work Session
- March 12th – Frostburg First Board Meeting
- March 17th – Staff meeting
- March 17th – Mayor Council Meeting
- March 19th – 76 Unboxed Staff Workshop

- March 20th – Hotel Motel Tax Funding Request Meeting – Frostburg Museum
- March 26th – Green Team Meeting for Sustainable MD Recertification
- March 27th – Comp Plan Meeting with New Staff from Wallace Montgomery
- March 30th – Hotel Motel Tax Funding Request Meeting – Frostburg First

Director’s Current Project Updates:

- **Comprehensive Plan Re-Write** – The Comp Plan Steering Committee held their regular monthly meeting on March 6th. Following items were discussed – environmental resources, soils steep slopes map, floodplain map, green infrastructure, hubs, corridors and gaps map, conservation map, ecological area.
- **Stabilization Grant Program** – Hocking House and Lucky Liquors have accepted, moving forward with that phase of project. Hocking House moving forward with work.
- **Town House Project** – Photos submitted to Maryland Historic Trust for review, once receive permission for demolition we will proceed. Maryland historical Trust will review and inform us of findings, then properties will need to be archived.
- **Record Retention** - Community Development Department record retention documentation for State of Maryland Review
- **76 Unboxed** – Working with staff from JMA Resources. Information sessions will be scheduled in the near future.
- **Sustainable Maryland Recertification** - Starting the process of Sustainable Maryland Recertification.



Permit Report

Section 8, Item A.

03/01/2026 - 03/31/2026

Permit Type	Permit Sub Type	Parcel Address	Description	Main Status
Building	Accessory Structure	131 W COLLEGE AVE	Construction of a 1,656 sf Garage - Phase I for Foundation ONLY	Open
Use & Occupancy		39 S BROADWAY	Commercial Use & Occupancy	Closed
Building	Renovation/Conversion	1 SCIENCE PARK	Commercial Renovation/Conversion to a Medical Facility	Pending
Building	Accessory Structure	7 BARNARD PL	8x10 Metal Storage Shed	Closed
Use & Occupancy		2 W MAIN ST	Commercial Use & Occupancy	Closed
Certificate of Appropriateness		2 W MAIN ST	In-kind Sign Replacement	Closed
Burning		38 W COLLEGE AVE	Burning Brush	Closed
Burning		100 MAPLEHURST ROAD	Burning Brush	Closed
Burning		282 ARMSTRONG AVE	Burning Brush	Closed

Total Records: 9

4/20/2026



Location Inspection Detail Report

03/01/2026 - 03/31/2026

Address	# Units	Date	Inspection Type	Description	Completed Date	Inspection Status
166 Bowery Street	6	4/2/2026	Rental Unit Inspection	166 Unit 1B	3/31/2026	Pass
166 Bowery Street	6	4/2/2026	Rental Unit Inspection	166 Unit 2A	3/31/2026	Fail
166 Bowery Street	6	4/2/2026	Rental Unit Inspection	166 Rental Unit 2B	3/31/2026	Pass
166 Bowery Street	6	4/2/2026	Rental Unit Inspection	166 Unit 3A	3/31/2026	Fail
166 Bowery Street	6	4/2/2026	Rental Unit Inspection	166 Unit 3B	3/31/2026	Fail
171 E. Main Street	7	4/2/2026	Rental Unit Inspection	171 Unit 3	3/31/2026	Pass
171 E. Main Street	7	4/2/2026	Rental Unit Inspection	171 E Main Unit 4	3/31/2026	Fail
171 E. Main Street	7	4/2/2026	Rental Unit Inspection	171 E Main Unit 5	3/31/2026	Fail
171 E. Main Street	7	4/2/2026	Rental Unit Inspection	171 E. Main Unit 6	3/31/2026	Fail
171 E. Main Street	7	4/2/2026	Rental Unit Inspection	171 E. Main Unit 7 (3rd floor)	3/31/2026	Fail
136 Wood Street	4	3/30/2026	Rental Unit Inspection	136 Wood Unit 1	3/30/2026	*Pending (Smoke Alarms)
136 Wood Street	4	3/30/2026	Rental Unit Inspection	136 Wood Unit 2	3/30/2026	*Pending (Smoke Alarms)
136 Wood Street	4	3/30/2026	Rental Unit Inspection	136 Wood Unit 4	3/30/2026	*Pending (Smoke Alarms)
232 W. Main Street	8	3/26/2026	Rental Unit Inspection	232 Unit 7 Re-inspection	3/25/2026	*Pending (Smoke Alarms)
232 W. Main Street	8	3/26/2026	Rental Unit Inspection	232 Unit 4 Re-inspection	3/25/2026	*Pending (Smoke Alarms)

Address	# Units	Date	Inspection Type	Description	Completed Date	Inspection Status
232 W. Main Street	8	3/25/2026	Rental Unit Inspection	232 unit 3	3/25/2026	Fail
232 W. Main Street	8	3/25/2026	Rental Unit Inspection	232 unit 4	3/25/2026	*Pending (Smoke Alarms)
232 W. Main Street	8	3/25/2026	Rental Unit Inspection	232 unit 5 rear	3/25/2026	Fail
232 W. Main Street	8	3/25/2026	Rental Unit Inspection	232 unit 6	3/25/2026	Fail
232 W. Main Street	8	3/25/2026	Rental Unit Inspection	232 unit 7	3/25/2026	Fail
232 W. Main Street	8	3/25/2026	Rental Unit Inspection	232 unit 2	3/25/2026	*Pending (Smoke Alarms)
61 Broadway	8	3/24/2026	Rental Unit Inspection	61 unit 6	3/24/2026	*Pending (Smoke Alarms)
61 Broadway	8	3/24/2026	Rental Unit Inspection	61 Unit 5	3/24/2026	*Pending (Smoke Alarms)
61 Broadway	8	3/24/2026	Rental Unit Inspection	61 Unit 4	3/24/2026	*Pending (Smoke Alarms)
61 Broadway	8	3/24/2026	Rental Unit Inspection	61 Unit 8	3/24/2026	*Pending (Smoke Alarms)
61 Broadway	8	3/24/2026	Rental Unit Inspection	61 Unit 7	3/24/2026	*Pending (Smoke Alarms)
61 Broadway	8	3/24/2026	Rental Unit Inspection	61 Unit 1	3/24/2026	*Pending (Smoke Alarms)
16 Broadway	3	3/24/2026	Rental Unit Inspection	16 Unit C	3/24/2026	*Pending (Smoke Alarms)
16 Broadway	3	3/24/2026	Rental Unit Inspection	16 Unit B	3/24/2026	*Pending (Smoke Alarms)
32 Stoyer Street	1	3/23/2026	Rental Unit Inspection	Re inspection 32 Stoyer	3/24/2026	*Pending (Smoke Alarms)
32 Stoyer Street	1	3/20/2026	Rental Unit Inspection	Rental Unit Inspection 32 Stoyer Street	3/23/2026	Fail

Address	# Units	Date	Inspection Type	Description	Completed Date	Inspection Status
77 W. College Ave.	1	3/20/2026	Rental Unit Inspection	Re-inspection 77 W. College Avenue	3/20/2026	Pass
232 W. Main Street	8	3/20/2026	Rental Unit Inspection	Rental Unit Inspection 232 W. Main Unit 8	3/25/2026	Fail
62 S. Broadway	1	3/20/2026	Rental Unit Inspection	Rental Unit Inspection 62 S. Broadway	3/25/2026	Fail
64 S. Broadway	1	3/20/2026	Rental Unit Inspection	Rental Unit Inspection 64 S. Broadway	3/25/2026	Fail
171 E. Main Street	7	3/20/2026	Rental Unit Inspection	Rental Unit Inspection 171 W. Main Street Unit 1	3/31/2026	Fail
166 Bowery Street	6	3/20/2026	Rental Unit Inspection	Rental Unit Inspection 166 Bowery Unit 1A	3/31/2026	Fail
293 E. Main Street	6	3/19/2026	Rental Unit Inspection	Re-inspection Unit 6	3/18/2026	*Pending (Smoke Alarms)
293 E. Main Street	6	3/19/2026	Rental Unit Inspection	291 E. Main Unit 1 Re-Inspection	3/16/2026	*Pending (Smoke Alarms)
10 Centennial St. Apt. 1	1	3/19/2026	Rental Unit Inspection	Re Inspection 10 Centennial Street Apt 1	3/23/2026	*Pending (Smoke Alarms)
293 E. Main Street	6	3/17/2026	Rental Unit Inspection	Re Inspection 293 Unit 9	3/16/2026	Pass
293 E. Main Street	6	3/17/2026	Rental Unit Inspection	293 Unit 10 Re-inspection	3/17/2026	*Pending (Smoke Alarms)
136 Wood Street	4	3/17/2026	Rental Unit Inspection	136 Wood St Inspection Unit 3	3/30/2026	Fail
289 1/2 E. Main Street	2	3/16/2026	Rental Unit Inspection	Re-Inspection 289 1/2 Unit 3	3/16/2026	Pass
61 Broadway	8	3/16/2026	Rental Unit Inspection	Rental Unit Inspection 61 Unit 3	3/24/2026	*Pending (Smoke Alarms)

Address	# Units	Date	Inspection Type	Description	Completed Date	Inspection Status
16 Broadway	3	3/16/2026	Rental Unit Inspection	Rental Unit Inspection 16 Unit A	3/24/2026	*Pending (Smoke Alarms)
291 E. Main Street	2	3/13/2026	Rental Unit Inspection	Re Inspection 291 #2	3/13/2026	*Pending (Smoke Alarms)
293 E. Main Street	6	3/13/2026	Rental Unit Inspection	Re-Inspection 293 Unit 5	3/13/2026	Pass
123 S. Water Street	1	3/13/2026	Rental Unit Inspection	Rental Unit Inspection 123 S Water Street	3/19/2026	Fail
76 Bowery Street	1	3/13/2026	Rental Unit Inspection	Rental Unit Inspection	3/16/2026	Fail
289 1/2 E. Main Street	2	3/11/2026	Rental Unit Inspection	289 1/2 unit 4	3/11/2026	Pass
293 E. Main Street	6	3/11/2026	Rental Unit Inspection	293 unit 6	3/11/2026	*Pending (Smoke Alarms)
293 E. Main Street	6	3/11/2026	Rental Unit Inspection	293 unit 7	3/11/2026	Pass
293 E. Main Street	6	3/11/2026	Rental Unit Inspection	293 unit 8	3/11/2026	Fail
293 E. Main Street	6	3/11/2026	Rental Unit Inspection	293 Unit 9	3/11/2026	Fail
293 E. Main Street	6	3/11/2026	Rental Unit Inspection	293 Unit 10	3/11/2026	Fail
20 W. College Ave.	2	3/10/2026	Rental Unit Inspection	Rental unit 20 West College Unit A lower	3/10/2026	Fail
169 Spring Street	2	3/10/2026	Rental Unit Inspection	Rental unit inspection 169 lower Apt. B	3/10/2026	Fail
20 W. College Ave.	2	3/9/2026	Rental Unit Inspection	Rental Unit Inspection 20 W. College Unit B upstairs	3/10/2026	Fail
169 Spring Street	2	3/9/2026	Rental Unit Inspection	Rental Unit Inspection upstairs 169	3/10/2026	Fail
291 E. Main Street	2	3/9/2026	Rental Unit Inspection	Rental Unit Inspection 291 Apt 2	3/11/2026	Fail

Address	# Units	Date	Inspection Type	Description	Completed Date	Inspection Status
293 E. Main Street	6	3/9/2026	Rental Unit Inspection	Rental Unit Inspection 293 Unit 5	3/11/2026	Fail
289 1/2 E. Main Street	2	3/9/2026	Rental Unit Inspection	Rental Unit Inspection 288 1/2 Unit 3	3/11/2026	Fail
151 Bowery Street	2	3/6/2026	Rental Unit Inspection	Re - inspection lower unit	3/6/2026	Pass
151 Bowery Street	2	3/6/2026	Rental Unit Inspection	Re inspection upper unit 151B	3/6/2026	Pass
150 E. Main Street	3	3/3/2026	Rental Unit Inspection	Re Inspection Unit A	3/24/2026	*Pending (Smoke Alarms)
150 E. Main Street	3	3/3/2026	Rental Unit Inspection	Re Inspection Unit B	3/24/2026	*Pending (Smoke Alarms)
150 E. Main Street	3	3/3/2026	Rental Unit Inspection	Re Inspection Unit C	3/24/2026	*Pending (Smoke Alarms)
131 Hill Street	1	3/2/2026	Rental Unit Inspection	Rental Unit Inspection	3/2/2026	*Pending (Smoke Alarms)
159 E. College Ave.	1	2/27/2026	Rental Unit Inspection	Rental Unit Inspection 159 E. College Ave	3/9/2026	Pass
110 R S. Broadway	1	2/25/2026	Rental Unit Inspection	Rental Unit Inspection R	3/4/2026	Pass
110 U S. Broadway	1	2/25/2026	Rental Unit Inspection	Rental Unit U Inspection	3/4/2026	Pass
15 S. Broadway	2	2/24/2026	Rental Unit Inspection	Rental Unit Inspection Apt 2	3/3/2026	Fail
10 Centennial St. Apt. 1	1	2/23/2026	Rental Unit Inspection	Rental Unit Inspection 10 centennial Apt.1	3/19/2026	Fail
131 Hill Street	1	2/23/2026	Rental Unit Inspection	Rental Unit Inspection	3/2/2026	Fail
50 E. College Avenue	1	2/23/2026	Rental Unit Inspection	Rental Unit Inspection	3/2/2026	Fail

Address	# Units	Date	Inspection Type	Description	Completed Date	Inspection Status
36 Stoyer Street	1	2/23/2026	Rental Unit Inspection	Rental Unit Inspection	3/2/2026	Fail

Total Records: 77

4/6/2026



Case Activity Report

03/01/2026 - 03/31/2026

Completed Date	Compliance Deadline	Parcel Address	Description	Activity Type	Main Status
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Group: Abatement

3/23/2026	04/06/2026	48 S BROADWAY	Unregistered SUV	Abatement	First Warning

Group Total: 1

Group: Inspection

3/24/2026		10701 NEW GEORGES CREEK ROAD SW	standing water drainage issue	Inspection	First Warning
3/25/2026		11 W. Main Street	Dumpster over flowing trash on ground	Inspection	Investigation
3/26/2026		10601 NEW GEORGES CREEK RD	Illegal Occupancy	Inspection	Monitoring
3/8/2026		146 BOWERY ST	Tampering with water Valve/Meter Theft	Inspection	On Hold
3/10/2026	03/15/2026	154 CENTER ST	Furniture	Inspection	Resolved
3/10/2026	Referred to FPD	133 WOOD ST	Unregistered Ford Pick up in front of 129 Wood Street	Inspection	Referred to FPD
3/10/2026	03/15/2026	151 CENTER ST	Furniture	Inspection	Resolved

Group Total: 7

Completed Date	Compliance Deadline	Parcel Address	Description	Activity Type	Main Status
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Group: Phone Call/Email

3/30/2026	04/08/2026	109 BOWERY ST	Playground equipment, lawn equipment and trash on neighboring property.	Phone Call/Email	First Warning
3/26/2026		57 MOUNT PLEASANT ST	Disabled vehicle	Phone Call/Email	Referred to FPD
3/26/2026		10701 NEW GEORGES CREEK ROAD SW	standing water drainage issue	Phone Call/Email	First Warning
3/25/2026		11 W. Main Street	Dumpster over flowing trash on ground	Phone Call/Email	Investigation
3/24/2026		10701 NEW GEORGES CREEK ROAD SW	standing water drainage issue	Phone Call/Email	First Warning
3/25/2026	03/22/2026	206 WELSH HILL ROAD		Phone Call/Email	Monitoring
3/23/2026	03/22/2026	76 SPRING ST	Debris	Phone Call/Email	Resolved
3/23/2026		135 HILL ST	Mold issue	Phone Call/Email	Monitoring
3/16/2026		73 BOWERY ST	Dogs at large	Phone Call/Email	Investigation
3/16/2026		153 SPRING ST		Phone Call/Email	Monitoring
3/13/2026		130 CENTER ST	Appliance	Phone Call/Email	Resolved
3/9/2026		140 BOWERY ST	Loose debris and construction materials	Phone Call/Email	Resolved
3/4/2026	N/A	217 MAIN ST	Phone call concerned citizen	Phone Call/Email	Monitoring
3/2/2026	03/09/2026	170 MAPLE ST	Loose trash	Phone Call/Email	Resolved

Group Total: 14

Completed Date	Compliance Deadline	Parcel Address	Description	Activity Type	Main Status
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Group: Re-Inspection

3/26/2026	03/22/2026	76 SPRING ST	Debris	Re-Inspection	Resolved
3/20/2026		130 CENTER ST	Appliance	Re-Inspection	Resolved
3/20/2026	03/23/2026	125 Bowery Street	Furniture	Re-Inspection	First Warning
3/20/2026	03/15/2026	154 CENTER ST	Furniture	Re-Inspection	Resolved
3/10/2026	03/09/2026	164 BOWERY ST	Loose trash and furniture	Re-Inspection	Resolved
3/11/2026	03/09/2026	170 MAPLE ST	Loose trash	Re-Inspection	Resolved
3/9/2026	03/11/2026	88 PARK LANE	Loose trash around dumpster	Re-Inspection	Resolved
3/9/2026	03/09/2026	146 W MAIN ST	dog feces in yard along Mechanic Street	Re-Inspection	Resolved
3/2/2026	Immediately	191 PARK AVE	Obstructed Fire Dept. Connection obstructed by dumpster and furniture. Life Safety Violation	Re-Inspection	Resolved
3/2/2026	Immediately	179 PARK AVE	Obstructed Fire Department Connection	Re-Inspection	Resolved

Group Total: 10**Group: Walk-In**

3/20/2026	03/22/2026	76 SPRING ST	Debris	Walk-In	Resolved
3/11/2026	03/11/2026	53 BOWERY ST	Unregistered/disabled vehicle at rear of property.	Walk-In	Monitoring

Completed Date	Compliance Deadline	Parcel Address	Description	Activity Type	Main Status
3/4/2026	03/09/2026	146 W MAIN ST	dog feces in yard along Mechanic Street	Walk-In	Resolved

Group Total: 3

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Total Records: 35

4/6/2026



Case Detail Report

03/01/2026 - 03/31/2026

Case Date	Compliance Deadline	Parcel Address	Description	Main Status
3/30/2026		108 S BROADWAY	Trash and debris	Resolved
3/27/2026	04/08/2026	109 BOWERY ST	Playground equipment, lawn equipment and trash on neighboring property.	First Warning
3/27/2026	04/06/2026	11 FEDERAL ST	Furniture, debris and ashes	First Warning
3/26/2026		57 MOUNT PLEASANT ST	Disabled vehicle	Referred to FPD
3/26/2026		10601 NEW GEORGES CREEK RD	Illegal Occupancy	Monitoring
3/26/2026		11 W. Main Street	Dumpster over flowing trash on ground	Investigation
3/26/2026		10701 NEW GEORGES CREEK ROAD SW	standing water drainage issue	First Warning
3/23/2026	04/06/2026	48 S BROADWAY	Unregistered SUV	First Warning
3/23/2026		135 HILL ST	Mold issue	Monitoring
3/20/2026	03/30/2026	144 WOOD ST	Furniture	First Warning
3/16/2026		73 BOWERY ST	Dogs at large	Investigation
3/13/2026	03/23/2026	125 Bowery Street	Furniture	First Warning
3/13/2026		130 CENTER ST	Appliance	Resolved

Case Date	Compliance Deadline	Parcel Address	Description	Main Status
3/13/2026	03/27/2026	142 SPRING ST	Unregistered/ disabled vehicles	First Warning
3/13/2026		153 SPRING ST		Monitoring
3/13/2026	03/23/2026	139 SPRING ST	Furniture	First Warning
3/13/2026		33 HILL ST	Trash and debris	First Warning
3/12/2026	03/22/2026	206 WELSH HILL ROAD		Monitoring
3/12/2026	03/22/2026	89 HILL ST	Loose trash, debris and clutter	First Warning
3/12/2026	03/22/2026	76 SPRING ST	Debris	Resolved
3/10/2026	Referred to FPD	133 WOOD ST	Unregistered Ford Pick up in front of 129 Wood Street	Referred to FPD
3/10/2026	03/17/2026	164 MAPLE ST	Loose trash	First Warning
3/10/2026	03/15/2026	154 CENTER ST	Furniture	Resolved
3/10/2026	03/15/2026	151 CENTER ST	Furniture	Resolved
3/10/2026	03/17/2026	88 BOWERY ST	Trash set out to early.	Resolved
3/4/2026	03/11/2026	88 PARK LANE	Loose trash around dumpster	Resolved
3/4/2026	N/A	217 MAIN ST	Phone call concerned citizen	Monitoring
3/2/2026	03/09/2026	146 W MAIN ST	dog feces in yard along Mechanic Street	Resolved
3/2/2026	03/09/2026	170 MAPLE ST	Loose trash	Resolved
3/2/2026	03/09/2026	164 BOWERY ST	Loose trash and furniture	Resolved

"BUY NOTHING, GIVE FREELY" EVENT

WHETHER YOU'RE GIVING, GETTING, OR SWAPPING,
EVERYTHING IS FREE!

Accepted Items

- Appliances (Handheld or countertop only)
- Household Items
- Bicycles
- Clothing & Shoes (no ripped or stained items!)
- Pet Supplies
- Sporting Goods
- Nonperishable food items
- Most other items that are reusable, non-toxic, non-hazardous, & clean
- NO MATTRESSES!

Keep your unwanted items out of the waste stream! Instead, offer it up to your neighbors. Bring your stuff, or simply come pick up some new-to-you items - for free!

City Place

14 S. Water Street
Frostburg, MD 21532



Saturday, May 16

7:00 AM - 5:00 PM

Sunday, May 17

10:00 AM - 4:00 PM



Donation Drop-Offs

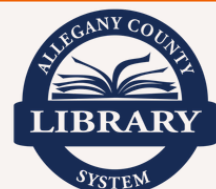
Thurs., May 14 + Fri., May 15

4:00 - 7:00 PM at City Place

Donations also accepted all weekend until noon on Sunday.



For more information & full list of
accepted items, please visit
www.frostburgcity.org
or call 301-689-6000, ext. 110



HELP US CLEAN UP
DOWNTOWN FROSTBURG
BEFORE ARTS WALK!



EARTH DAY DOWNTOWN CLEANUP EVENT

HOW IT WORKS (NO SIGN-UP NEEDED!)

1. STOP BY THE FROSTBURG POLICE DEPARTMENT LOBBY TO GRAB GLOVES, TRASH BAGS, AND A TRASH PICKER.
2. HIT THE STREETS & PICK UP LITTER ANYWHERE IN DOWNTOWN AT YOUR OWN PACE.
3. DROP FILLED BAGS & LEFTOVER SUPPLIES NEAR THE AFTER-HOURS DROPBOX OUTSIDE FPD WHEN YOU'RE DONE.

WEDNESDAY, APRIL 22, 2026

3PM - 6PM

PICK UP SUPPLIES IN THE FROSTBURG POLICE DEPT. LOBBY

GLOVES & GARBAGE BAGS WILL BE PROVIDED

COORDINATED BY THE
FROSTBURG GREEN TEAM

2026

Assets

01-000-1000	CASH	0.00
01-000-1001	OPERATING CASH - POLICE DEPT	100.00
01-000-1002	CASH SWEEP ACCOUNT	0.00
01-000-1003	OPERATING CASH - TAX CLERK	200.00
01-000-1004	CASH - CORPORATE (STC)	8,707,995.08
01-000-1005	PETTY CASH	0.00
01-000-1006	RESTRICTED CASH CD - PLAYGROUND FUN	0.00
01-000-1007	RESTRICTED CASH CD - SANDSPRING	0.00
01-000-1008	RESTRICTED CASH-HEALTH INSUR COLLATERAL	20,519.00
01-000-1009	RESTRICTED CASH - RMC GRANT-HYDRO STUDY	25.00
01-000-1010	CASH - PAYROLL	0.00
01-000-1050	INVESTMENTS - CDS	0.00
01-000-1100	ACCOUNTS RECEIVABLE	382,463.48
01-000-1101	ACCTS REC - POLICE TICKETS/CIT	10,440.00
01-000-1140	TAXES RECEIVABLE - REAL ESTATE	411,980.42
01-000-1141	TAXES RECEIVABLE - PERSONAL PROPERTY	3,541.71
01-000-1142	TAXES RECEIVABLE - PUBLIC UTILITY	110,242.80
01-000-1143	TAXES RECEIVABLE - CORPORATION	39,437.34
01-000-1150	TAXES RECEIVABLE 10/11 - do not use acct	0.00
01-000-1151	TAXES RECEIVABLE 11/12 - do not use acct	0.00
01-000-1152	TAXES RECEIVABLE 12/13 - do not use acct	0.00
01-000-1153	TAXES RECEIVABLE 13/14 - do not use acct	0.00
01-000-1154	TAXES RECEIVABLE 14/15 - do not use acct	0.00
01-000-1155	TAXES RECEIVABLE 15/16 - do not use acct	0.00
01-000-1156	TAXES RECEIVABLE 16/17 - do not use acct	0.00
01-000-1157	TAXES RECEIVABLE 17/18 - do not use acct	0.00
01-000-1158	TAXES RECEIVABLE 18/19 - no not use acct	0.00
01-000-1200	PREPAID EXPENSE	37,351.86
01-000-1201	PREPAID INSURANCE	133,474.10
01-000-1220	LEASE RECEIVABLE	716,605.93
01-000-1230	ACCRUED INTEREST RECEIVABLE	13,858.33
01-000-1250	RECEIVABLE FROM BOND ISSUANCE	0.00
01-000-1260	NOTE RECEIVABLE - GUTHRIE	110,574.45
01-000-1301	DUE TO/FROM WATER FUND	0.00
01-000-1302	DUE TO/FROM CD SPECIAL PROJECTS FUND	0.00
01-000-1303	DUE TO/FROM GARBAGE FUND	748.76-
01-000-1304	DUE TO/FROM SAFE HAVEN GRANT- do not use	0.00
01-000-1305	DUE TO/FROM SEWER FUND	252,613.16
01-000-1306	DUE TO/FROM WATER SURCHARGE FUND	187,694.48-
01-000-1307	DUE TO/FROM OPIOID SETTLEMENT FUND	0.00
01-000-1500	FIXED ASSETS	28,015,752.33
01-000-1501	WIP - ARMORY GYM FLOOR - do not use acct	0.00
01-000-1502	WIP - BRADDOCK RD IMPROV-do not use acct	0.00
01-000-1503	WIP-COLLEGE/BROADWAY SAFE RT-do not use	0.00
01-000-1504	WIP - CHILDCARE CENTER	0.00
01-000-1505	WIP - 37 BROADWAY	0.00
01-000-1506	WIP - GATEWAY IMPROVEMENT	863,548.90
01-000-1507	WORK IN PROCESS - MISC PROJECTS	139,751.14
01-000-1508	WORK IN PROCESS - 82-84 E MAIN	10,783.09
01-000-1570	RIGHT OF USE ASSETS	668,521.84
01-000-1571	RIGHT OF USE ASSETS - INTANGIBLE	196,633.48
01-000-1580	INTANGIBLE ASSETS	206,323.69
01-000-1600	RESERVE FOR DEPRECIATION	10,341,394.36-
01-000-1605	ACCUMULATED DEPRECIATION-ROU	391,113.52-
01-000-1650	RESERVE FOR AMORTIZATION	103,161.80-

2026

01-000-1900	DEFERRED FINANCING OUTFLOW	536,692.00
01-000-1910	DEFERRED FINANCING OUTFLOW - OPEB	140,952.00
01-999-9999	ESTIMATED REVENUE	0.00
	Total Assets	<u>30,706,268.21</u>

Liabilities & Fund Balance

01-000-1655	ACCUMULATED AMORTIZATION - ROU	90,514.80
01-000-2000	ACCOUNTS PAYABLE	92,934.92
01-000-2005	CUSTOMER REFUND	437.81-
01-000-2010	PRICHARD FARMS RETSA PAYABLE	11,121.69
01-000-2080	INTEREST PAYABLE	23,912.02
01-000-2100	ACCRUED PAYROLL	0.00
01-000-2200	FEDERAL INCOME TAX PAYABLE	42.62
01-000-2201	FICA WITHHELD	0.00
01-000-2202	MARYLAND INCOME TAX WITHHELD	23.70
01-000-2203	MD INCOME TAX REPAYMENT-do not use acct	0.00
01-000-2204	PENSION PLAN WITHHELD	0.00
01-000-2205	STATE RETIREMENT WITHHELD	0.00
01-000-2206	WAGE ATTACHMENT	0.00
01-000-2207	HEALTH INSURANCE WITHHELD	60,664.05-
01-000-2208	AFLAC INSURANCE WITHHELD	0.00
01-000-2209	MUTUAL OF OMAHA WITHHOLDING	2,579.60-
01-000-2210	HSA CONTRIBUTIONS WITHHELD	0.00
01-000-2220	LEASE LIABILITY	292,074.99
01-000-2225	SUBSCRIPTION LIABILITY - ROU	59,160.65
01-000-2250	UNEARNED REVENUE	178,015.06
01-000-2251	UNEARNED REV - PLAYGROUND	0.00
01-000-2252	PERFORMANCE BOND LIABILITY	0.00
01-000-2253	UNEARNED REVENUE - ARPA	1,289,246.52
01-000-2450	DEFERRED FINANCING INFLOW	36,472.00
01-000-2451	DEFERRED FINANCING INFLOW - OPEB	164,769.00
01-000-2452	DEFERRED FINANCING INFLOW-LEASES	671,863.84
01-000-2700	COMPENSATED ABSENCES	397,717.09
01-000-2855	OPEB OBLIGATION	513,989.00
01-000-2860	NET PENSION LIABILITY	1,442,806.00
01-000-2870	OTHER LIABILITIES	0.00
01-000-2900	NOTES PAYABLE	0.00
01-000-2901	BONDS PAYABLE	2,288,000.00
01-000-2905	BOND PREMIUM	245,923.49
01-999-2000	APPROPRIATED BUDGET	0.00
	Total Liabilities	<u>7,734,905.93</u>

01-000-3000	INVESTED IN FIXED ASSETS	16,100,333.70
01-000-3200	FUND BALANCE	5,980,452.65
	Total	<u>22,080,786.35</u>

Revenue	5,756,218.43
Less Expenses	<u>4,865,642.50</u>
Net	<u>890,575.93</u>
Total Fund Balance	<u>22,971,362.28</u>
Total Liabilities & Fund Balance	<u>30,706,268.21</u>

2026

Assets

02-000-1000	CASH	993,570.88
02-000-1003	OPERATING CASH - TAX CLERK	0.00
02-000-1030	RESTRICTED CASH - WATERSHED IMPROVE	55,431.28
02-000-1031	TIMBER CUTTING ESCROW CASH	0.00
02-000-1100	ACCOUNTS RECEIVABLE	2,584.37
02-000-1102	WATER ACCOUNTS RECEIVABLE	68,576.70
02-000-1115	SERVLIN FEES RECEIVABLE	2,823.15
02-000-1140	INTEREST RECEIVABLE - WATER	228.25
02-000-1201	PREPAID INSURANCE	53,937.85
02-000-1303	DUE TO/FROM GARBAGE FUND	0.00
02-000-1305	DUE TO/FROM SEWER FUND	0.00
02-000-1310	DUE TO/FROM PINEY SURC FUND	0.00
02-000-1500	FIXED ASSETS	4,375,989.32
02-000-1520	WORK IN PROGRESS	0.00
02-000-1570	RIGHT OF USE ASSETS	140,277.91
02-000-1600	RESERVE FOR DEPRECIATION	3,085,462.06-
02-000-1605	ACCUMULATED DEPRECIATION-ROU	82,657.87-
02-000-1900	DEFERRED FINANCING OUTFLOW	157,746.00
02-000-1910	DEFERRED FINANCING OUTFLOW - OPEB	22,859.00
02-000-2810	DUE TO/FROM CORPORATE FUND	0.00
02-000-2811	DUE TO/FROM SURCHARGE FUND	0.00
02-999-9999	ESTIMATED REVENUE	0.00
	Total Assets	<u><u>2,705,904.78</u></u>

Liabilities & Fund Balance

02-000-1150	SERVLIN FEES PAYABLE	0.00
02-000-2000	ACCOUNTS PAYABLE	10,473.44
02-000-2005	CUSTOMER REFUND	0.00
02-000-2100	PAYROLL PAYABLE	0.00
02-000-2207	HEALTH INSURANCE WITHHELD	11,718.55-
02-000-2208	AFLAC INSURANCE WITHHELD	0.00
02-000-2220	LEASE LIABILITY	61,604.65
02-000-2260	UNEARNED REVENUE - TIMBER SALE	0.00
02-000-2450	DEFERRED FINANCING INFLOW	10,720.00
02-000-2451	DEFERRED FINANCING INFLOW - OPEB	26,720.00
02-000-2700	COMPENSATED ABSENCES	110,817.38
02-000-2855	OPEB OBLIGATION	83,352.00
02-000-2860	NET PENSION LIABILITY	425,254.00
02-999-2000	APPROPRIATED BUDGET	0.00
	Total Liabilities	<u>717,222.92</u>

02-000-3000	INVESTED IN FIXED ASSETS	1,286,542.25
02-000-3010	ACCUMULATED AMORTIZ-do not use account	0.00
02-000-3015	CONTRIBUTED CAPITAL	0.00
02-000-3210	RESERVE FOR OPERATING SURPLUS 2009	0.00
02-000-3250	FUND BALANCE	673,558.49
	Total	<u>1,960,100.74</u>

Revenue	1,236,425.90
Less Expenses	<u>1,207,844.78</u>
Net	<u>28,581.12</u>
Total Fund Balance	<u>1,988,681.86</u>
Total Liabilities & Fund Balance	<u><u>2,705,904.78</u></u>

2026

Assets

03-000-1000	CASH	1,017,657.32
03-000-1003	OPERATING CASH - TAX CLERK	0.00
03-000-1040	BAY RESTORATION FUND CASH	41,394.11
03-000-1041	CSO CASH	1,037,372.41
03-000-1100	ACCOUNTS RECEIVABLE	649,732.50
03-000-1103	SEWER ACCOUNTS RECEIVABLE	117,795.66
03-000-1120	BAY RESTORATION FUND RECEIVABLE	13,717.95
03-000-1121	CSO SURCHARGE RECEIVABLE	32,276.54
03-000-1141	INTEREST REC - CSO SURCHARGE	2,491.23
03-000-1142	INTEREST RECEIVABLE - SEWER	469.51
03-000-1201	PREPAID INSURANCE	40,020.68
03-000-1301	DUE TO/FROM WATER FUND	0.00
03-000-1302	DUE TO/FROM WATER SURCHARGE FUND	0.00
03-000-1500	FIXED ASSETS	28,294,006.47
03-000-1529	WIP - CENTENNIAL PUMP STATION	0.00
03-000-1530	WIP - GENERAL CSO WORK - do not use acct	0.00
03-000-1531	WIP - PHASE DESIGN - do not use account	0.00
03-000-1532	WIP - PHASE IX-A - do not use account	0.00
03-000-1533	WIP - PHASE VIIB-2 - do not use account	0.00
03-000-1534	WIP - PHASE VIII-A - do not use account	0.00
03-000-1535	WIP - PHASE VIII-B - do not use account	0.00
03-000-1536	WIP - PHASE IX-B - do not use account	0.00
03-000-1537	WIP - PHASE IX-C	0.00
03-000-1538	WIP - PHASE X-A	1,773,525.95
03-000-1539	WIP - PHASE X-B	147,583.99
03-000-1540	WIP - PHASE X-C	160,000.56
03-000-1541	WIP - PHASE IX-D	448,518.40
03-000-1542	WIP - PHASE VIII-C	439,577.74
03-000-1570	RIGHT OF USE ASSETS	86,933.24
03-000-1600	RESERVE FOR DEPRECIATION	11,222,519.79-
03-000-1605	ACCUMULATED DEPRECIATION-ROU	40,568.85-
03-000-1900	DEFERRED FINANCING OUTFLOW	118,089.00
03-000-1910	DEFERRED FINANCING OUTFLOW - OPEB	19,048.00
03-000-2820	DUE TO/FROM CORPORATE FUND	251,864.40-
03-000-2821	DUE TO/FROM GARBAGE FUND	0.00
03-999-9999	ESTIMATED REVENUE	0.00
	Total Assets	<u>22,925,258.22</u>

Liabilities & Fund Balance

03-000-2000	ACCOUNTS PAYABLE	329,473.76
03-000-2005	CUSTOMER REFUND	0.00
03-000-2030	BAY RESTORATION FUND PAYABLE	0.00
03-000-2080	INTEREST PAYABLE	1,753.48
03-000-2100	PAYROLL PAYABLE	0.00
03-000-2207	HEALTH INSURANCE WITHHELD	11,435.93-
03-000-2208	AFLAC INSURANCE WITHHELD	0.00
03-000-2220	LEASE LIABILITY	50,239.98
03-000-2270	UNEARNED REVENUE - CSO	0.00
03-000-2271	UNEARNED REVENUE - BRF	0.00
03-000-2450	DEFERRED FINANCING INFLOW	8,025.00
03-000-2451	DEFERRED FINANCING INFLOW - OPEB	22,266.00
03-000-2700	COMPENSATED ABSENCES	105,127.59
03-000-2855	OPEB OBLIGATION	69,459.00
03-000-2860	NET PENSION LIABILITY	317,623.00
03-000-2900	NOTES PAYABLE	169,127.81

2026

03-999-2000	APPROPRIATED BUDGET	0.00
	Total Liabilities	<u>1,061,659.69</u>
03-000-3000	INVESTED IN FIXED ASSETS	19,081,378.32
03-000-3200	FUND BALANCE	1,688,092.65
03-000-3230	CONTRIBUTED CAPITAL	0.00
	Total	<u>20,769,470.97</u>
	Revenue	2,445,731.21
	Less Expenses	<u>1,351,603.65</u>
	Net	<u>1,094,127.56</u>
	Total Fund Balance	<u>21,863,598.53</u>
	Total Liabilities & Fund Balance	<u><u>22,925,258.22</u></u>

2026

Assets		
04-000-1000	CASH	1,432,427.56
04-000-1003	OPERATING CASH - TAX CLERK	0.00
04-000-1100	ACCOUNTS RECEIVABLE	0.00
04-000-1130	SURCHARGE INTEREST RECEIVABLE	3,810.41
04-000-1131	WATER SURCHARGE RECEIVABLE	41,722.35
04-000-1303	DUE TO/FROM GARBAGE FUND	0.00
04-000-1305	DUE TO/FROM SEWER FUND	0.00
04-000-1500	FIXED ASSETS	28,467,670.69
04-000-1540	LAND	164,021.96
04-000-1541	SAVAGE SPRINGS PROJ PHASE II -do not use	0.00
04-000-1542	SUPPLY DAM RELINING PROJ-do not use acct	0.00
04-000-1543	WIP - 16" MAIN MAPPING & DB-do not use	0.00
04-000-1544	GENERATOR PROJECT - do not use account	0.00
04-000-1600	RESERVE FOR DEPRECIATION	21,036,024.41-
04-000-2830	DUE TO/FROM WATER FUND	0.00
04-000-2831	DUE TO/FROM CORPORATE FUND	187,694.48
04-999-9999	ESTIMATED REVENUE	0.00
	Total Assets	<u>9,261,323.04</u>
Liabilities & Fund Balance		
04-000-2000	ACCOUNTS PAYABLE	0.00
04-000-2005	CUSTOMER REFUND	0.00
04-000-2080	INTEREST PAYABLE	5,877.57
04-000-2100	PAYROLL PAYABLE	0.00
04-000-2250	UNEARNED REVENUE	10,983.78
04-000-2900	NOTES PAYABLE	2,011,380.17
04-999-2000	APPROPRIATED BUDGET	0.00
	Total Liabilities	<u>2,028,241.52</u>
04-000-3000	INVESTED IN FIXED ASSETS	5,552,179.51
04-000-3010	ACCUMULATED AMORT - CAP GRANT	0.00
04-000-3020	CONTRIBUTED CAPITAL - GRANT	0.00
04-000-3250	FUND BALANCE	<u>1,157,032.92</u>
	Total	<u>6,709,212.43</u>
	Revenue	627,921.27
	Less Expenses	<u>104,052.18</u>
	Net	<u>523,869.09</u>
	Total Fund Balance	<u>7,233,081.52</u>
	Total Liabilities & Fund Balance	<u>9,261,323.04</u>

2026

Assets		
05-000-1000	CASH	204,203.90
05-000-1003	OPERATING CASH - TAX CLERK	0.00
05-000-1100	ACCOUNTS RECEIVABLE	0.00
05-000-1135	TRASH & GARBAGE RECEIVABLE	47,188.35
05-000-1140	INTEREST RECEIVABLE - TRASH	4,641.76
05-000-1201	PREPAID INSURANCE	9,994.82
05-000-1301	DUE TO/FROM WATER FUND	0.00
05-000-1302	DUE TO/FROM WATER SURCHARGE FUND	0.00
05-000-1320	DUE TO/FROM CORPORATE FUND	0.00
05-000-1321	DUE TO/FROM SEWER FUND	0.00
05-000-1500	FIXED ASSETS	596,937.03
05-000-1600	RESERVE FOR DEPRECIATION	414,555.70-
05-000-1900	DEFERRED FINANCING OUTFLOW	68,739.00
05-000-1910	DEFERRED FINANCING OUTFLOW - OPEB	11,428.00
05-000-2840	DUE TO/FROM CORPORATE FUND-do not use	0.00
05-999-9999	ESTIMATED REVENUE	0.00
	Total Assets	<u><u>528,577.16</u></u>
Liabilities & Fund Balance		
05-000-2000	ACCOUNTS PAYABLE	2,150.28
05-000-2005	CUSTOMER REFUND	0.00
05-000-2100	PAYROLL PAYABLE	0.00
05-000-2207	HEALTH INSURANCE WITHHELD	2,948.18-
05-000-2208	AFLAC INSURANCE WITHHELD	0.00
05-000-2290	UNEARNED REVENUE - TRASH & GARBAGE	0.00
05-000-2450	DEFERRED FINANCING INFLOW	4,671.00
05-000-2451	DEFERRED FINANCING INFLOW - OPEB	13,359.00
05-000-2700	COMPENSATED ABSENCES	29,318.47
05-000-2855	OPEB OBLIGATION	41,672.00
05-000-2860	NET PENSION LIABILITY	185,103.00
05-999-2000	APPROPRIATED BUDGET	0.00
	Total Liabilities	<u>273,325.57</u>
05-000-3000	INVESTED IN FIXED ASSETS	182,380.20
05-000-3200	FUND BALANCE	67,485.08-
05-000-3230	CONTRIBUTED CAPITAL	0.00
	Total	<u>114,895.12</u>
	Revenue	421,111.58
	Less Expenses	<u>280,755.11</u>
	Net	<u>140,356.47</u>
	Total Fund Balance	<u>255,251.59</u>
	Total Liabilities & Fund Balance	<u><u>528,577.16</u></u>

City of Frostburg
COMM DEVELOPMENT SPECIAL PROJECTS FUND
BALANCE SHEET
AS OF: 03/31/26

2026

Assets		
07-000-1000	CASH	31,737.27
07-000-1100	ACCOUNTS RECEIVABLE	0.00
07-000-1340	DUE TO/FROM CORPORATE FUND	0.00
07-000-2850	DUE TO/FROM CORPORATE FUND	0.00
07-999-9999	ESTIMATED REVENUE	0.00
	Total Assets	<u>31,737.27</u>
Liabilities & Fund Balance		
07-000-2000	ACCOUNTS PAYABLE	0.00
07-000-2070	GRANTS PAYABLE	0.00
07-999-2000	APPROPRIATED BUDGET	0.00
	Total Liabilities	<u>0.00</u>
07-000-3200	FUND BALANCE	<u>31,712.34</u>
	Total	<u>31,712.34</u>
	Revenue	24.93
	Less Expenses	<u>0.00</u>
	Net	<u>24.93</u>
	Total Fund Balance	<u>31,737.27</u>
	Total Liabilities & Fund Balance	<u>31,737.27</u>

City of Frostburg
OPIOID SETTLEMENT FUND
BALANCE SHEET
AS OF: 03/31/26

2026

Assets		
08-000-1000	CASH	35,731.79
08-000-2850	DUE TO/FROM CORPORATE FUND	0.00
08-999-9999	ESTIMATED REVENUES	0.00
	Total Assets	<u>35,731.79</u>
Liabilities & Fund Balance		
08-000-2000	ACCOUNTS PAYABLE	0.00
08-000-2250	UNEARNED REVENUE	0.00
08-999-2000	APPROPRIATED BUDGET	0.00
	Total Liabilities	0.00
08-000-3200	FUND BALANCE	<u>31,639.54</u>
	Total	31,639.54
	Revenue	4,092.25
	Less Expenses	0.00
	Net	<u>4,092.25</u>
	Total Fund Balance	<u>35,731.79</u>
	Total Liabilities & Fund Balance	<u>35,731.79</u>

**CITY OF FROSTBURG
MARCH 2026 BUDGET REPORT**

Section 8, Item A.

Account Id	Account Description	Budget	March 2026 Rev/Exp	YTD Rev/Expd	% of Budget Earned/Incurred
01-000-4000	TAXES-REAL ESTATE	3,080,000.00	0	3,113,668.98	101.1
01-000-4001	PERSONAL PROPERTY TAXES	6,000.00	0	3,590.23	59.8
01-000-4002	PUBLIC UTILITY TAXES	220,000.00	0	210,990.60	95.9
01-000-4003	CORPORATION TAXES	85,000.00	0	78,639.94	92.5
01-000-4004	PRIOR YEAR TAXES	1,000.00	0	0	0.0
01-000-4005	TRAILER TAX	1,600.00	0	840.00	52.5
01-000-4010	INTEREST ON TAXES	35,000.00	4,360.61	23,096.39	66.0
01-000-4011	TAX CREDITS	-30,000.00	0	0	0.0
01-000-4012	TAX ABATEMENTS	-3,000.00	0	0	0.0
01-000-4013	ENTERPRISE ZONE CREDIT REIMBURS	16,000.00	0	0	0.0
01-000-4020	MARYLAND INCOME TAXES	700,000.00	15,031.84	502,590.58	71.8
01-000-4021	ADMISSION TAXES	18,000.00	0	4,788.09	26.6
01-000-4022	HOTEL MOTEL TAX	150,000.00	5,284.06	159,168.40	106.1
01-000-4023	HIGHWAY USE TAX	550,000.00	88,960.10	453,736.07	82.5
01-000-4024	COAL TAX	2,600.00	0	2,426.59	93.3
01-000-4025	HOUSING AUTHORITY	12,000.00	15,026.25	15,026.25	125.2
01-000-4027	PAYMENT IN LIEU OF TAXES	390.00	0	0	0.0
01-000-4031	LIQUOR LICENSES	10,000.00	9.50	2,080.50	20.8
01-000-4032	TRADERS LICENSES	10,000.00	81.51	1,023.27	10.2
01-000-4040	POLICE GRANTS	40,000.00	352.16	30,278.42	75.7
01-000-4041	PARKING REVENUE	700.00	0	0	0.0
01-000-4043	POLICE PROTECTION GRANTS	120,000.00	26,644.00	80,517.70	67.1
01-000-4045	FINES & FORFEITURES	4,500.00	1,670.00	6,010.00	133.6
01-000-4047	FROSTBURG STATE UNIV - MOU	10,000.00	0	20,000.00	200.0
01-000-4049	SCHOOL RESOURCE REIMBURSEMENT	30,000.00	0	0	0.0
01-000-4050	PERMITS, PLANNING, ETC	2,500.00	4,775.00	5,885.00	235.4
01-000-4051	BUILDING PERMITS	3,000.00	10.00	2,155.00	71.8
01-000-4052	RENTAL REGISTRATION	75,000.00	12,320.00	65,230.00	87.0
01-000-4054	CONSTRUCTION INSPECTIONS	28,000.00	-2,557.00	16,218.00	57.9
01-000-4055	CODE ENFORCEMENT CITATIONS	1,250.00	0	2,305.00	184.4
01-000-4056	COMM DEV GRANT REVENUE	110,000.00	0	36,753.82	33.4
01-000-4060	SWIMMING POOL	65,000.00	0	34,385.45	52.9
01-000-4062	DAY CAMP REGISTRATIONS	18,000.00	0	9,728.50	54.1
01-000-4063	RECREATION ACTIVITIES	22,000.00	3,445.00	24,760.00	112.6
01-000-4200	OPERATING TRANSFER - WATER FUND	126,300.00	10,525.00	94,725.00	75.0
01-000-4201	OPERATING TRANSFER - SEWER FUND	242,300.00	20,192.00	181,728.00	75.0
01-000-4202	OPERATING TRANSFER - GARBAGE FUND	24,500.00	2,042.00	18,378.00	75.0
01-000-4250	NSF FEES	0.00	140.00	1,515.00	0.0
01-000-4301	RENTS	111,000.00	9,249.86	90,248.60	81.3
01-000-4302	HRD APPROPRIATION	10,700.00	901.00	5,406.00	50.5
01-000-4303	FRANCHISES - GAS, TV, ETC	68,000.00	0	51,989.44	76.5
01-000-4304	MISCELLANEOUS REVENUE	4,000.00	240.00	7,712.64	192.8
01-000-4306	PROJECT REIMBURSEMENT	2,169,000.00	0	53,022.26	2.4
01-000-4307	INSURANCE REIMBURSEMENTS	0.00	0	53,669.65	0.0
01-000-4315	PROCEEDS FROM FUND BALANCE	268,425.00	0	0	0.0
01-000-4317	SPECIAL REVENUE	666,000.00	0	0	0.0
01-000-4600	INTEREST INCOME	475,000.00	6,778.19	291,931.06	61.5
CORPORATE FUND Revenue Totals		9,559,765.00	225,481.08	5,756,218.43	
EXECUTIVE					
01-100-5000	SALARIES	22,200.00	1,850.00	16,650.00	75.0
01-100-5010	SOCIAL SECURITY	1,700.00	141.55	1,273.95	74.9
01-100-5012	WORKERS COMP	175.00	0	3.49	2.0
01-100-5050	LEGISLATIVE CONTINGENCIES	6,000.00	0	447.74	7.5
01-100-5104	INSURANCE - PUBLIC OFFICIALS	9,700.00	816.75	7,350.75	75.8
01-100-5150	TRAINING	2,800.00	0	2,100.74	75.0
01-100-5160	TRAVEL	5,700.00	83.72	972.76	17.1
01-100-5185	PROFESSIONAL FEES	30,000.00	218.00	22,997.00	76.7
100 Executive		78,275.00	3,110.02	51,796.43	
ADMINISTRATIVE					
01-110-5000	SALARIES	175,800.00	12,309.70	117,049.55	66.6
01-110-5001	SALARIES - BONUS	0.00	0	20,262.15	0.0
01-110-5010	SOCIAL SECURITY	13,400.00	927.78	10,348.24	77.2
01-110-5011	PENSION	21,100.00	0	20,347.00	96.4
01-110-5012	WORKERS COMP	600.00	0	11.95	2.0
01-110-5013	INSURANCE - HEALTH	34,600.00	249.62	4,572.49	13.2
01-110-5014	INSURANCE - HEALTH RETIREE	30,600.00	1,855.30	8,132.31	26.6
01-110-5015	CONTRIBUTION - 457	2,000.00	121.80	1,233.62	61.7
01-110-5030	EMPLOYEE WELLNESS	7,500.00	40.21	6,495.41	86.6
01-110-5050	RESERVE FOR CONTINGENCIES	10,000.00	1,900.00	6,669.00	66.7

**CITY OF FROSTBURG
MARCH 2026 BUDGET REPORT**

Section 8, Item A.

Account Id	Account Description	Budget	March 2026 Rev/Exp	YTD Rev/Expd	% of Budget Earned/Incurred
01-110-5102	INSURANCE - GEN LIAB	150.00	14.50	130.50	87.0
01-110-5105	INSURANCE - PROPERTY	12,000.00	779.00	7,011.00	58.4
01-110-5106	INSURANCE - AD&D AND LIFE	4,500.00	0	0	0.0
01-110-5111	CONTRIBUTIONS - TOURISM	120,000.00	0	64,959.00	54.1
01-110-5150	TRAINING	1,200.00	0	1,618.58	134.9
01-110-5160	TRAVEL	1,800.00	-20.28	4,054.30	225.2
01-110-5185	PROFESSIONAL FEES	1,100.00	2,083.00	2,607.13	237.0
01-110-5191	COMMUNICATIONS	12,000.00	427.91	8,618.91	71.8
01-110-5200	ADVERTISING	6,400.00	76.90	608.02	9.5
01-110-5205	LEGAL	42,500.00	2,127.50	15,380.00	36.2
01-110-5207	PENSION ADMINISTRATIVE FEE	7,800.00	0	0	0.0
01-110-5210	OFFICE SUPPLIES	11,000.00	1,169.45	10,968.03	99.7
01-110-5220	POSTAGE	28,000.00	307.32	21,940.04	78.4
01-110-5230	COMPUTER EXPENSE	14,000.00	2,297.50	11,297.62	80.7
01-110-5232	IT LICENSING AND FEES	40,500.00	2,614.57	27,569.84	68.1
01-110-5235	DIGITAL ENGAGEMENT	29,000.00	1,137.19	21,203.32	73.1
01-110-5301	ELECTION	12,000.00	0	0	0.0
01-110-5391	PRINCIPAL AND INTEREST ON DEBT SERVICE	154,700.00	0	48,086.80	31.1
01-110-5500	BUILDING - ARMORY	12,000.00	82,573.17	90,726.67	756.1
01-110-5502	BUILDING MAINTENANCE	26,000.00	12,187.41	26,450.86	101.7
01-110-5550	UTILITIES - BUILDING	18,712.51	2,035.46	14,593.65	78.0
01-110-5700	BANK FEES	300.00	0	119.06	39.7
01-110-5807	CAPITAL OUTLAY	2,270,000.00	0	5,801.89	0.3
110 Administrative		3,121,262.51	127,215.01	578,866.94	
FINANCE					
01-120-5000	SALARIES	82,000.00	6,125.92	53,651.92	65.4
01-120-5010	SOCIAL SECURITY	6,200.00	445.50	3,860.89	62.3
01-120-5011	PENSION	9,700.00	0	9,491.00	97.9
01-120-5012	WORKERS COMP	200.00	0	4.98	2.5
01-120-5013	INSURANCE - HEALTH	13,000.00	4,453.34	98,151.64	755.0
01-120-5015	CONTRIBUTION - 457	625.00	44.76	486.25	77.8
01-120-5102	INSURANCE - GEN LIAB	150.00	14.50	130.50	87.0
01-120-5105	INSURANCE - PROPERTY	4,500.00	292.10	2,628.90	58.4
01-120-5150	TRAINING	1,000.00	0	195.00	19.5
01-120-5160	TRAVEL	0.00	0	1,375.25	0.0
01-120-5185	PROFESSIONAL FEES	1,000.00	0	0	0.0
01-120-5310	AUDITING	85,000.00	18,425.00	36,850.00	43.4
01-120-5311	ACTUARIAL STUDY	6,500.00	0	0	0.0
01-120-5313	TAX COLLECTION	1,300.00	137.61	956.59	73.6
01-120-5810	RETSA OBLIGATION	16,000.00	0	29,647.80	185.3
120 Finance		227,175.00	29,938.73	237,430.72	
COMMUNITY DEV					
01-130-5000	SALARIES	128,500.00	8,908.80	82,488.01	64.2
01-130-5010	SOCIAL SECURITY	9,800.00	660.76	6,062.68	61.9
01-130-5011	PENSION	15,400.00	0	14,872.00	96.6
01-130-5012	WORKERS COMP	350.00	0	6.97	2.0
01-130-5013	INSURANCE - HEALTH	26,700.00	214.89	1,812.92	6.8
01-130-5015	CONTRIBUTION - 457	1,500.00	40.00	381.27	25.4
01-130-5102	INSURANCE - GEN LIAB	150.00	14.50	130.50	87.0
01-130-5105	INSURANCE - PROPERTY	4,500.00	389.46	3,505.14	77.9
01-130-5150	TRAINING	750.00	0	0	0.0
01-130-5160	TRAVEL	900.00	0	2.90	0.3
01-130-5185	PROFESSIONAL FEES	750.00	458.75	458.75	61.2
01-130-5320	ECONOMIC DEVELOPMENT	8,000.00	0	3,760.00	47.0
01-130-5322	PLANNING	15,000.00	0	106,649.00	711.0
01-130-5323	PUBLIC ART	2,000.00	0	199.78	10.0
01-130-5401	AUTO EXPENSE	0.00	0	106.25	0.0
01-130-5822	SPECIAL PROJECTS	20,000.00	0	13,144.25	65.7
130 Community Dev		234,300.00	10,687.16	233,580.42	
CODE ENFORCEMENT					
01-140-5000	SALARIES	81,000.00	6,640.00	54,240.19	67.0
01-140-5010	SOCIAL SECURITY	6,200.00	499.42	4,027.42	65.0
01-140-5011	PENSION	9,800.00	0	9,375.00	95.7
01-140-5012	WORKERS COMP	2,400.00	0	3.98	0.2
01-140-5013	INSURANCE - HEALTH	26,700.00	88.23	4,440.74	16.6
01-140-5015	CONTRIBUTION - 457	750.00	35.20	443.00	59.1
01-140-5100	INSURANCE - AUTO	850.00	65.24	587.14	69.1
01-140-5102	INSURANCE - GEN LIAB	150.00	14.50	130.50	87.0

**CITY OF FROSTBURG
MARCH 2026 BUDGET REPORT**

Section 8, Item A.

