



# CITY OF WILMINGTON ANNUAL BUDGET

## Fiscal Year 2023



Michael S. Purzycki  
MAYOR



# City of Wilmington Delaware



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## Approved Budget FY 2023

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Michael S. Purzycki  
Mayor

Prepared by the  
Office of Management and Budget

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**Fiscal Year 2023 • Approved by City Council • May 19, 2022**



**GOVERNMENT FINANCE OFFICERS ASSOCIATION**

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

**The City of Wilmington  
Delaware**

For the Fiscal Year Beginning  
**July 01, 2021**

*Christopher P. Morill*

**Executive Director**

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the City of Wilmington, Delaware for its annual budget for the fiscal year beginning July 1, 2021.

In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan and as a communication device.

The award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

# CITY ADMINISTRATION

**Mayor - Michael S. Purzycki**

**Treasurer - DaWayne Sims**

## THE COUNCIL

**President - Ernest Congo, II**

**1st District** . . . . . Linda Gray

**2nd District** . . . . . Shané Darby

**3rd District** . . . . . Zanthia Oliver

**4th District** . . . . . Michelle Harlee

**5th District** . . . . . Bregetta Fields

**6th District** . . . . . Yolanda McCoy

**7th District** . . . . . Christofer Johnson

**8th District** . . . . . Nathan Field

**At Large** . . . . . Maria Cabrera

**At Large** . . . . . Albert Mills

**At Large** . . . . . James Spadola

**At Large** . . . . . Loretta Walsh

**Maribel Seijo, City Clerk**

**Marchelle Basnight, Acting City Council Chief of Staff**

## CITY OFFICIALS

### **Tanya Washington**

Charlotte B. Barnes

Michael A. Boykin

Robert M. Goff, Jr.

John Looney

Sean J. Park

Willie J. Patrick, Jr.

Ian R. Smith

Jeffrey J. Starkey

J. Brett Taylor

Robert J. Tracy

Robert L. Weir

Kelly A. Williams

Terence J. Williams

### **Chief of Staff**

Director of Human Resources

Commissioner of Licenses & Inspections

City Solicitor

Chief of Fire

Acting Director of Economic Development

Director of Emergency Management Office

Director of Parks and Recreation

Director of Land Use and Planning

Director of Finance

Chief of Police

Director of Real Estate and Housing

Commissioner of Public Works

City Auditor

## OFFICE OF MANAGEMENT & BUDGET

**Robert S. Greco**

Robert G. Winkeler

George G. Hayford

William C. Jones, II

John M. Wehmeyer

**Budget Director**

Assistant Budget Director

Fiscal & Operations Analyst

Fiscal & Operations Analyst

Fiscal & Operations Analyst

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# City of Wilmington



MICHAEL S. PURZYCKI  
Mayor

## FISCAL YEAR 2023 BUDGET MESSAGE

### **EMERGING FROM THE COVID-19 PANDEMIC**

As we emerge from the worst pandemic in over a century, we find ourselves in a very different world from the one we occupied just two years ago. Mask wearing is entirely optional. We are returning to our restaurants, bars, and entertainment venues. Offices are emptier. More people now work at home. As a result, our streets and sidewalks are quieter, especially during the lunch hour. People are just now adapting to sitting next to a neighbor and speaking directly to one another instead of on Zoom calls.

Our government performed well during this challenging period in our history. Of almost 1,100 current City employees, over 800 of them showed up to work routinely as if nothing happened. They stared COVID in the face and performed admirably. For that, they will be awarded over \$3 million in premium pay as a gesture of appreciation from their City government and its citizens.

### **PROGRESS TO BUILD ON**

Our City economy continued to grow as new projects defied the conventional view that the economy was suffering. One thousand apartment units remain on track to be available for occupancy over the next year, bringing the City much needed tax revenue. While the overall value of the permits decreased from 2020, the number of permits increased, indicating a vibrant development economy. This year we will open new hotels and a number of first-rate restaurants in the downtown area, including Bardea Steak - owned and operated by James Beard contenders Scott Stein and Antimo DiMeo.

Much of what we accomplish in government is not glamorous but is still so very important. With the partnership and cooperation of County Executive Matt Meyer, our respective negotiating teams have all but completed the arduous task of presenting to our governments a new and fair wastewater treatment agreement that has eluded City and County governments for decades. We look forward to seeing the final product of an almost year-long negotiation. Our thanks to the members of these teams for their hard work and dedication.

We made two operational changes in City government that will vastly improve customer service for our taxpayers. Our 311 system is designed to improve customer service and increase employee accountability. Every call and on-line inquiry is tracked and recorded. We now know the response time of every department in dealing with inquiries and complaints of our most valuable customers - our residents. Each

year, we can expect approximately 104,000 calls for everything from special pickups and parking ticket appeals, to reporting potholes. Before 311 was operational, the average wait time for a caller was upwards of six minutes. Today it is less than 60 seconds. Excluding Public Works and Licenses & Inspections calls, which by their very nature often require additional levels of assistance to resolve, 63% of all other contacts are resolved in one call. It is a highly effective customer service module and is improving each day as we continue to train our users on its functions. In summary, 311 allows us to identify each and every call to the City and faithfully record our departments' responses to those calls.

The second operational improvement in our government is the reorganizing of our Planning Department into the Land Use & Planning Department. The revamped Department will combine parts of each of the existing departments that currently deal with land use approvals and permits. Applying for building permits, for example, currently requires an applicant to deal with Licenses and Inspections, Planning, Public Works, and the Fire Marshall's Office. These offices are not located together, and try as they might, they do not always coordinate efficiently. Parts of each of these departments will soon be located on one floor to streamline the process of securing building permits for our development community and to make securing permits for small residential applicants considerably more user-friendly.

### **PRIORITIES AND INITIATIVES**

We are in a time of great social change, which necessarily involves members of our Police Department. These changes involve, among other issues, the existence of Citizens Review Boards, the legislation for which our government adopted a year ago. We have delayed implementation because of the suggested changes by the legislation's sponsor, Councilman Johnson, and now because of proposed State legislation that will define and limit just what role our own board will be able to play in reviewing allegations of police misconduct. In any case, be assured that a board will be appointed forthwith.

Wilmington, like cities across America, was rocked by high levels of violent crime throughout 2021. This unrelenting violence shook our confidence in our ability to protect our neighborhoods and ensure civic tranquility. But this year, while major cities like New York, Chicago, and Philadelphia all experienced continued high levels of violence, and Baltimore had its deadliest year since the seventies, Wilmington's violent crime has plummeted thus far in 2022, proving to be the safest for our citizens since 2015.

While I am not in any way declaring victory over violent crime, I am encouraged by the current trends and deeply appreciative of our outstanding Police Department for the great job it continues to do protecting us each and every day. I am further appreciative of the great work done by our State Attorney General Kathy Jennings and US Attorney David Weiss, whose cooperation with our Police Department to remove illegal firearms from our streets has (in my judgment) been one of the keys to this year's reduction in gun violence.

Before anyone knew what the American Rescue Plan Act (ARPA) was, I had determined to put \$5 million aside from our General Fund balance to invest in the East Side, one of our most historic and yet one of the most neglected parts of town. With the coming of the American Rescue Plan, we were able to commit tens of millions of dollars to neighborhood redevelopment, greatly enhancing our investment footprint on the East Side and in other neighborhoods in the City. ARPA gives us the once-in-a-lifetime opportunity to test whether plentiful resources can make a meaningful difference in the overall health of impoverished neighborhoods. And we can now do so without spending down on the City's reserves.

As with so many endeavors in life, it is difficult to succeed without the cooperation of partners. We selected the East Side in part because of the tremendous commitment made by Governor Carney in improving childhood education, starting with the construction of a new \$80 million-plus Bancroft School. Howard High remains an iconic City educational anchor. Woodlawn Trustees is committing to rehabilitating 60 of its existing residences and to building 20 more new ones. Habitat for Humanity is committed to building 20 more new homes, adding to the projects already completed on Bennett Street on the East Side. Reverend Keeling and Central Baptist Community Development Corporation are already reliable development partners on the East Side with whom we are working.

It is worth mentioning that the exciting development and rehabilitation of our neighborhoods will be largely performed by minority contractors and Disadvantaged Business Enterprises (DBEs), whose participation we have vigorously solicited and supported. In addition, we have partnered with the Vocational-Technical School District to provide paid training for our young people in the construction trades, a highly compensated gateway to upward social mobility.

With the cooperation of Council, we have determined to invest ARPA funds in some of our not-for-profits, understanding that we cannot fund all of them, worthy as they may be. We reserve our funding for those who we collectively believe will contribute most directly to our efforts in improving all our neighborhoods and the lives of our children.

We have also agreed to set aside up to \$8 million of ARPA funding for violence reduction. We traveled to Newark N.J., together to understand what the city where I grew up was doing that resulted in such measurable reductions in crime. We have contracted with a firm to do a landscape analysis of our social service and public safety infrastructures to determine how effectively they interact with one another. We look forward to reviewing the information and working on a strategy for Wilmington.

We continue to fund our clean teams, and in fact have expanded the footprints of affected neighborhoods. Nothing is more noticeable to visitors and residents alike than clean parks, streets, and sidewalks. Delmarva Power informs us that they have recently completed installing LED street lighting throughout the entire East Side, and should have the balance of the 5,900 total lights in the City substantially completed by the end of this fall. The 1,300 city-owned lights have already been retrofitted for LED fixtures, and all lights self-report any outage, so no more long-lasting dark streets.

### **BUDGET DISCUSSION**

Over the past two years we have declined to raise needed revenues through tax increases because through a severe pandemic this would have been untenable for any number of reasons. We relied instead on CARES Act and reserve funds to help us offset our losses of revenues. This year, however, we had to be more disciplined about our finances. As has been our practice since we took office, we do not just look at the current year budget, but five years ahead in making our budgetary decisions.

While finances have generally stabilized, there is an unsettling threat of a continued loss of revenues from a number of sources. Working from home threatens our wage tax revenues, resulting in current collections being down \$1.5 million and annual tax refunds increasing by an additional \$2.4 million (due to increased hours working from home). Red light safety camera fines are down \$1.6 million and real estate tax appeals have resulted in an annual loss of \$800,000. From 2019, our annual interest revenue is down \$1.5 million. All told, these revenue lines add up to a loss of \$7.8 million.

We have found some offsetting sources of revenue and have made budget cuts, but the challenge remains real. In order to balance this year's budget with the lower revenues we project, we could have closed the projected budget deficit with a transfer from fund balance or the use of federal ARPA revenue replacement funding. But because these are one-time resources, they do not address the structural problem. A sensible look down the road revealed an untenable deficit in years to come if we were not prudent today. Deferring tough decisions would conceivably result in a \$40 million cumulative deficit through FY 2026, and a fund balance bordering on insolvency. To put the City on a more solid fiscal footing for the future, Property Taxes were increased 6.0%. This is the second tax increase in six years, yielding an average annual increase of 2.2%, well below the rate of property value inflation during this period.

It must be realized that in order to not to leave our successors with catastrophic deficits, we have to raise permanent additional sources of revenue. These additional revenues must include a long overdue increase of all of the City's permits and license fees. They also will almost certainly include another property tax increase in the near future. As for the use of ARPA funds, we are using \$12 million of these funds to smooth the transition back to pay-as-you-go budgeting.

An alternative to tax increases, of course, is to cut spending, which in City government, as with most governments, means layoffs. The tax increase in this budget amounts to replacing lost revenue of about \$2.6 million, or in terms of corresponding personnel cuts, in excess of 26 employees in this year alone. This is in addition to the 15 positions already reduced in this budget, seven of which are vacant positions from the Police Department.

I also asked Council to approve a 5.0% increase in the water and sewer rates. This is less than the suggested rate increase of 7.5% from our Utility Citizens Advisory Board. Wilmington's water and sewer utility does not have the same level of political flexibility that our General Fund budget has. As costs rise and as capital needs are required, there is no choice but to raise rates.

Below are the highlights of the FY 2023 General Fund Budget followed by those of the Water/Sewer Fund.

### **General Fund Highlights**

- The FY 2023 General Fund operating budget expenditures total \$176,865,305 – up \$4,162,904 or 2.4% from FY 2022. To help balance the budget, a 6.0% Property Tax increase was approved, along with the use of federal ARPA revenue replacement funding.
- The budget contains a \$2.34 million allowance to cover salary increases as dictated by union labor contracts and for a 2.0% cost-of-living-adjustment (COLA) salary increase for non-union employees. In addition, mandatory anniversary salary step increases for certain employees added just over \$574,000 to the budget.
- Staffing decreased by a net total of 15.72 full-time equivalents (FTE), and includes changes made in the mid-FY 2022 budget amendment. Personnel actions, including changes in grades and shifts to split-funded positions, resulted in a total net decrease of \$571,989.
- The Department of Planning & Development has become the Department of Land Use and Planning. It was reorganized by transferring in those processes, employees, and budget accounts

from the Department of Licenses & Inspections (L&I) related to permitting, plan reviews, and land development. Among other things, the proper integration of processes and employees will ensure a more efficient review and response to land development requests. Fifteen employees were transferred in from L&I; two existing positions in Planning & Development were deleted; and four new positions were created. In addition, the position of Deputy Commissioner in L&I was deleted. The net increase across both departments is almost \$217,700 (Land Use & Planning - up \$2.39 million and L&I - down \$2.17 million).

- After decreasing last year because of the effects of the COVID-19 pandemic on routine doctor visits and non-emergency medical procedures, the City's cost for employee and retiree medical care and prescription drugs is projected to grow a combined 7.1%, tracking closely to the national average. For FY 2023, that translated into a nearly \$1.4 million increase to the combined total of the Hospitalization and Pension Healthcare accounts.
- To meet the requirements of GASB pronouncement #24 (regarding on-behalf payments), annual funding received from the State of Delaware supporting the City's Police and Fire pension trust funds is booked as a pass-through in the General Fund. This means that the State funding is shown as a General Fund revenue source offset by an equal amount budgeted in the State Pension Contribution expenditure accounts in the Police and Fire departments. For FY 2023, the State grant was increased by \$566,600, which in turn increased the State Pension Contribution account by the same amount.
- The Delaware Office of Pensions lowered the required percentage of payroll for the City's FY 2023 contribution to the State-sponsored Police and Fire pension plan. This resulted in a savings of over \$1.4 million.
- In the changing business environment resulting from the COVID-19 pandemic, the Finance Department continues to seek the optimal mix of internal and external collection and audit efforts, especially regarding Wage Tax revenue. The Wage Tax Unit will be consolidating its external collections efforts to two firms, thereby reducing the expenses otherwise expected from a broader number of firms. As a result, Wage and Head Tax collection expenses were reduced by \$198,000 or almost 30%.
- Temporary Agencies is up a net total of \$215,500. There were three areas in the Finance Department that accounted for most of this increase. \$120,000 was added in the Parking Enforcement Division for three staff workers. The budget for additional support for the collections and settlement processes in the Accounts Service Division increased by \$39,000. And required accounting expertise and assistance, especially during the preparation of the Annual Financial Report, added \$35,000 in the Accounting Division.
- Consultants increased a net \$356,850, with the vast majority of the increase (\$196,000) occurring in the Information Technologies Department for improvement in the utilization of software to upgrade and better coordinate internal business processes and departmental customer service, with a special focus on the development of Land Use permitting software. In addition, Council requested \$80,000 be added to the Mayor's Office to conduct a comprehensive operational review of the Police Department.
- The Wearing Apparel and Safety Supplies character increased sharply by 38.0% (adding over \$262,000 to the budget), and was attributable to a number of diverse items in the Fire and Police Departments. With State grant funding no longer available, the \$91,000 cost of protective gear for

a Fire rookie class had to be absorbed by the City. The same is true of the \$50,000 cost for the replacement of a Police bomb suit that had been purchased with grant funds. Other notable items in Police that attributed to the cost increase include tasers (up \$52,000), body armor (up \$30,000), and the cost of uniforms and equipment for the police cadet program (\$25,000).

- With the toll the COVID-19 pandemic has taken on the City's small businesses and hospitality sectors in mind, a \$160,000 increase in matching funding support was provided to the "It's Time" campaign through the Mayor's Office Advertising account. The "It's Time" campaign, funded largely through business contributions, is an economic development-based effort to support business development in Wilmington, with a special emphasis on small businesses. The campaign promotes and markets the City regionally and nationally as an excellent place to live, work, raise families, and have fun. "It's Time" is the only existing effort that continually showcases Wilmington's pride and diversity.
- The Motor Vehicle Costs account increased by almost \$230,000, driven largely by the expansion of specialized equipment in the Police Department.
- Total Debt Service decreased a net \$910,500. Ongoing reconciliation by the City's auditors of the prorated debt service savings from the November 2020 bond refinancing has resulted in a change to the debt service schedules.
- There is a 6.0% increase to the Property Tax rate that is projected to result in additional annual revenue of \$2.6 million. The median assessment homeowner will pay an additional \$41.76 annually or \$3.48 more per month.

## **Water/Sewer Highlights**

- The FY 2023 Water/Sewer Fund operating budget expenditures total \$82,144,457 – up \$2,576,882 or 3.2% from FY 2022. The FY 2023 Budget continues to support the high-priority initiatives essential to achieving financially self-sustaining and environmentally-sound water, sewer, and stormwater utilities. These include an accelerated Combined Sewer Overflow (CSO) mitigation effort, and finished water filtration and supply improvements that exceed EPA standards, contributing to the stability of northern Delaware's water supply, especially in times of drought.
- The budget contains a \$146,100 allowance to cover salary increases as dictated by union labor contracts and for a 2.0% cost-of-living-adjustment (COLA) salary increase for non-union employees. In addition, mandatory anniversary salary step increases for certain employees added about \$86,500 to the budget.
- Staffing decreased by a net total of 1.35 FTE. Personnel actions, including changes in grades and shifts to split-funded positions, resulted in a total net decrease of \$94,909.
- The Contracted Maintenance Services account increased \$960,400. Almost the entire increase is in the contract fee to Jacobs to operate and maintain the City's sewage treatment plant and help manage the City's renewable energy bio-solids facility.
- The Repairs to Sewer Lines account in the Sewer Maintenance Division rose by \$400,000 to cover expanded inspection and repair of flood points, and the higher costs of emergency pipe replacement and repairs.

- A total of \$209,000 was added to cover a wide-ranging list of items in the Engineering accounts of the Water System, Sewer Maintenance and Wastewater Treatment Plant Divisions. This includes additional support for the City's renewable energy bio-solids facility, technical assistance and guidance regarding EPA local limit requirements, and project management of the sewer collection system.
- Indirect Costs, which are charges to the Water/Sewer Fund reimbursing costs incurred by the General Fund in support of the water, sewer, and stormwater utilities, are budgeted to increase by \$251,033, reflecting the recent revisions to the cost allocation model based on new usage surveys.
- Legal fees were increased 40% (from \$500,000 to \$700,000) to cover arbitration and legal proceedings against New Castle County (wastewater treatment contract), the Army Corps of Engineers (unpaid stormwater bills), and Honeywell (breach of contract regarding the renewable energy bio-solids facility).
- Since the low point during the height of the COVID-19 pandemic last year, the price of dozens of chemicals has risen by more than 100%. Some of the affected chemicals are used by the City for water treatment at the Porter and Brandywine filter plants. In addition, new types of speciality chemicals are needed for the cleaning of the membranes at the Brandywine Plant. As a result, Bulk Chemicals increased by \$175,000.
- The Finance Department added \$110,000 in the Miscellaneous Charges - N.O.C. account to expand staffing for the Wilmington 311 Call Center. Wilmington 311 is a customer service portal that offers residents the ability to request a service, report a problem or direct a question to City government officials.
- Total Debt Service decreased a net \$566,576. Ongoing reconciliation by the City's auditors of the prorated debt service savings from the November 2020 bond refinancing has resulted in a change to the debt service schedules.
- There was a 5.0% increase to water and sewer rates. The projected fiscal impact of the rate changes is an increase of \$2.49 million in revenue to the Water/Sewer Fund in FY 2023. The typical residential customer in the City using 4,000 gallons of water per month will see an increase of \$2.82 to their monthly bill. There was no increase to stormwater rates.

## **CONCLUSION**

The larger context of our budget should always be the goals and objectives we have for our City. We should all be asking ourselves why we are here. First, we must operate our government efficiently and deliver services promptly and effectively while earning the trust of our citizens.

But when we ask ourselves what else can we accomplish together, for me the answer is always the same. I want a Just City that is better than America. I want prosperity to be shared among all our citizens. I want to find the best way to educate our children and I want to strengthen families and neighborhoods. I want to allow our neighbors to live unafraid of the violence that shatters lives. These tasks are easy to talk about and hard to accomplish. Critics are everywhere. Those who make real progress are vanishingly rare.

I look at this time as your Mayor as an opportunity to permanently change our City for the better. More than any of you, I am aware of the limits of my allotted time here, not only as Mayor, but also the limits of my time here on this earth. As such, I have no time to waste. I am impatient for progress. I am anxious to see our neighborhoods thrive once again. I am anxious for Wilmington to take its place among the best cities in America. Together we can do so much. I invite you to join me.

Respectfully,

A handwritten signature in blue ink, appearing to read "Michael S. Purzycki". The signature is fluid and cursive, with a large, stylized initial "M" and a long, sweeping tail that loops back under the name.

Michael S. Purzycki  
Mayor  
City of Wilmington

# Wilmington Facts and Figures

## City of Wilmington and the Surrounding Region



# Wilmington Facts and Figures

The City of Wilmington is located on the western bank of the Delaware River in the northeast corner of the State of Delaware, almost at the mid-point between New York City and Washington, D.C. The City is the largest municipality in the State and on the Delmarva Peninsula and is the regional center of banking, commerce, industry, and the performing arts. The City has excellent access to the various transportation networks of the eastern seaboard. Interstate Highways 95, 295, and 495, as well as Routes 13, 40, 41, and 202, conveniently link the immediate areas with the entire region. Amtrak provides full passenger service, while railroads offer comprehensive freight connections available to all major points. The New Castle County Airport, located four miles from the central business district, offers general aviation access and charter services. The Philadelphia International Airport lies thirty minutes north by car. The Port of Wilmington is a full-service Port handling cargo for many regional, national, and international firms.

The Greater Wilmington Area includes portions of two states: New Castle County (Delaware) and Cecil County (Maryland). The data below provides a comparative look at the populations, land area, and the density of the Wilmington region.

## Population Trends

Population Trends	1980 Population	1990 Population	2000 Population	2010 Population	2020 Population	% Change
City of Wilmington	70,195	71,529	72,664	70,851	70,898	0.1%
# of Dwelling Units	30,506	31,244	32,138	32,820	34,065	3.8%
New Castle County	398,115	441,946	500,265	538,479	570,719	6.0%
Greater Wilmington Area	458,545	513,587	586,216	639,587	674,444	5.4%
State of Delaware	594,338	666,168	783,600	897,934	989,948	10.2%

The 2020 US Census indicates that the City’s population grew only slightly between 2010 and 2020, a reversal of the decline seen in the 2010 Census. New Castle County, the Greater Wilmington Area, and the State have recorded increases in population since 2010, with the State growing by over 10%.

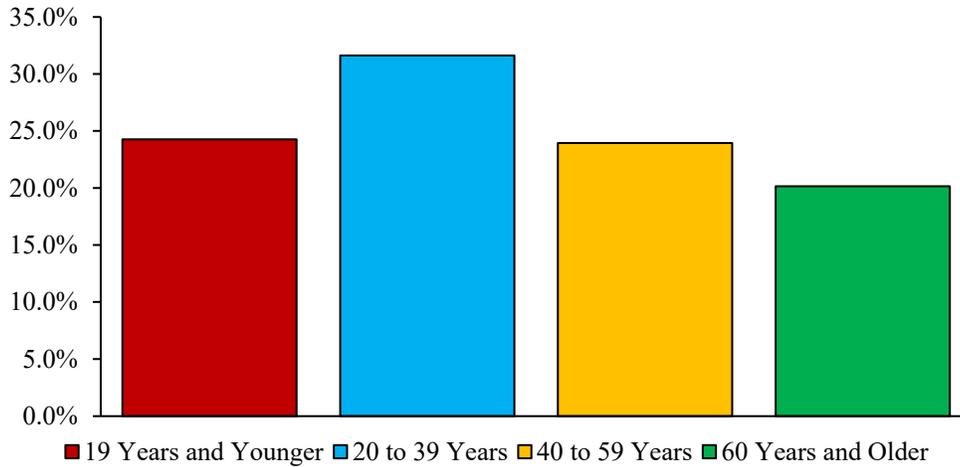
## Population Density

Population Density	2020 Population	Land Area (Sq. Miles)	Population Per Sq. Mile
City of Wilmington	70,898	10.9	6,504.4
New Castle County	570,719	426.3	1,338.8
Greater Wilmington Area	674,444	774.3	871.0
State of Delaware	989,948	1,955.0	506.4

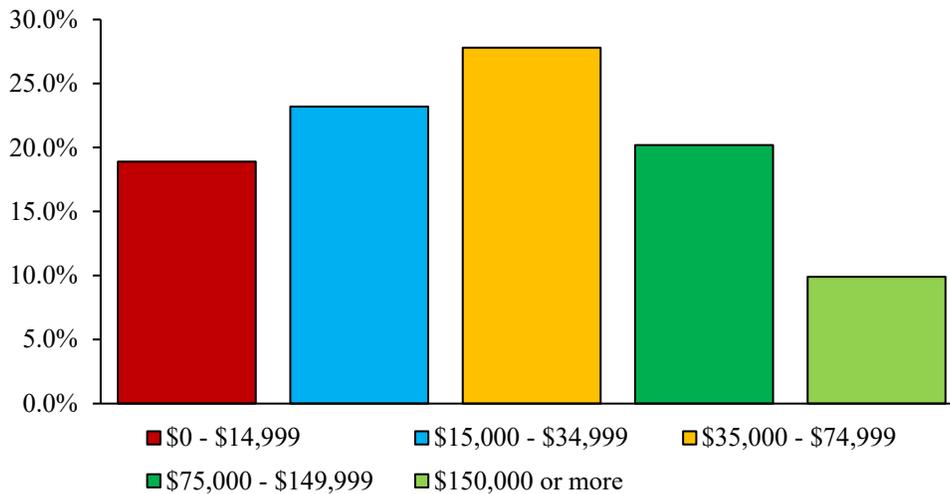
## City of Wilmington Demographic Statistics

Understanding the City’s demographics is important in order to understand the City’s fiscal policies and budgetary priorities. Wilmington’s combination of a large youth population and a higher percentage of incomes under \$25,000 creates a greater need for City Parks & Recreation and Public Safety services.

### Percentage of Population by Age Group



### Percentage of Households by Annual Income (2020 inflation adjusted dollars)



### Median Household Income (2020 inflation adjusted dollars)

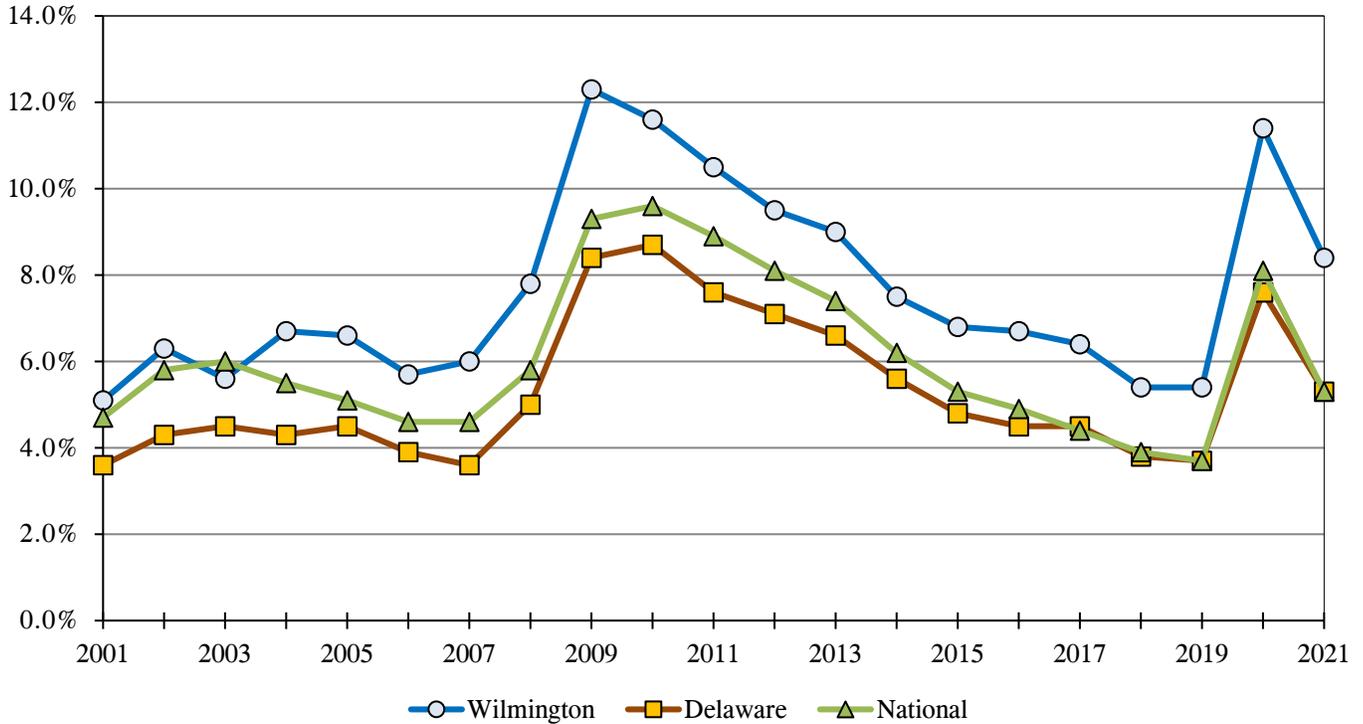
Median Income	2016	2017	2018	2019	2020	% Change
City of Wilmington	43,217	42,472	44,175	45,594	45,139	-1.0%
New Castle County	71,497	72,160	73,185	74,814	75,275	0.6%
State of Delaware	65,817	66,563	67,650	69,139	69,110	0.0%

Source: U.S. Census Bureau, 2020 American Community Survey, 5-Year Estimates

## Wilmington Employment Trends

Employment is a strong indicator of the City of Wilmington’s overall health. Prior to the 2020 job losses due to COVID-19, the City’s employment rate had seen annual improvement for over a decade. Historically, City unemployment has been approximately 1.5% above the national trend, and 2.5% above the Delaware trend, reflecting the disproportionate impact of today’s economy on Wilmington’s predominantly youthful population. Higher unemployment leads to an increase in demand for City services and resources, such as the Summer Youth employment program and policing.

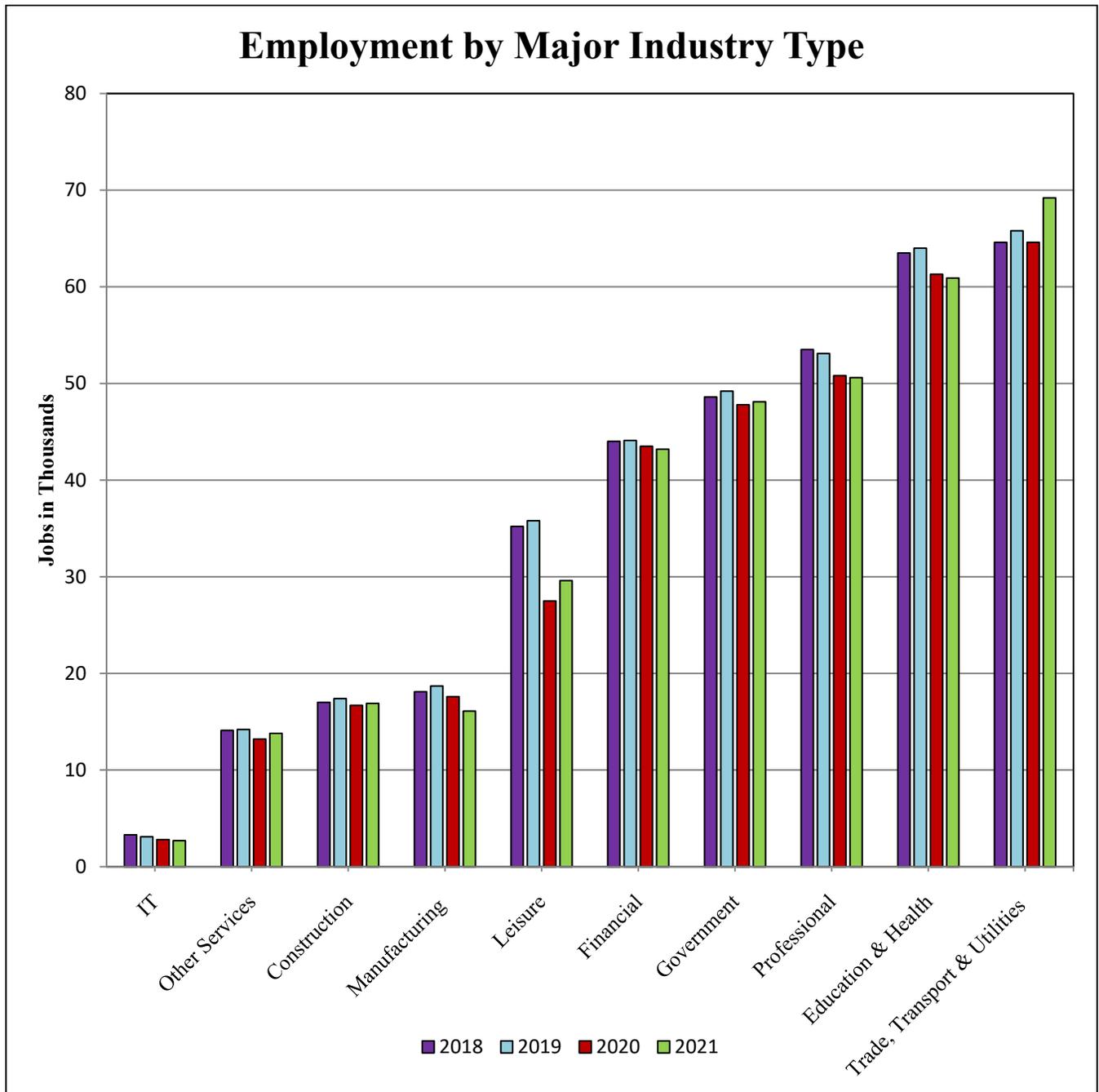
### City of Wilmington's Unemployment Rate (%)



Source: U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics & Annual Average Unemployment Rate, June 2022.

## Wilmington PMSA Employment by Industry

Industries located in and around the City of Wilmington promote economic development and job creation, as well as form the basis of the City’s largest revenue source, Wage & Net Profits taxes. As such, the fiscal health of the City is closely connected to the health and stability of its employment base. Below are the major industries and their levels of employment within the Greater Wilmington Area.



Source: U.S. Department of Labor, Bureau of Labor Statistics, Current Employment Statistics Program, June 2022.

## Wage Tax, Net Profits Tax, and Head Tax Revenue

Maintaining the diversity of the City’s revenue sources is an important component in assuring stable income. Absolute wage tax withholdings recovered somewhat in CY 2021, while withholdings by the top ten payers as a percent of total withholdings declined slightly. Conversely, both net profits and head tax saw consolidation, with revenue from the top ten payers increasing while total payments declined (likely driven by COVID-related slowdowns in small business activity, while large employers remained stable or grew).

### Top Ten Taxpayers

#### Wage Tax

Calendar Year	Withholdings by Top Ten Taxpayers	Total Withholdings	Top Ten Withholdings As % of Total
2021	\$22,166,270	\$61,217,529	36.2%
2020	\$21,994,845	\$59,996,796	36.7%
2019	\$22,646,116	\$61,319,939	36.9%
2018	\$21,288,362	\$60,642,799	35.1%
2017	\$22,315,103	\$60,334,780	37.0%

#### Net Profits Tax

Calendar Year	Withholdings by Top Ten Taxpayers	Total Withholdings	Top Ten Withholdings As % of Total
2021	\$4,255,027	\$6,859,395	62.0%
2020	\$3,921,020	\$7,027,882	55.8%
2019	\$3,428,743	\$7,311,220	46.9%
2018	\$3,541,854	\$6,780,410	52.2%
2017	\$2,969,314	\$6,577,048	45.1%

#### Head Tax

Calendar Year	Payments by Top Ten Taxpayers	Total Payments	Top Ten Payments As % of Total
2021	\$1,662,295	\$3,193,345	52.1%
2020	\$1,430,130	\$3,231,829	44.3%
2019	\$1,413,915	\$3,507,529	40.3%
2018	\$1,496,160	\$3,758,161	39.8%
2017	\$1,544,280	\$3,853,010	40.1%

Source: City of Wilmington Department of Finance, June 2022.

# Wage Tax, Net Profits Tax, and Head Tax Revenue

## Tax Remits Grouped by Size Calendar Year 2021

### Wage Tax

Remit Range	Total Employers	Total Remits	Percent of Total Remits
Greater than \$1 million	8	\$19,749,622	32.3%
Between \$100,000 and \$1 million	70	\$19,323,534	31.6%
Between \$10,000 and \$100,000	525	\$14,108,955	23.1%
Less than \$10,000	5,263	\$8,035,418	13.1%
<b>Total</b>	<b>5,866</b>	<b>\$61,217,529</b>	<b>100.0%</b>

### Net Profits Tax

Remit Range	Total Employers	Total Remits	Percent of Total Remits
Greater than \$1 million	0	\$0	0.0%
Between \$100,000 and \$1 million	9	\$4,164,959	60.7%
Between \$10,000 and \$100,000	52	\$1,674,895	24.4%
Less than \$10,000	2,128	\$1,019,541	14.9%
<b>Total</b>	<b>2,189</b>	<b>\$6,859,395</b>	<b>100.0%</b>

### Head Tax

Remit Range	Total Employers	Total Remits	Percent of Total Remits
Greater than \$1 million	0	\$0	0.0%
Between \$100,000 and \$1 million	5	\$1,194,825	37.4%
Between \$10,000 and \$100,000	46	\$1,222,335	38.3%
Less than \$10,000	501	\$778,255	24.4%
<b>Total</b>	<b>552</b>	<b>\$3,195,415</b>	<b>100.0%</b>

Source: City of Wilmington Department of Finance, June 2022.

## **Largest Real Estate Taxpayers in the City of Wilmington**

Property tax is the City’s second-largest revenue source. Changes in the housing, construction, and building industries directly affect City revenue through the issuance of permits and the levying of property taxes. Below are the largest real estate owners (as of the CY 2021 billings) that, combined, represent nearly one-quarter of the total taxable assessment value in the City.

<b>Name</b>	<b>Property Type</b>	<b>Taxable Assessment</b>	<b>Percent of Total Assessment</b>
Buccini Pollin Group	Office & Residential	\$147,683,900	6.9%
JP Morgan Chase	Office Building	\$56,882,200	2.7%
Delmarva Power & Light Co.	Electric & Gas	\$53,984,700	2.5%
1201 North Market St., LLC	Office Building	\$35,000,000	1.6%
Calpine Mid-Atlantic	Electric Generation	\$32,703,400	1.5%
M&T Bank	Office Building	\$29,707,300	1.4%
TRC 300 Delaware, LLC	Office Building	\$28,548,300	1.3%
1313 Owner LLC	Office Building	\$27,900,000	1.3%
CCI-Bracebridge	Office Building	\$22,967,500	1.1%
Verizon Delaware, LLC	Utility	\$22,534,300	1.1%
Oak Street	Office Building	\$17,308,200	0.8%
Bank of America	Office Building	\$15,672,900	0.7%
North Market Property Corp.	Office Building	\$4,988,200	0.2%
<b>Total</b>		<b>\$495,880,900</b>	<b>23.1%</b>

Source: City of Wilmington Department of Finance, June 2022.

## Wilmington Construction and Renovation Activity

### New Construction Permits Issued

	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022 (YTD)
Single-Family	21	20	18	19	14
Multi-Family	2	1	19	2	6
Non-Residential	4	7	4	8	25
<b>Total</b>	<b>27</b>	<b>28</b>	<b>41</b>	<b>29</b>	<b>45</b>

### Total Value of New Construction Activity

	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022 (YTD)
Residential	\$16,059,413	\$19,440,646	\$74,528,916	\$47,029,728	\$70,356,555
Non-Residential	\$50,501,425	\$27,175,173	\$21,009,503	\$17,639,485	\$8,418,338
<b>Total</b>	<b>\$66,560,838</b>	<b>\$46,615,819</b>	<b>\$95,538,419</b>	<b>\$64,669,213</b>	<b>\$78,774,893</b>

### Renovation Construction Permits Issued

	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022 (YTD)
Residential	1,564	1,720	2,551	3,152	3,823
Non-Residential	680	465	493	825	423
<b>Total</b>	<b>2,244</b>	<b>2,185</b>	<b>3,044</b>	<b>3,977</b>	<b>4,246</b>

### Total Value of Renovation Construction Activity

	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022 (YTD)
Residential	\$50,501,425	\$55,706,339	\$74,528,916	\$46,100,777	\$45,021,097
Non-Residential	\$163,145,846	\$129,610,607	\$215,101,160	\$117,229,897	\$122,709,754
<b>Total</b>	<b>\$213,647,271</b>	<b>\$185,316,946</b>	<b>\$289,630,076</b>	<b>\$163,330,674</b>	<b>\$167,730,851</b>

Source: City of Wilmington, Department of Licenses & Inspections, June 2022.

## **Economic Development Activity**

### **Employment**

Wilmington continues to make steady progress in recovering from the economic impacts of the COVID-19 pandemic. The number of employed Wilmington residents reached 32,181 (out of a population of 70,750) in April 2022, which exceeds the number of employed Wilmington residents before the pandemic. The total number of jobs located within the City, regardless of residency, remained stable at 46,218 in 2021. While this is a significant increase from the low of 44,160 jobs in April 2020, it is still below the historical average of 50,000 jobs. According to the Delaware Department of Labor, the unemployment rate decreased from the high of 19.9% in May 2020 to 6.3% in May 2022. This decrease paralleled the national unemployment trend and was consistent with the historical gap of about 2.5 percentage points greater than the State of Delaware's unemployment rate.

Industries with the highest number of jobs in the City include finance and insurance, government, credit intermediation, health care and social assistance, and professional and technical services. Collectively these five industries accounted for 82% of the total number of jobs in the City in 2021. While the long-term impacts of COVID on these sectors are currently unknown, no major layoffs have been announced as of June 2022. Industries that successfully operated remotely during the pandemic are dealing with the broader workforce preference toward remote work and hybrid work models.

To help mitigate the effects of the economic downturn, the Office of Economic Development (OED) has been connecting small businesses with assistance from both private funding sources as well as American Rescue Plan Act funds for qualified uses. OED will continue to administer Curbside Wilmington to support restaurants in obtaining the permits and fencing necessary to offer outdoor dining utilizing outdoor dining areas.

### **Incentive Program**

Through the Strategic Fund Incentive Program, the Office of Economic Development tracks employment figures across 50 companies of varying sizes and types. The wage taxes collected from this "index" of 50 companies remained steady at \$11 million. This reliable trend of annual wage taxes generated from the Program is a key indicator of its efficacy. As incentive contracts expire, participating businesses continue to generate wage tax revenue as they grow. Since the initial creation of the Strategic Fund in 2002, the Program has provided nearly \$17 million in incentive payments to businesses, yielding approximately \$127.5 million in Wage Taxes to the City's General Fund.

A \$1.2 million transfer to the Economic Strategic Fund from the Tax Stabilization Reserve portion of the General Fund Balance was approved as part of the FY 2022 Annual Operating Budget Ordinance. Of that amount, \$250,000 is set aside for Small & Minority Business Development.

### **Businesses Development**

Delaware is home to a talented financial services and technology workforce, which has its roots in the 1981 State of Delaware Financial Center Development Act and the expansion of the consumer finance and credit card industries that followed. Accordingly, Wilmington has a deep pool of existing financial services and technology talent. Nearly one-fourth of the jobs located in Wilmington are related to financial and technology services, with sub-type specialization in consumer lending, bank operations, digital banking and user experience, risk management, and predictive analytics. Wilmington also has a strong pipeline of new financial services and technology talent coming from local colleges and universities; business, management, marketing, and related support services were the most popular degrees awarded in 2022, with 17,337 graduates within a 35-mile radius of Wilmington. The Wilmington corporate banking community remains strong in Wilmington, with national brands like Barclays, Goldman Sachs, Bank of America, Capital One, JP

Morgan Chase, Citi, Navient, and TD Bank having a strong presence in the City. Growth in the sector also includes local corporations such as Fairsquare, College Ave, Acorn, Epic Research, Compass Red Analytics, Bounteous, and Carvertise.

Additional business development highlights include:

- Goldman Sachs started operations in the consumer credit and lending division at Wilmington's Riverfront in Spring 2021. They currently employ with 100 full-time employees with expectations to hire 50 more employees. These full-time jobs will focus on Marcus and Apple Card products, as well as any future consumer products.
- Light Action Productions completed construction of its \$15 million facility in the 7th Street Peninsula which includes the Pine Box. The Pine Box is a 25,000-square-foot soundstage that will provide a home for touring bands, film crews, and theater productions in Delaware to build sets, practice performances, and test sound and lighting systems. Light Action Productions plans to commence operations in Summer 2022, with expectations to hire 80 people in its first three years.
- Investor Cash Management relocated its headquarters from Chicago in 2022 and plans to create 395 new jobs in the City of Wilmington. The financial technology company offers a cash management account that combines securities with digital transaction currencies.
- New Jersey-based Advantage Building Supply and Zulu Fire Doors, LLC expanded their operations at the former Electric Hose and Rubber Company site in Wilmington's Riverside neighborhood. Advantage Building Supply has invested over \$8 million into renovating the property, with plans to employ 118 people over the next three years in an expansion of its material supply and door manufacturing businesses.

### **Real Estate Development**

Private investment in Wilmington was approximately \$526 million in 2021, including projects that are in development or recently completed. Investment in the multi-family housing market remains an area of focus for the City. The expansion in this market allows for new residents to relocate to Wilmington, contributing to wage tax growth and expanding the City's professional workforce – a key consideration of business relocation. Office to residential conversions, such as the 901 Market Street Tower and Lincoln Square renovations, have also added to the inventory of residential units. In total, there are 18 residential projects in development, accounting for 1,310 new units throughout the City.

Other real estate development highlights include:

- Reach Riverside completed construction of Imani Village, a mixed-income community that offers 74 high-quality units, with apartments set aside for seniors, veterans, and individuals with disabilities. Phase I is a part of a multi-phase redevelopment of the City's northeast Riverside neighborhood.
- The Buccini Pollin Group and Method Residential started construction on the former Security Trust & Safe Company Building, located at 519 North Market Street, to renovate the building into a 24-room boutique hotel. The renovated site will also offer a 155-seat ground-floor restaurant with courtyard dining, a lower-level cocktail lounge, and Wilmington's first rooftop bar and event space.
- Westrum Development Company has purchased the property at 340 S. Market St. with plans to develop the property into 193 upscale apartment units with on-site parking adding another residential option for Riverfront East.
- An indoor-outdoor food hall named the Chancery Market is under construction at the northern end of Wilmington's central business district. The \$5 million, 12,000 square foot project will bring 11 vendors and entertainment options to be managed by Brooklyn-based creative consulting and management firm Hospitality HQ, which developed and manages ten other similar projects in cities across the country.

- Washington Place Equities continues construction of River House, a \$28 million apartment complex, bringing 145 new residential units to South Wilmington with an estimated completion date of Spring 2023.
- Crosby Hill, a \$62 million apartment complex located at 5th and Shipley Street, remains under construction with a leasing date expected in 2023. The new complex will add 208 units to Wilmington’s Downtown area, spread over two four-story buildings and one 11-story building.
- Yada Properties continues construction of the former Saville building, located at 521 North King Street, converting the 42,000-square-foot building into a mixed-use building featuring 42 residential units in Wilmington’s Downtown area along with a commercial space on the first floor.

### **Riverfront Development**

The Riverfront Development Corporation revealed the Riverfront East masterplan in May 2021. The first phase of the project includes construction of infrastructure needs like stormwater management, roadways, and parking areas. A riverwalk and central green space will also be built in phase one, which should be completed by the end of 2023. Phase one is expected to cost \$30 million and create nearly 200 construction jobs. The City of Wilmington was awarded a U.S. *Rebuilding American Infrastructure with Sustainability and Equity* (RAISE) grant in 2021 to help fund the infrastructure improvements proposed for Riverfront East.

Riverfront East will feature 86 acres of mixed-use opportunity including:

- 4.7 million square feet of space
- 4,291 new residential units
- 1.9 million square feet of commercial office space
- 357,000 square feet of retail space
- Four major green spaces
- 650 on-street parking spaces
- 8,900 spaces in parking garages

### **Conclusion**

Wilmington remains a key component of the \$460 billion Philadelphia-Wilmington-Camden metropolitan economy, enjoying all of the metro-wide area’s economic advantages of a region of 6.3 million people but with a lower comparable cost-of-living, shorter commutes, and a centralized location that allows easy access to all the major mid-Atlantic metro areas. These fundamental strengths will remain, despite the continued economic challenges. Ongoing investment in, and transformation of, the City’s Downtown, Riverfront, and residential neighborhoods will help Wilmington remain regionally and nationally competitive.

# **CITIZEN'S GUIDE TO THE BUDGET PROCESS**

## **The Budget Process**

**For a one-page summary of the budget process please see the Budget Process Calendar on page 17.**

Step one of the Budget is actually a year-round process in which input provided by the public and elected officials is used to help determine the appropriate level of services and to prioritize any initiatives. Community meetings, surveys, and presentations are used to gather information.

The first internal process related to the Budget runs from September through about mid-October. Using First Quarter revenue and expenditure results, along with preliminary year-end data from the prior Fiscal Year, the Office of Management and Budget (OMB) and the Finance Department evaluate the City's financial position and prepare forecasts for the next Fiscal Year. At this same time, the Mayor and department heads are developing the strategic plan goals, objectives, and performance measures on which spending decisions and staffing level requests will be based.

During the months of October and November, OMB develops a baseline budget known as the Level I (one) Budget. The Level I Budget is built on a modified zero-based budget process. A zero-based budget process is one in which every single dollar of every single line item must be fully justified and documented. Until that is done, the line item remains zeroed out.

For the City, all discretionary personnel budget line items, such as overtime and temporary salaries are zero-based, as are line items such as travel, registrations, consultants, and office equipment. However, with line items such as Social Security, healthcare benefit costs, pensions, and debt service, in which OMB makes the calculation of cost, no documentation is required by the department and the amounts deemed appropriate by OMB are built into the Level I Budget.

In other limited cases, such as with utilities, office supplies, repairs to equipment, and printing, the current year's budget allotment is reduced 20%, and then this reduced figure is put in as the new Level I amount. For those line items, Departments have to justify only the portion of their request that exceeds the 80% given to them by OMB. Any request by a department above the Level I amount is considered Level II and must be fully justified and documented.

All materials and instructions necessary for Department Heads to craft their budget requests are given to them during the Budget Kick-off meeting, which is held the first week in December. Part of the material they receive includes the Level I Budget developed by OMB. It should be noted that requests for staffing increases or position upgrades go through an additional extended review process that includes the Human Resources Department and Mayor's Office. The deadline for budget submissions by Departments is the second week in January.

From the third week of January through the first two weeks of March, there are two formal rounds of departmental budget meetings. The first round is with OMB and the second round is with the Mayor's Chief of Staff. As necessary, there are often one or more ad hoc follow-up meetings after the formal hearings have occurred. During this process, OMB and the Mayor's Office review and evaluate requests and make final recommendations as to funding. At the same time, the Capital Budget and Program is reviewed, and funding changes are recommended by the Planning Commission. The Planning Commission is a board composed of appointed citizens and City Officials.

After the Proposed Budget has been finalized, the Mayor submits the Budget, revenue projections and tax and fee rates to City Council in the form of the Budget Address and ordinances, usually on the third Thursday in March. At this time a Proposed Budget Book produced by OMB is made available to the public.

The Finance Committee of City Council then holds a series of public hearings with each Department in which funding levels are scrutinized and in-depth question-and-answer sessions are held. The time frame for these hearings is usually the first week of April through the second week of May. The public is invited and encouraged to attend the City Council Finance Committee Budget Hearings that take place during the weeks following the Mayor's Budget Address. Copies of the Proposed Budget Book are made available to the public at all of the budget hearings.

It is also during the time of the hearings that the Wilmington Economic and Financial Advisory Council (WEFAC) meets to certify the City's revenue projections underlying the Budget. WEFAC was created in 1994 and is composed of ten members appointed by the Mayor. Its membership consists of business, academic, and financial leaders with multifaceted expertise and experience. WEFAC's primary functions are to advise the Mayor on revenue projections and trends, and to provide a sounding board on issues of urban economics. It is important to note that, by law, City Council cannot alter the Mayor's revenue budget projections. WEFAC projections and reports can be found at <https://bit.ly/WEFAC>.

After the Finance Committee has completed its hearings, meetings are held in which City Council and the Administration leadership finalize agreement on the Budget. By the third Thursday in May, City Council votes on the Budget. By law, City Council must approve a balanced Budget by June 1st. For the Budget to be legally balanced, revenues plus an amount of existing prior years' surpluses, if any, must equal operating expenditures plus any existing deficits. Once completed, the Approved Budget Book is accessible through the City's website at <https://bit.ly/WDEBudget>. OMB also provides free hard copies of the Approved Budget Book upon request.

### **Amending the Budget**

After the start of the fiscal year, OMB has the authority to transfer budget allocations between accounts that are within the same Fund, Department, and Account Group. Account Groups are Personal Services; Materials, Supplies & Equipment; Debt Service, etc. Any other type of transfer, such as between Funds, Departments or different Account Groups, requires City Council approval by passage (through a simple majority vote) of an amending budget ordinance. The same holds true for any addition or deletion to the budget.

According to City Charter (Sec. 2-301. Other Appropriations) "*The Council may not make any operating appropriations in addition to those included in the annual operating budget ordinance except:*

- a. To meet emergencies which could not be anticipated when the operating budget ordinance was passed;*
- b. To pay the expenses of holding special elections and elections on proposals to amend this Charter;*
- c. To pay the cost of councilmanic investigations and inquiries and the compensation of attorneys retained by the Council as authorized by this Charter."*

City Council must determine and approve the revenues by which an addition to the budget will be funded.

## **Capital Program and Capital Budget**

Prior to the passage of the annual operating budget ordinance, Council must adopt a capital program and a capital budget. The Capital Program is a six-year plan listing projects for the purchase of property, equipment and public improvements that are of a permanent nature. The Capital Budget enacts spending authority for the first year of projects listed in the six-year Capital Program. Generally, a capital project is fixed in nature, has a relatively long life expectancy, and requires a substantial financial investment. Capital projects traditionally take the form of large-scale physical developments, such as buildings, streets and water mains. However, a wide range of other projects qualify for capital funding consideration, including firefighting apparatus, street lighting, and computer software. **Please see the Capital Program section of this document for more details.**

The Capital Program is presented by the Mayor with the recommendation of the Planning Commission to City Council for approval. Council may delete projects from the program but may not otherwise amend the Capital Program unless requested through the Mayor and Planning Commission. The majority of the Capital Budget is funded using bond proceeds. Bonds enable the costs of projects with long-term benefits to be spread over many fiscal years. Bonds are usually issued for twenty years and are structured to match the usefulness of projects financed and the fiscal policy of the City.

Due to the planning required and in order to reduce the costs of bond issuance, the City has adopted a procedure of issuing bonds on a biennial basis. Therefore, capital projects are budgeted in only even numbered fiscal years, and ordinances regarding the Capital Program and Budget in odd numbered years are normally insignificant and represent more of a formality than a substantive process.

The Capital Improvement Program (CIP) is designed to coordinate the biannual capital budgeting process with the operating budget process. The process includes: a) the establishment of a twelve-month capital project spending review; b) an inventory and needs assessment of existing capital facilities; c) the publication of a procedures manual; d) the creation of workshops to facilitate participation; and e) a combined review period for the CIP and the operating budget.

Public comment on the Capital Program and Budget is obtained during operating budget hearings and meetings of the Planning Commission.

## **Accounting and Budgeting Basis**

The City's budget is prepared using the same basis of accounting methods and procedures utilized to prepare the Annual Financial Report (Annual Report), which can be found at <https://bit.ly/WDeAFR>. The City's Annual Report for FY 2020 was awarded the Certificate of Achievement in financial reporting by the Government Financial Officers Association (GFOA). The City's financial statements and budget are prepared to conform to the standards of financial reporting set forth by the Government Accounting Standards Board (GASB) in its various Statements and Interpretations. As such, Funds are utilized to segregate the specific purposes and operations of the various activities of the City.

The City utilizes four major funds: The General, Special, Water/Sewer, and Internal Service funds for both budgeting and accounting purposes (**please see Description of Appropriated Funds on page 23**). Funds can be thought of as being like the subsidiaries of a major conglomerate corporation. Each subsidiary is responsible for its own operational results and strategy, yet is still part of the larger conglomerate corporation when it comes to overall management and financial results.

The basis of budgeting for each City fund matches the basis of accounting (the underlying fiscal principles used in the development of the financial statements and for recording financial activity) for that fund. The General, and Special funds are budgeted and operate under a **modified accrual basis** in which revenues are recognized when they become measurable and available as net current assets, and all expenses, except those related to fixed asset acquisition, are recorded when incurred (not when cash is paid out).

"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 General Fund revenues to be available if they are collected within 60 days after the end of the fiscal year.

The Water/Sewer and Internal Service funds are budgeted and operate under the **accrual method** (used by most businesses) in which all revenues and expenses are recorded when recognized (i.e. when earned for revenues and when incurred for expenses), rather than when cash is collected or paid out.

The major differences between the Modified Accrual Basis and Accrual Basis for both budgeting and accounting in the City's major funds are:

- Depreciation of fixed assets is budgeted and expensed in the Water/Sewer and Internal Service funds. In the General Fund, however, no depreciation is budgeted or expensed, rather the *total cost* of fixed asset acquisitions are budgeted and then expensed when purchased.
- The total cost of fixed asset acquisitions in the Water/Sewer and Internal Service Funds are also budgeted, but only to establish an appropriation line item for spending authority. The fixed asset budgeted amounts and actual purchase amounts are reversed through the use of an equal but negative capitalization account. The fixed asset purchases are then expensed over their useful life through the depreciation account.
- Only interest payments are budgeted and expensed for debt service in the Water/Sewer and Internal Service funds; however, both principal and interest payments are budgeted and expensed in the General Fund.

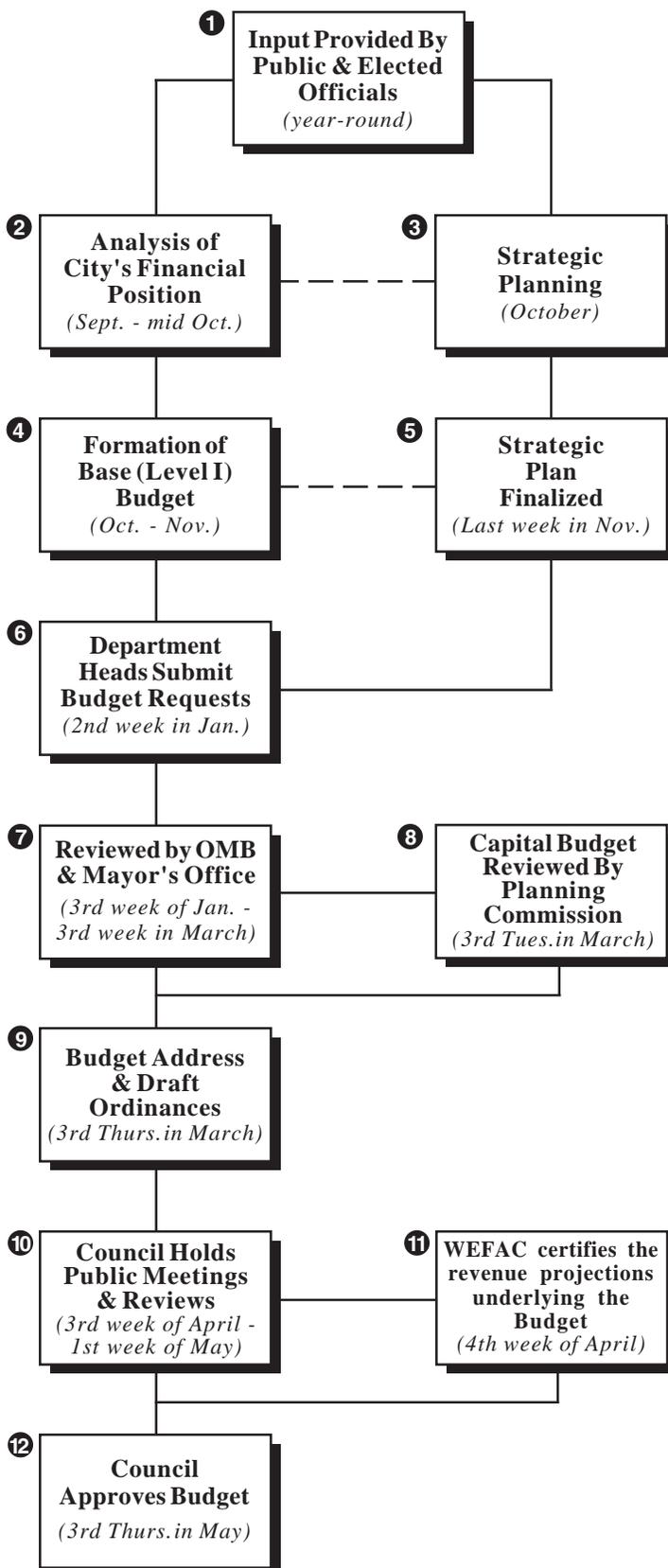
### **Questions and Feedback About the Budget**

The public is welcome and encouraged to provide feedback and ask questions about the annual budget by contacting us via the City's 311 customer service portal at <https://www.wilmingtonde.gov/residents/311>.

Citizens can also contact their elected officials via the following links:

- Office of the Mayor: <https://www.wilmingtonde.gov/government/office-of-the-mayor>
- Wilmington City Council: <https://www.wilmingtoncitycouncil.com/>
- Office of the Treasurer: <https://www.wilmingtonde.gov/government/city-treasurer-s-office>

# BUDGET PROCESS CALENDAR



- ① Community meetings, surveys, and presentations are used to gather information regarding services and issues.
- ② The Office of Management and Budget (OMB) evaluates the City's financial position and prepares preliminary forecasts for next fiscal year.
- ③ The Mayor and Dept Heads develop strategic plan goals and objectives.
- ④ OMB develops a baseline or Level I budget from historical data, trends, local economy and strategic plan.
- ⑤ Strategic Plan is finalized.
- ⑥ Based on Strategic Plan results and Level I amounts, departments submit budget requests to OMB.
- ⑦ During departmental meetings, OMB and the Mayor's Office review and evaluate requests, making recommendations as to funding.
- ⑧ The Planning Commission, a board of appointed citizens (5) and City officials (2), reviews and recommends a Capital Budget and Program to City Council.
- ⑨ The Mayor submits budget (operating and capital), revenue projections and tax rates for next fiscal year to City Council.
- ⑩ The Finance Committee of City Council holds public meetings on Mayor's proposed budget for each City Dept.
- ⑪ The Wilmington Economic and Financial Advisory Council (WEFAC) reviews, analyzes and certifies the revenue projections underlying the Budget. WEFAC consists of regional business, financial, and academic leaders appointed by the Mayor.
- ⑫ The City Council must approve a balanced budget by June 1 or 30 days prior to start of fiscal year.

# WILMINGTON STRATEGIC PLAN

## **Vision Statement**

To Be a Thriving City, Where Communities Are Safe,  
Businesses Are Eager to Invest, and People Prefer to Live.

## **Focus Area: Effective City Government**

*To Meet Citizens' Service Needs in a Professional, Caring, and Efficient Manner*

- |                    |                               |
|--------------------|-------------------------------|
| City-wide goal #1: | Embrace a Culture of Service. |
| City-wide goal #2: | Increase Accountability.      |
| City-wide goal #3: | Enhance Fiscal Prudence.      |
| City-wide goal #4: | Ensure Transparency.          |

## **Focus Area: Public Safety**

*To Decrease Crime and Improve Residents' and Visitors' Sense of Security*

- |                    |  |
|--------------------|--|
| City-wide goal #5: | Prevent and Deter Violent Crime.               |
| City-wide goal #6: | Cultivate Positive Community Relationships.    |
| City-wide goal #7: | Promote Professionalism.                       |
| City-wide goal #8: | Reintegrate Formally Incarcerated Individuals. |

## **Focus Area: Economic Vitality**

*To Increase Opportunities for Citizens and Businesses to Achieve Economic Success*

- |                     |                                       |
|---------------------|---------------------------------------|
| City-wide goal #9:  | Streamline Permitting Process.        |
| City-wide goal #10: | Build a Skilled Workforce.            |
| City-wide goal #11: | Cultivate Entrepreneurship.           |
| City-wide goal #12: | Attract, Retain, and Expand Business. |

## **Focus Area: Quality of Life**

*To Enhance the City's Position as a Desirable Place to Live, Work, and Play*

- |                     |  |
|---------------------|--|
| City-wide goal #13: | Offer Enhanced Recreational Opportunities. |
| City-wide goal #14: | Support Enriching Cultural Experiences.    |
| City-wide goal #15: | Enhance City Services.                     |
| City-wide goal #16: | Inspire Young People to Achieve Success.   |
| City-wide goal #17: | Improve Housing Quality.                   |
| City-wide goal #18: | Enhance Environmental Sustainability.      |

## **Introduction to Wilmington’s Strategic Plan and Performance Measures**

In 2015, the City of Wilmington released a comprehensive revision to its Strategic Plan. This resulted from a multi-year review of the City’s administrative and service-related activities, with the goal of improving the delivery of services, better addressing fiduciary responsibilities, and impacting quality-of-life issues for Wilmingtonians. The Strategic Plan serves as a framework for the City’s activities at all levels: the City’s Vision Statement is shared by all departments, and departments have Mission Statements, Priorities, and Performance Measures that reflect the goals of the Vision and the Focus Areas.

While the high-level elements of the Strategic Plan, such as the Vision and Focus Areas, will remain relatively stable year-over-year (as they represent the core values and aspirations of the City), departmental Performance Measures are expected to change as the City pivots its efforts to meet citizens’ most pressing needs. In order to ensure that the Strategic Plan objectives will be accurate, relevant, and meaningful to both City decision makers and constituents, the City’s departmental Measures are expected to meet the following criteria:

1. Can the objective be easily and consistently measured over time?
2. Does the objective measure the department's success in serving the public?
3. Does the objective measure the department's success in improving the quality of life of City residents?

As part of the budget process, the Mayor and department heads review the departmental Performance Measures, revising them to reflect the Administration’s goals for the upcoming Fiscal Year. The Administration then monitors how departments meet these measures via CitiStat, a data-driven management program (modelled on the highly successful program pioneered by Baltimore, Maryland) whereby departments collect quantitative data on operations and hold regular meetings with the Administration and OMB. CitiStat requires departments to be accountable for objectively measurable goals, which are tied to the Performance Measures included in the Strategic Plan. This allows for continuous review of the Measures, leading to revisions and improvements, as well as serving as a basis for budgetary decisions in subsequent years.

The FY 2023 budget document includes Strategic Plan measurements for many, though not all, departments. When phasing in the Strategic Plan at the departmental level, the City has chosen to focus on those departments with the broadest public impact, with the expectation that Performance Measures for other departments (particularly those with largely internal functions) will be phased in over time. Because of this (and because the City continues to revise and expand its existing Performance Measures), some of the Measures are new, and data for prior years is not always available.

## **OpenGov Performance Measures**

As the City of Wilmington is committed to providing the public with detailed information about its finances and operations, it has partnered with OpenGov to develop an interactive platform that provides easy access to a wide variety of data about the City of Wilmington. Users will find information about how the City spends its money on operations and how it allocates funds for infrastructure and other capital projects. In addition, OpenGov will display dynamic performance data pulled from the City's Strategic Plan.

Included with each departmental Strategic Plan in the budget book is a link to the department's OpenGov page. This page includes dynamic data for each measurement, while also providing up-to-date information about the department's budget and expenditures. A compilation of these pages may be found here: <http://bit.ly/WDeDSOG>.

## **STATEMENT OF FINANCIAL POLICIES**

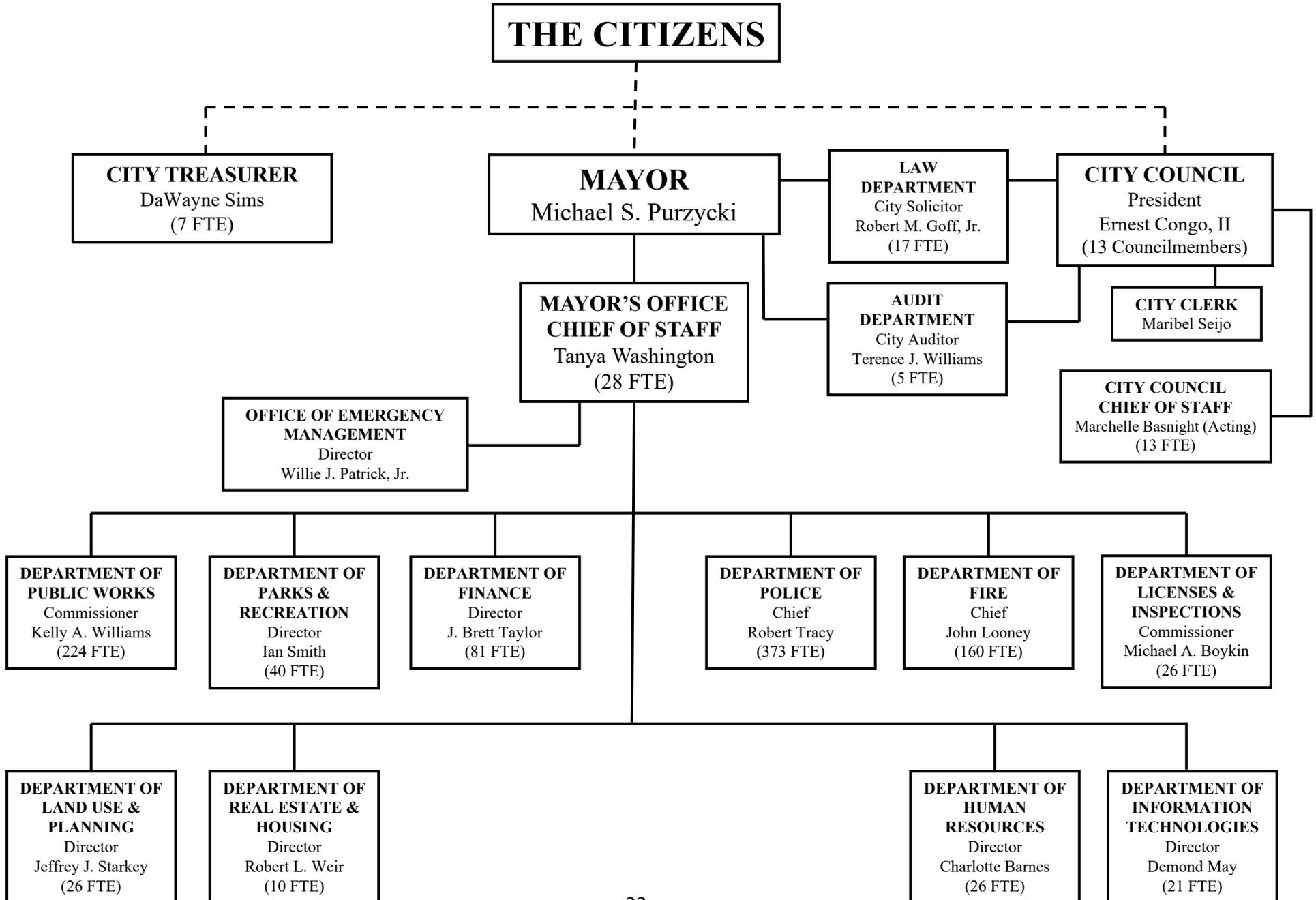
1. The City Code requires that the operating budget be balanced. Operating expenditures cannot exceed the total sum of projected revenues plus use of prior years' accumulated surplus (as approved by Council). Our financial policy extends the Code to include the following:
  - Enterprise Funds shall be self-sufficient and budgeted with a surplus or break-even operations. Water and Sewer user fees shall be adjusted to provide adequate cash flow to sustain water and sewer operations and the necessary infrastructure.
  - Internal Service Funds shall be budgeted at break-even with internal charges equal to expenditures. The Risk Management Fund shall be an exception in that this fund should, if possible, produce a positive fund balance. The building of a positive fund balance is important in risk management because a catastrophic fund balance reserve must be established. When the catastrophic reserve is established at an actuarially determined level, a balanced budget should be maintained.
  - Prior years' accumulated surpluses can be included in projected revenues with the exception of those funds designated for debt service, encumbrances or the Budget Reserve Account (see Policy #2). This policy limits tax increases because prior years' surplus are used prior to revenue enhancements.
  
2. Wilmington's financial position shall be managed conservatively. The following strategies shall be deployed:
  - The City shall maintain a Budget Reserve Account or "Rainy Day Account" equal to 10% of the General Fund Operating Budget. The Budget Reserve is to be used only in emergencies as declared by the Mayor and approved by a two-thirds majority vote of City Council.
  - One-time, temporary, or highly volatile sources of funding shall not be used to incur long-term or permanent increases in expenditures.
  - Operating contingencies shall be budgeted annually for general miscellaneous contingencies, snow removal, and contingencies due to new or increased business activity.
  - Appropriations for pensions and retiree healthcare costs shall include amounts for current expenses, along with amounts amortizing prior unfunded liabilities, as actuarially determined and approved by the City Treasurer and the independent Board of Pension and Retirement.
  - The Risk Management Fund or Self-Insurance Fund shall maintain a fund balance reserve for catastrophic losses, in addition to the actuarially-calculated liability.
  
3. A target of 80% or more of the General Fund or operating budget should represent direct essential services deemed as priorities by the citizens, such as Police, Fire, Public Works, Parks & Recreation, and Licenses & Inspections.

4. Cost containment shall be achieved by limiting growth of controllable expenses to no more than the increase in related cost indices such the Consumer Price Index (CPI) or Producer Price Index (PPI). Cost containment should be achieved without elimination of services or programs. New programs should be implemented only through cost savings from existing programs. Innovation and new technology must be utilized to achieve the most cost-effective service delivery.
5. Revenue generation will be derived from various sources with the primary focus on economic development activities. The broadening of the tax base, rather than increases to tax rates, is the objective; however, real estate tax rates and various user charges should be periodically adjusted to account for inflation. Collection and enforcement are vital components to our revenue generation program. All taxes, fees, and user charges shall have a collection rate of 98% or greater.
6. All components of Wilmington's infrastructure, including roads, water/wastewater transmission lines, water and sewer treatment plants, traffic signals, parks, public property, bridges, street lighting, reservoirs, and other capital assets shall be reviewed quarterly, and planned maintenance or replacement shall be approved by the Planning Commission and included in the City's Capital Budget and Program. Unexpended funds from previous Capital Budgets shall be reviewed quarterly to determine whether a former project has been temporarily delayed, altered, or is no longer feasible. Based on this analysis, funds might then be transferred to current fiscal year projects in order to reduce the amount of new borrowing and subsequent interest charges.
7. Debt shall never be incurred to finance operating activities, except in the special case, as approved by City Council, where the issuance of tax anticipation notes are to be used to bridge timing gaps in cash flow from tax revenue sources. Capital borrowing shall be structured to create level debt service over the life of the bonds and be opportunistic in regard to market conditions and special issues. The City will take an aggressive position regarding special issues in order to generate interest savings, fee income, or economic development incentives. Although total annual General Fund debt service cost as a percentage of the annual operating budget shall not exceed 17.5%, as mandated by Delaware State law, the City shall strive to keep that percentage to below 11%.
8. The City shall make maximum use of private resources. This includes the leveraging of non-public resources through public/private partnerships, as well as the privatization of services when those services can be provided more effectively, and at a reduced cost through the private sector.

Policies are reviewed annually for relevance and are the guidelines used during the strategic planning and budgeting processes. Adherence to the policies is checked on a monthly, quarterly, and annual basis through a number of vehicles, such as the Expenditure Review Board, the Capital Review Committee, the Administrative Board, and the Wilmington Economic and Financial Advisory Council (WEFAC). This multifaceted process of review and analysis reveals no deviations from the policies have occurred over the last fiscal review period.

# CITY OF WILMINGTON ORGANIZATION CHART

WITH DEPARTMENT STAFFING SHOWN IN FULL TIME EQUIVALENT (FTE) POSITIONS



## **DESCRIPTION OF APPROPRIATED FUNDS**

**The General Fund** encompasses basic municipal operations and services, such as police and fire protection, residential trash collection, general governmental operations, etc. Revenues are derived from taxes, fees, fines, and interest on investments. The General Fund is designated as a governmental fund.

**Special Funds** contain specialized activities/services that are funded from specific sources including other governmental units, endowments, trusts, and agencies. Special Funds are designated as governmental funds.

**State Aid to Local Law Enforcement (SALLE) Funds** are State of Delaware grants to be used for specific policing programs.

**Parks Trust Fund** reflects contributions to the City from trusts to be used in the maintenance and improvement of specific City-owned parks. Only the contribution from the trusts to the City are appropriated and shown in the budget.

**Municipal Street Aid Fund** reflects the fiscal activities regarding a special State of Delaware appropriation for street maintenance and lighting.

**Parks Assistance Fund** represents City activities in summer youth programs, senior programs, and other recreational and meal programs funded through federal and state grants.

**HUD Section 8 Funds** are used exclusively for rental subsidies for aged and economically disadvantaged persons. Funding is obtained from the U.S. Department of Housing and Urban Development (HUD).

**Community Development Block Grant (CDBG) Funds** are federally-funded activities administered by City staff and subrecipients for urban renewal and development.

**Home Partnership Funds** are federal funds that address a variety of housing assistance programs to benefit low-to-moderate income City residents.

**Pension Administration Funds** shown in the budget reflect the costs related to the administration of the City's five employee pension plans. The pension fiduciary trust funds themselves (including pension payroll and investment income) are not appropriated by City Council, but are controlled by an independent Board of Pensions.

**Emergency Shelter Grant** is designed to improve the quality of emergency shelters for the homeless. Funding for this program is awarded through HUD.

**Local Law Enforcement Block Grant (LLEBG)** is awarded by the United States Department of Justice to be used by local Police jurisdictions to enhance crime prevention and deployment.

**New Castle County (NCC) Police Grant; NCC Fire Grant** are grants provided by New Castle County for supporting City policing operations, new Fire apparatus, and ambulance subsidy payments.

**Delaware State Fire Grant** is provided by the State of Delaware to all fire departments throughout the State to assist them in purchasing specialized gear and equipment and to provide funding for specific safety training programs.

**Byrne Grant** is a federal award to support interdisciplinary activities to prevent and control crime.

# **DESCRIPTION OF APPROPRIATED FUNDS**

## **Special Funds (continued)**

**The Community Oriented Policing Services Office (COPS) Grant** is a federal award to help law enforcement agencies to hire more community policing officers, to acquire new technologies and equipment, and to promote innovative approaches to solving crime.

**Workforce Investment Board (WIB)** is a U.S. Department of Labor program that provides funding for community occupational training and employment service opportunities.

**Staffing for Adequate Fire and Emergency Response (SAFER)** is a federal grant providing funding directly to fire departments to help them increase the number of trained “front line” firefighters available in their communities.

**Housing Opportunities for Persons with AIDS (HOPWA) Program** is a federal grant providing housing assistance and supportive services for low-income people with HIV/AIDS and related diseases and their families.

**Local Emergency Planning Committees (LEPC)** funding is provided by the U.S. Environmental Protection Agency to help communities work to understand chemical hazards, develop emergency plans in case of an accidental release, and look for ways to prevent chemical accidents.

**CATV** funding is provided by the annual fee paid by Comcast for its cable franchise in the City of Wilmington. City Council created the CATV fund to support the activities of the City’s Cable channel 22 WITN station which is managed by City Council.

**Coronavirus Aid, Relief, and Economic Security Act (CARES Act)** funding resulted from federal legislation to provide, among other things, economic stimulus payments to individuals, small business, and state and local governments in response to the negative effects of the COVID-19 pandemic.

**American Rescue Plan Act (ARPA)** federal grant funding was provided to state and local governments as part of a spending package approved by Congress to speed up the country's recovery from the economic and health effects of the COVID-19 pandemic. ARPA builds upon many of the measures contained in the CARES Act.

**The Water/Sewer Fund** summarizes the City's water production and distribution, sewage treatment and disposal activities, along with stormwater control. Expenditures regarding these activities are funded by water, sewer, and stormwater service charges.

**The Commerce Fund (defunct)** had reflected the revenues and expenditures of the Port of Wilmington, as well as the administration of the economic development arm of the City. Revenues were primarily derived from Port of Wilmington service charges. The Port of Wilmington was sold to the State of Delaware in Fiscal Year 1996. Revenues received from the State were the sale proceeds (as a mortgage amortized over 30 years) and reimbursement of the previously existing Commerce Fund debt service which remained on the City’s books.

# **DESCRIPTION OF APPROPRIATED FUNDS**

## **The Commerce Fund (continued)**

Then in February of 2002, the Port and City entered into an agreement whereby the State would pay the City a lump sum of \$8 million to pay off the remaining mortgage payments owed to the City by the Port. The debt service reimbursement portion of the previous agreement was unaffected by this lump sum prepayment. State law dictated, however, that the remaining fund balance of the Commerce Fund had to be used by the City exclusively for economic development activities.

Thus, it was the mandated policy that the fund balance of the Commerce fund continue to be drawn down for economic development activities until the fund balance was depleted. Once the fund balance was spent down, as planned, those economic development activities and costs would be merged into the General Fund. In FY 2009 the Commerce fund balance was depleted, and as a result, in FY 2010 all economic development activities and costs, along with the Port debt reimbursement revenue from the State, were moved and budgeted in the General Fund.

**Internal Services Funds** are used to summarize City-wide common expenditures in one area, then to allocate such expenditures to the various departments in the General and Water/Sewer Funds. The funds have been segregated into these categories.

- **Administrative Services:** Communications; Data Processing; Duplication and Reproduction; Mail Services; Mapping and Graphics; Motor Vehicle; Word Processing. In FY 2020, all Administrative Services Funds, except for the Motor Vehicle Fund, were eliminated and their activities transferred into the General Fund as part of the new Department of Information Technologies.
- **Self-Insurance:** Risk Management; Workers' Compensation; Health and Welfare (Employee Healthcare).

## **Funding Appropriation**

The City's Non-Special Funds are appropriated through the Budget Process and approved by City Council through City Ordinance.

Most of the City's Special Funds are also appropriated through the budget process, but there are notable exceptions, such as the Pension and Parks Trust funds. While a small portion of administrative costs related to these two funds is appropriated and shown in the budget, the large majority of activities, revenues, and costs of these funds is controlled by legally independent boards and trusts, and are not appropriated through the budget process.

Only those Funds (or portions of those Funds) in which the City Council can appropriate expenditures are included in the budget document.

# **BUDGET HIGHLIGHTS**

## **CITY OF WILMINGTON**

### **FISCAL YEAR 2023**

#### **The General Fund**

- The FY 2023 General Fund operating budget expenditures total **\$176,865,305** – up \$4,162,904 or 2.4% from FY 2022. To help balance the budget, a 6.0% Property Tax increase was approved, along with the use of federal ARPA revenue replacement funding.
- The budget contains a \$2.34 million allowance to cover salary increases as dictated by union labor contracts and for a 2.0% cost-of-living-adjustment (COLA) salary increase for non-union employees. In addition, mandatory anniversary salary step increases for certain employees added just over \$574,000 to the budget.
- Staffing decreased by a net total of 15.72 full-time equivalents (FTE), and includes changes made in the mid-FY 2022 budget amendment. Personnel actions, including changes in grades and shifts to split-funded positions, resulted in a total net decrease of \$571,989.
  - The Mayor’s Office decreased by 4.00 FTE, for a net savings of \$378,604. A Constituent Services Officer, a Constituent Services Project Specialist, and a Constituent Services Representative were eliminated, along with the Mayor’s Office Receptionist, for a savings of \$390,310. The three Fiscal & Operations Analysts were upgraded from Grade S to Grade T in the non-union pay scale at a cost of \$11,706.
  - The split-funded (75% General Fund - 25% CATV Fund) salary of the City Council Chief of Staff was increased for a total cost to the General Fund of \$23,444.
  - In the Law Department, the Nuisance Property Administrator was upgraded from Grade O to Grade P in the non-union pay scale at a cost of \$1,564.
  - The Finance Department decreased by a net 2.65 FTE. Two Parking Regulation Enforcement Officer positions were eliminated for a savings of \$137,228. The Revenue Manager position (split-funded 35% General Fund and 65% Water/Sewer Fund) was eliminated, saving \$47,391. The split-funded Senior Financial Officer position was changed from 80% General Fund and 20% Water/Sewer Fund to 50% General Fund and 50% Water/Sewer Fund, resulting in a \$40,457 decrease to the General Fund. Lastly, the Delinquent Accounts Supervisor (funded 50% Water/Sewer Fund and 50% General Fund) was upgraded to a Delinquent Accounts Manager at a cost of \$2,659.
  - The three Human Resource Administrator positions in the Human Resources Department were reclassified and moved from the Executive & Managerial pay scale (Level M-04) to the non-union pay scale of Grade T at a cost of \$10,179.
  - Licenses and Inspections (L&I) decreased by 16.00 FTE. Fifteen positions were transferred to the Land Use & Planning Department (discussed in more detail below) for a reduction of \$1,496,658. In addition, the position of Deputy Commissioner was deleted and the salary of the Commissioner was reduced, saving \$139,986.

# **BUDGET HIGHLIGHTS**

## **CITY OF WILMINGTON**

### **FISCAL YEAR 2023**

#### **The General Fund** (continued)

- The Real Estate & Housing Department decreased by a net 0.50 FTE. The split-funded (50% General Fund and 50% Federal HUD Funds) GIS Technician I was eliminated for a savings of \$33,527.
- In the Public Works Department, as part of a reorganization to bolster areas of need, especially regarding administrative tasks and management, two vacant positions (split-funded 50% with the Water/Sewer Fund) were eliminated and two new administratively-focused positions (split-funded 50% with the Water/Sewer Fund) were created. In addition, a vacant Signal Electrician was upgraded to a Senior Signal Electrician; a split-funded (25% General Fund and 75% Water/Sewer Fund) Administrative Assistant I was upgraded to an Administrative Assistant II; and the Administrative Coordinator (split-funded 50% with the Water/Sewer Fund) was upgraded to Special Assistant to the Public Works Commissioner. The total net cost of these changes was \$14,558.
- The Police Department decreased by 9.57 FTE. Seven vacant patrol officer positions were eliminated, reducing the authorized strength to 312 and saving \$618,121. Although 2.57 FTE were also shifted out of the General Fund to properly align the costs of what were partially grant-funded School Resource Officers (SRO), the absorption of one of the previously assigned SRO's City pension cost resulted in a \$478,000 increase to the General Fund.
- The Department of Planning & Development has become the Department of Land Use and Planning. It was reorganized by transferring in those processes, employees, and budget accounts from the Department of Licenses & Inspections (L&I) related to permitting, plan reviews, and land development. Among other things, the proper integration of processes and employees will ensure a more efficient review and response to land development requests. Fifteen employees were transferred in from L&I; two existing positions in Planning & Development were deleted; and four new positions were created. In addition, the position of Deputy Commissioner in L&I was deleted. The net increase across both departments is almost \$217,700 (Land Use & Planning - up \$2.39 million and L&I - down \$2.17 million).
- After decreasing last year because of the effects of the COVID-19 pandemic on routine doctor visits and non-emergency medical procedures, the City's cost for employee and retiree medical care and prescription drugs is projected to grow a combined 7.1%, tracking closely to the national average. For FY 2023, that translated into a nearly \$1.4 million increase to the combined total of the Hospitalization and Pension Healthcare accounts.
- To meet the requirements of GASB pronouncement #24 (regarding on-behalf payments), annual funding received from the State of Delaware supporting the City's Police and Fire pension trust funds is booked as a pass-through in the General Fund. This means that the State funding is shown as a General Fund revenue source offset by an equal amount budgeted in the State Pension Contribution expenditure accounts in the Police and Fire departments. For FY 2023, the State grant was increased by \$566,600, which in turn increased the State Pension Contribution account by the same amount.

**BUDGET HIGHLIGHTS**  
**CITY OF WILMINGTON**  
**FISCAL YEAR 2023**

**The General Fund** (continued)

- The Delaware Office of Pensions lowered the required percentage of payroll for the City's FY 2023 contribution to the State-sponsored Police and Fire pension plan. This resulted in a savings of over \$1.4 million.
- In the changing business environment resulting from the COVID-19 pandemic, the Finance Department continues to seek the optimal mix of internal and external collection and audit efforts, especially regarding Wage Tax revenue. The Wage Tax Unit will be consolidating its external collections efforts to two firms, thereby reducing the expenses otherwise expected from a broader number of firms. As a result, Wage and Head Tax collection expenses were reduced by \$198,000 or almost 30%.
- Temporary Agencies is up a net total of \$215,500. There were three areas in the Finance Department that accounted for most of this increase. \$120,000 was added in the Parking Enforcement Division for three staff workers. The budget for additional support for the collections and settlement processes in the Accounts Service Division increased by \$39,000. And required accounting expertise and assistance, especially during the preparation of the Annual Financial Report, added \$35,000 in the Accounting Division.
- Consultants increased a net \$356,850, with the vast majority of the increase (\$196,000) occurring in the Information Technologies Department for improvement in the utilization of software to upgrade and better coordinate internal business processes and departmental customer service, with a special focus on the development of Land Use permitting software. In addition, Council requested \$80,000 be added to the Mayor's Office to conduct a comprehensive operational review of the Police Department.
- The Wearing Apparel and Safety Supplies character increased sharply by 38.0% (adding over \$262,000 to the budget), and was attributable to a number of diverse items in the Fire and Police Departments. With State grant funding no longer available, the \$91,000 cost of protective gear for a Fire rookie class had to be absorbed by the City. The same is true of the \$50,000 cost for the replacement of a Police bomb suit that had been purchased with grant funds. Other notable items in Police that attributed to the cost increase include tasers (up \$52,000), body armor (up \$30,000), and the cost of uniforms and equipment for the police cadet program (\$25,000).
- With the toll the COVID-19 pandemic has taken on the City's small businesses and hospitality sectors in mind, a \$160,000 increase in matching funding support was provided to the "It's Time" campaign through the Mayor's Office Advertising account. The "It's Time" campaign, funded largely through business contributions, is an economic development-based effort to support business development in Wilmington, with a special emphasis on small businesses. The campaign promotes and markets the City regionally and nationally as an excellent place to live, work, raise families, and have fun. "It's Time" is the only existing effort that continually showcases Wilmington's pride and diversity.

**BUDGET HIGHLIGHTS**  
**CITY OF WILMINGTON**  
**FISCAL YEAR 2023**

**The General Fund** (continued)

- The Motor Vehicle Costs account increased by almost \$230,000, driven largely by the expansion of specialized equipment in the Police Department.
- Total Debt Service decreased a net \$910,500. Ongoing reconciliation by the City's auditors of the prorated debt service savings from the November 2020 bond refinancing has resulted in a change to the debt service schedules.
- There is a 6.0% increase to the Property Tax rate that is projected to result in additional annual revenue of \$2.6 million. The median assessment homeowner will pay an additional \$41.76 annually or \$3.48 more per month.

# **BUDGET HIGHLIGHTS**

## **CITY OF WILMINGTON**

### **FISCAL YEAR 2023**

#### **The Water/Sewer Fund**

- The FY 2023 Water/Sewer Fund operating budget expenditures total **\$82,144,457** – up \$2,576,882 or 3.2% from FY 2022. The FY 2023 Budget continues to support the high-priority initiatives essential to achieving financially self-sustaining and environmentally-sound water, sewer, and stormwater utilities. These include an accelerated Combined Sewer Overflow (CSO) mitigation effort, and finished water filtration and supply improvements that exceed EPA standards, contributing to the stability of northern Delaware’s water supply, especially in times of drought.
- The budget contains a \$146,100 allowance to cover salary increases as dictated by union labor contracts and for a 2.0% cost-of-living-adjustment (COLA) salary increase for non-union employees. In addition, mandatory anniversary salary step increases for certain employees added about \$86,500 to the budget.
- Staffing decreased by a net total of 1.35 FTE. Personnel actions, including changes in grades and shifts to split-funded positions, resulted in a total net decrease of \$94,909.
  - The Finance Department decreased by a net 0.35 FTE. The Revenue Manager position (split-funded 65% Water/Sewer Fund and 35% General Fund) was eliminated, saving \$88,013. The split-funded Senior Financial Officer position was changed from 20% Water/Sewer Fund and 80% General Fund to 50% Water/Sewer Fund and 50% General Fund, resulting in a \$40,457 increase to the Water/Sewer Fund. Lastly, the Delinquent Accounts Supervisor (funded 50% Water/Sewer Fund and 50% General Fund) was upgraded to a Delinquent Accounts Manager at a cost of \$2,659.
  - In the Public Works Department, as part of a reorganization to bolster areas of need, five various vacant positions (two of which were split-funded 50% with the General Fund) were eliminated and four positions (two of which are split-funded 50% with the General Fund) were added for a savings of \$68,175. In addition, a split-funded (75% Water/Sewer Fund and 25% General Fund) Administrative Assistant I was upgraded to an Administrative Assistant II; the Administrative Coordinator (split-funded 50% with the General Fund) was upgraded to Special Assistant to the Public Works Commissioner; a GIS Technician II was upgraded to a GIS Analyst II; and all eight Plant Operator IIIs were upgraded from Grade H to Grade J in the Local 320 union pay scale. The effect of the above listed upgrades was an increase in cost of \$18,161.
- The Contracted Maintenance Services account increased \$960,400. Almost the entire increase is in the contract fee to Jacobs to operate and maintain the City’s sewage treatment plant and help manage the City’s renewable energy bio-solids facility.
- The Repairs to Sewer Lines account in the Sewer Maintenance Division rose by \$400,000 to cover expanded inspection and repair of flood points, and the higher costs of emergency pipe replacement and repairs.

**BUDGET HIGHLIGHTS**  
**CITY OF WILMINGTON**  
**FISCAL YEAR 2023**

**The Water/Sewer Fund** (continued)

- A total of \$209,000 was added to cover a wide-ranging list of items in the Engineering accounts of the Water System, Sewer Maintenance and Wastewater Treatment Plant Divisions. This includes additional support for the City's renewable energy bio-solids facility, technical assistance and guidance regarding EPA local limit requirements, and project management of the sewer collection system.
- Indirect Costs, which are charges to the Water/Sewer Fund reimbursing costs incurred by the General Fund in support of the water, sewer, and stormwater utilities, are budgeted to increase by \$251,033, reflecting the recent revisions to the cost allocation model based on new usage surveys.
- Legal fees were increased 40% (from \$500,000 to \$700,000) to cover arbitration and legal proceedings against New Castle County (wastewater treatment contract), the Army Corps of Engineers (unpaid stormwater bills), and Honeywell (breach of contract regarding the renewable energy bio-solids facility).
- Since the low point during the height of the COVID-19 pandemic last year, the price of dozens of chemicals has risen by more than 100%. Some of the affected chemicals are used by the City for water treatment at the Porter and Brandywine filter plants. In addition, new types of speciality chemicals are needed for the cleaning of the membranes at the Brandywine Plant. As a result, Bulk Chemicals increased by \$175,000.
- The Finance Department added \$110,000 in the Miscellaneous Charges - N.O.C. account to expand staffing for the Wilmington 311 Call Center. Wilmington 311 is a customer service portal that offers residents the ability to request a service, report a problem or direct a question to City government officials.
- Total Debt Service decreased a net \$566,576. Ongoing reconciliation by the City's auditors of the prorated debt service savings from the November 2020 bond refinancing has resulted in a change to the debt service schedules.
- There was a 5.0% increase to water and sewer rates. The projected fiscal impact of the rate changes is an increase of \$2.49 million in revenue to the Water/Sewer Fund in FY 2023. The typical residential customer in the City using 4,000 gallons of water per month will see an increase of \$2.82 to their monthly bill. There was no increase to stormwater rates.

## Summary of Combined Statement of Revenues Fiscal Year 2023

Revenues	Actual FY 2020	Actual FY 2021	Budget FY 2022	Budget FY 2023	Dollar Change FY'23-'22	Percent Change FY'23-'22
<b>General Fund</b>						
Taxes	\$119,550,903	\$119,118,378	\$120,445,778	\$125,327,627	\$4,881,849	4.1%
Permits, Fees, and Fines	11,127,337	10,412,428	12,898,806	12,049,727	(849,079)	-6.6%
Task Force Revenues	5,624,656	6,622,225	5,990,845	7,423,147	1,432,302	23.9%
County Seat Relief	11,640,434	12,441,554	11,520,686	12,470,162	949,476	8.2%
State Pension Contribution	5,785,466	6,352,066	5,785,466	6,352,066	566,600	9.8%
Other	13,194,948	19,949,631	9,615,727	22,497,441	12,881,714	134.0%
Transfers In	275,000	275,000	275,000	275,000	0	0.0%
<b>General Fund Total</b>	<b>\$167,198,744</b>	<b>\$175,171,282</b>	<b>\$166,532,308</b>	<b>\$186,395,170</b>	<b>\$19,862,862</b>	<b>11.9%</b>
<b>Water/Sewer Fund</b>						
Water/Sewer Fees	\$55,086,654	\$62,826,157	\$60,873,830	\$64,739,186	\$3,865,356	6.3%
NCC Sewer Services	22,489,162	19,622,109	21,173,439	21,056,000	(117,439)	-0.6%
Other	1,247,796	1,011,702	1,087,000	572,000	(515,000)	-47.4%
<b>Water/Sewer Fund Total</b>	<b>\$78,823,612</b>	<b>\$83,459,968</b>	<b>\$83,134,269</b>	<b>\$86,367,186</b>	<b>\$3,232,917</b>	<b>3.9%</b>
<b>Special Funds</b>						
Grants	\$10,294,766	\$11,543,747	\$7,808,843	\$7,448,571	(\$360,272)	-4.6%
Other	6,133,300	6,493,856	6,880,961	7,128,540	247,579	3.6%
<b>Special Funds Total</b>	<b>\$16,428,066</b>	<b>\$18,037,603</b>	<b>\$14,689,804</b>	<b>\$14,577,111</b>	<b>(\$112,693)</b>	<b>-0.8%</b>
<b>Total Revenues</b>						
<b>All Funds Total</b>	<b>\$262,450,422</b>	<b>\$276,668,853</b>	<b>\$264,356,381</b>	<b>\$287,339,467</b>	<b>\$22,983,086</b>	<b>8.7%</b>

## Summary of Combined Statement of Expenditures Fiscal Year 2023

Expenditures	Actual FY 2020	Actual FY 2021	Budget FY 2022	Budget FY 2023	Dollar Change FY'23-'22	Percent Change FY'23-'22
<b>General Fund</b>						
Personal Services	\$109,141,267	\$110,402,315	\$112,617,645	\$116,329,996	\$3,712,351	3.3%
Materials, Supplies, & Equip.	40,186,564	38,669,544	43,635,474	44,985,426	1,349,952	3.1%
Debt Service	14,193,373	10,443,854	15,506,487	14,596,018	(910,469)	-5.9%
Other	265,050	261,210	942,795	953,865	11,070	1.2%
<b>General Fund Total</b>	<b>\$163,786,254</b>	<b>\$159,776,923</b>	<b>\$172,702,401</b>	<b>\$176,865,305</b>	<b>\$4,162,904</b>	<b>2.4%</b>
<b>Water/Sewer Fund</b>						
Personal Services	\$11,451,631	\$10,832,655	\$11,986,334	\$12,324,512	\$338,178	2.8%
Materials, Supplies, & Equip.	52,664,934	51,741,126	51,733,136	54,538,416	2,805,280	5.4%
Debt Service	5,748,799	5,841,152	6,351,099	5,784,523	(566,576)	-8.9%
Other	9,497,006	10,424,403	9,497,006	9,497,006	0	0.0%
<b>Water/Sewer Fund Total</b>	<b>\$79,362,370</b>	<b>\$78,839,336</b>	<b>\$79,567,575</b>	<b>\$82,144,457</b>	<b>\$2,576,882</b>	<b>3.2%</b>
<b>Special Funds</b>						
Personal Services	\$4,660,718	\$4,520,487	\$3,869,922	\$3,535,845	(\$334,077)	-8.6%
Materials, Supplies, & Equip.	5,321,328	6,100,874	3,616,408	3,686,614	70,206	1.9%
Debt Service	109,059	73,605	33,234	36,659	3,425	10.3%
Other	6,449,739	7,527,884	7,053,426	7,303,426	250,000	3.5%
<b>Special Funds Total</b>	<b>\$16,540,844</b>	<b>\$18,222,850</b>	<b>\$14,572,990</b>	<b>\$14,562,544</b>	<b>(\$10,446)</b>	<b>-0.1%</b>
<b>Total Expenditures</b>						
<b>All Funds Total</b>	<b>\$259,689,468</b>	<b>\$256,839,109</b>	<b>\$266,842,966</b>	<b>\$273,572,306</b>	<b>\$6,729,340</b>	<b>2.5%</b>
<b>Income / (Loss)</b>						
General Fund	\$3,412,490	\$15,394,359	(\$6,170,093)	\$9,529,865	\$15,699,958	N/A
Water/Sewer Fund	(538,758)	4,620,632	3,566,694	4,222,729	656,035	18.4%
Special Funds	(112,778)	(185,247)	116,814	14,567	(102,247)	-87.5%
<b>Total Income / (Loss)</b>	<b>\$2,760,954</b>	<b>\$19,829,744</b>	<b>(\$2,486,585)</b>	<b>\$13,767,161</b>	<b>\$16,253,746</b>	<b>N/A</b>

1. General Fund FY 2022 budget was balanced with the use of \$6,170,093 from the Tax Stabilization Reserve.
2. Income / (Loss) before use of reserves or prior year surpluses.
3. Income / (Loss) Percent Change displays N/A when FY 2022 is negative and Dollar Change vs FY 2023 is positive.