Account Id	Account Description	Budget	March 2026 Rev/Exp	YTD Rev/Expd	% of Budget Earned/Incurred
01-140-5105	INSURANCE - PROPERTY	4,500.00	292.10	2,628.90	58.4
01-140-5150	TRAINING	500.00	0	379.00	75.8
01-140-5160	TRAVEL	500.00	0	0	0.0
01-140-5185	PROFESSIONAL FEES	400.00	50.00	80.00	20.0
01-140-5231	SOFTWARE AND SUBSCRIPTIONS	13,700.00	1,125.00	6,750.00	49.3
01-140-5330	CODE ENFORCEMENT	5,000.00	255.00	1,872.30	37.5
01-140-5331	CONSTRUCTION INSPECT	20,000.00	375.00	14,075.00	70.4
01-140-5332	RENTAL INSPECTION	1,000.00	0	3,150.00	315.0
01-140-5401	AUTO EXPENSE	500.00	0	30.00	6.0
140 Code Enforcement		173,950.00	9,439.69	102,213.17	
PUBLIC WORKS ADMIN					
01-150-5000	SALARIES	82,500.00	7,009.84	64,171.10	77.8
01-150-5010	SOCIAL SECURITY	6,600.00	510.92	4,700.12	71.2
01-150-5011	PENSION	9,800.00	0	9,548.00	97.4
01-150-5012	WORKERS COMP	1,800.00	0	31.87	1.8
01-150-5013	INSURANCE - HEALTH	20,600.00	357.72	2,169.30	10.5
01-150-5015	CONTRIBUTION - 457	800.00	70.08	660.48	82.6
01-150-5100	INSURANCE - AUTO	850.00	64.96	584.64	68.8
01-150-5102	INSURANCE - GEN LIAB	150.00	14.50	130.50	87.0
01-150-5105	INSURANCE - PROPERTY	3,000.00	194.73	1,752.56	58.4
01-150-5150	TRAINING	1,750.00	0	957.16	54.7
01-150-5160	TRAVEL	1,000.00	-20.28	2,486.49	248.7
01-150-5185	PROFESSIONAL FEES	2,100.00	640.00	1,040.00	49.5
01-150-5193	ONE CALL CONCEPTS	2,200.00	42.70	772.26	35.1
01-150-5340	ENGINEERING EQUIPMENT	3,000.00	0	2,605.99	86.9
01-150-5341	MAPPING SUPPLIES	8,000.00	0	4,419.12	55.2
01-150-5342	PUBLIC WORKS	7,400.00	299.99	4,311.75	58.3
01-150-5400	GAS, OIL, GREASE	3,000.00	0	2,540.53	84.7
01-150-5420	FLEET LEASE	11,000.00	842.93	8,596.77	78.2
150 Public Works Admin		165,550.00	10,028.09	111,478.64	
PUBLIC SAFETY					
01-160-5000	SALARIES	1,152,300.00	80,318.71	887,388.49	77.0
01-160-5002	SALARIES - POLICE GRANTS	40,000.00	3,027.89	20,348.99	50.9
01-160-5003	COURT TIME	13,000.00	1,516.38	11,732.95	90.3
01-160-5010	SOCIAL SECURITY	91,000.00	6,219.99	67,666.01	74.4
01-160-5011	PENSION	347,000.00	0	249,722.00	72.0
01-160-5012	WORKERS COMP	72,000.00	0	1,434.06	2.0
01-160-5013	INSURANCE - HEALTH	259,700.00	31,758.12	160,433.23	61.8
01-160-5015	CONTRIBUTION - 457	7,500.00	601.98	5,767.68	76.9
01-160-5100	INSURANCE - AUTO	9,600.00	603.42	6,096.78	63.5
01-160-5102	INSURANCE - GEN LIAB	1,300.00	130.25	1,172.25	90.2
01-160-5103	INSURANCE - POLICE PROFESSIONAL	12,000.00	886.50	7,978.50	66.5
01-160-5105	INSURANCE - PROPERTY	6,900.00	445.38	3,904.42	56.6
01-160-5150	TRAINING	35,000.00	21.47	12,480.73	35.7
01-160-5170	UNIFORMS	13,000.00	1,108.53	9,811.37	75.5
01-160-5180	SAFETY EQUIPMENT	1,200.00	227.54	857.54	71.5
01-160-5181	LAW ENFORCEMENT EQUIPMENT	18,500.00	0	2,315.30	12.5
01-160-5191	COMMUNICATIONS	30,500.00	2,214.62	21,209.03	69.5
01-160-5206	C3I CLERICAL SUPPORT	6,000.00	0	0	0.0
01-160-5210	OFFICE SUPPLIES	5,000.00	214.65	2,998.31	60.0
01-160-5230	COMPUTER EXPENSE	8,500.00	150.00	10,704.98	125.9
01-160-5350	FSU MOU	10,000.00	0	20,000.00	200.0
01-160-5380	POLICE REFORM	31,000.00	0	0	0.0
01-160-5390	MISCELLANEOUS EXPENSE	4,000.00	132.11	5,489.28	137.2
01-160-5400	GAS, OIL, GREASE	30,000.00	1,902.23	15,679.35	52.3
01-160-5401	AUTO EXPENSE	18,000.00	301.98	16,921.97	94.0
01-160-5420	FLEET LEASE	61,000.00	5,064.20	44,282.89	72.6
01-160-5502	JAIL AND OFFICE MAINTENANCE	4,000.00	214.91	3,307.03	82.7
01-160-5550	UTILITIES - PUBLIC SAFETY	10,000.00	1,286.74	9,615.81	96.2
01-160-5851	FIRE DEPT APPROPRIATION	269,525.00	0	202,143.75	75.0
160 Public Safety		2,567,525.00	138,347.60	1,801,462.70	
PUBLIC WORKS - STREET					
01-170-5000	SALARIES	340,000.00	24,513.05	241,619.01	71.1
01-170-5010	SOCIAL SECURITY	26,000.00	1,794.83	17,686.79	68.0
01-170-5011	PENSION	40,800.00	0	39,351.00	96.5
01-170-5012	WORKERS COMP	18,000.00	0	398.35	2.2
01-170-5013	INSURANCE - HEALTH	99,300.00	541.35	3,943.35	4.0
01-170-5015	CONTRIBUTION - 457	1,500.00	97.44	972.40	64.8

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01-170-5018	UNEMPLOYMENT	200.00	0	0	0.0
01-170-5100	INSURANCE - AUTO	11,500.00	839.63	8,114.67	70.6
01-170-5102	INSURANCE - GEN LIAB	600.00	57.84	520.55	86.8
01-170-5105	INSURANCE - PROPERTY	12,900.00	836.25	7,558.22	58.6
01-170-5150	TRAINING	5,000.00	0	0	0.0
01-170-5170	UNIFORMS	8,000.00	0	3,438.71	43.0
01-170-5180	SAFETY EQUIPMENT	7,000.00	96.00	2,963.36	42.3
01-170-5191	COMMUNICATIONS	15,000.00	192.22	1,980.43	13.2
01-170-5210	OFFICE SUPPLIES	1,500.00	0	1,710.79	114.1
01-170-5400	GAS, OIL, GREASE	30,000.00	1,790.78	16,899.77	56.3
01-170-5420	FLEET LEASE	51,000.00	4,172.72	37,980.94	74.5
01-170-5550	UTILITIES - BUILDING	7,000.00	1,404.90	6,696.70	95.7
01-170-5710	LOADER RENTAL	0.00	0	73.45	0.0
01-170-5711	SALT & ABRASIVES	150,000.00	1,926.74	165,920.42	110.6
01-170-5712	SIGN MAINTENANCE	15,000.00	0	4,042.03	27.0
01-170-5713	STREET EQUIPMENT MAINTENANCE	120,000.00	16,517.49	92,242.56	76.9
01-170-5714	STREET LIGHTING	100,000.00	7,288.12	78,905.10	78.9
01-170-5715	STREET MAINTENANCE REPAIRS	136,000.00	3,815.15	37,483.43	27.6
01-170-5716	STREET SHOP EQUIPMENT	70,000.00	2,098.07	30,244.88	43.2
01-170-5717	STREET LIGHTING REPAIRS	48,500.00	0	37,536.00	77.4
01-170-5800	CAPITAL OUTLAY	596,000.00	0	230,929.77	38.8
01-170-5861	STREET PAVING	150,000.00	0	150,000.00	100.0
01-170-5865	PARKING LOT MAINTENANCE	42,500.00	0	7,350.00	17.3
170 Public Works - Street		2,103,300.00	67,982.58	1,226,562.68	
RECREATION					
01-180-5000	SALARIES	305,000.00	23,183.48	222,725.81	73.0
01-180-5010	SOCIAL SECURITY	23,200.00	1,696.03	16,287.68	70.2
01-180-5011	PENSION	33,100.00	0	35,300.00	106.7
01-180-5012	WORKERS COMP	16,100.00	0	362.50	2.3
01-180-5013	INSURANCE - HEALTH	91,700.00	1,247.95	12,376.04	13.5
01-180-5015	CONTRIBUTION - 457	1,750.00	119.12	1,008.59	57.6
01-180-5100	INSURANCE - AUTO	2,900.00	208.84	1,879.56	64.8
01-180-5102	INSURANCE - GEN LIAB	600.00	57.84	520.55	86.8
01-180-5105	INSURANCE - PROPERTY	17,600.00	1,150.12	10,266.08	58.3
01-180-5150	TRAINING	300.00	14.91	14.91	5.0
01-180-5160	TRAVEL	750.00	0	266.00	35.5
01-180-5170	UNIFORMS	5,000.00	970.67	4,132.08	82.6
01-180-5180	SAFETY EQUIPMENT	500.00	0	0	0.0
01-180-5400	GAS, OIL, GREASE	10,000.00	560.41	6,028.26	60.3
01-180-5420	FLEET LEASE	23,000.00	1,863.65	16,800.80	73.1
01-180-5503	ARMORY EXPENSE - GYM	9,000.00	1,404.90	6,696.76	74.4
01-180-5504	COMMUNITY CENTER	18,000.00	1,340.73	11,374.64	63.2
01-180-5510	CITY PLACE	13,000.00	2,226.33	12,387.79	95.3
01-180-5520	CHILDCARE CENTER	0.00	1,268.93	1,268.93	0.0
01-180-5550	UTILITIES	9,000.00	326.13	2,839.74	31.6
01-180-5720	BEAUTIFY THE BURG EXPENSE	1,500.00	0	0	0.0
01-180-5721	REC EQUIPMENT MAINTENANCE	13,000.00	560.44	5,034.83	38.7
01-180-5722	REC LEAGUE APPROPRIATIONS	5,000.00	0	0	0.0
01-180-5723	REC PARK MAINTENANCE EXPENSE	58,000.00	1,805.79	29,575.77	51.0
01-180-5724	STREET TREE MAINTENANCE	7,500.00	0	3,750.00	50.0
01-180-5725	TRAILHEAD MAINTENANCE EXPENSE	2,000.00	0	0	0.0
01-180-5726	RECREATIONAL PROGRAMS	11,500.00	1,115.81	7,795.38	67.8
01-180-5772	TRASH REMOVAL	12,000.00	0	5,721.81	47.7
01-180-5800	CAPITAL OUTLAY	55,000.00	1,367.31	17,379.31	31.6
180 Recreation		746,000.00	42,489.39	431,793.82	
RECREATION-POOL					
01-181-5000	SALARIES	72,000.00	0	47,019.46	65.3
01-181-5010	SOCIAL SECURITY	5,500.00	0	3,596.96	65.4
01-181-5012	WORKERS COMP	3,800.00	0	91.62	2.4
01-181-5018	UNEMPLOYMENT	200.00	0	0	0.0
01-181-5507	POOL OPERATING	39,000.00	2,649.35	23,785.90	61.0
181 Recreation-Pool		120,500.00	2,649.35	74,493.94	
RECREATION - DAY CAMP					
01-182-5000	SALARIES	24,000.00	0	14,079.95	58.7
01-182-5010	SOCIAL SECURITY	1,850.00	0	1,077.11	58.2
01-182-5012	WORKERS COMP	1,300.00	0	29.88	2.3
01-182-5018	UNEMPLOYMENT	200.00	0	0	0.0
01-182-5507	DAY CAMP OPERATIONS	800.00	0	764.15	95.5

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182 Recreation - Day Camp		28,150.00	0.00	15,951.09	
01-183-0000	RECREATION - SEASONAL	0	0	0	0.0
01-183-5012	WORKERS COMP	0.00	0	11.95	0.0
183 Recreation - Seasonal		0.00	0.00	11.95	
CORPORATE FUND Expenditure Totals		9,565,987.51	441,887.62	4,865,642.50	
02-000-4000	WATER SERVICE REVENUE	1,623,750.00	128,135.48	1,148,225.24	70.7
02-000-4001	INTEREST EARNED - WATER	3,600.00	168.98	1,171.16	32.5
02-000-4015	SERVLINE FEES BILLED	0.00	3,476.44	31,228.94	0.0
02-000-4315	PROCEEDS FROM FUND BALANCE	180,000.00	0	0	0.0
02-000-4317	SPECIAL REVENUE	0.00	0	0	0.0
02-000-4401	SALE OF BULK WATER	0.00	0	100.00	0.0
02-000-4402	SALE OF METERS	5,000.00	500.00	6,175.00	123.5
02-000-4403	TAPPING FEES	5,600.00	0	6,300.00	112.5
02-000-4404	SUNDRY SALES	2,500.00	2,594.00	8,992.00	359.7
02-000-4408	SUNDRY SALES - CASH BASIS	0.00	350.00	600.00	0.0
02-000-4600	INTEREST INCOME	24,000.00	9,695.26	33,633.56	140.1
WATER FUND Revenue Totals		1,844,450.00	144,920.16	1,236,425.90	
WATER - ADMIN					
02-190-5000	SALARIES	73,000.00	5,620.40	55,032.60	75.4
02-190-5010	SOCIAL SECURITY	5,500.00	402.04	4,036.59	73.4
02-190-5011	PENSION	8,700.00	0	8,449.00	97.1
02-190-5012	WORKERS COMP	1,300.00	0	4.48	0.3
02-190-5013	INSURANCE - HEALTH	15,300.00	-276.00	618.27	4.0
02-190-5015	CONTRIBUTION - 457	850.00	56.22	542.28	63.8
02-190-5313	COLLECTION EXPENSE	2,200.00	137.61	956.59	43.5
02-190-5320	SERVLINE FEES REMITTED	0.00	10,419.30	27,761.00	0.0
02-190-5370	FMHA BOND	900.00	0	0	0.0
02-190-5600	CORPORATE OVERHEAD	126,300.00	10,525.00	94,725.00	75.0
190 Water - Admin		234,050.00	26,884.57	192,125.81	
WATER - FILTRATION					
02-192-5102	INSURANCE - GEN LIAB	1,400.00	144.67	1,302.03	93.0
02-192-5105	INSURANCE - PROPERTY	25,400.00	2,740.78	24,008.18	94.5
02-192-5106	INSURANCE - BOILER & MACHINERY	10,800.00	0	658.83	6.1
02-192-5521	PUMPING SYSTEM EXPENSE	95,000.00	15,087.84	66,733.32	70.3
02-192-5522	PURIFICATION PLANT MAINTENANCE	50,000.00	11,716.00	12,380.33	24.8
02-192-5710	FILTRATION CONTRACT PAYMENT	620,000.00	78,761.79	378,090.17	61.0
192 Water - Filtration		802,600.00	108,451.08	483,172.86	
WATER - SUPPLY					
02-194-5000	SALARIES	34,500.00	2,676.80	25,337.76	73.4
02-194-5010	SOCIAL SECURITY	2,600.00	204.78	1,938.38	74.6
02-194-5011	PENSION	4,100.00	0	3,993.00	97.4
02-194-5012	WORKERS COMP	1,700.00	0	45.81	2.7
02-194-5015	CONTRIBUTION - 457	100.00	0	0	0.0
02-194-5506	HYDRO FACILITY EXPENSE	5,000.00	0	150.00	3.0
02-194-5550	UTILITIES / WATER SUPPLY	5,000.00	466.74	4,803.59	96.1
02-194-5730	WATER SUPPLY EXPENSE	50,000.00	545.92	7,301.98	14.6
194 Water - Supply		103,000.00	3,894.24	43,570.52	
WATER - DISTRIBUTION					
02-196-5000	SALARIES	273,000.00	17,237.60	225,290.24	82.5
02-196-5010	SOCIAL SECURITY	20,800.00	1,243.70	16,517.00	79.4
02-196-5011	PENSION	27,000.00	0	31,597.00	117.0
02-196-5012	WORKERS COMP	13,300.00	0	350.55	2.6
02-196-5013	INSURANCE - HEALTH	76,400.00	1,159.32	10,377.60	13.6
02-196-5015	CONTRIBUTION - 457	1,000.00	56.18	356.11	35.6
02-196-5100	INSURANCE - AUTO	4,600.00	349.82	3,148.38	68.4
02-196-5102	INSURANCE - GEN LIAB	1,400.00	144.67	1,302.03	93.0
02-196-5105	INSURANCE - PROPERTY	6,400.00	0	0	0.0
02-196-5150	TRAINING	2,000.00	0	0	0.0
02-196-5170	UNIFORMS	4,067.33	249.89	2,502.01	61.5
02-196-5180	SAFETY EQUIPMENT	6,600.00	96.00	1,499.75	22.7
02-196-5191	COMMUNICATIONS	13,000.00	1,153.94	8,668.70	66.7
02-196-5210	OFFICE SUPPLIES	1,000.00	108.55	1,673.45	167.4
02-196-5390	MISCELLANEOUS EXPENSE	1,000.00	0	261.22	26.1
02-196-5400	GAS, OIL, GREASE	17,000.00	561.09	7,821.62	46.0
02-196-5420	FLEET LEASE	33,000.00	2,560.71	23,409.10	70.9

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02-196-5505	CRESTVIEW PUMPING STATION EXPENSE	12,500.00	565.32	20,016.14	160.1
02-196-5550	UTILITIES - WATER DISTRIBUTION	5,000.00	688.89	4,293.44	85.9
02-196-5700	DISTRIBUTION EXPENSE	61,800.00	2,817.89	45,883.92	74.3
02-196-5701	DISTRIBUTION PIPE EXPENSE	11,000.00	0	2,459.50	22.4
02-196-5702	EQUIPMENT MAINTENANCE	8,000.00	110.72	10,212.84	127.7
02-196-5703	FIRE HYDRANTS EXPENSE	5,000.00	0	1,680.02	33.6
02-196-5704	TRANSMISSION MAINS EXPENSE	80,000.00	0	47,220.11	59.0
02-196-5740	METERS EXPENSE	20,000.00	358.33	22,434.86	112.2
	196 Water - Distribution	704,867.33	29,462.62	488,975.59	
	WATER FUND Expenditure Totals	1,844,517.33	168,692.51	1,207,844.78	
03-000-4000	SEWER CHARGES	1,799,000.00	148,331.87	1,328,358.16	73.8
03-000-4001	INTEREST EARNED - SEWER	4,275.00	326.48	2,396.99	56.1
03-000-4404	SUNDRY SALES	1,500.00	0	2,168.28	144.6
03-000-4501	BAY RESTORATION FUND REVENUE	0.00	14,969.30	139,563.70	0.0
03-000-4503	SEWER TAP FEES	5,500.00	0	7,000.00	127.3
03-000-4600	INTEREST INCOME	44,000.00	8,613.40	30,238.78	68.7
	Sewer Operations Total	1,854,275.00	172,241.05	1,509,725.91	
03-220-4317	SPECIAL REVENUE	150,000.00	0	0	0.0
03-220-4520	CSO SURCHARGE REVENUE	401,000.00	33,573.53	314,199.93	78.4
03-220-4521	INTEREST EARNED - CSO SURCHARGE	1,800.00	158.55	1,342.88	74.6
03-220-4530	PROJECT REIMBURSEMENTS	1,489,000.00	0	620,462.49	41.7
03-220-4540	PROCEEDS OF DEBT	952,000.00	0	0	0.0
	CSO Total	2,993,800.00	33,732.08	936,005.30	
	SEWER FUND Revenue Totals	4,848,075.00	205,973.13	2,445,731.21	
	SEWER - ADMIN				
03-210-5000	SALARIES	73,000.00	5,620.40	55,032.60	75.4
03-210-5010	SOCIAL SECURITY	5,500.00	402.04	3,951.96	71.9
03-210-5011	PENSION	8,700.00	0	8,449.00	97.1
03-210-5012	WORKERS COMP	1,300.00	0	4.48	0.3
03-210-5013	INSURANCE - HEALTH	15,300.00	-276.00	518.27	3.4
03-210-5015	CONTRIBUTION - 457	850.00	56.22	542.28	63.8
03-210-5313	COLLECTION EXPENSE	2,700.00	137.61	956.59	35.4
	210 Sewer - Admin	107,350.00	5,940.27	69,455.18	
	SEWER - OPERATING				
03-211-5000	SALARIES	202,000.00	16,889.96	202,151.61	100.1
03-211-5010	SOCIAL SECURITY	15,300.00	1,211.25	14,618.77	95.6
03-211-5011	PENSION	28,400.00	0	28,215.00	99.4
03-211-5012	WORKERS COMP	11,000.00	0	219.09	2.0
03-211-5013	INSURANCE - HEALTH	53,500.00	413.43	8,306.58	15.5
03-211-5015	CONTRIBUTION - 457	1,800.00	110.96	1,175.58	65.3
03-211-5100	INSURANCE - AUTO	1,700.00	129.93	1,169.37	68.8
03-211-5102	INSURANCE - GEN LIAB	750.00	72.33	650.98	86.8
03-211-5105	INSURANCE - PROPERTY	9,000.00	580.53	5,224.77	58.1
03-211-5150	TRAINING	1,000.00	0	79.85	8.0
03-211-5170	UNIFORMS	3,000.00	0	1,117.92	37.3
03-211-5180	SAFETY EQUIPMENT	1,000.00	0	1,085.57	108.6
03-211-5191	COMMUNICATIONS	2,400.00	76.19	1,299.53	54.2
03-211-5396	BAY RESTORATION FUND EXPENSE	0.00	0	76,495.62	0.0
03-211-5400	GAS, OIL, GREASE	10,000.00	1,161.96	7,424.93	74.3
03-211-5420	FLEET LEASE	21,000.00	1,701.50	15,339.02	73.0
03-211-5520	PUMPING STATION MAINTENANCE	6,000.00	0	1,295.00	21.6
03-211-5600	CORPORATE OVERHEAD	242,300.00	20,192.00	181,728.00	75.0
03-211-5761	SANITARY COMMISSION CHARGES	1,216,000.00	248,036.67	678,162.20	55.8
03-211-5762	SANITARY COMM-TRANSMISSION PROJECTS	11,800.00	0	8,787.15	74.5
03-211-5763	SEWER OPERATING EXPENSE	50,000.00	543.91	29,440.73	58.9
03-211-5764	SEWER PUMPING EXPENSE	9,000.00	327.28	6,977.60	77.5
03-211-5800	CAPITAL OUTLAY - SEWER PROJECTS	50,000.00	0	2,459.50	4.9
	211 Sewer - Operating	1,946,950.00	291,447.90	1,273,424.37	
	CSO				
03-220-5391	INTEREST EXPENSE	3,025.00	0	8,724.10	288.4
03-220-5392	DEBT REDEMPTION	23,750.00	0	0	0.0
03-220-5800	CAPITAL OUTLAY	2,767,000.00	0	0	0.0
	220 CSO	2,793,775.00	0.00	8,724.10	
	SEWER FUND Expenditure Totals	4,848,075.00	297,388.17	1,351,603.65	
04-000-4000	WATER TAP SURCHARGE	652,000.00	55,882.56	583,739.54	89.5
04-000-4001	INTEREST EARNED SURCHARGE	3,000.00	219.00	1,775.57	59.2

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04-000-4315	PROCEEDS FROM FUND BALANCE	120,000.00	0	0	0.0
04-000-4600	INTEREST INCOME	40,000.00	15,010.12	42,406.16	106.0
PINEY SURCHARGE FUND Revenue Totals		815,000.00	71,111.68	627,921.27	
WATER SURCHARGE					
04-200-5313	COLLECTION EXPENSE	2,200.00	110.09	765.26	34.8
04-200-5391	INTEREST EXPENSE	42,425.00	3,996.84	26,899.60	63.4
04-200-5392	DEBT REDEMPTION	421,675.00	0	0	0.0
04-200-5800	CAPITAL OUTLAY	172,000.00	0	0	0.0
04-200-5802	CAPITAL REPAIRS	45,000.00	5,136.17	76,387.32	169.8
PINEY SURCHARGE FUND Expenditure Totals		683,300.00	9,243.10	104,052.18	
05-000-4000	TRASH & GARBAGE CHARGES	534,600.00	44,982.49	412,441.41	77.2
05-000-4001	INTEREST EARNED - TRASH	3,000.00	303.87	2,471.74	82.4
05-000-4404	SUNDRY SALES	1,950.00	525.00	2,175.00	111.5
05-000-4600	INTEREST INCOME	3,500.00	1,697.35	4,023.43	115.0
GARBAGE FUND Revenue Totals		543,050.00	47,508.71	421,111.58	
GARBAGE ADMIN.					
05-230-5000	SALARIES	55,000.00	4,215.44	43,283.19	78.7
05-230-5010	SOCIAL SECURITY	4,100.00	302.12	3,111.98	75.9
05-230-5011	PENSION	6,400.00	0	6,366.00	99.5
05-230-5012	WORKERS COMP	800.00	0	4.48	0.6
05-230-5013	INSURANCE - HEALTH	12,200.00	-212.66	403.18	3.3
05-230-5015	CONTRIBUTION - 457	850.00	42.16	424.67	50.0
05-230-5313	COLLECTION EXPENSE	750.00	27.52	191.32	25.5
230 Garbage Admin.		80,100.00	4,374.58	53,784.82	
GARBAGE OPERATING					
05-232-5000	SALARIES	91,000.00	7,068.34	61,044.79	67.1
05-232-5010	SOCIAL SECURITY	6,900.00	531.71	4,561.03	66.1
05-232-5011	PENSION	10,900.00	0	10,532.00	96.6
05-232-5012	WORKERS COMP	4,400.00	0	119.51	2.7
05-232-5013	INSURANCE - HEALTH	34,400.00	391.89	1,052.03	3.1
05-232-5015	CONTRIBUTION - 457	750.00	25.14	87.99	11.7
05-232-5100	INSURANCE - AUTO	2,600.00	196.24	1,766.16	67.9
05-232-5102	INSURANCE - GEN LIAB	400.00	43.08	387.73	96.9
05-232-5105	INSURANCE - PROPERTY	5,900.00	382.68	3,444.12	58.4
05-232-5170	UNIFORMS	3,000.00	0	906.77	30.2
05-232-5180	SAFETY EQUIPMENT	1,000.00	0	542.46	54.3
05-232-5210	OFFICE SUPPLIES	1,000.00	108.56	897.12	89.7
05-232-5400	GAS, OIL, GREASE	14,000.00	839.57	8,293.94	59.2
05-232-5600	CORPORATE OVERHEAD	24,500.00	2,042.00	18,378.00	75.0
05-232-5770	ASH DUMPSTER	8,500.00	0	0	0.0
05-232-5771	BULK CLEANUP EXPENSE	10,000.00	0	0	0.0
05-232-5772	LANDFILL CHARGES	130,000.00	11,436.90	98,886.07	76.1
05-232-5773	SANITATION OPERATING EXPENSE	60,000.00	6,445.35	16,070.57	26.8
05-232-5774	YARD WASTE COMPOSTING	1,500.00	0	0	0.0
232 Garbage Operating		410,750.00	29,511.46	226,970.29	
GARBAGE FUND Expenditure Totals		490,850.00	33,886.04	280,755.11	
07-000-4600	INTEREST INCOME	0.00	2.96	24.93	0.0
COMM DEVELOPMENT SPECIAL PROJECTS FUND		0.00	2.96	24.93	
08-000-4600	INTEREST INCOME	0.00	3.34	29.01	0.0
08-000-4800	OPIOID SETTLEMENT RECEIPTS	0.00	0	4,063.24	0.0
OPIOID SETTLEMENT FUND Revenue Totals		0.00	3.34	4,092.25	

**CITY OF FROSTBURG
MONTHLY REPORT - TAXES
FOR THE MONTH ENDING MARCH 31, 2026**

Tax Type - Year	Principal Receivable at 02/28/26	Billings	Receipts		Abatements/ Adjustments	Principal Receivable at 03/31/26
			Principal	Interest		
Real Estate - 20/21	\$ 237.32	\$ -	\$ -	\$ -	\$ -	\$ 237.32
Real Estate - 21/22	244.30	-	-	-	-	244.30
Real Estate - 22/23	244.30	-	-	-	-	244.30
Real Estate - 23/24	26,544.95	-	3,514.19	1,431.29	-	23,030.76
Real Estate - 24/25	90,941.29	-	3,095.34	812.55	-	87,845.95
Real Estate - 25/26	329,873.93	-	24,436.62	1,369.79	-	305,437.31
Real Estate - overpayments	(5,096.95)	-	0.01	-	-	(5,096.96)
Real Estate Total	<u>\$ 442,989.14</u>	<u>\$ -</u>	<u>\$ 31,046.16</u>	<u>\$ 3,613.63</u>	<u>\$ -</u>	<u>\$ 411,942.98</u>
Personal Prop - 23/24	\$ 1,402.28	\$ -	\$ -	\$ -	\$ -	\$ 1,402.28
Personal Prop - 24/25	1,651.05	-	-	-	-	1,651.05
Personal Prop - 25/26	642.30	-	-	-	-	642.30
Personal Property	<u>\$ 3,695.63</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,695.63</u>
Public Utility - 25/26	<u>\$ 110,242.80</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 110,242.80</u>
Corporation - 21/22	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Corporation - 22/23	3,489.06	-	-	-	-	3,489.06
Corporation - 23/24	7,933.80	-	-	-	-	7,933.80
Corporation - 24/25	9,883.42	-	-	-	-	9,883.42
Corporation - 25/26	28,935.03	-	10,800.75	746.98	-	18,134.28
Corporation - overpayments	(1.76)	-	-	-	-	(1.76)
Corporation Total	<u>\$ 50,239.55</u>	<u>\$ -</u>	<u>\$ 10,800.75</u>	<u>\$ 746.98</u>	<u>\$ -</u>	<u>\$ 39,438.80</u>
Total	<u>\$ 607,167.12</u>	<u>\$ -</u>	<u>\$ 41,846.91</u>	<u>\$ 4,360.61</u>	<u>\$ -</u>	<u>\$ 565,320.21</u>

CITY OF FROSTBURG, MARYLAND
Single Audit Together with
Reports of Independent Public Accountants
For the Year Ended June 30, 2025

**Single Audit Together with
Reports of Independent Public Accountants**

JUNE 30, 2025

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REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS ON THE FINANCIAL STATEMENTS

Mayor and City Council
City of Frostburg, Maryland

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, and each major fund of the City of Frostburg, Maryland (the City), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, and each major fund of the City, as of June 30, 2025, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

The City's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.



Auditor’s Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City’s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City’s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management’s discussion and analysis, the schedule of revenues, expenditures, and changes in fund balance- budget and actual- general fund, the schedule of proportionate share of the net pension liability of the Maryland State Retirement and Pension System, schedule of contributions to the Maryland State Retirement and Pension System, and the schedule of changes in total OPEB liability and related ratios be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be



an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City’s basic financial statements. The schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards is presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 14, 2026, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City’s internal control over financial reporting and compliance.

Owings Mills, Maryland
April 14, 2026



**REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS ON INTERNAL CONTROLS
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Mayor and City Council
City of Frostburg, Maryland

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Frostburg, Maryland (the City) as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the City’s basic financial statements, and have issued our report thereon dated April 14, 2026.

Report on Internal Controls over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City’s internal controls over financial reporting (internal controls) as a basis for designing procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City’s internal controls. Accordingly, we do not express an opinion on the effectiveness of the City’s internal controls.

A deficiency in internal controls exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal controls, such that there is a reasonable possibility that a material misstatement of the City’s financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal controls that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal controls was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal controls that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal controls that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.



Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City’s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal controls and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity’s internal controls or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity’s internal controls and compliance. Accordingly, this communication is not suitable for any other purpose.

Owings Mills, Maryland
April 14, 2026

A handwritten signature in black ink that reads "SB + Company, LLC". The signature is written in a cursive, flowing style.



REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROLS OVER COMPLIANCE IN ACCORDANCE WITH THE UNIFORM GUIDANCE

Mayor and City Council
City of Frostburg, Maryland

Opinion on Each Major Federal Program

We have audited the City of Frostburg, Maryland’s (the City’s) compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on each of the City’s major federal programs for the year ended June 30, 2025. The City’s major federal program is identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2025.

Basis for Opinion on the Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the *Auditor’s Responsibilities for the Audit of Compliance* section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City’s compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

The City’s management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal controls over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the City’s federal programs.



Auditor’s Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City’s compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City’s compliance with the requirements of the major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City’s compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City’s internal controls over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal controls over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City’s internal controls over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal controls over compliance that we identified during the audit.

Report on Internal Controls Over Compliance

A deficiency in internal controls over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal controls over compliance* is a deficiency, or a combination of deficiencies, in internal controls over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal controls over compliance* is a deficiency, or a



combination of deficiencies, in internal controls over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal controls over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal controls over compliance was for the limited purpose described in the *Auditor's Responsibilities for the Audit of Compliance* section above and was not designed to identify all deficiencies in internal controls over compliance that might be material weaknesses or significant deficiencies in internal controls over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal controls over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal controls over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal controls over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal controls over compliance is solely to describe the scope of our testing of internal controls over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Owings Mills, Maryland
April 14, 2026

A handwritten signature in black ink that reads "SB + Company, LLC". The signature is written in a cursive, flowing style.

**Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2025**

PROGRAM NAME	FEDERAL ASSISTANCE LISTING NUMBER	GRANTOR OR PASS-THROUGH IDENTIFYING NUMBER	ORIGINAL GRANT	TOTAL FEDERAL EXPENDITURES	PASSED THROUGH TO SUBRECIPIENTS
UNITED STATES DEPARTMENT OF AGRICULTURE					
Community Facilities Loans and Grants	10.766	N/A	\$ 531,718	\$ 162,545	\$ -
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT					
PASSED THROUGH MD DEPT OF HOUSING AND COMMUNITY DEVELOPMENT					
Community Development Block Grant	14.228	MD-25-CD-26	780,000	155,129	-
DEPARTMENT OF INTERIOR					
PASSED THROUGH MD DEPT OF ENVIRONMENT					
Abandoned Mine Land Reclamation	15.252	U00P4600864	150,000	140,327	-
DEPARTMENT OF INTERIOR					
PASSED THROUGH APPALACHIAN FOREST NATIONAL HERITAGE AREA					
NPS Conservation, Protection, Outreach, and Education	15.954	Unknown	16,250	1,925	-
DEPARTMENT OF TRANSPORTATION					
PASSED THROUGH MD DEPT OF TRANSPORTATION					
State and Community Highway Safety	20.600	2024-197	800	168	-
State and Community Highway Safety	20.600	2025-086	1,000	798	-
State and Community Highway Safety	20.600	2025-087	1,000	396	-
State and Community Highway Safety	20.600	2025-088	800	398	-
Total Highway Safety Cluster			<u>3,600</u>	<u>1,760</u>	-
Total Department of Transportation			<u>3,600</u>	<u>1,760</u>	-
DEPARTMENT OF THE TREASURY					
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	8,379,632	2,452,609	-
APPALACHIAN REGIONAL COMMISSION					
PASSED THROUGH STATE HIGHWAY ADMINISTRATION					
Appalachian Development Highway System	23.003	MD-19820-201-20	<u>1,500,000</u>	<u>54,521</u>	-
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 11,361,200</u>	<u>\$ 2,968,816</u>	<u>\$ -</u>

**Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2025**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

All federal grant operations of the City of Frostburg (the City) are included in the scope of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the Single Audit). The Single Audit was performed in accordance with the provisions of the Office of Management and Budget (OMB) Compliance Supplement (the Compliance Supplement). Compliance testing of all requirements, as described in the Compliance Supplement, was performed for the major grant program noted below. The programs on the Schedule of Expenditures of Federal Awards (the Schedule) represent all federal award programs and other grants with fiscal year 2025 cash or non-cash expenditure activities. For our single audit testing, we tested the federal award program below with fiscal year 2025 cash and non-cash expenditures to ensure coverage of at least 40% of federally granted funds. Our actual coverage was 83%.

Expenditures are recognized following the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the Uniform Guidance), wherein certain types of expenditures are not allowable or are limited as to reimbursement. The City has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

<u>Major Program</u>	<u>Federal Assistance Listing Number</u>	<u>Federal Expenditures</u>
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	<u>\$ 2,452,609</u>

2. BASIS OF PRESENTATION

The accompanying Schedule includes the federal award activity of the City under programs of the federal government for the year ended June 30, 2025, and is reported on the accrual basis of accounting. The information in the Schedule is presented in accordance with Uniform Guidance. Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the City.

3. REVENUE RECONCILIATION

Revenues recognized from federal sources per the Schedule are included in four different funds in the City’s financial statements. Federal grant revenues of \$2,604,620 are included in grant income – federal within the general fund column on the statement of revenues, expenditures and changes in fund balances – governmental funds. Federal grant revenues included in project reimbursements on the statement of revenues, expenditures, and changes in fund balances – proprietary funds are as follows: \$82,845 in the water fund and \$281,351 in the sewer fund.

**Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2025**

Section I - Summary of Independent Public Accountants' Results

Financial Statements

Type of Independent Public Accountants' report issued	Unmodified
Internal controls over financial reporting:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None Reported
Noncompliance material to the financial statements noted?	No

Federal Awards

Type of Independent Public Accountants' report issued on compliance for major Federal program:	Unmodified
Internal controls over major Federal program:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None Reported
Audit findings disclosed that are required to be reported in accordance with 2CFR 200.516(a)?	No

Identification of Major Program:

Major Program	Federal Assistance Listing Number	Federal Expenditures
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	\$ 2,452,609
Threshold for distinguishing between Type A and B programs		\$ 750,000
Did the City qualify as a low risk auditee?		No

**Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2025**

Section II – Financial Statement Findings

None noted.

Section III – Federal Award Findings

None noted.

**Schedule of Prior Year Audit Findings and Questioned Costs
For the Year Ended June 30, 2025**

Internal Control and Compliance Finding

Significant Deficiency

2024-001 Inaccurate Reimbursement Request

Condition:

During our testing of grant revenue for Program Open Space funding, we noted certain expenses included on the reimbursement request that should not have been and others that were not on the reimbursement request that should have been. The reimbursement request used was the same form that was used for another Program Open Space project reimbursement request. All amounts were not removed so the request mistakenly included the amount of salary and wage costs that were incurred on another Program Open Space project. The total expenses on the reimbursement request did not agree to the individual expenses listed on the request. The reimbursement request also did not include some of the other expenses that were eligible for reimbursement. The City was going to include these expenses on the final reimbursement request when the project was completed. The net effect of the errors was an understatement of \$247.

2025 status:

Finding has been corrected for the 2025 fiscal year.

CITY OF FROSTBURG, MARYLAND
FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2025

CITY OF FROSTBURG, MARYLAND
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CITY OF FROSTBURG, MARYLAND

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**REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS ON
THE AUDIT OF THE FINANCIAL STATEMENTS**

Mayor and City Council
City of Frostburg, Maryland

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, and each major fund of the City of Frostburg, Maryland (the City), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the City’s basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities and each major fund of the City, as of June 30, 2025, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the *Auditor’s Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

The City’s management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City’s ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.



Auditor’s Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City’s internal controls. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City’s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management’s discussion and analysis, the schedule of revenues, expenditures, and changes in fund balance- budget and actual- general fund, the schedule of proportionate share of the net pension liability of the Maryland State Retirement and Pension System, schedule of contributions to the Maryland State Retirement and Pension System, and the schedule of changes in total OPEB liability and related ratios be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be



an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Owings Mills, Maryland
April 14, 2026

SB + Company, LLC

**City of Frostburg
Management’s Discussion and Analysis**

The following discussion and analysis provide an overview of the financial activities of the City of Frostburg for the fiscal year ended June 30, 2025. This information is designed to focus on the current year activities, resulting changes, and currently known facts. The discussion and analysis should be read in conjunction with the financial statements which follow this narrative.

Financial Highlights

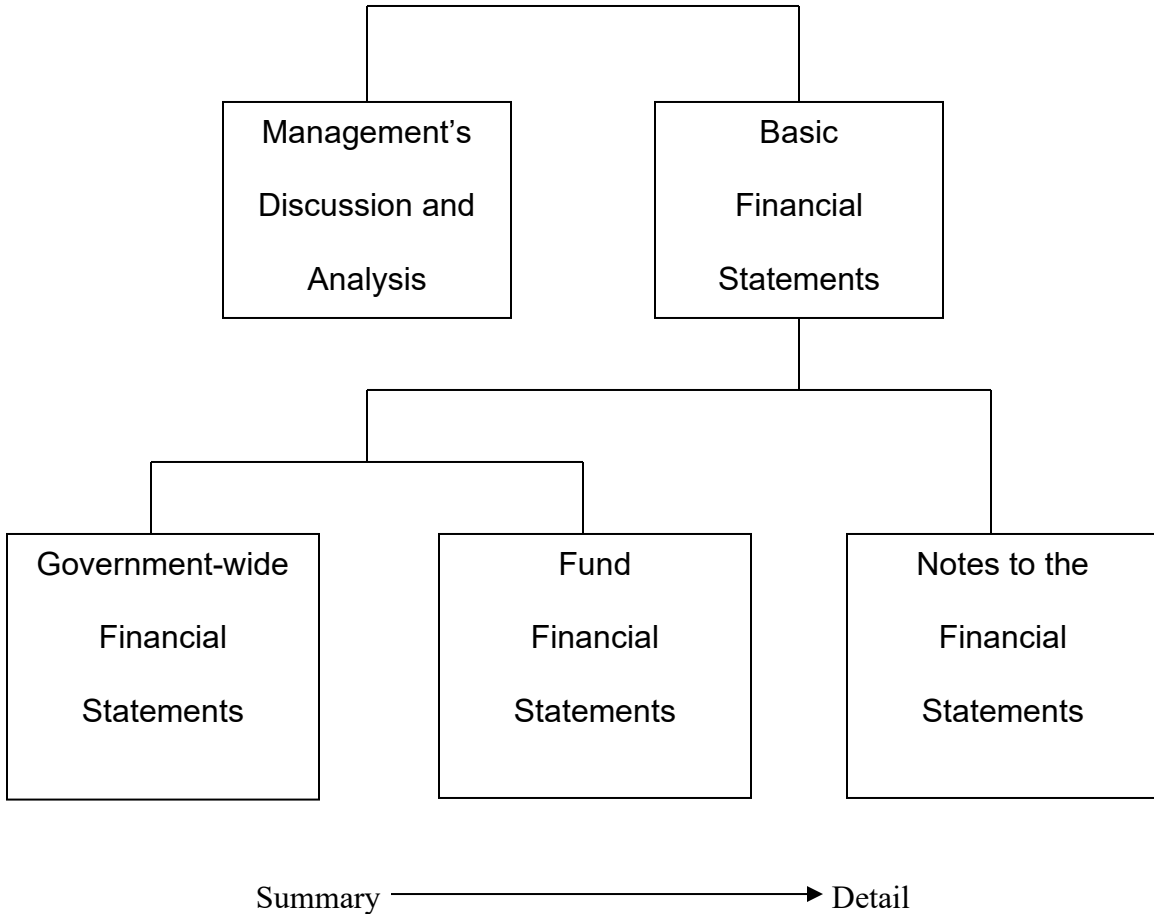
- The assets of the City of Frostburg exceeded its liabilities at the close of the fiscal year by \$51,865,524.
- The government’s total net position increased by \$1,668,344. This increase is partially attributed to operating and capital grant revenues to support governmental and business-type activities. The American Rescue Plan Act continued to provide a significant source of funding for governmental and business-type activities. Interest earnings continued to be favorable.
- As of the close of the current fiscal year, the governmental funds of the City of Frostburg reported combined ending fund balances of \$7,885,355 which is an increase of \$142,245 compared with the prior year. Approximately 98 percent of the total fund balance, or \$7,755,327, is available for spending at the government’s discretion.
- At the end of the current fiscal year, unrestricted fund balance for the General Fund was \$7,755,327 or approximately 88 percent of total general fund expenditures for the fiscal year.
- The long-term leases, subscriptions, bonds, and notes payable of the City of Frostburg decreased by \$623,971 during the current fiscal year. The portion of the outstanding liability that will be due within one year is \$689,772.

Overview of the Financial Statements

This discussion and analysis introduce the basic financial statements of the City of Frostburg. The basic financial statements consist of three components; 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements (see Figure 1). The basic financial statements present two different views of the city using government-wide statements and fund financial statements. In addition to the basic financial statements, this report contains other supplemental information that will enhance the reader’s understanding of the financial condition of the City of Frostburg.

Required Components of Annual Financial Report

Figure 1



Basic Financial Statements

The first two statements (pages 16 - 17) in the basic financial statements are the **Government-wide Financial Statements**. They provide both short and long-term information about the financial status of the City of Frostburg.

The **Fund Financial Statements** (pages 18 - 24) focus on the activities of the individual parts of the city government. These statements provide more detail than the government-wide statements. There are three parts to the Fund Financial Statements: 1) the governmental fund statements; 2) the budgetary comparison statements; and 3) the proprietary fund statements.

The next section of the basic financial statements is the **Notes to the Financial Statements** (pages 25 – 50). The notes explain, in detail, some of the data contained in the financial statements. After the notes, supplemental information is provided to show details about

**Management Discussion and Analysis
City of Frostburg**

the city’s individual funds. Budgetary information, required by the General Statutes, is also included in this section of the statements.

Government-wide Financial Statements

The government-wide financial statements are designed to provide the reader with a broad overview of the city finances in a similar format to a financial statement of a private-sector business. The government-wide statements provide short and long-term information about the city’s financial status.

The two government-wide statements report the city’s net position and how they have changed. Net position is the difference between the city’s total assets, deferred outflows of resources, total liabilities, and deferred inflows of resources. Measuring net position is one way to gauge the city’s financial condition.

The government-wide statements are divided into two categories: governmental activities and business-type activities. The governmental activities include most of the city’s basic services such as public safety, street maintenance, parks and recreation, and general administration. Taxes and state and federal grant funds finance most of these activities. The business-type activities of the city are financed by user fees and include water, sewer and refuse service.

The government-wide financial statements are on pages 16 and 17 of this report.

Fund Financial Statements

The fund financial statements provide a more detailed look at the city’s most significant activities. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Frostburg, like all other governmental entities in Maryland, uses fund accounting to ensure and reflect compliance or non-compliance with finance-related legal requirements such as the General Statutes or the city’s budget ordinance. All the funds of the City of Frostburg can be divided into two categories: governmental funds and proprietary funds.

Governmental Funds – Governmental funds are used to account for functions which are reported as governmental activities in the government-wide financial statements. Most of the city’s basic services are accounted for in governmental funds. These funds focus on how readily assets can be converted into cash and what monies are left at year-end that will be available for spending in the next year. Governmental funds are reported using modified accrual accounting that provides a short-term spending focus. As a result, the governmental fund financial statements give the reader a detailed short-term view to determine if there are more, or less, financial resources available to finance the city’s programs. The relationship between governmental activities, reported in the Statement of Net Position and the Statement of Activities, and governmental funds is described in a reconciliation that is a part of the fund financial statements.

Management Discussion and Analysis City of Frostburg

The City of Frostburg adopts an annual budget for its General Fund, as required by the charter. The budget is a legally adopted document that incorporates input from the citizens of the city, the management of the city, and the decisions of the Mayor and Council about which services to provide and how to pay for them. The budget also authorizes the city to obtain funds from identified sources to finance current period activities. The budgetary statement for the General Fund demonstrates how well the city complied with the budget ordinance and whether the city succeeded in providing the services as planned when the budget was adopted. The budgetary comparison statement uses the budgetary basis of accounting and is presented using the same format, language, and classifications as the legal budget document. The statement shows four columns: 1) the original budget as adopted by the Mayor and Council; 2) the final budget as amended by the Mayor and Council; 3) the actual resources, charges to appropriations, and ending balances in the General Fund; and 4) the variance between the final budget and the actual resources and charges. A reconciliation is presented at the end of the budgetary statement to account for the difference between the budgetary basis of accounting and the modified accrual basis.

Proprietary Funds – The City of Frostburg has two different kinds of proprietary funds. Enterprise Funds report the same functions which are presented as business-type activities in the government-wide financial statements. The City of Frostburg uses enterprise funds to account for water, water surcharge, sewer and garbage activity. These funds are the same as those functions shown in the business-type activities in the Statement of Net Position and the Statement of Activities.

Special Revenue Funds are an accounting device used to accumulate and allocate costs internally among the functions of the City of Frostburg. The city uses special revenue funds to account for its Community Development Special Project activity and Opioid Settlement receipts. Because these activities benefit predominantly governmental rather than business-type activities, the special revenue funds have been included within the governmental activities in the government-wide financial statements.

Notes to the Financial Statements – The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements are on pages 25 - 50 of this report.

Government-Wide Financial Analysis

The government-wide financial statements include the Statement of Net Position and the Statement of Activities. The Statement of Net Position presents information on all the assets of the City of Frostburg plus deferred outflows of resources compared to the liabilities of the City plus deferred inflows of resources. The difference between the two subtotals is reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating. The Statement of Activities focuses on how the government's assets changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash

Management Discussion and Analysis
City of Frostburg

flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods. Examples of items that result in future cash flows are uncollected taxes and unused vacation leave. The Statement of Net Position and the Statement of Activities are on pages 16 - 17 of this report. A summary of this statement is provided below.

City of Frostburg – Net Position
Figure 2

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Current and other assets	\$ 10,397,440	\$ 13,595,506	\$ 5,652,808	\$ 4,880,716	\$ 16,050,248	\$ 18,476,222
Capital assets	19,032,104	17,740,366	28,257,813	28,937,337	47,289,917	46,677,703
Total assets	29,429,544	31,335,872	33,910,621	33,818,053	63,340,165	65,153,925
Deferred outflows of resources	677,644	696,342	397,909	279,683	1,075,553	976,025
Long-term liabilities	5,028,536	5,258,969	3,228,068	3,414,972	8,256,604	8,673,941
Other liabilities	1,893,702	5,176,074	1,441,022	986,057	3,334,724	6,162,131
Total liabilities	6,922,238	10,435,043	4,669,090	4,401,029	11,591,328	14,836,072
Deferred inflows of resources	873,105	998,137	85,761	98,561	958,866	1,096,698
Net position:						
Invested in capital assets, net of related debt	16,100,334	14,712,903	26,102,480	26,107,427	42,202,814	40,820,330
Restricted	63,351	55,170	-	-	63,351	55,170
Unrestricted	6,148,160	5,830,961	3,451,199	3,490,719	9,599,359	9,321,680
Total net position	\$ 22,311,845	\$ 20,599,034	\$ 29,553,679	\$ 29,598,146	\$ 51,865,524	\$ 50,197,180

As noted earlier, net position may serve over time as one useful indicator of a government’s financial condition. The assets and deferred outflows of the City of Frostburg exceeded liabilities and deferred inflows by \$51,865,524 as of June 30, 2025. Most of the net position is invested in capital assets. Capital assets are used to provide services to citizens, but they are not available for future spending. Although the City of Frostburg’s investment in its capital assets is reported net of the outstanding related debt, the resources needed to repay that debt must be provided by other sources since the capital assets cannot be used to liquidate these liabilities. An additional portion of the net position of the City of Frostburg, less than 1%, represents resources that are subject to external restrictions on how they may be used.

The city’s total net position increased by \$1,668,344 for the fiscal year ending June 30, 2025. Several aspects of the City financial operations positively influenced the total governmental net position including, but not limited to, the following:

Management Discussion and Analysis
City of Frostburg

- An increase in tax revenues
- An increase in net revenue from sewer activities
- Use of Coronavirus State and Local Fiscal Recovery Funds

City of Frostburg - Changes in Net Position
Figure 3

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Revenues:						
Program revenues:						
Charges for services	\$ 309,904	\$ 335,159	\$ 4,934,379	\$ 5,342,806	\$ 5,244,283	\$ 5,677,965
Operating grants and contributions	291,131	435,920	16,295	262,473	307,426	698,393
Capital grants and contributions	497,541	1,427,274	1,194,453	1,360,576	1,691,994	2,787,850
General revenues:						
Property taxes	3,273,636	3,192,375	-	-	3,273,636	3,192,375
Other taxes	1,464,840	1,527,535	-	-	1,464,840	1,527,535
Other	2,751,414	1,407,731	165,166	120,845	2,916,580	1,528,576
Total revenues	<u>8,588,466</u>	<u>8,325,994</u>	<u>6,310,293</u>	<u>7,086,700</u>	<u>14,898,759</u>	<u>15,412,694</u>
Expenses:						
General government	1,871,871	1,321,683	-	-	1,871,871	1,321,683
Public safety	1,778,221	2,053,016	-	-	1,778,221	2,053,016
Public works	2,014,107	1,702,411	-	-	2,014,107	1,702,411
Recreation and parks	970,072	900,566	-	-	970,072	900,566
Community development	419,512	274,125	-	-	419,512	274,125
Code enforcement	177,408	109,342	-	-	177,408	109,342
Water, sewer and garbage	-	-	5,999,224	5,858,757	5,999,224	5,858,757
Total expenses	<u>7,231,191</u>	<u>6,361,143</u>	<u>5,999,224</u>	<u>5,858,757</u>	<u>13,230,415</u>	<u>12,219,900</u>
Change in net position before transfers and donations	1,357,275	1,964,851	311,069	1,227,943	1,668,344	3,192,794
Transfers	355,536	352,350	(355,536)	(352,350)	-	-
Change in net position	<u>1,712,811</u>	<u>2,317,201</u>	<u>(44,467)</u>	<u>875,593</u>	<u>1,668,344</u>	<u>3,192,794</u>
Net position, July 1	20,599,034	18,281,833	29,598,146	28,722,553	50,197,180	47,004,386
Net position, June 30	<u>\$ 22,311,845</u>	<u>\$ 20,599,034</u>	<u>\$ 29,553,679</u>	<u>\$ 29,598,146</u>	<u>\$ 51,865,524</u>	<u>\$ 50,197,180</u>

Governmental Activities: The Statement of Activities is significantly different than a typical Statement of Revenues, Expenses and Changes in Fund Balance. Expenses are listed in the first column on the left side with revenues for that program reported to the right. The result is Net Revenue/(Expense). This format highlights the relative financial burden of each function on the City’s taxpayers. This presentation also identifies whether the function draws from the general revenues or if it is self-financing through fees and grants.