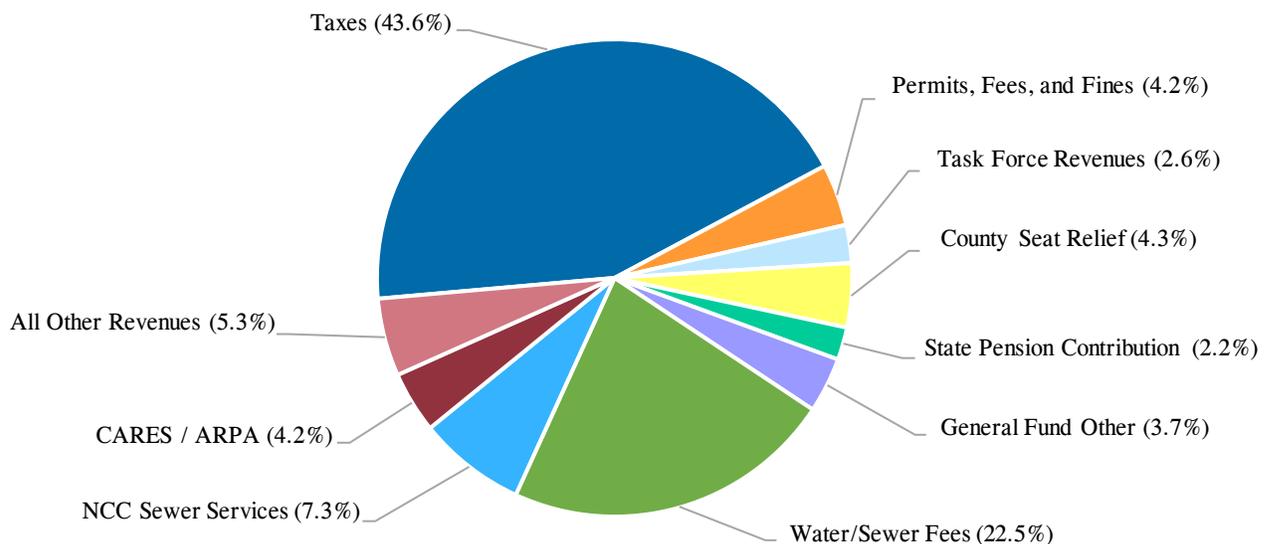
## Summary of All Funds Combined Fiscal Year 2023

<b>All Funds Revenues</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>Dollar Change FY'23-'22</b>	<b>Percent Change FY'23-'22</b>
Taxes	\$119,550,903	\$119,118,378	\$120,445,778	\$125,327,627	\$4,881,849	4.1%
Permits, Fees, and Fines	11,127,337	10,412,428	12,898,806	12,049,727	(849,079)	-6.6%
Task Force Revenues	5,624,656	6,622,225	5,990,845	7,423,147	1,432,302	23.9%
County Seat Relief	11,640,434	12,441,554	11,520,686	12,470,162	949,476	8.2%
State Pension Contribution	5,785,466	6,352,066	5,785,466	6,352,066	566,600	9.8%
General Fund Other	11,597,079	11,570,731	9,890,727	10,772,441	881,714	8.9%
Use of Fund Balance*	0	0	6,170,093	0	(6,170,093)	-100.0%
Water/Sewer Fees	55,086,654	62,826,157	60,873,830	64,739,186	3,865,356	6.3%
NCC Sewer Services	22,489,162	19,622,109	21,173,439	21,056,000	(117,439)	-0.6%
Water/Sewer Other	1,063,099	711,702	1,087,000	572,000	(515,000)	-47.4%
CARES / ARPA	2,057,566	8,953,900	0	12,000,000	12,000,000	N/A
Special Funds Grants	10,294,766	11,543,747	7,808,843	7,448,571	(360,272)	-4.6%
Special Funds Other	6,133,300	6,493,856	6,880,961	7,128,540	247,579	3.6%
<b>Total Revenues</b>	<b>\$262,450,422</b>	<b>\$276,668,853</b>	<b>\$270,526,474</b>	<b>\$287,339,467</b>	<b>\$16,812,993</b>	<b>6.2%</b>

\* Includes use of General Fund Tax Stabilization Reserve.

Taxes includes Wage Tax, Property Tax, and Other Taxes. State Transfers includes Task Force Revenues, County Seat Relief, and State Pension Contribution. General Fund Other includes Interest, Other Revenues, Port Debt Reimbursement, Transfer In/Out, and Use of Fund Balance. Water/Sewer Fees includes Water/Sewer User Fees and Stormwater Billings. Water/Sewer Other includes Rentals/Misc. and Solar Panels.

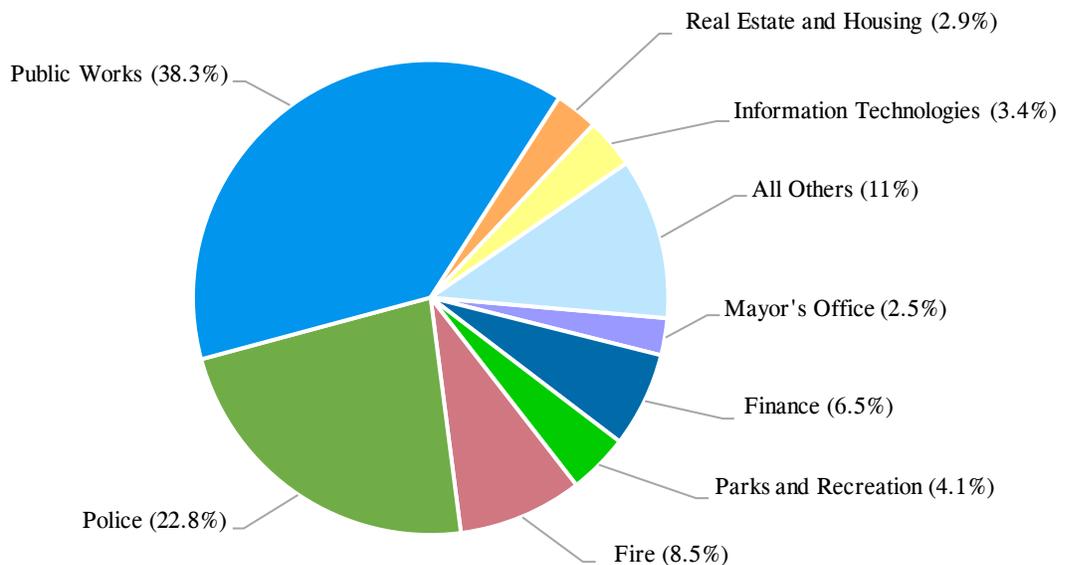
### All Funds Revenues Fiscal Year 2023



## Summary of All Funds Combined Fiscal Year 2023

All Funds Expenditures	Actual FY 2020	Actual FY 2021	Budget FY 2022	Budget FY 2023	Dollar Change FY'23-'22	Percent Change FY'23-'22
Mayor's Office	\$9,902,259	\$8,631,425	\$7,210,351	\$6,903,364	(\$306,987)	-4.3%
City Council	2,925,260	2,873,094	2,710,623	2,887,031	176,408	6.5%
Treasurer	5,471,157	5,911,355	6,222,796	6,463,536	240,740	3.9%
Land Use and Planning	1,537,036	1,434,135	1,485,069	3,879,094	2,394,025	161.2%
Audit	892,390	948,234	932,814	990,200	57,386	6.2%
Law	2,571,511	2,352,462	2,536,273	2,628,829	92,556	3.6%
Finance	15,823,978	16,167,510	17,347,954	17,654,801	306,847	1.8%
Human Resources	1,589,168	1,564,188	2,301,745	2,340,811	39,066	1.7%
Licenses and Inspections	5,227,602	4,747,563	5,678,653	3,506,796	(2,171,857)	-38.2%
Parks and Recreation	11,176,667	11,150,139	10,938,571	11,282,266	343,695	3.1%
Fire	22,984,011	22,712,233	22,936,941	23,168,158	231,217	1.0%
Police	60,835,682	59,816,552	60,326,725	62,508,205	2,181,480	3.6%
Public Works	98,702,234	96,313,744	101,240,237	104,742,446	3,502,209	3.5%
Real Estate and Housing	5,615,581	7,273,373	9,697,426	7,980,264	(1,717,162)	-17.7%
Commerce (Port Debt)	720,226	77,374	154,941	277,071	122,130	78.8%
Information Technologies	7,929,240	8,513,662	8,664,381	9,335,368	670,987	7.7%
State Pension Contrib.	5,785,466	6,352,066	5,785,466	6,352,066	566,600	9.8%
Contingent Reserves	0	0	672,000	672,000	0	0.0%
<b>Total Expenditures</b>	<b>\$259,689,468</b>	<b>\$256,839,109</b>	<b>\$266,842,966</b>	<b>\$273,572,306</b>	<b>\$6,729,340</b>	<b>2.5%</b>

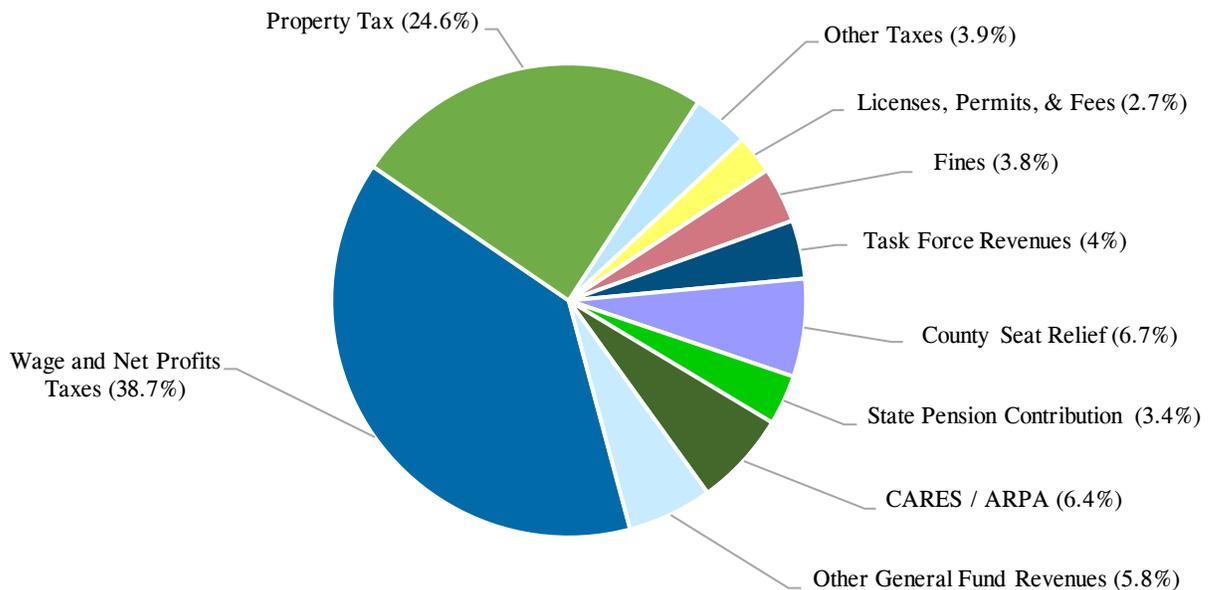
### All Funds Expenditures Fiscal Year 2023



## Summary of General Fund Fiscal Year 2023

General Fund Revenues	Actual FY 2020	Actual FY 2021	Budget FY 2022	Budget FY 2023	Dollar Change FY'23-'22	Percent Change FY'23-'22
Wage and Net Profits Taxes	\$65,637,184	\$65,444,237	\$70,079,093	\$72,204,780	\$2,125,687	3.0%
Property Tax	43,698,151	44,728,292	43,256,728	45,911,800	2,655,072	6.1%
Other Taxes	10,215,568	8,945,849	7,109,957	7,211,047	101,090	1.4%
Licenses, Permits, & Fees	5,746,733	4,602,110	4,403,653	4,963,677	560,024	12.7%
Fines	5,380,604	5,810,318	8,495,153	7,086,050	(1,409,103)	-16.6%
Interest	1,301,142	256,040	336,000	413,000	77,000	22.9%
Other Revenues	9,451,581	10,168,834	8,725,523	9,530,612	805,089	9.2%
Task Force Revenues	5,624,656	6,622,225	5,990,845	7,423,147	1,432,302	23.9%
County Seat Relief	11,640,434	12,441,554	11,520,686	12,470,162	949,476	8.2%
State Pension Contribution	5,785,466	6,352,066	5,785,466	6,352,066	566,600	9.8%
Port Debt Reimbursement	569,356	870,857	554,204	553,829	(375)	-0.1%
CARES / ARPA	1,872,869	8,653,900	0	12,000,000	12,000,000	N/A
Transfers In/(Out)	275,000	275,000	275,000	275,000	0	0.0%
Use of Fund Balance	0	0	6,170,093	0	(6,170,093)	-100.0%
<b>Total Revenues</b>	<b>\$167,198,744</b>	<b>\$175,171,282</b>	<b>\$172,702,401</b>	<b>\$186,395,170</b>	<b>\$13,692,769</b>	<b>7.9%</b>

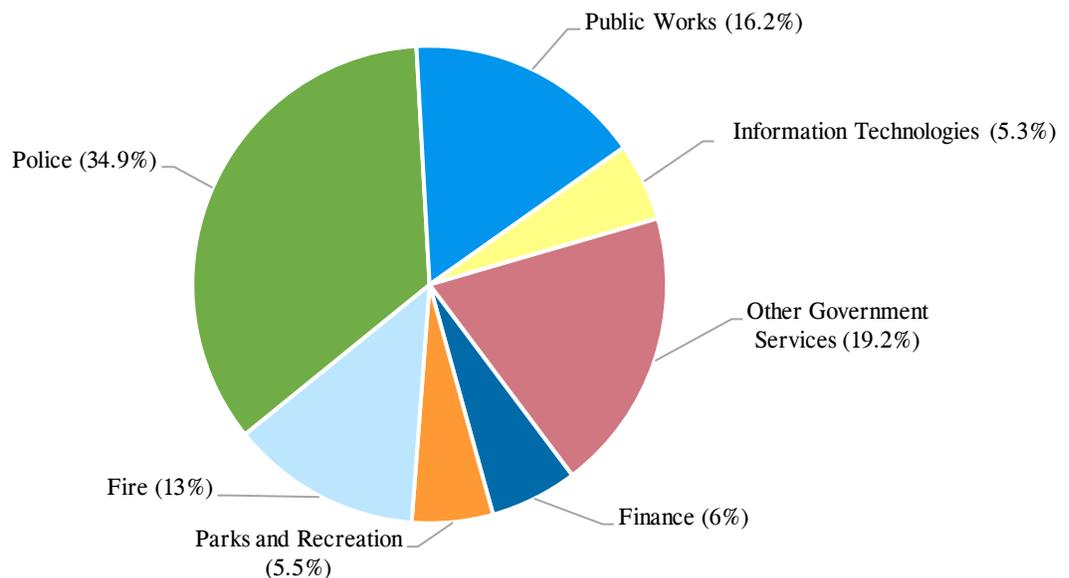
### General Fund Revenues Fiscal Year 2023



## Summary of General Fund Fiscal Year 2023

General Fund Expenditures	Actual FY 2020	Actual FY 2021	Budget FY 2022	Budget FY 2023	Dollar Change FY'23-'22	Percent Change FY'23-'22
Mayor's Office	\$9,687,145	\$8,290,209	\$7,134,800	\$6,826,305	(\$308,495)	-4.3%
City Council	1,785,401	1,687,632	1,827,437	1,901,598	74,161	4.1%
Treasurer	465,308	522,656	449,510	449,620	110	0.0%
Land Use and Planning	1,528,480	1,379,348	1,445,500	3,835,055	2,389,555	165.3%
Audit	807,406	851,154	849,136	906,125	56,989	6.7%
Law	2,571,511	2,352,462	2,536,273	2,628,829	92,556	3.6%
Finance	9,392,064	9,154,059	10,409,920	10,555,660	145,740	1.4%
Human Resources	1,589,168	1,564,188	2,301,745	2,340,811	39,066	1.7%
Licenses and Inspections	5,227,602	4,747,563	5,678,653	3,506,796	(2,171,857)	-38.2%
Parks and Recreation	8,835,987	7,778,526	9,485,864	9,759,457	273,593	2.9%
Fire	22,926,744	22,601,492	22,735,572	22,966,789	231,217	1.0%
Police	57,749,947	57,357,138	59,174,883	61,758,351	2,583,468	4.4%
Public Works	24,596,154	23,564,017	27,471,714	28,564,575	1,092,861	4.0%
Real Estate and Housing	2,188,405	2,983,377	5,924,606	4,228,829	(1,695,777)	-28.6%
Commerce (Port Debt)	720,226	77,374	154,941	277,071	122,130	78.8%
Information Technologies	7,929,240	8,513,662	8,664,381	9,335,368	670,987	7.7%
State Pension Contrib.	5,785,466	6,352,066	5,785,466	6,352,066	566,600	9.8%
Contingent Reserves	0	0	672,000	672,000	0	0.0%
<b>Total Expenditures</b>	<b>\$163,786,254</b>	<b>\$159,776,923</b>	<b>\$172,702,401</b>	<b>\$176,865,305</b>	<b>\$4,162,904</b>	<b>2.4%</b>

## General Fund Expenditures Fiscal Year 2023

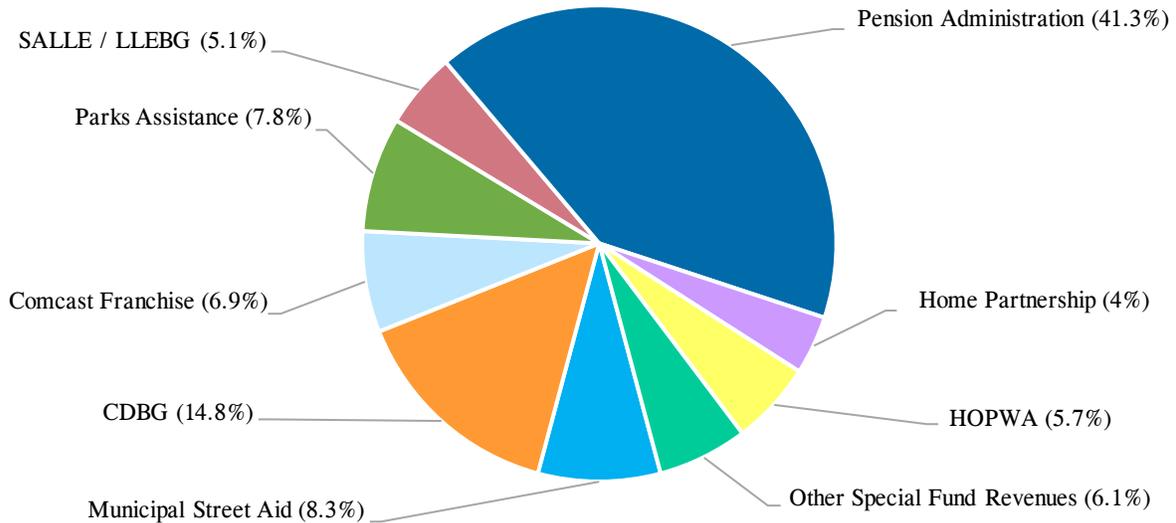


## Summary of Special Funds Fiscal Year 2023

Special Funds Revenues	Actual FY 2020	Actual FY 2021	Budget FY 2022	Budget FY 2023	Dollar Change FY'23-'22	Percent Change FY'23-'22
Municipal Street Aid	\$1,260,608	\$1,020,922	\$1,222,660	\$1,216,630	(\$6,030)	-0.5%
CDBG	2,226,316	2,528,982	2,219,237	2,156,360	(62,877)	-2.8%
Comcast Franchise	1,027,081	1,000,215	1,000,000	1,000,000	0	0.0%
Emergency Shelter	183,571	357,397	189,070	189,072	2	0.0%
Workforce Investment	396,700	331,533	263,834	269,111	5,277	2.0%
Parks Assistance	1,843,610	2,935,138	1,081,198	1,139,074	57,876	5.4%
Parks Trust Fund	100,370	104,942	107,675	114,624	6,949	6.5%
SALLE / LLEBG	3,085,735	2,459,414	1,151,842	749,854	(401,988)	-34.9%
Pension Administration	5,005,849	5,388,699	5,773,286	6,013,916	240,630	4.2%
Home Partnership	211,062	586,516	579,619	581,539	1,920	0.3%
HOPWA	814,783	871,888	824,463	824,464	1	0.0%
Miscellaneous Grants	272,381	451,957	276,920	322,467	45,547	16.4%
<b>Total Revenues</b>	<b>\$16,428,066</b>	<b>\$18,037,603</b>	<b>\$14,689,804</b>	<b>\$14,577,111</b>	<b>(\$112,693)</b>	<b>-0.8%</b>

Special Funds Revenues consist of supplemental revenues derived from non-taxation sources such as Federal and State grants and endowments. The Comcast Franchise fee is a special exemption related to City Council's CATV Fund.

## Special Funds Revenues Fiscal Year 2023

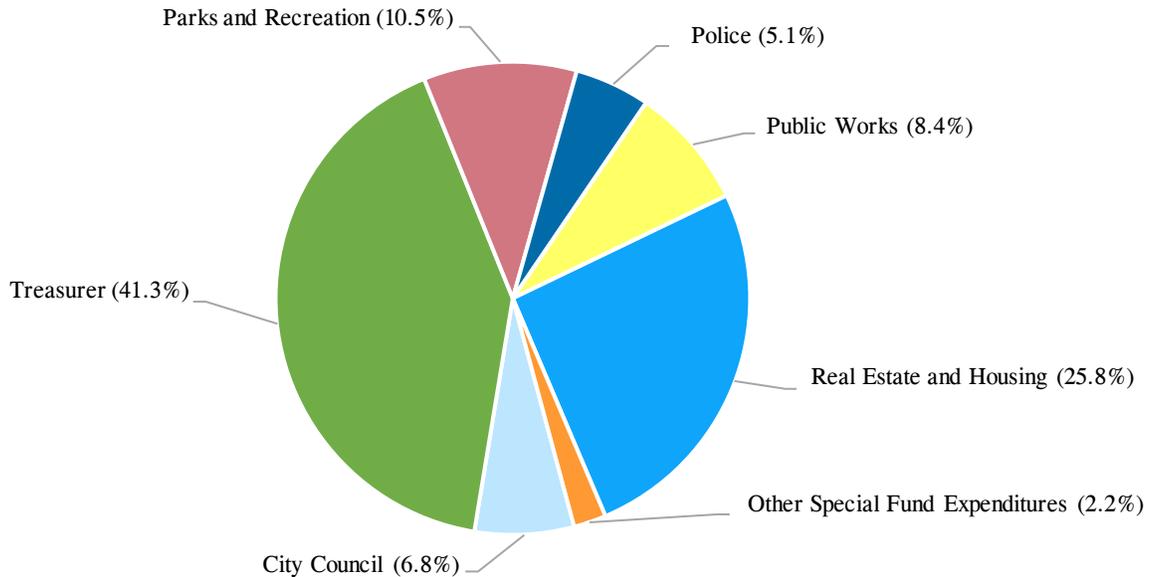


## Summary of Special Funds Fiscal Year 2023

Special Funds Expenditures	Actual FY 2020	Actual FY 2021	Budget FY 2022	Budget FY 2023	Dollar Change FY'23-'22	Percent Change FY'23-'22
Mayor's Office	\$215,114	\$341,216	\$75,551	\$77,059	\$1,508	2.0%
City Council	1,139,859	1,185,462	883,186	985,433	102,247	11.6%
Treasurer	5,005,849	5,388,699	5,773,286	6,013,916	240,630	4.2%
Land Use and Planning	8,556	54,787	39,569	44,039	4,470	11.3%
Parks and Recreation	2,340,680	3,371,613	1,452,707	1,522,809	70,102	4.8%
Fire	57,267	110,741	201,369	201,369	0	0.0%
Police	3,085,735	2,459,414	1,151,842	749,854	(401,988)	-34.9%
Public Works	1,260,608	1,020,922	1,222,660	1,216,630	(6,030)	-0.5%
Real Estate and Housing	3,427,176	4,289,996	3,772,820	3,751,435	(21,385)	-0.6%
<b>Total Expenditures</b>	<b>\$16,540,844</b>	<b>\$18,222,850</b>	<b>\$14,572,990</b>	<b>\$14,562,544</b>	<b>(\$10,446)</b>	<b>-0.1%</b>

Except in the special case of the CATV Fund in City Council, for these Special Funds total expenditures are equal to total revenues for purposes of appropriation. Therefore, there is no net income, fund balance, or change in fund balance.

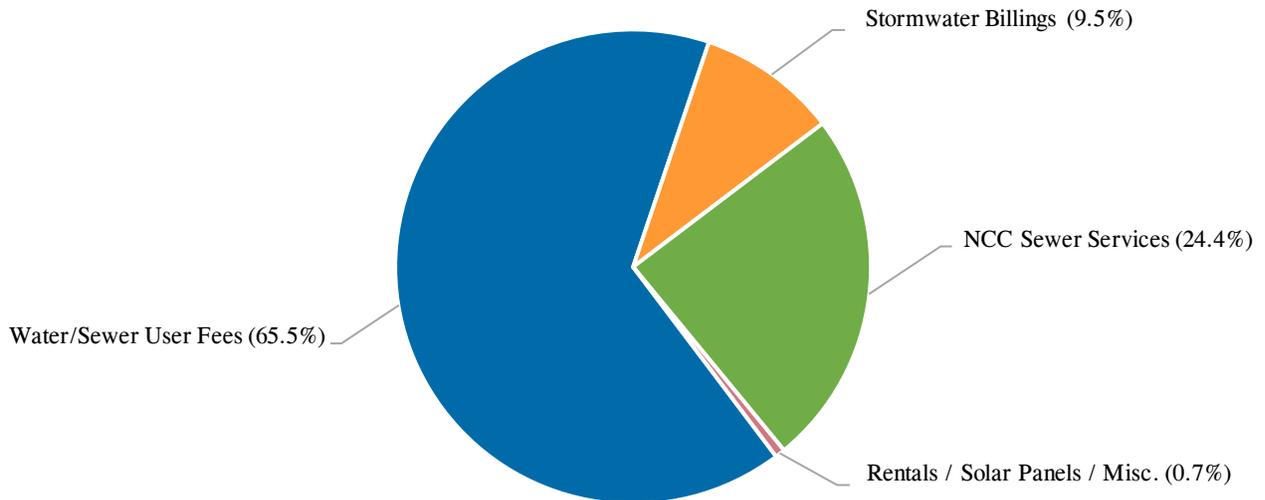
### Special Funds Expenditures Fiscal Year 2023



## Summary of Water / Sewer Fund Fiscal Year 2023

<b>Water/Sewer Revenues</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>Dollar Change FY'23-'22</b>	<b>Percent Change FY'23-'22</b>
Water/Sewer User Fees	\$46,785,502	\$53,507,699	\$52,209,830	\$56,531,186	\$4,321,356	8.3%
Stormwater Billings	8,301,152	9,318,458	8,664,000	8,208,000	(456,000)	-5.3%
NCC Sewer Services	22,489,162	19,622,109	21,173,439	21,056,000	(117,439)	-0.6%
Rentals/Miscellaneous	1,024,460	694,080	1,050,000	535,000	(515,000)	-49.0%
Solar Panel Revenues	38,639	17,622	37,000	37,000	0	0.0%
CARES / ARPA	184,697	300,000	0	0	0	0.0%
<b>Total Revenues</b>	<b>\$78,823,612</b>	<b>\$83,459,968</b>	<b>\$83,134,269</b>	<b>\$86,367,186</b>	<b>\$3,232,917</b>	<b>3.9%</b>

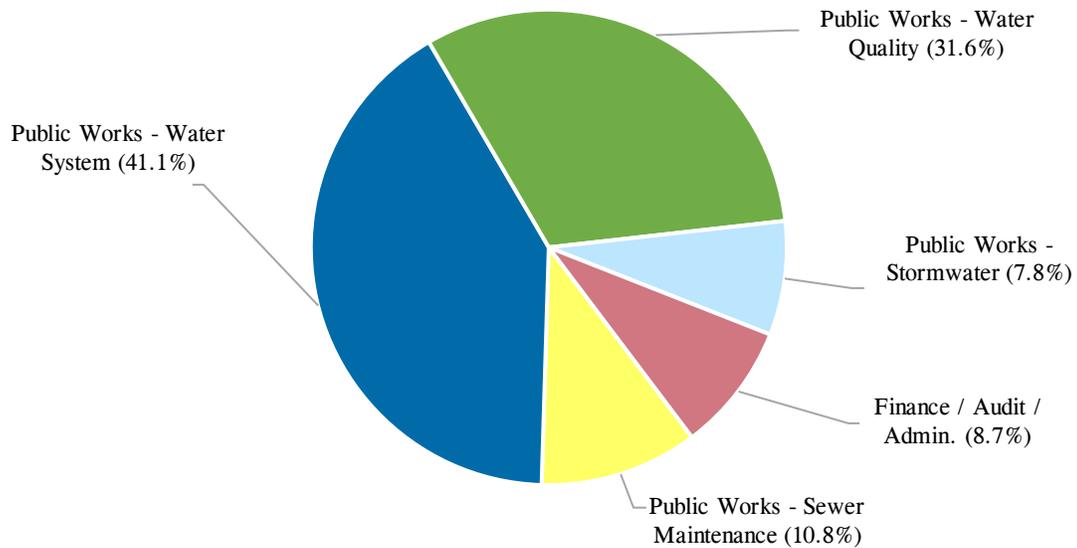
### Water/Sewer Revenues Fiscal Year 2023



## Summary of Water / Sewer Fund Fiscal Year 2023

<b>Water/Sewer Expenditures</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>Dollar Change FY'23-'22</b>	<b>Percent Change FY'23-'22</b>
Audit	\$84,984	\$97,080	\$83,678	\$84,075	\$397	0.5%
Finance	6,431,914	7,013,451	6,938,034	7,099,141	161,107	2.3%
Public Works	72,845,472	71,728,805	72,545,863	74,961,241	2,415,378	3.3%
<b>Total Expenditures</b>	<b>\$79,362,370</b>	<b>\$78,839,336</b>	<b>\$79,567,575</b>	<b>\$82,144,457</b>	<b>\$2,576,882</b>	<b>3.2%</b>

### Water/Sewer Expenditures Fiscal Year 2023

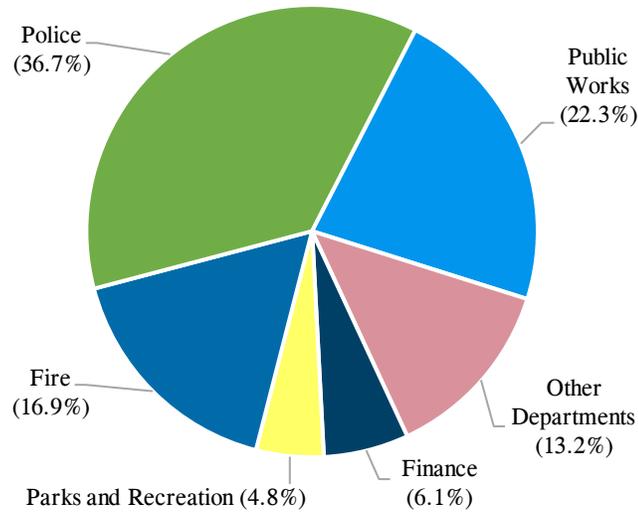


## Summary of Internal Service Funds Fiscal Year 2023

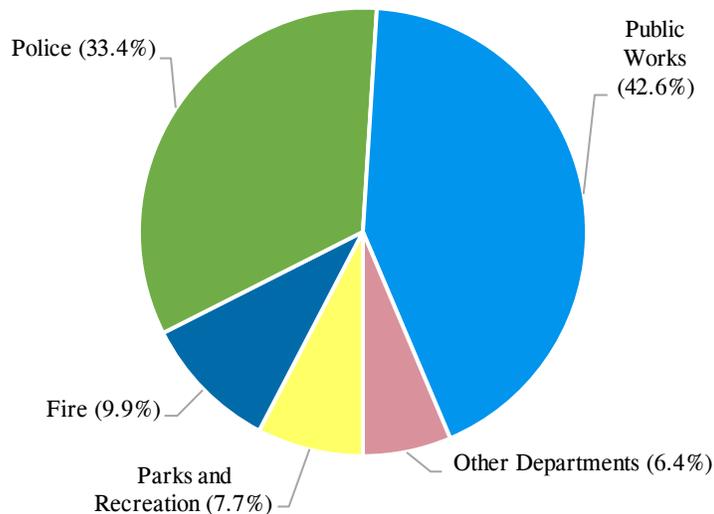
Internal Services Expenditures	Actual FY 2020	Actual FY 2021	Budget FY 2022	Budget FY 2023	Dollar Change FY'23-'22	Percent Change FY'23-'22
Human Resources	\$30,568,614	\$27,170,056	\$29,656,028	\$31,962,103	\$2,306,075	7.8%
Public Works	7,948,858	8,037,680	8,269,757	8,518,655	248,898	3.0%
<b>Total Expenditures</b>	<b>\$38,517,472</b>	<b>\$35,207,736</b>	<b>\$37,925,785</b>	<b>\$40,480,758</b>	<b>\$2,554,973</b>	<b>6.7%</b>

Primary revenues for the Internal Service Funds are derived from charges to the operating budget of the various departments. Revenues must meet expenditures at year end, and therefore no surplus or deficit may result.

### HR Self-Insurance Program FY' 23 Internal Service Charge Allocations



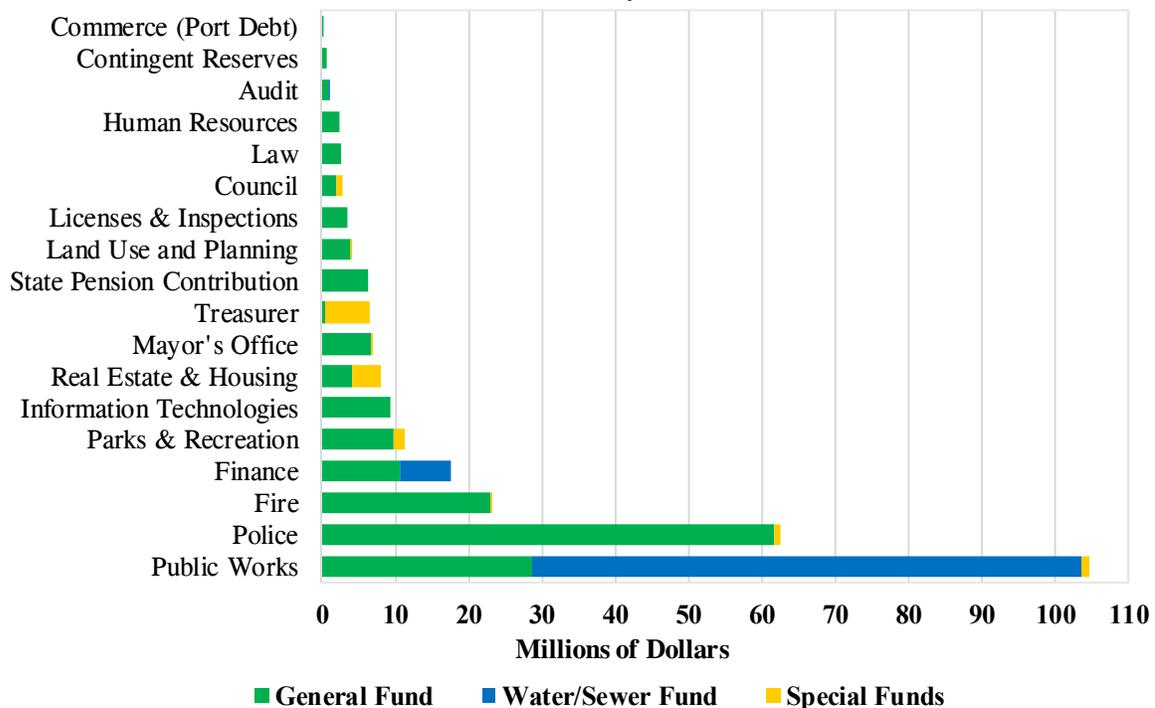
### Public Works Motor Vehicle Costs FY' 23 Internal Service Charge Allocations



## Departmental Budgets by Fund Fiscal Year 2023

Departmental Budgets	General Fund Budget FY 2023	Water/Sewer Fund Budget FY 2023	Special Funds Budget FY 2023	Total Budget All Funds FY 2023
Mayor's Office	\$6,826,305	\$0	\$77,059	\$6,903,364
Council	1,901,598	0	985,433	2,887,031
Treasurer	449,620	0	6,013,916	6,463,536
Land Use and Planning	3,835,055	0	44,039	3,879,094
Audit	906,125	84,075	0	990,200
Law	2,628,829	0	0	2,628,829
Finance	10,555,660	7,099,141	0	17,654,801
Human Resources	2,340,811	0	0	2,340,811
Licenses & Inspections	3,506,796	0	0	3,506,796
Parks & Recreation	9,759,457	0	1,522,809	11,282,266
Fire	22,966,789	0	201,369	23,168,158
Police	61,758,351	0	749,854	62,508,205
Public Works	28,564,575	74,961,241	1,216,630	104,742,446
Real Estate & Housing	4,228,829	0	3,751,435	7,980,264
Commerce (Port Debt)	277,071	0	0	277,071
Information Technologies	9,335,368	0	0	9,335,368
State Pension Contribution	6,352,066	0	0	6,352,066
Contingent Reserves	672,000	0	0	672,000
<b>Total Budget</b>	<b>\$176,865,305</b>	<b>\$82,144,457</b>	<b>\$14,562,544</b>	<b>\$273,572,306</b>

### FY 2023 Total Departmental Budgets Breakout by Fund



**Capital Improvements Program  
Fiscal Years 2022 - 2027**

**Summary: Total Funds Recommended by Fiscal Year and Department**

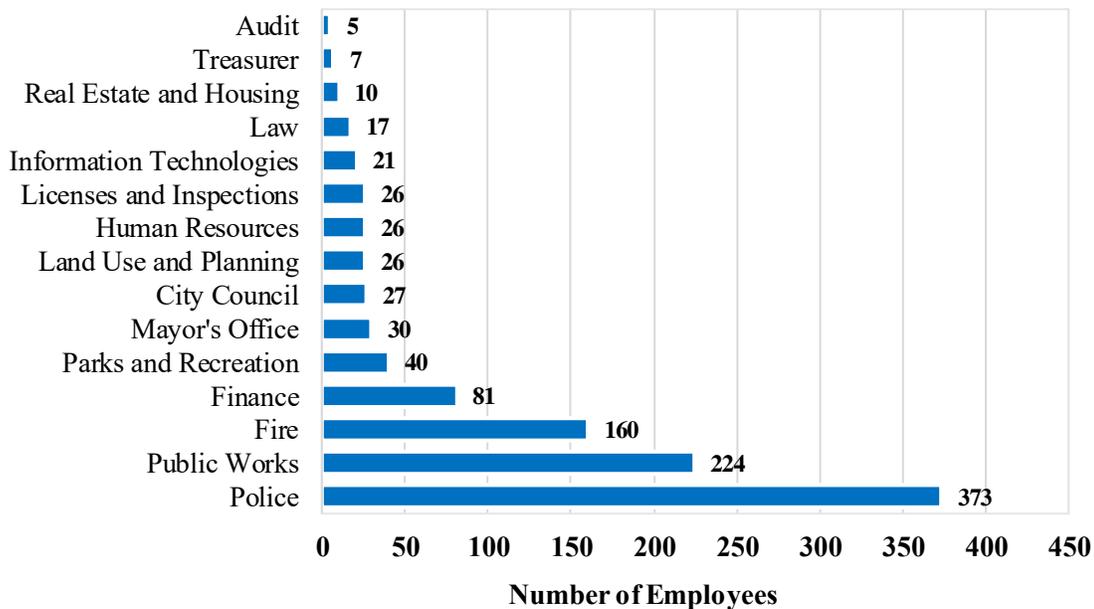
Department	Type of Funding	Fiscal Year						Total City Funds	Total City / Matching Funds
		2022	2023	2024	2025	2026	2027		
Finance	G	1,286,880	0	1,905,125	0	287,625	0	3,479,630	3,479,630
	W	6,226,140	0	1,418,905	0	2,810,238	0	10,455,283	10,455,283
Fire	G	4,000,000	0	7,750,000	0	0	0	11,750,000	11,750,000
Mayor's Office	G	2,135,000	0	2,660,000	0	2,510,000	0	7,305,000	7,305,000
Parks	G	2,000,000	0	2,000,000	0	2,000,000	0	6,000,000	6,000,000
Police	G	315,000	0	0	0	0	0	315,000	315,000
Public Works	G	6,000,000	0	11,000,000	0	11,000,000	0	28,000,000	28,000,000
	O	2,000,000		1,000,000		1,000,000		0	4,000,000
	W	59,800,000	0	55,800,000	0	54,800,000	0	170,400,000	170,400,000
Real Estate and Housing	G	1,000,000	0	1,000,000	0	1,000,000	0	3,000,000	3,000,000
Transportation	G	6,500,000	0	6,500,000	0	6,500,000	0	19,500,000	19,500,000
	O	8,000,000	0	8,000,000	0	8,000,000	0	0	24,000,000
Total by Fund	G	23,236,880	0	32,815,125	0	23,297,625	0	79,349,630	79,349,630
	O	10,000,000	0	9,000,000	0	9,000,000	0	0	28,000,000
	W	66,026,140	0	57,218,905	0	57,610,238	0	180,855,283	180,855,283
Grand Total		99,263,020	0	99,034,030	0	89,907,863	0	260,204,913	288,204,913

Type of Funding: G - General; W - Water/Sewer; O - Other Governmental

## Summary of Staffing Levels Fiscal Year 2023

Department	Budget FY 2019	Budget FY 2020	Budget FY 2021	Budget FY 2022	Budget FY 2023	Net Change FY'23-'22
Mayor's Office	55.00	34.00	34.00	34.00	30.00	(4.00)
City Council	29.00	28.00	28.00	27.00	27.00	0.00
Treasurer	7.00	7.00	7.00	7.00	7.00	0.00
Land Use and Planning	10.00	10.00	10.00	9.00	26.00	17.00
Audit	5.00	5.00	5.00	5.00	5.00	0.00
Law	17.00	17.00	17.00	17.00	17.00	0.00
Finance	84.00	85.00	84.00	84.00	81.00	(3.00)
Human Resources	24.00	26.00	26.00	26.00	26.00	0.00
Licenses and Inspections	42.00	43.00	42.00	42.00	26.00	(16.00)
Parks and Recreation	39.00	41.00	41.00	40.00	40.00	0.00
Fire	161.00	161.00	161.00	160.00	160.00	0.00
Police	378.00	380.00	379.00	380.00	373.00	(7.00)
Public Works	221.00	223.00	225.00	225.00	224.00	(1.00)
Real Estate and Housing	11.00	11.00	11.00	11.00	10.00	(1.00)
Information Technologies	0.00	22.00	21.00	21.00	21.00	0.00
<b>Total</b>	<b>1,083.00</b>	<b>1,093.00</b>	<b>1,091.00</b>	<b>1,088.00</b>	<b>1,073.00</b>	<b>(15.00)</b>
<b>Total Employees per 1,000 City Residents</b>	<b>15.29</b>	<b>15.43</b>	<b>15.40</b>	<b>15.36</b>	<b>15.13</b>	

### Total Number of Employees by Department FY 2023 (All Funds)



Nearly 73% (or 783) of the City's employees work to provide Public Safety (Police, Fire, L&I) and Public Works services.

## Summary of Staffing Levels Fiscal Year 2023

### Total Number of Employees - General Fund

<b>Department</b>	<b>Budget FY 2019</b>	<b>Budget FY 2020</b>	<b>Budget FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>Net Change FY'23-'22</b>
Mayor's Office	33.50	33.50	33.50	33.50	29.50	(4.00)
City Council	20.20	19.20	19.25	19.65	19.65	0.00
Treasurer	3.00	3.00	3.00	3.00	3.00	0.00
Land Use and Planning	9.55	9.55	9.55	8.55	25.55	17.00
Audit	5.00	5.00	5.00	5.00	5.00	0.00
Law	17.00	17.00	17.00	17.00	17.00	0.00
Finance	58.65	58.85	58.85	58.05	55.40	(2.65)
Human Resources	14.55	16.60	16.60	16.60	16.60	0.00
Licenses and Inspections	42.00	43.00	42.00	42.00	26.00	(16.00)
Parks and Recreation	39.00	40.60	40.60	39.60	39.60	0.00
Fire	161.00	161.00	161.00	160.00	160.00	0.00
Police	371.00	374.57	373.57	374.57	365.00	(9.57)
Public Works	118.05	119.05	120.05	120.05	120.05	0.00
Real Estate and Housing	1.48	1.48	2.75	2.88	2.38	(0.50)
Information Technologies	0.00	22.00	21.00	21.00	21.00	0.00
<b>Total</b>	<b>893.98</b>	<b>924.40</b>	<b>923.72</b>	<b>921.45</b>	<b>905.73</b>	<b>(15.72)</b>

### Total Number of Employees – Water / Sewer Fund

<b>Department</b>	<b>Budget FY 2019</b>	<b>Budget FY 2020</b>	<b>Budget FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>Net Change FY'23-'22</b>
Finance	25.35	26.15	25.15	25.95	25.60	(0.35)
Public Works	102.95	103.95	104.95	104.95	103.95	(1.00)
<b>Total</b>	<b>128.30</b>	<b>130.10</b>	<b>130.10</b>	<b>130.90</b>	<b>129.55</b>	<b>(1.35)</b>

### Total Number of Employees – Special Funds

<b>Department</b>	<b>Budget FY 2019</b>	<b>Budget FY 2020</b>	<b>Budget FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>Net Change FY'23-'22</b>
Mayor's Office	0.50	0.50	0.50	0.50	0.50	0.00
City Council	8.80	8.80	8.75	7.35	7.35	0.00
Treasurer	4.00	4.00	4.00	4.00	4.00	0.00
Land Use and Planning	0.45	0.45	0.45	0.45	0.45	0.00
Parks and Recreation	0.00	0.40	0.40	0.40	0.40	0.00
Police	7.00	5.43	5.43	5.43	8.00	2.57
Real Estate and Housing	9.52	9.52	8.25	8.12	7.62	(0.50)
<b>Total</b>	<b>30.27</b>	<b>29.10</b>	<b>27.78</b>	<b>26.25</b>	<b>28.32</b>	<b>2.07</b>

**Summary of Staffing Levels  
Fiscal Year 2023**

**Total Number of Employees – Internal Service Funds**

<b>Department</b>	<b>Budget FY 2019</b>	<b>Budget FY 2020</b>	<b>Budget FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>Net Change FY'23-'22</b>
Mayor's Office	21.00	0.00	0.00	0.00	0.00	0.00
Human Resources	9.45	9.40	9.40	9.40	9.40	0.00
<b>Total</b>	<b>30.45</b>	<b>9.40</b>	<b>9.40</b>	<b>9.40</b>	<b>9.40</b>	<b>0.00</b>

## Summary of Changes from Proposed to Approved Budget Fiscal Year 2023

	Proposed Budget FY 2023	Approved Budget FY 2023	Dollar Change	Percent Change
<b>General Fund</b>				
Total Revenues	\$187,045,170	\$186,395,170	(\$650,000)	-0.3%
Total Expenditures	176,933,594	176,865,305	(68,289)	0.0%
<b>Income/(Loss)</b>	<b>\$10,111,576</b>	<b>\$9,529,865</b>	<b>(\$581,711)</b>	<b>-5.8%</b>
<b>Staffing Level (FTE)</b>	<b>906.73</b>	<b>905.73</b>	<b>(1.00)</b>	<b>-0.1%</b>
<b>Water/Sewer Fund</b>				
Total Revenues	\$86,367,186	\$86,367,186	\$0	0.0%
Total Expenditures	82,144,457	82,144,457	0	0.0%
<b>Income/(Loss)</b>	<b>\$4,222,729</b>	<b>\$4,222,729</b>	<b>\$0</b>	<b>0.0%</b>
<b>Staffing Level (FTE)</b>	<b>129.55</b>	<b>129.55</b>	<b>0.00</b>	<b>0.0%</b>
<b>Special Funds</b>				
Total Revenues	\$14,554,111	\$14,577,111	\$23,000	0.2%
Total Expenditures	14,539,544	14,562,544	23,000	0.2%
<b>Income/(Loss)</b>	<b>\$14,567</b>	<b>\$14,567</b>	<b>\$0</b>	<b>0.0%</b>
<b>Staffing Level (FTE)</b>	<b>28.32</b>	<b>28.32</b>	<b>0.00</b>	<b>0.0%</b>
<b>Internal Services*</b>				
Total Expenditures	\$40,480,758	\$40,480,758	\$0	0.0%
<b>Staffing Level (FTE)</b>	<b>9.40</b>	<b>9.40</b>	<b>0.00</b>	<b>0.0%</b>
<b>All Funds</b>				
Total Revenues	\$287,966,467	\$287,339,467	(\$627,000)	-0.2%
Total Expenditures	273,617,595	273,572,306	(45,289)	0.0%
<b>Income/(Loss)</b>	<b>\$14,348,872</b>	<b>\$13,767,161</b>	<b>(\$581,711)</b>	<b>-4.1%</b>
<b>Staffing Level (FTE)</b>	<b>1,064.60</b>	<b>1,063.60</b>	<b>(1.00)</b>	<b>-0.1%</b>

Note: Primary revenues for the Internal Service Funds are derived from charges to the operating budget of the various departments. Revenues must meet expenditures at year end, and therefore no income or loss may result.