Governmental activities increased the city’s net position by \$1,712,811. The key elements of this increase are as follows:

**Management Discussion and Analysis
City of Frostburg**

- Coronavirus State and Local Fiscal Recovery Funds (SLFRF) that were unrestricted for general government activities.
- Increases in property, income, highway use, and hotel motel tax revenue.

Business-type Activities: Business-type activities decreased the net position of the City of Frostburg by \$44,467. The key elements of this change are as follows:

- Reduction in the use of SLFRF for water and sewer fund projects.
- Increase in the cost of water filtration and sewage treatment costs.
- Increased repairs to the water infrastructure.

Financial Analysis of the City Funds

As noted earlier, the City of Frostburg uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds: The focus of the City of Frostburg’s governmental funds is to provide information on near-term inflows, outflows, and balances of usable resources. Such information is useful in assessing the financing requirements of the City of Frostburg. Specifically, unassigned fund balance can be a useful measure of a government’s net resources available for spending at the end of the fiscal year.

The general fund is the chief operating fund of the City of Frostburg. At the end of the current fiscal year, the unassigned fund balance of the General Fund was \$7,755,327 while the total fund balance was \$7,822,004. As a measure of the general fund’s liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures.

At June 30, 2025, the governmental funds of the City of Frostburg reported a combined fund balance of \$7,885,355, an increase of approximately 2 percent over last year. Included in this change in fund balance is an increase in fund balance in the General Fund primarily due to tax revenues compared to the prior year.

General Fund Budgetary Highlights: The Mayor and City Council publicly approved the budget for the year ending June 30, 2025 as Ordinance 2025-01. The budget was amended through Resolution 2025-02 and Resolution 2025-25. Of note, among the amendments in the Corporate Fund was an increase in public utility taxes because of increased certified assessments and a decrease in project reimbursements due to changes to the project schedule for an Appalachian Regional Commission funded project. An increase in budgeted special revenue from the Coronavirus State and Local Fiscal Recovery Funds (SLFRF) was included in the budget amendments and the previously budgeted use of fund balance was eliminated. Administrative capital outlays and contributions were amended due to changes in project timelines.

Health insurance expense in several departments including administration, finance, and public safety was reduced to reflect changes in enrollments and utilization. Pension expense for public safety was reduced to reflect actual billing for the fiscal year. In the street department, amendments included increases in salt and abrasives due to seasonal variances compared to the prior year and street equipment maintenance due to unexpected truck repairs and pollution control costs.

During the year, general fund revenues exceeded the budget by \$31,972. Key revenue sources including income tax and highway use tax revenue both exceeded budget estimates and the revenue projections that had previously been provided to the City by the State of Maryland. Net property tax revenue and grant income continue to provide significant revenue to support government operations.

General fund expenditures were less than the budgetary estimates by \$102,092 which is approximately 1% of the total budgeted expenditures. The accounting for capital assets acquired through leases and subscription arrangements differs for budgetary and financial reporting purposes which is part of the reported difference between actual expenses and budgetary estimates.

Proprietary Funds: The City’s proprietary funds provide the same type of information found in the government-wide statements but in more detail. The unrestricted net position of the Water, Water Surcharge, Sewer, and Garbage Funds at the end of the fiscal year was \$3,451,199. Current year operations of the proprietary funds negatively affected net position in total by \$44,467. Sewer operations reflected a positive change in net position during the year. Other factors concerning the finances of these funds have already been addressed in the discussion of the City’s business-type activities.

Capital Asset and Debt Administration

Capital assets: The City of Frostburg’s investment in capital assets for its governmental and business-type activities as of June 30, 2025 totals \$47,289,917, net of accumulated depreciation. These assets include buildings, roads, land, machinery and equipment, park facilities, and vehicles.

Major capital asset transactions during the year include the following additions:

- Completion of a new downtown parking lot
- Completion of a childcare center
- Completion of a salt storage facility
- Completion of a storage building at the armory
- Significant paving projects
- Improvements at several City recreation facilities
- Completion of a water line replacement project
- Completion of the CSO Phase VIII-C and IX-D projects
- Work in progress on the CSO Phase X-A project

City of Frostburg - Capital Assets
Figure 4

	(net of depreciation)					
	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Land and construction in progress	\$ 5,328,010	\$ 6,850,400	\$ 2,177,788	\$ 1,213,456	\$ 7,505,798	\$ 8,063,856
Buildings and systems	7,346,627	5,061,615	732,583	1,002,608	8,079,210	6,064,223
Improvements other than buildings	1,340,870	569,028	3,500,211	3,878,428	4,841,081	4,447,456
Machinery and equipment	870,078	974,779	1,032,634	1,158,632	1,902,712	2,133,411
Intangible assets	103,162	113,478	-	-	103,162	113,478
Subscription assets	106,118	151,449	-	-	106,118	151,449
Right of use assets	277,408	324,664	103,983	149,425	381,391	474,089
Infrastructure	3,659,831	3,694,953	20,710,614	21,534,788	24,370,445	25,229,741
Total	\$ 19,032,104	\$ 17,740,366	\$ 28,257,813	\$ 28,937,337	\$ 47,289,917	\$ 46,677,703

Additional information on the City’s capital assets can be found in note 5 of the Basic Financial Statements.

Long-term Debt. As of June 30, 2025, the City of Frostburg had total bonded debt outstanding of \$4,770,323. Of this total bonded debt, \$4,410,377 is debt backed by the full faith and credit of the City. The remainder of the City’s debt represents bonds secured solely by specified revenue sources.

City of Frostburg - Outstanding Debt
General Obligation and Revenue Bonds
Figure 5

	Governmental Activities	
	2025	2024
	General obligation bonds	\$ 2,288,000
Bond premium	245,923	253,265
Revenue bonds	-	-
Total	\$ 2,533,923	\$ 2,597,265

The City of Frostburg’s long-term total debt decreased by \$502,014 (approximately 9.5%) during the past fiscal year. Debt principal payments during the past fiscal year were \$494,673.

Additional information regarding the City of Frostburg’s long-term debt can be found in note 8 beginning on page 37 of this report.

Economic Factors – 2025

Allegany County continues to lag behind Maryland and national metrics for measuring wealth, including median family income. The unemployment rate in Allegany County is in line with regional unemployment rates. Like most other local governments, the City received significant American Rescue Plan Act funds in FY 22-25. With this federal funding, the City has made long-term infrastructure investments that will have a positive long-term effect on the City’s water and sewer utilities as well as general government operations.

The economy of the City is impacted by regional industry and business, including major manufacturers, healthcare, government services, education, correctional facilities, and natural resources. Many residents of Frostburg live within the City and commute elsewhere in the County or region to work. Frostburg is known for a high-quality of life and desirable schools.

The City is home to one of the county’s larger employers, Frostburg State University. FSU is the primary contributor to the economy in Frostburg based on the number of full-time jobs, ongoing capital investments, and residents of the community that attend or work for the school. The pandemic and subsequent nationwide trends in higher education have also negatively affected enrollment at the University. At this point, stable or small modest increases in enrollment at the University are expected. Recently, FSU has faced very public fiscal challenges and an associated “Retrenchment Plan” which includes layoffs for various faculty and staff. The school’s administration is confident that these actions position FSU to have a sustainable budget going forward through 2028.

In prior years, call centers made up another large employment sector within city limits. However, due to changing industry dynamics and the ability to telework, all three call centers have more or less ceased operations within the City, leaving underutilized office space. The City has two business parks, and investment and interest remains strong in the Frostburg Business Park near the I-68 and Route 36 interchange. A new light industrial building remains under construction and another facility is in the planning stages of an expansion to more than double their footprint – these will create jobs for the region and bolster the City’s tax base. The Main Street commercial district remains relatively stable, but the market challenges of redeveloping the large vacant historic structures are becoming more challenging without government subsidy. Staff continue to work to find resources to ensure continued modest commercial investment in the coming year

**Management Discussion and Analysis
City of Frostburg**

There is an opportunity for new commercial development near the interstate interchanges, but there have been no proposals for developing those properties at this time. In terms of residential development, two subdivisions are active with lots and new homes being sold. Real estate assessment occurred in a portion of Frostburg in 2022 which resulted in an increase in the City’s tax base.

The overall economy in the City seems relatively stable; there is reason for optimism that the City will grow at a modest rate.

Budget Highlights for the Fiscal Year Ending June 30, 2026

Governmental Activities: Property tax revenue, the largest source of general government revenue, is budgeted to increase as real estate taxable assessments rose about \$26.8 million, or about 6%, compared to the prior year. The real estate tax rate for fiscal year 2026 is seventy cents per one hundred dollars of assessed value, consistent with the prior year tax rate. Maryland highway use tax is increased based on the funding notification provided by the State Highway Administration. Corporation taxes are budgeted to decrease based on a manufacturing equipment personal property tax exemption that was approved by Charter Amendment that was effective beginning in fiscal year 2025.

Original budgeted expenditures in the General Fund are expected to increase by about 13 percent compared to the amended prior year budget. Projects using SLFRF revenue comprise about \$700,000 of the Corporate Fund budgeted expenditures. SLFRF projects include purchase of a new plow truck and street sweeper and design work for the Roundabout project.

Salary enhancements for all full-time city employees in July 2025 increased budgeted salary expense in all funds compared to the prior year. Changes to the City’s benefits package allowed for overall decreases in budgeted employee benefits. Participation in the Law Enforcement Officers’ Pension System (LEOPS) of the Maryland State Retirement and Pension System for certified police officers of the City continues to require higher contributions as compared to contributions made when the officers participated in the

Business – type Activities: The water and sewer consumption rates as well as the CSO surcharge and garbage rates remain unchanged from the year ending June 30, 2025. The water rate for bulk water sales to Allegany County was due for update in FY24 per the triannual schedule however the rate was extended for one more year upon consensus with Allegany County. A second extension was also granted in FY25.

Capital projects included in the budget of the Sewer Fund are the continuation of the combined sewer overflow elimination projects with completion of North Grant and Center Street projects (Phase VIII-C and IX-D) which are funded primarily with CDBG grant funding. Final design of CSO Phase X-B and X-C should be completed in preparation for bidding and initial construction during the fiscal year.

**Management Discussion and Analysis
City of Frostburg**

Budget amendments are anticipated in the year as staffing changes have resulted in cost savings in various departments. Additionally, health insurance costs which were projected to be lower than the prior year are proving to be even less than anticipated. The City will also reevaluate project priorities with the use of ARPA funding and assess CSO and administrative project timelines during the year and propose budget amendments as deemed appropriate.

Requests for Information

This report is designed to provide an overview of the City finances. Questions concerning any of the information found in this report or requests for additional information should be directed to the Director of Finance, Amy M. Phillips, CPA, PO Box 440, Frostburg, MD 21532, 301-689-6000 extension 103, or aphillips@frostburgcity.org.

STATEMENT OF NET POSITION
JUNE 30, 2025

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 8,967,204	\$ 4,550,922	\$ 13,518,126
Restricted cash	20,519	-	20,519
Accounts receivable	612,576	1,096,217	1,708,793
Prepaid expenses	66,677	5,669	72,346
Accrued interest receivable	13,858	-	13,858
Leases receivable	716,606	-	716,606
Capital Assets			
Non-depreciable	5,328,010	2,177,788	7,505,798
Depreciable, net of accumulated depreciation	13,704,094	26,080,025	39,784,119
TOTAL ASSETS	29,429,544	33,910,621	63,340,165
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows of resources related to pensions	536,692	344,574	881,266
Deferred outflows of resources related to OPEB	140,952	53,335	194,287
Total Deferred Outflows of Resources	677,644	397,909	1,075,553
LIABILITIES			
Current Liabilities:			
Accounts payable and accrued expenses	252,095	865,455	1,117,550
Salaries and benefits payable	130,918	37,655	168,573
Unearned revenue	1,299,555	50,010	1,349,565
Current portion of leases, subscriptions, bonds, and notes payable	211,134	487,902	699,036
Noncurrent Liabilities:			
Compensated absences	397,717	245,263	642,980
Net OPEB liability	513,989	194,483	708,472
Net pension liability	1,442,806	927,980	2,370,786
Leases and subscriptions payable (net of current portion)	198,600	69,382	267,982
Bonds and notes payable (net of current portion)	2,475,424	1,790,960	4,266,384
TOTAL LIABILITIES	6,922,238	4,669,090	11,591,328
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of resources related to pensions	36,472	23,416	59,888
Deferred inflows of resources related to OPEB	164,769	62,345	227,114
Deferred inflows of resources related to leases	671,864	-	671,864
Total Deferred Inflows of Resources	873,105	85,761	958,866
NET POSITION			
Net investment in capital assets	16,100,334	26,102,480	42,202,814
Restricted	63,351	-	63,351
Unrestricted	6,148,160	3,451,199	9,599,359
TOTAL NET POSITION	\$ 22,311,845	\$ 29,553,679	\$ 51,865,524

The accompanying notes are an integral part of these financial statements.

CITY OF FROSTBURG, MARYLAND

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2025

Function/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets Primary Government		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Primary Government							
Governmental Activities:							
General government	\$ 1,871,871	\$ 183,685	\$ 8,125	\$ 497,541	\$ (1,182,520)	\$ -	\$ (1,182,520)
Public safety	1,778,221	5,210	201,745	-	(1,571,266)	-	(1,571,266)
Public works	2,014,107	-	-	-	(2,014,107)	-	(2,014,107)
Recreation and parks	970,072	118,409	-	-	(851,663)	-	(851,663)
Community development	419,512	-	81,261	-	(338,251)	-	(338,251)
Code enforcement	177,408	2,600	-	-	(174,808)	-	(174,808)
Total Governmental Activities	7,231,191	309,904	291,131	497,541	(6,132,615)	-	(6,132,615)
Business-type Activities:							
Water	1,800,835	1,660,514	8,345	74,500	-	(57,476)	(57,476)
Sewer	2,685,228	2,090,472	7,950	1,119,953	-	533,147	533,147
Water Surcharge	1,001,248	752,632	-	-	-	(248,616)	(248,616)
Garbage	511,913	430,761	-	-	-	(81,152)	(81,152)
Total Business-type Activities	5,999,224	4,934,379	16,295	1,194,453	-	145,903	145,903
Total Primary Government	\$ 13,230,415	\$ 5,244,283	\$ 307,426	\$ 1,691,994	(6,132,615)	145,903	(5,986,712)
General Revenues:							
Taxes							
Net property taxes					3,273,636	-	3,273,636
Income taxes					773,162	-	773,162
Highway use tax					496,844	-	496,844
Hotel motel tax					184,402	-	184,402
Admission taxes					10,432	-	10,432
Rental income					99,420	-	99,420
Licenses and permits					32,563	-	32,563
Grants and contributions not restricted to specific programs					2,088,414	-	2,088,414
Interest earnings					515,201	165,166	680,367
Miscellaneous revenues					17,234	-	17,234
Gain (loss) on disposal of fixed assets					(1,418)	-	(1,418)
Transfers					355,536	(355,536)	-
Total General Revenues and Transfers					7,845,426	(190,370)	7,655,056
Change in Net Position					1,712,811	(44,467)	1,668,344
Net Position - July 1, 2024					20,599,034	29,598,146	50,197,180
Net Position - June 30, 2025					\$ 22,311,845	\$ 29,553,679	\$ 51,865,524

The accompanying notes are an integral part of these financial statements.

CITY OF FROSTBURG, MARYLAND

**BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2025**

	General Fund	Special Revenue Comm Dev Special Project	Special Revenue Opioid Settlement	Total Governmental Funds
ASSETS				
Cash and cash equivalents	\$ 8,903,853	\$ 31,712	\$ 31,639	\$ 8,967,204
Restricted cash	20,519	-	-	20,519
Accounts receivable	612,576	-	-	612,576
Prepaid expenses	66,677	-	-	66,677
Leases receivable	716,606	-	-	716,606
	TOTAL ASSETS	\$ 31,712	\$ 31,639	\$ 10,383,582
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES				
Accounts payable and accrued expenses	\$ 228,183	\$ -	\$ -	\$ 228,183
Salaries and benefits payable	130,918	-	-	130,918
Unearned revenue	1,299,555	-	-	1,299,555
	TOTAL LIABILITIES	-	-	1,658,656
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - Property taxes	167,707	-	-	167,707
Unavailable revenue - Leases	671,864	-	-	671,864
	TOTAL DEFERRED INFLOWS OF RESOURCES	-	-	839,571
FUND BALANCES				
Nonspendable - Prepaid expenses	66,677	-	-	66,677
Restricted - Community Development Block Grants	-	31,712	-	31,712
Restricted - Opioid Settlement Fund	-	-	31,639	31,639
Unassigned	7,755,327	-	-	7,755,327
	TOTAL FUND BALANCE	31,712	31,639	7,885,355
	TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 31,712	\$ 31,639	\$ 10,383,582

The accompanying notes are an integral part of these financial statements.

**RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2025**

Total Fund Balances - Governmental Funds		\$ 7,885,355
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Governmental capital assets, net of accumulated depreciation		19,032,104
Deferred outflows of resources related to pensions are not recognized in the fund statements.		536,692
Deferred outflows of resources related to OPEB are not recognized in the fund statements.		140,952
Accrued interest income is recorded on fund statements only when received		13,858
Accrued interest expense is recorded on fund statements only when due		(23,912)
Long-term liabilities are not due and payable in the current period, and therefore are not reported as liabilities in the funds.		
Bonds and notes payable	(2,288,000)	
Premium on bonds (to be amortized as interest expense)	(245,924)	
Leases and subscriptions payable	(351,234)	
Accrued post employment health insurance	(513,989)	
Net pension liability	(1,442,806)	
Compensated absences	(397,717)	
		(5,239,670)
Accounts receivable from taxes not collected within 60 days of year end are reported as deferred inflows of resources in the governmental funds.		167,707
Deferred inflows of resources related to pension plan actuarial assumptions and investment activity are not recognized in the governmental fund statements.		(36,472)
Deferred inflows of resources related to OPEB plan actuarial assumptions and investment activity are not recognized in the governmental fund statements.		(164,769)
 TOTAL NET POSITION - GOVERNMENTAL ACTIVITIES		\$ 22,311,845

The accompanying notes are an integral part of these financial statements.

CITY OF FROSTBURG, MARYLAND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2025

	General Fund	Special Revenue Comm Dev Special Project	Special Revenue Opioid Settlement	Total Governmental Funds
REVENUES				
Taxes				
Property tax revenue	\$ 3,252,140	\$ -	\$ -	\$ 3,252,140
Income taxes	773,162	-	-	773,162
Hotel motel tax	184,402	-	-	184,402
Highway use tax	496,844	-	-	496,844
Other taxes	89,833	-	-	89,833
Police protection grant	122,540	-	-	122,540
Public safety revenue	6,699	-	-	6,699
Licenses and permits	53,073	-	-	53,073
Police grants	39,205	-	-	39,205
Rental program revenue	81,310	-	-	81,310
Rental income	99,420	-	-	99,420
Recreational activities	118,409	-	-	118,409
Grant income - federal	2,604,621	-	-	2,604,621
Grant income - other	102,595	-	-	102,595
Other income	20,809	-	8,125	28,934
Interest	512,124	25	31	512,180
	8,557,186	25	8,156	8,565,367
TOTAL REVENUES				
EXPENDITURES				
Administration	2,062,858	-	-	2,062,858
Public safety	2,118,747	-	-	2,118,747
Street department	1,258,580	-	-	1,258,580
Recreation department	734,765	-	-	734,765
Debt service: Principal	214,483	-	-	214,483
Interest	126,786	-	-	126,786
Capital outlays	2,342,334	-	-	2,342,334
	8,858,553	-	-	8,858,553
TOTAL EXPENDITURES				
EXCESS(DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES				
	(301,367)	25	8,156	(293,186)
OTHER FINANCING SOURCES (USES)				
Interfund transfers	355,536	-	-	355,536
Lease proceeds	79,520	-	-	79,520
Proceeds from sale of capital assets	375	-	-	375
	435,431	-	-	435,431
TOTAL OTHER FINANCING SOURCES (USES)				
NET CHANGE IN FUND BALANCES				
	134,064	25	8,156	142,245
FUND BALANCE - JULY 1, 2024				
	7,687,940	31,687	23,483	7,743,110
FUND BALANCE - JUNE 30, 2025				
	\$ 7,822,004	\$ 31,712	\$ 31,639	\$ 7,885,355

The accompanying notes are an integral part of these financial statements.

**RECONCILIATION OF THE GOVERNMENTAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2025**

Total Net Change in Fund Balance - Governmental Funds \$ 142,245

**Amounts reported for governmental activities in the statement
of activities are different because:**

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is depreciated over their estimated useful lives.

Expenditures for capital assets	2,343,084	
Less current year depreciation	<u>(1,049,554)</u>	
		1,293,530

Governmental funds report the proceeds from the sale of capital assets as income; however, in the statement of activities the sale of capital assets are reported net of the remaining book value of the assets as either gain or loss.

Net book value of disposed capital assets in the statement of activities		(1,793)
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Right-to-use assets under lease and subscription-based arrangements are shown as other financing sources in the year of issuance and as expenditures in the years of repayment in the governmental funds. These arrangements increase liabilities in the year of issuance and decrease liabilities in the years of repayment in the statement of net assets.

Other financing sources - lease proceeds	(79,520)	
Principal payments on leases	122,543	
Principal payments on subscriptions	<u>35,940</u>	
		78,963

Repayment of note proceeds is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.

56,000

Some revenues reported in the statement of activities do not provide current financial resources and, therefore, are not reported as revenues in governmental funds.

Change in deferred inflows of resources from taxes		21,496
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Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.

Change in deferred outflows of resources related to pensions		31,419
Change in deferred outflows of resources related to OPEB		(50,117)
Change in accrued interest		3,599
Change in accrued post employment health insurance		(7,266)
Change in compensated absences		96,509
Change in accrued pension liability		(8,343)
Amortization of premium on debt		7,341
Change in deferred inflows of resources related to OPEB		19,941
Change in deferred inflows of resources related to pensions		<u>29,287</u>

TOTAL CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES \$ 1,712,811

The accompanying notes are an integral part of these financial statements.

CITY OF FROSTBURG, MARYLAND

STATEMENT OF NET POSITION
 PROPRIETARY FUNDS
 JUNE 30, 2025

	Water	Sewer	Water Surcharge	Garbage	Total
ASSETS					
Current Assets:					
Cash and cash equivalents	\$ 1,208,584	\$ 2,135,054	\$ 1,108,228	\$ 99,056	\$ 4,550,922
Accounts receivable	126,777	835,174	78,164	56,102	1,096,217
Prepaid expenses	2,734	2,063	-	872	5,669
Total Current Assets	1,338,095	2,972,291	1,186,392	156,030	5,652,808
Capital Assets					
Non-depreciable	-	2,013,766	164,022	-	2,177,788
Depreciable, net of accumulated depreciation	1,348,147	17,117,851	7,431,646	182,381	26,080,025
Total Capital Assets, net of accumulated depreciation	1,348,147	19,131,617	7,595,668	182,381	28,257,813
TOTAL ASSETS	2,686,242	22,103,908	8,782,060	338,411	33,910,621
Deferred Outflows of Resources					
Deferred outflows of resources related to pensions	157,746	118,089	-	68,739	344,574
Deferred outflows of resources related to OPEB	22,859	19,048	-	11,428	53,335
Total Deferred Outflows of Resources	180,605	137,137	-	80,167	397,909
LIABILITIES AND NET ASSETS					
Current Liabilities:					
Accounts payable and accrued expenses	171,690	678,533	6,352	8,880	865,455
Salaries and benefits payable	16,588	13,707	-	7,360	37,655
Unearned revenue	-	13,683	23,007	13,320	50,010
Current portion of leases, bonds, and notes payable	25,087	41,159	421,656	-	487,902
Total Current Liabilities	213,365	747,082	451,015	29,560	1,441,022
Noncurrent Liabilities					
Compensated absences	110,817	105,128	-	29,318	245,263
Net OPEB liability	83,352	69,459	-	41,672	194,483
Net pension liability	425,254	317,623	-	185,103	927,980
Leases payable, less current portion	36,518	32,864	-	-	69,382
Notes payable, less current portion	-	169,127	1,621,833	-	1,790,960
Total Noncurrent Liabilities	655,941	694,201	1,621,833	256,093	3,228,068
TOTAL LIABILITIES	869,306	1,441,283	2,072,848	285,653	4,669,090
Deferred Inflows of Resources					
Deferred inflows of resources related to pensions	10,720	8,025	-	4,671	23,416
Deferred inflows of resources related to OPEB	26,720	22,266	-	13,359	62,345
Total Deferred Inflows of Resources	37,440	30,291	-	18,030	85,761
Net Position					
Net investment in capital assets	1,286,542	19,081,378	5,552,180	182,380	26,102,480
Unrestricted	673,559	1,688,093	1,157,032	(67,485)	3,451,199
Total Net Position	\$ 1,960,101	\$ 20,769,471	\$ 6,709,212	\$ 114,895	\$ 29,553,679

The accompanying notes are an integral part of these financial statements.

CITY OF FROSTBURG, MARYLAND

**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2025**

	Water	Sewer	Water Surcharge	Garbage	Total
OPERATING REVENUES	\$ 1,660,514	\$ 2,090,472	\$ 752,632	\$ 430,761	\$ 4,934,379
OPERATING EXPENSES					
Depreciation and amortization	129,492	939,840	813,977	41,333	1,924,642
Sewer operations	-	1,267,808	-	-	1,267,808
Salaries and wages	345,539	236,266	-	161,101	742,906
Filtration contract payments	686,977	-	-	-	686,977
Employee benefits	232,764	188,837	-	96,575	518,176
Other	152,072	26,859	136,241	25,935	341,107
Landfill charges	-	-	-	137,640	137,640
Distribution	65,023	-	-	-	65,023
Pumping system	109,988	-	-	-	109,988
Payroll taxes	26,839	18,046	-	11,945	56,830
Meters expense	47,428	-	-	-	47,428
Sanitation operations	-	-	-	37,384	37,384
Total Operating Expenses	1,796,122	2,677,656	950,218	511,913	5,935,909
Operating Income (Loss)	(135,608)	(587,184)	(197,586)	(81,152)	(1,001,530)
NON-OPERATING REVENUE (EXPENSES)					
Project reimbursements	82,845	1,127,903	-	-	1,210,748
Interest revenue	45,427	60,899	53,553	5,287	165,166
Interest expense	(4,713)	(7,572)	(51,030)	-	(63,315)
Total Non-operating Revenues (Expenses)	123,559	1,181,230	2,523	5,287	1,312,599
Income (Loss) Before Transfers	(12,049)	594,046	(195,063)	(75,865)	311,069
Transfers to general fund	(95,604)	(241,752)	-	(18,180)	(355,536)
Change in Net Position	(107,653)	352,294	(195,063)	(94,045)	(44,467)
TOTAL NET POSITION - JULY 1, 2024	2,067,754	20,417,177	6,904,275	208,940	29,598,146
TOTAL NET POSITION - JUNE 30, 2025	\$ 1,960,101	\$ 20,769,471	\$ 6,709,212	\$ 114,895	\$ 29,553,679

The accompanying notes are an integral part of these financial statements.

CITY OF FROSTBURG
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2025

	<u>Water</u>	<u>Sewer</u>	<u>Water Surcharge</u>	<u>Garbage</u>	<u>Total</u>
CASH FLOWS FROM OPERATING ACTIVITIES:					
Receipts from customers and users	\$ 1,813,285	\$ 2,313,847	\$ 716,251	\$ 417,445	\$ 5,260,828
Payments to vendors	(1,148,253)	(1,125,372)	(136,689)	(268,429)	(2,678,743)
Payments to employees	(361,856)	(253,787)	-	(161,632)	(777,275)
Net Cash Provided By (Used In) Operating Activities	<u>303,176</u>	<u>934,688</u>	<u>579,562</u>	<u>(12,616)</u>	<u>1,804,810</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:					
Transfers out	(95,604)	(241,752)	-	(18,180)	(355,536)
Change in due to/from other funds	203,939	4,847	-	493	209,279
Net Cash Provided By (Used In) Noncapital Financing Activities	<u>108,335</u>	<u>(236,905)</u>	<u>-</u>	<u>(17,687)</u>	<u>(146,257)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:					
Purchase of capital assets	(74,500)	(1,170,618)	-	-	(1,245,118)
Principal paid on loans	-	(23,566)	(415,107)	-	(438,673)
Principal paid on leases	(26,871)	(16,123)	-	-	(42,994)
Project reimbursements	82,845	1,289,489	-	-	1,372,334
Interest paid on loans and leases	(4,713)	(7,662)	(52,537)	-	(64,912)
Net Cash Provided By (Used In) Capital and Related Financing Activities	<u>(23,239)</u>	<u>71,520</u>	<u>(467,644)</u>	<u>-</u>	<u>(419,363)</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest earned	45,427	60,899	53,553	5,287	165,166
Net change in Cash and Cash Equivalents	433,699	830,202	165,471	(25,016)	1,404,356
Cash and cash equivalents, beginning of year	<u>774,885</u>	<u>1,304,852</u>	<u>942,757</u>	<u>124,072</u>	<u>3,146,566</u>
Cash and cash equivalents, end of year	<u>\$ 1,208,584</u>	<u>\$ 2,135,054</u>	<u>\$ 1,108,228</u>	<u>\$ 99,056</u>	<u>\$ 4,550,922</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES					
Operating Income (Loss)	\$ (135,608)	\$ (587,184)	\$ (197,586)	\$ (81,152)	\$ (1,001,530)
Adjustments Not Affecting Cash					
Depreciation	129,492	939,840	813,977	41,333	1,924,642
Change in assets, liabilities, and deferred outflows and inflows					
Accounts receivable	152,771	265,386	(3,654)	32,192	446,695
Prepaid expenses	16,442	4,859	-	2,894	24,195
Accounts payable and accrued expenses	52,068	301,914	(448)	577	354,111
Salaries and benefits payable	2,207	2,288	-	2,477	6,972
Unearned revenue	-	(42,012)	(32,727)	(45,508)	(120,247)
Accrued health insurance	(1,102)	(919)	-	(555)	(2,576)
Compensated absences	(18,524)	(19,809)	-	(3,008)	(41,341)
Deferred outflows of resources - pension contributions	(38,457)	(28,724)	-	(16,656)	(83,837)
Deferred outflows of resources - post employment health	8,986	7,489	-	4,494	20,969
Deferred inflows of resources - post employment health	(4,065)	(3,388)	-	(2,033)	(9,486)
Pension expense	138,966	94,948	-	52,329	286,243
Total Adjustments	<u>438,784</u>	<u>1,521,872</u>	<u>777,148</u>	<u>68,536</u>	<u>2,806,340</u>
Net Cash Provided By (Used In) Operating Activities	<u>\$ 303,176</u>	<u>\$ 934,688</u>	<u>\$ 579,562</u>	<u>\$ (12,616)</u>	<u>\$ 1,804,810</u>

The accompanying notes are an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1 **REPORTING ENTITY**

The City of Frostburg, Maryland (the "City") was incorporated in 1870 and adopted its first Charter in 1885. The City operates under a Council-Administrator form of government per Charter Revision Resolution No. 23 adopted July 1, 1981. The City of Frostburg adopted Charter Revision Resolution No. 2001-17 on December 21, 2001, effective February 2, 2002 which repealed the 1981 edition and also provides the following services as authorized by its Charter: public safety (police and fire), public works (maintenance, sewer, streets, and water), recreation, community development and general administrative services.

In evaluating how to define the City of Frostburg, Maryland, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in generally accepted accounting principles (GAAP). The basic, but not the only, criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, and the ability to significantly influence operations and accountability for fiscal matters. The other criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the City is able to exercise oversight responsibility. Based upon the application of these criteria, no potential component units were identified for inclusion in the reporting entity.

NOTE 2 **SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the City have been prepared in conformity with GAAP as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the government's accounting policies are described below.

A. Basis of Presentation

The City's basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

Government-Wide Financial Statements The statement of net position and the statement of activities display information about the City as a whole. These statements include the financial activities of the primary government. The statements distinguish between those activities of the City that are governmental (primarily supported by taxes, County appropriations and intergovernmental revenues) and those that are considered business-type activities (primarily supported by fees and charges).

The statement of net position presents the financial condition of the governmental and business-type activities of the City at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the City's governmental activities and for the business-type activities of the City. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function.

CITY OF FROSTBURG

NOTES TO THE FINANCIAL STATEMENTS

NOTE 2 **SIGNIFICANT ACCOUNTING POLICIES** - Continued

Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the City. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the City.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Fund Financial Statements During the year, the City segregates transactions related to certain City functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the City at this more detailed level. The focus of governmental and enterprise fund financial statements is on major funds. Each enterprise and governmental fund was a major fund and is presented in a separate column.

B. Fund Accounting

The accounts of the City are organized on the basis of funds that are each considered to be a separate accounting entity. The operations of each fund are summarized by providing a separate set of self-balancing accounts which include its assets, liabilities, deferred inflows of resources, fund equity, revenues and expenses or expenditures. The following funds are used by the City:

Governmental Fund Types

General Fund

The General Fund is the general operating fund of the City. All financial resources, except those required to be accounted for in another fund, are accounted for in this fund.

Special Revenue Funds

The Community Development Special Projects Fund is a special revenue fund used to account for the revenue from Community Development Block Grants received by the City of Frostburg. The Opioids Settlement Fund is a special revenue fund used to account for the proceeds the City receives from participating in a class action lawsuit with other governments against pharmaceutical companies over the opioid crisis across the country. In the event an expenditure is incurred for purposes for which both restricted and unrestricted net assets are available, restricted resources are used first.

Proprietary Fund Types

Water, Sewer, Water Surcharge, and Garbage Funds

The Water, Sewer, Water Surcharge, and Garbage Funds are enterprise funds used to account for the operations which are financed and operated in a manner similar to private businesses. The intent is that the cost of providing the services to the public is to be financed or recovered primarily through user charges.

CITY OF FROSTBURG

NOTES TO THE FINANCIAL STATEMENTS

NOTE 2 **SIGNIFICANT ACCOUNTING POLICIES** – Continued

C. Measurement Focus

Government-wide Financial Statements The government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the City are included on the statement of net position. The statement of activities presents increases (i.e. revenues) and decreases (i.e. expenses) in total net position.

Fund Financial Statements All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include reconciliations with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Like the government-wide statements, the enterprise fund is accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of this fund are included on the statement of net position. The statement of changes in net position presents increases (i.e., revenues) and decreases (i.e., expenses) in total net position. The statement of cash flows provides information about how the City finances and meets the cash flow needs of its enterprise funds.

D. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Proprietary funds also use the accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of unearned revenue and in the presentation of expenses versus expenditures.

The modified accrual basis of accounting is used by all governmental fund types. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The City considers property taxes as available if they are collected within 60 days after year-end. Penalties and interest and miscellaneous revenues are recorded when received in cash since they are generally not measurable until actually collected. Expenditures are recorded when the related fund liability is incurred.

The proprietary funds are accounted for on a flow of economic resources measurement focus. The accrual basis of accounting is utilized by the proprietary fund types. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. All GASB pronouncements are followed in the proprietary funds. FASB, APB Opinions and ARB's issued before November 30, 1989 are followed to the extent they do not contradict GASB. FASB

NOTES TO THE FINANCIAL STATEMENTS

NOTE 2 **SIGNIFICANT ACCOUNTING POLICIES** - Continued

pronouncements issued after November 30, 1989 that are developed for business entities are followed to the extent that they do not contradict GASB.

The City reports unearned revenue on its combined balance sheet. Unearned revenues arise when resources are billed or received by the City before it has a legal claim to them, such as when utility surcharges are billed for future periods or grant monies are received prior to qualifying expenditures being incurred. In subsequent periods, where both revenue recognition criteria are met and when the City has a legal claim to the resources, the liability for unearned revenue is removed from the combined balance sheet and revenue is recognized.

E. Budgets and Budgetary Accounting

Formal budgetary accounting, as set forth in the City Charter, is employed as a management control for the General Fund and the Water, Sewer, Water Surcharge, and Garbage enterprise funds. Annual operating budgets are adopted by the City each fiscal year through passage of an annual budget and amended as required for all funds. Budget amendments requiring a change between categories requires approval by the Mayor and City Council. The budget reconciliation has been provided to reflect the differences between budgetary inflows and outflows and GAAP revenues and expenses/expenditures. Budgets presented in the financial statements reflect all amendments.

The budget for the Enterprise Funds is adopted under the GAAP basis of accounting except that depreciation is not considered and fixed assets additions are treated as an expense. The City does not budget for the Special Revenue Funds since budgetary control is maintained on an individual grant basis.

F. Cash and Equivalents

For financial statement purposes, the City considers all short-term, highly liquid investments with an original maturity of three months or less to be cash and cash equivalents.

G. Capital Assets

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in the governmental funds.

General capital assets are reported in the governmental activities' column of the government-wide statement of net position but are not reported in the fund financial statements. Capital assets utilized by the enterprise funds are reported both in the business-type activities column of the government-wide statement of net position and in the fund statements.

All capital assets are capitalized at cost (or estimated historical cost). When a capital asset is disposed or retired, the cost and related accumulated depreciation are removed from the books with any gain or loss reflected as income. The City maintains a capitalization threshold of \$10,000 for machinery, equipment, buildings, and improvements and \$50,000 for infrastructure. Public domain ("infrastructure") general fixed assets including roads, bridges, curbs and gutters, streets and sidewalks, drainage systems, and lighting systems are capitalized along with other general fixed assets. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's

CITY OF FROSTBURG

NOTES TO THE FINANCIAL STATEMENTS

NOTE 2 **SIGNIFICANT ACCOUNTING POLICIES** - Continued

life are not capitalized. Intangible assets that lack physical substance, are nonfinancial in nature, and have an initial useful life extending beyond a year are capitalized.

All reported capital assets except land are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Intangible assets are depreciated (amortized) over the estimated useful life of any asset or project it may be closely associated with. Depreciation is computed using the straight-line method over the following useful lives.

Land improvements	10-20 years
Building and improvements	25-40 years
Machinery and equipment	5-10 years
Infrastructure and utility systems	20-40 years
Intangible assets	10-40 years

H. Compensated Absences

The City has implemented the provisions of the Governmental Accounting Standards Board's Accounting for Compensated Absences. This statement requires the recording of accumulated unused sick leave, compensatory time, and vacation leave if such amounts will be paid as termination benefits. The liability is calculated by taking the total hours of time outstanding at June 30 times the current rate of pay for each employee. One paid sick day is accrued for each month of service after the probationary period. Upon termination of employment, the accumulated sick leave is lost. Upon reaching the age of 60 and retirement, the employee is paid for up to 90 days of unused sick leave at the employee's current rate of pay.

No current portion of compensated absences has been recorded as the City feels that absences used during the next year will not materially exceed the absences earned during the next year. Therefore, all compensated absences within the governmental and business-type activities are recorded as long-term. The long-term portion of this liability of \$642,980 has been recorded in the government-wide statement of net position, of which \$245,263 is from business-type activities. This represents a decrease of \$137,850 from the prior year total of \$780,830. The change in compensated absences for business-type activities was a decrease of \$41,341.

I. Interfund Activity

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues.

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after nonoperating revenues/expenses in proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

Interfund transfers for the year ended June 30, 2025 consisted of transfers of \$95,604 from the Water Fund, \$241,752 from the Sewer Fund, and \$18,180 from the Garbage Fund to the

NOTES TO THE FINANCIAL STATEMENTS

NOTE 2 **SIGNIFICANT ACCOUNTING POLICIES** - Continued

General Fund to help cover administrative overhead costs.

J. Interfund Balances

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "interfund receivables/payables." These amounts are eliminated in the governmental and business-type activities columns of the statement of net position, except for the net residual amounts due between governmental and business-type activities, which are presented as internal balances. Interfund balances have no set repayment schedule and are generally not expected to be repaid within one year.

K. Deferred Outflows and Inflows of Resources

In addition to assets and liabilities, the statement of net position/balance sheet will sometimes report separate sections for deferred outflows and inflows of resources. These separate financial statement elements represent a consumption or acquisition of net position that applies to a future period and will not be recognized as an outflow of resources (expense) or inflow of resources (revenue) until that time. The City has multiple types of these items. Accordingly, unavailable revenue is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenue from property taxes. This amount is deferred and recognized as an inflow of resources in the period that the amount becomes available. Deferred outflows and inflows relating to pensions are described in Note 10. Deferred inflows and outflows related to the post-employment benefit program are described in Note 11. Deferred inflows related to leases are described in Note 6.

L. Fund Balance

The City is required to report its fund balance within the following classifications on the governmental fund financial statements: nonspendable, restricted, committed, assigned, and unassigned. The City Council is the City's highest level of decision-making authority and a formal resolution by them at the City Council meeting is required to be taken to establish, modify, or rescind a fund balance commitment. The resolution must be approved or rescinded by them prior to the last day of the fiscal year for which the commitment is made. The amount subject to the restraint may be determined in the subsequent period.

The City Council has authorized the City's Finance Director to assign fund balance amounts to a specific purpose as approved by the City's fund balance policy.

In the event the City incurs expenditures where restricted and unrestricted resources can be used, the City will use restricted resources first. In the event an expenditure is made from multiple unrestricted resources, the City's order of spending will be committed, assigned, and unassigned.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 2 **SIGNIFICANT ACCOUNTING POLICIES** – Continued**M. Operating Revenues and Expenses**

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the City, these revenues are for services primarily provided by the Water, Water Surcharge, Sewer, and Garbage Funds to the general public. Operating expenses are necessary costs incurred to provide the service that is the primary activity of the fund. Revenues and expenses not meeting this definition are reported as non-operating.

N. Property Taxes

The City bills and collects its own real property taxes. These taxes are levied each July 1 for all real property located within City boundaries which receives substantially all City services. Taxes are payable without interest until September 30 of the year billed. City property tax revenues are recognized when levied to the extent that they result in current receivables. The Maryland Department of Assessments and Taxation assesses property value based on estimates of fair market value. A revaluation of property values is completed every three years by the Department and any increase in assessed value is phased in over a three-year period. For the year ended June 30, 2025, the City had a real estate tax rate of \$0.70 per \$100 of assessed value.

O. Pensions

For the purpose of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to the pension, and pension expense, information about the fiduciary net position of the Maryland State Retirement and Pension System (“the System”) and additions to/deductions from the System’s fiduciary net position have been determined on the same basis as they are reported by the System. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

P. Credit Risk

As of June 30, 2025, the City has recorded receivables from various entities and individuals. As these receivables are believed to be completely collectable, an allowance for doubtful accounts is not recorded. If an account is determined to be uncollectible, the direct write-off method is used. This does not produce a result materially different from the allowance method of accounting.

Q. Estimates

The preparation of the financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 2 **SIGNIFICANT ACCOUNTING POLICIES** – Continued**R. Related Organization**

Organizations for which the primary government is accountable because it appoints a voting majority of the board, but is not financially accountable, are considered to be related organizations. The Frostburg Housing Authority is a related organization of the City. The City appoints the members of the board of directors and their executive director but has no further accountability. The City received \$15,304 from the Authority during the year ended June 30, 2025. The payment is based on dwelling rent charged by the Authority to its tenants and is paid to the City in lieu of real estate taxes on the properties owned by the Authority.

NOTE 3 **CASH AND INVESTMENTS**

The cash deposits of the City of Frostburg are governed by Maryland Article 95-22. The City may establish official depositories with any bank or savings and loan located in the state of Maryland. The City may also establish time deposits and certificates of deposit. As of June 30, 2025, the book balances of the City's deposits were \$13,538,647 and the bank balances were \$13,540,871. Of the bank balances, \$500,000 was covered by federal depository insurance and \$13,040,871 was covered by collateral held by the agent of the financial institution but not in the City's name.

The investment policy of the City is to invest public funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the City and conforming to all state and local statutes governing the investment of public funds. The primary objectives, in priority order, of the City's investment activities shall be safety, liquidity, and return on investment.

Interest Rate Risk – In accordance with its investment policy, the City manages its exposure to declines in fair values arising from interest rates by limiting the maturity date of securities to no more than one year from the date of purchase, unless it is matched to a specific cash flow requirement.

Credit Risk – The City's investment policy limits the investments of the portfolio to 5% commercial paper, 50% money market mutual funds, 40% bankers' acceptance, 40% collateralized certificates of deposit, 90% repurchase agreements, and 90% U.S. government agency and U.S. government sponsored instruments.

CITY OF FROSTBURG

NOTES TO THE FINANCIAL STATEMENTS

NOTE 3 **CASH AND INVESTMENTS** – Continued

Custodial Credit Risk – Deposits and investments are exposed to custodial credit risk if they are not covered by depository insurance and the deposits are uncollateralized, collateralized with securities held by the pledging financial institution, or collateralized with securities held by the pledging financial institution’s trust department or agent but not in the depositor-city’s name. All of the City’s deposits are covered by depository insurance, collateralized with securities held by the financial institution in the City’s name, and collateralized with securities held by the financial institution’s agent, but not in the City’s name, therefore mitigating custodial credit risk.

NOTE 4 **ACCOUNTS RECEIVABLE**

The City's accounts receivable as of June 30, 2025 consisted of the following:

	<u>Governmental</u>	<u>Water</u>	<u>Sewer</u>	<u>Water Surcharge</u>	<u>Garbage</u>	<u>Total</u>
Taxes	\$ 212,701	\$ -	\$ -	\$ -	\$ -	\$ 212,701
Intergovernmental	379,118	-	649,733	-	-	1,028,851
Charge for services	-	123,564	164,699	74,262	51,270	413,795
Interest	-	632	3,231	3,902	4,741	12,506
Other	20,757	2,581	17,511	-	91	40,940
Total	<u>\$ 612,576</u>	<u>\$ 126,777</u>	<u>\$ 835,174</u>	<u>\$ 78,164</u>	<u>\$ 56,102</u>	<u>\$ 1,708,793</u>

At the end of the current fiscal year, \$50,010 of unearned revenues were recognized for billings done prior to June 30, 2025 that were for services after June 30, 2025 in the proprietary funds. In addition, \$167,707 of deferred inflows of resources were recognized as a result of unavailable revenue from property taxes in the governmental fund statements.

NOTE 5 **CAPITAL ASSETS**

Depreciation and amortization expense for governmental capital assets was charged to the following accounts as follows for the year ended June 30, 2025:

General Government	\$ 332,567
Public Safety	104,816
Public Works	489,441
Recreation & Parks	122,730
Total	<u>\$ 1,049,554</u>

Depreciation and amortization expense for proprietary capital assets was charged to the following accounts as follows for the year ended June 30, 2025:

Water	\$ 129,492
Sewer	939,840
Water Surcharge	813,977
Garbage	41,332
Total	<u>\$ 1,924,641</u>

CITY OF FROSTBURG

NOTES TO THE FINANCIAL STATEMENTS

NOTE 5 **CAPITAL ASSETS** – Continued

The following is a summary of the changes in the fixed asset accounts for the year ended June 30, 2025:

	Beginning Balance	Additions	Disposals	Transfers	Ending Balance
Governmental Activities (General)					
Non-depreciable Assets					
Land	\$ 4,456,955	\$ -	\$ -	\$ -	\$ 4,456,955
Construction-in-progress	2,393,445	1,950,941	-	(3,473,331)	871,055
Total Non-depreciable Assets	6,850,400	1,950,941	-	(3,473,331)	5,328,010
Depreciable Assets					
Land Improvements	1,688,429	-	-	910,140	2,598,569
Buildings and Improvements	7,928,520	-	-	2,563,191	10,491,711
Infrastructure	7,494,683	219,774	-	-	7,714,457
Machinery & equipment	2,679,890	92,100	(17,926)	-	2,754,064
Right of use asset	588,251	80,270	-	-	668,521
Subscription assets	196,633	-	-	-	196,633
Intangible assets	206,323	-	-	-	206,323
Total Depreciable Assets	20,782,729	392,144	(17,926)	3,473,331	24,630,278
Less, Accumulated Depreciation for:					
Land Improvements	1,119,401	138,298	-	-	1,257,699
Buildings and Improvements	2,866,905	278,179	-	-	3,145,084
Infrastructure	3,799,730	254,896	-	-	4,054,626
Machinery & equipment	1,705,111	195,008	(16,133)	-	1,883,986
Right of use asset	263,587	127,526	-	-	391,113
Subscription assets	45,184	45,331	-	-	90,515
Intangible assets	92,845	10,316	-	-	103,161
Total Accumulated Depreciation	9,892,763	1,049,554	(16,133)	-	10,926,184
Depreciable Assets, net of accumulated depreciation	10,889,966	(657,410)	(1,793)	3,473,331	13,704,094
Total Governmental Capital Assets, net of accumulated depreciation	\$17,740,366	\$ 1,293,531	\$ (1,793)	\$ -	\$ 19,032,104
Business-type Activities (Water, Water Surcharge, Sewer, and Garbage)					
Non-depreciable Assets					
Land	\$ 164,022	\$ -	\$ -	\$ -	\$ 164,022
Construction-in-progress	1,049,434	1,170,618	-	(206,286)	2,013,766
Total Non-depreciable Assets	1,213,456	1,170,618	-	(206,286)	2,177,788
Depreciable Assets					
Land Improvements	15,353,284	-	-	-	15,353,284
Buildings and Improvements	8,433,460	-	-	-	8,433,460
Infrastructure	35,353,527	74,500	-	206,286	35,634,313
Machinery & equipment	2,313,552	-	-	-	2,313,552
Right of use asset	227,211	-	-	-	227,211
Total Depreciable Assets	61,681,034	74,500	-	206,286	61,961,820
Less, Accumulated Depreciation for:					
Land Improvements	11,474,856	378,217	-	-	11,853,073
Buildings and Improvements	7,430,852	270,025	-	-	7,700,877
Infrastructure	13,818,739	1,104,960	-	-	14,923,699
Machinery & equipment	1,154,920	125,998	-	-	1,280,918
Right of use asset	77,786	45,442	-	-	123,228
Total Accumulated Depreciation	33,957,153	1,924,642	-	-	35,881,795
Depreciable Assets, net of accumulated depreciation	27,723,881	(1,643,856)	-	-	26,080,025
Total Business-type Capital Assets, net of accumulated depreciation	\$28,937,337	\$ (473,238)	\$ -	\$ -	\$ 28,257,813

CITY OF FROSTBURG

NOTES TO THE FINANCIAL STATEMENTS

NOTE 6 LEASES

Leases receivable - The City is a lessor for noncancellable leases of building space and easements. The City recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements. At the commencement of a lease, the City initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgements include (1) the discount rate used to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The City uses the estimated incremental borrowing rate of the lessee as the discount rate for leases.
- The lease term includes the noncancellable periods of the lease. Rights to extend are considered to be exercised if it is reasonably probable that they will be. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lease.

Rental income related to these leases for the year ended June 30, 2025 was \$87,534. Interest income related to these leases for the year ended June 30, 2025 was \$37,111.

The City monitors changes in circumstances that would require a remeasurement of its leases and will remeasure the lease receivable and deferred inflow of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

Leases payable - The City is a lessee of nineteen vehicles under a noncancellable master lease agreement. The City is also a lessee of three copiers under one noncancellable lease agreement and mailing equipment under two noncancellable lease agreements. At the commencement of the leases, the City initially measures the lease liability at the present value of the payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of the lease payments made. The right of use asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date. Subsequently, the right of use asset is amortized on a straight-line basis over the life of the lease term.

Key estimates and judgements related to leases include (1) the discount rate used to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The City uses its estimated incremental borrowing rate as the discount rate for leases if a rate is not provided by the lessor.
- The lease term includes the noncancellable period of the lease. Rights to extend are considered to be exercised if it is reasonably probable that they will be. Lease payments included in the measurement of the lease liability are composed of fixed payments to the lessor.

The vehicle leases include a provision for a residual value guarantee based on mileage and estimated book value of each vehicle at the conclusion of the lease. As the City cannot

CITY OF FROSTBURG

NOTES TO THE FINANCIAL STATEMENTS

NOTE 6 **LEASES** – Continued

reasonably estimate the residual value guarantee, no amount is included in the calculation of the lease liability. The copier lease provides for variable payments per black and white copies if usage exceeds a stated annual usage amount, and for color copies. As the City cannot reasonably estimate this usage, no amount is included in the calculation of the lease liability.

The total right of use assets and related accumulated amortization of the underlying leased assets by fund as of June 30, 2025 are as follows:

Right of Use Lease Assets	Governmental Activities			Business-type Activities		
	Amount	Accumulated Amortization	Net Value	Amount	Accumulated Amortization	Net Value
Vehicles	\$ 602,511	\$ 353,450	\$ 249,061	\$ 227,211	\$ 123,227	\$ 103,984
Office equipment	66,010	37,663	28,347	-	-	-
Total	\$ 668,521	\$ 391,113	\$ 277,408	\$ 227,211	\$ 123,227	\$ 103,984

NOTE 7 **SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITAs)**

The City has adopted GASB Statement No. 96, *Subscription-Based Information Technology Arrangements* (SBITAs) to account for its subscription-based agreements exceeding one year. Under this statement, an organization is required to recognize a subscription liability and an intangible right-to-use subscription asset.

The City entered into four subscription-based information technology arrangements as of June 30, 2025, with initial terms ranging from 29 to 60 months. Some of the arrangements include automatic annual renewal periods. The City did not include the renewal periods in the SBITA terms as it is not reasonably certain it will exercise the renewal option. The City utilized its incremental borrowing rate in its calculations since an interest rate was not indicated in the terms of the agreement.

The right of use assets and related accumulated amortization under the subscription-based arrangement in the governmental fund as of June 30, 2025 is as follows:

Right of Use Subscription-Based Assets:	Governmental
Information Technology	\$ 196,633
Less, Accumulated Amortization	(90,515)
	\$ 106,118

The annual payment requirements for the SBITAs are included within Note 8 Long Term Debt.