## **Detail of Changes from Proposed to Approved Budget Fiscal Year 2023**

### **General Fund**

- **Revenues:** Property Tax rate increase reduced from proposed 7.5% to 6.0% (\$650,000 decrease).
- **Expenditures:** Changes to attrition due to transfer of employees from Licenses and Inspections to Land Use and Planning (\$67,391 decrease).
- **Expenditures:** Proposed new Parks and Recreation position (Executive Director of William “Hicks” Anderson Community Center) not approved (\$110,898 decrease / 1.0 FTE decrease).
- **Expenditures:** Additional consultant services added to City Council (\$30,000 increase) and Mayor’s Office (\$80,000 increase).

### **Water/Sewer Fund**

- No changes.

### **Special Funds**

- **Expenditures:** Adjustment in compensation for vacant Pension Manager position (\$23,000 increase).
- **Revenues:** Offsetting revenue from pension funds to match vacant Pension Manager expenditure (\$23,000 increase).

### **Internal Services**

- No changes.

## Fund Balance General Fund Fiscal Year 2023

Fund Balance Activity	Actual FY 2021	Projected FY 2022	Projected FY 2023
Fund Balance as of July 1	\$47,945,198	\$62,517,648	\$60,410,006
Excess of Revenues Over/(Under) Expenditures	15,119,359	(1,182,642)	9,254,865
Other Financing Sources/(Uses):			
Transfer From/(To) Wilmington Parking Authority	275,000	275,000	275,000
Net Adjustments and Transfers In/(Out)	(821,909)	(1,200,000)	0
Total Other Financing Sources/(Uses)	(546,909)	(925,000)	275,000
Prior Period Adjustments	0	0	0
<b>Net Change in Fund Balance</b>	<b>\$14,572,450</b>	<b>(\$2,107,642)</b>	<b>\$9,529,865</b>
<b>Total Fund Balance as of June 30</b>	<b>\$62,517,648</b>	<b>\$60,410,006</b>	<b>\$69,939,871</b>

Summary of Fund Balance	Actual FY 2021	Projected FY 2022	Projected FY 2023
Non-spendable	\$4,455,980	\$4,366,860	\$4,279,523
Committed - Budget Reserve <sup>1</sup>	17,270,240	17,686,531	18,139,969
Committed - Tax Stabilization Reserve <sup>2</sup>	40,791,428	38,356,616	47,520,379
<b>Total Fund Balance as of June 30</b>	<b>\$62,517,648</b>	<b>\$60,410,006</b>	<b>\$69,939,871</b>

### **FUND BALANCE**

For the General Fund (and other governmental funds), the difference between fund assets and liabilities is labeled as “**Fund Balance**” on the financial statement. Fund Balance is further defined by the following subcategories:

- **Non-spendable** – Amounts that cannot be spent either because they are in a non-spendable form or because they are legally or contractually required to be maintained intact.
- **Restricted** – Amounts that can be spent only for specific purposes because of the City Charter, City Code, State or Federal laws, or externally imposed conditions by grantors or creditors.
- **Committed** – Amounts that can be used only for specific purposes determined by a formal action by City Council ordinance or resolution. This includes the Budget Reserve Account and Tax Stabilization Reserve.
- **Assigned** – Amounts that are allocated for a future use by the Mayor but are not spendable until a budget ordinance appropriating the amounts is passed by City Council.
- **Unassigned** – All amounts not included in other spendable classifications.

1. The Budget Reserve is set at the end of each fiscal year to be 10% of the next year’s General Fund Budget.

2. Tax Stabilization Reserve is equal to the net unrestricted General Fund balance.

**Fund Net Position  
Water/Sewer Fund  
Fiscal Year 2023**

<b>Fund Net Assets Activity</b>	<b>Actual FY 2021</b>	<b>Projected FY 2022</b>	<b>Projected FY 2023</b>
Net Assets as of July 1	\$176,843,946	\$183,640,641	\$181,742,844
Excess of Revenues Over/(Under) Expenditures	11,926,145	3,907,295	9,435,252
Non-Operating Revenues/(Expenses)			
Interest Expense	(5,841,152)	(6,430,545)	(5,784,523)
Other	711,702	625,453	572,000
Total Non-Operating Revenues/(Expenses)	(5,129,450)	(5,805,092)	(5,212,523)
Income/(Loss) Before Transfers	6,796,695	(1,897,797)	4,222,729
Prior Period Adjustment	0	0	0
<b>Change in Net Assets</b>	<b>\$6,796,695</b>	<b>(\$1,897,797)</b>	<b>\$4,222,729</b>
<b>Total Net Assets as of June 30</b>	<b>\$183,640,641</b>	<b>\$181,742,844</b>	<b>\$185,965,573</b>

<b>Summary of Fund Net Assets</b>	<b>Actual FY 2021</b>	<b>Projected FY 2022</b>	<b>Projected FY 2023</b>
Invested in Capital Assets, Net of Related Debt	\$156,439,637	\$158,439,637	\$160,439,637
Restricted - Operation and Maintenance Reserve <sup>1</sup>	13,526,488	13,964,558	14,416,815
Restricted - Rate Stabilization Reserve <sup>2</sup>	13,674,516	9,338,649	11,109,121
<b>Total Fund Net Assets as of June 30</b>	<b>\$183,640,641</b>	<b>\$181,742,844</b>	<b>\$185,965,573</b>

**NET POSITION**

For the Water/Sewer Fund (and other proprietary and fiduciary funds), the difference between fund assets and liabilities is labeled as “**Net Position**” on the financial statement. Net Position is classified as “**Invested in Capital Assets, Net of Related Debt,**” legally “**Restricted**” for a specific purpose or “**Unrestricted**” and available for appropriation for the general purposes of the fund.

1. Operation and Maintenance Reserve is equal to 17% of the following fiscal year’s Water/Sewer Fund operating budget.
2. Rate Stabilization Reserve is equal to the net unrestricted Water/Sewer Fund balance.

**Total Fund Balance and Net Position (Memorandum Only)**  
**General and Water/Sewer Funds**  
**Fiscal Year 2023**

<b>Fund Balance &amp; Net Position Activity</b>	<b>Actual FY 2021</b>	<b>Projected FY 2022</b>	<b>Projected FY 2023</b>
Fund Balance & Net Position as of July 1	\$224,789,144	\$246,158,289	\$242,152,850
Excess of Revenues Over/(Under) Expenditures	27,045,504	2,724,653	18,690,117
Total Other Financing Sources/(Uses)	(546,909)	(925,000)	275,000
Total Non-Operating Revenues/(Expenses)			
Water/Sewer Fund	(5,129,450)	(5,805,092)	(5,212,523)
Prior Period Adjustments	0	0	0
<b>Change in Fund Balance &amp; Net Position</b>	<b>\$21,369,145</b>	<b>(\$4,005,439)</b>	<b>\$13,752,594</b>
<b>Total Fund Balance &amp; Net Position as of June 30</b>	<b>\$246,158,289</b>	<b>\$242,152,850</b>	<b>\$255,905,444</b>

<b>Summary of Fund Balance &amp; Net Position</b>	<b>Actual FY 2021</b>	<b>Projected FY 2022</b>	<b>Projected FY 2023</b>
Non-spendable	\$4,455,980	\$4,366,860	\$4,279,523
Committed - Budget Reserve	17,270,240	17,686,531	18,139,969
Committed - Tax Stabilization Reserve	40,791,428	38,356,616	47,520,379
Invested in Capital Assets, Net of Related Debt	156,439,637	158,439,637	160,439,637
Restricted - Operation and Maintenance Reserve	13,526,488	13,964,558	14,416,815
Restricted - Rate Stabilization Reserve	13,674,516	9,338,649	11,109,121
<b>Total Fund Balance &amp; Net Position as of June 30</b>	<b>\$246,158,289</b>	<b>\$242,152,850</b>	<b>\$255,905,444</b>

**City of Wilmington General Fund**  
**ACTUAL, BUDGETED & PROJECTED REVENUES AND EXPENDITURES**  
(Preliminary)

Revenue Type	Actual FY 2020	Actual FY 2021	Projected FY 2022	Approved FY 2023	Projected FY 2024	Projected FY 2025	Projected FY 2026	Projected FY 2027
Wage and Net Profits Taxes	\$65,637,184	\$65,444,237	\$67,674,586	\$72,204,780	\$75,252,712	\$77,602,358	\$80,022,008	\$82,513,748
Property Tax	43,698,151	44,728,292	43,367,509	45,911,800	45,693,000	45,464,804	45,367,845	45,198,127
Other Taxes	10,215,568	8,945,849	10,200,479	7,211,047	6,976,997	7,009,575	7,048,963	7,095,172
Licenses, Permits, & Fees	5,746,733	4,602,110	5,652,220	4,963,677	5,048,042	5,134,938	5,224,442	5,316,630
Fines	5,380,604	5,810,318	6,736,549	7,086,050	8,031,598	8,031,598	8,031,598	8,031,598
Interest	1,301,142	256,040	98,271	413,000	4,988,468	4,460,815	4,046,138	3,774,031
Other Revenues	9,451,581	10,168,834	9,661,699	9,530,612	10,027,383	10,300,484	10,549,251	10,760,830
Task Force Revenues	5,624,656	6,622,225	7,403,594	7,423,147	7,320,645	7,514,032	7,714,676	7,922,850
County Seat Relief	11,640,434	12,441,554	12,470,162	12,470,162	12,853,846	12,896,180	13,141,544	13,394,074
State Pension Contribution	5,785,466	6,352,066	6,352,065	6,352,066	6,352,066	6,352,066	6,352,066	6,352,066
Port Debt Reimbursement	569,356	870,857	554,204	553,829	0	0	0	0
CARES / ARPA	1,872,869	8,653,900	0	12,000,000	0	0	0	0
<b>Total Revenues</b>	<b>\$166,923,744</b>	<b>\$174,896,282</b>	<b>\$170,171,338</b>	<b>\$186,120,170</b>	<b>\$182,544,758</b>	<b>\$184,766,851</b>	<b>\$187,498,531</b>	<b>\$190,359,125</b>
<b>Annual Percentage Change</b>	<b>1.6%</b>	<b>4.8%</b>	<b>-2.7%</b>	<b>9.4%</b>	<b>-1.9%</b>	<b>1.2%</b>	<b>1.5%</b>	<b>1.5%</b>

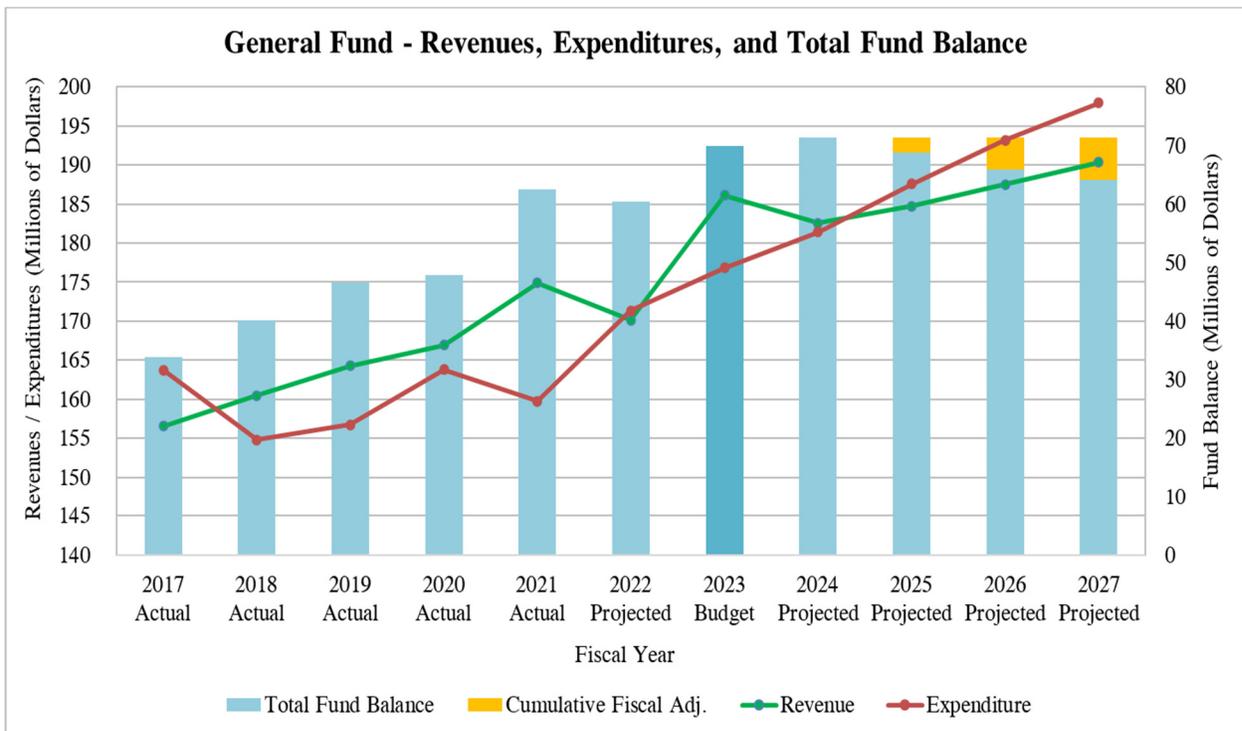
Expenditure Type	Actual FY 2020	Actual FY 2021	Projected FY 2022	Approved FY 2023	Projected FY 2024	Projected FY 2025	Projected FY 2026	Projected FY 2027
Salaries and Wages	\$64,704,680	\$67,567,753	\$69,117,446	\$72,557,710	\$75,054,457	\$77,478,038	\$79,975,891	\$82,550,211
Health Benefits	15,609,912	14,397,533	15,320,248	15,999,704	17,257,101	18,468,917	19,766,098	21,154,669
Pension and Retirement	20,357,789	19,103,924	19,542,080	18,542,504	16,640,940	17,104,173	17,451,969	17,913,136
Other Employee Benefits	2,683,420	2,981,039	3,049,410	2,878,012	2,977,621	3,074,350	3,174,055	3,276,824
Equipment & Services	25,711,902	25,922,845	30,713,907	32,791,847	33,787,948	34,750,416	35,753,709	36,737,202
General Liability	2,621,246	1,937,774	1,499,189	1,536,670	1,575,087	1,614,464	1,654,826	1,696,196
Workers' Compensation	5,098,926	4,011,992	3,271,420	3,439,396	3,558,434	3,674,032	3,793,185	3,916,000
Internal Services	6,754,490	6,796,933	7,659,720	7,889,513	8,539,754	9,243,588	9,520,895	9,806,522
Debt Service	14,193,373	10,443,854	15,124,298	14,596,018	15,367,372	15,507,866	15,432,896	14,240,873
Special Purpose	265,050	261,210	270,795	281,865	288,912	296,134	303,538	311,126
State Pension Contribution	5,785,466	6,352,066	5,785,466	6,352,066	6,352,066	6,352,066	6,352,066	6,352,066
<b>Total Expenditures</b>	<b>\$163,786,254</b>	<b>\$159,776,923</b>	<b>\$171,353,980</b>	<b>\$176,865,305</b>	<b>\$181,399,690</b>	<b>\$187,564,045</b>	<b>\$193,179,128</b>	<b>\$197,954,826</b>
<b>Annual Percentage Change</b>	<b>4.5%</b>	<b>-2.4%</b>	<b>7.2%</b>	<b>3.2%</b>	<b>2.6%</b>	<b>3.4%</b>	<b>3.0%</b>	<b>2.5%</b>

Annual Fiscal Adjustments	N/A	N/A	N/A	N/A	\$0	\$2,522,194	\$2,883,404	\$1,915,103
<b>Cumulative Fiscal Adjustments</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>\$0</b>	<b>\$2,522,194</b>	<b>\$5,405,598</b>	<b>\$7,320,701</b>

<b>Operating Surplus/(Deficit)</b>	<b>\$3,137,490</b>	<b>\$15,119,359</b>	<b>(\$1,182,642)</b>	<b>\$9,254,865</b>	<b>\$1,145,068</b>	<b>(\$275,000)</b>	<b>(\$275,000)</b>	<b>(\$275,000)</b>
<b>Net Adj. &amp; Transfers In/(Out)</b>	<b>(1,789,108)</b>	<b>(546,909)</b>	<b>(925,000)</b>	<b>275,000</b>	<b>275,000</b>	<b>275,000</b>	<b>275,000</b>	<b>275,000</b>
<b>Surplus/(Deficit)</b>	<b>\$1,348,382</b>	<b>\$14,572,450</b>	<b>(\$2,107,642)</b>	<b>\$9,529,865</b>	<b>\$1,420,068</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>Total Fund Balance</b>	<b>\$47,945,198</b>	<b>\$62,517,648</b>	<b>\$60,410,006</b>	<b>\$69,939,871</b>	<b>\$71,359,938</b>	<b>\$71,359,938</b>	<b>\$71,359,938</b>	<b>\$71,359,938</b>
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## Assumptions Used in Outyear Revenue and Expenditure Projections



### Outyear Projection Assumptions – Overview

Each year the Office of Management and Budget develops a five-year General Fund revenue and expenditure projection covering the budget year (in this case, FY 2023), as well as the next four outyears (FY 2024 through 2027). For FY 2023, the approved budget is shown, and unless stated otherwise is the base year upon which the FY 2024 through 2027 projections are built. In general, we have sought to use prudent, conservative assumptions when developing these projections. Of course, with every budget line item some risks are present. In areas of known risk, we have sought to identify these concerns in the details that follow. FY 2022 embodies projected year-end revenues that have been reviewed by the Wilmington Economic & Financial Advisory Council, as well as expenditure estimates presented to the City's Expenditure Review Board.

The projections included below are for the City's **General Fund**. The City's other major funds – Special Funds, Internal Service Funds, and the Water / Sewer funds – are projected separately, as appropriate:

**Special Funds**, which consolidates numerous smaller funds, mainly consists of funding from various external sources such as State and Federal grants. In general, the level of Special Fund revenue is not directly controlled by the City. Excluding the special case of the Cable Television Fund (CATV) in City Council, expenditures for these funds match revenues received, resulting in no fund balance at year end. Given this, Special Fund Revenues are projected for the budgeted fiscal year only (which is detailed in the Summary of Special Funds and Special Funds Revenues sections).

**Internal Service Funds** allocate common expenditures such as motor vehicle and self-insurance costs to other funds. Chargebacks for these costs, which in total equal the expenses in the Internal Service funds, are included as part of the General Fund and Water / Sewer fund projections.

**Water / Sewer Fund** projections are prepared by an outside consulting firm on behalf of the Wilmington Utilities Citizens Advisory Board (UCAB). UCAB is an independent body which reviews water / sewer operations and provides recommendations on water and sewer rates. The FY 2023 budget serves as the basis for UCAB’s six-year Water / Sewer financial plan, which can be found at <https://bit.ly/23UCAB>. This projection is on a cashflow basis (as the primary purpose of the plan is to assist in setting rates) while the approved budget is on an accrual basis, matching the Annual Report.

Excluding the one-time American Rescue Plan (ARPA) funds, the FY 2024 through FY 2027 General Fund projection shows year-over-year revenue and expenditure growth. However, the projected rate of expenditure growth outstrips the projected rate of revenue growth by an annual average of nearly 0.6 percentage points; put another way, for every dollar in expenditure growth, revenues only grow by 79 cents. In order to avoid deficits, the City will need to implement some combination of *permanent* revenue increases or expenditure decreases, shown in the projection as Annual Fiscal Adjustments. These adjustments are assumed to carry through to each subsequent fiscal year (i.e., the projected \$2.5 million in Annual Fiscal Adjustments included in FY 2025 will recur in each year through FY 2027, with additional permanent adjustments of \$2.9 million required in FY 2026 and \$1.9 million in FY 2027).

Because budget authority rests with the Mayor and City Council, the outyear projection does not attempt to draw definitive conclusions as to which specific actions, policies, staffing levels, and spending/revenue levels are most appropriate to address these outyear issues. By design, this projection is intended to be a neutral guide as to what will occur if the fiscal course of the City remains unchanged and is intended to highlight the need for the Mayor and City Council to take appropriate action. Very broadly, we can conclude that some mix of operational changes, revenue increases, and spending cuts will be necessary to eliminate the deficits in the outyears, but it is the duty of the Mayor and City Council to debate on and approve the best course of action.

Note that the outyear projection does not include any additional General Fund usage of ARPA funds beyond the \$12.0 million in revenue replacement included in the FY 2023 budget.

**General Inflation Assumptions**

The Office of Management and Budget relies on the Survey of Professional Forecasters for its general inflation projections. Conducted by the Federal Reserve Bank of Philadelphia, this survey is the oldest quarterly survey of macroeconomic forecasts in the United States. The May 13, 2022 release projects headline Consumer Price Index (CPI) growth of 6.1% in calendar year 2022, followed by a return to historically normal inflation in FY 2023 as the economy recovers (see table below).

<b>Calendar Year</b>	<b>Survey of Professional Forecasters Projected Annual Headline CPI Increase</b>
2022	6.10%
2023	2.90%
2024	2.30%
2025	2.87%
2026	2.87%

Federal Reserve Bank of Philadelphia, Survey of Professional Forecasters, May 13, 2022

While local factors may vary, the regional CPI for the Philadelphia-Wilmington-Atlantic City Consolidated Metropolitan Statistical Area has trended close to the national cost-of-living growth in recent years. However, as the Implicit Price Deflator for State & Local Government Purchases (S&L IPD) generally exceeds both the national and regional CPI, we have taken a conservative approach and assumed overall City inflationary pressures of 3% per year.

However, it should be noted that this is only the default assumption; most cost categories have a variety of calculations and overriding assumptions included.

## **Outyear Projection Assumptions – General Fund Revenues**

### **Wage & Net Profit Taxes (FY 2023 Base Year: \$72,204,780 – 38.8% of total revenues)**

Wage and Net Profits Taxes are expected to increase by \$2.1 million to a new FY 2023 total of nearly \$72.2 million. The majority of this is derived from Wage Taxes, at \$64.7 million, or \$610,000 more than the FY 2022 budget. This includes additional losses for wage tax refunds of \$3.6 million, which is \$2.4 million beyond the normal pre-COVID amount. While work-from-home (WFH) levels have declined relative to the beginning of the COVID pandemic, continued WFH, along with the broader transition to hybrid work models, is expected to result in some degree of ongoing refund losses. Similar refund losses are assumed to be the “new normal” and are expected to continue into FY 2024 and beyond.

In addition, the projection includes base Wage Tax growth of 3.5% in FY 2024, based on June 2022 Delaware Economic and Financial Advisory Council (DEFAC) projections of Delaware wages and salaries. FY 2025 and beyond include a 3% annual increase, matching inflation. Finally, audit collection efforts are projected to yield \$1.5 million in FY 2023, with no changes expected in the outyears.

Net Profits revenues for FY 2023 are budgeted to be \$7.5 million, up \$1.5 million from the FY 2022 budget. Strong revenues in FY 2022 suggest that COVID has had minimal impact on Net Profits, with the potential for similar strong revenues beyond this. For FY 2024, revenues are projected to be \$8.2 million, based on FY 2021 audited actuals grown by 2.8% (the long-term average minus a standard deviation), with subsequent years continuing to grow at 2.8% annually.

### **Property Tax (FY 2023 Base Year: \$45,911,800 – 24.7% of budgeted revenues)**

Total Property Tax revenues, which include real estate taxes along with associated penalty and interest, are projected to total nearly \$45.9 million, an increase of \$2.7 million (or 6.1%) relative to the FY 2022 budget. Real estate taxes, net of losses to appeals and adjustments for bad debt, total \$44.4 million in FY 2023. This includes a 6.0% Property Tax rate increase, equal to \$2.6 million (net of bad debt). In addition, one-time revenue from Penalty and Interest is expected to be almost \$1.5 million, which is up \$205,000 over the FY 2022 budget and is consistent with historical trends.

Because the City relies on New Castle County for its property tax assessments, and no systematic reassessment has been performed since 1983, Property Tax revenue will remain effectively flat unless the City increases the property tax rate. As the long-term average increase in property values is approximately 3%, for each year without a rate increase the City forgoes 3% in additional nominal property tax revenue, or \$14.1 million over the outyear projection period. At the same time, the City faces normal inflationary pressures on expenditures, meaning that periodic rate increases have been necessary simply to keep pace with inflation.

For the outyear projection, we have not included any rate increases, with the assumption that some mix of expenditure cuts and revenue enhancements will be implemented as necessary to balance the budget (see the discussion of Annual Fiscal Adjustments in the *Overview* section above). While this may include Property Tax rate increases, no specific rate increase plan has been proposed by the Administration or Council.

Other outyear projection assumptions include net assessment reductions of \$225,000 per year. In addition, the cumulative amount added from expiring incentives totals nearly \$187,000 over the period of FY 2024 through FY 2027, with the bulk of the expirations occurring in FY 2026. Lastly, the 2% allowance for uncollectable accounts (approximately \$897,000 annually) and one-time penalty and interest collections (almost \$1.5 million annually) are expected to remain level for the projection period.

**Other Taxes (FY 2023 Base Year: \$7,211,047 – 3.9% of total revenues)**

The category of Other Taxes collectively totals \$7.2 million, up \$101,000 from the prior year budget. It includes of the following:

**Franchise Fees** consist of 2% of the gross revenues from electricity sales in the City and are budgeted to be slightly over \$859,000 in FY 2023, up \$95,000 from the prior year. For FY 2024, revenues are projected to grow 8.4% (based on US Energy Information Administration estimates of electricity price increases) followed by 3.0% annual increases (matching inflation) for the remainder of the projection period.

**Head Tax** revenues are derived from a tax paid by businesses based on the number of individuals they employ. For FY 2023, revenues are projected to decrease by nearly \$86,000, to a new total of \$3.2 million. Based on long-term trends, Head Tax is projected to decline to \$2.8 million in FY 2024, followed by annual 3.3% decreases after that.

**Real Estate Transfer Tax**, which collectively includes Residential and Commercial Transfer Taxes, is projected to increase by \$92,000 relative to the FY 2022 budget, for a new FY 2023 total of \$3.1 million. This represents a return to historically average transfer revenues after several years of strong real estate transfer activity. The projected outyears include a 3.0% annual increase consistent with 30-year average annual growth of property prices in Wilmington.

**Licenses, Permits, and Fees (FY 2023 Base Year: \$4,963,677 – 2.7% of total revenues)**

Collectively, Licenses, Permits, and Fees revenues are up \$560,000 compared to the FY 2022 budget. In subsequent years, both Business Licenses and Fees are expected to remain flat, consistent with historical actuals. Permits are projected to grow by 3% annually, matching inflation and consistent with pre-COVID growth.

**Fines (FY 2023 Base Year: \$7,086,050 – 3.8% of total revenues)**

Fines are projected to total nearly \$7.1 million in FY 2023, down \$1.4 million from the FY 2022 budget. This consists of the following:

**Criminal / Instant Ticket** revenues are composed of State Criminal Fines remittances and the L&I Instant Ticketing Program. Collectively these are budgeted to slightly increase in FY 2023 to a new total of \$436,000. No outyear growth is expected.

**Parking** revenues, which are derived from fines from parking violations and booting fees, are budgeted at \$2.8 million, up \$147,000 from the FY 2022 budget. This represents a return to near-normal parking revenues, though still somewhat diminished from the historical pre-COVID levels. No growth is projected in the outyears.

**Red Light** revenues are derived from the City's Red Light Camera Safety Program, which issues citations to drivers who fail to stop at red lights in the city. For FY 2023, revenues are budgeted to be \$3.8 million, a decrease of nearly \$1.6 million relative to the FY 2022 budget. Subsequent revenues received during the latter half of FY 2022 suggest that this FY 2023 budget estimate may be overly conservative; consequently, the outyear projection has FY 2024 Red Light revenues returning to nearly \$4.8 million. No increases are projected in FY 2025 and beyond.

**Interest Income (FY 2023 Base Year: \$413,000 - 0.2% of total revenues)**

By investing in CDs and interest-bearing checking accounts, the City earns interest on its cash balances. The FY 2023 budget of \$413,000 is based on a projected interest rate of 0.33%. However, the Federal Reserve has subsequently raised rates several times, with the expectation that further increases will occur in FY 2023 and beyond. The outyear projection assumes a FY 2024 interest rate of 3.63% (for additional revenue of \$4.6 million) based on Federal Reserve interest rate projections. This is followed by annual 25 basis-point interest rate decreases for the remainder of the projection as rates begin to return to the historical average. The projection also includes interest earnings on the unspent portion of assumed capital borrowings in November 2024 (\$19.5 million) and November 2026 (\$20.0 million). Both borrowings are assumed to be 50% spent after one year, and fully spent after two years.

**Other Revenues (FY 2023 Base Year: \$9,530,613 – 5.1% of total revenues)**

Other Revenues is comprised of Indirect Costs, General Government Charges, Rentals, and other miscellaneous revenues. In total, this category is projected to be up \$805,000 from the FY 2022 budget. Only Indirect Costs (which are charges to the Water/Sewer Fund reimbursing costs incurred by the General Fund in support of water, sewer, and stormwater utilities) is projected to grow in the outyears, with an annual average increase of 2.9%. No outyear increases are expected in the other categories.

**Task Force Revenues (FY 2023 Base Year: \$7,423,147 – 4.0% of total revenues)**

Task Force Revenues are the revenue sources that were created as a result of the 2003 Governor’s Task Force. As a result, each county seat in the State (including Wilmington, the county seat of New Castle County) receives the revenue derived from the following:

**Corporate Filing Tax**, projected to be \$1.6 million in the FY 2023 budget. This is expected to be flat for the remainder of the projection period.

**Limited Liability Corporation (LLC) Filing Tax**, projected to be \$4.5 million in the FY 2023 budget. This is expected to decline by 2.8% in FY 2024 per DEFAC projections, then grow by 3.9% annually for the remainder of the projection, based on pre-COVID historical trends.

A 2% **Lodging Tax** on hotels in the City, budgeted at nearly \$802,000 in FY 2023; outyear revenues are expected to grow at 3% per year, matching inflation.

A **Natural Gas Franchise Fee**, budgeted at \$527,000 in FY 2023. This is expected to remain level for the rest of the projection period.

**County Seat Relief Package (FY 2023 Base Year: \$12,470,162 – 6.7% of total revenues)**

The County Seat Relief Package is a bundle of revenue enhancements built upon the Governor’s Task Force and intended to provide further diversification to support the three county seats in the State of Delaware. In FY 2023, the combined budget totals nearly \$12.5 million and consists of the following four components:

A **Payment in Lieu of Taxes (PILOT)** on what would otherwise be tax-exempt properties in the City. This is budgeted at \$3.4 million in FY 2023 (matching the FY 2021 actual) and is expected to remain level for the remainder of the projection period.

**Statutory Trust Filing Fees** of \$1.0 million, which is the capped amount. This is expected to remain flat during the projection period.

**Uniform Commercial Code (UCC)** filing fees of \$6.4 million. This is expected to grow by 3.1% annually during the remainder of the projection, based on five-year trends.

**New Castle County Corporate Filing Fees** of more than \$1.7 million. This is expected to grow to \$1.9 million in FY 2024, based on DEFAC projections, then grow 2.2% annually for the remainder of the projection period, based on five-year trends.

**State Pension Contribution (FY 2023 Base Year: \$6,352,066 – 3.4% of total revenues)**

The State Pension Contribution is a pass-through grant that is offset against an equal amount appropriated for pension contribution expenses in the Fire and Police Departments. This is budgeted at \$6.4 million in FY 2023 and is projected to stay at this level for the remainder of the projection period.

**State Port Debt Reimbursement (FY 2023 Base Year: \$553,829 – 0.3% of total revenues)**

The State Port Debt Reimbursement is related to the 1996 sale of the Port from the City to the State. Per the sale agreement, the outstanding Port debt remains as a liability on the City's books. In 2018, the State entered into a long-term lease of the Port, and subsequently provided the City with full payment for the outstanding debt. The City amortized these funds, which will be fully paid down in FY 2023. There are no payments included in subsequent years of the projection.

**CARES / ARPA (FY 2023 Base Year: \$12,000,000 – 6.4% of total revenues)**

For FY 2023, the budget includes one-time American Rescue Plan (ARPA) revenue replacement funds of \$12.0 million. No ARPA revenue replacement is projected in subsequent years.

**Net Adjustments & Transfers (FY 2023 Base Year: \$275,000)**

This category includes transfers between the General Fund and other funds, as well as a variety of year-end adjustments included in the Annual Report. FY 2023 includes the usual \$275,000 transfer from the Wilmington Parking Authority (WPA), which is expected to continue into each of the outyears.

## **Outyear Projection Assumptions – General Fund Expenditures**

### **Salaries and Wages (FY 2023 Base Year: \$72,557,710 – 41.0% of total expenditures)**

Estimates on the cost of labor agreements with the City's five bargaining units, as well as estimates of non-union employee expenses and assumptions on City-wide staffing levels, form the basis of the Salary and Wage projection. The FY 2023 budget serves as the base year for estimating future costs, and all numbers are reported net of projected attrition.

Local 1590 (firefighters), Local 320 (laborers), and police rank-and-file are under contract through FY 2023; for subsequent years the projection includes a 2.5% annual cost of living adjustment (COLA). For all other remaining City employees and out-of-contract bargaining units, an annual COLA of 2.5% is assumed for FY 2024 through FY 2027. The total salaries and wages cost for these COLAs over the four-year projection period is \$19.6 million (not including an additional \$1.8 million for associated employee benefits). Furthermore, automatic anniversary salary step increases are assumed to continue throughout the projection period for all eligible employees at a cost of about \$550,000 each year.

### **Health Benefits, Active Employees (FY 2023 Base Year: \$15,999,704 – 9.0% of total expenditures)**

In the Health and Welfare Fund, the Self-Insurance Cost account group includes the cost centers for employee medical claims, prescriptions usage, and dental claims. The Human Resources Department and USI (the City's insurance broker and consultant) project that, on an annual average basis during the period of FY 2024 to FY 2027, medical stop-loss insurance will increase 25.0%; medical costs will increase 6.3%; prescription costs will increase 7.2%; and dental costs will increase 5.0%. Along with other administrative costs, in total this equates to an overall weighted-average increase in base Healthcare costs of 7.2% annually through the projection period. In addition, the projection assumes a weighted-average employee contribution rate of 11.0%, which partially offsets the City's healthcare costs.

### **Pension and Retirement Healthcare (FY 2023 Base Year: \$18,542,504 – 10.5% of total expenditures)**

In FY 2012, the City closed the last of its pension plans to new employees. All employees hired since that time participate in a State-sponsored pension program in which the City pays the State of Delaware a set percentage of an employee's salary. For FY 2023, this is 11.34% for police officers and firefighters, and 5.55% for civilian participants. Because the State funding percentages are estimated to increase annually by only 15 basis points for civilians and 25 basis points for police and firefighters, the majority of cost growth is due to the number of new employees hired each year that fill vacancies left by former employees which were in one of the older City-sponsored pension plans. The projection assumes that by FY 2025 for the Fire department, and FY 2027 for the Police department, all employees remaining on the City pension plan will have retired. For civilians in the old City plan, it is assumed that an average 32 employees will retire each fiscal year. As a result, the \$5.1 million General Fund total cost of the State-sponsored pension plans in FY 2023 is projected to grow to \$6.1 million by FY 2027.

In contrast, the cost of the now-closed City-sponsored pension plans is based on the actuarially determined dollar amounts derived each year by the City's Actuary. This actuarially required contribution (ARC) for each of the City's closed plans is calculated to cover ongoing costs, plus provide a contribution to eliminate any unfunded liability within the next 10 years. The Pension Coordinator, working with the City's Actuary, projects a 24.14% decrease in the ARC for FY 2024 (due to implementation of a revised amortization schedule); no change in FY 2025; a 1.54% decrease in FY 2026; and no change in FY 2027. This works out to a weighted-average funding target decrease of 7.04% annually for the projection period.

In FY 2000, the City developed and opened to all employees a retiree healthcare program. Since then, the unfunded liability for the program has grown dramatically, forcing ever increasing annual contributions in an attempt to meet the actuarially required funding targets. In FY 2012, the Treasurer's Office implemented expansive revisions to the program to rein in the costs. The revisions to program benefits were prospective, and do not affect employees hired prior to July 1, 2011. Even with these changes, the Treasurer's Office foresees necessary annual increases of about \$214,000 (the General Fund's prorated contribution) for at least the next 5 years. These increases have been incorporated into the outyears of the projection. The General Fund retiree healthcare budget cost for FY 2023 is \$3.9 million and will grow to over \$4.7 million by FY 2027.

**Other Employee Benefits (FY 2023 Base Year: \$2,878,012 – 1.6% of total expenditures)**

This category consists primarily of payroll taxes, as well as other costs, such as life insurance. These costs, in the aggregate, are projected to generally follow salary growth.

**Equipment and Services (FY 2023 Base Year: \$32,791,847 – 18.5% of total expenditures)**

This is a relatively broad grouping of expenditures that includes costs such as professional services contracts, landfill fees and utilities, as well as basic materials, supplies, and equipment. In general, departmental managers have demonstrated the ability to effectively contain aggregate equipment and services costs while maintaining comparable levels of City services amid unavoidable increases and significant budget reductions over the past several fiscal years.

To more accurately estimate future costs, certain account groups within this category were analyzed separately, such as water utilities, electricity, collection commissions on parking and traffic violations, and community activities:

- In FY 2016, the City began a four-year phase-in to appropriately charge itself for water, sewer, and stormwater services used by departments in the General Fund. The fee was fully implemented in FY 2019. Starting with a base fee of \$1.1 million in FY 2023, the most recent water/sewer utility study projects required rate increases in the outyears that will raise the base fee to roughly \$1.3 million by FY 2027.
- The City uses an energy procurement consulting firm (which specializes in designing and maintaining large-scale energy portfolios) to manage the City's energy contract purchases. In accordance with the Summer 2022 Electric Industry Outlook from the US Energy Information Administration, electricity costs are expected to increase, on average, 8.4% in FY 2024. In the outyears FY 2025 to FY 2027, it is assumed electricity rates will increase 3% to match our default assumption of inflation.
- The City has contracts to help in the collection of parking and redlight camera violations, as well as to administer certain parts of the respective citation programs. Outyear contract costs for both are expected to increase 2.0% annually. The total combined cost for the parking and redlight camera contracts is expected to increase from \$3.2 million in FY 2023 to just over \$3.5 million by FY 2027.
- The Mayor's Office and City Council each have a budget account group known as Community Activities, which includes expenditures such as grants to non-profit agencies and a scholarship tuition assistance program. For FY 2023, the total budgeted for Community Activities is a bit over \$729,000 (\$524,000 in the Mayor's Office and \$205,000 in City Council). It is assumed that this funding will remain constant through the projection period.

- For this projection, the Contingency Fund and the Snow & Weather Emergencies Fund are included in the Equipment and Services category (although they are budgeted separately in the budget book summaries). The Contingency Fund was budgeted at \$500,000 for FY 2023. It is assumed it will remain at \$500,000 in the outyears of the projection. The Snow and Weather Emergencies Fund was budgeted at \$172,000 in FY 2023 and is projected to remain at that level through the projection period.

Excluding commissions, the Contingency and Weather Emergencies Funds, community activities, electricity, and the water/sewer utilities, the remaining base of the Equipment and Services category is expected to respond to overall inflationary pressures of 3.0% annually.

**General Liability (FY 2023 Base Year: \$1,536,670 – 0.9% of total expenditures)**

Being self-insured, the City relies heavily on an actuary to annually review claims experience and rate potential liability. Once an accrued liability figure is determined, it is compared to that of the previous fiscal year. Changes in the liability figure on the balance sheet result in changes to the expenses booked under General Liability in the income statement. As a result, this cost category can experience extreme volatility in the short-term. The long-term running average of actual experience was used to derive the FY 2023 budget of \$1.5 million. This figure is projected to increase by 2.5% annually.

**Workers' Compensation (FY 2023 Base Year: \$3,438,396 – 1.9% of total expenditures)**

The FY 2023 budget, which was actuarially derived, is used as the base for forecasting purposes. Annual growth is projected to parallel the growth in Salaries and Wages.

**Internal Services (FY 2023 Base Year: \$7,889,513 – 4.5% of total expenditures)**

This category encompasses various expenditures incurred by operating departments but budgeted centrally. Prior to FY 2020, this included charges for motor vehicles, telephone and radio usage, postage, data processing, document management, and mapping and graphics. Beginning in FY 2020, only motor vehicle charges remain in the category. In the Budget Book summaries, Internal Services also includes General Liability and Workers' Compensation; however, for this projection they are analyzed separately.

In recent years, total Motor Vehicle fund costs have shown greater consistency due to better managing of the size of the fleet. Total motor vehicle costs, including fuel costs, are projected to increase 8.24% in FY 2024 and FY 2025 and 3.0% in FY 2026 and FY 2027, resulting in a total cost of \$9.8 million by FY 2027.

**Debt Service (FY 2023 Base Year: \$14,596,018 – 8.3% of total expenditures)**

Debt Service is based on the existing debt schedules as provided by the Finance Department, with estimates added for any expected new borrowing or refinancing. To fund future capital budgets, a \$19.4 million bond issuance is assumed in November of 2022 (FY 2023) at an interest rate of 3.5%, a \$19.5 million bond issuance is assumed in November of 2024 (FY 2025) at an interest rate of 3.75%, and a \$20.0 million bond issuance is assumed in November of 2026 (FY 2027) at an interest rate of 4.0%. It is assumed that the debt service for all bond issues will be structured as level, semi-annual payments over a term of 20 years, with no capitalization of interest.

Because debt service is paid on a semi-annual basis, special consideration is given for the timing of the outyear bond issuances. As such, the second of the equal semi-annual debt service payment on each of the new bond issuances does not occur until the succeeding fiscal year. Consequently, the FY 2023 issuance results in a full year of debt service totaling \$1.4 million in FY 2024 and each year after.

The FY 2024 issuance results in nearly \$699,000 of additional debt service costs in FY 2025, increasing to \$1.4 million in FY 2026 and FY 2027. Lastly, the FY 2026 issuance results in \$731,000 of additional debt service costs in FY 2027.

**Special Purpose (FY 2023 Base Year: \$281,865 – 0.2% of total expenditures)**

This expenditure category largely funds animal control. The City started utilizing the recently established State Office of Animal Welfare for animal control services in FY 2018. The base fee owed to the State Office of Animal Welfare for FY 2023 is approximately \$269,000 and is projected to grow by 2.5% per year through FY 2027.

This category also includes a total of \$12,500 in FY 2023 for some smaller specialty items in City Council. The City Council funding is projected to grow annually by 2.5% per year starting in FY 2024.

**State Pension Contribution (FY 2023 Base Year: \$6,352,066 – 3.6% of total expenditures)**

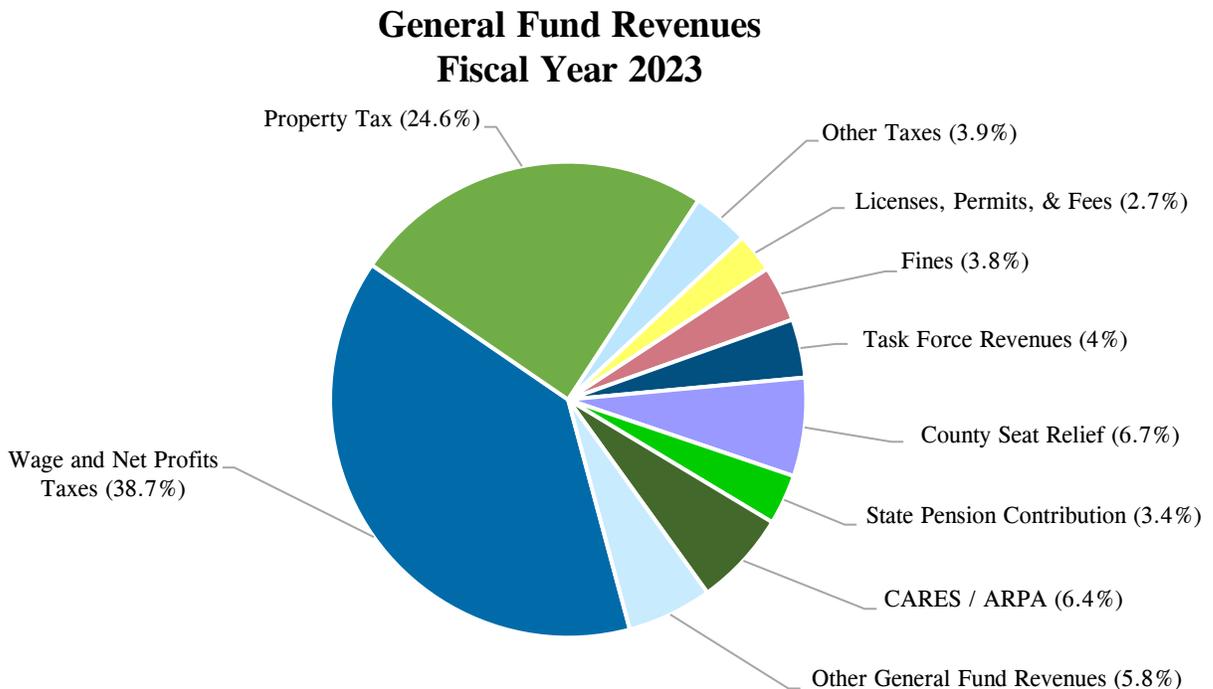
The State Pension Contribution, a grant from the State that is booked as a pass-through in the General Fund to meet the requirements of GASB pronouncement #24, is almost \$6.4 million for FY 2023. As such, an equal and offsetting amount is included as General Fund revenue. This expenditure is split between the Police and Fire Departments, with \$4.6 million budgeted in Fire and \$1.8 million budgeted in Police. The outyear State pension contribution projection is expected to remain level for the remainder of the projection period.

## General Fund Revenues Fiscal Year 2023

General Fund Revenues	Actual FY 2020	Actual FY 2021	Budget FY 2022	Budget FY 2023	Dollar Change FY'23-'22	Percent Change FY'23-'22
Wage and Net Profits Taxes	\$65,637,184	\$65,444,237	\$70,079,093	\$72,204,780	\$2,125,687	3.0%
Property Tax	43,698,151	44,728,292	43,256,728	45,911,800	2,655,072	6.1%
Other Taxes	10,215,568	8,945,849	7,109,957	7,211,047	101,090	1.4%
Licenses, Permits, & Fees	5,746,733	4,602,110	4,403,653	4,963,677	560,024	12.7%
Fines	5,380,604	5,810,318	8,495,153	7,086,050	(1,409,103)	-16.6%
Interest	1,301,142	256,040	336,000	413,000	77,000	22.9%
Other Revenues	9,451,581	10,168,834	8,725,523	9,530,612	805,089	9.2%
Task Force Revenues	5,624,656	6,622,225	5,990,845	7,423,147	1,432,302	23.9%
County Seat Relief	11,640,434	12,441,554	11,520,686	12,470,162	949,476	8.2%
State Pension Contribution	5,785,466	6,352,066	5,785,466	6,352,066	566,600	9.8%
Port Debt Reimbursement	569,356	870,857	554,204	553,829	(375)	-0.1%
CARES / ARPA	1,872,869	8,653,900	0	12,000,000	12,000,000	N/A
Transfers In/(Out)	275,000	275,000	275,000	275,000	0	0.0%
Use of Fund Balance	0	0	6,170,093	0	(6,170,093)	-100.0%
<b>Total Revenues</b>	<b>\$167,198,744</b>	<b>\$175,171,282</b>	<b>\$172,702,401</b>	<b>\$186,395,170</b>	<b>\$13,692,769</b>	<b>7.9%</b>

Total General Fund revenue before transfers is budgeted to be **\$186,120,170**, a net increase of \$19.9 million, or 11.9%, above the FY 2022 budget. This includes one-time American Rescue Plan (ARPA) revenues of \$12.0 million; exclusive of this, total revenue would be up \$7.9 million or 4.7%. No use of the Tax Stabilization Reserve (shown as “Use of Fund Balance” in the table above) is budgeted for FY 2023.

The net change by revenue category is discussed in detail below.



**General Fund Revenues  
Fiscal Year 2023**

**WAGE AND NET PROFITS TAXES**

General Fund Revenues	Actual FY 2020	Actual FY 2021	Budget FY 2022	Budget FY 2023	Dollar Change*	Percent Change*
Wage and Net Profits Taxes	\$65,637,184	\$65,444,237	\$70,079,093	\$72,204,780	\$2,125,687	3.0%

\* Relative to FY 2022 budget.

**Basis:** Projected growth of local economy / wage inflation / corporate bonus compensation / refund losses  
**Critical Assumptions:** Wage and Net Profits Taxes are expected to increase by \$2.1 million to a new total of nearly \$72.2 million.

Wage Taxes make up \$64.7 million of this total category and are expected to grow by \$610,000 budget-to-budget in FY 2023. These revenues are derived from the 1.25% tax the City applies to the gross earned income of city residents, as well as the gross earned income of non-city residents working within the city limits. The Wage Tax rate is controlled by the Delaware General Assembly, and cannot be adjusted by the City.