CITY OF FROSTBURG

NOTES TO THE FINANCIAL STATEMENTS

NOTE 8 LONG TERM DEBT

The following is a summary of the changes in direct placement long-term debt for the year ended June 30, 2025:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities					
General obligation bond	\$2,344,000	\$ -	\$ (56,000)	\$ 2,288,000	\$ 58,500
Bond premium	253,265	-	(7,341)	245,924	-
Leases payable	335,097	79,520	(122,543)	292,074	121,725
Subscriptions payable	95,100	-	(35,940)	59,160	30,909
Compensated absences	494,226	-	(96,509)	397,717	-
Net OPEB liability	506,723	7,266	-	513,989	-
Net pension liability	1,434,461	8,345	-	1,442,806	-
Total Governmental Activities	\$5,462,872	\$ 95,131	\$ (318,333)	\$ 5,239,670	\$ 211,134
Business-type Activities					
Bonds & Notes Payable					
USDA – Raw Water Line/Hydro					
Electric	\$ 717,979	-	\$ (19,365)	\$ 698,614	\$ 19,755
MDE - CSO Phase VIIA	122,843	-	(14,878)	107,965	15,012
Suntrust - Piney Dam Project	1,555,839	-	(378,000)	1,177,839	384,000
MDE – CSO Phase VIIB	39,559	-	(4,013)	35,546	4,049
MDE – Savage Raw Water	184,778	-	(17,741)	167,037	17,901
MDE – CSO Phase VIIB-2	54,074	-	(4,675)	49,399	4,722
Leases payable	154,838	-	(42,992)	111,846	42,463
Compensated absences	286,604	-	(41,341)	245,263	-
Net OPEB liability	197,059	-	(2,576)	194,483	-
Net pension liability	583,065	344,915	-	927,980	-
Total Business-type Activities	\$3,896,638	\$ 344,915	\$ (525,581)	\$ 3,715,972	\$ 487,902

In November 2019, the City issued Local Government Infrastructure Bonds through the Community Development Administration in the amount of \$2,576,814 with an average interest rate of 3.39% for the construction of a new municipal center. The bond is payable in variable annual installments of principal plus semi-annual installments of interest and issuance fees. The issuance fees paid semi-annually range from \$611 to \$1,059 per payment. The bond is payable over a 30-year term and has 24 payments of principal, interest, and issuance costs and an additional 24 payments of interest and issuance costs only remaining.

The loan payable to the United States Department of Agriculture is for the water transmission hydro-electric project. There are 108 quarterly installments of \$8,395 representing principal and interest remaining. The loan carries an interest rate of 2%.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 8 **LONG TERM DEBT** - Continued

On January 12, 2012, the City was notified by Maryland Department of the Environment that revolving loan funds in the amount of \$279,000 were available to the City for Phase VII-A, Taylor Street CSO Elimination Project. The loan is payable in variable annual installments of principal and issuance fees plus semi-annual installments of interest at 0.90% on the outstanding balance. The issuance fees paid annually are fixed in the amount of \$760. The loan has 7 installments of principal, interest, and issuance costs and an additional 7 installments of interest only remaining.

The loan payable to Suntrust Bank for the Piney Dam project is payable in variable annual installments of principal and semi-annual installments of interest at 2.30% on the balance outstanding. The loan has 3 installments of principal and interest and an additional 3 installments of interest only remaining.

Maryland Department of the Environment provided forgivable loan funding of \$460,301 and loan funding in the amount of \$77,768 to the City for Phase VIIB, Paul Street CSO Elimination Project. The loan is payable in variable annual installments of principal and issuance fees plus semi-annual installments of interest only at 0.90% on the outstanding balance. The issuance fees paid annually are fixed in the amount of \$203. The loan has 9 installments of principal, interest and issuance fees plus 9 semi-annual installments of interest only remaining. The City did not accrue a liability for repayment of the forgivable portion of the project since the City intended to meet all the requirements for the loan to be forgiven. MDE forgave the debt on April 25, 2023.

On October 24, 2014, Maryland Department of the Environment provided forgivable loan funding of \$112,500 and loan funding in the amount of \$337,500 to the City for the Savage Raw Water and Energy Conservation Project. The loan is payable in variable annual installments of principal and issuance fees plus semi-annual installments of interest only at 0.90% on the outstanding balance. The issuance fees paid annually are fixed in the amount of \$922. The loan has 9 installments of principal, interest and issuance fees plus 9 semi-annual installments of interest only remaining. The City has not accrued a liability for repayment of the forgivable portion of the project. MDE forgave the debt on October 24, 2024.

On May 30, 2014. Maryland Department of the Environment provided loan funding of \$94,120 to the City for the Phase VIIB-2, Paul Street CSO Elimination Project. The loan is payable in annual installments of principal, interest, and issuance fees of \$5,216 plus semi-annual installments of interest only at 1.00% on the outstanding balance. The issuance fees paid annually are fixed in the amount of \$261. The loan has 10 installments of principal, interest and issuance fees plus 10 semi-annual installments of interest only remaining.

CITY OF FROSTBURG

NOTES TO THE FINANCIAL STATEMENTS

NOTE 8 **LONG TERM DEBT** - Continued

The annual requirements to amortize all direct placement debt, as of June 30, 2025 are as follows:

Year	Governmental Activities		Business-type Activities		Total		
	Principal	Interest & Fees	Principal	Interest & Fees	Principal	Interest & Fees	Total
2026	\$ 58,500	\$ 96,174	\$ 445,438	\$ 41,932	\$ 503,938	\$ 138,106	\$ 642,044
2027	61,000	93,764	456,217	32,208	517,217	125,972	643,189
2028	63,000	91,233	462,811	22,326	525,811	113,559	639,370
2029	66,000	88,618	63,807	17,651	129,807	106,269	236,076
2030	68,500	85,996	64,619	16,079	133,119	102,075	235,194
2031-2035	385,000	385,220	261,281	64,849	646,281	450,069	1,096,350
2036-2040	469,000	229,929	125,487	42,413	594,487	272,342	866,829
2041-2045	572,500	196,680	138,683	29,217	711,183	225,897	937,080
2046-2050	544,500	66,077	153,237	818,242	697,737	884,319	1,582,056
2051-2055	-	-	64,820	1,453	64,820	1,453	66,273
2056-2066	-	-	-	-	-	-	-
	<u>\$ 2,288,000</u>	<u>\$ 1,333,691</u>	<u>\$ 2,236,400</u>	<u>\$ 1,086,370</u>	<u>\$ 4,524,400</u>	<u>\$ 2,420,061</u>	<u>\$ 6,944,461</u>

The source of funds for debt retirement is as follows:

	<u>Debt Amount</u>
General revenue	\$ 2,288,000
Sewer charges	192,910
Water surcharges	2,043,490
	<u>\$ 4,524,400</u>

Principal and interest requirements for each fund to maturity for leases payable are presented below:

Year	Governmental Activities		Business-type Activities		Total		
	Principal	Interest & Fees	Principal	Interest & Fees	Principal	Interest & Fees	Total
2026	\$ 121,725	\$ 16,628	\$ 42,465	\$ 6,423	\$ 164,190	\$ 23,051	\$ 187,241
2027	75,577	10,369	37,377	3,740	112,954	14,109	127,063
2028	60,694	5,125	24,062	1,419	84,756	6,544	91,300
2029	28,065	1,645	7,942	248	36,007	1,893	37,900
2030	6,013	162	-	-	6,013	162	6,175
2031-2035	-	-	-	-	-	-	-
	<u>\$ 292,074</u>	<u>\$ 33,929</u>	<u>\$ 111,846</u>	<u>\$ 11,830</u>	<u>\$ 403,920</u>	<u>\$ 45,759</u>	<u>\$ 449,679</u>

CITY OF FROSTBURG

NOTES TO THE FINANCIAL STATEMENTS

NOTE 8 **LONG TERM DEBT** - Continued

Principal and interest requirements for the governmental fund to maturity for the subscriptions payable are presented below:

Fiscal Year	Governmental Activities	
	Principal	Interest
2026	\$ 30,909	\$ 4,796
2027	28,251	2,290
	\$ 59,160	\$ 7,086

All compensated absences in the governmental activities will be paid out of the general fund. All compensated absences in the proprietary funds will be paid out of the funds where the liability was incurred. The City feels the employee absences in both the governmental funds and proprietary funds for the next year will not exceed the leave accrued by the employees during the year, thus the entire balance of compensated absences is considered to be long-term for these funds.

The City incurred interest of \$118,867 in the General Fund and \$63,315 in the Proprietary Funds, which includes interest on leases recognized in accordance with GASB 87 and interest on subscriptions in accordance with GASB 96.

NOTE 9 **RESTRICTED ASSETS - WATER SURCHARGE FUND**

The Water Surcharge Fund is a restricted fund to be used for the improvements, construction, debt service, and other capital projects of the Piney Dam and the Water Treatment Plant. Fund income is derived from a surcharge to water service customers.

NOTE 10 **PENSION PLAN**

Plan Description - The City contributes to the Maryland State Retirement and Pension System (SRPS), a cost sharing multiple-employer defined benefit pension plan administered by the State of Maryland for all employees working more than 500 hours in a year. The SRPS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Article 73B of the Annotated Code of the State of Maryland assigns the authority to establish and amend benefit provisions to the SRPS Board of Trustees. The State of Maryland issues a publicly available financial report that includes financial statements and required supplementary information for SRPS. That report may be obtained by writing to Maryland State Retirement and Pension System, 120 East Baltimore Street, Baltimore, Maryland 21202 or at www.sra.state.md.us.

Benefits Provided - For all individuals who are members, pension allowances are computed using both the highest three-consecutive year's Average Final Compensation (AFC) and the actual number of years of accumulated creditable service. Various pension options are available under the SRPS which ultimately determines how a retiree's benefit allowance will be computed. Some of these options require actuarial reductions based on the retiree's and/or designated beneficiary's attained age and similar actuarial factors.

An individual who is a member of the SRPS is eligible for full pension benefits upon the earlier of attaining age 62, with specified years of eligibility service, or accumulating 30 years of eligibility service regardless of age. Members who attain age 55 with at least 15 years of service eligibility are also eligible for early service pension benefits. The early service benefit is at a reduced rate based on the number of months the retirement dates precedes the date on which the member reaches age 62.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 10 **PENSION PLAN** - Continued

Members employed before July 1, 2011 who terminate employment before attaining age 62 must have accumulated 5 years of eligible service to be eligible for a vested pension allowance. Members employed on or after July 1, 2011 who terminate employment before attaining age 62 must have 10 years of eligible service to be eligible for a vested pension allowance. Members who terminate employment before attaining age 55 with at least 15 years of eligibility service are eligible for a reduced vested pension allowance if they elect to receive benefits prior to attaining retirement age 62.

Employees who are permanently and totally disabled as the result of an accident occurring in the line of duty are eligible for disability regardless of length of service. Five years of service is required for non-service related disability eligibility. Accidental disability benefits are determined as a percentage of AFC. Non-service related disability payments are calculated as though members had accrued service credits up until attaining age 62.

All members who have accumulated at least one year of service eligibility prior to date of death or died in the line of duty are eligible for death benefits. Death benefits are generally equal to the member's annual salary as of the date of death plus accumulated contributions. Under certain circumstances, additional death benefit options are available.

All member benefits are adjusted each year on July 1 based on the Consumer Price Index (CPI). The increase is limited to 3% for an individual who is a member of the SRPS prior to July 1, 2011. The increase is capped at the lessor of 2.5% or the increase in CPI if the most recent calendar year market rate of return was greater than or equal to the assumed rate. Retirement allowances will not be adjusted in years when there is a decline in CPI.

Contributions - Members of the contributory pension systems are required to make contributions of 2% of earnable compensation. The City is required to contribute annually at an actuarially determined rate. The contribution rate for the year ending June 30, 2025 was 8.44% plus a 2.42% surcharge totaling 10.86% of covered payroll. The contribution requirements of plan members and the City are established and may be amended by the SRPS Board of Trustees. The City contribution to SRPS was \$214,404 for the year ended June 30, 2025.

Pension Liabilities, Pension Expense, and Deferred Outflows and Inflows of Resources Related to Pensions - At June 30, 2025, the City reported a liability of \$2,370,786 for its proportionate share of the System's liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportion of the net pension liability was based on the City's contributions to the pension plan relative to the total contributions made by all participating employers to the plan for the year ended June 30, 2024, actuarially determined. At June 30, 2024, the City's proportion was 0.009 percent, and was 0.009 percent at June 30, 2023.

CITY OF FROSTBURG

NOTES TO THE FINANCIAL STATEMENTS

NOTE 10 **PENSION PLAN** – Continued

For the year ended June 30, 2025, the City recognized pension expense of \$402,251. At June 30, 2025, the City reported deferred outflows and inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension investments	\$ 164,858	\$ -
Changes in assumptions	159,854	-
Difference between actual and expected experience	243,285	59,888
Change in proportionate share	98,865	-
City contributions subsequent to the measurement date	214,404	-
Totals	\$ 881,266	\$ 59,888

The City reported \$214,404, as deferred outflows of resources related to pensions resulting from City contributions made subsequent to the measurement date that will be recognized as a reduction of the net pension liability in the year ended June 30, 2025.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

For the year ending June 30,	Total
2026	\$ 123,701
2027	261,871
2028	114,120
2029	75,808
2030	31,474
Total	\$ 609,974

Actuarial Assumptions - The total pension liability in the June 30, 2024 actuarial valuation, based on results of a prior actuarial experience study for the period July 1, 2018 to June 30, 2023, was determined using the following key actuarial assumptions, applied to all periods included in the measurement:

Actuarial	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Inflation	2.50% General, 3.00% Wage
Salary Increases	3.00% to 22.50%, including inflation
Discount Rate	6.80%
Investment Rate of Return	6.80%
Mortality	Various versions of the Pub-2010 Mortality Tables for males and females with projected generational mortality improvements based on the MP-2021 fully generational mortality improvements scale.

CITY OF FROSTBURG

NOTES TO THE FINANCIAL STATEMENTS

NOTE 10 **PENSION PLAN** - Continued

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Public Equity	34.00%	6.00%
Private Equity	16.00%	8.50%
Rate Sensitive	20.00%	2.40%
Credit Opportunity	9.00%	5.40%
Real Assets	15.00%	5.50%
Absolute Return	6.00%	3.90%
TOTAL	100.00%	

Discount Rate - The discount rate used to measure the total pension liability was 6.80%, which is based on the expected rate of return on pension plan investments. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate, employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate, and contributions from the State will be made at current statutorily required rates. Based on these assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments to determine the total pension liability.

Sensitivity of the City’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate- The following presents the City’s proportionate share of the net pension liability calculated using the discount rate of 6.80%, as well as what the City’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is a percentage point lower (5.80%) or a percentage point higher (7.80%) than the current rate:

	1% Decrease 5.80%	Current Discount Rate 6.80%	1% Increase 7.80%
City’s proportionate share of the net pension liability	\$ 3,445,570	\$ 2,370,786	\$ 1,474,878

Pension Plan Fiduciary Net Position - Detailed information about the pension plan’s fiduciary net position is available in the separately issued System financial report. Prior to the City’s enrollment in the Maryland State Retirement and Pension System (SRPS), the City participated in a money purchase pension plan through ICMA that covered substantially all of its employees. The plan allowed employees to contribute up to 10% of their annual compensation with the

NOTES TO THE FINANCIAL STATEMENTS

NOTE 10 **PENSION PLAN** - Continued

City also contributing 9% of total compensation. Upon enrollment in the SRPS, the City discontinued contributions to the ICMA plan but allowed employees to continue their voluntary contributions. On July 21, 2016 the City approved the Frostburg Police Officers Pension Enhancement Plan. The City has increased its contributions rates for certified police officers who complete their enrollment in the plan. The contributions are based on the officers' base salary. For years ending after June 30, 2021, the City's contribution is 4% of the officer's base salary. On June 16, 2022, the City amended the plan to include all full-time City employees. Any full-time employee, including police officers, who contributes at least 1% of their base salary towards the plan will receive a City matching contribution of 1%. The City contributed \$16,514 towards the plan during the fiscal year ending June 30, 2025.

Effective July 1, 2023, certified police officers (Officers) actively employed by the City of Frostburg are participants of the Law Enforcement Officers Pension System (LEOPS) within the Maryland State Retirement System. Accordingly, the City elected to withdraw and transfer eligible Officers from the Employees Pension System (EPS) to the LEOPS as of July 1, 2023. The preliminary actuarial estimate of the market value of assets of the EPS attributable to the eligible Officers who are expected to transfer to the LEOPS is \$467,238. The final determination of the assets attributable to the transferring Officers shall be based on final review of the Officers employed through Frostburg's payroll period as of June 30, 2023, and actual demographic, employment, and asset information as of June 30, 2023. The actuary has made a preliminary estimate of the special accrued liability credit on account of the eligible Officers who are expected to transfer to the LEOPS effective July 1, 2023, using the actuarial assumptions and applicable benefit provisions as of June 30, 2023. The actuary has preliminarily estimated that the special accrued liability credit amounts to \$381,852 as of July 1, 2024, based on the demographics of the Officers who are expected to transfer to LEOPS, and after applying the \$467,238 in assets from the preliminary withdrawal valuation that will be transferred to LEOPS. The amounts reported in these financial statements reflect the officers still being a part of the EPS since the most recent actuarial valuation was based on information as of June 30, 2023.

NOTE 11 **OTHER POST-EMPLOYMENT BENEFITS ("OPEB")**

Plan Description – The City sponsors a defined benefit single-employer post-retirement medical plan. The OPEB provides medical and prescription benefits to eligible retirees and their spouses. The plan does not issue stand-alone financial statements.

Benefits Provided – Coverage is available for active employees and their dependents who retire at age 60 until they are eligible for Medicare benefits. Also included are employees who retire on Accidental Disability with the State Pension System between the age of 58 ½ and age 60. Plan members contribute 20% of the premium for medical and prescription benefits and the City contributes 80% of the premium until such time as the member qualifies for Medicare benefits. Once a member or spouse qualifies for Medicare benefits, the medical and prescription benefit through the City expires. As of July 1, 2024, the City switched to a self-funded health insurance plan and no longer pays any of the deductibles for plan participants. These changes have been reflected in the actuarial valuation report performed as of June 30, 2025.

CITY OF FROSTBURG

NOTES TO THE FINANCIAL STATEMENTS

NOTE 11 OTHER POST-EMPLOYMENT BENEFITS (“OPEB”) - Continued

As of June 30, 2025, the following employees were covered by the benefit terms:

Number of Active Employees	34
Number of Retirees	2
Total Number	36

Contributions – The plan is funded on a pay as you go basis and is expected to continue on this basis. The contribution requirements of plan members and the City are established and may be amended by the Mayor and City Council. The City pays all benefits from its general fund. The City paid \$23,947 in benefits during the year ended June 30, 2025.

OPEB Liabilities, Expense, and Deferred Outflows and Inflows of Resources - At June 30, 2025, the City reported a liability of \$708,472. The net OPEB liability was measured as of June 30, 2025 using employee data as of June 30, 2025.

For the year ended June 30, 2025, the City recognized OPEB expense of \$70,292. At June 30, 2025, the City reported deferred inflows and outflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions	\$ 16,361	\$ 54,781
Difference between expected and actual experience	177,926	172,333
	\$ 194,287	\$ 227,114

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

For the year ended June 30,	Total
2026	\$ 4,937
2027	2,908
2028	3,281
2029	(12,426)
2030	(28,893)
Thereafter	(2,634)
	\$ (32,827)

Actuarial Assumptions - The total OPEB liability in the June 30, 2025 actuarial valuation was determined using plan provisions as of that date, employee data as of June 30, 2025, and the following key actuarial assumptions, applied to all periods included in the measurement:

CITY OF FROSTBURG

NOTES TO THE FINANCIAL STATEMENTS

NOTE 11 OTHER POST-EMPLOYMENT BENEFITS (“OPEB”) – Continued

Actuarial cost method	Entry Age Normal
Discount rate	4.81%, changed from 4.21% in the prior study.
Mortality	Pub-2010 General Headcount-weighted with fully generational MP-2021 scale. The Pub-2010 table represents the most recent mortality tables developed specifically for governmental employees by the Society of Actuaries which were released late in 2018.
Turnover	SOA Small Plan Age Table based on professional judgement.
Salary scale	3.00%
Core inflation assumption	2.00%
Retirement age	100% at Age 62 based on assumed rates of retirement.
Utilization	75% based on current medical election rates. Those active employees not currently enrolled were assumed to never enter the plan.
Per capita claims	Claims were developed by adjusting the underlying medical premiums for the ages of retirees compared to the underlying active populations. The adjustment was done using actual ages of enrolled participants and aging factors. The retiree pre-65 premium was \$914.00 for medical per month, consistent with the \$914.00 per month used in the prior year.
Trend	Premiums are assumed to increase initially at a rate of 7.50% per year, declining 25 basis points per year to an ultimate annual rate of increase of 4.5%.
Marriage assumption	60% married with husbands assumed to be 3 years older than wives. For current retirees actual spousal information and coverage was used.
Cost sharing	The plan's current cost sharing percentages are 80% paid by the employer and 20% paid by the employee.

Due to the relatively small number of plan participants, certain demographic assumptions are set based on the professional judgement of the Plan’s independent actuary as opposed to being based on a formal actuarial experience study. The assumptions are reviewed by the actuary on a biannual basis.

The City funds the OPEB using a pay as you go method. The City has no assets accumulated in a trust that meets the criteria in GASB Statement 75, paragraph 4. As such, there is no asset class target allocation or expected long-term expected real rate of return.

Discount Rate - The discount rate used to measure the total OPEB liability was 4.81%. As the OPEB is unfunded, the discount rate is based on a twenty-year municipal bond index. The S&P Municipal Bond 20 Year Rate Index was used to approximate those yields as of June 30, 2025.

Sensitivity of the City’s Net OPEB Liability to Changes in the Discount Rate - The following presents the City’s net OPEB liability calculated using the discount rate of 4.81% as well as what the City’s net OPEB liability would be if it were calculated using a discount rate that is a percentage point lower (3.81%) or a percentage point higher (5.81%) than the current rate.

	1% Decrease 3.81%	Current Discount Rate 4.81%	1% Increase 5.81%
City’s net OPEB liability	\$ 754,735	\$ 708,472	\$ 668,439

CITY OF FROSTBURG

NOTES TO THE FINANCIAL STATEMENTS

NOTE 11 **OTHER POST-EMPLOYMENT BENEFITS (“OPEB”)** – Continued

Sensitivity of the City’s Net OPEB Liability to Changes in the Healthcare Cost Trend Rate - The following presents the City’s net OPEB liability calculated using the healthcare cost trend rate of 7.50% to 4.5%, as well as what the City’s net OPEB liability would be if it were calculated using a healthcare cost trend rate that is a percentage point lower (6.50% to 3.5%) or a percentage point higher (8.50% to 5.5%) than the current rate:

	1% Decrease 6.50% to 3.5%	Current Discount Trend Rate 7.50% to 4.5%	1% Increase 8.50% to 5.5%
City’s net OPEB liability	\$ 659,319	\$ 708,472	\$ 766,632

Changes in Net OPEB Liability

	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Balance at July 1, 2024	\$ 703,782	-	\$ 703,782
Changes for the year			
Service Cost	23,178	-	23,178
Interest	29,130	-	29,130
Changes in benefit terms	-	-	-
Difference between expected & Actual experience	-	-	-
Assumption changes	(23,671)	-	(23,671)
Contributions - employer	-	23,947	(23,947)
Contributions - employee	-	-	-
Net investment income	-	-	-
Benefit payments	(23,947)	(23,947)	-
Administrative expense	-	-	-
Other changes	-	-	-
Net changes	4,690	-	4,690
City’s net OPEB liability at June 30, 2025	\$ 708,472	\$ -	\$ 708,472

NOTE 12 **COMMUNITY DEVELOPMENT SPECIAL PROJECTS FUND - INDIRECT COSTS**

The City does not charge indirect costs against Community Development Block Grant Funds, and accordingly, no Statement of Indirect Costs has been prepared.

NOTE 13 **TAX ABATEMENTS**

The City has one program through which tax abatements are provided:

Enterprise Zone Tax Credit Program – Maryland’s Enterprise Zone (EZ) Tax Credit Program is a joint effort between the State and local governments to provide tax incentives to businesses and property owners located in some of the State’s most economically distressed communities. The Secretary of the Maryland Department of Business and Economic Development approved application by the City of Frostburg for designation of the Frostburg Enterprise Zone for a ten-year term which expired December 14, 2024.

CITY OF FROSTBURG

NOTES TO THE FINANCIAL STATEMENTS

NOTE 13 **TAX ABATEMENTS** - Continued

Eligible businesses in an EZ may claim a ten-year credit against local real property taxes on a portion of real property improvements. The credit is 80% of the eligible assessment increase during the first five years. The credit then decreases 10% annually thereafter to 30% in the tenth year. In order to claim the credit, the business must be certified by the local enterprise zone administrator as eligible for the credit. The City of Frostburg certifies the properties eligible for the property tax credit under the State of Maryland’s Enterprise Zone program by Resolution each year. The local office of the Maryland Department of Assessments and Taxations provides the annual report to the City of the approved EZ properties, the eligible assessment increase, and the applicable credit percentage.

Enterprise Zone tax credits are reflected as an adjustment to the original real estate tax bills issued to the property owners if the credit exceeds \$1,000. For credits less than \$1,000, the property owner receives a refund of the tax credit after their original real estate tax bill has been paid. The City requests annual reimbursement from the Maryland Department of Assessments and Taxation for 50% of the approved EZ tax credits during the fiscal year. For the fiscal year ending June 30, 2025, the City recorded EZ tax credits in the amount of \$33,876 and received \$16,938 from the State of Maryland.

NOTE 14 **RISK OF LOSS**

The City utilizes commercial insurance for employee health, workers’ compensation, and property and liability insurance. Life and disability benefits are provided through participation in the Maryland State Retirement System. The City retains the risk of loss for Maryland Unemployment Compensation. The City feels that the commercial insurance provides adequate coverage and that the potential loss from Maryland Unemployment Compensation is immaterial to the City’s overall financial position.

NOTE 15 **INSURANCE RECOVERIES**

The City may receive insurance recoveries during the year as a result of various accidents involving City property. This amount is included in miscellaneous revenues in the government-wide statements and as other income in the governmental fund financial statements. The City received no insurance recoveries during the current year.

NOTE 16 **COMMITMENTS**

As of June 30, 2025, the CSO Elimination Project, Phase X-A, Georges Creek Corridor, was under construction. The total project cost is expected to be \$1,816,775 including the construction contract of \$1,587,822. The City has the following funding commitments for this project: Maryland Department of the Environment, Bay Restoration Fund Grant, \$981,312 and City cash \$835,463. Of the City cash contribution, \$606,500 is designated to come from American Rescue Plan Act (ARPA) funding. As of June 30, 2025, the City had incurred expenses of \$1,454,458.

Bids for CSO Elimination Phases VIII-C, North Grant Street, and IX-D, Center Street Extended, were opened in September 2024 and construction contracts were awarded in October 2024. The projects are expected to cost a combined total of \$912,720. The City has the following funding commitments for these projects: The Maryland Department of Housing and Community Development's Community Development Block Grant \$780,000 and City Cash \$132,720. As

CITY OF FROSTBURG

NOTES TO THE FINANCIAL STATEMENTS

NOTE 16 **COMMITMENTS** – Continued

of June 30, 2025, the City had incurred expenses of \$181,249 toward Phase VIII-C and \$96,168 toward Phase IX-D.

As of June 30, 2024, design was underway for the Frostburg Gateway Improvement Project which includes a full-sized roundabout at the intersection of Braddock Road, Center Street, Bowery Street, and Welsh Hill Road. Funding for the project is provided by three Appalachian Regional Commission (ARC) grants, including Phase I (\$450,000), Phase II (\$1,500,000), and Phase III (\$2,000,000, as amended). The City is under contract for \$108,621 to pay for final design expenses and this contract expense will be provided with ARPA funding. It is expected that the project will go to construction around 2027. The Maryland Department of Transportation State Highway Administration is administering the ARC grants directly on behalf of the City. As of June 30, 2025, design expenses totaled \$833,078.

On July 23, 2020, Allegany County Commissioners approved forgiveness of the \$80,000 liability of the City recorded in the Special Revenue Fund for the Center Street Redevelopment Project. The City, in consultation with regional Economic Development partners, is seeking a viable developer for the property.

On July 28, 2021, the City of Frostburg received the first disbursement of American Rescue Plan Act of 2021 (ARPA) Coronavirus State and Local Fiscal Recovery Funds (SLFRF) in the amount of \$4,189,816. The final disbursement of funds in the amount of \$4,192,952 was received August 4, 2022. Fiscal Recovery Funds may only be used to cover eligible costs incurred during the period beginning March 3, 2021 and ending December 31, 2026. Any funds not obligated by December 31, 2024, and any funds not expended to cover such obligations by December 31, 2026, must be returned.

The City has entered contracts for the following projects that may use ARPA funds for a portion of the project expense:

- Comprehensive Plan - \$193,022
- Leak detection services – not to exceed \$14,000
- Lighting control box - \$28,425

As of June 30, 2025, updating the City’s comprehensive plan was underway. The total project cost is expected to be \$193,022, with funding designated to come from American Rescue Plan Act resources. Total project expenses as of June 30, 2025 were \$51,825.

Amounts received or receivable from grantor agencies are subject to audit and adjustments by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the City expects such amounts, if any, to be immaterial.

CITY OF FROSTBURG

NOTES TO THE FINANCIAL STATEMENTS

NOTE 16 **COMMITMENTS AND SUBSEQUENT EVENTS** - Continued

The City contracts with Maryland Environmental Service for the operation of the Frostburg Water Filtration Plant. In December 2020, the City signed a continuation of the contract with an estimated budget for 2022 and provisional cost proposals through 2026 as follows:

<u>Fiscal Year</u>	
2023	\$ 563,721
2024	567,399
2025	583,993
2026	600,703

NOTE 17 **NEW PRONOUNCEMENTS**

GASB has issued Statement No. 101, *Compensated Absences* and Statement No. 102, *Certain Risk Disclosures*, which became effective during the year ended June 30, 2025. The City implemented these statements and they had no material impact of the financial statements.

GASB has also issued Statement No. 103, *Financial Reporting Model Improvements* and Statement No. 104, *Disclosure of Certain Capital Assets*, and Statement No. 105, *Subsequent Events*. These pronouncements are effective for fiscal years beginning after June 15, 2025. The City has not currently determined what, if any, impact implementation of these statements may have on its financial statements.

CITY OF FROSTBURG, MARYLAND

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2025**

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes				
Net property tax revenue	\$ 3,217,200	\$ 3,244,200	\$ 3,252,140	\$ 7,940
Income taxes	640,000	725,000	773,162	48,162
Hotel motel tax	155,000	155,000	184,402	29,402
Highway use tax	510,000	475,000	496,844	21,844
Other taxes	102,500	92,500	89,833	(2,667)
Police protection grant	135,000	121,000	122,540	1,540
Public safety revenue	15,000	7,950	6,699	(1,251)
Licenses and permits	41,250	47,000	53,073	6,073
Police grants	40,000	40,000	39,205	(795)
Rental program revenue	74,750	79,550	81,310	1,760
Recreational activities	100,000	100,000	118,409	18,409
Grant income - other	2,038,000	667,000	618,802	(48,198)
Transfers from other funds	355,525	355,525	355,536	11
Other income	1,860,650	2,261,400	2,209,018	(52,382)
Interest	400,000	510,000	512,124	2,124
Fund balance	173,870	-	-	-
TOTAL GENERAL FUND REVENUE	9,858,745	8,881,125	8,913,097	31,972
EXPENDITURES				
Administration	4,738,525	3,299,920	3,130,866	169,054
Public safety	2,362,470	2,274,070	2,202,509	71,561
Street department	1,867,625	2,111,625	2,287,788	(176,163)
Recreation department	890,125	1,195,510	1,157,870	37,640
TOTAL EXPENDITURES	9,858,745	8,881,125	8,779,033	102,092
EXCESS OF RESOURCES OVER CHARGES TO APPROPRIATIONS	\$ -	\$ -	\$ 134,064	\$ 134,064

Explanation of Differences between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/inflows of resources

Actual budgetary basis "general fund revenue" from the budgetary comparison schedule	\$ 8,913,097
Differences - budget to GAAP:	
Transfers from other funds are inflows from budgetary resources but are not revenues for financial reporting purposes	(355,536)
Proceeds from the sale of capital assets is income from budgetary resources but is not revenue for financial reporting purposes	(375)
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balance - governmental funds	\$ 8,557,186

Uses/outflows of resources

Actual budgetary basis "general fund revenue" from the budgetary comparison schedule	\$ 8,779,033
Differences - budget to GAAP:	
Capital assets acquired through leases and subscription arrangements are not included as expenditures for budgetary purposes but are for financial reporting purposes	79,520
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balance - governmental funds	\$ 8,858,553

The accompanying notes are an integral part of these financial statements.

CITY OF FROSTBURG, MARYLAND
NOTES TO REQUIRED SUPPLEMENTAL INFORMATION

NOTE 1 **BUDGET TO ACTUAL VARIANCES**

Street Department expenses exceeded the amended budget due to unanticipated repairs to trucks and other heavy equipment and sidewalk repairs.

CITY OF FROSTBURG, MARYLAND

REQUIRED SUPPLEMENTAL INFORMATION (UNAUDITED)

SCHEDULE OF CITY OF FROSTBURG, MARYLAND'S PROPORTIONATE SHARE OF NET
PENSION LIABILITY - MARYLAND STATE RETIREMENT AND PENSION SYSTEM

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
City's proportion of the net pension liability	0.0090%	0.0090%	0.0090%	0.0090%	0.0080%	0.0070%	0.0070%	0.0060%	0.0070%	0.0080%
City's proportionate share of the net pension liability	\$ 2,370,786	\$ 2,017,526	\$ 1,751,659	\$ 1,350,533	\$ 1,778,926	\$ 1,529,269	\$ 1,512,990	\$ 1,369,796	\$ 1,647,046	\$ 1,671,968
City's covered payroll - Employee Retirement System	\$ 2,311,318	\$ 2,175,732	\$ 2,112,110	\$ 2,172,676	\$ 2,040,588	\$ 1,929,720	\$ 1,930,114	\$ 1,826,242	\$ 1,832,753	\$ 1,967,223
City's proportionate share of the net pension liability as a percentage of its covered payroll	92.73%	92.73%	82.93%	62.16%	87.18%	79.25%	78.39%	75.01%	89.87%	84.99%
Plan fiduciary net position as a percentage of the total pension liability	72.08%	73.81%	76.27%	81.84%	70.72%	72.34%	71.18%	69.38%	65.79%	68.78%

The accompanying notes are an integral part of these financial statements.

CITY OF FROSTBURG, MARYLAND

REQUIRED SUPPLEMENTAL INFORMATION (UNAUDITED)

SCHEDULE OF CITY OF FROSTBURG, MARYLAND'S CONTRIBUTIONS TO
MARYLAND STATE RETIREMENT AND PENSION SYSTEM

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Contractually required contribution - Employee Retirement System	\$ 214,404	\$ 235,986	\$ 213,657	\$ 199,806	\$ 198,366	\$ 168,756	\$ 152,255	\$ 143,794	\$ 128,933	\$ 136,106
Contributions in relation to the contractually required contribution	\$ 214,404	\$ 235,986	\$ 213,657	\$ 199,806	\$ 198,366	\$ 168,756	\$ 152,255	\$ 143,794	\$ 128,933	\$ 136,106
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City's covered employee payroll - Employee Retirement System	\$ 1,974,254	\$ 2,311,318	\$ 2,175,732	\$ 2,112,110	\$ 2,172,676	\$ 2,040,588	\$ 1,929,720	\$ 1,930,114	\$ 1,826,242	\$ 1,832,753
Contributions as a percentage of covered-employee payroll - Employee Retirement System	10.86%	10.21%	9.82%	9.46%	9.13%	8.27%	7.89%	7.45%	7.06%	7.43%

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

Changes in Benefit Terms - There were no benefit changes during the year.

Changes in Assumptions -
None

The accompanying notes are an integral part of these financial statements.

CITY OF FROSTBURG, MARYLAND

REQUIRED SUPPLEMENTAL INFORMATION (UNAUDITED)

SCHEDULE OF CHANGES IN CITY OF FROSTBURG, MARYLAND'S TOTAL
OPEB LIABILITY AND RELATED RATIOS

	6/30/2025	6/30/2024	6/30/2023	6/30/2022	6/30/2021	6/30/2020	6/30/2019	6/30/2018
Changes in OPEB Liability								
Service Cost	\$ 23,178	\$ 54,787	\$ 39,715	\$ 36,774	\$ 38,173	\$ 31,344	\$ 28,381	\$ 27,324
Interest	29,130	36,603	20,394	12,249	12,160	15,687	16,107	15,175
Changes in benefit terms	-	-	-	-	-	-	-	-
Difference between expected and actual experience	-	(244,502)	310,230	22,118	-	(13,154)	-	-
Assumption changes	(23,671)	16,010	(35,962)	(38,086)	525	105,100	10,620	-
Contributions - employer	-	-	-	-	-	-	-	-
Contributions - employee	-	-	-	-	-	-	-	-
Net investment income	-	-	-	-	-	-	-	-
Benefit payments	(23,947)	(28,426)	(20,107)	(28,035)	(39,863)	(33,947)	(12,449)	(24,295)
Administrative expense	-	-	-	-	-	-	-	-
Other changes	-	(31,029)	-	-	-	-	-	-
Net change in OPEB liability	4,690	(196,557)	314,270	5,020	10,995	105,030	42,659	18,204
Total OPEB liability, beginning of year	703,782	900,339	586,069	581,049	570,054	465,024	422,365	404,161
Total OPEB liability, end of year	<u>\$ 708,472</u>	<u>\$ 703,782</u>	<u>\$ 900,339</u>	<u>\$ 586,069</u>	<u>\$ 581,049</u>	<u>\$ 570,054</u>	<u>\$ 465,024</u>	<u>\$ 422,365</u>
City's covered employee payroll	\$ 2,189,948	\$ 1,979,748	\$ 1,899,442	\$ 1,744,969	\$ 1,532,693	\$ 1,391,124	\$ 1,185,691	\$ 1,151,156
Total OPEB liability as a percentage of covered employee payroll	32.35%	35.55%	47.40%	33.59%	37.91%	40.98%	39.22%	36.69%

This schedule is presented to illustrate the requirement to show information for 10 years. Until a full 10 year trend is completed, the City will present the information for the years that are available.

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

No assets are accumulated in a trust that meets the criteria in GASB Statement 75, paragraph 4, to pay related benefits.

Changes in Benefit Terms -

There were no changes in benefits terms during the plan year.

Changes in Assumptions -

The discount rate was changed from 4.21% in the prior study to 4.81%.

Healthcare cost trend assumption was updated to 7.5% for 2025 decreasing by 0.25% per year until it reaches 4.5%.

The accompanying notes are an integral part of these financial statements.

CITY OF FROSTBURG

Parks and Rec Monthly report

For the Month of March 2026

Submitted by: Gene Bittinger maintenance Supervisor

March 2 2026

Checked parks

Setup tables for Red Cross

Worked on the Food Pantry

March 3 2026

Salted parking lots and sidewalks

Checked the parks

Worked on the Food Pantry

Fixed a light switch in the Bureau of mines restroom

Replaced light bulbs in the Bureau of mines stairway

March 4 2026

Checked the parks

Worked on the Food Pantry

March 5 2026

Checked the parks

Worked on the food pantry

March 6 2026

Checked the parks

Put door stops on and fixed the floor tile at the Community Center

March 9 2026

Checked the parks

Poured the sidewalk and porch on the Food Pantry

Started cleaning out the sea container at the shop

Turned the invoices in

March 10 2026

Checked the parks

Went to the Staff meeting

Finished cleaning out upper shed

Hauled scrape

Brought a mower back to the shop

Fixed home plate on the Community field

March 11 2026

Checked the parks

Fixed the rear door and hand rail at the Community Center

Worked on the Food Pantry

March 12 2026

Checked the parks

Put kick plates on the rear Community Center door

Worked on the food pantry

March 13 2026

Checked the parks

Worked on the Food Pantry

March 16 2026

Checked the parks

Measured targets at the Rifle Range

Worked on the Food Pantry

March 17 2026

Checked the Parks

Replaced the furnace filter at the Day Care

Plowed and salted the parking lots and sidewalks

Worked on the Food Pantry

March 18 2026

Checked the parks

Worked on the Food Pantry

March 19 2026

Checked the Parks

Worked on the Rifle Range Targets

Fixed a door at the Day Care

March 20 2026

Checked the parks

Turned the invoices in

Worked on the Food Pantry

March 23 2026

Checked the parks

Started draining the pool

Took targets back to the Rifle Range

Worked on the Food Pantry

Started cleaning out the Food Pantry

March 24 2026

Checked the parks

Unloaded lumber for field 8 steps and put it away

Worked on the Food Pantry

Cleaned up around the Food Pantry

March 25 2026

Checked the parks

Helped the Water dept

Replaced the door on the L.L. concession stand window

Painted the restroom door at the Food Pantry

Received a load of crush and run for the Food Pantry

Took salt spreader off of truck 41

March 26 2026

Checked the parks

Spread cr 6 at the Food Pantry

Fixed a mower tire

Put new battery in 6 ft mower

Cleaned up after the food giveaway

Turned the water on at field 5 bathrooms

March 27 2026

Checked the parks

Worked on Lion's bathrooms

March 30 2026

Checked the parks

Turned the water on at the Pool, Lion's, Hoffman concession stand, Shaw ST. concession

March 31 2026

Checked the parks

Turned the water on at Hoffman, MT Pleasant, East End, Small pool pavilion and the Dog Park

Removed downed trees at the Day Care and Hoffman

CITY OF FROSTBURG
Monthly Report: Street Department
For the Month of: March 2026
Submitted by: Shane Elliott & Ryan Whitaker

March 1, 2026 – Sunday

March 2, 2026 – Monday

- Checked and emptied trash cans on Main Street
- Installed new street signs on College Avenue
- Removed broken concrete parking stops from city parking lot
- Picked up dead animal on Lee Street
- Checked all sewer pumping stations and ran weekly tests
- Picked up supplies from Lowes Home Center
- Marked miss utility tickets and checked them in on computer
- Checked on road complaint in Prichard Farms
- Removed dead animal off of Main Street
- Added degreaser to all pumping stations due to excessive build up
- Picked up parts from Carquest and O'Reilly Auto Parts
- Unloaded material for electrical service at food pantry
- Loaded up all plow trucks and filled fuel tanks

March 3, 2026 – Tuesday

- Called out early to salt streets and alleyways
- Picked up garbage route on west end of town
- Installed new sign post and handicap sign on Broadway
- Removed chunks of blacktop debris in roadway
- Checked all sewer pumping stations
- Took plow truck #4 to Ruby's for rear spring replacement
- Removed two dead animals in roadway
- Marked miss utility tickets and checked them in on computer
- Removed litter and debris off Main Street
- Emptied out all plow trucks and sprayed out beds
- Checked on signage complaint and made repairs
- Had a special garbage pick up on West College Avenue
- Dropped off work truck at Shoe's for repairs

P.2

March 4, 2026 – Wednesday

- Picked up garbage route on east end of town
- Used street saw to cut roadway in preparation of storm line repair
- Ran sewer camera in storm line in Braddock Heights
- Checked all sewer pumping stations
- Picked up truck #01 from Shoe's and reinstalled tool box and hand tools
- Checked on drainage issues on First Street
- Removed litter off Main Street
- Marked miss utility tickets and checked them in on computer
- Picked up litter on several other streets around town
- Investigated manhole complaint in Prichard Farms
- Had a special garbage pick up during garbage route
- Picked up Truck 4 from Rubys after repairs
- Straightened sign post on Redstone Terrace
- Patched sinkhole in roadway with concrete and cold patch on Linden St.
- Reinstalled snow plow on Truck 4
- Cleaned up litter on Water and Bowery St.

March 5, 2026 – Thursday

- Picked up garbage route in center section of town
- Checked all fluids on plow trucks and added where needed
- Used catch vac to clean out several catch basins on Center St. and Victoria Lane
- Checked all sewer pumping stations
- Emptied and cleaned out Truck 10 over at dump site
- Removed plow and chains from Truck 8
- Marked miss utility tickets and checked them in on computer
- Ran Street Sweeper on Linden and Pine St.
- Dropped off Truck 8 for mechanical repairs at Cober Cummins
- Removed litter on Main Street and Depot Street
- Emptied and cleaned out sweeper over at Dump Site
- Put away Lawson delivery that came in
- Greased Truck 11 and snow plow assembly
- Inspected and made a list of few catch basins in need of repair
- Blew grit off more sidewalks on College Ave.

P.3

March 6, 2026 – Friday

- Picked up any litter and debris on Main Street
- Filled a few potholes on Main St. per complaint
- Checked all sewer pumping stations
- Used backhoe to dig up sinkhole in blacktop parking area of garage lot
- Emptied all city trash cans on Main St. where needed
- Swept out all garage bays
- Cut up and disposed of broken tree top on Main St.
- Marked miss utility tickets and checked them in on computer
- Emptied out all shop trash cans
- Swept and mopped lunch room & rest room floors
- Hauled loads of millings from Rec. complex to sinkhole repair site
- Washed off work trucks and cleaned out the beds
- Made repairs to vibrating plate compactor
- Cleaned off catch basin grates where needed before the weekend

March 7, 2026 – Saturday – Checked CSO's and made a report

March 8, 2026 – Sunday

March 9, 2026 – Monday

- Used backhoe to dig up and repair broken storm line in Braddock Heights
- Removed chains and snow plow from Truck 4
- Hauled dirt away and brought in gravel to storm repair site
- Checked all sewer pumping stations - ran weekly electrical tests
- Worked on a battery issue on Truck 14
- Removed litter on Main Street
- Backfilled repair site and compacted gravel
- Marked miss utility tickets and checked them in on computer
- Ran Street Sweeper on several streets in the west end of Town
- Checked and emptied city trash cans on Main Street where needed
- Picked up supplies from Carquest
- Emptied and cleaned out sweeper over at Dump Site
- Repaired a busted hydraulic line on Backhoe
- Used blowers and brooms to clean off more sidewalks before sweeping
- Removed all traffic safety devices from work site after completion

P.4

March 10, 2026 – Tuesday

- Picked up garbage route on west end of town
- Communicated with homeowner about Miss Utility questions
- Investigated sewer odor complaint on Talcot Ave.
- Ran sewer camera in line on Braddock Rd. to locate taps
- Picked up Truck 8 after repairs at Cober Cummins
- Removed litter on Main Street
- Washed out beds of Dump Truck after use and refueled
- Checked all sewer pumping stations
- Swept College Ave. and surrounding streets in the center section of town
- Marked miss utility tickets and checked them in on computer
- Installed new fuel lift pump on street sweeper
- Picked up truck parts in Grantsville
- Investigated sewer complaint in Braddock Estates
- Marked an Emergency Miss Utility ticket for Gas Company
- Spread gravel with equipment in garage parking lot

March 11, 2026 – Wednesday

- Picked up garbage route on east end of town
- Installed new tailgate chains on Truck 8
- Marked miss utility tickets and checked them in on computer
- Picked up parts from Frostburg Carquest
- Replaced master electrical switch on Truck 8
- Removed litter on Main Street
- Began rebuilding catch basin in the bottom of garage parking lot
- Used catch vac to suck out debris from catch basin and storm line
- Ran street sweeper on streets in the center section of town
- Emptied and cleaned out catch vac over at dump site
- Used camera to inspect sewer line on Tea Berry per complaint
- Ran jetter in sewer line to break up blockage
- Emptied and cleaned out sweeper over at dump site
- Put away Napa delivery
- Filled jetter with fuel and water after use
- Picked up litter in city streets around town
- Used roller to compact gravel in lot area

P.5

March 12, 2026 – Thursday

- Picked up garbage route in center section of town
- Ran street sweeper on West End of town
- Picked up materials and supplies from Lowes and PVIS
- Investigated Miss Utility complaint for homeowner
- Checked all sewer pumping stations
- Worked on rebuilding catch basin in garage lot
- Called in an order of gravel from Allegany Aggregates
- Took invoices to be paid to city hall
- Picked up litter on Main Street
- Used mini excavator to dig up bad spot of ground next to salt barn
- Washed off excavator after use and greased fittings
- Marked miss utility tickets and checked them in on computer
- Emptied and cleaned out sweeper after use
- Repaired blind spot convex mirror on Mechanic St.
- Pushed up gravel deliveries as they arrived

March 13, 2026 – Friday

- Marked miss utility for new pole installation at food pantry
- Continued work on catch basin rebuild
- Removed litter off Main Street
- Checked and emptied all city trash cans on Main Street
- Marked miss utility tickets and checked them in on computer
- Organized tools in a few work trucks
- Checked all sewer pumping stations
- Emptied all trash cans in garage area and swept out garage bays
- Cleaned rest room and lunch room
- Took measurements for replacement truck sideboards
- Assisted homeowner with special pickup questions
- Removed litter around town in city streets before weekend
- Used Bobcat to repair concrete catch basin structure that was hit on Frost Ave.
- Cleaned off catch basin grates where necessary around town
- Repaired grass from damage on Frost Ave.

March 14, 2026 – Saturday – Called out due to sewer issue

P.6

March 15, 2026 – Sunday

March 16, 2026 - Monday

- Removed litter and debris in roadway on Main Street
- Checked all sewer pumping stations – ran weekly electrical test
- Installed new garden hose on hose reel in garage area
- Marked Miss Utility tickets and checked them in on computer
- Removed litter and broken glass off Center Street
- Cleaned off catch basin grates and culvert inlets where needed
- Removed dead animal off Main Street
- Checked and emptied all city trash cans on Main Street
- Used jetter truck to flush out several sewer lines
- Ran street sweeper on west end of town
- Used camera to locate a few sewer line locations
- Drained water from diesel safety tank
- Filled jetter with fuel and water after use
- Emptied and cleaned out sweeper over at Dump Site
- Contacted City Hall about a package delivery
- Refueled water and fuel in Street Sweeper
- Called out to plow and salt city streets throughout the evening

March 17, 2026 – Tuesday

- Picked up garbage route on west end of town
- Looked over water runoff complaints in a few locations
- Salted city streets and alleyways throughout the day
- Ran sewer camera to locate sewer service line
- Picked up invoices and mail from city hall
- Replaced missing plow pins on truck #8
- Checked drain issues in rest rooms at city hall
- Worked on electrical connections on sewer camera reel and camera head
- Repaired damaged tire chains on plow trucks where needed
- Marked miss utility tickets and checked them in on computer
- Reloaded plow trucks and filled fluids after use
- Checked all sewer pumping stations
- Washed off all sewer camera equipment after use

P.7

March 18, 2026 – Wednesday

- Picked up garbage route on east end of town
- Unloaded delivery from Beltway International
- Removed litter off Main Street
- Turned in invoices and bills to be paid to City Hall
- Marked miss utility tickets and checked them in on computer
- Picked up deliveries from over at MDE
- Checked all sewer pumping stations
- Installed two new mirrors on plow truck #14
- Removed dead animal in roadway
- Made repairs to wiper motor on Truck 350
- Had meeting to discuss several projects and Food Pantry electric service
- Emptied out a few dump trucks and washed after storm
- Installed plow and adjusted chains on Truck 4
- Posted several streets with No Parking signs for street sweeping
- Greased auger bearings on all plow trucks

March 19, 2026 – Thursday

- Picked up center section of town garbage route
- Installed flex pipe on plow truck #4
- Removed some debris from the Depot tunnel area
- Checked all sewer pumping stations
- Pushed up deliveries as they arrived into salt dome
- Used sewer camera to locate sewer line in Alleyway
- Ran street sweeper in center section of town
- Marked miss utility tickets and checked them in on computer
- Submitted miss utility ticket for food pantry electrical installation
- Checked sewer pump hole at Depot Tunnel for any issues
- Picked up supplies from Tractor Supply
- Removed litter off Main Street
- Checked on sewer complaint on Hill Street and ran sewer camera
- Washed off sewer camera equipment after use
- Emptied and cleaned out street sweeper over at dump site
- Put Napa delivery away

P.8

March 20, 2026 – Friday

- Called in an emergency miss utility ticket for sewer line repair
- Took garbage truck to water department to dispose of unwanted junk
- Emptied out all trash cans in shop area
- Removed litter on Main Street, Bowery, Center and College Avenue
- Swept out all the garage bays
- Used vactor truck to excavate work area to find sewer main
- Checked and emptied all city trash cans where needed on Main Street
- Marked miss utility tickets and checked them in on computer
- Cleaned lunch room & rest room
- Installed new sewer tap connection on sewer main on Mechanic Street
- Checked all sewer pumping stations before the weekend
- Used backhoe to haul gravel to dig site
- Set up safety devices around work site
- Ran street sweeper in center section of town
- Emptied and cleaned out sweeper over at dump site

March 21, 2026 – Saturday

March 22, 2026 – Sunday

March 23, 2026 – Monday

- Pushed up anti-skid deliveries as they arrived into salt dome
- Turned in all invoices and bills to be paid to City Hall
- Checked and emptied city trash cans on Main Street
- Had a few employees pick up workwear from Rural King
- Picked up litter and debris off Main Street
- Dropped off replacement fender to be repainted at Jenkins Collision
- Checked all sewer pumping stations - ran weekly electrical tests
- Transported mini excavator to food pantry to begin grading work
- Repaired damaged sod due to plow complaint
- Worked on grading area around food pantry
- Marked miss utility tickets and checked them in on computer
- Ran street sweeper in center section of town
- Emptied and cleaned out sweeper over at dump site

P.9

March 24, 2026 – Tuesday

- Picked up west end of town garbage route
- Filled fuel and water tanks on street sweeper
- Used street saw to cut roadway and sidewalk for electrical installation
- Ran street sweeper on west end of town all day
- Marked miss utility tickets and checked them in on computer
- Straightened bent meter post on Main Street
- Finished finalizing annual blacktop list for this year
- Unloaded truck parts delivery as they arrived
- Checked all sewer pumping stations
- Used mini excavator to finish up landscaping around food pantry
- Picked up deliveries from city hall
- Took down all posted signs on Ormand and Mechanic Street
- Emptied and cleaned out street sweeper over at dump site
- Called in last order for road salt for the season
- Worked on electrical issues on police dept. vehicle
- Removed debris in roadway that street sweeper left behind

March 25, 2026 – Wednesday

- Picked up east end of town garbage route
- Finished up repairs on the police dept. vehicle
- Removed litter and debris off Main Street
- Emptied out all salt trucks and cleaned out truck beds
- Checked all sewer pumping stations
- Marked miss utility tickets and checked them in on computer
- Checked all CSO locations for any issues before inspection
- Put away deliveries as they arrived
- Finished cutting roadway and sidewalk on Park Lane Street
- Set out posted signs and street cones for tomorrow project
- Ran street sweeper on west end of town
- Installed new grease fittings on tailgate latches on truck #14
- Picked up cardboard from around recycling area that had blown all over the place
- Handed out meal money to employees
- Emptied and clean out sweeper over at dump site – Greased all fittings after use

P.10

March 26, 2026 – Thursday

- Picked up center section of town garbage route
- Used vac truck to locate gas main in roadway
- Removed litter off Main Street
- Set out detour signs and stands before digging up roadway
- Checked all sewer pumping stations
- Marked miss utility tickets and checked them in on computer
- Used the mini excavator to dig up roadway for electrical conduit installation
- Pushed up salt deliveries as they arrived
- Had CSO inspection with MDE on all overflow locations
- Contacted Civil Defense about road closure
- Ran street sweeper on Park Lane St. after work completion
- Picked up parts and materials from Carquest and Bonds Home Improvement
- Repaired broken O-Ring seal on Truck 10
- Filled and replaced all fluids in Catch Vac after hydraulic leak

March 27, 2026 – Friday

- Checked and emptied city trash cans where needed
- Installed new main broom on street sweeper
- Checked all sewer pumping stations
- Took invoices to be paid to city hall and picked up mail
- Marked miss utility tickets and checked them in on computer
- Pushed up salt deliveries as they arrived
- Emptied out all shop trash cans
- Checked all CSO locations due to rain event
- Swept off garage floors
- Washed off wheel loader after use
- Cleaned breakroom, rest room and office area
- Picked up needed supplies from Lowes Home Center
- Removed dead animal in roadway
- Cleaned off catch basin grates around town where needed

March 28, 2026 – Saturday

March 29, 2026 – Sunday

P.11

March 30, 2026 – Monday

- Emptied all city trash cans where needed on Main Street
- Ran street sweeper in center section of town
- Checked on sewer complaint on Centennial Street
- Ran sewer camera in sewer main
- Pushed up salt deliveries as they arrived into salt dome
- Marked miss utility tickets and checked them in on computer
- Ran jetter in sewer main, then ran sewer camera to inspect for issues
- Checked all sewer pumping stations - ran weekly electrical tests on systems
- Removed litter on Main Street, College Avenue and Water Street
- Washed off wheel loader after use
- Removed two old street signs and posts from alleyway
- Refilled jetter truck water and fuel tanks after use
- Greased all the fitting on wheel loader
- Emptied and cleaned out sweeper over at dump site
- Washed off all sewer camera equipment after use
- Pressure washed vector truck and made repairs to hydraulic leak

March 31, 2026 – Tuesday

- Picked up west end of town garbage route
- Checked for any flow issues in a troublesome sewer main
- Swept off a few remaining sidewalks where needed
- Removed litter off Main Street
- Finished pushing up last deliveries of road salt into dome
- Ran street sweeper in center section of town
- Checked all sewer pumping stations
- Marked miss utility tickets and checked them in on computer
- Emptied and cleaned out sweeper over at dump site
- Washed off several work trucks
- Picked up sign order from Road Safe in Cumberland
- Made appointment for truck #7 recall repair
- Washed off wheel loader after use
- Swept gravel and debris off roadway on Park Lane Street
- Cleaned out cabs and washed interiors of work trucks
- Removed broken glass in roadway on Hill Street

City of Frostburg

Monthly Report: Water Department

For the Month of March, 2026

Submitted by: Ray Richards Jr., Supervisor

March 2, 2026

- Checked Pumps @ Crestview Pump Station
- Marked Miss Utility Tickets
- Organization of rear building

March 3, 2026

- Checked Pumps @ Crestview Pump Station
- Marked Miss Utility Tickets
- Cleaned the shop
- Hauled trash away
- Continue organization of rear building

March 4, 2026

- Checked Pumps @ Crestview Pump Station
- Marked Miss Utility Tickets
- Read monthly meter readings
- Final reading Grandview Drive
- Turn water on Bowery St. payment was made
- Repaired water meter Bowery St.