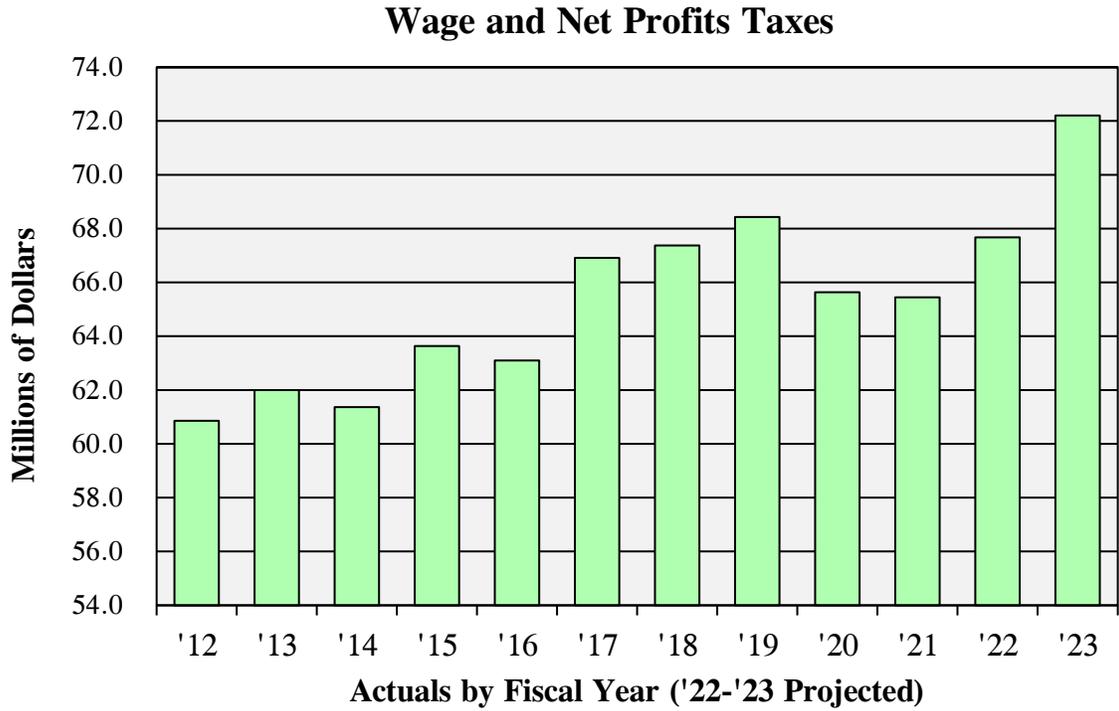
Using the projected FY 2022 Q2 WEFAC Wage Tax projection as the basis for the FY 2023 budget results in an adjusted base of nearly \$60.0 million. This includes additional losses for wage tax refunds of \$3.6 million, which is \$2.4 million beyond the normal pre-COVID amount of \$1.2 million. While work-from-home (WFH) levels have likely declined relative to the beginning of the COVID pandemic, continued WFH, along with the broader transition to hybrid work models, is expected to result in some degree of ongoing refund losses. Larger-than-normal refund requests have continued into FY 2022 and are expected to continue into FY 2023 as well.

Conversely, increased employee compensation is expected to result in 5.4% growth in taxable wages, expanding Wage Tax revenues by nearly \$3.2 million. In their December 17, 2021 report, the Delaware Economic and Financial Advisory Council (DEFAC) projects Delaware salaries and wages growth will be 6.4% in FY 2022; however, we have chosen to use a more conservative growth rate, as Wilmington has historically lagged behind state salary and wage growth. Finally, collection efforts are expected to yield \$1.5 million in audit collections; this is down nearly \$1.5 million relative to the FY 2022 budget, as new collections efforts by outside agencies are now expected to provide lower revenues than previously budgeted.

Net Profits revenue is derived from a 1.25% tax on the net profits of business partnerships, professional associations, and limited liability corporations. Similar to the Wage Tax, this rate is set by the Delaware General Assembly and is not controlled by the City. Net Profits revenues are projected to be \$7.5 million in FY 2023, up \$1.5 million from the FY 2022 budget. Strong revenues in FY 2021 suggest that COVID has had minimal impact on Net Profits, with the potential for similarly strong revenues in FY 2022 and beyond.

General Fund Revenues  
Fiscal Year 2023

**WAGE AND NET PROFITS TAXES (Continued)**



## General Fund Revenues Fiscal Year 2023

### PROPERTY TAX

General Fund Revenues	Actual FY 2020	Actual FY 2021	Budget FY 2022	Budget FY 2023	Dollar Change*	Percent Change*
Property Tax	\$43,698,151	\$44,728,292	\$43,256,728	\$45,911,800	\$2,655,072	6.1%

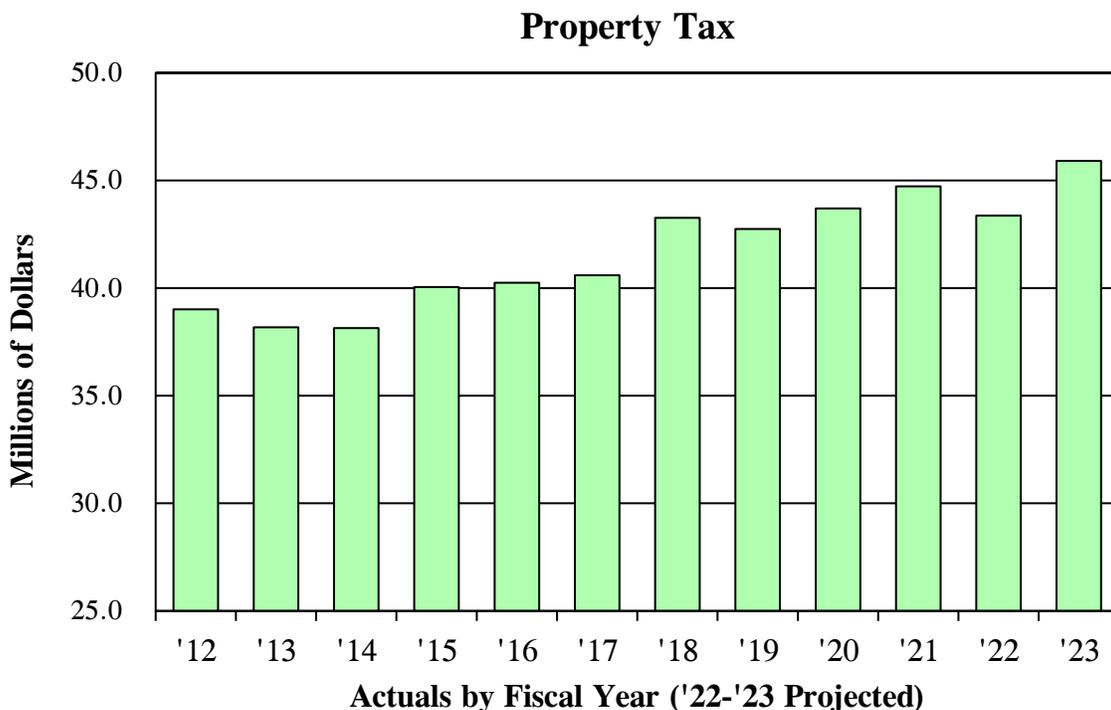
\* Relative to FY 2022 budget.

**Basis:** Assessment rolls

**Critical Assumptions:** The property tax is the City of Wilmington’s second-largest revenue source, and the single largest revenue source with a tax rate directly controlled by the Mayor and City Council. The total assessed value of all property in the City is \$3.54 billion, with a taxable assessed value of \$2.14 billion after exempted properties are excluded. All assessments are adjusted to, and reported in, 1983 dollar values. For FY 2023, the tax rate is \$2.115 per one-hundred dollars of assessed value.

For FY 2023, Property Tax revenues are projected to total \$45.9 million, an increase of \$2.7 million, or 6.1%, relative to the FY 2022 budget. Projected base billings for FY 2023 are \$42.8 million per New Castle County assessments. This is \$280,000 lower than FY 2022, and nearly \$500,000 lower than FY 2021, driven mainly by several large commercial properties receiving downward reassessments from the County. Beyond this, the budget assumes an additional reduction of \$250,000 in projected reassessment appeals. However, this is offset by a combined \$263,000 in additional revenue due to expiring tax incentives and projected property improvements. The usual 2.0% allowance for doubtful accounts (similar to pre-COVID estimates) further reduces revenue by \$920,000. Lastly, one-time revenue from Penalty and Interest is expected to be almost \$1.5 million, which is up \$184,000 over the FY 2022 budget and is consistent with historical trends.

In order to stabilize the City’s finances and avoid budget deficits in subsequent years, FY 2023 includes a 6.0% Property Tax rate increase, which is equal to \$2.6 million. For the median homeowner, this is equivalent to a monthly increase of \$3.48.



**General Fund Revenues  
Fiscal Year 2023**

**OTHER TAXES**

General Fund Revenues	Actual FY 2020	Actual FY 2021	Budget FY 2022	Budget FY 2023	Dollar Change*	Percent Change*
Other Taxes	\$10,215,568	\$8,945,849	\$7,109,957	\$7,211,047	\$101,090	1.4%

\* Relative to FY 2022 budget.

**Basis:** Trend analysis / growth of local economy

**Critical Assumptions:** Other Taxes are projected to increase by \$101,000 in FY 2023 relative to the prior-year budget. This includes the following:

**Franchise Fees** consists of 2% of the gross revenues from Delmarva Power electricity sales in the City (as Delmarva is the sole electricity distributor). This is projected to be nearly \$860,000 in FY 2023, up \$95,000 from the prior year.

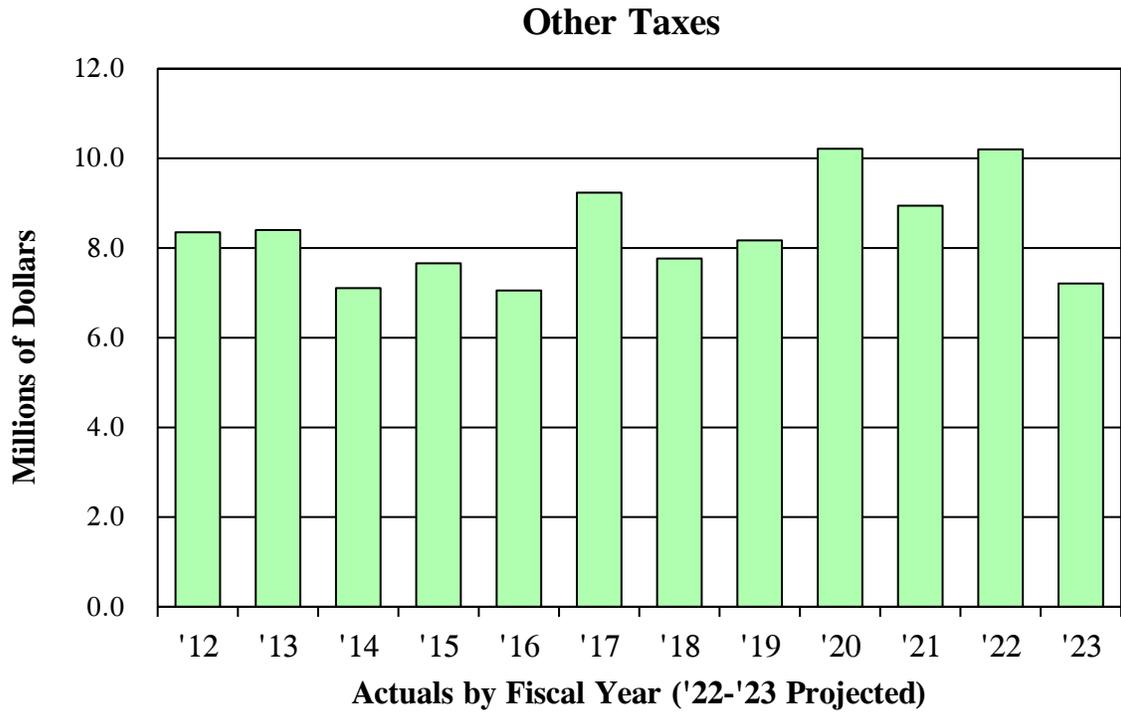
**Head Tax** revenues are derived from a tax paid by businesses based on the number of individuals they employ, with each business with more than six employees paying \$15.00 per month for each employee above an exempted base of five (so, for example, a business with 20 employees would pay Head Tax on 15). For FY 2023, revenues are projected to decrease by nearly \$86,000, to a new total of \$3.2 million. This is based on the Q2 FY 2022 WEFAC year-end projection, which assumes continued WFH losses and greater unemployment than pre-COVID levels. In addition, based on the long-term trend, we assume that Head Tax will continue to decline by 2.6% annually.

**Real Estate Transfer (Residential)** revenues are derived from a 1.5% tax on the selling price of residential real estate sales in the city. For FY 2023, this is projected to increase by \$62,000 relative to the FY 2022 budget; however, relative to the Q2 FY 2022 WEFAC year-end projection, this is down \$809,000. Contrary to the projections in the FY 2022 budget, residential transfers did not return to pre-COVID levels but were instead boosted by historically low interest rates. As we do not expect this level of residential activity to continue permanently, our FY 2023 projection is based on the historical average of residential transfer revenue minus one standard deviation, plus 3% growth (matching historical trends).

**Real Estate Transfer (Commercial)** revenues are derived from a 1.5% tax on the selling price of non-residential real estate sales in the city. For FY 2023, revenues are projected to increase by \$30,000 relative to the FY 2022 budget; relative to the Q2 FY 2022 WEFAC year-end projection, this is down nearly \$2.1 million. Commercial transfers have shown unexpected strength during FY 2022, with Q2 FY 2022 revenues nearly four times the entirety of FY 2021, and more than double the FY 2022 budget. However, commercial transfer activity tends to be unpredictable even in normal economic environments, is not expected to continue at this level into subsequent years. For FY 2023, we have assumed a return to historically average commercial transfer revenue minus one standard deviation, plus 3% growth (matching historical trends).

**General Fund Revenues  
Fiscal Year 2023**

**OTHER TAXES (Continued)**



## General Fund Revenues Fiscal Year 2023

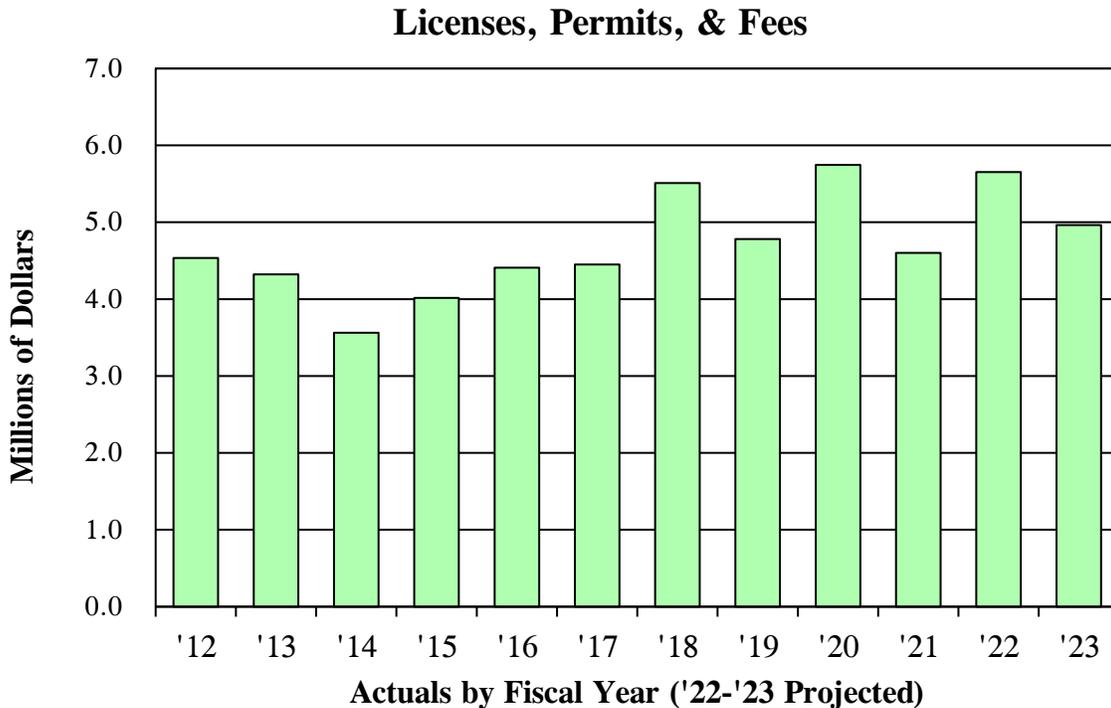
### LICENSES, PERMITS, AND FEES

General Fund Revenues	Actual FY 2020	Actual FY 2021	Budget FY 2022	Budget FY 2023	Dollar Change*	Percent Change*
Licenses, Permits, & Fees	\$5,746,733	\$4,602,110	\$4,403,653	\$4,963,677	\$560,024	12.7%

\* Relative to FY 2022 budget.

**Basis:** Trend analysis / growth of local economy

**Critical Assumptions:** Licenses, Permits, & Fees revenues are up \$560,000 compared to the FY 2022 budget. Business License revenues (which are derived from licenses obtained by businesses wishing to operate in the city) are budgeted to be up nearly \$46,000, which is consistent with historical trends and a return to pre-COVID levels. Permits revenues (derived from construction, demolition, and activity permits) were less impacted by COVID than originally budgeted, and are projected to be up by \$514,000 as they return to historically average levels. This is \$764,000 down from the Q2 FY 2022 WEFAC projection, as FY 2022 includes several large one-time construction projects. Finally, Fees revenues (which are sourced from a variety of charges, including parking meter fees) are expected to remain flat, again consistent with historical actuals.



**General Fund Revenues  
Fiscal Year 2023**

**FINES**

<b>General Fund Revenues</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>Dollar Change*</b>	<b>Percent Change*</b>
Fines	\$5,380,604	\$5,810,318	\$8,495,153	\$7,086,050	(\$1,409,103)	-16.6%

\* Relative to FY 2022 budget.

**Basis:** Trend analysis

**Critical Assumptions:** Fines are projected to total nearly \$7.1 million, which is \$1.4 million down from the FY 2022 budget, though \$350,000 up from the Q2 FY 2022 WEFAC year-end projection. This consists of the following:

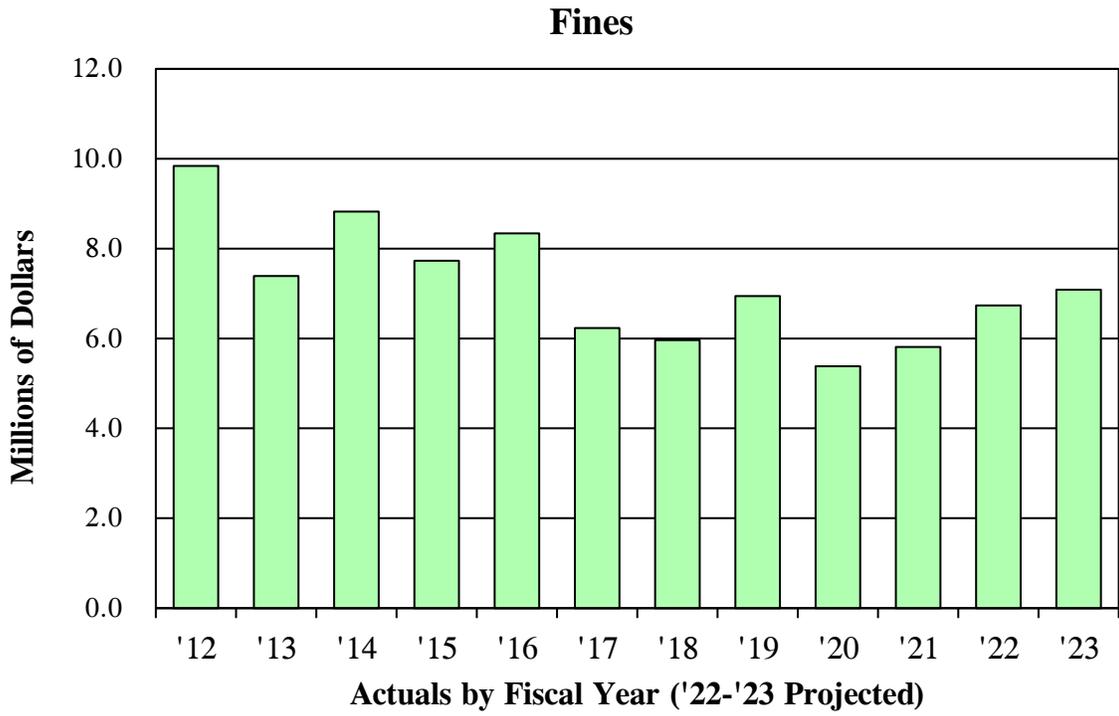
**Criminal / Instant Ticket** revenues are composed of State Criminal Fines remittances and the L&I Instant Ticketing Program (which involves L&I inspectors issuing tickets for violating the City’s sanitation codes). After several years of declines, Criminal Fines are projected to slightly increase, consistent with revenues seen in FY 2022. Similarly, Instant Ticket revenues are projected to increase by \$25,000, with Instant Ticketing activity returning to historically average levels as Licenses and Inspections resumes normal activities.

**Red Light** revenues are derived from the City’s Red Light Camera Safety Program, which issues citations to drivers who fail to stop at red lights in the city. In total, revenues are projected to be \$3.8 million, a decrease of nearly \$1.6 million relative to the FY 2022 budget. In general, ticket issuances have not slowed from last fiscal year (when a net ten new Red Light cameras were introduced), and issuances appear to have been largely unimpacted by COVID. However, large increases in year-end adjustments during Q4 FY 2021 resulted in lower-than-expected total revenues from the new cameras; similar year-end adjustments are expected to occur again in subsequent years. These losses are somewhat offset by growth to the Red Light base, with total revenues up \$177,000 relative to the Q2 FY 2022 WEFAC projection.

**Parking** revenues, which are derived from fines from parking violations and booting fees, are projected to be \$2.8 million, up \$147,000 from the FY 2022 budget. With parking enforcement fully restored in August 2021, the FY 2023 projection represents a return to near-normal parking revenues, though still somewhat diminished from the historical, pre-COVID levels.

**General Fund Revenues  
Fiscal Year 2023**

**FINES (Continued)**



## General Fund Revenues Fiscal Year 2023

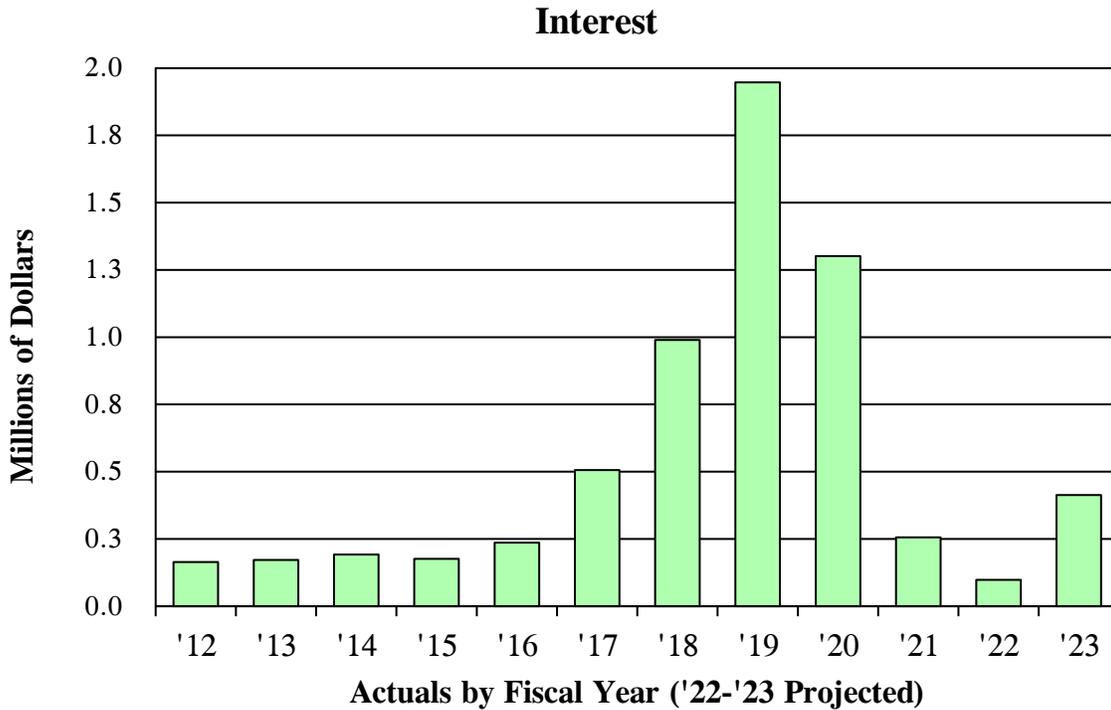
### INTEREST

General Fund Revenues	Actual FY 2020	Actual FY 2021	Budget FY 2022	Budget FY 2023	Dollar Change*	Percent Change*
Interest	\$1,301,142	\$256,040	\$336,000	\$413,000	\$77,000	22.9%

\* Relative to FY 2022 budget.

**Basis:** Trend analysis / interest rate projections / bond issuance

**Critical Assumptions:** By investing in CDs and interest-bearing checking accounts, the City earns interest on its cash balances. Rates have continued to decline since the beginning of the COVID pandemic, with the City earning approximately 0.08% on its investments in FY 2022. For FY 2023, we have assumed a 25 basis point increase in rates, for an additional \$77,000 in projected interest earnings relative to the prior year budget.



## General Fund Revenues Fiscal Year 2023

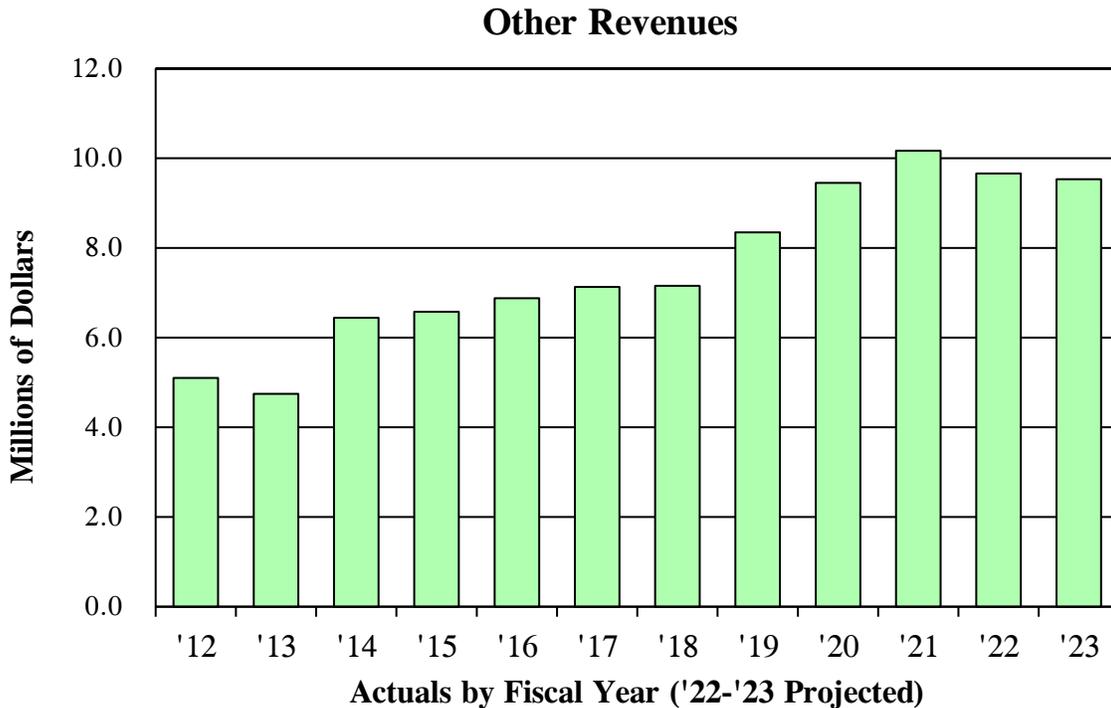
### OTHER REVENUES

General Fund Revenues	Actual FY 2020	Actual FY 2021	Budget FY 2022	Budget FY 2023	Dollar Change*	Percent Change*
Other Revenues	\$9,451,581	\$10,168,834	\$8,725,523	\$9,530,612	\$805,089	9.2%

\* Relative to FY 2022 budget.

**Basis:** Trend analysis / contracts

**Critical Assumptions:** Other Revenues is comprised of Indirect Costs, General Government Charges, Rentals, and other miscellaneous revenues. In total, this category is projected to be up \$805,000 from the FY 2022 budget (though down \$131,000 from Q2 FY 2022 WEFAC). Rentals and Concessions are projected to be up \$178,000, as the City-owned Christina Landing Parking Garage (previously scheduled to be sold July 2021) is now no longer expected to be sold. Similarly, General Government Charges (which includes a variety of fees and charges, such as vacant property registrations) are projected to increase \$439,000 relative to the FY 2022 budget, following the strong recovery seen in FY 2022 and the end of FY 2021. Finally, Indirect Costs, which are charges to the Water/Sewer Fund reimbursing costs incurred by the General Fund in support of water, sewer, and stormwater utilities, are budgeted to increase by \$251,000, reflecting revisions to the cost allocation model based on new usage surveys.



## General Fund Revenues Fiscal Year 2023

### TASK FORCE REVENUES

General Fund Revenues	Actual FY 2020	Actual FY 2021	Budget FY 2022	Budget FY 2023	Dollar Change*	Percent Change*
Task Force Revenues	\$5,624,656	\$6,622,225	\$5,990,845	\$7,423,147	\$1,432,302	23.9%

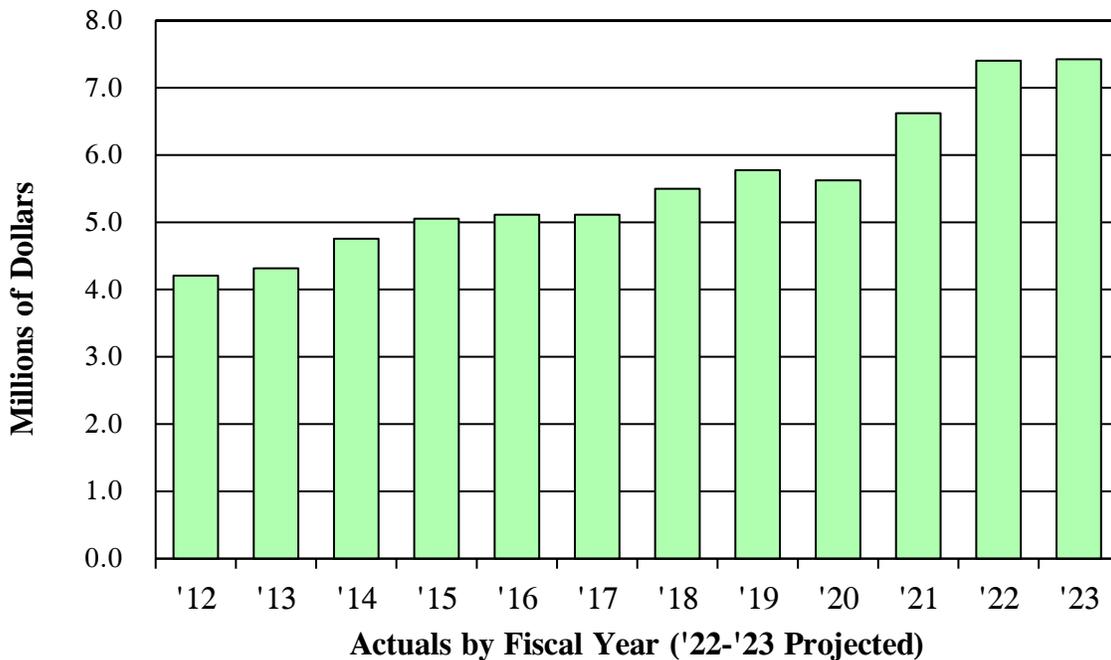
\* Relative to FY 2022 budget.

**Basis:** Estimates from State of Delaware / trend analysis / State agreements

**Critical Assumptions:** Task Force Revenues are the revenue sources that were created as a result of the Governor’s Task Force, which took effect in FY 2004. As a result, each county seat in the state (which includes Wilmington, as the county seat of New Castle County) receives the revenue derived from the State filing fee for corporations and limited liability companies (LLC). The State also passed enabling legislation that allowed the City to create a 2% Lodging Tax and a 2% Natural Gas Franchise Fee on gross sales of natural gas in the City.

In total, Task Force Revenues are projected to be up \$1.4 million compared to the FY 2022 budget, or nearly \$20,000 more than the Q2 FY 2022 WEFAC projection. The largest components of this increase are the Corporate Filing Tax and the LLC Filing Tax, which (per DEFAC growth estimates) are projected to increase by \$348,000 and \$991,000, respectively. These increases are consistent with strong FY 2021 and FY 2022 revenues, as neither category appears to have been materially impacted by COVID. Lodging Tax is expected to see a smaller increase, at \$71,000 above the FY 2022 budget, but is still well below pre-COVID historical highs. Finally, Natural Gas Tax is projected to increase by nearly \$22,000, consistent with historical trends.

### Task Force Revenues



**General Fund Revenues  
Fiscal Year 2023**

**COUNTY SEAT RELIEF PACKAGE**

<b>General Fund Revenues</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>Dollar Change*</b>	<b>Percent Change*</b>
County Seat Relief	\$11,640,434	\$12,441,554	\$11,520,686	\$12,470,162	\$949,476	8.2%

\* Relative to FY 2022 budget.

**Basis:** Estimates from State of Delaware / trend analysis

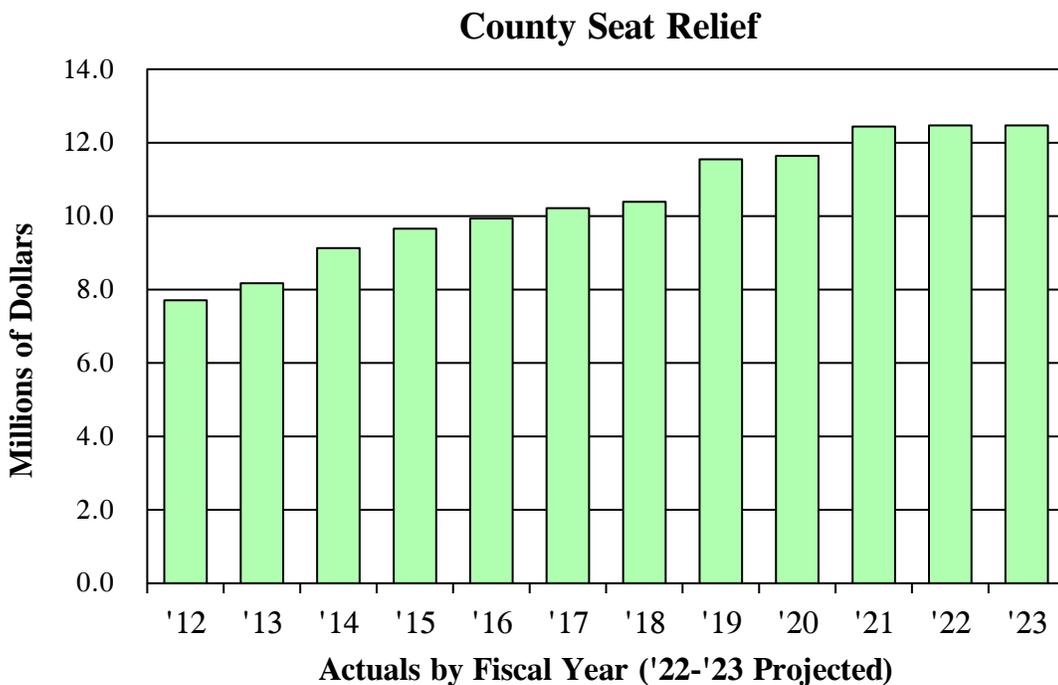
**Critical Assumptions:** The County Seat Relief Package is a bundle of escalating revenue enhancements built upon the Governor’s Task Force and intended to provide further diversification to support the three county seats in the State of Delaware. The FY 2023 projection totals a combined \$12.5 million, up a net \$950,000 from FY 2022. Three of the component revenues are passthroughs of State and County corporate filing fees:

**Statutory Trust Filing Fees,** which are capped at \$1.0 million, are unchanged from prior years.

**New Castle County Corporate Filing Fees** are projected to be up nearly \$179,000, based on DEFAC growth estimates. This is consistent with FY 2022 revenues, which did not appear to be impacted by COVID.

**Uniform Commercial Code (UCC) Filing Fees** are projected to be up \$741,000, also based on DEFAC estimates. This follows the strong recovery seen in the second half of FY 2021, which continued into FY 2022.

The final component is a **Payment in Lieu of Taxes (PILOT)** on what would usually be tax-exempt, State-owned properties in the City; for FY 2023 it is budgeted to increase by \$30,000, to a new total of nearly \$3.4 million. This is equal to the PILOT payment the City received in FY 2021.



**General Fund Revenues  
Fiscal Year 2023**

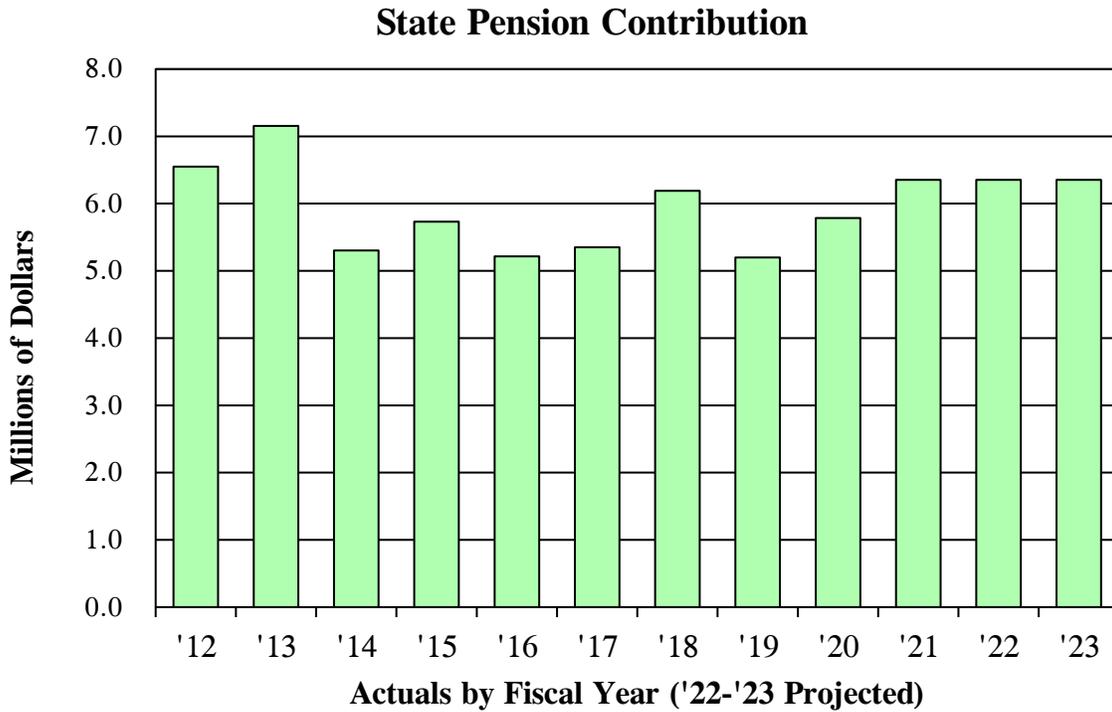
**STATE PENSION CONTRIBUTION**

<b>General Fund Revenues</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>Dollar Change*</b>	<b>Percent Change*</b>
State Pension Contribution	\$5,785,466	\$6,352,066	\$5,785,466	\$6,352,066	\$566,600	9.8%

\* Relative to FY 2022 budget.

**Basis:** Estimates from State of Delaware

**Critical Assumptions:** The State Pension Contribution is a pass-through grant from the State of Delaware that is offset against an equal amount appropriated for pension contribution expenses in the Fire and Police Departments. This is projected to increase by almost \$567,000 in FY 2023, consistent with revenues received in FY 2021.



**General Fund Revenues  
Fiscal Year 2023**

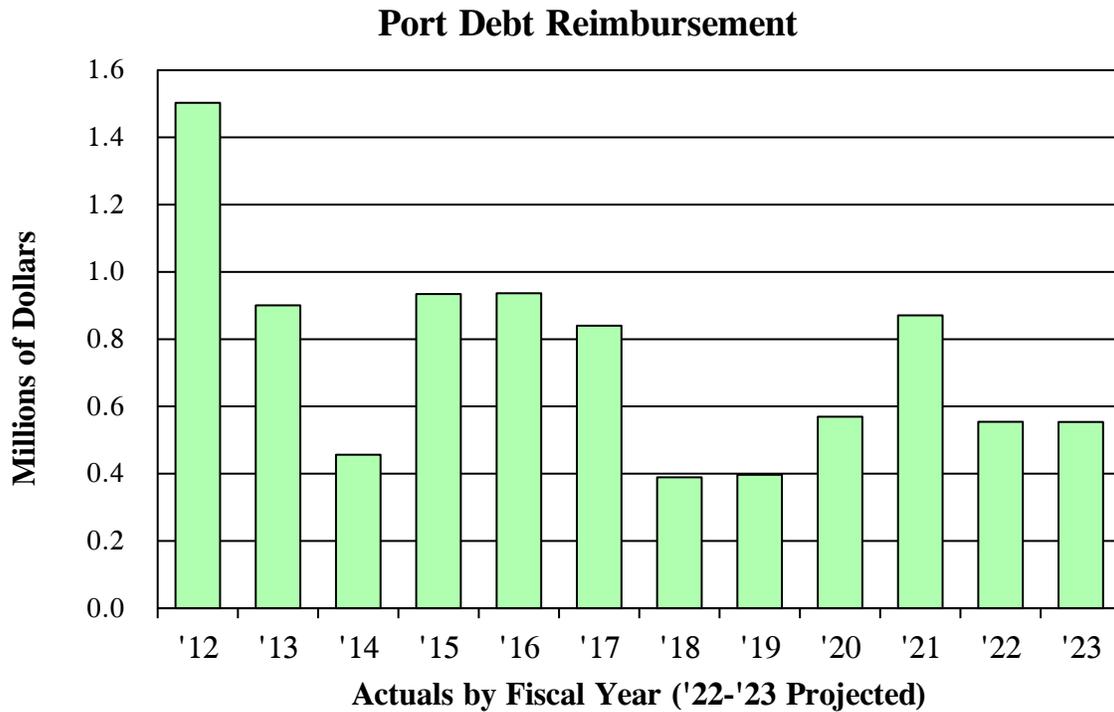
**STATE PORT DEBT REIMBURSEMENT**

<b>General Fund Revenues</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>Dollar Change*</b>	<b>Percent Change*</b>
Port Debt Reimbursement	\$569,356	\$870,857	\$554,204	\$553,829	(\$375)	-0.1%

\* Relative to FY 2022 budget.

**Basis:** Current debt schedules

**Critical Assumptions:** The State Port Debt Reimbursement is related to the 1996 sale of the Port from the City to the State. Per the sale agreement, the outstanding Port debt remains as a liability on the City’s books. In 2018, the State entered into a long-term lease of the Port, and subsequently provided the City with full payment for the outstanding debt. The City amortized these funds, which will be fully paid down in FY 2023. For FY 2023, the reimbursement is down slightly, as per the existing debt service schedule.



**General Fund Revenues  
Fiscal Year 2023**

**TRANSFERS AND USE OF FUND BALANCE**

General Fund Revenues	Actual FY 2020	Actual FY 2021	Budget FY 2022	Budget FY 2023	Dollar Change*	Percent Change*
Transfers and Use of Fund Balance	\$275,000	\$275,000	\$6,445,093	\$275,000	(\$6,170,093)	-95.7%

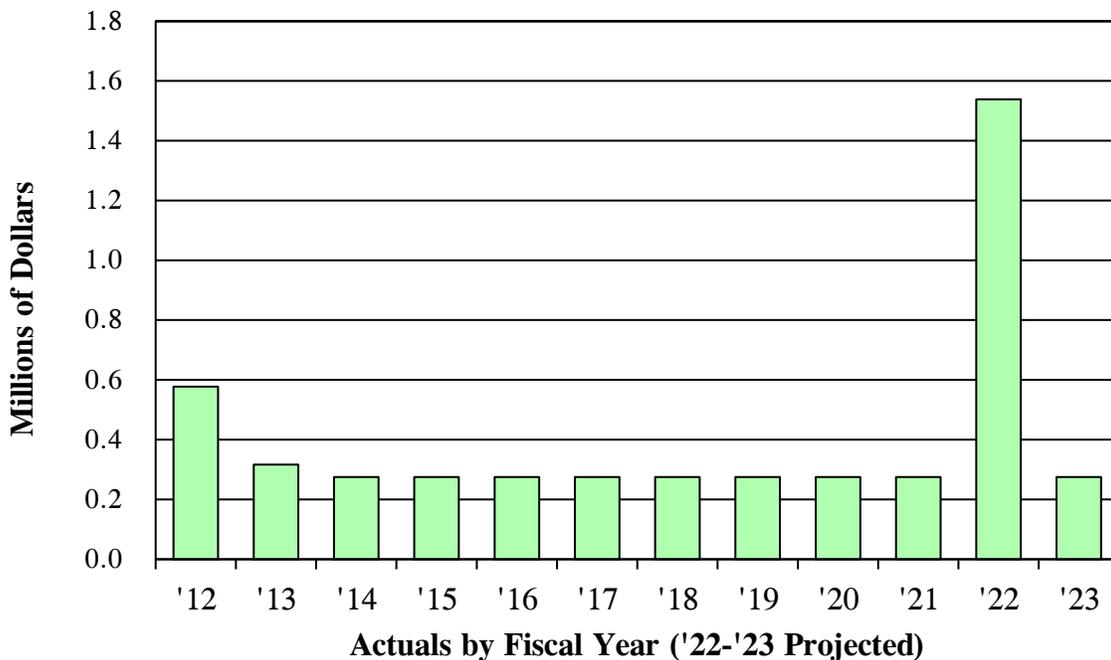
\* Relative to FY 2022 budget.

**Basis:** Authorized transfers from other funds / budgeted expenditures minus projected revenues

**Critical Assumptions:** As the operating budget must be balanced per the City charter, FY 2022 included a one-time use of nearly \$6.2 million from the General Fund’s Tax Stabilization Reserve. No use of Tax Stabilization Reserve is expected in FY 2023, as other revenues are sufficient to cover General Fund expenditures of \$176.9 million.

The projection also includes the usual \$275,000 transfer from the Wilmington Parking Authority (WPA).

**Transfers and Use of Fund Balance**



While nearly \$6.2 million in Tax Stabilization Reserve was budgeted in FY 2022, only \$1.3 million is expected to be necessary based on Q2 FY 2022 WEFAC and Expenditure Review projections.

**Special Fund Revenues  
Fiscal Year 2023**

<b>Special Funds Revenues</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>Dollar Change FY'23-'22</b>	<b>Percent Change FY'23-'22</b>
Municipal Street Aid	\$1,260,608	\$1,020,922	\$1,222,660	\$1,216,630	(\$6,030)	-0.5%
CDBG	2,226,316	2,528,982	2,219,237	2,156,360	(62,877)	-2.8%
Comcast Franchise	1,027,081	1,000,215	1,000,000	1,000,000	0	0.0%
Emergency Shelter	183,571	357,397	189,070	189,072	2	0.0%
Workforce Investment	396,700	331,533	263,834	269,111	5,277	2.0%
Parks Assistance	1,843,610	2,935,138	1,081,198	1,139,074	57,876	5.4%
Parks Trust Fund	100,370	104,942	107,675	114,624	6,949	6.5%
SALLE / LLEBG	3,085,735	2,459,414	1,151,842	749,854	(401,988)	-34.9%
Pension Administration	5,005,849	5,388,699	5,773,286	6,013,916	240,630	4.2%
Home Partnership	211,062	586,516	579,619	581,539	1,920	0.3%
HOPWA	814,783	871,888	824,463	824,464	1	0.0%
Miscellaneous Grants	272,381	451,957	276,920	322,467	45,547	16.4%
<b>Total Revenues</b>	<b>\$16,428,066</b>	<b>\$18,037,603</b>	<b>\$14,689,804</b>	<b>\$14,577,111</b>	<b>(\$112,693)</b>	<b>-0.8%</b>

Special Funds Revenues consist of supplemental revenues derived from non-taxation sources such as Federal and State grants and endowments, as well as the City’s Comcast franchise fee. For FY 2023, total Special Funds revenue is budgeted to be **\$14,577,111**, a net decrease of almost \$112,700, or -0.8%, below the FY 2022 budget.

**MUNICIPAL STREET AID**

<b>Special Funds Revenues</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>Dollar Change*</b>	<b>Percent Change*</b>
Municipal Street Aid	\$1,260,608	\$1,020,922	\$1,222,660	\$1,216,630	(\$6,030)	-0.5%

**Basis:** State of Delaware grant award letter

**Critical Assumption:** This grant is used to offset electricity costs for street lighting and is anticipated to decrease slightly more than \$6,000 compared to the FY 2022 level.

**COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)**

<b>Special Funds Revenues</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>Dollar Change*</b>	<b>Percent Change*</b>
CDBG	\$2,226,316	\$2,528,982	\$2,219,237	\$2,156,360	(\$62,877)	-2.8%

**Basis:** Estimate from Federal Government (HUD)

**Critical Assumption:** The Federal Community Development Block Grant (CDBG) Program supports community development activities to build stronger and more resilient communities. Funding is expected to decrease by \$63,000 compared to the FY 2022 award.

\* Relative to FY 2022 budget.

**Special Fund Revenues  
Fiscal Year 2023**

**COMCAST FRANCHISE FEES**

Special Funds Revenues	Actual FY 2020	Actual FY 2021	Budget FY 2022	Budget FY 2023	Dollar Change*	Percent Change*
Comcast Franchise	\$1,027,081	\$1,000,215	\$1,000,000	\$1,000,000	\$0	0.0%

**Basis:** Trend analysis and growth of local economy

**Critical Assumption:** Comcast Franchise Fees revenue consists of 5.0% of gross revenues from cable television service sales in the City. In Wilmington, Comcast is currently the only provider of cable TV service. Beginning in FY 2014, Franchise Fees were budgeted as a special revenue fund, a result of City Council transferring the Comcast franchise revenue into the CATV Fund. For FY 2023, this revenue source is expected to remain level, at \$1.0 million.

**EMERGENCY SHELTER GRANTS (ESG)**

Special Funds Revenues	Actual FY 2020	Actual FY 2021	Budget FY 2022	Budget FY 2023	Dollar Change*	Percent Change*
Emergency Shelter	\$183,571	\$357,397	\$189,070	\$189,072	\$2	0.0%

**Basis:** Estimate from Federal Government (HUD)

**Critical Assumption:** This ESG program is intended to assist in the operation and rehabilitation of emergency and transitional shelters. It is expected to remain flat in FY 2023.

**WORKFORCE INVESTMENT BOARD GRANT**

Special Funds Revenues	Actual FY 2020	Actual FY 2021	Budget FY 2022	Budget FY 2023	Dollar Change*	Percent Change*
Workforce Investment	\$396,700	\$331,533	\$263,834	\$269,111	\$5,277	2.0%

**Basis:** Estimate from State of Delaware

**Critical Assumption:** The Workforce Investment Board Grant provides funding for the City's Youth Career Development Program. Revenues are expected to increase slightly in FY 2023.

**PARKS ASSISTANCE**

Special Funds Revenues	Actual FY 2020	Actual FY 2021	Budget FY 2022	Budget FY 2023	Dollar Change*	Percent Change*
Parks Assistance	\$1,843,610	\$2,935,138	\$1,081,198	\$1,139,074	\$57,876	5.4%

**Basis:** Estimate from Federal Government

**Critical Assumption:** These funds are used for the Summer and Evening Food Programs. Funding is currently projected to increase by nearly \$58,000 compared to the FY 2022 budget.

\* Relative to FY 2022 budget.

**Special Fund Revenues  
Fiscal Year 2023**

**PARKS TRUST FUND**

Special Funds Revenues	Actual FY 2020	Actual FY 2021	Budget FY 2022	Budget FY 2023	Dollar Change*	Percent Change*
Parks Trust Fund	\$100,370	\$104,942	\$107,675	\$114,624	\$6,949	6.5%

**Basis:** Trust Administrator / trust guidelines

**Critical Assumption:** Revenues are derived from a private trust and are based on qualified parks expenditures.

**STATE AID TO LOCAL LAW ENFORCEMENT (SALLE)/LOCAL LAW ENFORCEMENT BLOCK GRANT (LLEBG)**

Special Funds Revenues	Actual FY 2020	Actual FY 2021	Budget FY 2022	Budget FY 2023	Dollar Change*	Percent Change*
SALLE / LLEBG	\$3,085,735	\$2,459,414	\$1,151,842	\$749,854	(\$401,988)	-34.9%

**Basis:** State of Delaware and U.S. Department of Justice awards based on committee recommendations

**Critical Assumption:** The FY 2023 budget is a \$402,000 reduction from FY 2022, due mainly to the reallocation of School Resource Officer costs into the General Fund in order to more accurately reflect actual costs.

**PENSION ADMINISTRATION**

Special Funds Revenues	Actual FY 2020	Actual FY 2021	Budget FY 2022	Budget FY 2023	Dollar Change*	Percent Change*
Pension Administration	\$5,005,849	\$5,388,699	\$5,773,286	\$6,013,916	\$240,630	4.2%

**Basis:** Estimates from Pension Coordinator

**Critical Assumption:** Funding represents amounts equal to the expected administrative costs of the various pension plans of the City, along with the medical costs incurred for eligible retirees, and is derived from the income of the pooled pension assets.

**HOME PARTNERSHIP FUND**

Special Funds Revenues	Actual FY 2020	Actual FY 2021	Budget FY 2022	Budget FY 2023	Dollar Change*	Percent Change*
Home Partnership	\$211,062	\$586,516	\$579,619	\$581,539	\$1,920	0.3%

**Basis:** Estimate from Federal Government (HUD)

**Critical Assumption:** The Home Partnership Program is awarded through HUD and is expected to increase slightly in FY 2023.

\* Relative to FY 2022 budget.

**Special Fund Revenues  
Fiscal Year 2023**

**HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS GRANT (HOPWA)**

Special Funds Revenues	Actual FY 2020	Actual FY 2021	Budget FY 2022	Budget FY 2023	Dollar Change*	Percent Change*
HOPWA	\$814,783	\$871,888	\$824,463	\$824,464	\$1	0.0%

**Basis:** Estimate from Federal Government (HUD)

**Critical Assumption:** The Housing Opportunities for Persons With AIDS is a Federal program dedicated to the housing needs of people living with HIV/AIDS and their families. The budget is expected to remain flat for FY 2023.

**MISCELLANEOUS GRANTS**

Special Funds Revenues	Actual FY 2020	Actual FY 2021	Budget FY 2022	Budget FY 2023	Dollar Change*	Percent Change*
Miscellaneous Grants	\$272,381	\$451,957	\$276,920	\$322,467	\$45,547	16.4%

**Basis:** State of Delaware award letters

**Critical Assumption:** Miscellaneous Grants consists of the combined total of three grants: the State Local Emergency Planning Committee Grant (\$77,059 in FY 2023); the State Fire Grant (\$201,369 in FY 2023); and the American Rescue Plan (\$44,039 in FY 2023). ARPA revenues included here represent funding of specific activities and are separate from the revenue replacement funds included in the General Fund.

\* Relative to FY 2022 budget.

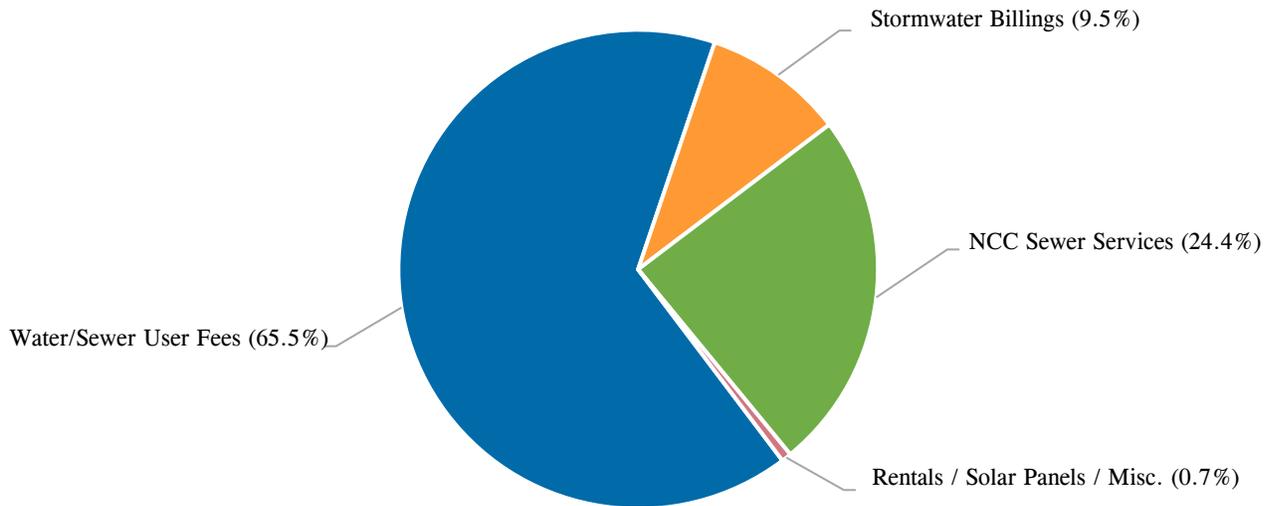
**Water / Sewer Fund Revenues  
Fiscal Year 2023**

**WATER / SEWER FUND**

<b>Water / Sewer Fund Revenues</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>Dollar Change FY'23-'22</b>	<b>Percent Change FY'23-'22</b>
Water/Sewer User Fees	\$46,785,502	\$53,507,699	\$52,209,830	\$56,531,186	\$4,321,356	8.3%
Stormwater Billings	8,301,152	9,318,458	8,664,000	8,208,000	(456,000)	-5.3%
NCC Sewer Services	22,489,162	19,622,109	21,173,439	21,056,000	(117,439)	-0.6%
Rentals/Miscellaneous	1,024,460	694,080	1,050,000	535,000	(515,000)	-49.0%
Solar Panel Revenues	38,639	17,622	37,000	37,000	0	0.0%
CARES / ARPA	184,697	300,000	0	0	0	0.0%
<b>Total Revenues</b>	<b>\$78,823,612</b>	<b>\$83,459,968</b>	<b>\$83,134,269</b>	<b>\$86,367,186</b>	<b>\$3,232,917</b>	<b>3.9%</b>

Total Water / Sewer Fund revenue is budgeted to be **\$86,367,186**, a net increase of \$3.2 million, or 3.9%, above the FY 2022 budget. The net change by revenue category is discussed in detail below.

**Water/Sewer Revenues  
Fiscal Year 2023**



## Water / Sewer Fund Revenues Fiscal Year 2023

### WATER/SEWER USER FEES

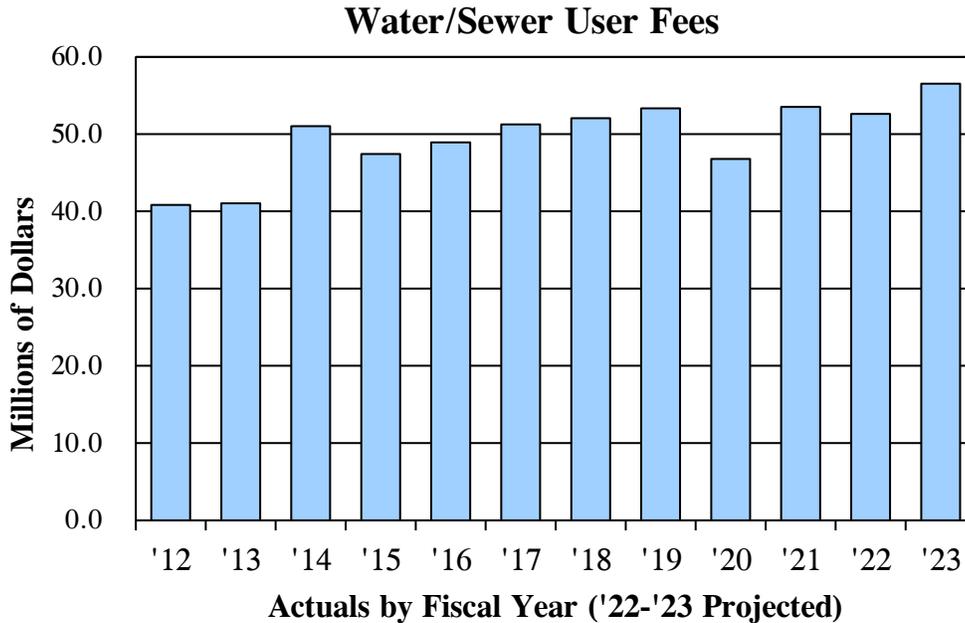
Water / Sewer Fund Revenues	Actual FY 2020	Actual FY 2021	Budget FY 2022	Budget FY 2023	Dollar Change*	Percent Change*
Water/Sewer User Fees	\$46,785,502	\$53,507,699	\$52,209,830	\$56,531,186	\$4,321,356	8.3%

\* Relative to FY 2022 budget.

**Basis:** Trend analysis / management initiatives

**Critical Assumptions:** Water/Sewer User Fees are the direct charges to customers for Inside-City water and sewer services, as well as Outside-City water services. For FY 2023, Water/Sewer Fees are projected to total \$56.5 million, an increase of \$4.3 million from the FY 2022 budget and \$3.9 million from the Q2 FY 2022 WEFAC projection. Excluding reductions for bad debt and year-end accruals (which can vary significantly from year to year) FY 2022 revenues appear to be consistent with prior years. We project that FY 2023 will be similar to this, with a starting base of \$52.5 million (up \$2.4 million from the FY 2022 budgeted base). Added to this is the projected impact of a 5.0% rate increase on Inside City water, Inside City sewer, and Outside City Water charges. Combined, these rate increases yield nearly \$2.5 million in additional revenue, net of bad debt. For the typical Inside City residential customer using 4,000 gallons per month, this is equivalent to \$2.82 per month.

In addition, special sewer fees are projected to provide nearly \$1.9 million (down by \$328,000 from FY 2022), and penalty and interest will provide nearly \$1.9 million (unchanged from FY 2022). Finally, the projection includes a nearly \$2.8 million offset for bad debt, up from \$1.9 million in the FY 2022 budget. This is due to a change in the bad debt rate from 3.0% to 5.0% (in order to better reflect historical actuals) net of moving \$432,000 in Stormwater bad debt out of Water/Sewer Fees and into the Stormwater category.



**Water / Sewer Fund Revenues  
Fiscal Year 2023**

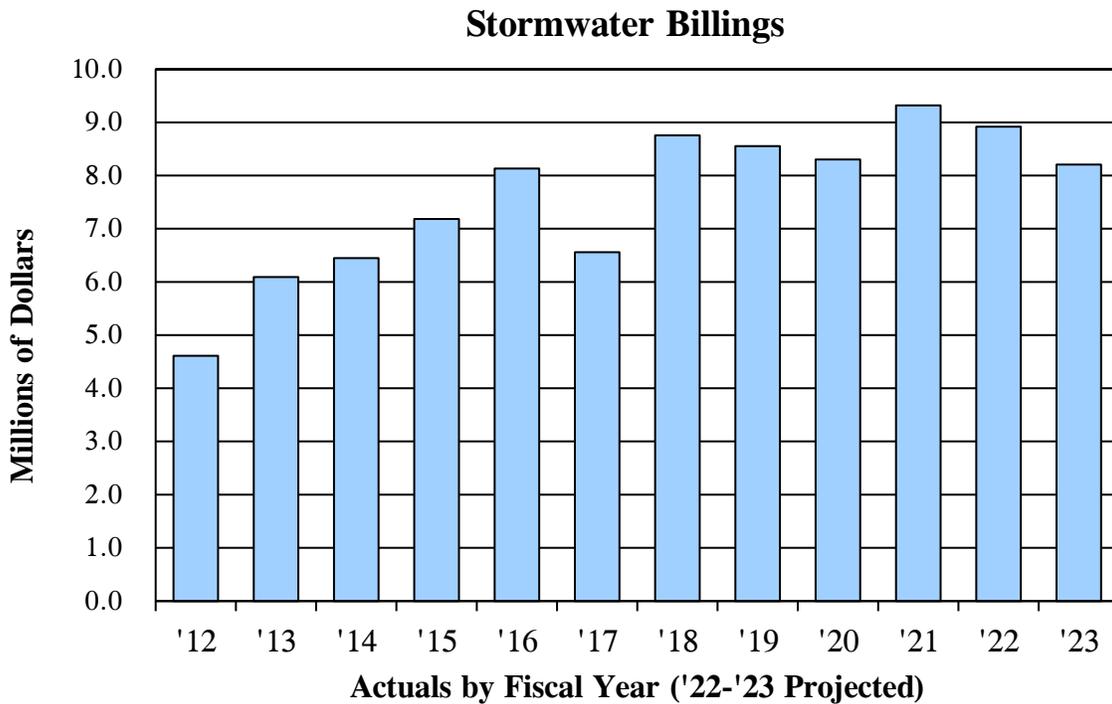
**STORMWATER BILLINGS**

Water / Sewer Fund Revenues	Actual FY 2020	Actual FY 2021	Budget FY 2022	Budget FY 2023	Dollar Change*	Percent Change*
Stormwater Billings	\$8,301,152	\$9,318,458	\$8,664,000	\$8,208,000	(\$456,000)	-5.3%

\* Relative to FY 2022 budget.

**Basis:** Trend analysis / management initiatives

**Critical Assumptions:** Stormwater Billings are the revenues derived from the Stormwater Property Fee, which is charged to all property owners in the City. The fee is not based on a consumption factor, but rather on the size of the property and the characteristics of associated land and buildings as they relate to the generation of stormwater runoff. Base Stormwater Billings for FY 2023 are \$8.6 million. This is offset by a \$432,000 reduction for bad debt, which was previously booked in Water/Sewer User Fees but has been moved to Stormwater Billings beginning in FY 2023 (to allow for better tracking of actuals). There is no budgeted increase to the Stormwater rate.



**Water / Sewer Fund Revenues  
Fiscal Year 2023**

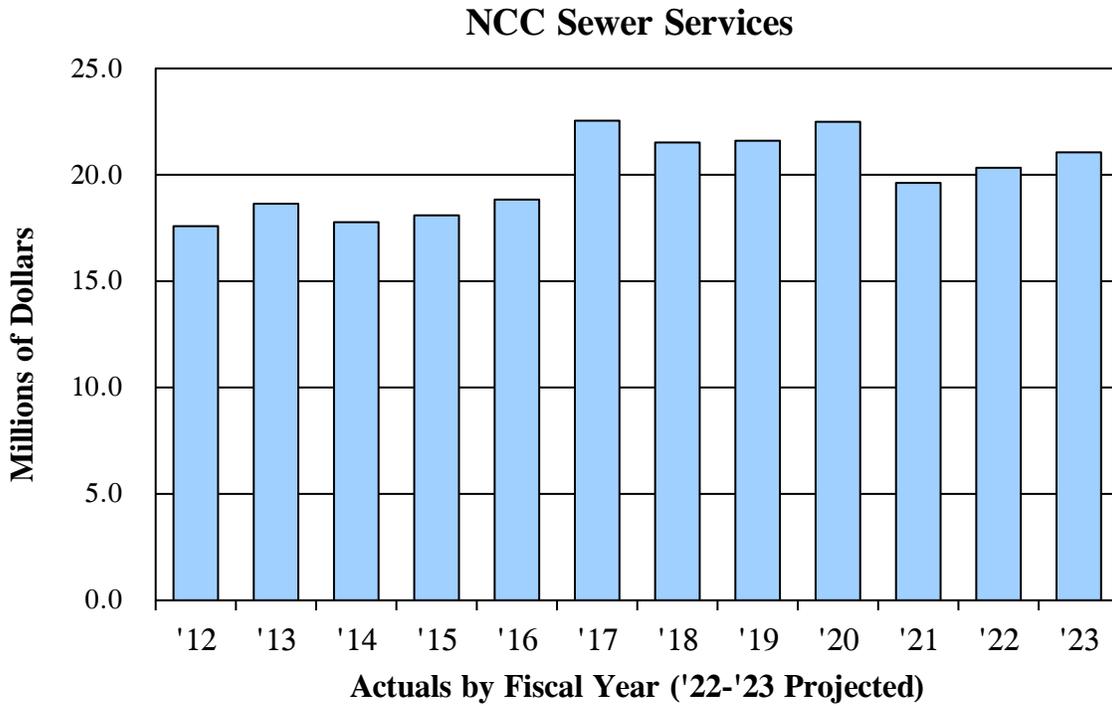
**NEW CASTLE COUNTY SEWER SERVICES**

Water / Sewer Fund Revenues	Actual FY 2020	Actual FY 2021	Budget FY 2022	Budget FY 2023	Dollar Change*	Percent Change*
NCC Sewer Services	\$22,489,162	\$19,622,109	\$21,173,439	\$21,056,000	(\$117,439)	-0.6%

\* Relative to FY 2022 budget.

**Basis:** Contract with New Castle County

**Critical Assumptions:** New Castle County Sewer is the revenue associated with the City’s treatment of sewage from New Castle County. After several years of negotiations, a new contract between the City and County has been finalized. Based on a review of this contract by the City’s outside engineers and legal counsel, total revenues are expected to decrease by \$117,000 in FY 2023, for a new total of \$21.1 million.



**Water / Sewer Fund Revenues  
Fiscal Year 2023**

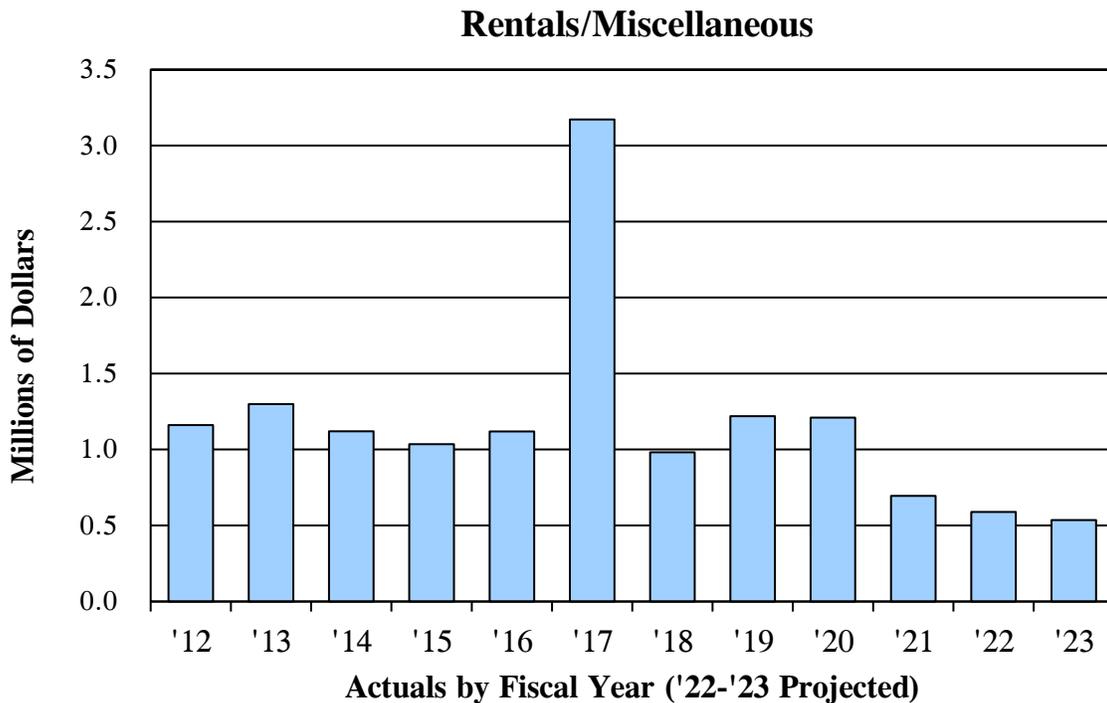
**RENTALS / MISCELLANEOUS**

Water / Sewer Fund Revenues	Actual FY 2020	Actual FY 2021	Budget FY 2022	Budget FY 2023	Dollar Change*	Percent Change*
Rentals/Miscellaneous	\$1,024,460	\$694,080	\$1,050,000	\$535,000	(\$515,000)	-49.0%

\* Relative to FY 2022 budget.

**Basis:** Leases / contracts

**Critical Assumptions:** Rentals / Miscellaneous revenues are the fees charged to telecommunication companies that rent space on the City’s water tanks for antennae and transmitters. Previously this category included the \$462,000 Veolia rental fee; however, as the contract for operating the City’s wastewater treatment plant has transitioned from Veolia to Jacobs Engineering Group, this fee is no longer included in FY 2023. Net of smaller reductions to tank space rental fees, total Rentals / Miscellaneous are expected to decrease by \$515,000, to a new total of \$535,000.



Actuals in FY 2017 reflect the one-time \$2.2 million EPA fine of the International Petroleum Corporation for Clean Water Act violations.

**Water / Sewer Fund Revenues  
Fiscal Year 2023**

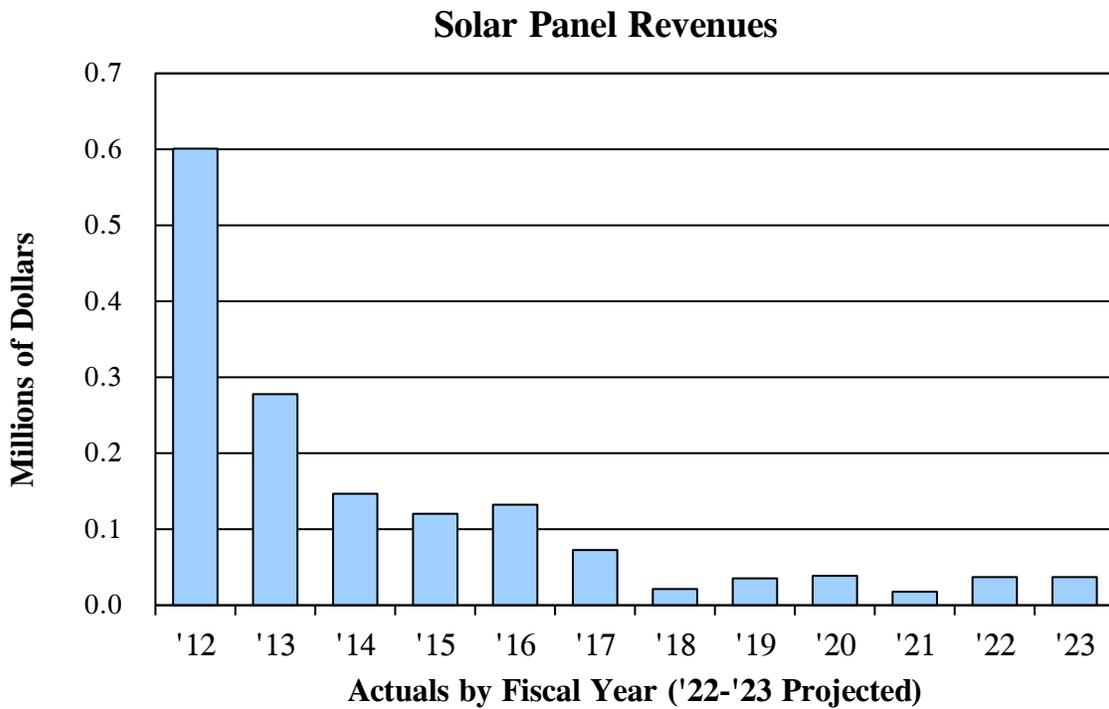
**SOLAR PANEL REVENUE**

<b>Water / Sewer Fund Revenues</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>Dollar Change*</b>	<b>Percent Change*</b>
Solar Panel Revenues	\$38,639	\$17,622	\$37,000	\$37,000	\$0	0.0%

\* Relative to FY 2022 budget.

**Basis:** Leases / contracts

**Critical Assumptions:** Solar Panel Revenue is derived from the sale of Solar Renewable Energy Credits (SRECs) earned by the solar arrays located at various municipal sites, most notably the Porter Filter Plant. Projected revenues for FY 2023 are unchanged from the prior year.



**City of Wilmington Tax Rates  
Fiscal Year 2023**

**WAGE TAX**

**Base:** Individual gross earned income of City residents.  
Individual gross earned income of non-City residents working within the City limits.

**Rate:** 1.25% (as set by Delaware General Assembly).

**NET PROFIT TAX**

**Base:** Net profit of sole proprietors and partnerships within the City limits.

**Rate:** 1.25% (as set by Delaware General Assembly).

**PROPERTY TAX**

**Base:** 100% of the assessed value of land and buildings within City limits. Because the last systematic County-wide reassessment was done based on 1983 market value dollars, all present-day assessments are calculated and reported using 1983 dollar values.

**Rate:** \$2.115 per one-hundred dollars of assessed value.

**HEAD TAX**

**Base:** Number of employees per month for businesses with 6 or more employees.

**Rate:** \$15.00 per employee per month on the total number of employees minus 5 (e.g., business with 20 employees is assessed on 15 employees).

**REAL ESTATE TRANSFER TAX**

**Base:** Selling price of Real Estate assessed at time of settlement.

**Rate:** 1.50%.

**FRANCHISE TAX**

**Base:** Gross receipts from sales of electricity and cable television service within the City.

**Rate:** 2.0% on electrical service.  
5.0% on cable television service.

**City of Wilmington Tax Rates  
Fiscal Year 2023**

**NATURAL GAS TAX**

**Base:** Gross receipts from sales of natural gas within the City.

**Rate:** 2.0% on natural gas.

**LODGING TAX**

**Base:** Rent collected for any room or rooms in a hotel, motel, or tourist home (as defined by Title 30 of the Delaware Code) that are within the City limits.

**Rate:** 2.0% of rent.

# MAYOR'S OFFICE

The mission of the Mayor's Office is to provide the executive and administrative management necessary for the coordination and direction of overall City activities and policies. In addition to the executive function, the Mayor's Office houses the Offices of Emergency Management, Constituent Services, Cultural Affairs, Management and Budget, and Economic Development.

## SUMMARY OF FUNDING FOR THE MAYOR'S OFFICE

<b>Total All Funds*</b> <b>Mayor's Office</b>	<b>Actual</b> <b>FY 2020</b>	<b>Actual</b> <b>FY 2021</b>	<b>Budget</b> <b>FY 2022</b>	<b>Budget</b> <b>FY 2023</b>	<b>Dollar</b> <b>Change</b> <b>FY'23-'22</b>	<b>Percent</b> <b>Change</b> <b>FY'23-'22</b>
Personal Services	3,785,583	3,761,531	3,961,886	3,747,051	(214,835)	-5.4%
Materials, Supplies, and Equipment	2,088,105	1,518,523	1,920,284	1,790,147	(130,137)	-6.8%
Internal Services	210,411	170,601	132,093	135,860	3,767	2.9%
Debt Service	3,818,160	3,180,770	1,196,088	1,230,306	34,218	2.9%
Contingent Reserves	0	0	672,000	672,000	0	0.0%
<b>Total</b>	<b>9,902,259</b>	<b>8,631,425</b>	<b>7,882,351</b>	<b>7,575,364</b>	<b>(306,987)</b>	<b>-3.9%</b>
<b>Staffing Levels</b>	<b>34.00</b>	<b>34.00</b>	<b>34.00</b>	<b>30.00</b>	<b>(4.00)</b>	<b>-11.8%</b>

<b>General Fund</b> <b>Mayor's Office</b>	<b>Actual</b> <b>FY 2020</b>	<b>Actual</b> <b>FY 2021</b>	<b>Budget</b> <b>FY 2022</b>	<b>Budget</b> <b>FY 2023</b>	<b>Dollar</b> <b>Change</b> <b>FY'23-'22</b>	<b>Percent</b> <b>Change</b> <b>FY'23-'22</b>
Personal Services	3,710,927	3,690,691	3,886,335	3,669,992	(216,343)	-5.6%
Materials, Supplies, and Equipment	1,947,647	1,248,147	1,920,284	1,790,147	(130,137)	-6.8%
Internal Services	210,411	170,601	132,093	135,860	3,767	2.9%
Debt Service	3,818,160	3,180,770	1,196,088	1,230,306	34,218	2.9%
<b>Total</b>	<b>9,687,145</b>	<b>8,290,209</b>	<b>7,134,800</b>	<b>6,826,305</b>	<b>(308,495)</b>	<b>-4.3%</b>
<b>Staffing Levels</b>	<b>33.50</b>	<b>33.50</b>	<b>33.50</b>	<b>29.50</b>	<b>(4.00)</b>	<b>-11.9%</b>

<b>General Fund</b> <b>Contingent Reserves</b>	<b>Actual</b> <b>FY 2020</b>	<b>Actual</b> <b>FY 2021</b>	<b>Budget</b> <b>FY 2022</b>	<b>Budget</b> <b>FY 2023</b>	<b>Dollar</b> <b>Change</b> <b>FY'23-'22</b>	<b>Percent</b> <b>Change</b> <b>FY'23-'22</b>
Contingency	0	0	500,000	500,000	0	0.0%
Snow and Weather Emergencies	0	0	172,000	172,000	0	0.0%
<b>Total</b>	<b>0</b>	<b>0</b>	<b>672,000</b>	<b>672,000</b>	<b>0</b>	<b>0.0%</b>
<b>Staffing Levels</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.0%</b>

<b>EMPG Grant Fund</b> <b>Mayor's Office</b>	<b>Actual</b> <b>FY 2020</b>	<b>Actual</b> <b>FY 2021</b>	<b>Budget</b> <b>FY 2022</b>	<b>Budget</b> <b>FY 2023</b>	<b>Dollar</b> <b>Change</b> <b>FY'23-'22</b>	<b>Percent</b> <b>Change</b> <b>FY'23-'22</b>
Personal Services	74,656	70,840	75,551	77,059	1,508	2.0%
Materials, Supplies, and Equipment	140,458	270,376	0	0	0	0.0%
<b>Total</b>	<b>215,114</b>	<b>341,216</b>	<b>75,551</b>	<b>77,059</b>	<b>1,508</b>	<b>2.0%</b>
<b>Staffing Levels</b>	<b>0.50</b>	<b>0.50</b>	<b>0.50</b>	<b>0.50</b>	<b>0.00</b>	<b>0.0%</b>

\* Differs from Summary of All Funds Combined – Expenditures table on page 35 due to Contingent Reserve expenses being listed separately.

**MAJOR FUNDING CHANGES FROM PRIOR YEAR  
GENERAL FUND**

- Relative to the FY 2022 budget, total Mayor’s Office Personal Services costs decreased by \$216,343, with staffing decreasing by a total of 4.00 FTE. Major changes include:
  - A 2% cost of living adjustment for eligible employees, along with mandatory step increases, added \$113,704.
  - Three positions in Constituent Services were eliminated, for a combined savings of \$288,188: a Constituent Services Officer (savings of \$98,267), a Constituent Services Project Specialist (savings of \$116,594), and a Constituent Services Representative (savings of \$73,327).
  - The Mayor’s Office Receptionist position was eliminated for a savings of \$102,112.
  - Three Fiscal & Operations Analysts were upgraded from Grade S to Grade T in the non-union pay scale at an additional cost of \$11,706.
  - Two positions in the Office of Cultural Affairs have been retitled: the Marketing and Special Projects Coordinator has been changed to a Events Permitting and Special Projects Assistant, and the Arts and Culture Outreach Specialist has been changed to a Marketing and Special Projects Coordinator. No salary adjustments are associated with these changes.
- \$160,000 has been added to the Advertising line to provide matching funding to the “It’s Time” campaign, an ongoing effort to support economic development in Wilmington, with a special emphasis on small businesses.
- Total Consultants costs have increased by \$71,700. This includes \$48,000 to hire two Policy Fellows from local universities. In addition, \$75,000 in funding for HBCU Week events has been moved from Miscellaneous Charges – N.O.C. to the Consultants line, based on how HBCU charges were actually booked in prior years. The total budget for HBCU activities is unchanged from FY 2022.
- Various items budgeted in FY 2022 were eliminated or reduced for a combined savings of \$86,000. This includes a \$16,000 reduction in Temporary Agencies staffing from Mayor’s Office front desk coverage; an elimination of \$15,000 in Grants to Agencies funding for WCAC; a \$30,000 reduction in Donation-Community Services for the Curbside Wilmington initiative; and a \$25,000 reduction to Miscellaneous Projects for one-time public space beautification.
- \$375,000 in costs have been removed from the General Fund and are now expected to be spent from American Rescue Plan (ARPA) funds. This includes \$300,000 in Miscellaneous Projects for the Gun Violence Prevention Program and \$75,000 for a Federal grants consultant.
- Debt Service costs decreased by a net \$34,218 per the existing debt service schedule.

<b>Personal Services</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
Regular Salaries	2,553,623	2,511,415	2,712,241	2,615,311	(96,930)	-3.6%
Acting Out Of Classification	2,745	0	0	0	0	0.0%
Sick Leave Bonus	900	2,800	0	0	0	0.0%
Overtime	256	0	0	0	0	0.0%
Health Cash Back	4,800	4,600	4,800	2,400	(2,400)	-50.0%
Pension Contribution	224,598	231,695	253,997	224,641	(29,356)	-11.6%
Social Security	153,302	157,703	164,082	158,329	(5,753)	-3.5%
Medicare Tax	35,853	36,301	38,372	37,030	(1,342)	-3.5%
Hospitalization	485,959	496,998	488,995	437,183	(51,812)	-10.6%
Life Insurance	8,206	7,751	8,040	7,080	(960)	-11.9%
Pension Healthcare	115,376	122,848	129,913	125,463	(4,450)	-3.4%
State Pension Plan - Civilian	125,309	118,580	127,190	105,325	(21,865)	-17.2%
Attrition	0	0	(41,295)	(42,770)	(1,475)	3.6%
<b>Total Personal Services</b>	<b>3,710,927</b>	<b>3,690,691</b>	<b>3,886,335</b>	<b>3,669,992</b>	<b>(216,343)</b>	<b>-5.6%</b>

<b>Materials, Supplies, and Equipment</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
Printing and Advertising	147,265	76,420	137,390	301,790	164,400	119.7%
Communications and Utilities	19,531	12,985	18,582	20,760	2,178	11.7%
Transportation	42,043	(277)	18,600	16,875	(1,725)	-9.3%
Rentals	40,457	0	47,260	47,200	(60)	-0.1%
Contracted Maintenance	(351)	46	1,980	1,900	(80)	-4.0%
Professional Fees	408,581	200,555	439,000	572,200	133,200	30.3%
Memberships and Registrations	44,048	31,489	54,450	54,500	50	0.1%
Miscellaneous Services	227,062	24,452	237,700	178,700	(59,000)	-24.8%
Office and General Supplies	10,220	10,925	9,272	10,072	800	8.6%
Misc. Mat., Supp., and Parts	70,125	11,393	59,700	58,800	(900)	-1.5%
Construction and Repairs	0	0	1,000	1,000	0	0.0%
Equipment	567	3,418	0	0	0	0.0%
Fixed Assets	0	460	2,000	2,000	0	0.0%
Community Activities	938,099	876,281	893,350	524,350	(369,000)	-41.3%
<b>Total M.S.&amp;E.</b>	<b>1,947,647</b>	<b>1,248,147</b>	<b>1,920,284</b>	<b>1,790,147</b>	<b>(130,137)</b>	<b>-6.8%</b>

<b>Internal Services</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
Administrative Services	86,187	78,141	59,770	61,563	1,793	3.0%
Self-Insurance	124,224	92,460	72,323	74,297	1,974	2.7%
<b>Total Internal Services</b>	<b>210,411</b>	<b>170,601</b>	<b>132,093</b>	<b>135,860</b>	<b>3,767</b>	<b>2.9%</b>

<b>Debt Service</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
Principal Payments	3,343,912	3,045,296	769,381	854,257	84,876	11.0%
Interest Payments	474,248	135,474	426,707	376,049	(50,658)	-11.9%
<b>Total Debt Service</b>	<b>3,818,160</b>	<b>3,180,770</b>	<b>1,196,088</b>	<b>1,230,306</b>	<b>34,218</b>	<b>2.9%</b>

**Department: Contingent Reserves**

**Fund: General**

<b>Other / Special Purpose</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
Contingency	0	0	500,000	500,000	0	0.0%
Snow and Weather Emergencies	0	0	172,000	172,000	0	0.0%
<b>Total Other / Special Purpose</b>	<b>0</b>	<b>0</b>	<b>672,000</b>	<b>672,000</b>	<b>0</b>	<b>0.0%</b>

**Department: Mayor's Office**

**Fund: General**

<b>General Fund</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
<b>Total</b>	<b>9,687,145</b>	<b>8,290,209</b>	<b>7,806,800</b>	<b>7,498,305</b>	<b>(308,495)</b>	<b>-4.0%</b>

**Department: Mayor's Office**

**Fund: EMPG Grant Fund**

<b>Personal Services</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
Regular Salaries	55,937	53,112	56,763	57,898	1,135	2.0%
Pension Contribution	4,067	0	3,849	0	(3,849)	-100.0%
Social Security	3,351	3,208	3,430	3,494	64	1.9%
Medicare Tax	783	750	802	817	15	1.9%
Hospitalization	8,866	8,177	8,648	9,390	742	8.6%
Life Insurance	123	105	120	120	0	0.0%
Pension Healthcare	1,529	1,739	1,939	2,127	188	9.7%
State Pension Plan - Civilian	0	3,749	0	3,213	3,213	0.0%
<b>Total Personal Services</b>	<b>74,656</b>	<b>70,840</b>	<b>75,551</b>	<b>77,059</b>	<b>1,508</b>	<b>2.0%</b>

<b>Materials, Supplies, and Equipment</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
Communications and Utilities	9,281	9,906	0	0	0	0.0%
Transportation	294	0	0	0	0	0.0%
Insurance	0	1,819	0	0	0	0.0%
Professional Fees	15,288	3,500	0	0	0	0.0%
Memberships and Registrations	50	425	0	0	0	0.0%
Miscellaneous Services	105,880	221,498	0	0	0	0.0%
Office and General Supplies	0	1,519	0	0	0	0.0%
Misc. Mat., Supp., and Parts	0	3,534	0	0	0	0.0%
Fixed Assets	9,665	28,175	0	0	0	0.0%
<b>Total M.S.&amp;E.</b>	<b>140,458</b>	<b>270,376</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0%</b>

<b>EMPG Grant Fund</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
<b>Total</b>	<b>215,114</b>	<b>341,216</b>	<b>75,551</b>	<b>77,059</b>	<b>1,508</b>	<b>2.0%</b>

# CITY COUNCIL

City Council is the legislative branch and seat of the City of Wilmington's Government. Council's responsibilities include enacting ordinances, rules, and regulations, which are necessary and required for the execution of those expressed and implied powers of local self-government granted to the City by the State General assembly pursuant to the Constitution of the State of Delaware. By function, Council is also responsible to the Citizens of Wilmington whom they represent.

Coming under the auspices of City Council are WITN Channel 22 and the City Clerk's Office. The City Clerk is the official keeper of the City legislative records. In addition, the Office is responsible for the receipt and transmission of all official communications of Council and for maintaining precise records of all laws passed by Council. Furthermore, staff in the Clerk's Office provides support to Council, drafts legislation, develops City policy, conducts research, and develops legislative strategy. WITN (Wilmington Information Television Network) is the City's governmental television channel, which is under the purview of the CVT Commission.

## PRIORITIES FOR FISCAL YEAR 2023

- Carry out the mission of City Council:
  - Provide visionary leadership in policymaking on quality-of-life matters.
  - Develop well-researched legislation that will enable Wilmington government to provide its residents, visitors, and businesses with the highest quality of public services in a fiscally responsible manner through cooperative decision-making, strong ethical leadership, open communications, and transparency with the public.
  - Fulfill the critical responsibility of providing a check on the executive branch of City government, both through individual City Council Committees and legislative measures, to enhance transparency, accountability, and adherence to stated and collectively agreed upon goals for City operations.
  - Connect with constituents to identify needs in the community and to devise strategies to address those needs, both through legislation and through collaboration with the executive branch of City government.
- Review the City's Operating, Water/Sewer, and Capital Budgets as proposed annually by the Executive Branch of City government and justify the appropriation of funds to support the annual operations of the City's departments, offices, boards, and commissions.
- Work to help mitigate the cost and size of City government, alleviating the need – to the greatest extent practicable – for additional taxes and fees, and through periodic reviews of departmental operations, structures, expenditures, and priorities.
- Further develop and promote the City's governmental television station, WITN-22, as a platform for the dissemination of news and information of importance and interest to residents, with the provision of more original programming and the integration of social media platforms to help leverage the station's capacity to connect Wilmingtonians.
- Provide oversight for the Public, Educational, and Government (PEG) television channels in Wilmington.

**PRIORITIES FOR FISCAL YEAR 2023 (Continued)**

- Give a voice to the City and its residents regarding the education of its children and help create an education system whereby children are taught in a properly-funded environment that accounts for the unique and individualized needs of children raised in an urban setting.
- Advocate, when appropriate, for a resolution of issues or concerns that arise between members of the public and their government.
- Advocate for issues and values that are important to City Council and its constituents, such as safe and vibrant neighborhoods, increased housing opportunities, an effective education system, a results-oriented gun violence prevention program, and economic lifelines to help lift citizens out of poverty.
- Develop a Strategic Plan that outlines the priorities of the 108<sup>th</sup> Session of Council, which will be used as a guide for the legislative agenda of City Council.
- Per City Charter, it is the mandatory duty of the City Council to redistrict the City into eight Councilmanic districts within six months after the date of publication by the United States Census Bureau of the population at each decennial census, so that each of the Council districts shall contain as nearly practicable a population derived by dividing the population of the City by a factor of eight.
- Prioritize efforts that help the City rebound from the COVID-19 pandemic.
- Prepare the City of Wilmington for the best telecommunications outcomes to be outlined in a new Cable Franchise Agreement, which will occur in 2024 but will take two years to negotiate.
- Ensure Resolution #21-018, to Conduct a Disparity Study Regarding Economic Development and Healthcare Access and Opportunity in Wilmington, is implemented.
- Advocate to leverage the American Rescue Plan Act to set the City on a trajectory of long-term financial sustainability.

**SUMMARY OF FUNDING FOR CITY COUNCIL**

<b>Total All Funds City Council</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>Dollar Change FY'23-'22</b>	<b>Percent Change FY'23-'22</b>
Personal Services	2,093,204	2,048,467	2,061,368	2,166,632	105,264	5.1%
Materials, Supplies, and Equipment	674,122	702,244	589,778	652,474	62,696	10.6%
Internal Services	39,176	43,842	18,243	18,766	523	2.9%
Debt Service	110,093	73,716	33,234	36,659	3,425	10.3%
Other / Special Purpose	8,665	4,825	8,000	12,500	4,500	56.3%
<b>Total</b>	<b>2,925,260</b>	<b>2,873,094</b>	<b>2,710,623</b>	<b>2,887,031</b>	<b>176,408</b>	<b>6.5%</b>
<b>Staffing Levels</b>	<b>28.00</b>	<b>28.00</b>	<b>27.00</b>	<b>27.00</b>	<b>0.00</b>	<b>0.0%</b>

<b>General Fund City Council</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>Dollar Change FY'23-'22</b>	<b>Percent Change FY'23-'22</b>
Personal Services	1,299,342	1,313,061	1,378,348	1,448,286	69,938	5.1%
Materials, Supplies, and Equipment	437,184	335,673	422,846	422,046	(800)	-0.2%
Internal Services	39,176	33,962	18,243	18,766	523	2.9%
Debt Service	1,034	111	0	0	0	0.0%
Other / Special Purpose	8,665	4,825	8,000	12,500	4,500	56.3%
<b>Total</b>	<b>1,785,401</b>	<b>1,687,632</b>	<b>1,827,437</b>	<b>1,901,598</b>	<b>74,161</b>	<b>4.1%</b>
<b>Staffing Levels</b>	<b>19.20</b>	<b>19.25</b>	<b>19.65</b>	<b>19.65</b>	<b>0.00</b>	<b>0.0%</b>

<b>CATV Fund City Council</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>Dollar Change FY'23-'22</b>	<b>Percent Change FY'23-'22</b>
Personal Services	793,862	735,406	683,020	718,346	35,326	5.2%
Materials, Supplies, and Equipment	236,938	366,571	166,932	230,428	63,496	38.0%
Internal Services	0	9,880	0	0	0	0.0%
Debt Service	109,059	73,605	33,234	36,659	3,425	10.3%
<b>Total</b>	<b>1,139,859</b>	<b>1,185,462</b>	<b>883,186</b>	<b>985,433</b>	<b>102,247</b>	<b>11.6%</b>
<b>Staffing Levels</b>	<b>8.80</b>	<b>8.75</b>	<b>7.35</b>	<b>7.35</b>	<b>0.00</b>	<b>0.0%</b>

**MAJOR FUNDING CHANGES FROM PRIOR YEAR  
GENERAL FUND**

- Personal Services increased by \$69,938. Regular Salaries rose by \$65,006 primarily due to the Chief of Staff salary that is split funded 75% General Fund and 25% CATV Fund. The General Fund portion added \$23,444 which includes salaries and benefits.
- Professional Fees decreased a net \$25,000 due to the elimination of the one-time funding to support last fiscal year's redistricting process.
- Grants to Agencies increased by \$26,000 to support community activities and was offset by an equal decrease in Grants-Scholarship Program.

**MAJOR FUNDING CHANGES FROM PRIOR YEAR  
CATV FUND**

- Regular salaries increased by \$13,335 largely due to the Chief of Staff salary that is split funded 25% CATV Fund and 75% General Fund. The CATV Fund portion added \$7,815 which includes salaries and benefits.
- Legal fees increased by \$55,000 for legal services pertaining to telecommunications expertise regarding the upcoming franchise agreement renewal.
- Subscription/Books increased about \$24,000, mainly for a subscription to a cloud-based video creation platform.