March 5, 2026

- Checked Pumps @ Crestview Pump Station
- Marked Miss Utility Tickets
- Read monthly meter readings
- Read monthly master meters
- Reinstalled meter clock St. John's Church

March 6, 2026

- Checked Pumps @ Crestview Pump Station
- Marked Miss Utility Tickets
- Put cold mix in hole W. Main St. from water leak
- Reread water meter Tarn Terrace possible leak
- Turn water off Tarn Terrace property is vacant
- Tried to retrieve a reading W. Main St. transmitting issue

March 9, 2026

- Checked Pumps @ Crestview Pump Station
- Marked Missed Utility Tickets
- Installed new curb box & rod Frost Ave.
- Hauled junk dirt away from shop from water leaks

March 10, 2026

- Marked Miss Utility Tickets
- Checked Pumps @ Crestview Pump Station
- Attended staff meeting
- Cleaned the shop
- Hauled the trash away
- Final readings Centennial St. & W. Mechanic St.
- Hauled junk dirt away from shop from water leaks

March 11, 2026

- Checked Pumps @ Crestview Pump Station
- Marked Miss Utility Tickets
- Turn water off W. Mechanic St. for nonpayment
- Dug up & installed new curb & rod W. Mechanic St.
- Turn water on W. Mechanic St. made payment
- Turn water back on Broadway was for busted pipes

March 12, 2026

- Checked Pumps @ Crestview Pump Station
- Marked Miss Utility Tickets
- Put new 2-inch trash pump on truck 69
- Removed obsolete material from left rear of shop
- Installed brackets for pipe organization

March 13, 2026

- Checked Pumps @ Crestview Pump Station
- Marked Miss Utility Tickets
- Spread out millings @ supply dam for Bob W.T.P
- Pushed up cold mix out back

March 16 ,2026

- Checked pumps @ Crestview Pumping Station
- Marked Miss Utility Tickets
- Emergency locate Wood St. contractor
- Removed some brush around building @ supply dam

March 17 ,2026

- Checked pumps @ Crestview Pumping Station
- Marked Miss Utility Tickets
- Cleaned the shop
- Hauled the trash away
- Final reading Spring Street

March 17 ,2026

- Checked pumps @ Crestview Pumping Station
- Marked Miss Utility Tickets
- Worked on cleaning & organization of shop

March 18 ,2026

- Checked pumps @ Crestview Pumping Station
- Marked Miss Utility Tickets
- Turn water back on W. Mechanic St. payment was made
- Worked on cleaning & organization of shop

March 19, 2026

- Checked pumps @ Crestview Pumping Station
- Marked Miss Utility Tickets
- Worked on cleaning & organization of shop

March 20, 2026

- Checked pumps @ Crestview Pumping Station
- Marked Miss Utility Tickets
- Final reading E. Main St.
- Emergency locate W. Mechanic St. Street Dept.
- Finished organization of rear building

March 23, 2026

- Checked pumps @ Crestview Pumping Station
- Marked Miss Utility Tickets
- Installed new water meter Bowery St.
- Started working on remodeling the bathroom
- Extensive line location for natural gas project

March 24, 2026

- Checked pumps @ Crestview Pumping Station
- Marked Miss Utility Tickets
- Working on remodeling the bathroom (painted)
- Met with homeowner regarding with water meter location & maintenance
- Installed new water meter Bowery St.
- Extensive line location for natural gas project

March 25, 2026

- Checked pumps @ Crestview Pumping Station
- Marked Miss Utility Tickets
- Installed new ceiling in bathroom
- Hauled millings from Glendening to shop
- Extensive line location for natural gas project

March 26, 2026

- Checked pumps @ Crestview Pumping Station
- Marked Miss Utility Tickets
- Hauled millings from Glendening to shop
- Continued working on remodeling the bathroom (ceiling)
- Relocate water line supply dam
- Reinstalled bricks on Frost Ave. from water leak

March 27, 2026

- Checked pumps @ Crestview Pumping Station
- Marked Miss Utility Tickets
- Extensive line location for natural gas project
- Continued working on remodeling the bathroom (flooring)
- Hauled millings from Glendening to shop

March 30, 2026

- Checked pumps @ Crestview Pumping Station
- Marked Miss Utility Tickets
- Continued working on remodeling the bathroom
- Assisted the Rec. Dept. with turning water on Swimming Pool
- Turn water on East End Playground

March 31, 2026

- Checked pumps @ Crestview Pumping Station
- Marked Miss Utility Tickets
- Shut offs (57 of them)
- Check dirty water Frost Ave.

CITY OF FROSTBURG

Monthly Report: Police Department

For the Month of: March 2026

Submitted by: PCO II Charon Clark & Chief Nicholas Costello

IDENTIFIED INCIDENTS & COMPLAINTS for the Month

	2025	743	2026	611
ARRESTS				
			On-View/Citations	7
			Warrants Served/Obtained	3
			Summonses Served	0
			Juvenile Arrests & Citations	0
			TOTAL	10
C3I INVESTIGATIONS			Cases	2
COMMUNITY POLICING			Logged Activities	0
PARKING			Parking Violations	4
PUBLIC SERVICE			Well-Being Checks	19
			Emergency Petitions	2
			Assist Other Agency	25
			Request for Officer	31
			Follow-Ups	6
			Disturbance (Multiple Inc. Types)	25
TRAFFIC			M/V Crashes	6
			Traffic Details	32
			DWI/DUI Arrests	1
TRAFFIC STOPS			Total Number of Stops	115
			Citations	19
			Warnings	98
			SEROs	0
COLLECTIONS			Parking Meter Fines	\$0.00
			Other Parking Fines	\$1,420.00
			Parking Meter Collections	\$0.00
			Municipal Infractions Paid	\$0.00
			Parking Permits	\$0.00
			Miscellaneous	\$20.00
			TOTAL	\$1,440.00

Respectfully Submitted,

Nicholas J. Costello
Chief of Police

RESOLUTION 2026-09

A RESOLUTION OF THE CITY OF FROSTBURG, A MUNICIPAL CORPORATION OF THE STATE OF MARYLAND, APPROVING CONTRACTS WITH SUN CENTRAL LLC TO RECEIVE SOLAR ENERGY CREDITS.

WHEREAS, the City of Frostburg pays for electricity through Potomac Edison for all public buildings and facilities; and,

WHEREAS, reducing the cost of electricity purchased by the City would result in a more efficient use of tax payer dollars, benefiting all residents; and,

WHEREAS, Solar on Earth, Maryland has offered to provide solar energy credits to the City of Frostburg as part of the Maryland Community Solar Program.

NOW, THEREFORE, BE IT RESOLVED, that the Mayor and City Council of Frostburg, Maryland hereby approve contracts with Sun Central LLC to take part in their Community Solar Program to receive Solar Bill Credits that will reduce the City’s monthly electricity expenses;

BE IT FURTHER RESOLVED, that the Mayor and City Council of Frostburg, Maryland hereby authorize the City Administrator to sign the appropriate contracts and agreements on behalf of the City of Frostburg.

ADOPTED, this 21st day of April, 2026.

Frostburg Mayor and Council

BY _____
Todd J. Logsdon, Mayor

Attest:

Patrick O’Brien, City Administrator

Maryland Community Solar Subscription Agreement

Company: SunCentral LLC	Effective Date:
Subs. Org: Chaberton Solar Blossom Hill LLC (SO# 23A305667000517) 1601 Wewatta St., Suite 700 Denver, CO 80202 888-734-3033 x702	
Customer: City of Frostburg	Facility: As set forth in Appendix A
Contact: Patrick O'Brien	Customer Capacity: As set forth in Appendix A
Role: City Administrator	Utility: Potomac Edison Power Company

1. **Introduction.**

This Community Solar Subscription Agreement (this “**Agreement**”) sets forth the terms and conditions under which you subscribe through SunCentral to a portion of the electric generating capacity of a utility-approved Community Solar Energy Generation System for the Term of this Agreement in order to receive Bill Credits from the Utility so as to decrease your utility costs. “**Utility**” means the utility service provider listed under Appendix A. In this Agreement, you may be also referred to as “you”, “your” or “Customer”, and SunCentral, together with its successors and assigns, may also be referred to as “the Company” or “we” or “us” or “our”. Customer and the Company shall collectively be referred to herein as the “Parties” and individually as a “Party”.

This Agreement, with the Effective Date as of the date of the last signature, is a legally binding agreement with disclosures required by law (Maryland Community Solar Contract Summary is attached as Appendix D), so please read everything carefully. If you have any questions regarding this Agreement, please contact Customer Support toll-free at 888-734-3033 x702.

2. **General Information.**

As detailed below, the Utility currently participates in the Maryland Community Solar program whereby the Utility is required to issue Bill Credits for generated solar electricity pursuant to the terms of the Tariff and Maryland program regulations (the “**Program**”). “**Bill Credits**” means community solar electric (“CSE”) credits issued on the electric bill of Customer as compensation for the electricity produced in any given month by the Community Solar Electric Generating System. “**Tariff**” means the tariff from the Utility to implement the Program, as approved by the Maryland Public Service Commission, together with any subsequent amendments and approvals thereto. This Program requires the Utility to issue Bill Credits on the electric bills for certain customers in exchange for receipt of solar electricity from a qualifying Community Solar Energy Generation System.

We have constructed or intend to construct a Utility-approved Community Solar Energy Generation System as set forth in the Program, at the location set forth in Appendix A (the “**Facility**”). We will interconnect the Facility with the Utility pursuant to the terms of the Tariff, generator interconnection agreement, the Program, or other agreements required to be executed with the Utility (collectively, the “**Interconnection and Credit Agreements**” or “**ICA**”). Once the Facility begins to generate electric energy on a commercial basis (the “**Commercial Operations Date**” or “**COD**”) we shall provide you further description of such Facility and notice of assignment to it on or shortly after by updating Appendix A with the Commercial Operations Date, Facility Location, Facility’s total nameplate capacity, and Customer’s Capacity. Such updated Appendix A shall be added to this Agreement without the need for additional consent or signature of the Parties in accordance with Section 2. By executing this Agreement, you agree to allow us to assign this Agreement to any eligible solar system developed or managed by us as described (or to be described at a future date) in Appendix A.

Under this Agreement, you will subscribe to a portion of the electric generating capacity of the Facility during the Term

of this Agreement in order to receive Bill Credits from the Utility on your electric bill (the **“Solar Interest”**).

3. Term.

- a. Term. The term of this Agreement shall commence on the Effective Date and continue for ten(10) years (the **“Initial Term”**). This Agreement will automatically renew for successive terms of five(5) years (each, a **“Renewal Term”**) unless either Party decides that it does not wish to renew this Agreement before the expiration of the Initial Term or any Renewal Term, as applicable, by notifying the other Party in writing at least one hundred and eighty (180) days before the completion of the Initial Term or Renewal Term, as applicable. We will provide you at least thirty (30) days’ notice of automatic renewal so you have an opportunity to terminate if you so choose. The Initial Term and any Renewal Term are collectively referred to as the **“Term.”** Notwithstanding the foregoing, this Agreement shall terminate after twenty-five (25) years from the Facility’s Commercial Operations Date unless earlier terminated in accordance with this Agreement, in which case the Term shall expire on the effective date of such early termination. We shall provide you thirty (30) days’ notice of expiration.
- b. Initial Accrual of Bill Credits. The Utility shall begin allocating Bill Credits to you upon the date (the **“Eligibility Date”**) by which all of the following shall have occurred: (1) the Commercial Operations Date and (2) the Utility has added you to the Utility’s Bill Credit allocation records (the **“Allocation Form”**)) which we update with the Utility from time to time to allocate Bill Credits obtained from the Utility in respect to solar electricity delivered to the Utility Meter located at the Facility and (3) you have been approved by the Utility, see Section 4.

4. Acknowledgments Regarding the Program.

- a. Program Limitation and Requirements. The Program imposes certain requirements and limits on participation in the Program as further described in the applicable Program rules and regulations (the **“Program Limitation”**). You acknowledge that your participation (or the participation of others at the same Utility Service Location) in other Utility programs relating to renewable energy payments, credits or rebates may further limit the Portion, Bill Credits or Capacity which you can receive, or which may be attributed to you in connection with this Agreement and the Program. You agree that we are not obligated to request, and that the Utility is not obligated to make any payment or provide Bill Credits to the extent your Capacity exceeds the Program Limitation. You acknowledge this Agreement will be deemed automatically amended to incorporate any changes to any Program rules or regulations. To participate in the Program, you must in addition to other applicable requirements (i) be and remain a customer of the Utility for electric service throughout the Term of this Agreement, (ii) assist in designating your Customer Account to which the Utility can post Bill Credits (which shall be at the Utility Service Location shown in Appendix A unless changed pursuant to the Agreement), and (iii) be and remain in compliance with all requirements of this Agreement and the Program throughout the Term of this Agreement.
- b. Your Subscription is Contingent on Allocation of Bill Credits by Utility. Your subscription is contingent upon and subject to the Utility’s acceptance of your participation and allocation of Bill Credits to your Customer Account. **“Customer Account”** means Customer’s account with the Utility for a location served by the Utility, and which must be in a rate class that is eligible under the Program. During the Term of this Agreement, (i) if for any reason the Utility refuses to allocate a portion or all of the Bill Credits to your Customer Account on a temporary basis, this Agreement shall remain in full force and effect, but we shall promptly refund to you any amount paid to us by you for such Bill Credits which the Utility refused to credit to your Customer Account, and (ii) if for any reason the Utility refuses to allocate the Bill Credits to your Customer Account on a permanent basis, either Party may terminate this Agreement by written notice to the other Party with no liability to either Party. Notwithstanding anything to the contrary, this Section 4(b) does not apply to the extent that the reason that the Utility refuses to allocate Bill Credits to you is a result of you failing to pay your Utility bill or your breach of this Agreement.
- c. Additional Requirements. You acknowledge that, in connection with this Agreement, you must first satisfy our credit requirements, which are subject to change and not contained in this Agreement. We may terminate this Agreement by written notice to you if we determine that you are ineligible to participate in the Program and/or fail to satisfy our credit requirements.

5. **Customer's Subscription.**

- a. **Capacity Subscribed.** Commencing on the Eligibility Date and continuing throughout the remainder of the Term, you agree to subscribe to a Capacity sufficient to produce kWh equal up to approximately 100% of your historic usage. After verifying your prior twelve-month usage or estimated usage with the Utility, we shall notify you of your Capacity within the updated Appendix A. "**Capacity**" means the amount of capacity you subscribed to under this Agreement as detailed under Appendix A expressed in terms of kW-DC. Bill Credits are only paid at full retail rate for up to 100% of your actual annual usage. Any additional credits that could not be applied to offset your bill over the annual period will only be applied once per year at a lower "excess generation" rate. In no event may a customer subscribe to more than 200% of their historic usage in any solar facility or as part of net-metered generation.
- b. **Determination of Solar Output.** You acknowledge the measurement of the Facility Solar Output shall be based upon readings at the Utility Meter. Each month during the Term of this Agreement, the Utility will record the amount of solar electricity generated that month at the Facility and delivered to the Utility Meter, if available (the "**Facility Solar Output**"). The Utility will then multiply the Facility Solar Output by your Portion to arrive at the "**Customer Solar Output**" for that month in kWh. Customer Solar Output means the portion of the Facility production allocable to the Customer measured in kilowatt hours AC or "**kWh.**" The month over which such solar electricity is measured is referred to herein as the "**Production Month.**" "**Portion**" means your Capacity expressed in a percentage of the total nameplate capacity of the Facility. Your Portion shall be updated in Appendix A after the Commercial Operations Date. The current estimated Facility production projections is found in Appendix C. There shall be no additional compensation by us to you for underperformance of the Facility.
- c. **Calculation of Bill Credits.** Bill Credits are calculated solely by the Utility based upon the terms and conditions of the Program. You acknowledge and agree that our sole obligation regarding payments to you is to request and use commercially reasonable efforts to require the Utility to deliver Bill Credits. We will provide the Utility with your information so that the Utility can post the appropriate amount of Bill Credits to your electric bill, pursuant to the allocations shown in the Utility's Bill Credit allocation records. Bill Credits to be applied on your electric bill are calculated using the Bill Credit Rate multiplied by your Customer Solar Output based upon the reading. "**Bill Credit Rate**" means the applicable value of solar rate in effect at the time of energy generation (in \$/kilowatt-hour) and may be periodically revised by the Utility based upon variations in the Utility's rate components from time to time, that is applicable to your retail rate classification. You understand that (i) the Bill Credits received by you for a particular Production Month will be reflected on your statement from the Utility as a monetary credit amount and not as an electricity quantity; and (ii) such Bill Credits will be reflected on your monthly invoice according to the Utility's billing cycle, and there may be a delay of up to three months after the Production Month until the Bill Credits appear on your Utility electric bill.
- d. **Title; Environmental Attributes and Tax Incentives Excluded.** You shall not be entitled to any ownership interest in, and as between you and us, we shall have title to, the Facility and all solar panels. You acknowledge and agree that your Solar Interest does not include any Environmental Attributes associated with the Facility, and you agree that you will not claim any Environmental Attributes. "**Environmental Attributes**" means any credit, benefit, reduction, offset, financial incentive, tax credit and other beneficial allowance other than Bill Credits that is in effect as of the Effective Date or may come into effect in the future, including, to the extent applicable and without limitation, (i) all environmental and renewable energy attributes and credits, "**Renewable Energy Credits**" of any kind and nature resulting from or associated with the Facility and/or its electricity generation, (ii) government financial incentives, (iii) greenhouse gas offsets, (iv) investment tax credits (including any grants or payments in lieu thereof), tax deduction, incentives or depreciation allowances established under any federal or state law, and (v) other allowances howsoever named or referred to, with respect to any and all fuel, emissions, air quality, or other environmental characteristics, resulting from the use of solar energy generation or the avoidance of the emission of any gas, chemical or other substance into the air, soil or water attributable to the Facility and/or its electricity generation.

- e. Taxes. You shall be responsible to either pay or reimburse us for any applicable sales, use, import, excise, value added, or other taxes or levies (other than our income taxes) associated with this Agreement except that we shall be responsible for any and all taxes assessed on the generation, sale and delivery of the electricity from your Solar Interest. Neither we nor the Utility make any representations concerning the taxable consequences to you with respect to your Bill Credits other tax and we make no representation on securities issues relating to your participation in the Facility or Program.
- f. Distribution of Excess Bill Credits. Unsubscribed production from the Facility shall be allocated to the Company in accordance with Program rules. **“Excess Bill Credits”** means additional Bill Credits which upon our instruction to the Utility are allocated to your Customer Account by the Utility, which shall temporarily increase the regular Bill Credit distribution associated with your Customer Solar Output. We may at any time direct the Utility to apply bill credits we receive from unsubscribed production as Excess Bill Credits to your Customer Account if not in violation the Program.

6. Payment

- a. Bill Credit Payment. Except as provided in Section 6(c) below, the payment (the **“Bill Credit Payment”**) for each month is (i) ninety percent (90%) of the Bill Credits attributable to the Customer’s Solar Output for the prior Production Month plus (ii) ninety percent (90%) of the Excess Bill Credits received by you for such Production Month, if applicable under Section 5(f). Please note that this Agreement does not include any Utility charges.
- b. Invoice for Bill Credit Payment. Each month following the Eligibility Date (except as provided in Section 6(c) below), you will electronically receive a monthly statement from us showing the Bill Credit Payment amount due from you on or about the 60th day after the end of the Production Month upon which such Bill Credit Payment is based including any previous balance and late fee, if applicable (the **“Invoice”**). The Invoice shall be based on readings from the Utility Meter, if available. In the event the Utility does not provide Utility Meter readings at all or on a timely basis, the Invoice shall be based on readings at the Facility Meter. **“Facility Meter”** means our electric meter located at the Facility and used to measure the solar electricity generated at the Facility. You shall pay all invoiced amounts owed to us within thirty (30) days of the date of the Invoice. All invoices shall be paid by the Company- approved payment method you select. Once you select a Company-approved payment method, you shall execute the applicable Payment Authorization Form and provide us the necessary payment information. You agree to inform us of any changes to your payment information within ten (10) days of any change. Any late payments shall be subject to late fees. If your payment is late in accordance with this Agreement, you shall owe the lesser of (i) 1.5% per month on the portion of your balance that is more than thirty (30) days past due or (ii) the maximum amount as allowed by applicable law as a **“Late Fee”**.
- c. Consolidated Billing. **“Consolidated Billing”** means the utility net crediting process of splitting the payment for the Bill Credits between the Customer and the Company. Notwithstanding anything to the contrary, the Program may be modified to allow for Consolidated Billing at any time. For all Production Months in respect to which the Program has been amended to allow for Consolidated Billing and we have elected to participate in Consolidated Billing, the Utility will credit you ten percent (10%) (the **“Bill Credit Savings Rate”**) multiplied by the total Bill Credits attributable to the Customer’s Solar Output for the Production Month as determined pursuant to this Agreement. The remaining Bill Credits (minus any administrative fees) would go directly to us. Thus, you would only see the Bill Credit savings on your electric bill. For Production Months under Consolidated Billing, you shall not owe the Bill Credit Payment nor shall you receive a separate Invoice from us.
- d. Records and Audits. Each Party shall keep, for a period of not less than three (3) years after the date of each Invoice, records sufficient to permit verification of the accuracy of billing statements, charges, computations and payments

reflected on such Invoice. During such period each Party may, at its sole cost and expense, and upon reasonable notice to the other Party, examine the other Party's records pertaining to such Invoice during the other Party's normal business hours. We shall, at your request (such request to not occur more than annually), provide documentation of the amount of electricity generated by the Facility and/or the calculation of the Bill Credit Payments and Bill Credit calculations under Consolidated Billing, as applicable, provided that you provide us with your Utility bills for the time in question.

7. Customer Information.

Within ten (10) days of any request therefor by the Utility or us, you will provide to the Utility or us all applications, documentation and information required by the Utility to evaluate your qualification and eligibility for participation in the Program. You further agree to execute the consent to disclose Utility Customer Data form or any other form required by us or the Utility in order to participate in this Program. We may use your customer information you provide in Appendix A for reporting purposes to governmental entities and for your enrollment into the Program. To help us carry out the terms of this Agreement and interact with the Utility in regard to requirements of the Program, you agree that we have permission to submit to the Utility and/or obtain from the Utility your customer information listed in Appendix A, usage information, and subscription information, and we may share the same with the Utility. Protection of your Customer Data is important to us. The terms and conditions of our data privacy policy found at <https://suncentral.net/privacy-policy/> are incorporated into this Agreement.

8. Changes in Location and Capacity.

a. Change in Location.

- i. Advance Notice. You agree to provide us with ninety (90) days advance notice if you are moving, intend to close your Utility account, or of any other change which may cause you to not be the Utility's customer at the Utility Service Location.
- ii. New Eligible Service Location within same Utility Service Territory. If you change your Utility Service Location, this Agreement shall continue for the new location if: (i) the billing meter at the new premise is within the same service territory as the Utility serving the associated Facility or another one of our facilities that has available capacity, and (ii) you are established as the customer of record for electric service with the Utility at the new premises. You shall take all steps and provide all information required by the Utility under the Program to substitute your new service location as the Utility Service Location under this Agreement, and this Agreement shall continue in effect. We shall update the Utility's Bill Credit Allocation Form. After the Utility has verified eligibility and accepted the updated Bill Credit Allocation Form, you will continue to receive Bill Credits in accordance with the terms of this Agreement. We shall update Appendix A with your new Utility Service Location, without the need for additional consent or signature.
- iii. Other Termination of Utility Service. If you cease to be a Utility customer for electric service at the Utility Service Location and your new service location is not eligible to participate in Program in our Facility, we may terminate this Agreement under Section 10(e).

b. Change in Capacity. In accordance with Program Limitations, we may decrease or increase your Capacity in accordance with Program Regulations based upon your actual electrical usage from time to time.

c. Transfer to a Replacement Customer. You may be permitted to transfer all of your Capacity to a replacement customer as long as (i) such transfer is made in compliance with all terms and conditions of the Program, including Program Limitations; (ii) the replacement customer is eligible under the Program; (iii) you have no outstanding obligations in connection with your Customer Account or payments due under this Agreement; and (iv) you obtain our prior written consent, which consent may be withheld in our sole discretion. As a condition of any such transfer, you and the proposed transferee shall provide us with all requested documentation and information related to the transfer, and we shall have received confirmation of qualification by the Utility to participate in the Program. Upon execution of a new agreement with the replacement customer, this Agreement will terminate.

9. Representations and Warranties.

- a. Representations and Warranties. As of the Effective Date, each Party represents and warrants to the other Party as follows:
 - i. To the extent that a Party is an entity, such Party is duly organized, validly existing, and in good standing under the laws of the state of its formation.
 - ii. The Party has full legal capacity to enter into and perform this Agreement and that the information provided is true to the best of its knowledge and belief.
 - iii. The execution of this Agreement has been duly authorized, and each person executing this Agreement on behalf of the Party has full authority to do so and to fully bind the Party.
 - iv. The execution and delivery of this Agreement and the performance of the obligations hereunder will not violate any applicable legal requirement, any order of any court or other agency of government, or any provision of any agreement or other instrument to which the Party is bound.
 - v. There is no litigation, arbitration, administrative proceeding, or bankruptcy proceeding pending or being contemplated by the Party, or to the Party's knowledge, threatened against the Party, that would materially and adversely affect the validity or enforceability of this Agreement or the Party's ability to carry out the Party's obligations hereunder.

- b. Customer Additional Representations, Warranties and Covenants. Customer hereby represents, warrants and covenants to Company as follows:
 - i. The Customer Information you provide in Appendix A is accurate and that you are eligible to participate in the Program.
 - ii. You agree to keep your Utility account for the Utility Service Location in active status and pay your electric bill on time. You agree to make no claim against us or our affiliates or assigns for amounts which may be payable to you from the Utility under the Program or in connection with this Agreement, provided we have provided correct information to the Utility.
 - iii. You have not granted or placed or allowed others to place any liens, security interests, or other encumbrances on the Bill Credits, and you will not do so during the Term of this Agreement.
 - iv. You are not participating in another Community Solar Energy Generation Facility or net metering at your Utility Service Location.

10. Termination.

- a. Early termination by Company. We may terminate this Agreement early as set forth in Section 10(a), (b), or (c). If this Agreement is terminated early pursuant to Section 10(a), (b), or (c), we shall provide you written notice as set forth in the applicable sections.
- b. Termination of Program. In the event the Utility ceases to offer the Program or a comparable substitute, or in the event that there is a change in the Program such that you are no longer eligible to participate in the Program, then either Party may terminate this Agreement without liability after you cease to receive Bill Credits by providing thirty (30) days' notice.
- c. Termination Based on Lease. If the lease where the Facility is located is terminated for any reason and not subsequently reinstated or the Company has not otherwise obtained a right to access and operate the Facility on

the applicable site, this Agreement will terminate at the time such access to the site permanently ceases without liability to either Party and we shall provide you at least thirty (30) days' notice before such termination.

- d. Termination Based on Our Default. You may terminate this Agreement if we materially fail to fulfill any of our obligations as expressed in this Agreement, and such failure continues for more than sixty (60) days after written notice from you of such failure. To terminate this Agreement in accordance with this Section, you may not have any uncured material default at the time of such termination.
- e. Termination Based on Your Default. You will be in material default of this Agreement and we may terminate this Agreement for your material default should any of the following occur:
 - i. You fail to make any payment when due under this Agreement and such failure continues for a period of thirty (30) days after written notice from us.
 - ii. Any of the representations set forth in this Agreement shall be or become untrue, or you fail to fulfill any of your other material obligations as expressed in this Agreement, and such failure continues for more than thirty (30) days after written notice to you of such failure.
 - iii. If you cease to be a Utility customer for electric service at the Utility Service Location and your new service location is not eligible to participate in Program in our Facility, as stated in Section 8(a)(iii), hereof.
 - iv. You fail to pay your Utility bills on a timely basis, your Utility account is closed without providing us notice as set forth in this Agreement, or you assign or transfer this Agreement without our prior written consent.
 - v. You become insolvent, file for bankruptcy, or make an assignment for the benefit of your creditors, or an involuntary bankruptcy petition is filed against you.
- f. Termination Prior to Operation. Prior to the Commercial Operations Date, either Party may terminate this Agreement without penalty by providing written notice if we have not achieved the Commercial Operations Date for the Facility or the Facility fails to qualify as a Community Solar Facility in accordance with the Tariff within thirty-six (36) months after the Effective Date; provided that such thirty-six month period shall be extended on a day-to-day basis for any Force Majeure or action or inaction on the part of the Customer or Utility.
- g. Force Majeure. "**Force Majeure**" means any event or circumstance not within the reasonable control of a Party which precludes such party (the "**Affected Party**") from carrying out, in whole or in part, its obligations under this Agreement, except the obligation to make payments when due. If a Force Majeure event occurs, the Affected Party shall not be deemed to be in default during the Force Majeure event, provided that: (i) the Affected Party gives the non-affected party written notice within thirty (30) days describing the occurrence and the anticipated period of delay; (ii) no obligations of the Affected Party which were to be performed prior to the Force Majeure shall be excused; and (iii) the Affected Party shall use commercially reasonable efforts to remedy the Force Majeure. If any Force Majeure lasts longer than ninety (90) days, and the Company determines in good faith that such Force Majeure substantially prevents, hinders or delays the Company's performance of any of its obligations, then either Party may upon written notice terminate the Agreement without further liability, except that neither Party shall be relieved from any payment obligations arising under this Agreement prior to the Force Majeure.
- h. Termination for Convenience. You may terminate this Agreement at any time for any reason with one hundred eight (180) days prior written notice to us. If this Agreement is terminated pursuant to this Section, then all Bill Credits received by you prior to such termination shall be retained by you and you agree to pay us the Bill Credit Payment with respect to any Bill Credits that have or may continue to be allocated to you by the Utility after termination until we find a replacement customer and the Utility Allocation Form can be updated by us.
- i. Effect of Termination.

- i. General. Upon termination of this Agreement for any reason, (i) we shall remove you from the Utility's Bill Credit Allocation Form upon the next update to the Utility, which may take up to six (6) months, (ii) we shall have no further obligation to deliver, and you shall have no further obligation to subscribe to, any Bill Credits from us, provided, however, (a) that you shall pay us the Bill Credit Payments with respect to any Bill Credits that have or may continue to be allocated to you by the Utility until the Bill Credit Allocation Form is updated and (b) with respect to Production Months with Consolidated Billing, you shall repay to us the net amount of Bill Credits you receive on your Utility account until you are removed from the Utility Bill Credit Allocation Form. In connection with the foregoing sentence, both Parties agree to execute any documents as may be reasonably required by the Utility.
- ii. Remedy for Termination of Customer for Default. In the event this Agreement is terminated due to your default, (i) you shall be responsible to pay Company the Bill Credit Payment with respect to Bill Credits you would have received until we can find a replacement customer, and (ii). With respect to Production Months with Consolidated Billing, you shall repay to us the net amount of Bill Credits you receive on your Utility account until you are removed from the Utility Bill Credit Allocation Form and we find a replacement customer.
- iii. Subject to the limitations set forth in this Agreement, each Party reserves and shall have all rights and remedies available to it at law or in equity with respect to the performance or non-performance of the other Party hereto under this Agreement.

11. Dispute Resolution

- a. Complaints. For any concerns or complaints regarding this Agreement, please contact us at 888-734-3033, x702. We shall acknowledge such complaint within two (2) days of our receipt and respond within fourteen (14) days thereof whether in writing or by phone call. We shall keep a record of all customer concerns or complaints. You may also contact the Maryland Public Service Commission at 410-767-8000 regarding any complaints or get additional information at their website at <https://www.psc.state.md.us/>.
- b. Dispute Resolution. Each Party agrees that to expedite and control the costs of disputes, the resolution of any dispute relating to this Agreement ("**Dispute**") will be resolved according to the following procedures: (1) unless otherwise agreed in writing, the Parties agree to continue to perform each of our respective obligations under this Agreement during the course of the resolution of the Dispute, then (2) each Party agrees to first try to informally resolve any Dispute. Accordingly, neither Party will start a formal proceeding for at least forty-five (45) days after notifying the other in writing of the Dispute. Each Party agrees to send notice to the address for notices set forth in Section 12, then (3) if, after the informal dispute resolution process set forth in Subsection (2) above does not result in a resolution of the dispute, the Parties shall be free to seek any available relief.
- c. Choice of Law. This Agreement will be governed by and construed in accordance with the laws of the State of Maryland without regard to principles of conflicts of law.
- d. EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY).

12. Notices

In the event that any notice or other communication is required or permitted to be given hereunder, such notice or communications will be in writing and may be delivered in person or sent by certified mail, overnight courier, sent electronically to the address of the addressee as specified below. Except as otherwise provided, all such notices or

other communications will be deemed to have been duly given and received upon receipt.

To Us: SunCentral LLC
1601 Wewatta St., Suite 700
Denver, CO 80202
Attention: Legal
Email: customerservice@suncentral.net

To You: As set forth in Appendix A

We may, at our option, engage a third-party service provider to manage our obligations and communications pursuant to this Agreement. Any notice, consent or other communication from such third-party provider shall be as effective as if provided directly by us.

13. Company’s General Obligations.

- a. Outages. If the Facility is out of service for more than three (3) consecutive business days (an “**Outage**”), We will inform you of such Outage either via email, or another reasonably accessible communications method. Such communication will include the estimated duration of the Outage and estimated production that will be lost due to the Outage. Under no circumstances will any Outage affect the electricity service to your home or business.
- b. Company’s Insurance. We shall maintain or ensure the following is maintained (a) property insurance on the Facility in commercially appropriate amounts, (b) commercial general liability insurance with coverage of at least \$1,000,000 per occurrence and \$2,000,000 annual aggregate, and (iii) workers’ compensation insurance as required by law.
- c. Operations and Maintenance Services. Beginning on the Commercial Operations Date through the end of the Term, we will operate the Facility, and provide customary maintenance services designed to keep the Facility in good working condition. All maintenance on the Facility will be performed according to industry standards, including the recommendations of manufacturers of solar panels and other operational components. The Facility will enter into a long-term operations and maintenance agreement with a contractor experienced in the industry that will handle regular maintenance and unexpected problems with equipment.

14. Additional Agreements.

- a. Confidentiality. You agree to keep the terms of this Agreement in strictest confidence and trust and to not disclose the terms hereof to any other entity or person or use, disseminate, or otherwise distribute any such information for your benefit or for the benefit of another, except for the limited purpose of facilitating the business relationship with us and the transactions contemplated herein or as required by law.
- b. Service Contract. Your community solar subscriber benefits under this Agreement, including the Bill Credits related to your Solar Interest, will be treated as a service contract under Internal Revenue Code Section 7701(e), and its various subparts.
- c. DISCLAIMERS OF WARRANTIES: WE DO NOT WARRANT OR GUARANTEE ANY MINIMUM PRODUCTION, SOLAR OUTPUT, OR BILL CREDIT AMOUNT. DURING THE TERM, YOUR ALLOCATION OF BILL CREDITS MAY VARY DUE TO WEATHER CONDITIONS, OUTAGES AT THE FACILITY OR ON THE UTILITY GRID, OR FOR OTHER REASONS. WE DO NOT SELL, TRANSMIT OR DISTRIBUTE SOLAR ELECTRICITY TO YOU UNDER THIS AGREEMENT. WE DO NOT PROVIDE YOU WITH OWNERSHIP OF, OR ANY INTEREST IN, ANY SOLAR PANELS, UTILITY INCENTIVES, TAX INCENTIVES, ENVIRONMENTAL ATTRIBUTES, OR RENEWABLE ENERGY CREDITS UNDER THIS AGREEMENT, ALL OF WHICH WILL BE OWNED BY US AND USED BY US AS WE MAY DETERMINE FROM TIME TO TIME. WE DO NOT WARRANT UNINTERRUPTED OR ERROR FREE OPERATION OF THE FACILITY OR ANY PART THEREOF. WE DO NOT REPRESENT

OR WARRANT THAT THERE WILL BE NO CHANGES TO THE TARIFF OR THE PROGRAM OR THE BILL CREDIT RATE, OR THAT THE UTILITY WILL NOT MAKE ANY CORRECTIONS OR ADJUSTMENTS TO METER READINGS. WE DO NOT REPRESENT OR WARRANT THAT ANY CHANGE TO STATE OR FEDERAL LAW OR CHANGES TO THE UTILITY TARIFF OR THE PROGRAM WILL NOT ADVERSELY AFFECT YOU OR WILL NOT CAUSE YOU TO BE INELIGIBLE FOR THE PROGRAM. NO ORAL OR WRITTEN INFORMATION OR ADVICE GIVEN BY ANY AUTHORIZED REPRESENTATIVE OF THE COMPANY SHALL CREATE A WARRANTY. EXCEPT AS EXPRESSLY PROVIDED IN THIS AGREEMENT, WE DO NOT MAKE ANY WARRANTY OR GUARANTEE TO YOU, EXPRESS, IMPLIED, STATUTORY, COMMON LAW OR OTHERWISE, AND ASSUME NO OTHER LIABILITIES, WHETHER IN CONTRACT OR IN TORT, WITH RESPECT TO THE SUBJECT MATTER HEREOF OR IN CONNECTION HEREWITH, AND YOU HEREBY DISCLAIM, WAIVE AND RELEASE ANY OTHER WARRANTIES, EXPRESS OR IMPLIED OR IMPOSED BY LAW INCLUDING ANY WARRANTY OF MERCHANTABILITY AND ANY WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE. THESE LIMITATIONS CONSTITUTE AN ESSENTIAL PART OF THIS AGREEMENT.

- d. LIMITATION ON DAMAGES: Notwithstanding any other provision of this Agreement to the contrary, the entire liability of either Party to the other for any and all claims of any kind arising from or relating to this Agreement, including any causes of action in contract, tort, strict liability or otherwise, will be limited to direct actual damages only, subject in all cases to an affirmative obligation of a Party to exercise commercially reasonable efforts to mitigate its damages. Notwithstanding the foregoing, our liability to you will in no event exceed the amount paid by you to us under this Agreement in excess of the Bill Credits you have received under this Agreement. We shall have the right to set-off and net against any amounts owed to us by you under this Agreement.

WITHOUT LIMITING THE FOREGOING, IN NO EVENT WILL EITHER PARTY BE LIABLE TO THE OTHER PARTY FOR ANY CONSEQUENTIAL, EXEMPLARY, SPECIAL, INCIDENTAL OR PUNITIVE DAMAGES, INCLUDING, WITHOUT LIMITATION, LOST OPPORTUNITIES OR LOST PROFITS.

- e. Assignment. Except as otherwise provided herein in Section 8(c), you may not assign this Agreement nor assign or transfer the Bill Credits. We may assign this Agreement, or any of our rights, duties, or obligations under this Agreement, to another entity or individual, including any affiliate, whether by contract, change of control, operation of law, collateral assignment or otherwise, without your prior written consent. We may in our sole discretion, from time to time, transfer you to another affiliated facility, provided that you receive similar rights and benefits as hereunder. We shall provide you with at least thirty (30) days advance written notice of such transfer and an updated Appendix A with the new Facility information and information on the assignee who shall become the new Company under this Agreement. Except for the new Facility information and Company information, the terms and conditions of this Agreement shall not otherwise change in connection with such assignment. Such updated Appendix A shall be deemed to be added to this Agreement and such transfer may be made without the need for additional consent or signature of the Parties.
- f. Survival. In the event of expiration or early termination of this Agreement, the following sections shall survive: Sections 4, 10, 11, 12, and 14.
- g. Entire Agreement. This Agreement, together with its appendices and exhibits, contains the entire agreement between the Parties with respect to the subject matter hereof, and supersedes all other understandings or agreements, both written and oral, between the Parties relating to the subject matter hereof.
- h. Severability. Should any terms of this Agreement be declared void or unenforceable by any arbitrator or court of competent jurisdiction, such terms will be amended to achieve as nearly as possible the same economic effect for the Parties as the original terms and the remainder of the Agreement will remain in full force and effect.
- i. No Partnership. Nothing contained in this Agreement will constitute either Party to this Agreement as a joint venturer, employee, or partner of the other, or render either Party to this Agreement liable for any debts, obligations, acts, omissions, representations, or contracts of the other, including without limitation your obligations to the Utility for electric service.

- j. Amendments; Binding Effect; Waiver. Except as otherwise permitted in this Agreement, this Agreement may not be amended, changed, modified, or altered unless such amendment, change, modification, or alteration is in writing and signed by all of the Parties to this Agreement or their respective successors in interest. This Agreement inures to the benefit of and is binding upon the Parties and each of their respective successors and permitted assigns. No waiver of any provision of this Agreement will be binding unless executed in writing by the Party making the waiver.
- k. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which shall constitute one and the same agreement. Delivery of an executed counterpart of this Agreement by facsimile or PDF transmission will be deemed as effective as delivery of an originally executed counterpart.
- l. Further Assurances. From time to time each Party shall execute, acknowledge, and deliver such documents and assurances, reasonably requested by the other and shall take any other action consistent with the terms of the Agreement that may be reasonably requested by the other for the purpose of effecting or confirming any of the transactions contemplated by this Agreement. No Party shall unreasonably withhold, condition, or delay its compliance with any reasonable request made pursuant to this Section.

15. Right to Cancel.

You, the buyer (that is, the Customer), may cancel this transaction at any time prior to **midnight of the third business day** after the Effective Date. See the attached notice of cancellation form (attached hereto as Appendix C) for an explanation of this right.

[Signatures on Following Page]

IN WITNESS WHEREOF, each Party has caused this Agreement to be duly executed by its authorized representative as of the date of last signature provided below.

SunCentral LLC

By:

Name:

Authorized Representative

City of Frostburg

By:

Name: Patrick O'Brien

City Administrator

List of Appendices to Agreement

- Appendix A: Customer and Facility Information
- Appendix B: Right to Cancel
- Appendix C: Estimated Facility Production
- Appendix D: Maryland Community Solar Contract Summary
- Appendix E: Consent to Disclose Utility Customer Data
- Appendix F: Utility Account List

Appendix A

Customer and Facility Information

(This Appendix will be completed by us and an updated copy of this Appendix will be provided upon the later of (i) the Commercial Operations Date and (ii) thirty (30) days after the Effective Date of this Agreement.)

Customer: City of Frostburg
37 S. Broadway St (PO Box 440)
Frostburg MD, 21532

Contact: Patrick O'Brien
City Administrator
pobrien@frostburgcity.org
301-697-6149

Utility: Potomac Edison Power Company

Utility Accounts: As set forth in Appendix F, Utility Account List

Customer Capacity: 92 kW-DC (69 kW-AC)

Facility: Chaberton Solar Blossom Hill LLC
2850 Fingerboard Rd
Oakland MD 21550

Facility Company: Pivot Energy

Facility Capacity: 2,860 kW-DC (2,000 kW-AC)

Commercial Operations Date: March 2027 (projected)

Appendix B

Cancellation Right

Right to Cancel. As set forth in Section 15 of the Community Solar Subscription Agreement (the “Agreement”), you may cancel the Agreement, without penalty or obligation, by sending us a written cancellation notice within three (3) business days of the date you signed the Agreement. To cancel the Agreement, deliver a signed and dated copy of the below Notice of Cancellation (or any other written cancellation notice identifying you and the Agreement) to us at: SunCentral 1601 Wewatta St., Suite 700, Denver, CO 80202 postmarked no later than midnight of the date that is three business days from the date you signed the Agreement. If you do not provide us a written cancellation notice within that three-day period, you will no longer have a right to cancel the Agreement and you will remain liable for performance of all your obligations under the Agreement.

Note: The following form on the succeeding pages is made available for the purpose of cancelling the Agreement pursuant to Section 15 of the Agreement within the three-day cancellation period described above. If you are not choosing to cancel the Agreement within the three-day period described above, you should not sign this form.

Two copies of this form are included so that if you do choose to cancel the Agreement by delivering this form to us within that time, you will still have a copy of this form.

NOTICE OF CANCELLATION

(Customer's Copy)

Date of Transaction:

You may CANCEL this transaction, without any penalty or obligation, within THREE BUSINESS DAYS from the above DATE .

If you cancel, any property traded in, any payments made by you under the contract or sale, and any negotiable instrument executed by you will be returned within 10 BUSINESS DAYS following receipt by the seller (i.e. Company) of your cancellation notice, and any security interest arising out of the transaction will be canceled.

If you cancel, you must make available to the seller (i.e. Company) at your residence, in substantially as good condition as when received, any goods delivered to you under this contract or sale; or you may, if you wish, comply with the instructions of the seller (Company) regarding the return shipment of the goods at the seller's expense and risk.

If you do make the goods available to the seller (i.e. Company) and the seller does not pick them up within 20 days of the date of your notice of cancellation, you may retain or dispose of the goods without any further obligation. If you fail to make the goods available to the seller, or if you agree to return the goods to the seller and fail to do so, then you remain liable for performance of all obligations under the contract.

To cancel this transaction, mail or deliver a signed and dated copy of this cancellation notice to the Company:

SunCentral LLC
1601 Wewatta St., Suite 700
Denver, Colorado 80202

NOT LATER THAN MIDNIGHT OF SUBSCRIBER ACCEPTANCE DATE PLUS THREE BUSINESS DAYS.

I HEREBY CANCEL THIS TRANSACTION.

(Date)

(Customer's signature)

(Customer's name)

Retain this copy for your records

NOTICE OF CANCELLATION

(To be sent to Company)

Date of Transaction:

You may CANCEL this transaction, without any penalty or obligation, within THREE BUSINESS DAYS from the above DATE .

If you cancel, any property traded in, any payments made by you under the contract or sale, and any negotiable instrument executed by you will be returned within 10 BUSINESS DAYS following receipt by the seller (i.e. Company) of your cancellation notice, and any security interest arising out of the transaction will be canceled.

If you cancel, you must make available to the seller (i.e. Company) at your residence, in substantially as good condition as when received, any goods delivered to you under this contract or sale; or you may, if you wish, comply with the instructions of the seller (Company) regarding the return shipment of the goods at the seller’s expense and risk.

If you do make the goods available to the seller (i.e. Company) and the seller does not pick them up within 20 days of the date of your notice of cancellation, you may retain or dispose of the goods without any further obligation. If you fail to make the goods available to the seller, or if you agree to return the goods to the seller and fail to do so, then you remain liable for performance of all obligations under the contract.

To cancel this transaction, mail or deliver a signed and dated copy of this cancellation notice to the Company:

SunCentral LLC
1601 Wewatta St., Suite 700
Denver, Colorado 80202

NOT LATER THAN MIDNIGHT OF SUBSCRIBER ACCEPTANCE DATE PLUS THREE BUSINESS DAYS.

I HEREBY CANCEL THIS TRANSACTION

(Date)

(Company’s signature)

(Customer’s name)

Appendix C
Estimated Facility Production

Estimated Facility Production

Year 1	4,138,420
Year 2	4,136,351
Year 3	4,134,283
Year 4	4,132,215
Year 5	4,130,149
Year 6	4,128,084
Year 7	4,126,020
Year 8	4,123,957
Year 9	4,121,895
Year 10	4,119,834
Year 11	4,117,774
Year 12	4,115,716
Year 13	4,113,658
Year 14	4,111,601
Year 15	4,109,545
Year 16	4,107,490
Year 17	4,105,437
Year 18	4,103,384
Year 19	4,101,332
Year 20	4,099,281
Year 21	4,097,232
Year 22	4,095,183
Year 23	4,093,136
Year 24	4,091,089
Year 25	4,089,043

You acknowledge that the above schedule sets forth an estimate of the Facility Output. You acknowledge that this schedule is our non-binding estimate of the Facility’s annual production, and that we do not represent or guarantee that any particular level of production, savings, or Bill Credits will be achieved in connection with this Agreement. The estimated production is based upon computer modeling that takes into account the AC nameplate capacity of the Facility, weather, soiling and degradation of the solar panels.

Appendix D

Maryland Community Solar Contract Summary

Maryland Community Solar Contract Summary		
Company	SunCentral LLC	Reference Page or Section
Subscriber Organization	Chaberton Solar Blossom Hill LLC (#23A305667000517)	
Customer Name	City of Frostburg	
Utility Service Territory	Potomac Edison Power Company	
Effective Date of Agreement	This Agreement is effective once signed by both parties	Page 1
Term	<p>Initial Term: shall commence on the Effective Date and continue for Ten (10) years.</p> <p>Renewal Term: This Agreement will automatically renew for successive terms of five (5) years. This Agreement shall terminate after twenty-five years from the Facility’s Commercial Operations Date unless earlier terminated in accordance with this Agreement.</p>	Section 3 (page 3)
Estimated date CSEGS will begin producing credits	COD: March 2027 (Projected)	Appendix A (page 13)
Subscription Type	Fixed percentage of subscriber usage – 100% of historical annual baseline usage	Section 5 (page 3)
Subscription Price and Escalator, if applicable	<p>Subscription Price: the Bill Credit Payment for each month is (i) ninety percent (90%) of the Bill Credits attributable to the Customer’s Solar Output for the prior Production Month plus (ii) ninety percent (90%) of the Excess Bill Credits received by you.</p> <p>Escalator: n/a</p>	Section 6 (page 4)
Annual or Monthly Fees	No recurring annual or monthly fees are associated with this Agreement.	n/a
Early Termination or Cancellation Fees and Terms	Early Termination: notifying the other Party in writing at least one hundred eighty (180) days before the completion of the Initial Term or Renewal Term. There are no fees for early termination.	Section 3 (page 3); Section 10 (page 6)
Other Fees	<p>Credit Card Fee: Customers may be subject to a processing fee of 2.9% if they choose to pay via credit card. This fee is non-refundable.</p> <p>Late fees: If your payment is late in accordance with this Agreement, you shall owe the lesser of (i) 1.5% per month on the portion of your balance that is more than thirty (30) days past due or (ii) the maximum amount as allowed by applicable law. These fees are non-refundable.</p>	Section 6 (page 4)
Other Important Terms	n/a	n/a

Appendix E

Consent to Disclose Utility Customer Data

Utility: Potomac Edison Power Company

Please provide the following information. All requested information must be provided for the consent to be valid.

Authorized Recipient of Data: SunCentral

Physical Address: 1601 Wewatta St., Suite 700, Denver, CO 80202

Phone: 888-734-3033 Email: customerservice@suncentral.net

Data to be Released:

Utility, denoted above, will provide to SunCentral and/or its affiliates, via an (electronic) data exchange processes or otherwise, initial and ongoing account information. This information exchange will include, but is not limited to: account number, address, contact information, kWh consumption history, revenue billing period, present meter reading, present meter reading date, account status (active / inactive), disconnect date of account, total monthly electric bill amounts, total monthly bill credits, billing rate code and other information as necessary ("Customer Data").

As a customer of SunCentral and subscriber in the Community Distributed Generation program, I further understand that the data furnished will only be used by SunCentral or its affiliates to adequately manage your Solar Subscription, perform SunCentral's obligations under any Customer Agreement and maintain compliance with the Program.

SunCentral and its affiliates may not use any of my identified information for any other purpose and will keep my information confidential in accordance with the terms of the Customer Agreement.

Disclosure dates: Up to one month prior to the date this document was executed, as evidenced below, and the continual release and export of Customer Data until such consent is terminated as provided herein.

To be Completed by Utility Customer:

I agree that I am the Utility customer of record for my utility account. I understand that Utility has a policy regarding disclosure of my Customer Data and I accept that policy. Furthermore, I understand that disclosure of my Customer Data by Utility may also be required by law or if I authorize its disclosure.

I agree to allow Utility to release to SunCentral and its affiliate, Customer Data described above for the purposes described above. I understand and agree that such data may reveal information about the way I use energy at my premises.

I understand that once my Customer Data has been provided to SunCentral, the Utility will have no control over and no responsibility for SunCentral's use of the data.

This consent shall terminate upon termination of the customer agreement between SunCentral and you.

By my signature, I affirm that I am customer of record and that everything in this document is true and correct. The undersigned and SunCentral agree that SunCentral may make agreements with me by electronic means. I agree that this consent, whether in paper or electronic form, has the same legal effect and is authentic and valid. Furthermore, I agree to receiving information and other communications relating to my consent in electronic form. By applying a

signature below, I agree to the above terms and conditions governing my consent.

Electronic Signature of Utility Customer of Record:

By way of electronic signature below, I am agreeing to all terms of this request. I have read, understand, accept and agree to the terms herein above associated with this Consent to Disclose Utility Customer Data.

Utility Account Numbers

As Set Forth in Appendix F, Utility Account List

Signature of Utility Customer:

Date:

Appendix F

Utility Account List

Account Entity	Acct#	Potomac Service Number	Meter #	Service Address	City	State	Zip	Annual kWh	kW-DC	Rate Class
City of Frostburg	110085203088	5000550239	S54428365	Chestnut St/light cabinet	Frostburg	MD	21532	11,104	7.88	PE-GSG1D
City of Frostburg	110085307921	5000750233	S52291832	Broadway St	Frostburg	MD	21532	9,995	7.09	PE-GSG1D
City of Frostburg	110089023722	5000594470	S44986421	S Water St swimming pool	Frostburg	MD	21532	67,435	47.86	PE-GSG2D
City of Frostburg	110085304373	5000900634	S78936878	Main St	Frostburg	MD	21532	14,690	10.43	PE-GSG1D
City of Frostburg	110083719556	5000595173	S346210267	Depot St Lts	Frostburg	MD	21532	25,977	18.44	PE-GSG1D

Maryland Community Solar Subscription Agreement

Company: SunCentral LLC	Effective Date:
Subs. Org: MDL127-4786b GeorgeWashingtonHwy-Bosley LLC (SO# 23A305667000517) 1601 Wewatta St., Suite 700 Denver, CO 80202 888-734-3033 x702	Facility: As set forth in Appendix A
Customer: City of Frostburg	Customer Capacity: As set forth in Appendix A
Contact: Patrick O'Brien	Utility: Potomac Edison Power Company
Role: City Administrator	

1. **Introduction.**

This Community Solar Subscription Agreement (this "**Agreement**") sets forth the terms and conditions under which you subscribe through SunCentral to a portion of the electric generating capacity of a utility-approved Community Solar Energy Generation System for the Term of this Agreement in order to receive Bill Credits from the Utility so as to decrease your utility costs. "**Utility**" means the utility service provider listed under Appendix A. In this Agreement, you may be also referred to as "you", "your" or "Customer", and SunCentral, together with its successors and assigns, may also be referred to as "the Company" or "we" or "us" or "our". Customer and the Company shall collectively be referred to herein as the "Parties" and individually as a "Party".