<b>Personal Services</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
Regular Salaries	777,572	842,136	817,837	882,843	65,006	7.9%
Temporary Salaries	71,079	21,277	60,200	64,590	4,390	7.3%
Sick Leave Bonus	0	1,200	900	1,200	300	33.3%
Overtime	88	0	0	0	0	0.0%
Health Cash Back	6,480	8,500	9,360	9,120	(240)	-2.6%
Pension Contribution	69,374	64,771	66,089	70,325	4,236	6.4%
Social Security	50,525	54,037	53,219	57,404	4,185	7.9%
Medicare Tax	11,816	12,326	12,448	13,428	980	7.9%
Hospitalization	211,025	196,879	226,118	208,557	(17,561)	-7.8%
Life Insurance	3,663	3,596	3,661	3,821	160	4.4%
Pension Healthcare	66,394	69,111	73,682	83,571	9,889	13.4%
State Pension Plan - Civilian	31,326	39,228	39,334	35,427	(3,907)	-9.9%
Personal Services Adjustment	0	0	15,500	18,000	2,500	16.1%
<b>Total Personal Services</b>	<b>1,299,342</b>	<b>1,313,061</b>	<b>1,378,348</b>	<b>1,448,286</b>	<b>69,938</b>	<b>5.1%</b>

<b>Materials, Supplies, and Equipment</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
Printing and Advertising	16,803	14,464	16,500	16,700	200	1.2%
Transportation	6,329	0	9,000	9,000	0	0.0%
Rentals	0	0	500	500	0	0.0%
Contracted Maintenance	0	0	1,500	1,500	0	0.0%
Professional Fees	61,333	88,951	149,000	154,000	5,000	3.4%
Memberships and Registrations	13,779	4,880	15,200	15,200	0	0.0%
Miscellaneous Services	1,275	2,487	2,000	2,000	0	0.0%
Office and General Supplies	4,348	2,916	6,000	6,000	0	0.0%
Misc. Mat., Supp., and Parts	9,731	349	11,146	11,146	0	0.0%
Equipment	0	0	1,000	1,000	0	0.0%
Community Activities	323,586	221,626	211,000	205,000	(6,000)	-2.8%
<b>Total M.S.&amp;E.</b>	<b>437,184</b>	<b>335,673</b>	<b>422,846</b>	<b>422,046</b>	<b>(800)</b>	<b>-0.2%</b>

<b>Internal Services</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
Administrative Services	8,319	10,798	0	0	0	0.0%
Self-Insurance	30,857	23,164	18,243	18,766	523	2.9%
<b>Total Internal Services</b>	<b>39,176</b>	<b>33,962</b>	<b>18,243</b>	<b>18,766</b>	<b>523</b>	<b>2.9%</b>

<b>Debt Service</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
Principal Payments	845	0	0	0	0	0.0%
Interest Payments	189	111	0	0	0	0.0%
<b>Total Debt Service</b>	<b>1,034</b>	<b>111</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0%</b>

<b>Other / Special Purpose</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
Special Purpose	8,665	4,825	8,000	12,500	4,500	56.3%
<b>Total Other / Special Purpose</b>	<b>8,665</b>	<b>4,825</b>	<b>8,000</b>	<b>12,500</b>	<b>4,500</b>	<b>56.3%</b>

**Department: City Council**

**Fund: General**

<b>General Fund</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
<b>Total</b>	<b>1,785,401</b>	<b>1,687,632</b>	<b>1,827,437</b>	<b>1,901,598</b>	<b>74,161</b>	<b>4.1%</b>

**Department: City Council**

**Fund: CATV**

<b>Personal Services</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
Regular Salaries	515,737	475,027	440,408	453,743	13,335	3.0%
Temporary Salaries	34,270	15,584	15,000	15,000	0	0.0%
Sick Leave Bonus	300	900	400	900	500	125.0%
Overtime	339	2,299	0	0	0	0.0%
Pension Contribution	24,517	20,684	7,927	8,436	509	6.4%
Social Security	32,946	29,487	27,256	27,939	683	2.5%
Medicare Tax	7,705	6,896	6,375	6,534	159	2.5%
Hospitalization	115,837	120,662	113,246	131,087	17,841	15.8%
Life Insurance	2,139	2,065	1,680	1,764	84	5.0%
Pension Healthcare	30,368	33,399	27,146	31,260	4,114	15.2%
State Pension Contribution	29,704	28,403	28,082	23,683	(4,399)	-15.7%
Personal Services Adjustment	0	0	15,500	18,000	2,500	16.1%
<b>Total Personal Services</b>	<b>793,862</b>	<b>735,406</b>	<b>683,020</b>	<b>718,346</b>	<b>35,326</b>	<b>5.2%</b>

<b>Materials, Supplies, and Equipment</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
Transportation	8,082	0	5,000	5,000	0	0.0%
Rentals	12,965	9,280	15,720	15,720	0	0.0%
Contracted Maintenance	9,695	0	20,000	20,000	0	0.0%
Professional Fees	99,455	73,292	38,500	75,000	36,500	94.8%
Memberships and Registrations	22,000	27,014	26,712	53,208	26,496	99.2%
Miscellaneous Services	28,571	18,000	28,000	28,000	0	0.0%
Office and General Supplies	3,190	1,559	4,500	5,000	500	11.1%
Wearing Apparel and Safety	400	0	3,500	3,500	0	0.0%
Misc. Mat., Supp., and Parts	13,994	15,326	19,500	19,500	0	0.0%
Equipment	10,951	74,111	5,500	5,500	0	0.0%
Fixed Assets	0	98,019	0	0	0	0.0%
Construction and Deve-Cap	0	49,970	0	0	0	0.0%
Community Activities	27,635	0	0	0	0	0.0%
<b>Total M.S.&amp;E.</b>	<b>236,938</b>	<b>366,571</b>	<b>166,932</b>	<b>230,428</b>	<b>63,496</b>	<b>38.0%</b>

<b>Internal Services</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
Administrative Services	0	9,880	0	0	0	0.0%
<b>Total Internal Services</b>	<b>0</b>	<b>9,880</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0%</b>

<b>Debt Service</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
Principal Payments	28,000	13,558	24,201	28,871	4,670	19.3%
Interest Payments	11,084	8,518	9,033	7,788	(1,245)	-13.8%
TPO Lease Payments	69,975	51,529	0	0	0	0.0%
<b>Total Debt Service</b>	<b>109,059</b>	<b>73,605</b>	<b>33,234</b>	<b>36,659</b>	<b>3,425</b>	<b>10.3%</b>

<b>CATV Fund</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
<b>Total</b>	<b>1,139,859</b>	<b>1,185,462</b>	<b>883,186</b>	<b>985,433</b>	<b>102,247</b>	<b>11.6%</b>

# CITY TREASURER

The City Treasurer has been entrusted to serve as the custodian of all City funds on deposit in various operating accounts. To meet these custodial duties the Treasurer must actively and effectively manage the funds in a prudent manner. This involves the management of the City’s cash, debt, and the administration of the City’s pension program. Related duties include check issuance, account reconciliation, wage attachments, and control over the Deferred Compensation Program and other employee payroll deductions.

<b>PRIORITIES FOR FISCAL YEAR 2023</b>
<ul style="list-style-type: none"> <li>• <b>Governance:</b> Cultivating and reinforcing a culture of good governance, strong compliance, and sound stewardship by leveraging relationships with internal and external auditors, as well as trusted advisors, to ensure 100% compliance with all statutes and regulations guiding Office operations.</li> <li>• <b>Modernization:</b> Creating a 21<sup>st</sup>-century operation equipped to respond to the challenges and opportunities of today’s financial, political, and regulatory environment through facility improvements, updating internal policies and controls, and maintaining a conservative and low-risk approach while positioning the Office to benefit from fiscal opportunities both in the near and long term.</li> <li>• <b>Efficiency:</b> Improving the efficacy and productivity of the Office by evaluating internal operations, procedures, and processes, and making enhancements to drive results. Ensuring the proper alignment of resources and staffing with core functions of the office.</li> <li>• <b>Outreach:</b> Engaging in strategic partnerships to promote enhanced financial literacy and education for city employees and the greater Wilmington community.</li> </ul>

## SUMMARY OF FUNDING FOR CITY TREASURER

Total All Funds Treasurer	Actual FY 2020	Actual FY 2021	Budget FY 2022	Budget FY 2023	Dollar Change FY'23-'22	Percent Change FY'23-'22
Personal Services	856,841	789,046	805,309	816,077	10,768	1.3%
Materials, Supplies, and Equipment	845,180	1,105,838	1,148,661	1,128,041	(20,620)	-1.8%
Internal Services	19,136	16,471	18,826	19,418	592	3.1%
Other / Special Purpose	3,750,000	4,000,000	4,250,000	4,500,000	250,000	5.9%
Total	5,471,157	5,911,355	6,222,796	6,463,536	240,740	3.9%
Staffing Levels	7.00	7.00	7.00	7.00	0.00	0.0%

<b>General Fund Treasurer</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>Dollar Change FY'23-'22</b>	<b>Percent Change FY'23-'22</b>
Personal Services	370,801	397,512	343,417	347,977	4,560	1.3%
Materials, Supplies, and Equipment	76,588	109,923	88,550	83,550	(5,000)	-5.6%
Internal Services	17,919	15,221	17,543	18,093	550	3.1%
<b>Total</b>	<b>465,308</b>	<b>522,656</b>	<b>449,510</b>	<b>449,620</b>	<b>110</b>	<b>0.0%</b>
<b>Staffing Levels</b>	<b>3.00</b>	<b>3.00</b>	<b>3.00</b>	<b>3.00</b>	<b>0.00</b>	<b>0.0%</b>

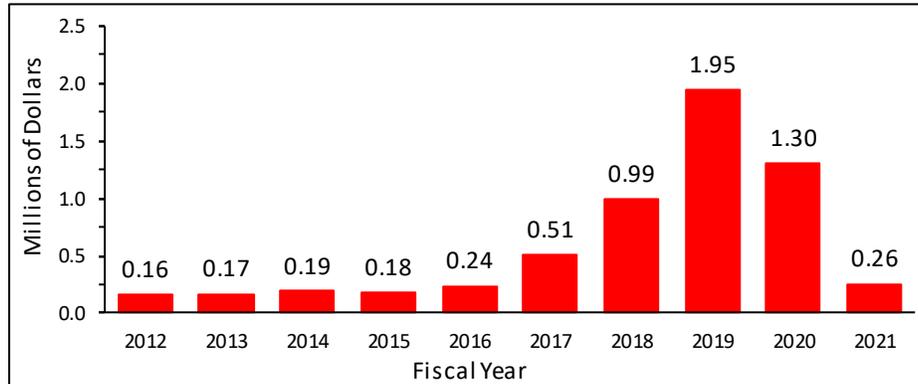
<b>Pension Admin. Funds Treasurer</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>Dollar Change FY'23-'22</b>	<b>Percent Change FY'23-'22</b>
Personal Services	486,040	391,534	461,892	468,100	6,208	1.3%
Materials, Supplies, and Equipment	768,592	995,915	1,060,111	1,044,491	(15,620)	-1.5%
Internal Services	1,217	1,250	1,283	1,325	42	3.3%
Other / Special Purpose	3,750,000	4,000,000	4,250,000	4,500,000	250,000	5.9%
<b>Total</b>	<b>5,005,849</b>	<b>5,388,699</b>	<b>5,773,286</b>	<b>6,013,916</b>	<b>240,630</b>	<b>4.2%</b>
<b>Staffing Levels</b>	<b>4.00</b>	<b>4.00</b>	<b>4.00</b>	<b>4.00</b>	<b>0.00</b>	<b>0.0%</b>

### MAJOR FUNDING CHANGES FROM PRIOR YEAR

- Personal Services in both the General and Pension funds decreased by \$10,768. As a result of the Pension Manager vacancy, Regular Salaries decreased by \$5,464, or 1.0%, partially offset by an increase in Hospitalization, up \$16,801, or 17.5%.
- Temporary Agencies funding was eliminated in all funds, leading to a reduction of \$18,000 in MS&E, as existing full-time employees are sufficient to meet the Department's needs.
- Grants to Agencies decreased by \$3,000; this decrease was partially offset by a \$1,000 increase to Community Services for sponsorships and support to community events.
- The annual self-insurance funding target for retiree Medical Cost in the Pension – Healthcare Fund was increased by \$250,000, bringing the total funding for the program to \$4.5 million for FY 2023.

# CITY TREASURER Performance Trends

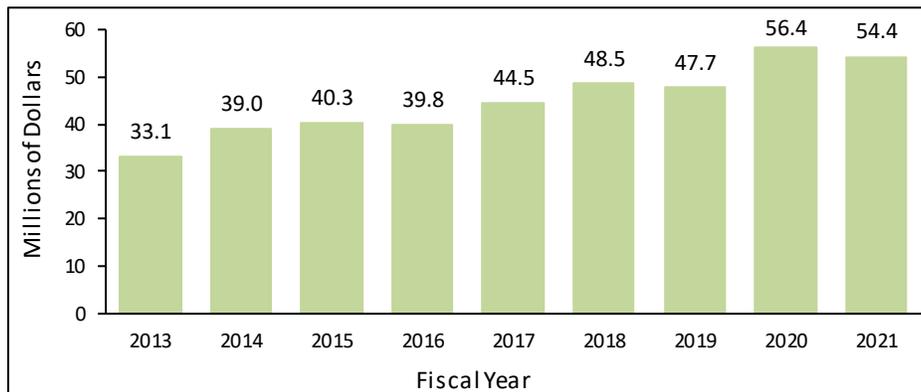
## General Fund Investment Income



**\$256,313**  
as of June 30, 2021

Prudent cash management and investment policies dictate the investment vehicles permitted to change daily cash balances. During the COVID-19 outbreak, interest rates fell drastically, resulting in a decrease in investment revenues.

## Deferred Compensation Fund



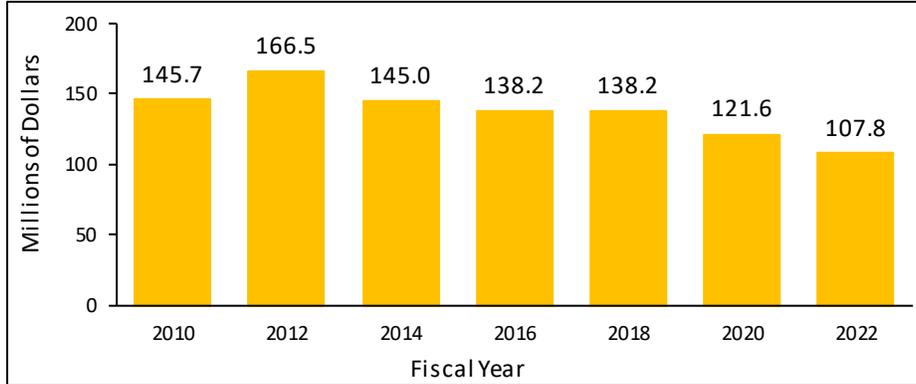
**\$54.4 Million**  
as of June 30, 2021

The City's Deferred Compensation plan is available on a voluntary basis to employees who wish to supplement their retirement income by investing a portion of their current earnings on a tax-deferred basis.

# CITY TREASURER

## Performance Trends

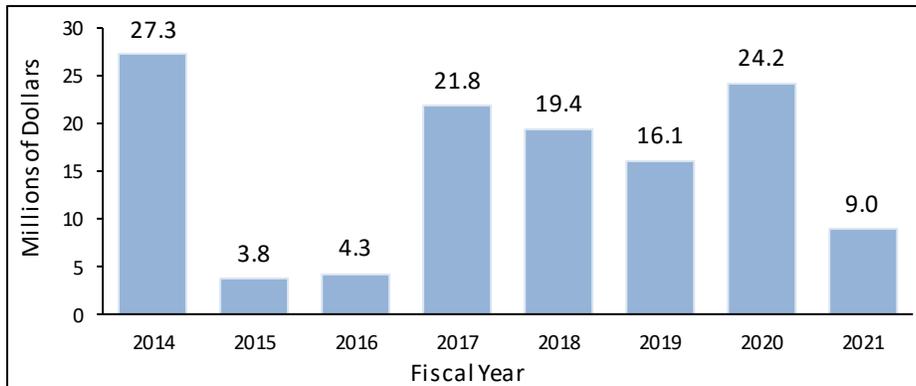
### Unfunded Pension Liability - Calculated Biennially



**\$107.8 Million**  
as of June 30, 2022

The level of Unfunded Pension Liability and the City’s record of paying the actuarially determined Annual Required Contribution (ARC) are two measures of the relative strength or weakness of a particular pension fund. The Unfunded Liability declined in the most recent valuation, reflecting strong stock market returns. In addition, the City has a policy to fund 100% of the ARC.

### Net Pension Fund Income / Loss



**\$9.0 Million**  
as of June 30, 2021

Strict adherence to prudent investment guidelines enable the City’s pension fund to earn high income levels when the stock market is performing well and minimize losses when the market is performing poorly.

<b>Personal Services</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
Regular Salaries	249,813	273,089	244,299	241,567	(2,732)	-1.1%
Sick Leave Bonus	900	900	0	0	0	0.0%
Pension Contribution	43,960	29,439	29,545	30,953	1,408	4.8%
Social Security	15,004	17,080	14,779	14,556	(223)	-1.5%
Medicare Tax	3,509	3,873	3,456	3,405	(51)	-1.5%
Hospitalization	39,572	49,976	38,279	45,666	7,387	19.3%
Life Insurance	735	793	720	720	0	0.0%
Pension Healthcare	10,374	10,964	11,634	12,761	1,127	9.7%
State Pension Plan - Civilian	6,934	11,398	9,930	7,903	(2,027)	-20.4%
Attrition	0	0	(9,225)	(9,554)	(329)	3.6%
<b>Total Personal Services</b>	<b>370,801</b>	<b>397,512</b>	<b>343,417</b>	<b>347,977</b>	<b>4,560</b>	<b>1.3%</b>

<b>Materials, Supplies, and Equipment</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
Printing and Advertising	0	0	1,350	1,350	0	0.0%
Transportation	39	0	2,000	2,000	0	0.0%
Rentals	300	660	0	0	0	0.0%
Professional Fees	33,900	40,000	69,500	66,500	(3,000)	-4.3%
Other Fees	10,195	1,462	500	500	0	0.0%
Memberships and Registrations	3,106	2,669	5,000	5,000	0	0.0%
Miscellaneous Services	64	120	500	500	0	0.0%
Office and General Supplies	1,592	1,214	1,500	1,500	0	0.0%
Misc. Mat., Supp., and Parts	251	206	700	700	0	0.0%
Equipment	1,125	39,127	1,500	1,500	0	0.0%
Community Activities	26,016	24,465	6,000	4,000	(2,000)	-33.3%
<b>Total M.S.&amp;E.</b>	<b>76,588</b>	<b>109,923</b>	<b>88,550</b>	<b>83,550</b>	<b>(5,000)</b>	<b>-5.6%</b>

<b>Internal Services</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
Administrative Services	7,872	7,435	11,257	11,595	338	3.0%
Self-Insurance	10,047	7,786	6,286	6,498	212	3.4%
<b>Total Internal Services</b>	<b>17,919</b>	<b>15,221</b>	<b>17,543</b>	<b>18,093</b>	<b>550</b>	<b>3.1%</b>

<b>General Fund</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
<b>Total</b>	<b>465,308</b>	<b>522,656</b>	<b>449,510</b>	<b>449,620</b>	<b>110</b>	<b>0.0%</b>

**Department: City Treasurer**

**Fund: Pension Administration**

<b>Personal Services</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
Regular Salaries	309,263	278,400	321,296	318,564	(2,732)	-0.9%
Temporary Salaries	21,141	0	0	0	0	0.0%
Accrued Sick/Vacation	8,072	(9,223)	0	0	0	0.0%
Pension Contribution	39,386	27,147	29,547	30,952	1,405	4.8%
Social Security	19,818	16,754	19,396	19,146	(250)	-1.3%
Medicare Tax	4,634	3,918	4,537	4,476	(61)	-1.3%
Hospitalization	56,376	49,693	57,938	67,352	9,414	16.2%
Life Insurance	978	905	960	960	0	0.0%
Pension Healthcare	13,832	11,226	15,512	17,010	1,498	9.7%
State Pension Plan - Civilian	12,540	12,714	15,153	12,174	(2,979)	-19.7%
Attrition	0	0	(2,447)	(2,534)	(87)	3.6%
<b>Total Personal Services</b>	<b>486,040</b>	<b>391,534</b>	<b>461,892</b>	<b>468,100</b>	<b>6,208</b>	<b>1.3%</b>

<b>Materials, Supplies, and Equipment</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
Printing and Advertising	0	0	251	251	0	0.0%
Transportation	513	0	2,000	2,000	0	0.0%
Rentals	300	240	299	299	0	0.0%
Professional Fees	760,944	992,504	1,043,710	1,028,710	(15,000)	-1.4%
Other Fees	2,893	2,362	3,000	3,000	0	0.0%
Memberships and Registrations	1,512	809	6,751	6,751	0	0.0%
Office and General Supplies	1,123	0	1,500	1,500	0	0.0%
Misc. Mat., Supp., and Parts	182	0	600	600	0	0.0%
Equipment	1,125	0	2,000	1,380	(620)	-31.0%
<b>Total M.S.&amp;E.</b>	<b>768,592</b>	<b>995,915</b>	<b>1,060,111</b>	<b>1,044,491</b>	<b>(15,620)</b>	<b>-1.5%</b>

<b>Internal Services</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
Self-Insurance	1,217	1,250	1,283	1,325	42	3.3%
<b>Total Internal Services</b>	<b>1,217</b>	<b>1,250</b>	<b>1,283</b>	<b>1,325</b>	<b>42</b>	<b>3.3%</b>

<b>Other / Special Purpose</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
Self-Insurance Costs	3,750,000	4,000,000	4,250,000	4,500,000	250,000	5.9%
<b>Total Other / Special Purpose</b>	<b>3,750,000</b>	<b>4,000,000</b>	<b>4,250,000</b>	<b>4,500,000</b>	<b>250,000</b>	<b>5.9%</b>

<b>Pension Admin. Funds</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
<b>Total</b>	<b>5,005,849</b>	<b>5,388,699</b>	<b>5,773,286</b>	<b>6,013,916</b>	<b>240,630</b>	<b>4.2%</b>

# DEPARTMENT OF LAND USE AND PLANNING

The mission of the Department of Land Use & Planning is to prompt and support the responsible and intelligent growth of communities throughout the city. The Division of Land Use ensures that all development processes are properly integrated to allow the efficient review and response to all appropriate requests to develop land in Wilmington, which includes reviewing plans and specifications for renovations and new construction. The Division of Planning provides and promotes creative and thoughtful prospective direction on how broader urban planning issues and priorities can be identified, researched, and implemented.

## PRIORITIES FOR FISCAL YEAR 2023

- Establishing a business- and community-friendly organization that supports the responsible growth and development of Wilmington.
- Coordinating the City's timely and comprehensive handling and review of all land use and development permits.
- Timely follow-up inspections of all permits issued to ensure compliance.
- Ensuring prompt and professional communication between the City and members of the public on all land use review processes.
- Undertaking and leading various citywide prospective and innovation planning efforts to provide City officials with potential reforms to City codes and policies.
- Working to support the implementation of the recommendations of the City's 2028 Comprehensive Plan to improve the quality of life of residents.
- Supporting citywide initiatives to ensure the modernization and improvement of the City's transportation systems.
- Ensuring timely operations by staffing the activities of various commissions, such as the City Planning Commission, Neighborhood Planning Councils, Wilmington Neighborhood Conservancy Land Bank, and the Wilmington Design Review and Preservation Commission.

**SUMMARY OF FUNDING FOR DEPARTMENT OF LAND USE AND PLANNING**

<b>Total All Funds Land Use and Planning</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>Dollar Change FY'23-'22</b>	<b>Percent Change FY'23-'22</b>
Personal Services	1,101,028	1,087,141	1,082,416	2,913,822	1,831,406	169.2%
Materials, Supplies, and Equipment	165,554	101,787	107,309	593,342	486,033	452.9%
Internal Services	94,897	71,902	53,566	109,617	56,051	104.6%
Debt Service	175,557	173,305	241,778	262,313	20,535	8.5%
<b>Total</b>	<b>1,537,036</b>	<b>1,434,135</b>	<b>1,485,069</b>	<b>3,879,094</b>	<b>2,394,025</b>	<b>161.2%</b>
<b>Staffing Levels</b>	<b>10.00</b>	<b>10.00</b>	<b>9.00</b>	<b>26.00</b>	<b>17.00</b>	<b>188.9%</b>

<b>General Fund Land Use and Planning</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>Dollar Change FY'23-'22</b>	<b>Percent Change FY'23-'22</b>
Personal Services	1,092,472	1,032,354	1,042,847	2,869,783	1,826,936	175.2%
Materials, Supplies, and Equipment	165,554	101,787	107,309	593,342	486,033	452.9%
Internal Services	94,897	71,902	53,566	109,617	56,051	104.6%
Debt Service	175,557	173,305	241,778	262,313	20,535	8.5%
<b>Total</b>	<b>1,528,480</b>	<b>1,379,348</b>	<b>1,445,500</b>	<b>3,835,055</b>	<b>2,389,555</b>	<b>165.3%</b>
<b>Staffing Levels</b>	<b>9.55</b>	<b>9.55</b>	<b>8.55</b>	<b>25.55</b>	<b>17.00</b>	<b>198.8%</b>

<b>Community Development Block Grant (CDBG) Land Use and Planning</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>Dollar Change FY'23-'22</b>	<b>Percent Change FY'23-'22</b>
Personal Services	8,556	54,787	39,569	0	(39,569)	-100.0%
<b>Total</b>	<b>8,556</b>	<b>54,787</b>	<b>39,569</b>	<b>0</b>	<b>(39,569)</b>	<b>-100.0%</b>
<b>Staffing Levels</b>	<b>0.45</b>	<b>0.45</b>	<b>0.45</b>	<b>0.00</b>	<b>(0.45)</b>	<b>-100.0%</b>

<b>American Rescue Plan (ARPA) Land Use and Planning</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>Dollar Change FY'23-'22</b>	<b>Percent Change FY'23-'22</b>
Personal Services	0	0	0	44,039	44,039	N/A
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>44,039</b>	<b>44,039</b>	<b>N/A</b>
<b>Staffing Levels</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.45</b>	<b>0.45</b>	<b>N/A</b>

## MAJOR FUNDING CHANGES FROM PRIOR YEAR

- The Department of Planning & Development has become the Department of Land Use and Planning. It was reorganized by transferring in those processes, employees, and budget accounts from the Department of Licenses & Inspections related to permitting, plan reviews, and land development. Among other things, the proper integration of processes and employees will ensure a more efficient review and response to land development requests.
- Four new positions, the Director of Land Use and Planning, Deputy Director of Land Use, Deputy Director of Planning, and an Administrative Assistant II were created at a cost of \$528,284.
- Two positions, the Director of Planning and Development and the Planning Grant Coordinator, were deleted for a savings of \$238,531.
- Fifteen positions (including two upgrades) were transferred in from Licenses & Inspections at a cost of \$1,499,825.
- A total of \$525,977 of MS&E accounts were transferred in from the Licenses & Inspections Department. Some of the larger accounts that were transferred in include Demolition (\$350,000), Consultants (\$120,000) and Temporary Agencies (\$15,000).
- Excluding the transfer from Licenses & Inspections, Consultants was reduced by \$40,000 as the duties of the NPC Support Consultant (included in the FY 2022 budget) are being handled by the Senior Planner II.
- The CDBG funding for the Planner II position was eliminated. As a result, the grant-funded portion of this position was transferred from CDBG to ARPA. The split with the General Fund remained unchanged, at 55% General Fund and 45% grant funds.

# DEPARTMENT OF LAND USE AND PLANNING

## Strategic Plan

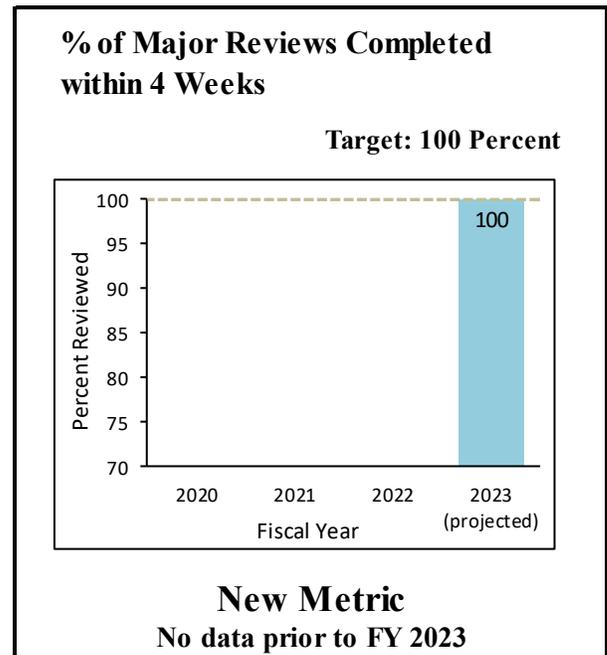
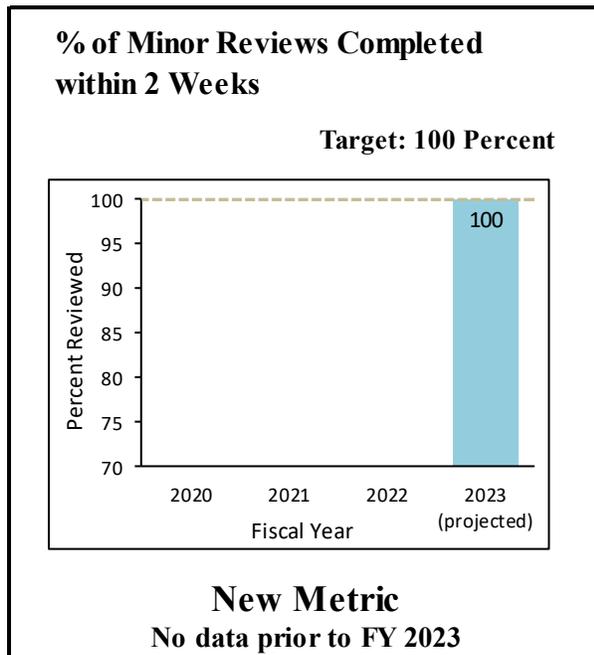
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### Focus Area: Quality of Life

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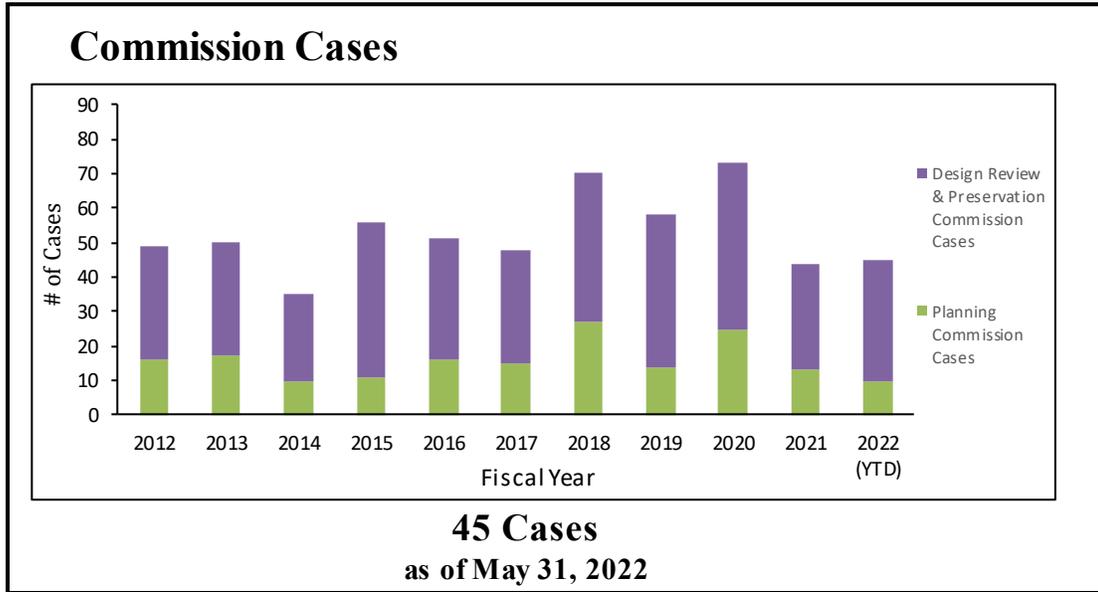
#### **CITY-WIDE GOAL #9: Streamline Permitting Process**

**Objective 1:** To complete all (100%) minor and major development reviews within two weeks and four weeks respectively.

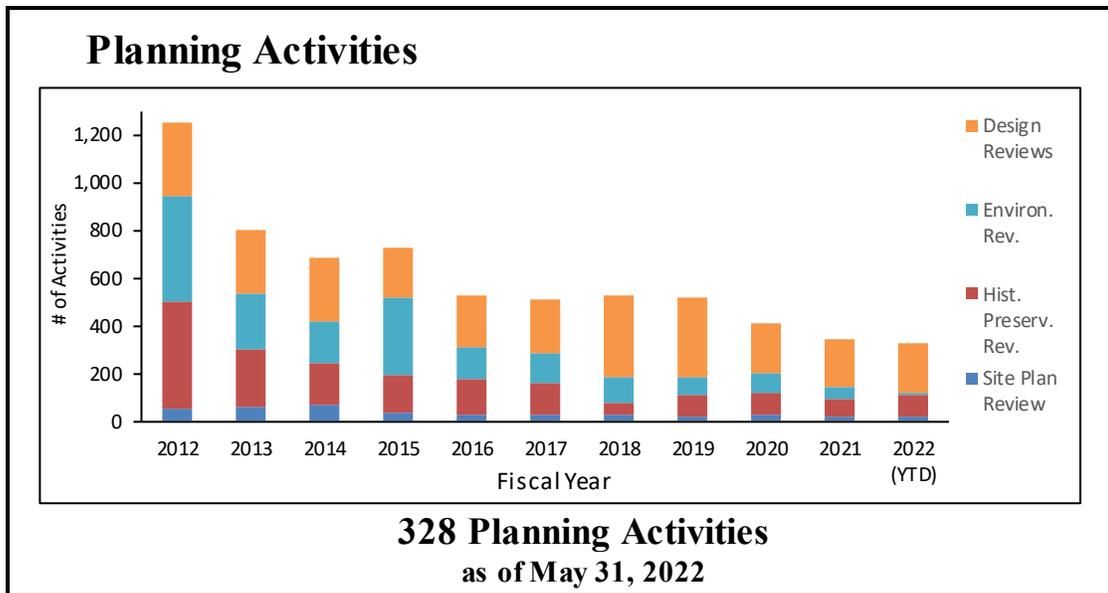


# DEPARTMENT OF LAND USE AND PLANNING

## Performance Trends



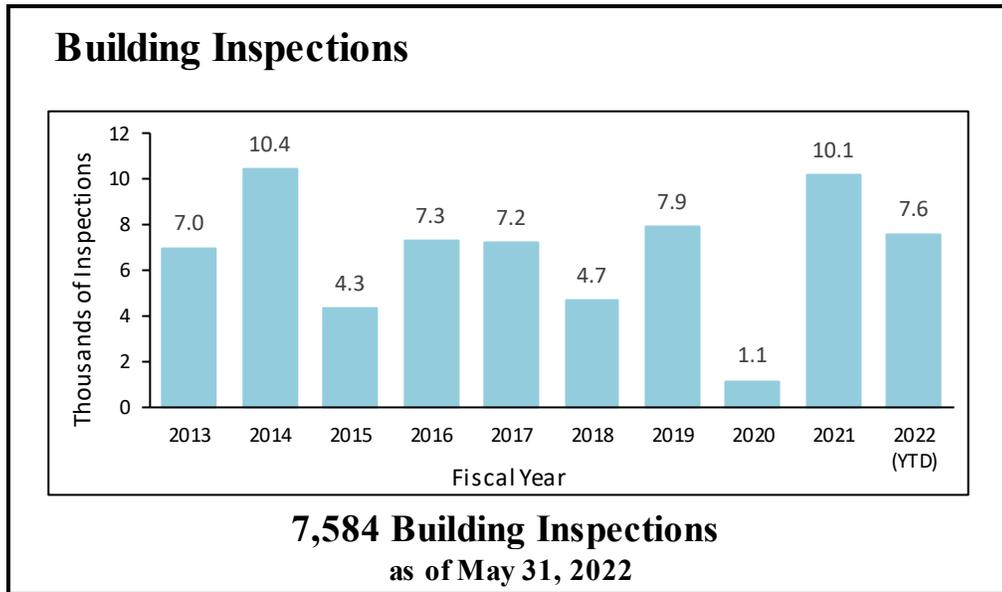
The Department provides staff support, analyses, and project monitoring for the City’s Design Review & Preservation Commission and the Planning Commission.



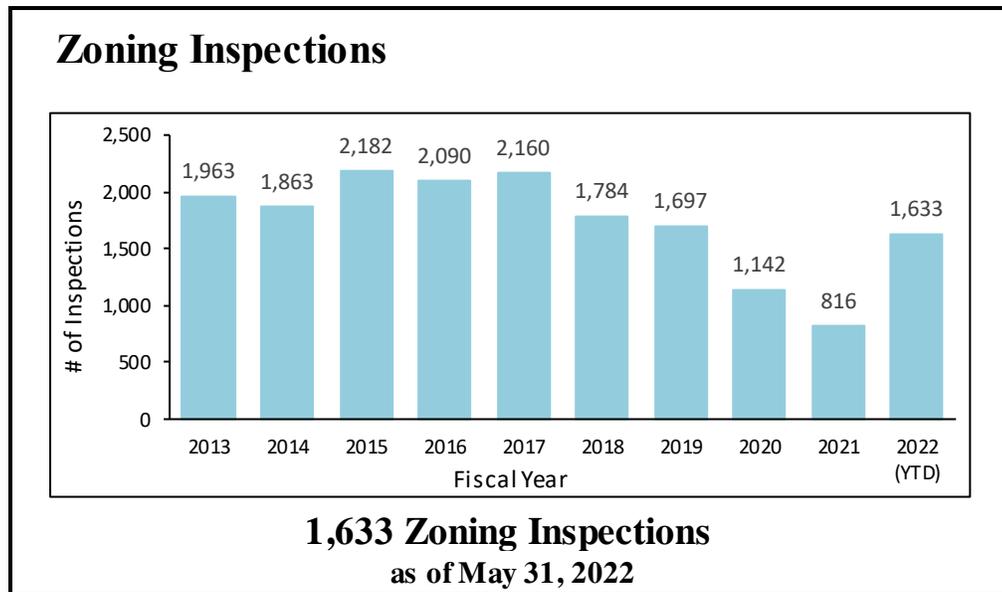
The Department ensures that land use and planning policies address the social, cultural, and economic needs of City residents by conducting design reviews, environmental reviews, historical preservation reviews, and site plan reviews.

# DEPARTMENT OF LAND USE AND PLANNING

## Performance Trends



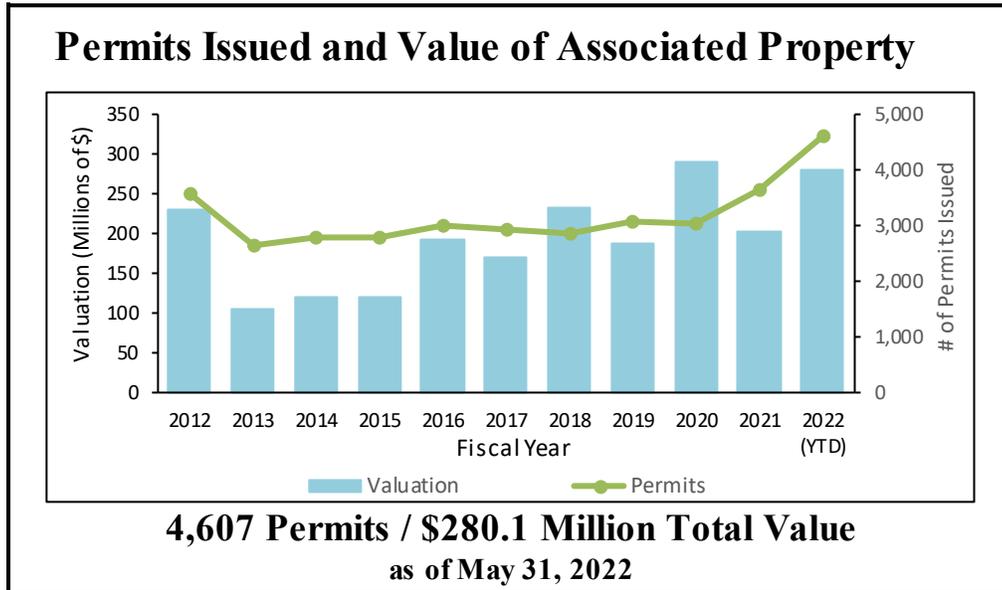
The number of comprehensive building inspections is largely based on market demand.



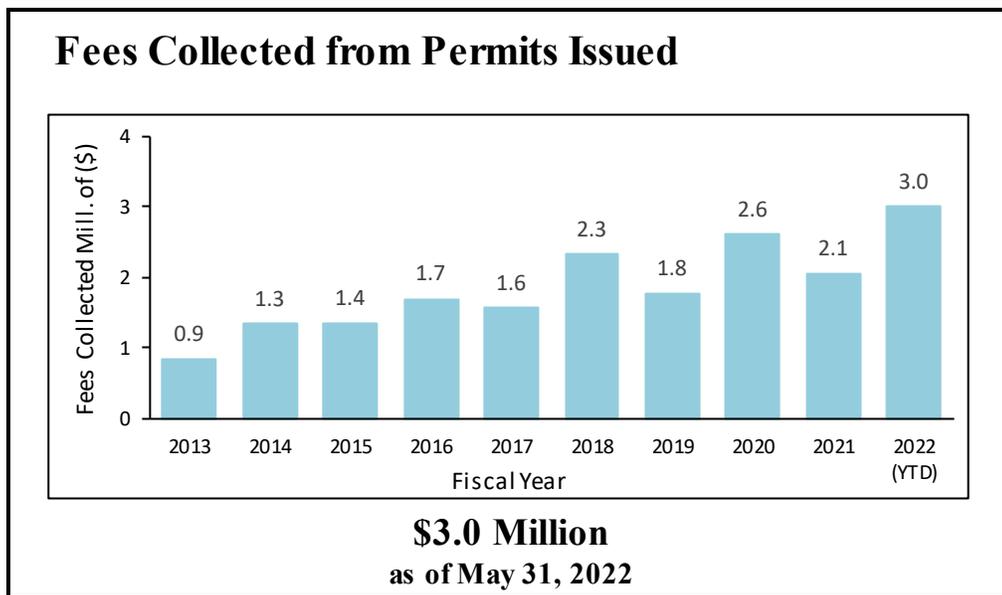
This reflects Land Use efforts to enforce zoning codes and regulations. A license must be obtained to operate a business, and all businesses must be properly zoned to obtain a license.

# DEPARTMENT OF LAND USE AND PLANNING

## Performance Trends



The above chart shows total number of permits issued against the assessed value of property within the city for the past eleven years.



The above shows total number of fees collected from permits issued for the past ten years.

**Department: Land Use and Planning**

**Fund: General**

<b>Personal Services</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
Regular Salaries	681,361	647,553	667,024	1,792,436	1,125,412	168.7%
Temporary Salaries	47,063	46,160	46,574	47,505	931	2.0%
Sick Leave Bonus	0	100	0	0	0	0.0%
Overtime	600	0	0	0	0	0.0%
Health Cash Back	2,400	2,400	2,400	2,400	0	0.0%
Pension Contribution	133,207	123,016	134,039	356,475	222,436	165.9%
Social Security	44,100	42,755	43,357	110,530	67,173	154.9%
Medicare Tax	10,322	9,829	10,139	25,850	15,711	155.0%
Hospitalization	116,964	109,753	100,444	412,314	311,870	310.5%
Life Insurance	2,082	2,001	2,052	6,106	4,054	197.6%
Pension Healthcare	34,280	34,249	33,157	108,664	75,507	227.7%
State Pension Plan - Civilian	20,093	14,538	15,295	36,197	20,902	136.7%
Personal Services Adjustment	0	0	0	3,400	3,400	0.0%
Attrition	0	0	(11,634)	(32,094)	(20,460)	175.9%
<b>Total Personal Services</b>	<b>1,092,472</b>	<b>1,032,354</b>	<b>1,042,847</b>	<b>2,869,783</b>	<b>1,826,936</b>	<b>175.2%</b>

<b>Materials, Supplies, and Equipment</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
Printing and Advertising	1,200	443	2,400	5,400	3,000	125.0%
Transportation	0	0	700	700	0	0.0%
Rentals	0	0	0	9,628	9,628	0.0%
Professional Fees	152,500	99,296	90,000	185,000	95,000	105.6%
Memberships and Registrations	2,916	1,247	3,863	11,323	7,460	193.1%
Office and General Supplies	676	652	1,200	2,815	1,615	134.6%
Wearing Apparel and Safety	0	0	0	11,330	11,330	0.0%
Misc. Mat., Supp., and Parts	436	149	1,600	1,600	0	0.0%
Construction and Repairs	0	0	0	358,000	358,000	0.0%
Equipment	1,030	0	750	750	0	0.0%
Community Activities	6,796	0	6,796	6,796	0	0.0%
<b>Total M.S.&amp;E.</b>	<b>165,554</b>	<b>101,787</b>	<b>107,309</b>	<b>593,342</b>	<b>486,033</b>	<b>452.9%</b>

<b>Internal Services</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
Administrative Services	1,474	2,948	0	66,128	66,128	0.0%
Self-Insurance	93,423	68,954	53,566	43,489	(10,077)	-18.8%
<b>Total Internal Services</b>	<b>94,897</b>	<b>71,902</b>	<b>53,566</b>	<b>109,617</b>	<b>56,051</b>	<b>104.6%</b>

<b>Debt Service</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
Principal Payments	88,437	69,788	142,898	173,220	30,322	21.2%
Interest Payments	87,120	103,517	98,880	89,093	(9,787)	-9.9%
<b>Total Debt Service</b>	<b>175,557</b>	<b>173,305</b>	<b>241,778</b>	<b>262,313</b>	<b>20,535</b>	<b>8.5%</b>

<b>General Fund</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
<b>Total</b>	<b>1,528,480</b>	<b>1,379,348</b>	<b>1,445,500</b>	<b>3,835,055</b>	<b>2,389,555</b>	<b>165.3%</b>

**Department: Land Use and Planning**

**Fund: CDBG**

<b>Personal Services</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
Regular Salaries	6,206	37,948	30,049	0	(30,049)	-100.0%
Pension Contribution	517	2,776	2,037	0	(2,037)	-100.0%
Social Security	513	2,295	1,836	0	(1,836)	-100.0%
Medicare Tax	109	537	429	0	(429)	-100.0%
Hospitalization	901	6,774	3,365	0	(3,365)	-100.0%
Life Insurance	10	178	108	0	(108)	-100.0%
Pension Healthcare	300	2,311	1,745	0	(1,745)	-100.0%
State Pension Contribution	0	1,968	0	0	0	0.0%
<b>Total Personal Services</b>	<b>8,556</b>	<b>54,787</b>	<b>39,569</b>	<b>0</b>	<b>(39,569)</b>	<b>-100.0%</b>

<b>Community Development Block Grant (CDBG)</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
<b>Total</b>	<b>8,556</b>	<b>54,787</b>	<b>39,569</b>	<b>0</b>	<b>(39,569)</b>	<b>-100.0%</b>

**Department: Land Use and Planning**

**Fund: ARPA**

<b>Personal Services</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
Regular Salaries	0	0	0	31,264	31,264	0.0%
Social Security	0	0	0	1,881	1,881	0.0%
Medicare Tax	0	0	0	440	440	0.0%
Hospitalization	0	0	0	6,697	6,697	0.0%
Life Insurance	0	0	0	108	108	0.0%
Pension Healthcare	0	0	0	1,914	1,914	0.0%
State Pension Contribution	0	0	0	1,735	1,735	0.0%
<b>Total Personal Services</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>44,039</b>	<b>44,039</b>	<b>0.0%</b>

<b>American Rescue Plan (ARPA)</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>44,039</b>	<b>44,039</b>	<b>0.0%</b>

# AUDIT DEPARTMENT

The mission of the Audit Department is to promote honest, effective, and fully accountable City government. The primary objective of the Audit Department is to assist the Mayor, members of the City Council, and City management in the effective discharge of their responsibilities by furnishing them with analysis, appraisals, recommendations, counsel, and information concerning the activities reviewed. The Audit Department helps to improve City government performance and accountability by:

- Assessing the reliability of financial and operating information
- Evaluating the efficiency and effectiveness of departments
- Testing the adequacy of controls for preventing waste and safeguarding assets
- Verifying compliance with policies, procedures, and regulations
- Providing City employees with ways to increase internal control knowledge and awareness and improve assessment capabilities

The Audit Department is committed to providing independent and objective assurance and management advisory services in accordance with Generally Accepted Government Auditing Standards. It seeks to proactively identify risks, evaluate controls, and make recommendations that will strengthen City operations.

<b>PRIORITIES FOR FISCAL YEAR 2023</b>
<ul style="list-style-type: none"><li>• Conduct scheduled audits using sound methods, professionalism, integrity, objectivity and confidentiality.</li><li>• Evaluate controls, note commendable practices, and recommend feasible process improvements.</li><li>• Assist the external auditors with the annual audits of the Annual Report and Federal Funds.</li><li>• Continue to aid in the development of a strong internal control environment within the City of Wilmington.</li><li>• Conduct quarterly follow-ups to ensure effective implementation of agreed-upon recommendations.</li><li>• Advise and consult with City management regarding improvements in operating efficiencies, effectiveness, and results.</li><li>• Continue to develop the knowledge, skills, and effectiveness of departmental staff.</li></ul>

## SUMMARY OF FUNDING FOR THE AUDIT DEPARTMENT

<b>Total All Funds Audit Department</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>Dollar Change FY'23-'22</b>	<b>Percent Change FY'23-'22</b>
Personal Services	601,833	647,358	644,715	682,249	37,534	5.8%
Materials, Supplies, and Equipment	284,719	296,410	284,528	304,267	19,739	6.9%
Internal Services	5,838	4,466	3,571	3,684	113	3.2%
<b>Total</b>	<b>892,390</b>	<b>948,234</b>	<b>932,814</b>	<b>990,200</b>	<b>57,386</b>	<b>6.2%</b>
<b>Staffing Levels</b>	<b>5.00</b>	<b>5.00</b>	<b>5.00</b>	<b>5.00</b>	<b>0.00</b>	<b>0.0%</b>

<b>General Fund Audit Department</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>Dollar Change FY'23-'22</b>	<b>Percent Change FY'23-'22</b>
Personal Services	601,833	647,358	644,715	682,249	37,534	5.8%
Materials, Supplies, and Equipment	199,735	199,330	200,850	220,192	19,342	9.6%
Internal Services	5,838	4,466	3,571	3,684	113	3.2%
<b>Total</b>	<b>807,406</b>	<b>851,154</b>	<b>849,136</b>	<b>906,125</b>	<b>56,989</b>	<b>6.7%</b>
<b>Staffing Levels</b>	<b>5.00</b>	<b>5.00</b>	<b>5.00</b>	<b>5.00</b>	<b>0.00</b>	<b>0.0%</b>

<b>Water/Sewer Fund Audit Department</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>Dollar Change FY'23-'22</b>	<b>Percent Change FY'23-'22</b>
Materials, Supplies, and Equipment	84,984	97,080	83,678	84,075	397	0.5%
<b>Total</b>	<b>84,984</b>	<b>97,080</b>	<b>83,678</b>	<b>84,075</b>	<b>397</b>	<b>0.5%</b>
<b>Staffing Levels</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.0%</b>

### MAJOR FUNDING CHANGES FROM PRIOR YEAR

- Personal Services increased by \$37,534, or 5.8%. The increase was driven by increases in Regular Salaries and Employee Benefits, up \$22,442 and \$15,092, respectively.
- Travel and Subsistence increased by \$10,000 following the lift of COVID-19 mandates that limited in-person continuing professional education (CPE) credits.
- Accounting costs increased by \$9,000 for external audit assistance.