This Agreement, with the Effective Date as of the date of the last signature, is a legally binding agreement with disclosures required by law (Maryland Community Solar Contract Summary is attached as Appendix D), so please read everything carefully. If you have any questions regarding this Agreement, please contact Customer Support toll-free at 888-734-3033 x702.

2. **General Information.**

As detailed below, the Utility currently participates in the Maryland Community Solar program whereby the Utility is required to issue Bill Credits for generated solar electricity pursuant to the terms of the Tariff and Maryland program regulations (the "**Program**"). "**Bill Credits**" means community solar electric ("CSE") credits issued on the electric bill of Customer as compensation for the electricity produced in any given month by the Community Solar Electric Generating System. "**Tariff**" means the tariff from the Utility to implement the Program, as approved by the Maryland Public Service Commission, together with any subsequent amendments and approvals thereto. This Program requires the Utility to issue Bill Credits on the electric bills for certain customers in exchange for receipt of solar electricity from a qualifying Community Solar Energy Generation System.

We have constructed or intend to construct a Utility-approved Community Solar Energy Generation System as set forth in the Program, at the location set forth in Appendix A (the "**Facility**"). We will interconnect the Facility with the Utility pursuant to the terms of the Tariff, generator interconnection agreement, the Program, or other agreements required to be executed with the Utility (collectively, the "**Interconnection and Credit Agreements**" or "**ICA**"). Once the Facility begins to generate electric energy on a commercial basis (the "**Commercial Operations Date**" or "**COD**") we shall provide you further description of such Facility and notice of assignment to it on or shortly after by updating Appendix A with the Commercial Operations Date, Facility Location, Facility's total nameplate capacity, and Customer's Capacity. Such updated Appendix A shall be added to this Agreement without the need for additional consent or signature of the Parties in accordance with Section 2. By executing this Agreement, you agree to allow us to assign this Agreement to any eligible solar system developed or managed by us as described (or to be described at a future date) in Appendix A.

Under this Agreement, you will subscribe to a portion of the electric generating capacity of the Facility during the Term

of this Agreement in order to receive Bill Credits from the Utility on your electric bill (the **“Solar Interest”**).

3. Term.

- a. Term. The term of this Agreement shall commence on the Effective Date and continue for ten(10) years (the **“Initial Term”**). This Agreement will automatically renew for successive terms of five(5) years (each, a **“Renewal Term”**) unless either Party decides that it does not wish to renew this Agreement before the expiration of the Initial Term or any Renewal Term, as applicable, by notifying the other Party in writing at least one hundred and eighty (180) days before the completion of the Initial Term or Renewal Term, as applicable. We will provide you at least thirty (30) days’ notice of automatic renewal so you have an opportunity to terminate if you so choose. The Initial Term and any Renewal Term are collectively referred to as the **“Term.”** Notwithstanding the foregoing, this Agreement shall terminate after twenty-five (25) years from the Facility’s Commercial Operations Date unless earlier terminated in accordance with this Agreement, in which case the Term shall expire on the effective date of such early termination. We shall provide you thirty (30) days’ notice of expiration.
- b. Initial Accrual of Bill Credits. The Utility shall begin allocating Bill Credits to you upon the date (the **“Eligibility Date”**) by which all of the following shall have occurred: (1) the Commercial Operations Date and (2) the Utility has added you to the Utility’s Bill Credit allocation records (the **“Allocation Form”**)) which we update with the Utility from time to time to allocate Bill Credits obtained from the Utility in respect to solar electricity delivered to the Utility Meter located at the Facility and (3) you have been approved by the Utility, see Section 4.

4. Acknowledgments Regarding the Program.

- a. Program Limitation and Requirements. The Program imposes certain requirements and limits on participation in the Program as further described in the applicable Program rules and regulations (the **“Program Limitation”**). You acknowledge that your participation (or the participation of others at the same Utility Service Location) in other Utility programs relating to renewable energy payments, credits or rebates may further limit the Portion, Bill Credits or Capacity which you can receive, or which may be attributed to you in connection with this Agreement and the Program. You agree that we are not obligated to request, and that the Utility is not obligated to make any payment or provide Bill Credits to the extent your Capacity exceeds the Program Limitation. You acknowledge this Agreement will be deemed automatically amended to incorporate any changes to any Program rules or regulations. To participate in the Program, you must in addition to other applicable requirements (i) be and remain a customer of the Utility for electric service throughout the Term of this Agreement, (ii) assist in designating your Customer Account to which the Utility can post Bill Credits (which shall be at the Utility Service Location shown in Appendix A unless changed pursuant to the Agreement), and (iii) be and remain in compliance with all requirements of this Agreement and the Program throughout the Term of this Agreement.
- b. Your Subscription is Contingent on Allocation of Bill Credits by Utility. Your subscription is contingent upon and subject to the Utility’s acceptance of your participation and allocation of Bill Credits to your Customer Account. **“Customer Account”** means Customer’s account with the Utility for a location served by the Utility, and which must be in a rate class that is eligible under the Program. During the Term of this Agreement, (i) if for any reason the Utility refuses to allocate a portion or all of the Bill Credits to your Customer Account on a temporary basis, this Agreement shall remain in full force and effect, but we shall promptly refund to you any amount paid to us by you for such Bill Credits which the Utility refused to credit to your Customer Account, and (ii) if for any reason the Utility refuses to allocate the Bill Credits to your Customer Account on a permanent basis, either Party may terminate this Agreement by written notice to the other Party with no liability to either Party. Notwithstanding anything to the contrary, this Section 4(b) does not apply to the extent that the reason that the Utility refuses to allocate Bill Credits to you is a result of you failing to pay your Utility bill or your breach of this Agreement.
- c. Additional Requirements. You acknowledge that, in connection with this Agreement, you must first satisfy our credit requirements, which are subject to change and not contained in this Agreement. We may terminate this Agreement by written notice to you if we determine that you are ineligible to participate in the Program and/or fail to satisfy our credit requirements.

5. **Customer's Subscription.**

- a. **Capacity Subscribed.** Commencing on the Eligibility Date and continuing throughout the remainder of the Term, you agree to subscribe to a Capacity sufficient to produce kWh equal up to approximately 100% of your historic usage. After verifying your prior twelve-month usage or estimated usage with the Utility, we shall notify you of your Capacity within the updated Appendix A. "**Capacity**" means the amount of capacity you subscribed to under this Agreement as detailed under Appendix A expressed in terms of kW-DC. Bill Credits are only paid at full retail rate for up to 100% of your actual annual usage. Any additional credits that could not be applied to offset your bill over the annual period will only be applied once per year at a lower "excess generation" rate. In no event may a customer subscribe to more than 200% of their historic usage in any solar facility or as part of net-metered generation.
- b. **Determination of Solar Output.** You acknowledge the measurement of the Facility Solar Output shall be based upon readings at the Utility Meter. Each month during the Term of this Agreement, the Utility will record the amount of solar electricity generated that month at the Facility and delivered to the Utility Meter, if available (the "**Facility Solar Output**"). The Utility will then multiply the Facility Solar Output by your Portion to arrive at the "**Customer Solar Output**" for that month in kWh. Customer Solar Output means the portion of the Facility production allocable to the Customer measured in kilowatt hours AC or "**kWh.**" The month over which such solar electricity is measured is referred to herein as the "**Production Month.**" "**Portion**" means your Capacity expressed in a percentage of the total nameplate capacity of the Facility. Your Portion shall be updated in Appendix A after the Commercial Operations Date. The current estimated Facility production projections is found in Appendix C. There shall be no additional compensation by us to you for underperformance of the Facility.
- c. **Calculation of Bill Credits.** Bill Credits are calculated solely by the Utility based upon the terms and conditions of the Program. You acknowledge and agree that our sole obligation regarding payments to you is to request and use commercially reasonable efforts to require the Utility to deliver Bill Credits. We will provide the Utility with your information so that the Utility can post the appropriate amount of Bill Credits to your electric bill, pursuant to the allocations shown in the Utility's Bill Credit allocation records. Bill Credits to be applied on your electric bill are calculated using the Bill Credit Rate multiplied by your Customer Solar Output based upon the reading. "**Bill Credit Rate**" means the applicable value of solar rate in effect at the time of energy generation (in \$/kilowatt-hour) and may be periodically revised by the Utility based upon variations in the Utility's rate components from time to time, that is applicable to your retail rate classification. You understand that (i) the Bill Credits received by you for a particular Production Month will be reflected on your statement from the Utility as a monetary credit amount and not as an electricity quantity; and (ii) such Bill Credits will be reflected on your monthly invoice according to the Utility's billing cycle, and there may be a delay of up to three months after the Production Month until the Bill Credits appear on your Utility electric bill.
- d. **Title; Environmental Attributes and Tax Incentives Excluded.** You shall not be entitled to any ownership interest in, and as between you and us, we shall have title to, the Facility and all solar panels. You acknowledge and agree that your Solar Interest does not include any Environmental Attributes associated with the Facility, and you agree that you will not claim any Environmental Attributes. "**Environmental Attributes**" means any credit, benefit, reduction, offset, financial incentive, tax credit and other beneficial allowance other than Bill Credits that is in effect as of the Effective Date or may come into effect in the future, including, to the extent applicable and without limitation, (i) all environmental and renewable energy attributes and credits, "**Renewable Energy Credits**" of any kind and nature resulting from or associated with the Facility and/or its electricity generation, (ii) government financial incentives, (iii) greenhouse gas offsets, (iv) investment tax credits (including any grants or payments in lieu thereof), tax deduction, incentives or depreciation allowances established under any federal or state law, and (v) other allowances howsoever named or referred to, with respect to any and all fuel, emissions, air quality, or other environmental characteristics, resulting from the use of solar energy generation or the avoidance of the emission of any gas, chemical or other substance into the air, soil or water attributable to the Facility and/or its electricity generation.

- e. Taxes. You shall be responsible to either pay or reimburse us for any applicable sales, use, import, excise, value added, or other taxes or levies (other than our income taxes) associated with this Agreement except that we shall be responsible for any and all taxes assessed on the generation, sale and delivery of the electricity from your Solar Interest. Neither we nor the Utility make any representations concerning the taxable consequences to you with respect to your Bill Credits other tax and we make no representation on securities issues relating to your participation in the Facility or Program.
- f. Distribution of Excess Bill Credits. Unsubscribed production from the Facility shall be allocated to the Company in accordance with Program rules. **“Excess Bill Credits”** means additional Bill Credits which upon our instruction to the Utility are allocated to your Customer Account by the Utility, which shall temporarily increase the regular Bill Credit distribution associated with your Customer Solar Output. We may at any time direct the Utility to apply bill credits we receive from unsubscribed production as Excess Bill Credits to your Customer Account if not in violation the Program.

6. Payment

- a. Bill Credit Payment. Except as provided in Section 6(c) below, the payment (the **“Bill Credit Payment”**) for each month is (i) ninety percent (90%) of the Bill Credits attributable to the Customer’s Solar Output for the prior Production Month plus (ii) ninety percent (90%) of the Excess Bill Credits received by you for such Production Month, if applicable under Section 5(f). Please note that this Agreement does not include any Utility charges.
- b. Invoice for Bill Credit Payment. Each month following the Eligibility Date (except as provided in Section 6(c) below), you will electronically receive a monthly statement from us showing the Bill Credit Payment amount due from you on or about the 60th day after the end of the Production Month upon which such Bill Credit Payment is based including any previous balance and late fee, if applicable (the **“Invoice”**). The Invoice shall be based on readings from the Utility Meter, if available. In the event the Utility does not provide Utility Meter readings at all or on a timely basis, the Invoice shall be based on readings at the Facility Meter. **“Facility Meter”** means our electric meter located at the Facility and used to measure the solar electricity generated at the Facility. You shall pay all invoiced amounts owed to us within thirty (30) days of the date of the Invoice. All invoices shall be paid by the Company- approved payment method you select. Once you select a Company-approved payment method, you shall execute the applicable Payment Authorization Form and provide us the necessary payment information. You agree to inform us of any changes to your payment information within ten (10) days of any change. Any late payments shall be subject to late fees. If your payment is late in accordance with this Agreement, you shall owe the lesser of (i) 1.5% per month on the portion of your balance that is more than thirty (30) days past due or (ii) the maximum amount as allowed by applicable law as a **“Late Fee”**.
- c. Consolidated Billing. **“Consolidated Billing”** means the utility net crediting process of splitting the payment for the Bill Credits between the Customer and the Company. Notwithstanding anything to the contrary, the Program may be modified to allow for Consolidated Billing at any time. For all Production Months in respect to which the Program has been amended to allow for Consolidated Billing and we have elected to participate in Consolidated Billing, the Utility will credit you ten percent (10%) (the **“Bill Credit Savings Rate”**) multiplied by the total Bill Credits attributable to the Customer’s Solar Output for the Production Month as determined pursuant to this Agreement. The remaining Bill Credits (minus any administrative fees) would go directly to us. Thus, you would only see the Bill Credit savings on your electric bill. For Production Months under Consolidated Billing, you shall not owe the Bill Credit Payment nor shall you receive a separate Invoice from us.
- d. Records and Audits. Each Party shall keep, for a period of not less than three (3) years after the date of each Invoice, records sufficient to permit verification of the accuracy of billing statements, charges, computations and payments

reflected on such Invoice. During such period each Party may, at its sole cost and expense, and upon reasonable notice to the other Party, examine the other Party's records pertaining to such Invoice during the other Party's normal business hours. We shall, at your request (such request to not occur more than annually), provide documentation of the amount of electricity generated by the Facility and/or the calculation of the Bill Credit Payments and Bill Credit calculations under Consolidated Billing, as applicable, provided that you provide us with your Utility bills for the time in question.

7. Customer Information.

Within ten (10) days of any request therefor by the Utility or us, you will provide to the Utility or us all applications, documentation and information required by the Utility to evaluate your qualification and eligibility for participation in the Program. You further agree to execute the consent to disclose Utility Customer Data form or any other form required by us or the Utility in order to participate in this Program. We may use your customer information you provide in Appendix A for reporting purposes to governmental entities and for your enrollment into the Program. To help us carry out the terms of this Agreement and interact with the Utility in regard to requirements of the Program, you agree that we have permission to submit to the Utility and/or obtain from the Utility your customer information listed in Appendix A, usage information, and subscription information, and we may share the same with the Utility. Protection of your Customer Data is important to us. The terms and conditions of our data privacy policy found at <https://suncentral.net/privacy-policy/> are incorporated into this Agreement.

8. Changes in Location and Capacity.

a. Change in Location.

- i. Advance Notice. You agree to provide us with ninety (90) days advance notice if you are moving, intend to close your Utility account, or of any other change which may cause you to not be the Utility's customer at the Utility Service Location.
- ii. New Eligible Service Location within same Utility Service Territory. If you change your Utility Service Location, this Agreement shall continue for the new location if: (i) the billing meter at the new premise is within the same service territory as the Utility serving the associated Facility or another one of our facilities that has available capacity, and (ii) you are established as the customer of record for electric service with the Utility at the new premises. You shall take all steps and provide all information required by the Utility under the Program to substitute your new service location as the Utility Service Location under this Agreement, and this Agreement shall continue in effect. We shall update the Utility's Bill Credit Allocation Form. After the Utility has verified eligibility and accepted the updated Bill Credit Allocation Form, you will continue to receive Bill Credits in accordance with the terms of this Agreement. We shall update Appendix A with your new Utility Service Location, without the need for additional consent or signature.
- iii. Other Termination of Utility Service. If you cease to be a Utility customer for electric service at the Utility Service Location and your new service location is not eligible to participate in Program in our Facility, we may terminate this Agreement under Section 10(e).

b. Change in Capacity. In accordance with Program Limitations, we may decrease or increase your Capacity in accordance with Program Regulations based upon your actual electrical usage from time to time.

c. Transfer to a Replacement Customer. You may be permitted to transfer all of your Capacity to a replacement customer as long as (i) such transfer is made in compliance with all terms and conditions of the Program, including Program Limitations; (ii) the replacement customer is eligible under the Program; (iii) you have no outstanding obligations in connection with your Customer Account or payments due under this Agreement; and (iv) you obtain our prior written consent, which consent may be withheld in our sole discretion. As a condition of any such transfer, you and the proposed transferee shall provide us with all requested documentation and information related to the transfer, and we shall have received confirmation of qualification by the Utility to participate in the Program. Upon execution of a new agreement with the replacement customer, this Agreement will terminate.

9. Representations and Warranties.

- a. Representations and Warranties. As of the Effective Date, each Party represents and warrants to the other Party as follows:
 - i. To the extent that a Party is an entity, such Party is duly organized, validly existing, and in good standing under the laws of the state of its formation.
 - ii. The Party has full legal capacity to enter into and perform this Agreement and that the information provided is true to the best of its knowledge and belief.
 - iii. The execution of this Agreement has been duly authorized, and each person executing this Agreement on behalf of the Party has full authority to do so and to fully bind the Party.
 - iv. The execution and delivery of this Agreement and the performance of the obligations hereunder will not violate any applicable legal requirement, any order of any court or other agency of government, or any provision of any agreement or other instrument to which the Party is bound.
 - v. There is no litigation, arbitration, administrative proceeding, or bankruptcy proceeding pending or being contemplated by the Party, or to the Party's knowledge, threatened against the Party, that would materially and adversely affect the validity or enforceability of this Agreement or the Party's ability to carry out the Party's obligations hereunder.

- b. Customer Additional Representations, Warranties and Covenants. Customer hereby represents, warrants and covenants to Company as follows:
 - i. The Customer Information you provide in Appendix A is accurate and that you are eligible to participate in the Program.
 - ii. You agree to keep your Utility account for the Utility Service Location in active status and pay your electric bill on time. You agree to make no claim against us or our affiliates or assigns for amounts which may be payable to you from the Utility under the Program or in connection with this Agreement, provided we have provided correct information to the Utility.
 - iii. You have not granted or placed or allowed others to place any liens, security interests, or other encumbrances on the Bill Credits, and you will not do so during the Term of this Agreement.
 - iv. You are not participating in another Community Solar Energy Generation Facility or net metering at your Utility Service Location.

10. Termination.

- a. Early termination by Company. We may terminate this Agreement early as set forth in Section 10(a), (b), or (c). If this Agreement is terminated early pursuant to Section 10(a), (b), or (c), we shall provide you written notice as set forth in the applicable sections.
- b. Termination of Program. In the event the Utility ceases to offer the Program or a comparable substitute, or in the event that there is a change in the Program such that you are no longer eligible to participate in the Program, then either Party may terminate this Agreement without liability after you cease to receive Bill Credits by providing thirty (30) days' notice.
- c. Termination Based on Lease. If the lease where the Facility is located is terminated for any reason and not subsequently reinstated or the Company has not otherwise obtained a right to access and operate the Facility on

the applicable site, this Agreement will terminate at the time such access to the site permanently ceases without liability to either Party and we shall provide you at least thirty (30) days' notice before such termination.

- d. Termination Based on Our Default. You may terminate this Agreement if we materially fail to fulfill any of our obligations as expressed in this Agreement, and such failure continues for more than sixty (60) days after written notice from you of such failure. To terminate this Agreement in accordance with this Section, you may not have any uncured material default at the time of such termination.
- e. Termination Based on Your Default. You will be in material default of this Agreement and we may terminate this Agreement for your material default should any of the following occur:
 - i. You fail to make any payment when due under this Agreement and such failure continues for a period of thirty (30) days after written notice from us.
 - ii. Any of the representations set forth in this Agreement shall be or become untrue, or you fail to fulfill any of your other material obligations as expressed in this Agreement, and such failure continues for more than thirty (30) days after written notice to you of such failure.
 - iii. If you cease to be a Utility customer for electric service at the Utility Service Location and your new service location is not eligible to participate in Program in our Facility, as stated in Section 8(a)(iii), hereof.
 - iv. You fail to pay your Utility bills on a timely basis, your Utility account is closed without providing us notice as set forth in this Agreement, or you assign or transfer this Agreement without our prior written consent.
 - v. You become insolvent, file for bankruptcy, or make an assignment for the benefit of your creditors, or an involuntary bankruptcy petition is filed against you.
- f. Termination Prior to Operation. Prior to the Commercial Operations Date, either Party may terminate this Agreement without penalty by providing written notice if we have not achieved the Commercial Operations Date for the Facility or the Facility fails to qualify as a Community Solar Facility in accordance with the Tariff within thirty-six (36) months after the Effective Date; provided that such thirty-six month period shall be extended on a day-to-day basis for any Force Majeure or action or inaction on the part of the Customer or Utility.
- g. Force Majeure. “**Force Majeure**” means any event or circumstance not within the reasonable control of a Party which precludes such party (the “**Affected Party**”) from carrying out, in whole or in part, its obligations under this Agreement, except the obligation to make payments when due. If a Force Majeure event occurs, the Affected Party shall not be deemed to be in default during the Force Majeure event, provided that: (i) the Affected Party gives the non-affected party written notice within thirty (30) days describing the occurrence and the anticipated period of delay; (ii) no obligations of the Affected Party which were to be performed prior to the Force Majeure shall be excused; and (iii) the Affected Party shall use commercially reasonable efforts to remedy the Force Majeure. If any Force Majeure lasts longer than ninety (90) days, and the Company determines in good faith that such Force Majeure substantially prevents, hinders or delays the Company’s performance of any of its obligations, then either Party may upon written notice terminate the Agreement without further liability, except that neither Party shall be relieved from any payment obligations arising under this Agreement prior to the Force Majeure.
- h. Termination for Convenience. You may terminate this Agreement at any time for any reason with one hundred eight (180) days prior written notice to us. If this Agreement is terminated pursuant to this Section, then all Bill Credits received by you prior to such termination shall be retained by you and you agree to pay us the Bill Credit Payment with respect to any Bill Credits that have or may continue to be allocated to you by the Utility after termination until we find a replacement customer and the Utility Allocation Form can be updated by us.
- i. Effect of Termination.

- i. General. Upon termination of this Agreement for any reason, (i) we shall remove you from the Utility's Bill Credit Allocation Form upon the next update to the Utility, which may take up to six (6) months, (ii) we shall have no further obligation to deliver, and you shall have no further obligation to subscribe to, any Bill Credits from us, provided, however, (a) that you shall pay us the Bill Credit Payments with respect to any Bill Credits that have or may continue to be allocated to you by the Utility until the Bill Credit Allocation Form is updated and (b) with respect to Production Months with Consolidated Billing, you shall repay to us the net amount of Bill Credits you receive on your Utility account until you are removed from the Utility Bill Credit Allocation Form. In connection with the foregoing sentence, both Parties agree to execute any documents as may be reasonably required by the Utility.
- ii. Remedy for Termination of Customer for Default. In the event this Agreement is terminated due to your default, (i) you shall be responsible to pay Company the Bill Credit Payment with respect to Bill Credits you would have received until we can find a replacement customer, and (ii). With respect to Production Months with Consolidated Billing, you shall repay to us the net amount of Bill Credits you receive on your Utility account until you are removed from the Utility Bill Credit Allocation Form and we find a replacement customer.
- iii. Subject to the limitations set forth in this Agreement, each Party reserves and shall have all rights and remedies available to it at law or in equity with respect to the performance or non-performance of the other Party hereto under this Agreement.

11. Dispute Resolution.

- a. Complaints. For any concerns or complaints regarding this Agreement, please contact us at 888-734-3033, x702. We shall acknowledge such complaint within two (2) days of our receipt and respond within fourteen (14) days thereof whether in writing or by phone call. We shall keep a record of all customer concerns or complaints. You may also contact the Maryland Public Service Commission at 410-767-8000 regarding any complaints or get additional information at their website at <https://www.psc.state.md.us/>.
- b. Dispute Resolution. Each Party agrees that to expedite and control the costs of disputes, the resolution of any dispute relating to this Agreement ("**Dispute**") will be resolved according to the following procedures: (1) unless otherwise agreed in writing, the Parties agree to continue to perform each of our respective obligations under this Agreement during the course of the resolution of the Dispute, then (2) each Party agrees to first try to informally resolve any Dispute. Accordingly, neither Party will start a formal proceeding for at least forty-five (45) days after notifying the other in writing of the Dispute. Each Party agrees to send notice to the address for notices set forth in Section 12, then (3) if, after the informal dispute resolution process set forth in Subsection (2) above does not result in a resolution of the dispute, the Parties shall be free to seek any available relief.
- c. Choice of Law. This Agreement will be governed by and construed in accordance with the laws of the State of Maryland without regard to principles of conflicts of law.
- d. EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY).

12. Notices.

In the event that any notice or other communication is required or permitted to be given hereunder, such notice or communications will be in writing and may be delivered in person or sent by certified mail, overnight courier, sent electronically to the address of the addressee as specified below. Except as otherwise provided, all such notices or

other communications will be deemed to have been duly given and received upon receipt.

To Us: SunCentral LLC
1601 Wewatta St., Suite 700
Denver, CO 80202
Attention: Legal
Email: customerservice@suncentral.net

To You: As set forth in Appendix A

We may, at our option, engage a third-party service provider to manage our obligations and communications pursuant to this Agreement. Any notice, consent or other communication from such third-party provider shall be as effective as if provided directly by us.

13. Company’s General Obligations.

- a. Outages. If the Facility is out of service for more than three (3) consecutive business days (an “**Outage**”), We will inform you of such Outage either via email, or another reasonably accessible communications method. Such communication will include the estimated duration of the Outage and estimated production that will be lost due to the Outage. Under no circumstances will any Outage affect the electricity service to your home or business.
- b. Company’s Insurance. We shall maintain or ensure the following is maintained (a) property insurance on the Facility in commercially appropriate amounts, (b) commercial general liability insurance with coverage of at least \$1,000,000 per occurrence and \$2,000,000 annual aggregate, and (iii) workers’ compensation insurance as required by law.
- c. Operations and Maintenance Services. Beginning on the Commercial Operations Date through the end of the Term, we will operate the Facility, and provide customary maintenance services designed to keep the Facility in good working condition. All maintenance on the Facility will be performed according to industry standards, including the recommendations of manufacturers of solar panels and other operational components. The Facility will enter into a long-term operations and maintenance agreement with a contractor experienced in the industry that will handle regular maintenance and unexpected problems with equipment.

14. Additional Agreements.

- a. Confidentiality. You agree to keep the terms of this Agreement in strictest confidence and trust and to not disclose the terms hereof to any other entity or person or use, disseminate, or otherwise distribute any such information for your benefit or for the benefit of another, except for the limited purpose of facilitating the business relationship with us and the transactions contemplated herein or as required by law.
- b. Service Contract. Your community solar subscriber benefits under this Agreement, including the Bill Credits related to your Solar Interest, will be treated as a service contract under Internal Revenue Code Section 7701(e), and its various subparts.
- c. DISCLAIMERS OF WARRANTIES: WE DO NOT WARRANT OR GUARANTEE ANY MINIMUM PRODUCTION, SOLAR OUTPUT, OR BILL CREDIT AMOUNT. DURING THE TERM, YOUR ALLOCATION OF BILL CREDITS MAY VARY DUE TO WEATHER CONDITIONS, OUTAGES AT THE FACILITY OR ON THE UTILITY GRID, OR FOR OTHER REASONS. WE DO NOT SELL, TRANSMIT OR DISTRIBUTE SOLAR ELECTRICITY TO YOU UNDER THIS AGREEMENT. WE DO NOT PROVIDE YOU WITH OWNERSHIP OF, OR ANY INTEREST IN, ANY SOLAR PANELS, UTILITY INCENTIVES, TAX INCENTIVES, ENVIRONMENTAL ATTRIBUTES, OR RENEWABLE ENERGY CREDITS UNDER THIS AGREEMENT, ALL OF WHICH WILL BE OWNED BY US AND USED BY US AS WE MAY DETERMINE FROM TIME TO TIME. WE DO NOT WARRANT UNINTERRUPTED OR ERROR FREE OPERATION OF THE FACILITY OR ANY PART THEREOF. WE DO NOT REPRESENT

OR WARRANT THAT THERE WILL BE NO CHANGES TO THE TARIFF OR THE PROGRAM OR THE BILL CREDIT RATE, OR THAT THE UTILITY WILL NOT MAKE ANY CORRECTIONS OR ADJUSTMENTS TO METER READINGS. WE DO NOT REPRESENT OR WARRANT THAT ANY CHANGE TO STATE OR FEDERAL LAW OR CHANGES TO THE UTILITY TARIFF OR THE PROGRAM WILL NOT ADVERSELY AFFECT YOU OR WILL NOT CAUSE YOU TO BE INELIGIBLE FOR THE PROGRAM. NO ORAL OR WRITTEN INFORMATION OR ADVICE GIVEN BY ANY AUTHORIZED REPRESENTATIVE OF THE COMPANY SHALL CREATE A WARRANTY. EXCEPT AS EXPRESSLY PROVIDED IN THIS AGREEMENT, WE DO NOT MAKE ANY WARRANTY OR GUARANTEE TO YOU, EXPRESS, IMPLIED, STATUTORY, COMMON LAW OR OTHERWISE, AND ASSUME NO OTHER LIABILITIES, WHETHER IN CONTRACT OR IN TORT, WITH RESPECT TO THE SUBJECT MATTER HEREOF OR IN CONNECTION HERewith, AND YOU HEREBY DISCLAIM, WAIVE AND RELEASE ANY OTHER WARRANTIES, EXPRESS OR IMPLIED OR IMPOSED BY LAW INCLUDING ANY WARRANTY OF MERCHANTABILITY AND ANY WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE. THESE LIMITATIONS CONSTITUTE AN ESSENTIAL PART OF THIS AGREEMENT.

- d. LIMITATION ON DAMAGES: Notwithstanding any other provision of this Agreement to the contrary, the entire liability of either Party to the other for any and all claims of any kind arising from or relating to this Agreement, including any causes of action in contract, tort, strict liability or otherwise, will be limited to direct actual damages only, subject in all cases to an affirmative obligation of a Party to exercise commercially reasonable efforts to mitigate its damages. Notwithstanding the foregoing, our liability to you will in no event exceed the amount paid by you to us under this Agreement in excess of the Bill Credits you have received under this Agreement. We shall have the right to set-off and net against any amounts owed to us by you under this Agreement.

WITHOUT LIMITING THE FOREGOING, IN NO EVENT WILL EITHER PARTY BE LIABLE TO THE OTHER PARTY FOR ANY CONSEQUENTIAL, EXEMPLARY, SPECIAL, INCIDENTAL OR PUNITIVE DAMAGES, INCLUDING, WITHOUT LIMITATION, LOST OPPORTUNITIES OR LOST PROFITS.

- e. Assignment. Except as otherwise provided herein in Section 8(c), you may not assign this Agreement nor assign or transfer the Bill Credits. We may assign this Agreement, or any of our rights, duties, or obligations under this Agreement, to another entity or individual, including any affiliate, whether by contract, change of control, operation of law, collateral assignment or otherwise, without your prior written consent. We may in our sole discretion, from time to time, transfer you to another affiliated facility, provided that you receive similar rights and benefits as hereunder. We shall provide you with at least thirty (30) days advance written notice of such transfer and an updated Appendix A with the new Facility information and information on the assignee who shall become the new Company under this Agreement. Except for the new Facility information and Company information, the terms and conditions of this Agreement shall not otherwise change in connection with such assignment. Such updated Appendix A shall be deemed to be added to this Agreement and such transfer may be made without the need for additional consent or signature of the Parties.
- f. Survival. In the event of expiration or early termination of this Agreement, the following sections shall survive: Sections 4, 10, 11, 12, and 14.
- g. Entire Agreement. This Agreement, together with its appendices and exhibits, contains the entire agreement between the Parties with respect to the subject matter hereof, and supersedes all other understandings or agreements, both written and oral, between the Parties relating to the subject matter hereof.
- h. Severability. Should any terms of this Agreement be declared void or unenforceable by any arbitrator or court of competent jurisdiction, such terms will be amended to achieve as nearly as possible the same economic effect for the Parties as the original terms and the remainder of the Agreement will remain in full force and effect.
- i. No Partnership. Nothing contained in this Agreement will constitute either Party to this Agreement as a joint venturer, employee, or partner of the other, or render either Party to this Agreement liable for any debts, obligations, acts, omissions, representations, or contracts of the other, including without limitation your obligations to the Utility for electric service.

- j. Amendments; Binding Effect; Waiver. Except as otherwise permitted in this Agreement, this Agreement may not be amended, changed, modified, or altered unless such amendment, change, modification, or alteration is in writing and signed by all of the Parties to this Agreement or their respective successors in interest. This Agreement inures to the benefit of and is binding upon the Parties and each of their respective successors and permitted assigns. No waiver of any provision of this Agreement will be binding unless executed in writing by the Party making the waiver.
- k. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which shall constitute one and the same agreement. Delivery of an executed counterpart of this Agreement by facsimile or PDF transmission will be deemed as effective as delivery of an originally executed counterpart.
- l. Further Assurances. From time to time each Party shall execute, acknowledge, and deliver such documents and assurances, reasonably requested by the other and shall take any other action consistent with the terms of the Agreement that may be reasonably requested by the other for the purpose of effecting or confirming any of the transactions contemplated by this Agreement. No Party shall unreasonably withhold, condition, or delay its compliance with any reasonable request made pursuant to this Section.

15. Right to Cancel.

You, the buyer (that is, the Customer), may cancel this transaction at any time prior to **midnight of the third business day** after the Effective Date. See the attached notice of cancellation form (attached hereto as Appendix C) for an explanation of this right.

[Signatures on Following Page]

IN WITNESS WHEREOF, each Party has caused this Agreement to be duly executed by its authorized representative as of the date of last signature provided below.

SunCentral LLC

By:

Name:

Authorized Representative

City of Frostburg

By:

Name: Patrick O'Brien

City Administrator

List of Appendices to Agreement

- Appendix A: Customer and Facility Information
- Appendix B: Right to Cancel
- Appendix C: Estimated Facility Production
- Appendix D: Maryland Community Solar Contract Summary
- Appendix E: Consent to Disclose Utility Customer Data
- Appendix F: Utility Account List

Appendix A

Customer and Facility Information

(This Appendix will be completed by us, and an updated copy of this Appendix will be provided upon the later of (i) the Commercial Operations Date and (ii) thirty (30) days after the Effective Date of this Agreement.)

- Customer:** City of Frostburg
37 S. Broadway St (PO Box 440)
Frostburg MD, 21532

- Contact:** Patrick O’Brien
City Administrator
pobrien@frostburgcity.org
301-697-6149

- Utility:** Potomac Edison Power Company

- Utility Accounts:** As set Forth in Appendix F, Utility Account List

- Customer Capacity:** 339 kW-DC

- Facility:** MDL127-4786bGeorgeWashingtonHwy-Bosley
6367 Garrett Highway Oakland MD 21550

- Facility Company:** Pivot Energy

- Facility Capacity:** 2,363 kW-DC (2,000 kW-AC)

- Commercial Operations Date:** November 2026 (projected)

Appendix B

Cancellation Right

Right to Cancel. As set forth in Section 15 of the Community Solar Subscription Agreement (the “Agreement”), you may cancel the Agreement, without penalty or obligation, by sending us a written cancellation notice within three (3) business days of the date you signed the Agreement. To cancel the Agreement, deliver a signed and dated copy of the below Notice of Cancellation (or any other written cancellation notice identifying you and the Agreement) to us at: SunCentral 1601 Wewatta St., Suite 700, Denver, CO 80202 postmarked no later than midnight of the date that is three business days from the date you signed the Agreement. If you do not provide us a written cancellation notice within that three-day period, you will no longer have a right to cancel the Agreement and you will remain liable for performance of all your obligations under the Agreement.

Note: The following form on the succeeding pages is made available for the purpose of cancelling the Agreement pursuant to Section 15 of the Agreement within the three-day cancellation period described above. If you are not choosing to cancel the Agreement within the three-day period described above, you should not sign this form.

Two copies of this form are included so that if you do choose to cancel the Agreement by delivering this form to us within that time, you will still have a copy of this form.

NOTICE OF CANCELLATION

(Customer's Copy)

Date of Transaction:

You may CANCEL this transaction, without any penalty or obligation, within THREE BUSINESS DAYS from the above DATE .

If you cancel, any property traded in, any payments made by you under the contract or sale, and any negotiable instrument executed by you will be returned within 10 BUSINESS DAYS following receipt by the seller (i.e. Company) of your cancellation notice, and any security interest arising out of the transaction will be canceled.

If you cancel, you must make available to the seller (i.e. Company) at your residence, in substantially as good condition as when received, any goods delivered to you under this contract or sale; or you may, if you wish, comply with the instructions of the seller (Company) regarding the return shipment of the goods at the seller's expense and risk.

If you do make the goods available to the seller (i.e. Company) and the seller does not pick them up within 20 days of the date of your notice of cancellation, you may retain or dispose of the goods without any further obligation. If you fail to make the goods available to the seller, or if you agree to return the goods to the seller and fail to do so, then you remain liable for performance of all obligations under the contract.

To cancel this transaction, mail or deliver a signed and dated copy of this cancellation notice to the Company:

SunCentral LLC
1601 Wewatta St., Suite 700
Denver, Colorado 80202

NOT LATER THAN MIDNIGHT OF SUBSCRIBER ACCEPTANCE DATE PLUS THREE BUSINESS DAYS.

I HEREBY CANCEL THIS TRANSACTION.

(Date)

(Customer's signature)

(Customer's name)

Retain this copy for your records

NOTICE OF CANCELLATION

(To be sent to Company)

Date of Transaction:

You may CANCEL this transaction, without any penalty or obligation, within THREE BUSINESS DAYS from the above DATE .

If you cancel, any property traded in, any payments made by you under the contract or sale, and any negotiable instrument executed by you will be returned within 10 BUSINESS DAYS following receipt by the seller (i.e. Company) of your cancellation notice, and any security interest arising out of the transaction will be canceled.

If you cancel, you must make available to the seller (i.e. Company) at your residence, in substantially as good condition as when received, any goods delivered to you under this contract or sale; or you may, if you wish, comply with the instructions of the seller (Company) regarding the return shipment of the goods at the seller’s expense and risk.

If you do make the goods available to the seller (i.e. Company) and the seller does not pick them up within 20 days of the date of your notice of cancellation, you may retain or dispose of the goods without any further obligation. If you fail to make the goods available to the seller, or if you agree to return the goods to the seller and fail to do so, then you remain liable for performance of all obligations under the contract.

To cancel this transaction, mail or deliver a signed and dated copy of this cancellation notice to the Company:

SunCentral LLC
1601 Wewatta St., Suite 700
Denver, Colorado 80202

NOT LATER THAN MIDNIGHT OF SUBSCRIBER ACCEPTANCE DATE PLUS THREE BUSINESS DAYS.

I HEREBY CANCEL THIS TRANSACTION

(Date)

(Company’s signature)

(Customer’s name)

Appendix C
Estimated Facility Production

Estimated Facility Production

Year 1	4,779,152
Year 2	4,755,256
Year 3	4,731,480
Year 4	4,707,823
Year 5	4,684,283
Year 6	4,660,862
Year 7	4,637,558
Year 8	4,614,370
Year 9	4,591,298
Year 10	4,568,342
Year 11	4,545,500
Year 12	4,522,772
Year 13	4,500,159
Year 14	4,477,658
Year 15	4,455,269
Year 16	4,432,993
Year 17	4,410,828
Year 18	4,388,774
Year 19	4,366,830
Year 20	4,344,996
Year 21	4,323,271
Year 22	4,301,655
Year 23	4,280,146
Year 24	4,258,746
Year 25	4,237,452

You acknowledge that the above schedule sets forth an estimate of the Facility Output. You acknowledge that this schedule is our non-binding estimate of the Facility’s annual production, and that we do not represent or guarantee that any particular level of production, savings, or Bill Credits will be achieved in connection with this Agreement. The estimated production is based upon computer modeling that takes into account the AC nameplate capacity of the Facility, weather, soiling and degradation of the solar panels.

Appendix D

Maryland Community Solar Contract Summary

Maryland Community Solar Contract Summary		
Company	SunCentral LLC	Reference Page or Section
Subscriber Organization	MDL1274786bGeorgeWashingtonHwyBosley(#23A305667000517)	
Customer Name	City of Frostburg	
Utility Service Territory	Potomac Edison Power Company	
Effective Date of Agreement	This Agreement is effective once signed by both parties	Page 1
Term	<p>Initial Term: shall commence on the Effective Date and continue for Ten (10) years.</p> <p>Renewal Term: This Agreement will automatically renew for successive terms of five (5) years. This Agreement shall terminate after twenty-five years from the Facility’s Commercial Operations Date unless earlier terminated in accordance with this Agreement.</p>	Section 3 (page 3)
Estimated date CSEGS will begin producing credits	COD: November 2026 (Projected)	Appendix A (page 13)
Subscription Type	Fixed percentage of subscriber usage – 100% of historical annual baseline usage	Section 5 (page 3)
Subscription Price and Escalator, if applicable	<p>Subscription Price: the Bill Credit Payment for each month is (i) ninety percent (90%) of the Bill Credits attributable to the Customer’s Solar Output for the prior Production Month plus (ii) ninety percent (90%) of the Excess Bill Credits received by you.</p> <p>Escalator: n/a</p>	Section 6 (page 4)
Annual or Monthly Fees	No recurring annual or monthly fees are associated with this Agreement.	n/a
Early Termination or Cancellation Fees and Terms	Early Termination: notifying the other Party in writing at least one hundred eighty (180) days before the completion of the Initial Term or Renewal Term. There are no fees for early termination.	Section 3 (page 3); Section 10 (page 6)
Other Fees	<p>Credit Card Fee: Customers may be subject to a processing fee of 2.9% if they choose to pay via credit card. This fee is non-refundable.</p> <p>Late fees: If your payment is late in accordance with this Agreement, you shall owe the lesser of (i) 1.5% per month on the portion of your balance that is more than thirty (30) days past due or (ii) the maximum amount as allowed by applicable law. These fees are non-refundable.</p>	Section 6 (page 4)
Other Important Terms	n/a	n/a

Appendix E

Consent to Disclose Utility Customer Data

Utility: Potomac Edison Power Company

Please provide the following information. All requested information must be provided for the consent to be valid.

Authorized Recipient of Data: SunCentral

Physical Address: 1601 Wewatta St., Suite 700, Denver, CO 80202

Phone: 888-734-3033 Email: customerservice@suncentral.net

Data to be Released:

Utility, denoted above, will provide to SunCentral and/or its affiliates, via an (electronic) data exchange processes or otherwise, initial and ongoing account information. This information exchange will include, but is not limited to: account number, address, contact information, kWh consumption history, revenue billing period, present meter reading, present meter reading date, account status (active / inactive), disconnect date of account, total monthly electric bill amounts, total monthly bill credits, billing rate code and other information as necessary ("Customer Data").

As a customer of SunCentral and subscriber in the Community Distributed Generation program, I further understand that the data furnished will only be used by SunCentral or its affiliates to adequately manage your Solar Subscription, perform SunCentral's obligations under any Customer Agreement and maintain compliance with the Program.

SunCentral and its affiliates may not use any of my identified information for any other purpose and will keep my information confidential in accordance with the terms of the Customer Agreement.

Disclosure dates: Up to one month prior to the date this document was executed, as evidenced below, and the continual release and export of Customer Data until such consent is terminated as provided herein.

To be Completed by Utility Customer:

I agree that I am the Utility customer of record for my utility account. I understand that Utility has a policy regarding disclosure of my Customer Data and I accept that policy. Furthermore, I understand that disclosure of my Customer Data by Utility may also be required by law or if I authorize its disclosure.

I agree to allow Utility to release to SunCentral and its affiliate, Customer Data described above for the purposes described above. I understand and agree that such data may reveal information about the way I use energy at my premises.

I understand that once my Customer Data has been provided to SunCentral, the Utility will have no control over and no responsibility for SunCentral's use of the data.

This consent shall terminate upon termination of the customer agreement between SunCentral and you.

By my signature, I affirm that I am customer of record and that everything in this document is true and correct. The undersigned and SunCentral agree that SunCentral may make agreements with me by electronic means. I agree that this consent, whether in paper or electronic form, has the same legal effect and is authentic and valid. Furthermore, I agree to receiving information and other communications relating to my consent in electronic form. By applying a

signature below, I agree to the above terms and conditions governing my consent.

Electronic Signature of Utility Customer of Record:

By way of electronic signature below, I am agreeing to all terms of this request. I have read, understand, accept and agree to the terms herein above associated with this Consent to Disclose Utility Customer Data.

Utility Account Numbers

As Set Forth in Appendix F, Utility Account List

Signature of Utility Customer:

Date:

Appendix F

Utility Account List

Account Entity	Acct#	Potomac Service Number	Meter #	Service Address	City	State	Zip	Annual kWh	kW-DC	Rate Class
City of Frostburg	110089041104	5000614416	S315935292	Water St	Frostburg	MD	21532	1,661	1.18	PE-GSG1D
City of Frostburg	110089061938	5000588105	S335512386	Armstrong Ave	Frostburg	MD	21532	11,224	7.97	PE-GSG1D
City of Frostburg	110089063157	5000551793	S310014220	Centennial Hil	Frostburg	MD	21532	19,290	13.69	PE-GSG1D
City of Frostburg	110089068578	5000773108	S351861417	Rynex Ave	Frostburg	MD	21532	46,536	33.03	PE-GSG1D
City of Frostburg	110089069402	5000397295	S343537119	Rynex Ave	Frostburg	MD	21532	14,150	10.04	PE-GSG1D
City of Frostburg	110089069204	5000759150	S50271221	Rynex Ave	Frostburg	MD	21532	4,940	3.51	PE-GSG1D
City of Frostburg	110089052929	5000524288	S322260612	RR2 OldRt 40	Frostburg	MD	21532	12,547	8.90	PE-GSG1D
City of Frostburg	110113528365	5001366312	S312465549	44 E Main Sr	Frostburg	MD	21532	2,128	1.51	PE-GSG1D
City of Frostburg	110089069758	5000906731	S17414247	Shaw St Cons stnd	Frostburg	MD	21532	1,252	0.89	PE-GSG1D
City of Frostburg	110087645054	5000728785	S61518370	14 S Water St	Frostburg	MD	21532	3,919	2.78	PE-GSG1D
City of Frostburg	110109744133	5000892548	S322327829	Industrial Park	Frostburg	MD	21532	5,486	3.89	PE-GSG1D
City of Frostburg	110087798887	5000872481	S17418204	Barnard St	Frostburg	MD	21532	7,303	5.18	PE-GSG1D
City of Frostburg	110087895485	5000872492	S17418202	Grant St	Frostburg	MD	21532	7,821	5.55	PE-GSG1D
City of Frostburg	110080645937	5000621643	S346211316	160 S Water St	Frostburg	MD	21532	46,600	33.07	PE-GSG1D
City of Frostburg	110087599178	5001068395	S310589039	27 S Water St	Frostburg	MD	21532	28,320	20.10	PE-GSG1D
City of Frostburg	110089024993	5000561327	S357225795	200 S Water St	Frostburg	MD	21532	3,888	2.76	PE-GSG1D
Corp of Frostburg	110143582788	5001537952	S356071492	37 Broadway St	Frostburg	MD	21532	192,500	136.62	PE-GSG2D
City of Frostburg	110083890860	5000907789	S308036813	East End playground	Frostburg	MD	21532	1,190	0.84	PE-GSG1D
City of Frostburg	110088758351	5001052181	S20280212	Lights Bowery St	Frostburg	MD	21532	6,841	4.86	PE-GSG1D
City of Frostburg	110088792531	5000518932	S10815728	Pole Svc for st Lights Center	Frostburg	MD	21532	11,361	8.06	PE-GSG1D
City of Frostburg	110088483240	5000592792	S23559282	Bowery St	Frostburg	MD	21532	5,556	3.94	PE-GSG1D
City of Frostburg	110087599400	5000793636	S40713309	29 Water St	Frostburg	MD	21532	4,888	3.47	PE-GSG1D
City of Frostburg	110089112319	5001233633	G98282526	213 Lower Consol rd	Frostburg	MD	21532	10,414	7.39	PE-GSG1F
City of Frostburg	110167918025	5001712921	S359168239	0 W Mechanic St	Frostburg	MD	21532	1,851	1.31	PE-GSG1F
City of Frostburg	110081424100	5000917678	G98384003	RR2 Piney Mt dam	Frostburg	MD	21532	26,131	18.55	PE-RSRF

RESOLUTION 2026-10

A RESOLUTION OF THE CITY OF FROSTBURG, A MUNICIPAL CORPORATION OF THE STATE OF MARYLAND, APPROVING A TEMPORARY REPEAL OF THE OPEN CONTAINER LAW.

WHEREAS, FrostburgFirst has requested a temporary repeal of the Open Container Law for the Spring Arts Walk.

NOW, THEREFORE, BE IT RESOLVED that the Mayor and City Council of Frostburg, Maryland hereby approves the possession and consumption of alcoholic beverages on Main Street, Broadway and Water Streets during the 2026 Spring Arts Walk on Saturday, April 25, 2026 from 10:00 am to 6:00 pm, provided that no glass containers be carried on the streets or sidewalks and that all other related alcohol and traffic laws and regulations of the State of Maryland and Allegany County be observed by all participants.

ADOPTED this 21st day of April 2026.

Frostburg Mayor and Council

BY _____
Todd J. Logsdon, Mayor

Attest:

Patrick O'Brien, City Administrator



City of Frostburg
37 Broadway
Frostburg, MD 21532

April 7, 2026

Dear Mayor and City Council,

FrostburgFirst would like to request a temporary repeal of the Open Container Law on Main Street, Broadway, and Water Street during our Annual Spring Arts Walk on April 25, 2026 from 10 am - 6pm, under the conditions that all beverages are kept in plastic ware.

The Spring Arts Walk is an event designed to encourage locals and visitors to explore downtown businesses while celebrating the arts and local makers. Business owners often entice shoppers and diners by offering beverages with alcohol content for adults to sip as they shop. The repeal of the Open Container Law allows guests to move from one space to another without having to rush through their beverage. If granted, we will not publicly advertise the repeal, but will inform our downtown business owners of the temporary repeal to allow a more pleasant experience for their customers and guests.

Thank you for considering this repeal.

With appreciation,

Deirdre Robertson
Executive Director

info@frostburgfirst.com
www.downtownfrostburg.com

41 E. Main St.
Frostburg, MD 21532
(301) 689-6900

To develop and foster a prosperous, vibrant, sustainable, and resilient designated Frostburg Main Street Corridor.

RESOLUTION 2026-11

A RESOLUTION OF THE CITY OF FROSTBURG, A MUNICIPAL CORPORATION OF THE STATE OF MARYLAND, AUTHORIZING INDIVIDUALS TO EXECUTE DOCUMENTS TO PARTICIPATE IN CERTAIN OPIOID SETTLEMENTS.

WHEREAS, the Mayor and City Council have agreed to follow the recommendations of its attorneys in regard to opioid settlement agreements; and,

WHEREAS, the City of Frostburg has the opportunity to participate in settlement agreements that would benefit the residents of the city.

NOW, THEREFORE, BE IT RESOLVED, that the Mayor and City Council of Frostburg, Maryland hereby approve the proposed settlements with Purdue Pharma/the Sackler family and with the “Six Remnant Defendants” (i.e., J M Smith Corporation; Louisiana Wholesale Drug Company, Inc.; Morris and Dickson Co.; North Carolina Mutual Wholesale Drug Company, Inc.; and Untied Natural Foods, Inc.), including its subsidiaries (SuperValu and Advantage logistics).

BE IT FURTHER RESOLVED, that the Mayor and City Council of Frostburg, Maryland hereby authorize the City’s local counsel in the opioids litigation, D. Bruce Poole, the Mayor, and the City Administrator to execute such documents as are necessary to participate in those proposed settlements and any changes to their terms that are expected to be approved by the majority of Maryland and other states’ plaintiffs.

ADOPTED, this 21st day of April, 2026.

Frostburg Mayor and Council

BY _____
Todd J. Logsdon, Mayor

Attest:

Patrick O’Brien, City Administrator

EXHIBIT G

**Six (6) Remnant Defendants’
Combined Subdivision Participation and Release Form
 (“Combined Participation Form”)**

Governmental Entity: Frostburg city	State: MD
Authorized Official:	
Address 1:	
Address 2:	
City, State, Zip:	
Phone:	
Email:	

The governmental entity identified above (“Governmental Entity”), in order to obtain and in consideration for the benefits provided to the Governmental Entity pursuant to the six (6) Remnant Defendants’ Settlement Agreement (“RDSA”), dated February 3, 2026, and described further in Paragraph 1, and acting through the undersigned authorized official, hereby elects to participate in the RDSA, release all Released Claims against all Released Entities, and agrees as follows:

1. The Governmental Entity hereby elects to participate in the RDSA as a Participating Subdivision with each of the following six (6) Remnant Defendants that are parties to the RDSA: (1) Associated Pharmacies, Inc. (and American Associated Pharmacies), (2) J M Smith Corporation, (3) Morris and Dickson Co., L.L.C., (4) Louisiana Wholesale Drug Company, Inc., (5) North Carolina Mutual Wholesale Drug Company, Inc., and (6) United Natural Foods, Inc. (and SuperValu).
2. The Governmental Entity is aware of and has reviewed the RDSA, understands that all capitalized terms not defined in this Combined Participation Form have the meanings defined in the RDSA, and agrees that by executing this Combined Participation Form, the Governmental Entity elects to participate in the RDSA and become a Participating Subdivision as provided in the RDSAs.
3. The Governmental Entity shall promptly, and in any event no later than 14 days after the Reference Date and prior to the filing of the Consent Judgment, dismiss with prejudice any Released Claims that it has filed against any Released Entity in the RDSA. With respect to any Released Claims pending in *In Re National Prescription Opiate Litigation*, MDL No. 2804, the Governmental Entity authorizes the Plaintiffs’ Executive Committee to execute and file on behalf of the Governmental Entity a Stipulation of Dismissal with Prejudice for each of six (6) Remnant Defendants listed in Paragraph 1 above substantially in the form found at <https://nationalopiodsettlement.com/additional-settlements/>.
4. The Governmental Entity agrees to the terms of each of the RDSA pertaining to Participating

Subdivisions as defined therein.

5. By agreeing to the terms of the RDSA settlements and becoming a Releasor, the Governmental Entity is entitled to the benefits provided therein, including, if applicable, monetary payments beginning after the Effective Date.
6. The Governmental Entity agrees to use any monies it receives through the RDSA solely for the purposes provided therein.
7. The Governmental Entity submits to the jurisdiction of the MDL Court and agrees to follow the process for resolving any disputes described in the RDSA.
8. The Governmental Entity has the right to enforce the RDSA as provided therein.
9. The Governmental Entity, as a Participating Subdivision, hereby becomes a Releasor for all purposes of the RDSA, including without limitation all provisions related to release of any claims, and along with all departments, agencies, divisions, boards, commissions, districts, instrumentalities of any kind and attorneys, and any person in his or her official capacity whether elected or appointed to serve any of the foregoing and any agency, person, or other entity claiming by or through any of the foregoing, and any other entity identified in the definition of Releasor, provides for a release to the fullest extent of its authority. As a Releasor, the Governmental Entity hereby absolutely, unconditionally, and irrevocably covenants not to bring, file, or claim, or to cause, assist or permit to be brought, filed, or claimed, or to otherwise seek to establish liability for any Released Claims against any Released Entity in the RDSA in any forum whatsoever. The release provided for in the RDSA is intended by the Parties to be broad and shall be interpreted so as to give the Released Entities in the RDSA the broadest possible bar against any liability relating in any way to Released Claims and extend to the full extent of the power of the Governmental Entity to release claims. The RDSA shall be a complete bar to any Released Claim against the Released Entities.
10. The Governmental Entity hereby takes on all rights and obligations of a Participating Subdivision as set forth in the RDSA.
11. In connection with the releases provided in the RDSA, each Governmental Entity expressly waives, releases, and forever discharges any and all provisions, rights, and benefits conferred by any law of any state or territory of the United States or other jurisdiction, or principle of common law, which is similar, comparable, or equivalent to § 1542 of the California Civil Code, which reads:

General Release; extent. A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release that, if known by him or her would have materially affected his or her settlement with the debtor or released party.

A Releasor may hereafter discover facts other than or different from those which it knows, believes, or assumes to be true with respect to the Released Claims in the RDSA, but each Governmental Entity hereby expressly waives and fully, finally, and forever settles, releases and discharges, upon the Effective Date, any and all Released Claims that may exist as of such date but which Releasors do not know or suspect to exist, whether through ignorance, oversight, error, negligence or through no fault whatsoever, and which, if known, would materially affect the Governmental Entities' decision to participate in the RDSA.

- 12. The Governmental Entity understands and acknowledges that nothing herein is intended to modify in any way the terms of any of the RDSA, to which Governmental Entity hereby agrees. To the extent this Combined Participation Form is interpreted differently from the RDSA in any respect, the RDSA controls.

I have all necessary power and authorization to execute this Combined Participation Form on behalf of the Governmental Entity.

Signature: _____

Name: _____

Title: _____

Date: _____

RESOLUTION 2026-12

A RESOLUTION OF THE CITY OF FROSTBURG, A MUNICIPAL CORPORATION OF THE STATE OF MARYLAND, AMENDING AND APPROVING CHANGE ORDER NO. 3 TO THE CONTRACT WITH BRADDOCK CONSTRUCTION, LLC FOR THE CONSTRUCTION OF THE CSO ELIMINATION PHASE X-A GEORGES CREEK PROJECT

WHEREAS, the City of Frostburg has undertaken a 20 year, over \$25 million commitment to eliminate Combined Sewer Overflows (CSO’s); and,

WHEREAS, the City has determined the need for adjustments during the end of project closeout process.

NOW, THEREFORE, BE IT RESOLVED that the Mayor and City Council of Frostburg, Maryland do hereby amend and approve Change Order No. 3 to the contract with Braddock Construction, LLC for the CSO Elimination Phase X-A Georges Creek Project that results in a project cost increase of \$406.19, as provided by SPECS, the project engineer.

ADOPTED, this 21st day of April, 2026.

Frostburg Mayor and Council

BY _____
Todd J. Logsdon, Mayor

Attest:

Patrick O’Brien, City Administrator

SPECS, INC

105 S CENTRE STREET
 CUMBERLAND, MD 21502
 301.777.2510

PROJECT Phase X-A
 PROJECT 5496/5736ca
 Date:

14-Jan-26

CHANGE ORDER 3- CLOSEOUT

This change order addresses contract quantity closeouts. Explanation is provided for quantities that exceed 10% of the estimated quantity.

No	Item	Description	Quantity	Units	Braddock Unit Price	Total Price
1	1006	CR-6 AGGREGATE FOR MAINTENANCE OF TRAFFIC Additional required for July 4th street closing at direction of owner	21.01	TONS	\$ 34.00	\$ 714.34
2	1007	HOT MIX ASPHALT FOR MAINTENANCE OF TRAFFIC	-2.42	TONS	\$ 145.00	\$ (350.90)
3	1009	TEMPORARY ORANGE CONSTRUCTION FENCE added 60 ft on washington for ped	10	LINEAR FEET	\$ 5.75	\$ 57.50
4	1010	REMOVE AND RESET TEMPORARY ORANGE CONSTRUCTION Item Not used.	-50	LINEAR FEET	\$ 4.00	\$ (200.00)
5	2001	BORROW EXCAVATION Item adjustment due to overpayment	-50	CUBIC YARDS	\$ 45.00	\$ (2,250.00)
6	2002	TEST PIT EXCAVATION Additional test pits at direction of inspector in various locations throughout the project including test pits for tie in to Phase X-C	107.58	CUBIC YARDS	\$ 85.00	\$ 9,144.30
7	2003	CLASS 1 EXCAVATION Washington St extended additional cut	13.5964	CUBIC YARDS	\$ 28.00	\$ 380.70
8	2004	CLASS 1-A EXCAVATION Not used.	-20	CUBIC YARDS	\$ 34.50	\$ (690.00)
9	2005	GEOSYNTHETIC STABILIZED SUBGRADE USING GRADED AGG Item adjustment due to overpayment	-50	CUBIC YARDS	\$ 240.00	\$ (12,000.00)
10	2006	REMOVE EXISTING MASONRY OR CONCRETE Item adjustment due to overpayment	-8.39	CUBIC YARDS	\$ 305.00	\$ (2,558.95)
11	3001	FILTER SOCK-8 INCH	-100	LINEAR FEET	\$ 14.00	\$ (1,400.00)
12	3002	REMOVE AND RESET FILTER SOCK Item adjustment due to overpayment	-300	LINEAR FEET	\$ 11.00	\$ (3,300.00)
13	3003	INLET PROTECTION Item adjustment due to overpayment	-5	EACH	\$ 320.00	\$ (1,600.00)
14	3004	TEMPORARY ASPHALT BERM Item adjustment due to overpayment	-4	TONS	\$ 255.00	\$ (1,020.00)
15	3005	SPLASHBLOCKS Not used	-8	EACH	\$ 110.00	\$ (880.00)
16	3006	6 INCH CORRUGATED POLYETHYLENE PIPE Item adjustment due to overpayment	-32	LINEAR FEET	\$ 55.00	\$ (1,760.00)
17	3007	8 INCH CORRUGATED POLYETHYLENE PIPE Washington Street Extended	-12	LINEAR FEET	\$ 65.00	\$ (780.00)
18	3008	12 INCH CORRUGATED POLYETHYLENE PIPE, TYPE S Washington Street Extended	68	LINEAR FEET	\$ 87.00	\$ 5,916.00
19	3009	18 INCH CORRUGATED POLYETHYLENE PIPE, TYPE S Extended storm line at Alley 7	52	LINEAR FEET	\$ 110.00	\$ 5,720.00
20	3013	STANDARD WR INLET Added at request of city engineer Cemetery Ln Ext.	1	EACH	\$ 6,000.00	\$ 6,000.00
21	3014	STORM LATERAL CONNECTION Item adjustment due to overpayment	-4	EACH	\$ 1,000.00	\$ (4,000.00)
22	3015	BRICK MASONRY FOR MISCELLANEOUS STRUCTURES Item adjustment due to overpayment	-2	CUBIC YARDS	\$ 1,100.00	\$ (2,200.00)
23	3016	MIX 3 CONCRETE FOR PIPE ENCASEMENT Item adjustment due to overpayment	-5	CUBIC YARDS	\$ 700.00	\$ (3,500.00)
24	3017	CL3 EXCAV/INCID CONSTR	-12	CUBIC YARDS	\$ 70.00	\$ (840.00)
25	3018	SEL BACKFILL USE NO. 57 AGG Underdrain on Washington St	22.25	CUBIC YARDS	\$ 88.00	\$ 1,958.00
26	3019	MIX 3 CONCRETE FOR MISCELLANEOUS STRUCTURES Item adjustment due to overpayment	13.08	CUBIC YARDS	\$ 450.00	\$ 5,886.00

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CHANGE ORDER 3- CLOSEOUT

27	3020	ROOF LEADER CONNECTION Item adjustment due to overpayment	-4	EACH	\$ 575.00	\$ (2,300.00)
28	3022	6 INCH PERFORATED UNDERDRAIN HDPE Item adjustment due to overpayment	-200	LINEAR FEET	\$ 55.00	\$ (11,000.00)
29	3023	TYPE A MATTING	-22.22	SQUARE YARDS	\$ 5.55	\$ (123.32)
30	3026	CLASS II RIP RAP FOR SLOPE AND CHANNEL PROTECTION Added to outfall on Sleeman	18.7	SQUARE YARDS	\$ 145.00	\$ 2,711.50
31	5001	HOT MIX ASPHALT SUPERPAVE 12.5mm FOR SURFACE, PG64- Washington Street Extended	58.22	TON	\$ 125.00	\$ 7,277.50
32	5002	HOT MIX ASPHALT SUPERPAVE 19.0mm FOR BASE, PG64-22, Item adjustment due to overpayment	-49.46	TON	\$ 122.00	\$ (6,034.12)
33	5003	6 INCH CRUSHER RUN AGGREGATE GAB Item adjustment due to overpayment	-274	SQUARE YARDS	\$ 22.00	\$ (6,028.00)
34	6001	5 INCH REINFORCED CONCRETE SIDEWALK Item adjustment due to overpayment	-307	SQUARE FEET	\$ 14.00	\$ (4,298.00)
35	6002	DETECTABLE WARNING SURFACES Item adjustment due to overpayment	-26	SQUARE FEET	\$ 58.00	\$ (1,508.00)
36	6003	MODIFIED TYPE D CURB	73	LINEAR FEET	\$ 42.00	\$ 3,066.00
37	6005	MODIFIED SIDEWALK Washington Street Extended	265	SQUARE FEET	\$ 23.50	\$ 6,227.50
38	7002	PERMANENT SEEDING	-2.56	SQUARE YARDS	\$ 3.50	\$ (8.96)
39	7003	PLACING FURNISHED TOPSOIL 4 INCH DEPTH	-0.39	SQUARE YARDS	\$ 10.00	\$ (3.90)
40	7005	VINYL COATED CHAIN LINK FENCE - 4 FEET	20	LINEAR FEET	\$ 44.50	\$ 890.00
41	8001	6 INCH PVC SDR 35 SANITARY SEWER	154	LINEAR FEET	\$ 85.00	\$ 13,090.00
42	8002	8 INCH PVC SDR 35 SANITARY SEWER open cut at Green Street/George's creek	322	LINEAR FEET	\$ 78.00	\$ 25,116.00
43	8003	6 INCH PVC SANITARY SEWER CONNECTION	2	EACH	\$ 375.00	\$ 750.00
44	8004	6 INCH CLEANOUT WITH PLASTIC COVER	1	EACH	\$ 190.00	\$ 190.00
45	8005	6 INCH CLEANOUT WITH CAST IRON COVER	-1	EACH	\$ 270.00	\$ (270.00)
46	8006	48 INCH DIAMETER MANHOLE - MODIFIED FOR SANITARY - MIN Washington Street Extended, Alley 7, Pearson	6	EACH	\$ 5,000.00	\$ 30,000.00
47	8007	48 INCH DIAMETER MANHOLE - MODIFIED FOR SANITARY - VE	1	LINEAR FEET	\$ 550.00	\$ 550.00
48	8008	8 INCH CLEANOUT WITH CAST IRON COVER	-6	EACH	\$ 910.00	\$ (5,460.00)
49	8009	3/4 INCH WATERLINE	-35	LINEAR FEET	\$ 77.50	\$ (2,712.50)
50	8010	6 INCH WATER LINE	-25	LINEAR FEET	\$ 78.50	\$ (1,962.50)

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CHANGE ORDER 3- CLOSEOUT

51	8012	8 INCH WATER LINE	-40	LINEAR FEET	\$ 83.50	\$ (3,340.00)
52	8014	WATER SERVICE LATERAL Water street extended	2	EACH	\$ 1,200.00	\$ 2,400.00
53	8016	CONNECT ANY SIZE PIPE TO EXISTING SEWER MANHOLE	-2	EACH	\$ 1,250.00	\$ (2,500.00)
54	8017	PRELINER 4-6 INCH Not used- open cut instead	-50	LINEAR FEET	\$ 3.50	\$ (175.00)
55	8018	PRELINER 7-10 INCH not used- open cut instead	-500	LINEAR FEET	\$ 4.50	\$ (2,250.00)
56	8020	CURED IN-PLACE PIPE 7-10 INCH not used- open cut instead	-300	LINEAR FEET	\$ 65.00	\$ (19,500.00)
57	8021	CIPP POINT REPAIR 4-6 INCH	-2	EACH	\$ 3,000.00	\$ (6,000.00)
58	8022	CIPP POINT REPAIR 7-10 INCH	-2	EACH	\$ 4,500.00	\$ (9,000.00)
59	8025	PRESSURE GROUT FOR MANHOLE REHABILITATION	-5	GALLONS	\$ 35.00	\$ (175.00)
60	8026	HYDRAULIC CEMENT FOR MANHOLE REHABILITATION	-5	GALLONS	\$ 32.00	\$ (160.00)
61	8027	LINE EXISTING MANHOLE, UP TO 6 FEET DEPTH	-2	EACH	\$ 3,250.00	\$ (6,500.00)
62	8030	REHABILITATE EXISTING SANITARY LATERAL	3	EACH	\$ 1,000.00	\$ 3,000.00
					Overrun/Underrun	\$ 406.19

RESOLUTION 2026-13

A RESOLUTION OF THE CITY OF FROSTBURG, A MUNICIPAL CORPORATION OF THE STATE OF MARYLAND, APPROVING A LEASE FOR 126 S. WATER STREET BY THE FOUNDATION FOR FROSTBURG, INC. FOR USE AS THE PANTRY.

WHEREAS, the Foundation for Frostburg is in need of a new location for the Food Pantry that serves the local community including the City of Frostburg’s residents; and,

WHEREAS, the City of Frostburg recognizes the important role the Food Pantry plays in the lives of the community’s residents and wishes to lease the facility for a 1-year period.

NOW, THEREFORE BE IT RESOLVED, that the Mayor and City Council of Frostburg, Maryland do hereby approve a lease for the building located at 126 S. Water Street and further authorize the Mayor to sign the lease agreement between The Foundation for Frostburg, Inc. and the City of Frostburg.

ADOPTED this 21st day of April, 2026.

Frostburg Mayor and Council

BY _____
Todd J. Logsdon, Mayor

Attest:

Patrick O’Brien, City Administrator

FROSTBURG FOOD PANTRY LEASE AGREEMENT

THIS FROSTBURG FOOD PANTRY LEASE AGREEMENT (“Agreement”) made and executed this _____ day of _____, 2026 by and between **The City** (the “City”), a municipal corporation of the State of Maryland, and **Foundation for Frostburg, Inc.** (the “Tenant”).

WITNESSETH:

WHEREAS, the City owns the real property and improvements thereon located at 126 South Water Street, Frostburg, MD 21532 (the “Leased Premises”); and

WHEREAS, the City desires to lease the Leased Premises to the Tenant as the business location of its food pantry, commonly known as the Frostburg Food Pantry and the Tenant desires to lease the Leased Premises from the City, subject to the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the terms and provisions of the Agreement, it is hereby covenanted and agreed as follows:

1. Permitted Use. The Tenant may use the Leased Premises for the purpose of operating and administering the Frostburg Food Pantry. No other use shall be permitted except upon the written authorization of the City.

2. Term. The term of this Agreement will commence on June 1, 2026, and it shall continue for a period of one (1) year, expiring on May 31, 2027. Unless a party gives the other party written notice at least thirty (30) days in advance of the expiration of the initial term or a renewal term of this Agreement, this Agreement will automatically renew on the same terms, covenants, and conditions set forth herein for no more than four (4) one (1)-year renewal terms. Notwithstanding the foregoing, either party may terminate this Agreement at any time, for any reason or no reason at all, by providing the other party with no less than thirty (30) days’ advance written notice of the termination.

3. Rent.

3.1. Base Rent. The Tenant agrees to pay the City base rent in the amount of One Hundred Dollars (\$100.00) per month, payable in advance, during the term of this Agreement. The initial monthly installment of rent shall be due, payable and paid no later than the tenth (10th) day of each month, with the initial monthly installment being due, payable and paid no later than June 1, 2026.

3.2. Additional Rent. In the event the Tenant fails to pay any taxes, charges, costs and expenses which it is required to pay hereunder, the City may pay them and charge the cost thereof to the Tenant. If the Tenant otherwise fails to perform its obligations under this Agreement, the City may perform those obligations and charge the cost thereof to the Tenant. The

Tenant shall reimburse the City for those costs within thirty (30) days of the City's demand therefor.

4. Exclusive Use. The Tenant shall have exclusive use of the Leased Premises during the initial term and any renewal term(s) of this Agreement.

5. Utilities. The Tenant shall pay for all utilities at the Leased Premises, including, but not limited to: (i) electricity, (ii) gas, (iii) phone service, and (iv) internet service. The City shall provide water, sewer, and garbage removal services at the Leased Premises and shall assume the costs thereof. Otherwise, it shall not assume or be responsible for the payment or provision of any utility services at the Leased Premises.

6. Cleaning & Maintenance.

6.1. Tenant Responsibility.

- A. Except as provided for in Section 6.2, the Tenant shall keep the Leased Premises clean and in good repair, including, but not limited to, the building thereon (the "Building") and the exterior grounds of the Leased Premises.
- B. Except as provided for in Section 6.2, the Tenant shall be responsible for and shall bear the expenses of the repair and maintenance of the Leased Premises.
- C. The Tenant shall provide appropriately sized outdoor garbage bins (i.e., trash cans or a small dumpster acceptable to the City) for garbage removal.
- D. Upon the expiration or termination of this Agreement, the Tenant shall thoroughly clean the Leased Premises, leaving it in broom-clean condition.

6.2. City Responsibility. The City shall be responsible for the repair and maintenance of the exterior walls and windows, roof and HVAC systems of the Building. The City will provide grass cutting, snow removal, garbage removal for the Leased Premises.

7. Alterations. The Tenant shall not make any alterations, additions or improvements in or on the Building or at the Leased Premises without the City's prior written approval. The addition of fixtures (e.g., shelving, cabinets) shall also require the City's prior written approval. Any alterations, additions, or improvements by the Tenant shall immediately become the property of the City and remain upon the Leased Premises at the end of the term. However, upon the expiration or termination of this Agreement, the City shall have the right to require the Tenant to restore the Leased Premises to the condition it was in before the alteration, additions or improvements were made.

8. Insurance.

8.1. Required Coverages. Throughout the term or terms of this Agreement, as the case may be, the Tenant shall, at its expense, maintain the following insurance coverage:

- (i) Commercial general liability insurance written on an occurrence basis, covering bodily injury, property damage, personal injury, and contractual liability, with limits of not less than \$1,000,000 per occurrence and \$2,000,000 aggregate;
- (ii) Property Insurance covering the Tenant’s personal property, trade fixtures, inventory, and improvements within the Leased Premises on a replacement cost basis against risks of direct physical loss under a “special form” policy; and
- (iii) Workers’ compensation insurance as required by applicable law, together with employer’s liability insurance with limits of not less than \$1,000,000 per accident.

8.2. Required Terms. The foregoing insurance contracts will contain the following provisions:

- (i) The City and its officers, agents, employees, and elected officials shall be named as additional insureds (as their interests may appear); and
- (ii) The maximum number of days' notice the insurer can provide the City prior to cancellation, revocation, non-renewal or material change.

8.3. Subrogation Waiver.

- A. The City and the Tenant each waive any rights of recovery against the other for loss or damage to property to the extent such loss or damage is covered by property insurance maintained or required to be maintained under this Agreement.
- B. Each party shall use commercially reasonable efforts to obtain from its insurers a waiver of subrogation endorsement in favor of the other party.
- C. This waiver shall apply only to the extent permitted by applicable law and the terms of the applicable insurance policies.

8.4. Insurance Certificates. Contemporaneously with the execution of this

Agreement, the Tenant shall deliver a certificate of insurance to the City, which is satisfactory in form and content, as proof that the foregoing insurance is in force. It shall provide such additional certificates as may be necessary to provide the City with continuing assurance that the required insurance remains in place.

9. Indemnification.

9.1. City Obligation. The City agrees to indemnify and hold the Tenant harmless from and against any and all claims, costs, actions, causes of action, suits, judgments, damages, liabilities, losses or expenses, including, without limitation, attorney’s fees and the fees of expert witnesses and other consultants costs, which solely arise out of, as an incident to or in connection with any act or omission of the City, its agents, employees, representatives and contractors at the Leased Premises.

9.2. Tenant Obligation. The Tenant agrees to indemnify and hold the City harmless from and against any and all claims, costs, actions, causes of action, suits, judgments, damages, liabilities, losses or expenses, including, without limitation, attorney’s fees and the fees of expert witnesses and other consultants costs, which arise out of, as an incident to or in connection with any act or omission of the Tenant, its agents, employees, representatives and contractors or its use of the Leased Premises.

10. Notices. All notices and other communications provided for hereunder shall be in writing and, except as otherwise provided for herein, shall be deemed to have been given (a) when sent (and confirmation of delivery is received by the sender) by email or other electronic transmission (which transmission shall also be followed by overnight or regular mail delivery of a confirmation copy), (b) when delivered, if sent by hand delivery or nationally recognized overnight courier, addressed to the party at the addresses described below (unless such party shall otherwise designate another addressee to receive certain types of notices), or (c) three (3) days from the date of postmarking if mailed by U.S. mail.

If to the City: The City of Frostburg
 P.O. Box 440
 Frostburg, MD 21532
 Attention: City Administrator
 pobrien@frostburgcity.gov

If to the Tenant: Foundation for Frostburg, Inc.
 126 South Water Street
 Frostburg, MD 21532
 jandrbone@gmail.com

11. Counterparts; Electronic Copies. This Agreement may be executed in multiple counterparts, and all such executed counterparts when combined shall constitute the same document. Electronically transmitted counterparts shall be effective as originals copier copies shall be acceptable as originals

12. **Severability.** If any provision of this Agreement is determined by a court of competent jurisdiction to be illegal, invalid or unenforceable, the remainder of this Agreement shall nonetheless remain in full force and effect.

13. **Governing Law.** This Agreement shall be governed and construed in accordance with the laws of the State of Maryland. The parties hereto agree to be subject to the jurisdiction of and waive any objection to the venue of any action filed by one against the other in any court located in Allegany County, Maryland. Each of them waives any claim they may have that such courts constitute inconvenient forums. Unless otherwise agreed, all litigation arising out of or as an incident to the terms or execution of this Agreement shall be instituted and prosecuted in the District Court of Maryland for Allegany County or the Circuit Court for Allegany County, Maryland.

14. **Captions: Section Headings.** The marginal captions and section headings of this Agreement are for convenience only, shall not be considered in interpreting and construing this Agreement, and in no way define or limit the intent, rights or obligations of the parties hereunder.

15. **Waivers.** Neither any failure nor any delay on the part of either party in exercising any right, power or remedy hereunder or under applicable law shall operate as a waiver thereof, nor shall a single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or remedy. No waiver of any breach or default hereunder shall be deemed a waiver of any subsequent breach or default.

16. **Entire Agreement; Binding Effect.** This Agreement contains the final and entire agreement between the parties, and neither they nor their agents shall be bound by any terms, conditions, statements, warranties or representations, oral or written, not herein contained. The parties to this Agreement mutually agree that it is binding upon them and their respective successors and assigns.

17. **Modification or Waiver By Parties.** No modification or waiver by the parties of any of the terms of this Agreement shall be valid unless in writing and executed with the same formality as this Agreement.

18. **Gender/Tense/Conjugation.** The use of any gender, tense, or conjugation herein shall be applicable to all genders, tenses, and conjugations. The use of the singular shall include the plural and the plural shall include the singular.

19. **Joint Drafting.** The parties hereto agree that this document reflects the joint drafting efforts of each party, and any ambiguities shall not be construed against either party.

20. **Waiver of Trial by Jury.** THE PARTIES HERETO HEREBY WAIVE TRIAL BY JURY IN ANY ACTION OR PROCEEDING TO WHICH EITHER OF THEM MAY BE PARTIES ARISING OUT OF, AS AN INCIDENT TO OR IN ANY WAY PERTAINING TO THIS AGREEMENT OR ANY PROVISION THEREOF. IT IS AGREED AND UNDERSTOOD THAT THIS WAIVER CONSTITUTES A WAIVER OF TRIAL BY JURY OF ALL CLAIMS AGAINST ALL PARTIES TO SUCH ACTIONS OR PROCEEDINGS, INCLUDING CLAIMS

AGAINST PARTIES WHO ARE NOT PARTIES TO THIS AGREEMENT. THIS WAIVER IS KNOWINGLY, WILLINGLY AND VOLUNTARILY MADE BY THE PARTIES HERETO, AND THE PARTIES HERETO HEREBY REPRESENT THAT NO REPRESENTATIONS OF FACT OR OPINION HAVE BEEN MADE BY ANY INDIVIDUAL TO INDUCE THIS WAIVER OF TRIAL BY JURY OR TO IN ANY WAY MODIFY OR NULLIFY ITS EFFECT.

IN WITNESS WHEREOF, the parties hereto have caused the signatures of their authorized representatives to be affixed hereto the date first written hereinbefore.

WITNESS/ATTEST:

THE CITY OF FROSTBURG

Patrick O'Brien, City Administrator

By: _____
Todd J. Logsdon, Mayor

THE FROSTBURG AREA INTER-FAITH FOOD PANTRY, INC.

Signature

By: _____
Signature

Printed name

printed name

Job title/position

RESOLUTION 2026-14

A RESOLUTION OF THE CITY OF FROSTBURG, A MUNICIPAL CORPORATION OF THE STATE OF MARYLAND, RATIFYING AND CONFIRMING CERTAIN APPOINTED OFFICIALS.

WHEREAS, the City of Frostburg has certain appointed officials as set forth in Sections 801, 802 and 803 of the City Charter, including the Director of Finance; and

WHEREAS, Amy Phillips has served in the position of Director of Finance since June 9, 2025; and,

WHEREAS, certain provisions of pending financing for certain City capital projects require confirmatory action of the appointment officials involved in the transaction.

NOW, THEREFORE, BE IT RESOLVED, that the Mayor and City Council of Frostburg, Maryland hereby approve contracts with Sun Central LLC to take part in their Community Solar Program to receive Solar Bill Credits that will reduce the City’s monthly electricity expenses;

BE IT FURTHER RESOLVED, that the Mayor and City Council of Frostburg, Maryland hereby ratify and confirm the appointment of Amy Phillips as the Director of Finance for the City of Frostburg..

ADOPTED, this 21st day of April, 2026.

Frostburg Mayor and Council

BY _____
Todd J. Logsdon, Mayor

Attest:

Patrick O’Brien, City Administrator

RESOLUTION 2026-15

A RESOLUTION OF THE CITY OF FROSTBURG, A MUNICIPAL CORPORATION OF THE STATE OF MARYLAND, APPROVING CHANGE ORDER NO. 1 TO THE CONTRACT WITH WALLACE MONTGOMERY & ASOCIATES INC. FOR SERVICES SUPPORTING THE DEVELOPMENT OF THE CITY OF FROSTBURG COMPREHENSIVE PLAN.

WHEREAS, the City of Frostburg is in the process of developing a 10-year comprehensive plan for the City; and,

WHEREAS, the City has requested additional work from Wallace Montgomery & Associates, Inc. outside of the original scope of the contract including a supplemental survey, Questionnaire, and Vision and Guiding Principles.

NOW, THEREFORE, BE IT RESOLVED that the Mayor and City Council of Frostburg, Maryland do hereby approve Change Order No. 1 to the contract with Wallace Montgomery & Associates, LLC. for the Comprehensive Plan Project that results in a project cost increase of 27,940.00.

ADOPTED, this 21st day of April, 2026.

Frostburg Mayor and Council

BY _____
Todd J. Logsdon, Mayor

Attest:

Patrick O'Brien, City Administrator

April 16, 2026

Jon Miller
Director of Community Development
City of Frostburg
37 South Broadway
Frostburg, MD 21532

RE: Proposal of Engineering Services
City of Frostburg Comprehensive Plan
Extra Work Order #1 - Comprehensive Plan Update
WM No.: 224027.0001

Dear Jon Miller:

In response to ongoing discussions with the City of Frostburg (Frostburg) about the ongoing Comprehensive Plan update, Wallace Montgomery and Associates, LLP (WM) is pleased to submit this Extra Work Order (EWO) to finalize the Plan.

WM has been working with the City since June 2024 to complete the Comprehensive Plan Update. The initial schedule included with our proposal assumed a completion date of October 2025, but ongoing coordination with City staff, and additional community engagement, particularly with Frostburg State University and key stakeholders, has extended that period into 2026.

WM has been meeting monthly with the Steering Committee to review the draft chapters. As of April 2026, this is the current status of the Draft Plan:

Chapter	Name	Status
1	Introduction	Drafted
2	Plan Vision and Guiding Principles	Drafted
3	City Profile	Drafted
4	Community Facilities	Drafted
5	Land Use	In Progress
6	Municipal Growth	In Progress
7	Housing	Drafted
8	Transportation	Drafted
9	Economic Development and Tourism	Drafted
10	Environmental Resources	Drafted
11	Water Resources	In Progress
12	Mineral Resources	Drafted
13	Sustainability	Drafted
14	Implementation and Development Regulations	In Progress

WM has coordinated closely with your predecessor, Bethany Fife, and with City Planner Jamie Klink throughout this process.

This EWO request will provide funding to complete WM's development of the Comprehensive Plan Update for the City. WM proposes to continue to provide the services noted below.

SERVICES PROVIDED OUTSIDE OF SCOPE BY WALLACE MONTGOMERY (PREVIOUSLY COMPLETED)

- **Supplemental Engagement Effort #1: Frostburg State University Survey Supplement** – WM created supplemental survey in an effort to engage the opinions of FSU students, faculty, staff, and affiliates.
- **Supplemental Engagement Effort #2: Frostburg State Student Questionnaire** – WM worked with University Stakeholders to formulate and launch a student questionnaire that would be distributed specifically to student leaders at FSU.
- **Vision and Guiding Principles Chapter** – WM used the input from the Stakeholder Visioning Session to draft a Vision and Guiding Principles Chapter for the Comprehensive Plan.

ADDITIONAL SERVICES BE PROVIDED BY WALLACE MONTGOMERY

- Revise all drafts once data requests to the client have been received
- Update all drafts once comments from client review have been received
- Update drafts once comments from 60-Day Agency review have been received
- Complete the additional Sustainability Chapter, as requested

SUBMISSION SCHEDULE

WM anticipates completion of the Out-of-Scope Services described above, and completion of the overall project within six months from Notice to Proceed of this EWO. The anticipated breakdown of the schedule is as follows:

- Three months to complete all outstanding Chapters and submit them to State for review.
- 60 days state review.
- One month for WM to address all comments and submit Frostburg for adoption.

WM will make every effort to maintain the agreed upon schedule and will inform the City of Frostburg consistently of the progress of this effort in addition to any delays to the schedule.

COMPENSATION

This EWO requests an additional Twenty-Seven Thousand Nine Hundred Forty Dollars (\$27,940.00) for completion of the scope of work presented above. WM will only charge the time required to complete the tasks described above up to, but not to exceed the total cost. The included Staff-Hour Estimate forms detail the staff hours allocated to this work effort.

Proposal of Engineering Services
City of Frostburg Comprehensive Plan
Extra Work Order #1 - Comprehensive Plan Update
WM No.: 224027.0001
April 16, 2026
Page 3

We thank you for the opportunity to submit this EWO proposal and we look forward to working with you to complete this important project.

Sincerely,

WALLACE MONTGOMERY & ASSOCIATES, LLP



Theodore M. Foglietta, AICP
Associate Vice President-Planning

AAM/TMF/jlr
Task1 EWO1
Enclosures

Wallace Montgomery & Associates, LLP
 10150 York Road, Suite 200
 Hunt Valley, Maryland 21030
 Phone: 410-494-9093

Proposal of Engineering Services
 City of Frostburg Comprehensive Plan
 Extra Work Order #1 - Comprehensive Plan Update

4/2/2026

WM No. 224027.0001 EWO1

TASK DESCRIPTION	Associate	Project Manager	Senior Engineer	Project Planner	Project GIS Analyst	Env Scientist	TOTAL HOURS
Services Outside of Scope of Work to be Provided by WM							
Frostburg State University Survey Supplement	1	10		20	20		51
Frostburg State Student Questionnaire	1	10		20	20		51
Addition of Sustainability Chapter (compose, address comments)	1	2	2	8	8	8	29
Vision and Guiding Principles Chapter	1	2	2	8	10	10	33
Address all comments from both Client and Review Agencies	1	2	2	10	10	5	30
Update All Chapters with Data when Recieved from Client	1	2	2	10	10	5	30
TOTALS	6	28	8	76	78	28	224
	\$230.00	\$185.00	\$155.00	\$120.00	\$100.00	\$115.00	
	\$1,380.00	\$5,180.00	\$1,240.00	\$9,120.00	\$7,800.00	\$3,220.00	\$27,940.00

Denotes work previously completed out of scope

THE CITY OF FROSTBURG

ORDINANCE 2026-03

AN ORDINANCE OF THE CITY OF FROSTBURG, A BODY POLITIC AND CORPORATE AND A MUNICIPAL CORPORATION OF THE STATE OF MARYLAND (THE “CITY”), APPROVING THE FORM AND AUTHORIZING THE EXECUTION, ISSUANCE, SALE AND DELIVERY BY THE CITY OF ONE OR MORE GENERAL OBLIGATION INSTALLMENT BONDS IN AN AGGREGATE PRINCIPAL AMOUNT NOT EXCEEDING \$6,000,000 PURSUANT TO THE AUTHORITY OF SECTIONS 19-301 TO 19-309, INCLUSIVE, OF THE LOCAL GOVERNMENT ARTICLE OF THE ANNOTATED CODE OF MARYLAND, AS AMENDED, SECTION 718 OF THE CHARTER OF THE CITY OF FROSTBURG, AND THE MARYLAND WATER INFRASTRUCTURE FINANCING ADMINISTRATION ACT (CODIFIED AS SECTIONS 9-1601 TO 9-1622, INCLUSIVE, OF THE ENVIRONMENT ARTICLE OF THE ANNOTATED CODE OF MARYLAND, AS AMENDED), EACH SUCH BOND TO BE DESIGNATED “THE CITY OF FROSTBURG WATER QUALITY BOND,” AND BY SERIES OR BY SUCH OTHER DESIGNATION AS PROVIDED IN THIS ORDINANCE, THE NET PROCEEDS OF THE SALE THEREOF TO BE USED AND APPLIED FOR THE PUBLIC PURPOSE OF FINANCING ALL OR A PORTION OF THE COST OF ACQUIRING, CONSTRUCTING AND EQUIPPING CERTAIN FACILITIES, EACH OF WHICH CONSTITUTES A “WASTEWATER FACILITY” AS MORE PARTICULARLY DESCRIBED HEREIN, INCLUDING THE DEVELOPMENT OF PROPERTY, THE ACQUISITION AND INSTALLATION OF EQUIPMENT AND FURNISHINGS AND ANY RELATED ARCHITECTURAL, FINANCIAL, LEGAL, PLANNING AND ENGINEERING EXPENSES; TO AUTHORIZE THE EXECUTION OF FOUR LOAN AGREEMENTS BETWEEN THE CITY AND THE MARYLAND WATER INFRASTRUCTURE FINANCING ADMINISTRATION; TO PRESCRIBE THE FORM AND TENOR OF THE BONDS AND THE TERMS AND CONDITIONS FOR THE ISSUANCE AND SALE THEREOF AT PRIVATE SALE TO THE MARYLAND WATER INFRASTRUCTURE FINANCING ADMINISTRATION; TO PROVIDE FOR THE PROMPT PAYMENT OF THE MATURING PRINCIPAL OF AND INTEREST ON THE BONDS; TO PLEDGE THE FULL FAITH AND CREDIT OF THE CITY TO THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON THE BONDS; TO COVENANT TO LEVY AND COLLECT ALL TAXES NECESSARY TO PROVIDE FOR THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON SUCH BONDS; AND TO PROVIDE GENERALLY FOR THE ISSUANCE, SALE AND DELIVERY OF SUCH BONDS.

RECITALS

Title VI of the Federal Water Pollution Control Act, as amended by the Water Quality Act of 1987 (the “Clean Water Act”), authorizes the United States Environmental Protection Agency to award grants to qualifying states to establish and capitalize State water pollution control revolving funds (“SRFs”) for the purpose of providing loans and certain other forms of financial assistance to finance, among other things, the construction and improvement of publicly-owned wastewater treatment facilities and the implementation of estuary conservation management plans and nonpoint source management programs.

As contemplated by the Clean Water Act, the General Assembly of Maryland at its 1988 session enacted the Maryland Water Infrastructure Financing Administration Act, codified at Sections 9-1601 to 9-1622, inclusive, of the Environment Article of the Annotated Code of Maryland, as amended (the “Water Infrastructure Act”), establishing the Maryland Water Infrastructure Financing Administration (the “Administration”) and establishing a SRF designated the Maryland Water Quality Revolving Loan Fund (the “Fund”) to be maintained and administered by the Administration. The Water Infrastructure Act authorizes the Administration, among other things, to make a loan from the Fund to a “local government” (as defined in the Water Infrastructure Act) for the purpose of financing all or a portion of the cost of a “wastewater facility” (as defined in the Water Infrastructure Act). The City of Frostburg, a body politic and corporate and a municipal corporation of the State of Maryland (the “City”), is a “local government” within the meaning of the Water Infrastructure Act.

The City has applied to the Administration for loans from the Fund to assist in the financing of certain projects, each of which constitutes a “wastewater facility” within the meaning of the Water Infrastructure Act. As contemplated by the Water Infrastructure Act, the Administration and the City will enter into the Loan Agreements (hereinafter defined) to effect and evidence such respective loans.

The City has determined that it will issue its Bonds (hereinafter defined), each of which constitutes a “loan obligation” within the meaning of the Water Infrastructure Act, to evidence its payment obligations under the respective Loan Agreements.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF FROSTBURG:

Section 1. (a) Pursuant to the authority of the Water Infrastructure Act, Sections 19-301 to 19-309, inclusive, of the Local Government Article of the Annotated Code of Maryland, as amended, and Section 718 of the Charter of the City of Frostburg (collectively, the “Acts”), the City hereby determines to (i) borrow money and incur indebtedness in an aggregate principal amount not to exceed One Million Five Hundred Thousand Dollars (\$1,500,000) (the “2026A-1 Loan”) and (ii) borrow money and incur indebtedness in an aggregate principal amount not to exceed One Million Five Hundred Thousand Dollars (\$1,500,000) (the “2026A-2 Loan”), each for the public purpose of financing a portion of the cost of acquiring, constructing and equipping a certain project as described in Exhibit A-1 attached hereto as part hereof (the “2026A Project”), including the development of property, the acquisition and installation of equipment and furnishings and any related architectural, financial, legal, planning and engineering expenses. The

2026A Project constitutes a “wastewater facility” within the meaning of the Water Infrastructure Act.

(b) Pursuant to the authority of the Acts, the City hereby further determines to (i) borrow money and incur indebtedness in an aggregate principal amount not to exceed One Million Five Hundred Thousand Dollars (\$1,500,000) (the “2026B-1 Loan”) and (ii) borrow money and incur indebtedness in an aggregate principal amount not to exceed One Million Five Hundred Thousand Dollars (\$1,500,000) (the “2026B-2 Loan”), each for the public purpose of financing a portion of the cost of acquiring, constructing and equipping a certain project as described in Exhibit A-2 attached hereto as part hereof (the “2026B Project” and together with the 2026A Project, the “Projects”), including the development of property, the acquisition and installation of equipment and furnishings and any related architectural, financial, legal, planning and engineering expenses. The 2026B Project constitutes a “wastewater facility” within the meaning of the Water Infrastructure Act.

Section 2. (a) (i) As contemplated by the Water Infrastructure Act, the 2026A-1 Loan, in the maximum principal amount determined in accordance with the 2026A-1 Loan Agreement (hereinafter defined) not to exceed One Million Five Hundred Thousand Dollars (\$1,500,000), shall be advanced and incurred in accordance with the provisions of a loan agreement between the City and the Administration substantially in the form set forth in Exhibit B-1 attached hereto and made a part hereof (the “2026A-1 Loan Agreement”) in order to finance the 2026A Project. The City hereby approves and authorizes the execution and delivery of the 2026A-1 Loan Agreement substantially in the form set forth in Exhibit B-1 attached hereto and made a part hereof, with such insertions, omissions or variations as may be deemed necessary or appropriate and approved by the officers of the City executing the same (their execution of the 2026A-1 Loan Agreement to constitute conclusive evidence of such approval), and the 2026A-1 Loan Agreement and all of the covenants and conditions set forth therein, including, without limitation, payment to the Administration of the annual Administrative Fee described and defined therein, are hereby approved and adopted as the obligation of the City.

(ii) To evidence the payment obligations of the City under the 2026A-1 Loan Agreement, the City shall issue and sell, upon its full faith and credit, a general obligation installment bond in a maximum principal amount determined in accordance with the 2026A-1 Loan Agreement not to exceed One Million Five Hundred Thousand Dollars (\$1,500,000), hereby designated as “The City of Frostburg Water Quality Bond, Series 2026A-1” (the “Series 2026A-1 Bond”).

(iii) The Mayor of the City is hereby authorized to determine and approve, on behalf of the City, by Executive Order, the final principal amount of such Series 2026A-1 Bond (up to the amount authorized by this Ordinance), the dates and amounts of principal payments of the Series 2026A-1 Bond, and the interest rate on the Series 2026A-1 Bond, and insert the same into the Series 2026A-1 Bond and 2026A-1 Loan Agreement, and to make such changes to the forms of Series 2026A-1 Bond and 2026A-1 Loan Agreement, including insertions therein or additions or deletions thereto, as may be necessary to conform the terms of the Series 2026A-1 Bond and the 2026A-1 Loan Agreement to the terms of the Loan and the program requirements of the Administration, such approval to be conclusively evidenced by such Mayor’s execution and delivery of such document.

(iv) The City hereby approves the form of the Series 2026A-1 Bond and authorizes the execution and delivery of the Series 2026A-1 Bond in substantially the form set forth in Exhibit F to the 2026A-1 Loan Agreement attached hereto and made a part hereof, in the maximum principal amount, maturing and bearing interest as determined in the foregoing paragraph of this Section, including all covenants and conditions set forth in such form, and with such insertions, omissions or variations as may be deemed necessary or appropriate and approved by the officers of the City executing the same (their execution of the Series 2026A-1 Bond to constitute conclusive evidence of such approval).

(b) (i) As contemplated by the Water Infrastructure Act, the 2026A-2 Loan, in the maximum principal amount determined in accordance with the 2026A-2 Loan Agreement (hereinafter defined) not to exceed One Million Five Hundred Thousand Dollars (\$1,500,000), shall be advanced and incurred in accordance with the provisions of a loan agreement between the City and the Administration substantially in the form set forth in Exhibit B-2 attached hereto and made a part hereof (the “2026A-2 Loan Agreement”) in order to finance the 2026A Project. The City hereby approves and authorizes the execution and delivery of the 2026A-2 Loan Agreement substantially in the form set forth in Exhibit B-2 attached hereto and made a part hereof, with such insertions, omissions or variations as may be deemed necessary or appropriate and approved by the officers of the City executing the same (their execution of the 2026A-2 Loan Agreement to constitute conclusive evidence of such approval), and the 2026A-2 Loan Agreement and all of the covenants and conditions set forth therein, including, without limitation, payment to the Administration of the annual Administrative Fee described and defined therein, are hereby approved and adopted as the obligation of the City.

(ii) To evidence the payment obligations of the City under the 2026A-2 Loan Agreement, the City shall issue and sell, upon its full faith and credit, a general obligation installment bond in a maximum principal amount determined in accordance with the 2026A-2 Loan Agreement not to exceed One Million Five Hundred Thousand Dollars (\$1,500,000), hereby designated as “The City of Frostburg Water Quality Bond, Series 2026A-2” (the “Series 2026A-2 Bond”). The principal advanced under the 2026A-2 Loan Agreement shall be payable upon demand by the Administration in accordance with the 2026A-2 Loan Agreement, together with interest at an annual rate of the monthly average of the Bond Buyer-11 Bond Index accruing from the date on which such demand is made by the Administration, which demand may be made at any time prior to that date which is the ten (10) year anniversary of the date of issuance of the Series 2026A-2 Bond.

(iii) The Mayor of the City is hereby authorized to determine and approve, on behalf of the City, by Executive Order, the final principal amount of such Series 2026A-2 Bond (up to the amount authorized by this Ordinance), the dates and amounts of principal payments of the Series 2026A-2 Bond, and the interest rate on the Series 2026A-2 Bond, and insert the same into the Series 2026A-2 Bond and 2026A-2 Loan Agreement, and to make such changes to the forms of Series 2026A-2 Bond and 2026A-2 Loan Agreement, including insertions therein or additions or deletions thereto, as may be necessary to conform the terms of the Series 2026A-2 Bond and the 2026A-2 Loan Agreement to the terms of the Loan and the program requirements of the Administration, such approval to be conclusively evidenced by such Mayor’s execution and delivery of such document.

(iv) The City hereby approves the form of the Series 2026A-2 Bond and authorizes the execution and delivery of the Series 2026A-2 Bond in substantially the form set forth in Exhibit F to the 2026A-2 Loan Agreement attached hereto and made a part hereof, in the maximum principal amount, maturing and bearing interest as determined in the foregoing paragraph of this Section, including all covenants and conditions set forth in such form, and with such insertions, omissions or variations as may be deemed necessary or appropriate and approved by the officers of the City executing the same (their execution of the Series 2026A-2 Bond to constitute conclusive evidence of such approval).

(v) Pursuant to the Clean Water Act, as amended by federal Appropriation or Authorization Acts, and Section 9-1605(d)(14) of the Environment Article of the Annotated Code of Maryland, as amended, the Administration shall forgive repayment of the principal amount of the portion of the loan evidenced by the Series 2026A-2 Bond and the interest payable thereon under Article III of the 2026A-2 Loan Agreement and the Series 2026A-2 Bond so long as the City performs all of its other obligations under the 2026A-2 Loan Agreement. Upon determination by the Administration that any such other obligations under the 2026A-2 Loan Agreement have not been performed by the City, payment of the principal of the portion of the loan evidenced by the Series 2026A-2 Bond and the interest thereon from the date of demand at the rate set forth in the foregoing paragraph above will be due and payable upon demand. If the Administration has not demanded payment of the principal of and interest on the Series 2026A-2 Bond by that date which is the ten (10) year anniversary of the date of issuance thereof, then the Administration shall be deemed to have forgiven repayment of the portion of the loan evidenced by the Series 2026A-2 Bond and interest thereon, the Series 2026A-2 Bond shall be deemed cancelled and the portion of the loan evidenced by the Series 2026A-2 Bond and the 2026A-2 Loan Agreement shall be deemed terminated and of no further force and effect.

Section 3. (a) (i) As contemplated by the Water Infrastructure Act, the 2026B-1 Loan, in the maximum principal amount determined in accordance with the 2026B-1 Loan Agreement (hereinafter defined) not to exceed One Million Five Hundred Thousand Dollars (\$1,500,000), shall be advanced and incurred in accordance with the provisions of a loan agreement between the City and the Administration substantially in the form set forth in Exhibit B-3 attached hereto and made a part hereof (the “2026B-1 Loan Agreement”) in order to finance the 2026B Project. The City hereby approves and authorizes the execution and delivery of the 2026B-1 Loan Agreement substantially in the form set forth in Exhibit B-3 attached hereto and made a part hereof, with such insertions, omissions or variations as may be deemed necessary or appropriate and approved by the officers of the City executing the same (their execution of the 2026B-1 Loan Agreement to constitute conclusive evidence of such approval), and the 2026B-1 Loan Agreement and all of the covenants and conditions set forth therein, including, without limitation, payment to the Administration of the annual Administrative Fee described therein, are hereby approved and adopted as the obligation of the City.

(ii) To evidence the payment obligations of the City under the 2026B-1 Loan Agreement, the City shall issue and sell, upon its full faith and credit, a general obligation bond in a maximum principal amount determined in accordance with the 2026B-1 Loan Agreement not to exceed One Million Five Hundred Thousand Dollars (\$1,500,000),

hereby designated as “The City of Frostburg Water Infrastructure Bond, Series 2026B-1” (the “Series 2026B-1 Bond”).

(iii) The Mayor of the City is hereby authorized to determine and approve, on behalf of the City, by Executive Order, the final principal amount of such Series 2026B-1 Bond (up to the amount authorized by this Ordinance), the dates and amounts of principal payments of the Series 2026B-1 Bond, and the interest rate on the Series 2026B-1 Bond, and insert the same into the Series 2026B-1 Bond and 2026B-1 Loan Agreement, and to make such changes to the forms of Series 2026B-1 Bond and 2026B-1 Loan Agreement, including insertions therein or additions or deletions thereto, as may be necessary to conform the terms of the Series 2026B-1 Bond and the 2026B-1 Loan Agreement to the terms of the Loan and the program requirements of the Administration, such approval to be conclusively evidenced by such Mayor’s execution and delivery of such document.

(iv) The City hereby approves the form of the Series 2026B-1 Bond and authorizes the execution and delivery of the Series 2026B-1 Bond in substantially the form set forth in Exhibit F to the 2026B-1 Loan Agreement attached hereto and made a part hereof, in the maximum principal amount, maturing and bearing interest as determined in the foregoing paragraph of this Section, including all covenants and conditions set forth in such form, and with such insertions, omissions or variations as may be deemed necessary or appropriate and approved by the officers of the City executing the same (their execution of the Series 2026B-1 Bond to constitute conclusive evidence of such approval).

(b) (i) As contemplated by the Water Infrastructure Act, the 2026B-2 Loan, in the maximum principal amount determined in accordance with the 2026B-2 Loan Agreement (hereinafter defined) not to exceed One Million Five Hundred Thousand Dollars (\$1,500,000), shall be advanced and incurred in accordance with the provisions of a loan agreement between the City and the Administration substantially in the form set forth in Exhibit B-4 attached hereto and made a part hereof (the “2026B-2 Loan Agreement” and, together with the 2026A-1 Loan Agreement, 2026A-2 Loan Agreement and the 2026B-1 Loan Agreement, the “Loan Agreements”) in order to finance the 2026B Project. The City hereby approves and authorizes the execution and delivery of the 2026B-2 Loan Agreement substantially in the form set forth in Exhibit B-4 attached hereto and made a part hereof, with such insertions, omissions or variations as may be deemed necessary or appropriate and approved by the officers of the City executing the same (their execution of the 2026B-2 Loan Agreement to constitute conclusive evidence of such approval), and the 2026B-2 Loan Agreement and all of the covenants and conditions set forth therein, including, without limitation, payment to the Administration of the annual Administrative Fee described therein, are hereby approved and adopted as the obligation of the City.

(ii) To evidence the payment obligations of the City under the 2026B-2 Loan Agreement, the City shall issue and sell, upon its full faith and credit, a general obligation bond in a maximum principal amount determined in accordance with the 2026B-2 Loan Agreement not to exceed One Million Five Hundred Thousand Dollars (\$1,500,000), hereby designated as “The City of Frostburg Water Infrastructure Bond, Series 2026B-2” (the “Series 2026B-2 Bond” and, collectively with the Series 2026A-1 Bond, the Series 2026A-2 Bond and the Series 2026B-1 Bond, the “Bonds”). The principal advanced under the 2026B-2 Loan Agreement shall be payable upon demand by the Administration in

accordance with the 2026B-2 Loan Agreement, together with interest at an annual rate of the monthly average of the Bond Buyer-11 Bond Index accruing from the date on which such demand is made by the Administration, which demand may be made at any time prior to that date which is the ten (10) year anniversary of the date of issuance of the Series 2026B-2 Bond.

(iii) The Mayor of the City is hereby authorized to determine and approve, on behalf of the City, by Executive Order, the final principal amount of such Series 2026B-2 Bond (up to the amount authorized by this Ordinance), the dates and amounts of principal payments of the Series 2026B-2 Bond, and the interest rate on the Series 2026B-2 Bond, and insert the same into the Series 2026B-2 Bond and 2026B-2 Loan Agreement, and to make such changes to the forms of Series 2026B-2 Bond and 2026B-2 Loan Agreement, including insertions therein or additions or deletions thereto, as may be necessary to conform the terms of the Series 2026B-2 Bond and the 2026B-2 Loan Agreement to the terms of the Loan and the program requirements of the Administration, such approval to be conclusively evidenced by such Mayor’s execution and delivery of such document.

(iv) The City hereby approves the form of the Series 2026B-2 Bond and authorizes the execution and delivery of the Series 2026B-2 Bond in substantially the form set forth in Exhibit F to the 2026B-2 Loan Agreement attached hereto and made a part hereof, in the maximum principal amount, maturing and bearing interest as determined in the foregoing paragraph of this Section, including all covenants and conditions set forth in such form, and with such insertions, omissions or variations as may be deemed necessary or appropriate and approved by the officers of the City executing the same (their execution of the Series 2026B-2 Bond to constitute conclusive evidence of such approval).

(v) Pursuant to the Clean Water Act, as amended by federal Appropriation or Authorization Acts, and Section 9-1605(d)(14) of the Environment Article of the Annotated Code of Maryland, as amended, the Administration shall forgive repayment of the principal amount of the portion of the loan evidenced by the Series 2026B-2 Bond and the interest payable thereon under Article III of the 2026B-2 Loan Agreement and the Series 2026B-2 Bond so long as the City performs all of its other obligations under the 2026B-2 Loan Agreement. Upon determination by the Administration that any such other obligations under the 2026B-2 Loan Agreement have not been performed by the City, payment of the principal of the portion of the loan evidenced by the Series 2026B-2 Bond and the interest thereon from the date of demand at the rate set forth in the foregoing paragraph above will be due and payable upon demand. If the Administration has not demanded payment of the principal of and interest on the Series 2026B-2 Bond by that date which is the ten (10) year anniversary of the date of issuance thereof, then the Administration shall be deemed to have forgiven repayment of the portion of the loan evidenced by the Series 2026B-2 Bond and interest thereon, the Series 2026B-2 Bond shall be deemed cancelled and the portion of the loan evidenced by the Series 2026B-2 Bond and the 2026B-2 Loan Agreement shall be deemed terminated and of no further force and effect.

Section 4. The Loan Agreements and the Bonds shall be executed on behalf of and in the name of the City by the Mayor of the City (the “Mayor”). The corporate seal of the City shall be

affixed to the Loan Agreements and the Bonds, and authenticated and attested by the signature of the City Administrator of the City. The principal of and interest on the Bonds shall be paid in accordance with the terms and conditions of the Loan Agreements and the Bonds. The Loan Agreements and the Bonds shall be valid and legally binding obligations of the City enforceable in accordance with their respective terms.

The officers of the City authorized to execute the Loan Agreements and the Bonds are expressly authorized to execute and deliver from time to time (a) such amendments to the Loan Agreements as shall be deemed necessary or appropriate by such officers to cure any defect or ambiguity in the Loan Agreements, to add any provision thereto beneficial to the City or to comply with Administration practices and policy from time to time and (b) such amendments to the Bonds (or a new Bond or Bonds in replacement thereof) in accordance with the Loan Agreements and the Bonds as shall be necessary to provide for the reamortization of the principal installments due thereunder in the event that the total amount advanced thereunder shall be less than the maximum principal amount of the applicable Bond, so long as neither the aggregate principal amount of such Bond, the amount of any principal installment thereunder in any year, nor the interest rate thereon shall be increased.

Section 5. As authorized and contemplated by the Loan Agreements and Section 9-1606 of the Water Infrastructure Act, the Bonds shall be sold at private sale to the Administration, public advertisement and sale of the Bonds not being required by the terms of the Acts and the best interests of the City being hereby declared to be served by such private sale. The Mayor is expressly authorized and empowered to take any and all action necessary to complete and close the award, sale and delivery of the Bonds to the Administration, including, without limitation, making such changes or modifications in the forms of the Bonds approved hereby as may be necessary or appropriate to comply with Administration practices and policies applicable from time to time.

Section 6. The proceeds of the sale of the Bonds shall be applied from time to time as and when received by the City to finance costs of the respective Projects in strict compliance with the provisions of the Loan Agreements and the Acts.

Section 7. For the purpose of paying the maturing principal of and interest on the Bonds when due, the City has established or shall establish a dedicated source of revenues as described in the Loan Agreements. In the event such revenues are insufficient to meet the debt service requirements of the Bonds in any fiscal year in which the Bonds are outstanding, the City shall levy or cause to be levied ad valorem taxes in such fiscal year upon all the legally assessable property within its corporate limits in rate and amount sufficient to provide for the prompt payment of such principal and interest on the Bonds in such fiscal year, and, if the proceeds from the collection of taxes so levied in any such fiscal year are inadequate for such payment, additional taxes shall be levied in the succeeding fiscal year to make up such deficiency. The full faith and credit and unlimited taxing power of the City are hereby irrevocably pledged to the payment of the principal of and interest on the Bonds as and when they become due and payable and to the levy and collection of the taxes hereinbefore described as and when such taxes may become necessary in order to provide sufficient funds to meet the debt service requirements of the Bonds. The City hereby covenants and agrees with the registered owner of the Bonds to levy and collect the taxes hereinbefore described and to take any action that may be appropriate from time to time during the

period that the Bonds remains outstanding and unpaid to provide the funds necessary to pay promptly the principal and interest due thereon. The City hereby pledges any moneys that the City is entitled to receive from the State of Maryland to secure its obligations under any Loan Agreement to the extent provided in any Loan Agreement.

Section 8. The City covenants that the execution of the Loan Agreements and the issuance of the Bonds, together with all other indebtedness of the City, is within every debt and other limit prescribed by the Constitution or statutes of the State of Maryland and the Charter of the City.

Section 9. This Ordinance shall become effective twenty (20) days after its enactment.

Introduced: _____, 2026

Public Hearing: _____, 2026

Adopted: _____, 2026

Effective: _____, 2026

ATTEST:

THE CITY OF FROSTBURG

City Administrator

By: _____
Mayor

Exhibit A-1

2026A PROJECT DESCRIPTION

The 2026A Project will consist of the construction of improvements to the existing Frostburg combined sewer infrastructure. It involves the separation of the combined sewer system and related ancillary improvements to the City’s wastewater collection system. Specifically, the 2026A Project is Project Phase X-B and will involve the removal of combined sewer and stormwater infrastructure in the areas of East Mechanic Street, Washington Street, and McCulloh Street in Frostburg, with connection to the existing, separated systems. The objectives of the 2026A include eliminating stormwater infiltration from the City’s sewer lines, reducing the frequency and severity of combined sewer overflows, and minimizing backups into surrounding streams and buildings. Additionally, the 2026A Project will improve infrastructure, including roads and sidewalks, stabilize and lower treatment costs, reduce user rates, and ensure compliance with the State of Maryland’s separation mandates.

Exhibit A-2

2026B PROJECT DESCRIPTION

The 2026B Project will consist of the construction of improvements to the existing Frostburg combined sewer infrastructure. It involves the separation of the combined sewer system and related ancillary improvements to the City’s wastewater collection system. Specifically, the 2026B Project is Project Phase X-C and will involve the removal of combined sewer and stormwater infrastructure in the areas of East Main Street, East Mechanic Street, Washington Street, and McCulloh Street in Frostburg, with connection to the existing, separated systems. The objectives of the 2026B Project include eliminating stormwater infiltration from the City’s sewer lines, reducing the frequency and severity of combined sewer overflows, and minimizing backups into surrounding streams and buildings. Additionally, the 2026B Project will improve infrastructure, including roads and sidewalks, stabilize and lower treatment costs, reduce user rates, and ensure compliance with the State of Maryland’s separation mandates.

Exhibit B-1

FORM OF 2026A-1 LOAN AGREEMENT

Exhibit B-2

FORM OF 2026A-2 LOAN AGREEMENT

Exhibit B-3

FORM OF 2026B-1 LOAN AGREEMENT

Exhibit B-4

FORM OF 2026B-2 LOAN AGREEMENT

ORDINANCE NO. 2026-04

AN ORDINANCE OF THE MAYOR AND CITY COUNCIL OF THE CITY OF FROSTBURG, MARYLAND, ENTITLED “AN ORDINANCE TO REPEAL AND REENACT SECTIONS 4.01 AND 4.02 OF APPENDIX D OF THE CITY CODE (THE RENTAL HOUSING CODE) PERTAINING TO RENTAL HOUSING STANDARDS AND FIRE SAFETY.”

WHEREAS, the City’s Rental Housing Ordinance is included in the City Code as Appendix D.

WHEREAS, Section 4.02 of the Rental Housing Ordinance sets forth fire safety standards applicable to rental housing, including a requirement that all smoke detectors be interconnected.

WHEREAS, the Mayor and City Council have determined that verifying proper fire and smoke separation assemblies in rental properties with adjoining rental units is impractical.

WHEREAS, the Rental Housing Ordinance needs to be updated to reflect State law requirements pertaining to carbon monoxide alarms (see Subtitle 11 of Title 12 of the Public Safety Article of the Annotated Code of Maryland).

WHEREAS, the Mayor and City Council are enacting this Ordinance to modify the interconnection requirements and update provisions pertaining to carbon monoxide alarms in Appendix D of the City Code.

NOW, THEREFORE:

SECTION 1: BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF FROSTBURG, MARYLAND that Sections 4.01 and 4.02 of Appendix D of the City Code are repealed and reenacted, to read as is set forth in Exhibit A attached hereto.

SECTION 2: BE IT FURTHER ORDAINED that any person found guilty of violating Section 4.02(d) of the Rental Housing Ordinance (tampering with life safety devices) shall be subject to a fine of \$1,000.00. The schedule of fines for municipal infractions (presently Section 2-12 of the City Code) shall be amended accordingly.

SECTION 3: BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF FROSTGURG, MARYLAND that this Ordinance shall take effect twenty (20) days from the date of its passage.

THE CITY OF FROSTBURG

By: _____
Todd Logsdon, Mayor

ATTEST:

Patrick O'Brien,
City Administrator

Introduced: _____
Public Hearing: _____
Adopted: _____
Effective: _____

EXHIBIT A

4.01 General Standards.

All new and existing *rental units* shall meet the standards set forth in the Property Maintenance Code, incorporating by reference the edition of the International Property Maintenance Code together with the revisions and amendments thereto that were most recently adopted by the Mayor and Council. As of the effective date of this Ordinance, the Mayor and Council have adopted the 2012 edition of the International Property Maintenance Code, subject to the following revisions and amendments:

- *Section 101.1 Insert: City of Frostburg*
- *Section 103.4 Insert: Municipal Fine Schedule*
- *Section 112.4 Fine – Insert: Min and Max*
- *Section 304.14 Insert: May 15 to Sept 15 (Insect Screens)*
- *Section 602.3 Insert: October 1 to May 1 (Heat Supply)*
- *Section 602.4 Insert: October 1 to May 1 (Heat Supply)*
- *Sections 704.2 and 7.03: See Section 4.02 of this ordinance*
- *Delete Section 111 Appeal and replace with Section 4.03 of this ordinance*
- *Add Section 1.07 Definitions to Chapter 2, Definitions*
- *Replace Violations with Section 2.05 of this ordinance*

4.02 Fire Safety.

The fire and safety measures in this section are in addition to the Fire Safety Requirements of the International Property Maintenance Code (i.e., sections 704.2 and 704.3). In the event of any conflict between the requirements of this section and the requirements of the International Property Maintenance Code, the terms of this section shall control.

- a. Smoke Alarms.
1. All smoke alarms must meet American National Standards Institute (ANSI)/Underwriters Laboratories (UL) standards 217 and 2034 or ANSI/UL 268 and 2075.

2. All *rental units* shall have at least one (1) AC-powered smoke alarm with a battery backup installed (an “AC-Powered Alarm”) on each floor of a dwelling, including basement levels.
3. Required smoke alarms shall be located outside of a bedroom in a central location or common area to protect the primary means of egress from a rental unit.
3. Areas within a *rental unit* consisting of a space substantially separated from an area containing an existing AC-Powered Alarm or otherwise isolated from an area protected by an AC-Powered Alarm may, in the reasonable discretion of the *Inspector*, be required to have additional smoke alarms (i.e., AC-Powered Alarms or 10-year sealed battery smoke alarms “Battery-Powered Alarms”) installed in excess of one (1) AC-Powered Alarm per floor.
4. Each room used for sleeping purposes must have an additional AC-Powered Alarm or Battery-Powered Alarm.
5. All smoke alarms shall be installed within six (6) inches of the ceiling if mounted on the wall.
6. Smoke alarms shall be kept and maintained in good operating condition. Inoperable alarms shall be repaired or replaced within three (3) days of written notice from the *Inspector*. However, if there isn’t a functional alarm in a single-level rental unit or a level of a multi-level rental unit, the alarm shall be repaired or replaced within twenty-four (24) hours of written notice from the *Inspector*.
7. All smoke alarms within a rental unit must be interconnected so that all detectors within the unit sound if any of them are activated. This can be achieved through hardwire interconnection (120V) or the use of Wireless Radio Frequency (RF) interconnection. Physical interconnection of alarms shall not be required where approved wireless alarms are installed and all alarms sound upon activation of one alarm. The use of Wi-Fi based interconnection is prohibited.
8. Adjoining rental units in a rental property shall be required to interconnect smoke alarms between units so that all alarms within the property sound if any of them are activated unless units are furnished with approved fire and smoke separation. To be considered furnished with approved fire and smoke separation, evidence of approved materials and installation must be provided to the inspector and the separation may not show any evidence of penetrations or unprotected openings.
9. All newly-created rental units, all substantially remodeled, enlarged, expanded, or upgraded rental units, or all rewired rental units shall meet

all applicable code requirements, including the requirement that all smoke alarms be AC-powered and interconnected via hardwired connections.

b. Carbon monoxide alarms.

1. Definition. “Carbon monoxide alarm” means a device that:
 - (i) senses carbon monoxide;
 - (ii) when sensing carbon monoxide, is capable of emitting a distinct and audible sound;
 - (iii) is listed and carries the listing of a nationally recognized testing laboratory approved by the Office of the State Fire Marshal; and
 - (iv)
 - (a) is wired into an alternating current (AC) powerline with secondary battery backup;
 - (b) is battery-powered, sealed, tamper-resistant, and uses a long-life battery that has a life of not less than ten (10) years; or
 - (c) is connected to an on-site control unit that monitors the carbon monoxide alarm remotely so that a responsible party is alerted when the device activates the alarm signal and receives its primary power from a battery or the control unit.
2. Combination with smoke alarms. A carbon monoxide alarm may be combined with a smoke alarm if the combined device complies with:
 - (i) Title 9 and Subtitle 11 of Title 12 of the Public Safety Article of the Annotated Code of Maryland; and
 - (ii) American National Standards Institute (ANSI)/Underwriters Laboratories (UL) standards 217 and 2034 or ANSI/UL 268 and 2075.
3. Location. A carbon monoxide alarm must be installed in a *rental unit* outside and in the immediate vicinity of each separate sleeping area and on every level, including the basement. Notwithstanding the foregoing, if there is a centralized alarm system capable of emitting a distinct, audible sound to warn all occupants, the owner of the rental unit may install a carbon monoxide alarm within twenty-five (25) feet of any carbon monoxide-producing fixture or equipment.

c. Fire Extinguishers.

- i. Every *rental unit* shall contain not less than one (1) fire extinguisher, 2.5 pound charge, approved by Underwriters Laboratories for combating Class A, B, and C fires.

- ii. Fire extinguishers must be mounted in plain sight on a wall in or readily accessible to the kitchen area, except that the location of fire extinguishers regulated and approved by the State Fire Marshal for multi-family rental properties will be acceptable.
- d. Tampering with Life Safety Devices.

Any person who tampers with, removes without immediately replacing or vandalizes any life safety device (i.e., a smoke alarm, carbon monoxide alarm, fire extinguisher, fire alarm and/or carbon monoxide alarm system, sprinkler system, standpipe system, and similar safety devices and systems) shall be guilty of a municipal infraction and shall be subject to the penalties provided in this Code.

ORDINANCE 2026-05

FORMAL ADOPTION OF THE FISCAL 2026/2027 CORPORATE, WATER, SEWER, GARBAGE AND WATER SURCHARGE FUND OPERATING BUDGETS FOR THE CITY OF FROSTBURG

AN ORDINANCE OF THE MAYOR AND COUNCIL OF THE CITY OF FROSTBURG, MARYLAND, ENTITLED “FORMAL ADOPTION OF THE FISCAL YEAR 2026/2027 CORPORATE, WATER, SEWER, GARBAGE AND WATER SURCHARGE FUND OPERATING BUDGETS FOR THE CITY OF FROSTBURG”

WHEREAS: Section 702 and 703 amended of the Frostburg City Charter provides for the adoption of a fiscal year budget beginning July 1, 2026 – June 30, 2027; and

WHEREAS: Said Charter mandates that the budget shall be adopted by the governing body in the form of an ordinance;

NOW, THEREFORE, in consideration of the foregoing, the Mayor and City Council of Frostburg, Maryland ordain and establish this ordinance as follows:

BE IT FURTHER RESOLVED that the following be set forth:

- OPERATING BUDGETS:** See Attachment
- TAXES:** See Attachment
- WATER RATES:** See Attachment
- SEWAGE RATES:** See Attachment
- GARBAGE RATES:** See Attachment
- MISCELLANEOUS FEES:** See Attachment

Introduction: April 21, 2026
 Public Hearing: May 19, 2026
 Adoption: _____
 Effective: _____

ATTEST: MAYOR & CITY COUNCIL OF FROSTBURG

Patrick O’Brien, City Administrator

By: _____
Todd J. Logsdon, Mayor

**CITY OF FROSTBURG
OPERATING BUDGET
FOR THE YEAR ENDED JUNE 30, 2026**

Section 11, Item J.

ACCOUNT	DESCRIPTION	AMOUNT
01-000-4000	Taxes - Real Estate	\$ 3,240,000
01-000-4001	Personal Property Taxes	6,000
01-000-4002	Public Utility Taxes	220,000
01-000-4003	Corporation Taxes	85,000
01-000-4004	Prior Year Taxes	1,000
01-000-4005	Trailer Tax	1,680
01-000-4010	Interest on Taxes	35,000
01-000-4011	Tax Credits	-
01-000-4012	Tax Abatements	(3,000)
01-000-4013	Enterprise Zone Reimbursement	-
01-000-4020	Maryland Income Tax	700,000
01-000-4021	Admission Taxes	15,000
01-000-4022	Hotel Motel Tax	155,000
01-000-4023	Highway Use Tax	569,000
01-000-4024	Coal Tax	2,500
01-000-4025	Housing Authority	12,000
01-000-4027	Payment in Lieu of Taxes	3,900
01-000-4031	Liquor Licenses	10,000
01-000-4032	Traders Licenses	10,000
01-000-4040	Police Grants	40,000
01-000-4041	Parking	500
01-000-4043	Police Protection Grant	100,000
01-000-4045	Fines & Forfeitures	4,500
01-000-4047	Frostburg State University MOU	10,000
01-000-4049	School Resource Reimbursement	30,000
01-000-4050	Permits, Planning	2,500
01-000-4051	Building Permits	3,000
01-000-4052	Rental Registration	90,000
01-000-4054	Construction Inspections	30,000
01-000-4055	Code Enforcement Citations	3,000
01-000-4056	Comm Dev Grant Revenue	65,000
01-000-4060	Swimming Pool	65,000
01-000-4062	Day Camp Registrations	18,750
01-000-4063	Recreation Activities	22,000
01-000-4200	Operating Transfer - Water Fund	147,200
01-000-4201	Operating Transfer - Sewer Fund	299,500
01-000-4202	Operating Transfer - Garbage Fund	27,600
01-000-4250	NSF Fees	1,500
01-000-4301	Rents	111,000
01-000-4302	HRD Appropriation	10,800
01-000-4303	Franchises	68,000
01-000-4304	Miscellaneous Revenue	4,000
01-000-4306	Project Reimbursement	1,570,803
01-000-4315	Proceeds from Fund Balance	102,577

**CITY OF FROSTBURG
OPERATING BUDGET
FOR THE YEAR ENDED JUNE 30, 2026**

Section 11, Item J.

ACCOUNT	DESCRIPTION	AMOUNT
01-000-4317	Special Revenue	60,000
01-000-4600	Interest Income	495,000
	Total Corporate Fund Revenue	\$ 8,445,310
Corporate Fund Expenses		
Executive		
01-100-5000	Salaries	\$ 22,200
01-100-5010	Social Security	1,700
01-100-5012	Workers Comp	150
01-100-5050	Legislative Contingencies	6,000
01-100-5104	Insurance - Public Officials	10,500
01-100-5150	Training	3,500
01-100-5160	Travel	5,000
01-100-5185	Professional Fees	30,000
	Total Executive	\$ 79,050
Administrative		
01-110-5000	Salaries	\$ 174,000
01-110-5010	Social Security	13,350
01-110-5011	Pension	21,750
01-110-5012	Workers Comp	425
01-110-5013	Insurance - Health	30,600
01-110-5014	Insurance - Health Retiree	17,300
01-110-5015	Contribution - 457	2,000
01-110-5030	Employee Wellness	8,500
01-110-5050	Reserve For Contingencies	10,000
01-110-5102	Insurance - Gen Liab	200
01-110-5105	Insurance - Property	10,000
01-110-5106	Insurance - AD&D and Life	4,500
01-110-5111	Contributions - Tourism	125,000
01-110-5150	Training	2,500
01-110-5160	Travel	3,000
01-110-5185	Professional Fees	1,100
01-110-5191	Communications	12,000
01-110-5200	Advertising	6,400
01-110-5205	Legal	45,000
01-110-5207	Pension Administrative Fee	7,800
01-110-5210	Office Supplies	11,000
01-110-5220	Postage	28,000
01-110-5230	Computer Exp	14,000
01-110-5232	IT Licensing and Fees	40,500
01-110-5235	Digital Engagement	29,000
01-110-5391	Princlpal and Interest on Debt Service	154,800

**CITY OF FROSTBURG
OPERATING BUDGET
FOR THE YEAR ENDED JUNE 30, 2026**

Section 11, Item J.

ACCOUNT	DESCRIPTION	AMOUNT
01-110-5500	Building - Armory	12,000
01-110-5502	Building Maintenance	37,000
01-110-5550	Utilities - Building	16,000
01-110-5700	Bank Fees	300
01-110-5807	Capital Outlay	1,500,000
	Total Administrative	<u>\$ 2,338,025</u>
	Finance	
01-120-5000	Salaries	\$ 83,000
01-120-5010	Social Security	6,350
01-120-5011	Pension	10,250
01-120-5012	Workers Comp	205
01-120-5013	Insurance - Health	9,600
01-120-5015	Contribution - 457	650
01-120-5102	Insurance - Gen Liab	200
01-120-5105	Insurance - Property	4,000
01-120-5150	Training	1,000
01-120-5160	Travel	1,500
01-120-5185	Professional Fees	1,000
01-120-5310	Auditing	95,000
01-120-5311	Actuarial Study	7,000
01-120-5313	Tax Collection	1,300
01-120-5810	RETSA Obligation	30,000
	Total Finance	<u>\$ 251,055</u>
	Community Development	
01-130-5000	Salaries	\$ 119,500
01-130-5010	Social Security	9,250
01-130-5011	Pension	15,000
01-130-5012	Workers Comp	300
01-130-5013	Insurance - Health	22,500
01-130-5015	Contribution - 457	1,500
01-130-5102	Insurance - Gen Liab	200
01-130-5105	Insurance - Property	5,000
01-130-5150	Training	750
01-130-5160	Travel	900
01-130-5185	Professional Fees	750
01-130-5322	Planning	15,000
01-130-5323	Public Art	750
01-130-5822	Special Projects	5,000
	Total Community Development	<u>\$ 196,400</u>
	Code Enforcement	
01-140-5000	Salaries	\$ 79,250

**CITY OF FROSTBURG
OPERATING BUDGET
FOR THE YEAR ENDED JUNE 30, 2026**

Section 11, Item J.

ACCOUNT	DESCRIPTION	AMOUNT
01-140-5010	Social Security	6,250
01-140-5011	Pension	10,000
01-140-5012	Workers Comp	2,600
01-140-5013	Insurance - Health	19,700
01-140-5015	Contribution - 457	750
01-140-5100	Insurance - Auto	850
01-140-5102	Insurance - Gen Liab	200
01-140-5105	Insurance - Property	4,000
01-140-5150	Training	500
01-140-5160	Travel	500
01-140-5185	Professional Fees	400
01-140-5231	Software and Subscriptions	37,700
01-140-5330	Code Enforcement	5,000
01-140-5331	Construction Inspect	20,000
01-140-5332	Rental Inspection	1,000
01-140-5401	Auto Expense	600
	Total Code Enforcement	\$ 189,300
 Public Works Administration		
01-150-5000	Salaries	\$ 99,000
01-150-5010	Social Security	7,600
01-150-5011	Pension	11,800
01-150-5012	Workers Comp	1,975
01-150-5013	Insurance - Health	15,200
01-150-5015	Contribution - 457	1,010
01-150-5100	Insurance - Auto	850
01-150-5102	Insurance - Gen Liab	200
01-150-5105	Insurance - Property	2,500
01-150-5150	Training	2,750
01-150-5160	Travel	2,000
01-150-5185	Professional Fees	2,100
01-150-5193	One Call Concepts	2,200
01-150-5340	Engineering Equipment	3,000
01-150-5341	Mapping Supplies	8,000
01-150-5342	Public Works	7,400
01-150-5400	Gas, Oil, Grease	3,600
01-150-5420	Fleet lease	10,250
	Total Public Works Administration	\$ 181,435
	 Total Admin and Executive Expense	 \$ 3,235,265
 Public Safety		
01-160-5000	Salaries	\$ 1,237,000
01-160-5002	Salaries - Police Grants	40,000

**CITY OF FROSTBURG
OPERATING BUDGET
FOR THE YEAR ENDED JUNE 30, 2026**

Section 11, Item J.

ACCOUNT	DESCRIPTION	AMOUNT
01-160-5003	Court Time	13,000
01-160-5010	Social Security	98,750
01-160-5011	Pension	418,500
01-160-5012	Workers Comp	70,250
01-160-5013	Insurance - Health	191,500
01-160-5015	Contribution - 457	7,500
01-160-5100	Insurance - Auto	9,600
01-160-5102	Insurance - Gen Liab	1,600
01-160-5103	Insurance - Police Professional	10,500
01-160-5105	Insurance - Property	5,500
01-160-5150	Training	35,000
01-160-5170	Uniforms	13,000
01-160-5180	Safety Equipment	1,200
01-160-5181	Law Enforcement Equipment	18,500
01-160-5191	Communications	30,500
01-160-5206	C3I Clerical Support	6,000
01-160-5210	Office Supplies	5,000
01-160-5230	Computers	8,500
01-160-5350	FSU MOU	10,000
01-160-5380	Police Reform	31,000
01-160-5390	Miscellaneous Expense	4,000
01-160-5400	Gas, Oil, Grease	36,000
01-160-5401	Auto Expense	18,000
01-160-5420	Fleet Lease	75,000
01-160-5502	Jail and Office Maintenance	4,000
01-160-5550	Utilities - Public Safety	10,000
01-160-5851	Fire Dept Appropriation	287,195
	Total Public Safety	\$ 2,696,595
	Public Works - Street	
01-170-5000	Salaries	\$ 350,000
01-170-5010	Social Security	27,000
01-170-5011	Pension	43,500
01-170-5012	Workers Comp	18,500
01-170-5013	Insurance - Health	73,200
01-170-5015	Contribution - 457	2,000
01-170-5100	Insurance - Auto	11,500
01-170-5102	Insurance - Gen Liab	750
01-170-5105	Insurance - Property	10,500
01-170-5150	Training	5,000
01-170-5170	Uniforms	8,000
01-170-5180	Safety Equipment	7,000
01-170-5191	Communications	15,000
01-170-5210	Office Supplies	2,000

**CITY OF FROSTBURG
OPERATING BUDGET
FOR THE YEAR ENDED JUNE 30, 2026**

Section 11, Item J.

ACCOUNT	DESCRIPTION	AMOUNT
01-170-5400	Gas, Oil, Grease	36,000
01-170-5420	Fleet Lease	70,000
01-170-5550	Utilities - Building	7,000
01-170-5711	Salt & Abrasives	175,000
01-170-5712	Sign Maintenance	15,000
01-170-5713	Street Equipment Maintenance	120,000
01-170-5714	Street Lighting	100,000
01-170-5715	Street Maintenance Repairs	100,000
01-170-5716	Street Shop Equipment	70,000
01-170-5717	Street Lighting Repairs	50,000
01-170-5718	Tree Removal	5,500
01-170-5800	Capital Outlay	20,000
01-170-5861	Street Paving	200,000
01-170-5865	Parking Lot Maintenance	10,000
	Total Public Works - Street	\$ 1,552,450
	Recreation	
01-180-5000	Salaries	\$ 311,500
01-180-5010	Social Security	24,000
01-180-5011	Pension	34,000
01-180-5012	Workers Comp	16,500
01-180-5013	Insurance - Health	67,600
01-180-5015	Contribution - 457	1,750
01-180-5100	Insurance - Auto	2,900
01-180-5102	Insurance - Gen Liab	750
01-180-5105	Insurance - Property	14,000
01-180-5150	Training	300
01-180-5160	Travel	750
01-180-5170	Uniforms	5,700
01-180-5181	Safety Equipment	500
01-180-5321	Software and Subscriptions	5,200
01-180-5400	Gas, Oil, Grease	10,800
01-180-5420	Fleet Lease	23,000
01-180-5503	Armory Expense - Gym	8,000
01-180-5504	Community Center	18,000
01-180-5510	City Place	13,000
01-180-5515	City Place Free Produce	2,500
01-180-5520	Childcare Center	5,000
01-180-5550	Utilities	8,000
01-180-5720	Beautify The Burg Expense	1,500
01-180-5721	Rec Equipment Maintenance	13,000
01-180-5722	Rec League Appropriations	5,000
01-180-5723	Rec Park Maintenance Expense	58,000
01-180-5724	Street Trees	7,500

**CITY OF FROSTBURG
OPERATING BUDGET
FOR THE YEAR ENDED JUNE 30, 2026**

Section 11, Item J.

ACCOUNT	DESCRIPTION	AMOUNT
01-180-5725	Trailhead Maintenance Expense	2,000
01-180-5726	Recreational Programs	11,500
01-180-5772	Trash Removal	12,000
01-180-5800	Capital Outlay	125,100
	Total General Recreation	<u>\$ 809,350</u>
01-181-5000	Salaries	\$ 72,000
01-181-5010	Social Security	5,500
01-181-5012	Workers Comp	3,800
01-181-5108	Unemployment	200
01-181-5507	Pool Operating	42,000
	Total Pool	<u>\$ 123,500</u>
01-182-5000	Salaries	\$ 24,000
01-182-5010	Social Security	1,850
01-182-5012	Workers Comp	1,300
01-182-5108	Unemployment	200
01-182-5507	Day Camp Operations	800
	Total Day Camp	<u>\$ 28,150</u>
	Total Recreation	<u>\$ 961,000</u>
	Total Corporate Fund Expenses	<u><u>\$ 8,445,310</u></u>
	Corporate Fund Net Income (Loss)	<u><u>\$ -</u></u>

**CITY OF FROSTBURG
OPERATING BUDGET
FOR THE YEAR ENDED JUNE 30, 2026**

Section 11, Item J.

ACCOUNT	DESCRIPTION	AMOUNT
Water Fund Revenues		
02-000-4000	Water Service Revenue	\$ 1,952,500
02-000-4001	Interest Earned - Water	3,000
02-000-4317	Special Revenue	-
02-000-4402	Sale of Meters	5,000
02-000-4403	Tapping Fees	5,600
02-000-4404	Sundry Sales	2,500
02-000-4600	Interest Income	24,000
	Total Water Revenue	\$ 1,992,600
Water Fund Expenses		
Water - Administration		
02-190-5000	Salaries	\$ 75,500
02-190-5010	Social Security	5,600
02-190-5011	Pension	9,500
02-190-5012	Workers Comp	1,425
02-190-5013	Insurance - Health	11,300
02-190-5015	Contribution - 457	900
02-190-5313	Collection Expense	2,200
02-190-5370	FMHA Bond	900
02-190-5600	Corporate Overhead	147,200
	Total Water Administration	\$ 254,525
Water - Filtration		
02-192-5102	Insurance - Gen Liab	\$ 1,800
02-192-5105	Insurance - Property	25,600
02-192-5106	Insurance - Boiler & Machinery	5,000
02-192-5521	Pumping System Expense	95,000
02-192-5522	Purification Plant Maintenance	50,000
02-192-5710	Filtration Contract Payment	680,000
02-192-5800	Filtration Capital Outlay	6,000
	Total Water Filtration	\$ 863,400
Water - Supply		
02-194-5000	Salaries	\$ 34,500
02-194-5010	Social Security	2,650
02-194-5011	Pension	4,275
02-194-5012	Workers Comp	1,675
02-194-5015	Contribution - 457	100
02-194-5506	Hydro Facility Expense	5,000
02-194-5550	Utilities - Water Supply	5,000
02-194-5730	Water Supply Expense	50,000
02-194-5800	Capital Outlay	5,000

**CITY OF FROSTBURG
OPERATING BUDGET
FOR THE YEAR ENDED JUNE 30, 2026**

Section 11, Item J.

ACCOUNT	DESCRIPTION	AMOUNT
	Total Water Supply	<u>\$ 108,200</u>
	Water - Distribution	
02-196-5000	Salaries	\$ 264,500
02-196-5010	Social Security	20,250
02-196-5011	Pension	29,000
02-196-5012	Workers Comp	13,000
02-196-5013	Insurance - Health	56,300
02-196-5015	Contribution - 457	1,000
02-196-5100	Insurance - Auto	4,600
02-196-5102	Insurance - Gen Liab	1,800
02-196-5105	Insurance - Property	6,600
02-196-5150	Training	2,000
02-196-5170	Uniforms	4,000
02-196-5180	Safety Equipment	6,600
02-196-5191	Communications	13,000
02-196-5210	Office Supplies	1,000
02-196-5390	Miscellaneous Expense	1,000
02-196-5400	Gas, Oil, Grease	20,400
02-196-5420	Fleet Lease	38,000
02-196-5505	Crestview Pumping Station Expense	15,000
02-196-5550	Utilities - Water Distribution	5,000
02-196-5700	Distribution Expense	70,000
02-196-5701	Distribution Pipe Expense	11,000
02-196-5702	Equipment Maintenance	12,000
02-196-5703	Fire Hydrants Expense	3,500
02-196-5704	Transmission Mains Expense	95,000
02-196-5740	Meters Expense	50,000
	Total Water Distribution	<u>\$ 744,550</u>
	Total Water Fund Expenses	<u>\$ 1,970,675</u>
	Total Water Fund Net Income (Loss)	<u>\$ 21,925</u>

**CITY OF FROSTBURG
OPERATING BUDGET
FOR THE YEAR ENDED JUNE 30, 2026**

Section 11, Item J.

ACCOUNT	DESCRIPTION	AMOUNT
Sewer Fund Operating Revenues		
03-000-4000	Sewer Charges	\$ 1,805,000
03-000-4001	Interest Earned - Sewer	3,500
03-000-4315	Proceeds from Fund Balance	-
03-000-4317	Special Revenue	-
03-000-4404	Sundry Sales	1,500
03-000-4503	Sewer Tap Fees	5,500
03-000-4600	Interest Income	44,000
	Total Sewer Operating Revenue	\$ 1,859,500
 Sewer Operating Expenses		
Sewer - Administration		
03-210-5000	Salaries	\$ 75,500
03-210-5010	Social Security	5,600
03-210-5011	Pension	9,500
03-210-5012	Workers Comp	1,425
03-210-5013	Insurance - Health	11,300
03-210-5015	Contribution - 457	900
03-210-5313	Collection Expense	2,700
	Total Sewer Administration	\$ 106,925
 Sewer - Operating		
03-211-5000	Salaries	\$ 192,250
03-211-5010	Social Security	14,750
03-211-5011	Pension	29,500
03-211-5012	Workers Comp	9,500
03-211-5013	Insurance - Health	39,400
03-211-5015	Contribution - 457	1,800
03-211-5100	Insurance - Auto	1,700
03-211-5102	Insurance - Gen Liab	900
03-211-5105	Insurance - Property	7,000
03-211-5150	Training	1,000
03-211-5170	Uniforms	3,000
03-211-5180	Safety Equipment	1,500
03-211-5191	Communications	2,400
03-211-5400	Gas, Oil, Grease	12,000
03-211-5420	Fleet Lease	21,000
03-211-5520	Pumping Station Maintenance	6,000
03-211-5600	Corporate Overhead	299,500
03-211-5761	Sanitary Commission Charges	1,160,000
03-211-5762	Sanitary Comm-Transmission Projects	11,800
03-211-5763	Sewer Operating Expense	50,000
03-211-5764	Sewer Pumping Expense	10,000

**CITY OF FROSTBURG
OPERATING BUDGET
FOR THE YEAR ENDED JUNE 30, 2026**

Section 11, Item J.

ACCOUNT	DESCRIPTION	AMOUNT
03-211-5805	Capital Outlay - Sewer Projects	50,000
	Total Sewer Operating	<u>\$ 1,925,000</u>
	Total Sewer Operating Expenses	<u>\$ 2,031,925</u>
	Sewer Operating Net Income (Loss)	<u>\$ (172,425)</u>
	CSO Revenue	
03-220-4520	CSO Surcharge Revenue	\$ 408,000
03-220-4521	Interest Earned - CSO Surcharge	1,800
03-220-4317	Special Revenue	-
03-220-4530	Project Reimbursements	2,266,000
03-200-4540	Proceeds of Debt	1,133,000
	Total CSO Revenue	<u>\$ 3,808,800</u>
	CSO Expenses	
03-220-5391	Interest Expense	\$ 2,810
03-220-5392	Debt Redemption	24,000
03-220-5800	Capital Outlay	3,500,000
	Total CSO Expense	<u>\$ 3,526,810</u>
	CSO Net Income (Loss)	<u>\$ 281,990</u>
	Sewer Fund Net Income (Loss)	<u><u>\$ 109,565</u></u>
	Water Surcharge Fund Revenue	
04-000-4000	Water Tap Surcharge	\$ 672,000
04-000-4001	Interest Earned - Surcharge	2,500
04-000-4317	Special Revenue	-
04-000-4600	Interest Income	40,000
	Total Water Surcharge Revenue	<u>\$ 714,500</u>
	Water Surcharge Fund Expenses	
04-200-5313	Collection Expense	\$ 2,200
04-200-5390	Miscellaneous Expense	-
04-200-5391	Interest Expense	33,280
04-200-5392	Debt Redemption	432,250
04-200-5800	Capital Outlay	172,000
04-200-5802	Capital Repairs	45,000
	Total Water Surcharge Expense	<u>\$ 684,730</u>
	Water Surcharge Net Income (Loss)	<u><u>\$ 29,770</u></u>

**CITY OF FROSTBURG
OPERATING BUDGET
FOR THE YEAR ENDED JUNE 30, 2026**

Section 11, Item J.

ACCOUNT	DESCRIPTION	AMOUNT
Garbage Fund Revenues		
05-000-4000	Trash & Garbage Charges	\$ 540,000
05-000-4104	Interest Earned - Garbage	3,300
05-000-4404	Sundry Sales	1,950
05-000-4600	Interest Income	3,500
	Total Garbage Revenue	<u>\$ 548,750</u>
Garbage Fund Expenses		
Garbage Fund - Administration		
05-230-5000	Salaries	\$ 56,500
05-230-5010	Social Security	4,300
05-230-5011	Pension	7,000
05-230-5012	Workers Comp	875
05-230-5013	Insurance - Health	9,000
05-230-5015	Contribution - 457	900
05-230-5313	Collection Expense	750
	Total Garbage Administration	<u>\$ 79,325</u>
Garbage Operating		
05-232-5000	Salaries	\$ 93,500
05-232-5010	Social Security	7,250
05-232-5011	Pension	11,750
05-232-5012	Workers Comp	4,600
05-232-5013	Insurance - Health	25,400
05-232-5015	Contribution - 457	750
05-232-5100	Insurance - Auto	2,600
05-232-5102	Insurance - Gen Liab	550
05-232-5105	Insurance - Property	5,000
05-232-5170	Uniforms	3,000
05-232-5180	Safety Equipment	1,500
05-232-5210	Office Supplies	1,000
05-232-5400	Gas, Oil, Grease	16,800
05-232-5600	Corporate Overhead	27,600
05-232-5771	Bulk Cleanup Expense	10,000
05-232-5772	Landfill Charges	150,000
05-232-5773	Sanitation Operating Expense	60,000
05-232-5774	Yard Waste Composting	1,500
	Total Garbage Operating	<u>\$ 422,800</u>
	Total Garbage Expenses	<u>\$ 502,125</u>
	Garbage Net Income (Loss)	<u>\$ 46,625</u>

**CITY OF FROSTBURG
SCHEDULE OF MUNICIPAL FEES**

REAL ESTATE TAXES: \$0.70 per \$100 of Assessed Value
The interest rate on real estate taxes is 1.5% per month after the due date.

TRAILER/MOBILE HOME TAXES: \$5.00 per lot per month on each occupied mobile home lot; taxes are payable monthly by the landowner

PERSONAL PROPERTY TAXES: \$1.50 per \$100 of Assessed Value

Personal property taxes are assessed and billed monthly throughout the fiscal year by the City as assessment certifications are received from the State Department of Assessments and Taxation. The due date for personal property taxes is not less than 30 days after the billing date. The interest rate on personal property tax is 1.5% and is added monthly to any delinquent amount due.

WATER SHUT OFF PENALTY: \$48

AFTER HOURS WATER RECONNECTION FEE: \$80

SUPPLEMENTAL WATER METER READINGS \$10

REJECTED PAYMENT CHARGES (CHECK, ACH, CREDIT AND DEBIT CARD)

First Offense	\$30
Second and Continuing Offense	\$50

OTHER FEES

Administrative rebilling fee	\$10 per billing
Interest	1½ % per month on unpaid balances

ELECTRONIC PAYMENT PROCESSING FEES (For payments processed in person at the Municipal Center at 37 Broadway and online tax payments and utility payments)

Credit Cards	percentage of the total transaction as required per Vendor (not less than 2.95%)
E-Checks (Remitted via the City's website)	Transaction fee is paid by the City

ELECTRONIC PAYMENT PROCESSING FEES (Permit and rental licensing online payments only)

Credit or debit card	3.25% of the total transaction amount (\$2.00 minimum)
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ELECTRONIC PAYMENT PROCESSING FEES (Debit or credit card payments through Square only)

Card presented in person and entered electronically	3.75%
Card entered manually	4.75%

**CITY OF FROSTBURG
SCHEDULE OF MUNICIPAL FEES**

WATER RATES

WATER CONSUMPTION	<u>IN CITY CUSTOMERS</u>
0 – 50,000 gallons per billing	\$7.39/1,000 gallons
50,001 gallons per billing and over	\$14.14 /1,000 gallons

Based on an evaluation of water consumption on an annual basis in February each year, in-city customers who typically consume an average of 1,000,000 gallons per month over a 12 month period are billed for water consumption as follows:

0 – 500,000 gallons per billing	\$7.39/1,000 gallons
500,001 gallons per billing and over	\$14.14/1,000 gallons

WATER CONSUMPTION	<u>INDIVIDUAL CUSTOMER ACCOUNTS OUTSIDE CITY</u>
0 – 50,000 gallons per billing	\$11.09/1,000 gallons
50,001 gallons per billing and over	\$21.21/1,000 gallons

	<u>BULK DELIVERY TO ALLEGANY COUNTY</u>
All water consumption	\$4.38/1,000 gallons

SEWER RATES

Billed based on water consumption	<u>ALL CUSTOMERS</u>
0 – 50,000 gallons per billing	\$11.80/1,000 gallons
50,001 gallons per billing and over	\$15.25/1,000 gallons

WATER SURCHARGE

Surcharge per unit or equivalent	
In-City Frostburg customers	\$8.30/month
Out of City customers	\$8.30/month
County customers except Eckhart	\$8.30/month
County customers - Eckhart	\$2.96/month

CSO (Combined Sewer Overflow) SURCHARGE

Surcharge per unit or equivalent	\$7.00/month
ServLine Residential Leak Insurance	\$1.70/month

Single family residential units are automatically enrolled in the program coverage unless the customer opts out of this service by contacting ServLine at 1-888-752-0339.

GARBAGE RATES

Residential customers	\$18.00/month
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**CITY OF FROSTBURG
SCHEDULE OF MUNICIPAL FEES**

In-City residential recycling credit (requires enrollment with Burgmeier’s) \$3.00 per month
Special Garbage Charges

A special garbage collection can be scheduled for a prepaid fee of \$75 per load.

An excess trash charge of \$75 will be assessed to the property owner for each load over the first pick-up truck sized load during bulk pick-up.

SALE OF BULK WATER – \$100 is due with the Application for Bulk Water. Upon approval by the Director of Public Works, water is billed at \$10 per 1,000 gallons and payable within 30 days. Written documentation of water usage must be provided by the approved user.

WATER CONNECTIONS

Fee applicable to in-city and out-of-city connections – credits applicable to in-city connections only

Tap Size	Tap & Connection Fee	less applicable	New Connection Credit (new tap is made to line by City Water Dept.)	Residential Existing Tap Credit (issued if tap to be used is existing and approved by City Engineer (e.g. subdivisions))	Commercial Existing Tap Credit (issued if tap to be used is existing and approved by City Engineer (e.g. new shopping center))	Redevelopment Credit (issued when new tap is made to line for <u>existing or razed</u> structure for sprinkler system)
3/4"	\$1,500		-	\$1,000	\$1,000	\$600
1"	\$1,800		-	\$1,200	\$1,200	\$800
1 1/2"	\$3,000		-	\$2,000	\$2,000	\$1,500
2"	\$4,500		-	\$2,500	\$2,500	\$2,500
4"	\$6,000		-	n/a	\$3,000	\$3,000
6"	\$9,000		-	n/a	\$4,500	\$4,500
8"	\$12,000		-	n/a	\$6,000	\$6,000

Taps 10" and larger will be priced by City Engineer

SEWER CONNECTIONS

Use Type	Tap & Connection Fee	less applicable	New Connection Credit (new tap is made to line by City Street Dept.)	Existing Tap Credit (issued if tap is pre-existing (e.g. subdivisions))	Redevelopment Credit (issued when new tap is made to line for <u>existing or razed</u> structure(s))
Single Family Residential (including townhouse & twin family where each unit is on a fee-simple lot)	\$2,000		\$ -	\$1,500	\$500
Two-family & Multi-family *	\$2,500		\$ -	\$2,000	\$500

**CITY OF FROSTBURG
SCHEDULE OF MUNICIPAL FEES**

Commercial *	\$3,000	<i>n cr ed it</i>	\$ -	\$2,500	\$500
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* Fee may be higher if actual costs incurred are greater

WATER METER FEES complete with 1 check valve and 1 coupling

Meter size	Meter + Registry	Additional Coupling	Additional Check Valve
Water meter bottom	\$25	-	-
≤ 3/4"	\$450	\$25	\$125
1"	\$900	\$30	\$225
1 1/2"	\$1,000	\$85	Supplier cost plus 10%
2"	\$1,200	\$110	Supplier cost plus 10%
<i>Meters larger than 2" shall be priced by City Engineer</i>			
Water meter registry only	\$225		
Water meter excluding registry	"Meter + Registry" fee above less \$225		

EXTENDED SEWER & WATER TAPS: RESIDENTIAL/COMMERCIAL

Note: This extended sewer and water tap charge applies to new building and/or conversion building and shall be assessed at the time the building permit is issued.

Add \$0 for each additional unit over 1 \$0 each (water)

LAND USE AND BUILDING PERMIT FEES

Call City Hall for the number of inspections required as they vary by project. The inspection fee is based on use type.

Residential Permit Fees

Single Family	\$150.00 + \$.05 for every sq ft finished or unfinished
Twin Dwelling/ Two-Family	\$175.00 + \$.05 for every sq ft finished or unfinished
Renovation (Structural Changes)	\$50.00

After the Use & Occupancy Permit has been issued by the City following the construction of a new single or two-family home with a sprinkler system (required by State Law), a rebate will be issued to the property owner.

Residential Inspection Fees

Inspections	\$105.00 per inspection
Electric Service 100-200 amp	\$135.00 per service

**CITY OF FROSTBURG
SCHEDULE OF MUNICIPAL FEES**

400 amp Plan Review (non-refundable)	\$160.00 per service \$125.00 per hour
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Plan Review Deposit Required with Application	Fee TBD
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Commercial and Multi-Family Permit Fees

Multi-Family Housing	\$50/unit + \$.10 for every sq ft finished or unfinished
Commercial	\$150.00 + \$.10 for every sq ft finished or unfinished
Renovation (Structural Changes)	\$100.00

Commercial and Multi-Family Housing Inspection Fees

Multi-Family	\$105.00/unit inspection plus cost of electric service
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Plan Review (non-refundable)	\$150.00 per hour
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Plan Review Deposit Required with Application	Fee TBD
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Commercial (retail, assembly, restaurant and similar spaces)	
First 5,000 square feet	\$1.05 per square foot
Additional square footage	\$0.38 per square foot
Commercial Kitchen	\$0.25 per square foot
Office Space	\$0.80 per square foot
Hotel	\$400.00 per room for first 20 rooms
Hotel Additional rooms	\$200 per room

Commercial Medical/Educational/Assembly With Alcohol/Live Band 1st 5000 Sq Ft	\$1.30 per square foot
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Commercial Medical/Educational/Assembly With Alcohol/Live Band Over 5000 Sq Ft	\$0.70 per square foot
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Special Occupancies Not Listed Call For Pricing

Commercial Electric Service	
100-200 amp	\$135.00 per service
400 amp	starting at \$160.00 per service
600 amp	\$405.00 per service
800 amp	\$735.00 per service
1000 amp	\$1005.00 per service
Transfer Switch -	\$50 in addition to service cost

Residential re-inspection	\$105.00 per trip
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Commercial re-inspections are minimum of	\$135.00 per trip.
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Other occupancies, change of occupancy, and remodel prices are determined by the inspector.

**CITY OF FROSTBURG
SCHEDULE OF MUNICIPAL FEES**

Residential and Commercial Accessory Structures and Additions (sq. ft. based on total floor area)

Less than 300 square feet	\$105.00 per trip
300-899 square feet	\$105.00 per trip
Greater than 900 square feet	\$105.00
Fences/Swimming Pools	\$105.00
Retaining walls >30" in height	\$105.00

Residential and Light Commercial Photovoltaic Inspection

First 5,000 KWA	\$195.00
Price per additional KWA, up to 1 megawatt	\$35.00
Battery	\$135.00
Plan Review (residential installations)	\$130.00 per hour
Plan Review (commercial installations)	\$155.00 per hour
Car charger	\$135.00
<u>Energy/Telecom Structure</u> (per new structure)	\$60.00

Plan review, inspections, and/or grading permit may be required depending on project

Demolition Permit & Inspection Fees

Demolition	\$50.00
Demolition of Structure damaged by fire or other natural disaster, or listed on the Code Enforcement Blighted Property List	\$0.00
Inspections (typically 2)	\$100.00 per inspection

Emergency or re-inspections if work is not ready for inspection
\$160.00 per trip

Grading

If an Allegany Soil Conservation District review is required, ASCD will charge fees based on the official ASCD fee schedule, in addition to, or in lieu of, City of Frostburg fees.

Forest Harvest	\$40.00
Minor/Standard Plan	\$40.00
Major Plan	\$130.00
Street Entrance	\$50.00
Stormwater Facility	\$150.00

Sign Permits (See City Zoning Ordinance § 7 for Signs requiring a Permit)

Sign area is determined per the City Zoning Ordinance § 7

Replacement of lettering or light panel on existing sign structure	\$25.00
Directional, instructional, or "wayfinding" sign	\$25.00
Less than 25 square feet	\$50.00
25 to 60 square feet	\$65.00

**CITY OF FROSTBURG
SCHEDULE OF MUNICIPAL FEES**

61 to 180 square feet	\$105.00
Greater than 180 square feet	\$185.00
Electronic Messaging Centers (EMCs)	permit fee based on size + \$135.00

Other Permit Fees

Open Cut Permit	\$45.00
Zoning Certification	\$25.00
Home Occupation Permit	\$45.00
Residential Occupancy Permit	\$35.00
Commercial Use and Occupancy Permit	\$45.00

<u>Solicitor Permits</u>	
Door to Door (effective for one year from date of issuance)	\$75.00
Short-Term Mobile/Temporary Business Unit	\$150.00
Seasonal Mobile/Temporary Business Unit	\$175.00
Long-Term Mobile/Temporary Business Unit	\$225.00
One-Time Special Event	\$50.00
<u>Subdivision Review</u>	

Consultation Meeting	\$50.00
Formal Application (water/sewer/public road available at site)	\$300.00
Formal Application (review of off-site infrastructure extension included)	\$600.00

Board of Zoning Appeals

Special Exception	\$350.00
Variance	\$350.00
Administrative Error	\$250.00

Re-Zoning Request

Zoning Map Error or Map Change	\$200.00
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MISCELLANEOUS PERMIT FEES

Burning Permit	\$0
Chicken License 1 Year Expiration	\$55.00

POLICE DEPARTMENT

Parking Violations	
Handicap Only	\$50
Fire Hydrant Violations	\$50
All Others	\$30

**CITY OF FROSTBURG
SCHEDULE OF MUNICIPAL FEES**

Second offense or continuing violations may be doubled.

Late Fee: A fee of \$5 is added when parking tickets are delinquent. Thirty days after delinquency, a ticket may be flagged with MVA and the original fine will be doubled.

Vehicles may be towed if they have accumulated three or more unpaid violations thirty (30) days after the issuance of first violation.

Parking Permits (City Place lot)

The permit fee is \$40 per month or \$400 for an annual permit which is purchased in advance.

Parking Permits (all other City parking lots)

The permit fee is \$20 per month or \$200 for an annual permit which is purchased in advance.

Copies \$10.00

RENTAL HOUSING LICENSING & INSPECTION

Initial Rental Licensing

License per unit, prior to occupancy.....\$48.00

Rental License Renewal

Annual License per unit, by February 1.....\$48.00

Annual License per unit, by March 1.....\$58.00

Annual License per unit, by April 1.....\$110.00

Annual License per unit, after April 1.....\$150.00 + \$275.00 citation

Rental units will forfeit any "grandfathering" if not licensed and fees paid by June 1st.

Rental Housing Annual License Fee includes one primary rental housing inspection to occur once every three (3) years by City licensed Rental Housing Inspector, and one reinspection (if required).

Second and Subsequent Re-inspection Fee (if required); to be paid to the City..... \$50.00

DOCUMENTS

Zoning Ordinance \$12.00

Subdivision Regulations \$12.00

Rental Housing Code \$12.00

Rental Unit Verification \$12.00

Comprehensive Plan \$12.00

Personnel Policy \$12.00

Miscellaneous copies \$0.20 per page

JULY 1, 2026

Section 11, Item J.

**CITY OF FROSTBURG
SCHEDULE OF MUNICIPAL FEES**

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**CITY OF FROSTBURG
SCHEDULE OF MUNICIPAL FEES**

RECREATION FEES

	City Resident	Non-City Resident	
Community Center	\$300/day \$ 40/hour	\$350/day \$ 50/hour	(\$150 Security Deposit)
Preston Amphitheater	\$300/day \$ 40/hour	\$350/day \$ 50/hour	(\$250 Security Deposit)
City Place			
Hall	\$300/day \$ 40/hour	\$350/day \$ 50/hour	(\$150 Security Deposit)
Meeting Room	\$150/day \$ 25/hour	\$175/day \$ 35/hour	
Pavilion Rentals			
8:00 am – 2:00 pm	\$ 40/6 hours	\$ 50/6 hours	
2:00 pm – 8:00 pm	\$ 40/6 hours	\$ 50/6 hours	
Full Day	\$ 75/day	\$ 90/day	

Additional charges may apply for damages and police response as set forth in the rental agreement.

Armory Gym Rental	\$ 35/hour/month \$ 15/hour	\$ 50/hour/month \$ 20/hour	
	\$ 55/hour/month \$ 25/hour		
Armory Special Event	\$ 40/hour	\$ 50/hour	(\$150 Security Deposit)
Field & Court Rentals	\$ 100/day \$ 25/hour	\$ 130/day \$ 35/hour	
Rec Facility Key Deposit	\$40/key	\$40/key	
Special Event Fee (all buildings; events ending after 11:00pm)			\$50 per hour
League Participation Fee (non-City residents)			\$5 per person

RECREATION FEES – DAY CAMP

Daily Rate.....	\$22 per child
Weekly Rate (5 day weeks).....	\$105 per child
Weekly Rate (3 day weeks).....	\$66 per child

**CITY OF FROSTBURG
SCHEDULE OF MUNICIPAL FEES**

RECREATION FEES – SWIMMING POOL

Daily Pool Admissions

- Adults - \$6.00
- Children (age 5 – 17) - \$5.00
- Children (age 4 and under) – Free with a paying adult

Group Rate (15 or more ages 5 & up) - \$1.00 off each admission

Pool Passes		City Resident	Non-City Resident
Individual Season Pass	1 Pass	\$ 60.00	\$ 70.00
	2 Passes	\$115.00	\$135.00
	3 Passes	\$165.00	\$195.00
	4 Passes	\$210.00	\$250.00
	5 Passes	\$250.00	\$300.00
	6 Passes	\$285.00	\$345.00

Individual Season Passes can only be purchased in increments of 6 or less.

15 Swim Punch Pass:	1 for \$60.00	15 admissions ~	\$4.00/admission
	2 for \$110.00	30 admissions ~	\$3.67/admission
	3 for \$150.00	45 admissions ~	\$3.33/admission
	4 for \$180.00	60 admissions ~	\$3.00/admission

*If purchasing 4 or more punch passes, each additional 15 swim punch pass is \$45.00 if purchased on the same day. **Punch passes are valid for individual or group entry for up to 15 admissions per pass.**

CITY OF FROSTBURG
HOTEL/MOTEL TAX ALLOCATIONS - FY27

REFLECTED IN ACCOUNT 01-110-5111 (CONTRIBUTIONS - TOURISM)

ORGANIZATION	FY 27 Allocation
Allegany Arts Council	\$ 2,500
Thrasher Carriage Museum	5,000
Appalachian Laboratory	3,000
Arion Band (Charter Provision)	1,000
Boy Scouts of America Troop 24	2,500
Children's Lit. Center/Storybook Holiday	3,000
Classy Chassis Car Club/Cruisin Main Street	1,500
Elk's Derby Day	2,500
FBPA	1,500
Frostburg Dog Park	3,000
Frostburg Library	2,500
Frostburg Museum	10,000
FrostburgFirst Operating	30,000
FSU WFWM Radio 91.9 FM	2,000
FSU Appalachian Festival	3,000
FSU Center for Literary Arts	1,500
FSU Cultural Event Series	7,000
FSU TV-3	1,500
Holiday Lamppost Committee	7,000
House and Garden Club	3,000
Mountain Maryland Trails	5,000
Palace Theater	5,000
Savage Mountain Punk Fest	2,000
WMSR	20,000
Total Allocated to Outside Organizations	\$ 125,000