Department: Audit Department

Fund: General

	Actual FY 2020	Actual FY 2021	Budget FY 2022	Budget FY 2023	\$ Change FY'23-'22	% Change FY'23-'22
<b>Personal Services</b>						
Regular Salaries	398,455	412,325	420,245	442,687	22,442	5.3%
Pension Contribution	23,339	43,226	48,057	52,683	4,626	9.6%
Social Security	22,810	25,284	25,081	26,444	1,363	5.4%
Medicare Tax	5,335	5,758	5,867	6,184	317	5.4%
Hospitalization	114,398	123,455	107,171	116,588	9,417	8.8%
Life Insurance	1,247	1,206	1,200	1,200	0	0.0%
Pension Healthcare	17,290	18,280	19,390	21,265	1,875	9.7%
State Pension Plan - Civilian	18,959	17,824	17,704	15,198	(2,506)	-14.2%
<b>Total Personal Services</b>	<b>601,833</b>	<b>647,358</b>	<b>644,715</b>	<b>682,249</b>	<b>37,534</b>	<b>5.8%</b>

	Actual FY 2020	Actual FY 2021	Budget FY 2022	Budget FY 2023	\$ Change FY'23-'22	% Change FY'23-'22
<b>Materials, Supplies, and Equipment</b>						
Printing and Advertising	394	212	0	0	0	0.0%
Transportation	4,985	0	0	10,000	10,000	0.0%
Professional Fees	169,687	171,274	174,320	183,320	9,000	5.2%
Memberships and Registrations	22,433	27,151	24,880	25,072	192	0.8%
Office and General Supplies	1,000	693	700	900	200	28.6%
Misc. Mat., Supp., and Parts	687	0	950	900	(50)	-5.3%
Equipment	549	0	0	0	0	0.0%
<b>Total M.S.&amp;E.</b>	<b>199,735</b>	<b>199,330</b>	<b>200,850</b>	<b>220,192</b>	<b>19,342</b>	<b>9.6%</b>

	Actual FY 2020	Actual FY 2021	Budget FY 2022	Budget FY 2023	\$ Change FY'23-'22	% Change FY'23-'22
<b>Internal Services</b>						
Self-Insurance	5,838	4,466	3,571	3,684	113	3.2%
<b>Total Internal Services</b>	<b>5,838</b>	<b>4,466</b>	<b>3,571</b>	<b>3,684</b>	<b>113</b>	<b>3.2%</b>

	Actual FY 2020	Actual FY 2021	Budget FY 2022	Budget FY 2023	\$ Change FY'23-'22	% Change FY'23-'22
<b>General Fund</b>						
<b>Total</b>	<b>807,406</b>	<b>851,154</b>	<b>849,136</b>	<b>906,125</b>	<b>56,989</b>	<b>6.7%</b>

Department: Audit Department

Fund: Water/Sewer

	Actual FY 2020	Actual FY 2021	Budget FY 2022	Budget FY 2023	\$ Change FY'23-'22	% Change FY'23-'22
<b>Materials, Supplies, and Equipment</b>						
Professional Fees	71,680	83,776	71,680	71,680	0	0.0%
Supporting Services	13,304	13,304	11,998	12,395	397	3.3%
<b>Total M.S.&amp;E.</b>	<b>84,984</b>	<b>97,080</b>	<b>83,678</b>	<b>84,075</b>	<b>397</b>	<b>0.5%</b>

	Actual FY 2020	Actual FY 2021	Budget FY 2022	Budget FY 2023	\$ Change FY'23-'22	% Change FY'23-'22
<b>Water/Sewer Fund</b>						
<b>Total</b>	<b>84,984</b>	<b>97,080</b>	<b>83,678</b>	<b>84,075</b>	<b>397</b>	<b>0.5%</b>

# LAW DEPARTMENT

The Law Department provides counsel and representation to the Mayor, City Council, all City departments, as well as certain boards and commissions.

<b>PRIORITIES FOR FISCAL YEAR 2023</b>
<ul style="list-style-type: none"> <li>• Continue to provide effective and efficient legal advice to the City, generally, as appropriate.</li> <li>• Aggressively defend and prosecute litigation.</li> <li>• Assist in and prosecute code enforcement and collection actions.</li> <li>• Provide actionable legal advice on various employment matters.</li> <li>• Provide strategic and legal support in the negotiations of collective bargaining agreements.</li> <li>• Deliver necessary and appropriate legal support to City Council.</li> <li>• Meet budget targets.</li> </ul>

## SUMMARY OF FUNDING FOR THE LAW DEPARTMENT

<b>Total All Funds Law Department</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>Dollar Change FY'23-'22</b>	<b>Percent Change FY'23-'22</b>
Personal Services	2,023,153	1,993,621	2,085,217	2,175,839	90,622	4.3%
Materials, Supplies, and Equipment	507,660	327,655	426,095	427,231	1,136	0.3%
Internal Services	40,698	31,186	24,961	25,759	798	3.2%
Total	2,571,511	2,352,462	2,536,273	2,628,829	92,556	3.6%
Staffing Levels	17.00	17.00	17.00	17.00	0.00	0.0%

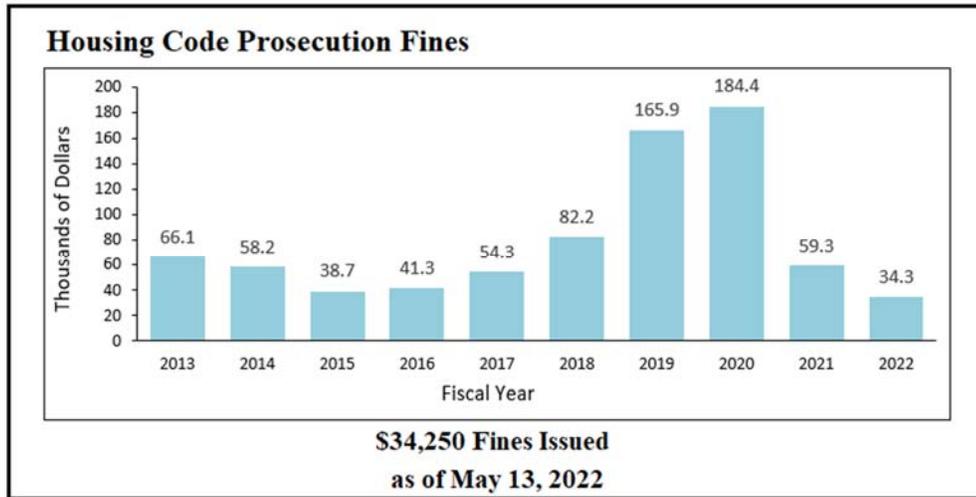
<b>General Fund Law Department</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>Dollar Change FY'23-'22</b>	<b>Percent Change FY'23-'22</b>
Personal Services	2,023,153	1,993,621	2,085,217	2,175,839	90,622	4.3%
Materials, Supplies, and Equipment	507,660	327,655	426,095	427,231	1,136	0.3%
Internal Services	40,698	31,186	24,961	25,759	798	3.2%
Total	2,571,511	2,352,462	2,536,273	2,628,829	92,556	3.6%
Staffing Levels	17.00	17.00	17.00	17.00	0.00	0.0%

## MAJOR FUNDING CHANGES FROM PRIOR YEAR

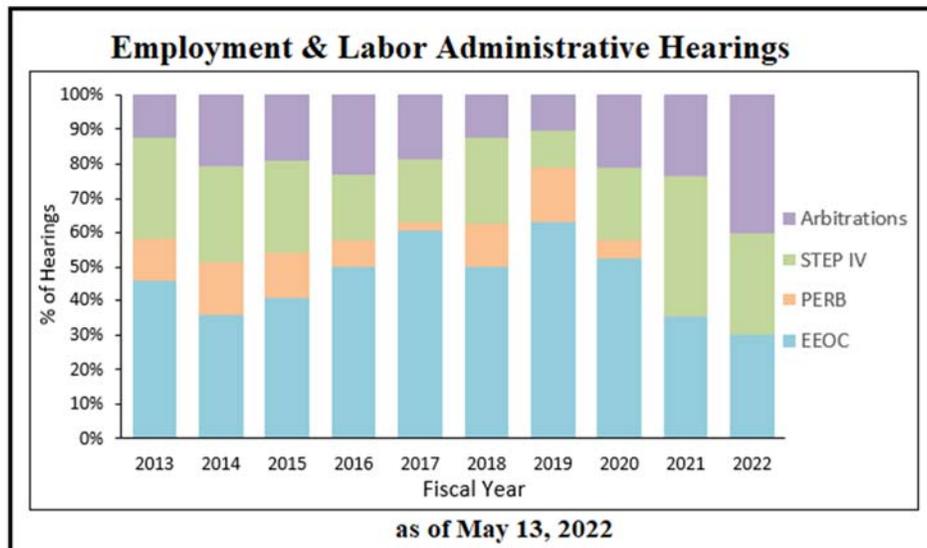
- Personal Services for FY 2023 rose 4.3% or \$90,622, largely due to increases of 9% in Pension Contributions and 9.7% in Pension Healthcare.
- Regular Salaries were elevated 4.6% or \$66,428, largely explained by regular step increases and cost-of-living adjustments. Additionally, the Nuisance Property Administrator received an upgrade (Grade O, Step 7 to Grade P, Step 6) for a total cost of \$1,564.
- LexisNexis electronic legal research expenses increased \$1,068.
- A small \$580 increase in Memberships was largely offset by a \$500 decrease in Miscellaneous Charges.

# LAW DEPARTMENT

## Performance Trends

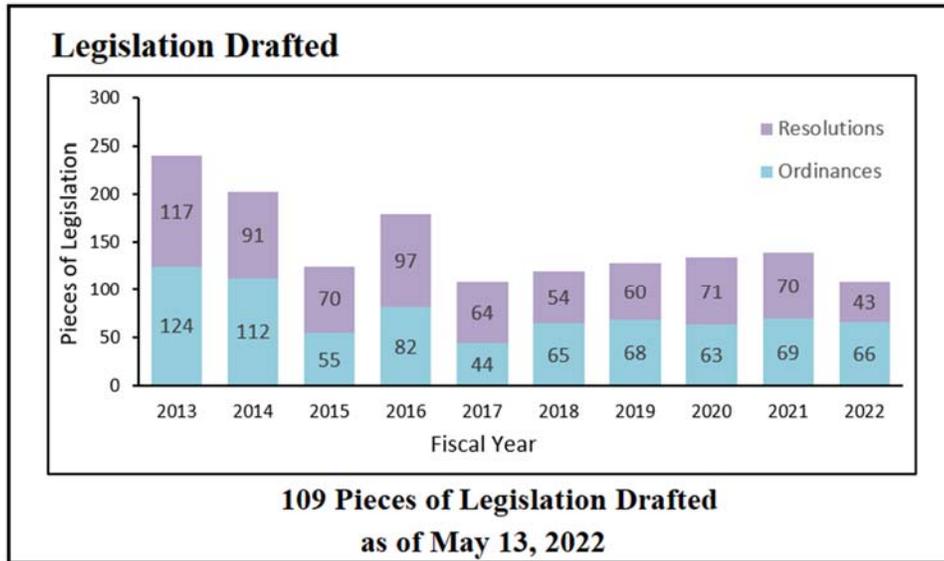


An increase in high profile cases involving properties with a substantial number of violations led to an increase in fines in FY 2019 and FY 2020.



The area of employment and labor law continues to place great demand upon Department resources. The City is represented by Department staff attorneys at the majority of administrative hearings, including arbitrations, City disciplinary (STEP IV) hearings, Delaware Public Employment Relations Board (PERB) hearings, and Equal Employment Opportunity Commission (EEOC) hearings.

# LAW DEPARTMENT Performance Trends



The demand for legislative drafting services is reflected above. Although the demand for these services increased from FY 2015 to FY 2016, demand since then has remained relatively stable.

**Department: Law**

**Fund: General**

<b>Personal Services</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
Regular Salaries	1,357,921	1,334,235	1,431,864	1,498,292	66,428	4.6%
Temporary Salaries	1,473	0	0	0	0	0.0%
Acting Out Of Classification	0	1,372	0	0	0	0.0%
Sick Leave Bonus	300	0	0	0	0	0.0%
Health Cash Back	3,200	2,400	2,400	2,400	0	0.0%
Pension Contribution	157,381	158,352	166,115	181,051	14,936	9.0%
Social Security	81,559	83,401	86,547	90,596	4,049	4.7%
Medicare Tax	19,074	19,601	20,241	21,190	949	4.7%
Hospitalization	283,502	274,994	270,397	274,347	3,950	1.5%
Life Insurance	4,447	3,937	4,080	4,080	0	0.0%
Pension Healthcare	58,786	62,152	65,926	72,301	6,375	9.7%
State Pension Plan - Civilian	55,510	53,177	59,949	54,680	(5,269)	-8.8%
Attrition	0	0	(22,302)	(23,098)	(796)	3.6%
<b>Total Personal Services</b>	<b>2,023,153</b>	<b>1,993,621</b>	<b>2,085,217</b>	<b>2,175,839</b>	<b>90,622</b>	<b>4.3%</b>

<b>Materials, Supplies, and Equipment</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
Printing and Advertising	595	640	150	150	0	0.0%
Communications and Utilities	0	8	105	105	0	0.0%
Transportation	800	(279)	200	200	0	0.0%
Contracted Maintenance	0	0	262	250	(12)	-4.6%
Professional Fees	396,416	219,384	295,000	295,000	0	0.0%
Other Fees	49,459	50,228	60,000	60,000	0	0.0%
Memberships and Registrations	17,850	18,336	29,638	30,218	580	2.0%
Miscellaneous Services	38,317	35,573	36,740	37,308	568	1.5%
Office and General Supplies	3,548	3,765	4,000	4,000	0	0.0%
Equipment	675	0	0	0	0	0.0%
<b>Total M.S.&amp;E.</b>	<b>507,660</b>	<b>327,655</b>	<b>426,095</b>	<b>427,231</b>	<b>1,136</b>	<b>0.3%</b>

<b>Internal Services</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
Self-Insurance	40,698	31,186	24,961	25,759	798	3.2%
<b>Total Internal Services</b>	<b>40,698</b>	<b>31,186</b>	<b>24,961</b>	<b>25,759</b>	<b>798</b>	<b>3.2%</b>

<b>General Fund</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
<b>Total</b>	<b>2,571,511</b>	<b>2,352,462</b>	<b>2,536,273</b>	<b>2,628,829</b>	<b>92,556</b>	<b>3.6%</b>

# DEPARTMENT OF FINANCE

The mission of the Department of Finance is to manage the fiscal activities of the City, maintaining and improving the City’s financial position. The Department completes its mission by billing and collecting revenues, providing water meter-reading service, maintaining the City’s accounting system, preparing the annual financial statements, coordinating City procurement and purchasing, and providing excellent customer service.

<b>PRIORITIES FOR FISCAL YEAR 2023</b>
<ul style="list-style-type: none"> <li>• Provide a positive customer experience for constituents who do business with the City of Wilmington.</li> <li>• Ensure highly reliable accounting practices and quality control/quality assurance.</li> <li>• Optimize internal collection processes and improve revenue.</li> <li>• Cultivate best practices through improved business processes, enhanced data management, and relevant technology.</li> </ul>

## SUMMARY OF FUNDING FOR DEPARTMENT OF FINANCE

<b>Total All Funds Finance Department</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>Dollar Change FY'23-'22</b>	<b>Percent Change FY'23-'22</b>
Personal Services	7,793,086	7,702,123	7,882,403	7,958,974	76,571	1.0%
Materials, Supplies, and Equipment	7,550,922	7,610,126	9,017,583	9,249,980	232,397	2.6%
Internal Services	378,447	332,114	331,351	341,102	9,751	2.9%
Debt Service	101,523	523,147	116,617	104,745	(11,872)	-10.2%
Total	15,823,978	16,167,510	17,347,954	17,654,801	306,847	1.8%
Staffing Levels	85.00	84.00	84.00	81.00	(3.00)	-3.6%

<b>General Fund Finance Department</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>Dollar Change FY'23-'22</b>	<b>Percent Change FY'23-'22</b>
Personal Services	5,297,474	5,286,944	5,320,917	5,340,900	19,983	0.4%
Materials, Supplies, and Equipment	3,799,569	3,645,174	4,837,120	4,967,485	130,365	2.7%
Internal Services	241,931	197,167	186,889	192,326	5,437	2.9%
Debt Service	53,090	24,774	64,994	54,949	(10,045)	-15.5%
Total	9,392,064	9,154,059	10,409,920	10,555,660	145,740	1.4%
Staffing Levels	58.85	58.85	58.05	55.40	(2.65)	-4.6%

<b>Water/Sewer Fund Finance Department</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>Dollar Change FY'23-'22</b>	<b>Percent Change FY'23-'22</b>
Personal Services	2,495,612	2,415,179	2,561,486	2,618,074	56,588	2.2%
Materials, Supplies, and Equipment	3,751,353	3,964,952	4,180,463	4,282,495	102,032	2.4%
Internal Services	136,516	134,947	144,462	148,776	4,314	3.0%
Debt Service	48,433	498,373	51,623	49,796	(1,827)	-3.5%
<b>Total</b>	<b>6,431,914</b>	<b>7,013,451</b>	<b>6,938,034</b>	<b>7,099,141</b>	<b>161,107</b>	<b>2.3%</b>
<b>Staffing Levels</b>	<b>26.15</b>	<b>25.15</b>	<b>25.95</b>	<b>25.60</b>	<b>(0.35)</b>	<b>-1.3%</b>

**MAJOR FUNDING CHANGES FROM PRIOR YEAR  
GENERAL FUND**

- Staffing decreased by a net 2.65 FTE. Two Parking Regulation Enforcement Officer positions were eliminated for a savings of \$137,228. The Revenue Manager position (split-funded 35% General Fund and 65% Water/Sewer Fund) was eliminated, saving \$47,391. The split-funded Senior Financial Officer position was changed from 80% General Fund 20% Water/Sewer Fund to 50% General Fund and 50% Water/Sewer Fund, resulting in a \$40,457 decrease to the General Fund. Finally, the Delinquent Accounts Supervisor (funded 50% General Fund and 50% Water/Sewer Fund) was upgraded to a Delinquent Accounts Manager at a cost of \$2,659.
- Hospitalization and Pension Healthcare increased a combined total of \$85,541.
- Temporary Agencies increased by \$194,000. Of that amount \$120,000 was added in the Parking Enforcement Division for three staff workers. The budget for additional support for the collections and settlement processes in the Accounts Services Division increased by \$39,000. And required accounting expertise and assistance, especially during the preparation of the Annual Financial Report, added \$35,000 in the Accounting Division.
- Consultants increased by \$78,750 to assist in the preparation of the Annual Financial Report and to help organize the activities of the Billing Division.
- Collection Expense-Parking Citation Commissions increased by \$30,815 to cover a 2.5% increase in the Conduent on-street parking management and citation contract.
- Collection Expense-Red Light Camera Commissions increased by \$38,000 to capture costs associated with the red-light ticket and video enforcement program.
- Collection Expense-Wage & Head Audit decreased by \$198,000 because the Wage Tax Unit will be consolidating its external collections efforts to two firms, thereby reducing the expenses otherwise expected from a broader number of firms.
- Lockbox Charges rose by \$75,000 to cover an increase in the number of transactions processed and was offset by an equal decrease in Credit Card Fees.

**MAJOR FUNDING CHANGES FROM PRIOR YEAR  
WATER/SEWER FUND**

- Staffing decreased by a net 0.35 FTE. The Revenue Manager position (split-funded 65% Water/Sewer Fund and 35% General Fund) was eliminated, saving \$88,013. The split-funded Senior Financial Officer position was changed from 20% Water/Sewer Fund and 80% General Fund to 50% Water/Sewer Fund and 50% General Fund, resulting in a \$40,457 increase to the Water/Sewer Fund. Finally, the Delinquent Accounts Supervisor (funded 50% Water/Sewer Fund and 50% General Fund) was upgraded to a Delinquent Accounts Manager at a cost of \$2,659.
- Overtime increased a net \$8,700 to resolve quality issues in the Customer Information System for Utility Billing.
- Printing and Advertising decreased by \$15,500 based on previous years' actuals.
- Consultant funding of \$392,500 in FY 2022 for phase one of the utility billing initiative is being replaced in FY 2023 with a lesser amount (\$150,000) required for the implementation phase, saving \$242,500. Offsetting this savings is an increase of \$111,250 to assist in the preparation of the Annual Financial Report and to help organize the activities of the Billing Division.
- Temporary Agencies increased a net \$60,000. While there were minor decreases in some of the Water/Sewer Fund divisions, they were more than offset by a \$75,000 increase in the Accounting Division to provide expertise and assistance in the preparation of the Annual Financial Report.
- Miscellaneous Charges-N.O.C increased by \$110,000 to expand staffing for the 311 Call Center. The Center allows residents to request a service, report a problem, or direct a question to City government officials.
- The Indirect Costs expense went up by \$59,982, reflecting the recent revisions to the cost allocation model based on new usage surveys.
- Furniture & Equipment increased by \$4,000 to replace furniture and office equipment throughout the Department due to wear and tear.

# DEPARTMENT OF FINANCE

## Strategic Plan

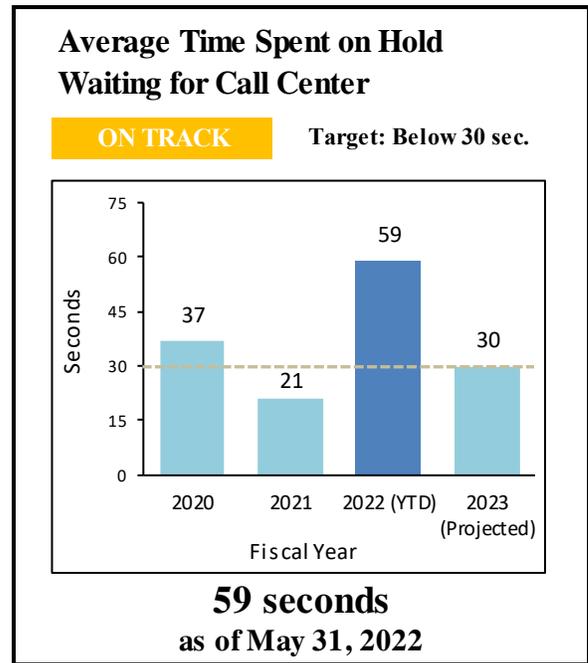
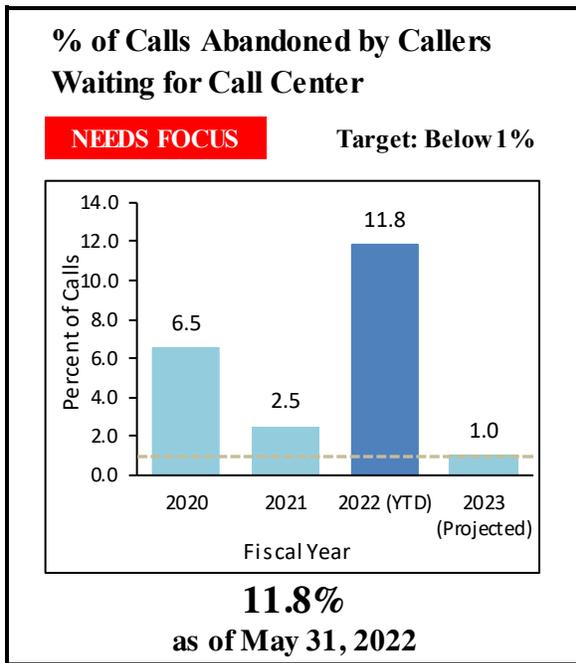
The mission of the Department of Finance is to manage the fiscal activities of the City to maintain and improve the City’s financial position. The Department completes its mission by billing and collecting revenues, providing water meter-reading service, maintaining the City’s accounting system, preparing the annual financial statements, coordinating City procurement and purchasing, and providing excellent customer service.

Current data for the goals and objectives listed below can be found on the Finance OpenGov story page at <http://bit.ly/WDe15OG>.

### Focus Area: Effective City Government

**CITY-WIDE GOAL #1: Embrace a Culture of Service.**

**Objective 1:** Improve Customer Service Provided by the Finance Department.



All calls to the Finance Department are initially routed to a customer service call center. Call center staff are trained to help with routine inquiries and common customer concerns. More complex issues that cannot be resolved by the call center are routed to Finance Department staff. Increased call abandonment rates and hold times during FY 2022 were largely due to staffing issues post pandemic.

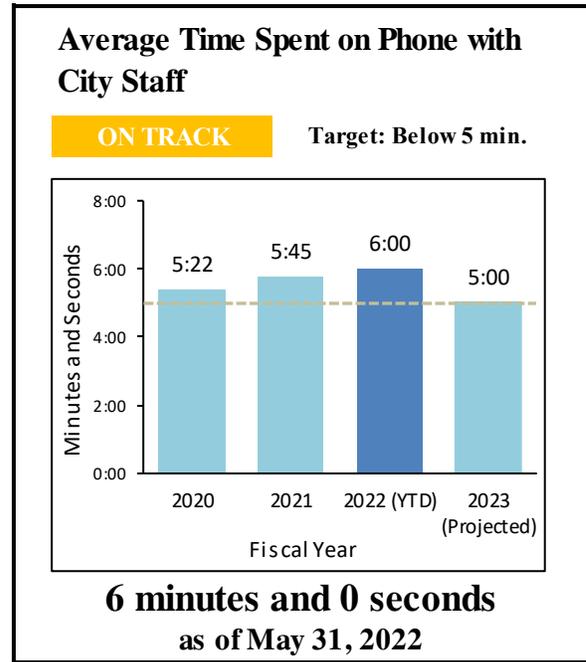
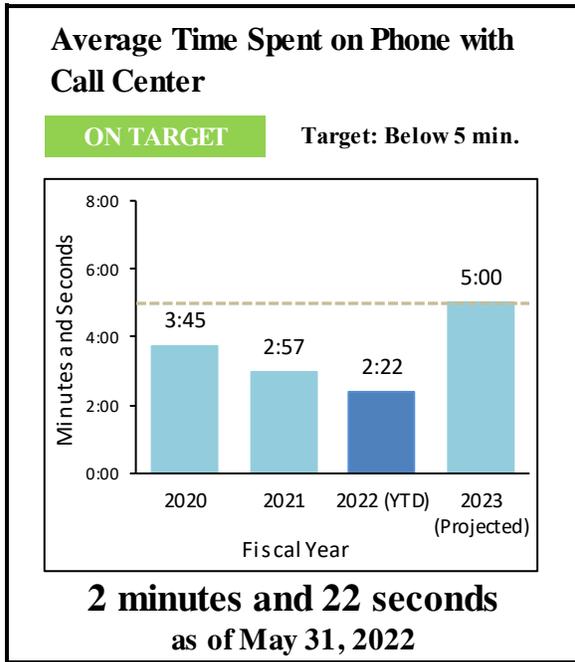
# DEPARTMENT OF FINANCE

## Strategic Plan

### Focus Area: Effective City Government

**CITY-WIDE GOAL #1: Embrace a Culture of Service. (Cont'd)**

**Objective 1 (Cont'd):** Improve Customer Service Provided by the Finance Department.



# DEPARTMENT OF FINANCE

## Strategic Plan

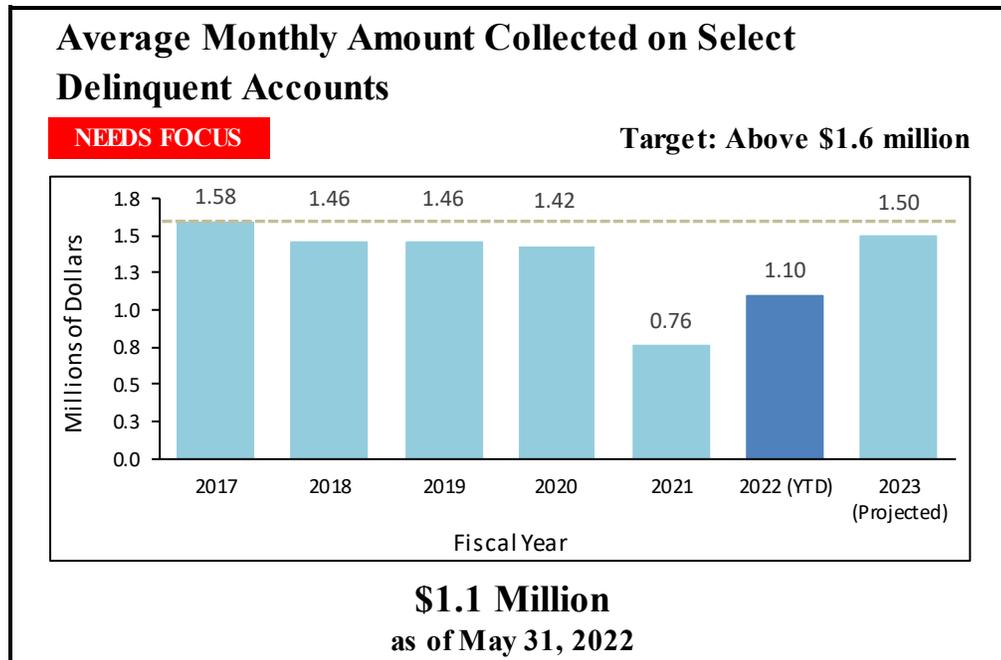
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### Focus Area: Effective City Government

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#### CITY-WIDE GOAL #3: Enhance Fiscal Prudence

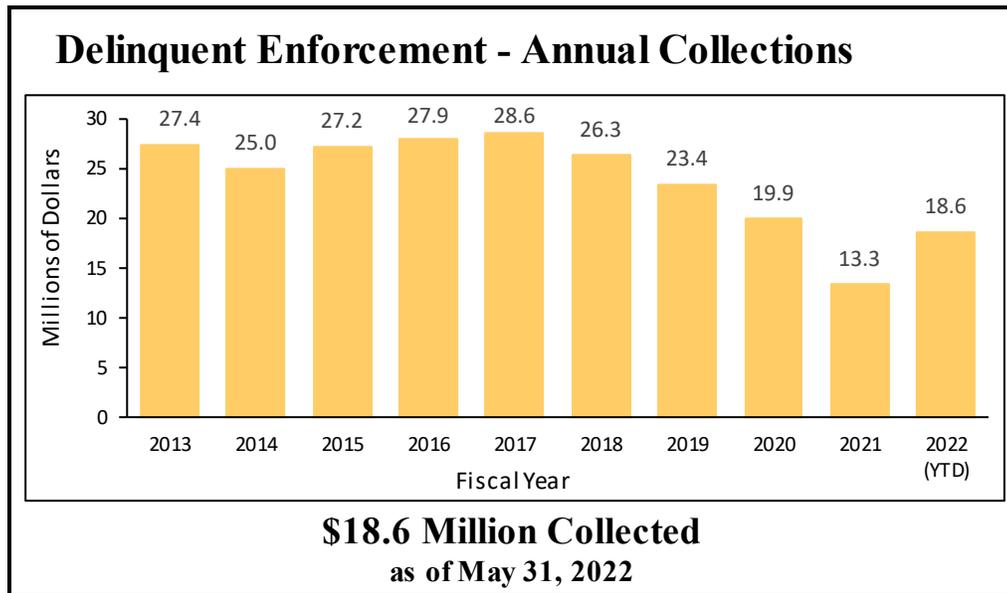
**Objective 1:** Improve Delinquent Account Collections.



Select Delinquent Accounts represent collections on delinquent Property Taxes and Water/Sewer utility bills only. Other collections, such as wage and net profit taxes, business licenses, parking citations, L&I Fees, and court costs are not included, but are a part of the total delinquent dollars collected.

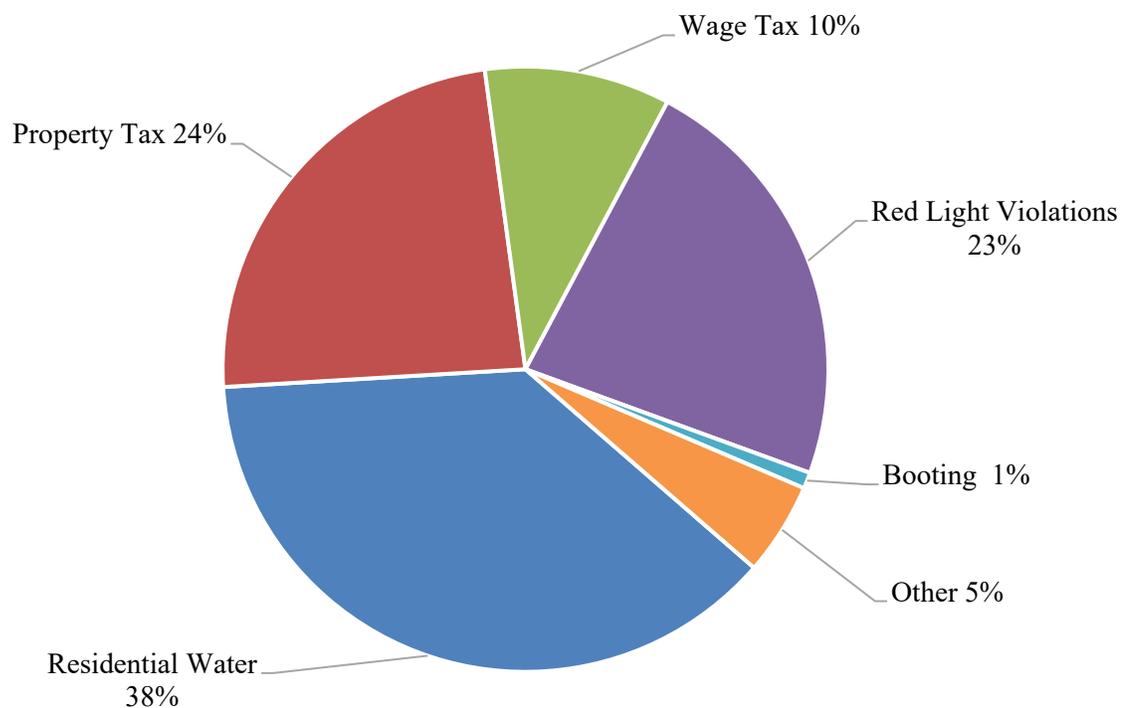
# DEPARTMENT OF FINANCE

## Performance Trends



The Finance Department is responsible for collecting all payment delinquencies, including net profit, property and wage taxes, business licenses, fees, and water bills.

### Delinquent Collections by Revenue Type FY 2022



**Department: Finance**

**Fund: General**

<b>Personal Services</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
Regular Salaries	3,164,402	3,167,693	3,324,382	3,278,720	(45,662)	-1.4%
Acting Out Of Classification	534	0	0	0	0	0.0%
Sick Leave Bonus	2,200	1,900	6,500	4,700	(1,800)	-27.7%
Overtime	32,466	36,868	51,000	51,000	0	0.0%
Meal Allowance	989	2,297	7,100	5,100	(2,000)	-28.2%
Clothing Allowance	3,979	3,625	4,000	3,500	(500)	-12.5%
Health Cash Back	632	0	1,296	1,296	0	0.0%
Pension Contribution	552,607	492,807	534,675	549,201	14,526	2.7%
Social Security	189,371	196,877	202,514	198,389	(4,125)	-2.0%
Medicare Tax	44,287	45,071	47,363	46,399	(964)	-2.0%
Hospitalization	989,911	1,011,524	902,327	977,782	75,455	8.4%
Life Insurance	12,010	12,995	13,748	13,277	(471)	-3.4%
Pension Healthcare	203,505	213,631	225,519	235,605	10,086	4.5%
State Pension Plan - Civilian	100,581	101,656	105,174	84,348	(20,826)	-19.8%
Attrition	0	0	(104,681)	(108,417)	(3,736)	3.6%
<b>Total Personal Services</b>	<b>5,297,474</b>	<b>5,286,944</b>	<b>5,320,917</b>	<b>5,340,900</b>	<b>19,983</b>	<b>0.4%</b>

<b>Materials, Supplies, and Equipment</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
Printing and Advertising	33,457	49,505	64,050	64,050	0	0.0%
Communications and Utilities	6,903	14,910	15,300	15,300	0	0.0%
Transportation	9,079	(2,420)	22,550	15,200	(7,350)	-32.6%
Contracted Maintenance	339	0	400	400	0	0.0%
Professional Fees	347,661	230,858	331,000	603,750	272,750	82.4%
Memberships and Registrations	38,889	20,284	50,050	48,750	(1,300)	-2.6%
Miscellaneous Services	3,277,325	3,313,224	4,325,570	4,188,385	(137,185)	-3.2%
Office and General Supplies	14,236	11,357	15,600	15,800	200	1.3%
Wearing Apparel and Safety	8,220	6,562	8,000	7,000	(1,000)	-12.5%
Misc. Mat., Supp., and Parts	747	259	600	600	0	0.0%
Equipment	62,713	752	4,000	8,250	4,250	106.3%
Fixed Assets	0	(117)	0	0	0	0.0%
<b>Total M.S.&amp;E.</b>	<b>3,799,569</b>	<b>3,645,174</b>	<b>4,837,120</b>	<b>4,967,485</b>	<b>130,365</b>	<b>2.7%</b>

<b>Internal Services</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
Administrative Services	65,607	65,081	83,041	85,533	2,492	3.0%
Self-Insurance	176,324	132,086	103,848	106,793	2,945	2.8%
<b>Total Internal Services</b>	<b>241,931</b>	<b>197,167</b>	<b>186,889</b>	<b>192,326</b>	<b>5,437</b>	<b>2.9%</b>

<b>Debt Service</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
Principal Payments	25,011	9,321	39,015	30,482	(8,533)	-21.9%
Interest Payments	28,079	15,453	25,979	24,467	(1,512)	-5.8%
<b>Total Debt Service</b>	<b>53,090</b>	<b>24,774</b>	<b>64,994</b>	<b>54,949</b>	<b>(10,045)</b>	<b>-15.5%</b>

<b>General Fund</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
<b>Total</b>	<b>9,392,064</b>	<b>9,154,059</b>	<b>10,409,920</b>	<b>10,555,660</b>	<b>145,740</b>	<b>1.4%</b>

**Department: Finance**

**Fund: Water/Sewer**

<b>Personal Services</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
Regular Salaries	1,452,179	1,448,118	1,634,498	1,663,523	29,025	1.8%
Sick Leave Bonus	400	600	2,500	2,300	(200)	-8.0%
Overtime	25,334	13,912	30,000	38,700	8,700	29.0%
Meal Allowance	351	25	3,650	3,050	(600)	-16.4%
Clothing Allowance	500	346	500	500	0	0.0%
Health Cash Back	288	0	864	864	0	0.0%
Accrued Sick/Vacation	28,438	16,054	0	0	0	0.0%
Pension Contribution	247,681	188,417	205,251	212,899	7,648	3.7%
Social Security	87,213	86,237	100,458	102,268	1,810	1.8%
Medicare Tax	20,397	20,170	23,494	23,920	426	1.8%
Hospitalization	378,153	384,638	388,428	400,538	12,110	3.1%
Life Insurance	5,761	5,387	6,302	6,120	(182)	-2.9%
Pension Healthcare	90,425	91,950	100,899	108,888	7,989	7.9%
State Pension Plan - Civilian	52,753	55,768	64,642	54,504	(10,138)	-15.7%
Pension Healthcare - Implicit	105,739	103,557	0	0	0	0.0%
<b>Total Personal Services</b>	<b>2,495,612</b>	<b>2,415,179</b>	<b>2,561,486</b>	<b>2,618,074</b>	<b>56,588</b>	<b>2.2%</b>

<b>Internal Services</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
Administrative Services	47,930	68,061	91,542	94,288	2,746	3.0%
Self-Insurance	88,586	66,886	52,920	54,488	1,568	3.0%
<b>Total Internal Services</b>	<b>136,516</b>	<b>134,947</b>	<b>144,462</b>	<b>148,776</b>	<b>4,314</b>	<b>3.0%</b>

<b>Debt Service</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
Interest Payments	48,433	498,373	51,623	49,796	(1,827)	-3.5%
<b>Total Debt Service</b>	<b>48,433</b>	<b>498,373</b>	<b>51,623</b>	<b>49,796</b>	<b>(1,827)</b>	<b>-3.5%</b>

<b>Water/Sewer Fund</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
<b>Total</b>	<b>6,431,914</b>	<b>7,013,451</b>	<b>6,938,034</b>	<b>7,099,141</b>	<b>161,107</b>	<b>2.3%</b>

# DEPARTMENT OF HUMAN RESOURCES

The mission of the Department of Human Resources (HR) is to provide the necessary human resources to City Departments in order to promote the highest quality workforce and a productive work environment and maintain the City’s operational and fiscal stability through the utilization of effective risk management techniques.

The Department provides a complete spectrum of human resources programs and personnel administrative services and administers the City’s Risk Management and Employee Benefits Programs. Additionally, it serves as the focal point for interaction with the City’s collective bargaining units.

<b>PRIORITIES FOR FISCAL YEAR 2023</b>
<ul style="list-style-type: none"> <li>• Research, recommend and implement a new process for performance management.</li> <li>• Recommend and implement a new Classification and Compensation System.</li> <li>• Develop and implement a series of workforce trainings focused on topics including conducting internal investigations and administering employee discipline, leadership and management skills, and professional development and advancement.</li> <li>• Revise strategic processes to promote improved compliance with ADA, FMLA, and City Code § 40-54.</li> <li>• Expand the portfolio of population health programs for employees and retirees while delivering exemplary customer service.</li> <li>• Manage risk by implementing more effective risk control, claims tracking, and claims management practices and programs.</li> </ul>

## SUMMARY OF FUNDING FOR DEPARTMENT OF HUMAN RESOURCES

<b>Total All Funds* Human Resources</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>Dollar Change FY'23-'22</b>	<b>Percent Change FY'23-'22</b>
Personal Services	2,470,522	2,512,719	2,949,115	3,013,277	64,162	2.2%
Materials, Supplies, and Equipment	5,048,196	3,380,685	5,494,146	5,789,797	295,651	5.4%
Internal Services	26,977	34,320	22,359	23,056	697	3.1%
Debt Service	40,281	17,537	33,624	38,544	4,920	14.6%
Other / Special Purpose	24,571,806	22,788,983	23,458,529	25,438,240	1,979,711	8.4%
<b>Total</b>	<b>32,157,782</b>	<b>28,734,244</b>	<b>31,957,773</b>	<b>34,302,914</b>	<b>2,345,141</b>	<b>7.3%</b>
<b>Staffing Levels</b>	<b>26.00</b>	<b>26.00</b>	<b>26.00</b>	<b>26.00</b>	<b>0.00</b>	<b>0.0%</b>

\* Differs from Summary of All Funds Combined – Expenditures table on page 35 due to Internal Service Funds being listed separately.

<b>General Fund Human Resources</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>Dollar Change FY'23-'22</b>	<b>Percent Change FY'23-'22</b>
Personal Services	1,364,986	1,437,082	1,819,045	1,862,825	43,780	2.4%
Materials, Supplies, and Equipment	169,849	98,391	437,381	427,381	(10,000)	-2.3%
Internal Services	14,052	11,178	11,695	12,061	366	3.1%
Debt Service	40,281	17,537	33,624	38,544	4,920	14.6%
<b>Total</b>	<b>1,589,168</b>	<b>1,564,188</b>	<b>2,301,745</b>	<b>2,340,811</b>	<b>39,066</b>	<b>1.7%</b>
<b>Staffing Levels</b>	<b>16.60</b>	<b>16.60</b>	<b>16.60</b>	<b>16.60</b>	<b>0.00</b>	<b>0.0%</b>

<b>Risk Management Human Resources</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>Dollar Change FY'23-'22</b>	<b>Percent Change FY'23-'22</b>
Personal Services	195,455	194,783	192,339	206,582	14,243	7.4%
Materials, Supplies, and Equipment	4,089,169	2,472,527	3,723,530	4,148,651	425,121	11.4%
Internal Services	10,464	20,376	7,545	7,771	226	3.0%
Other / Special Purpose	(293,048)	455,593	12,554	12,554	0	0.0%
<b>Total</b>	<b>4,002,040</b>	<b>3,143,279</b>	<b>3,935,968</b>	<b>4,375,558</b>	<b>439,590</b>	<b>11.2%</b>
<b>Staffing Levels</b>	<b>1.30</b>	<b>1.30</b>	<b>1.30</b>	<b>1.30</b>	<b>0.00</b>	<b>0.0%</b>

<b>Workers' Compensation Human Resources</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>Dollar Change FY'23-'22</b>	<b>Percent Change FY'23-'22</b>
Personal Services	519,050	491,281	538,832	525,229	(13,603)	-2.5%
Materials, Supplies, and Equipment	562,250	593,364	980,170	965,310	(14,860)	-1.5%
Internal Services	1,718	2,003	2,335	2,414	79	3.4%
Other / Special Purpose	4,995,929	3,549,398	3,610,061	4,149,507	539,446	14.9%
<b>Total</b>	<b>6,078,947</b>	<b>4,636,046</b>	<b>5,131,398</b>	<b>5,642,460</b>	<b>511,062</b>	<b>10.0%</b>
<b>Staffing Levels</b>	<b>4.30</b>	<b>4.30</b>	<b>4.30</b>	<b>4.30</b>	<b>0.00</b>	<b>0.0%</b>

<b>Health and Welfare Human Resources</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>Dollar Change FY'23-'22</b>	<b>Percent Change FY'23-'22</b>
Personal Services	391,031	389,573	398,899	418,641	19,742	4.9%
Materials, Supplies, and Equipment	226,928	216,403	353,065	248,455	(104,610)	-29.6%
Internal Services	743	763	784	810	26	3.3%
Other / Special Purpose	19,868,925	18,783,992	19,835,914	21,276,179	1,440,265	7.3%
<b>Total</b>	<b>20,487,627</b>	<b>19,390,731</b>	<b>20,588,662</b>	<b>21,944,085</b>	<b>1,355,423</b>	<b>6.6%</b>
<b>Staffing Levels</b>	<b>3.80</b>	<b>3.80</b>	<b>3.80</b>	<b>3.80</b>	<b>0.00</b>	<b>0.0%</b>

**MAJOR FUNDING CHANGES FROM PRIOR YEAR  
GENERAL FUND**

- Personal Services increased by 2.4% or \$43,780. This adjustment is summarized by moving three HR Administrators from the E&M classification system to the non-union classification system at Grade T for a total cost of \$10,179.
- MS&E went down 2.3% or \$10,000. This change is largely attributed to a \$15,000 decrease in Miscellaneous Charges related to investigations.

**MAJOR FUNDING CHANGES FROM PRIOR YEAR  
RISK MANAGEMENT FUND**

- Temporary Salaries went up 33.3% or \$11,280 as the Risk Manager position is now split funded 67% Risk Management Fund and 33% Workers' Compensation Fund. Last fiscal year, this position was split equally between the Risk Management and Workers' Compensation Funds.
- Liability rose 24.2% or \$205,303. This increase is tied to heightened costs for Excess General Liability (up \$126,170) and Cyber Insurance (up \$79,272). Crime Policy went down \$139.
- Projections for spending relating to a Fair Labor Standards Administration case and allotments for Contingency items caused Insurance Claims – Legal Defense to increase by 21.2% or \$140,000.

**MAJOR FUNDING CHANGES FROM PRIOR YEAR  
WORKERS' COMPENSATION FUND**

- Temporary Salaries went down 26.0% or \$11,940 mainly due to the Risk Manager position now being split funded 33% Workers' Compensation Fund and 67% Risk Management Fund. Last fiscal year, this position was split equally between the Workers' Compensation Funds and Risk Management.
- Pension Contributions decreased by 24.2% or \$17,008.
- The contract costs for the City's physician decreased \$25,000.
- Self-Insurance rose 14.9% or \$539,446 to match the actuarially derived costs for Medical (up \$92,623), W/C- Indemnity (up \$155,433), and Other (up \$290,523).

**MAJOR FUNDING CHANGES FROM PRIOR YEAR  
HEALTH & WELFARE FUND**

- Personal Services increased by 4.9% or \$19,742 including the cost of a \$6,380 upgrade for the Employee Benefits Operations Administrator.
- Teladoc expenses substantially dropped, particularly for Teletherapy which decreased \$25,000. In addition, a total of \$69,000 in Telehealth expenses were moved from Consultants to a new account in Self Insurance (Telehealth).
- Self-Insurance rose a net 7.3% or \$1,440,265 due to Medical Costs (up \$1,377,407), Dental (up \$80,630), Stop Loss (up \$143,462), and Medical Admin Fees (down \$131,454).

# HUMAN RESOURCES

## Strategic Plan

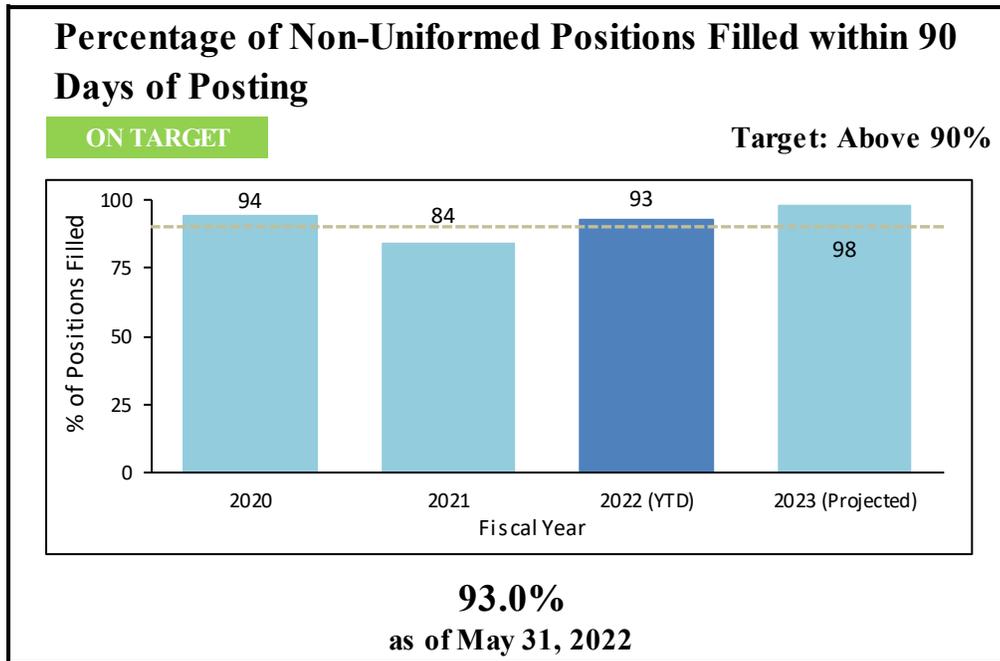
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### Focus Area: Effective City Government

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#### CITY-WIDE GOAL #1: Embrace a Culture of Service

**Objective:** Fill vacancies of non-uniformed positions within 90 days of posting.



# HUMAN RESOURCES

## Strategic Plan

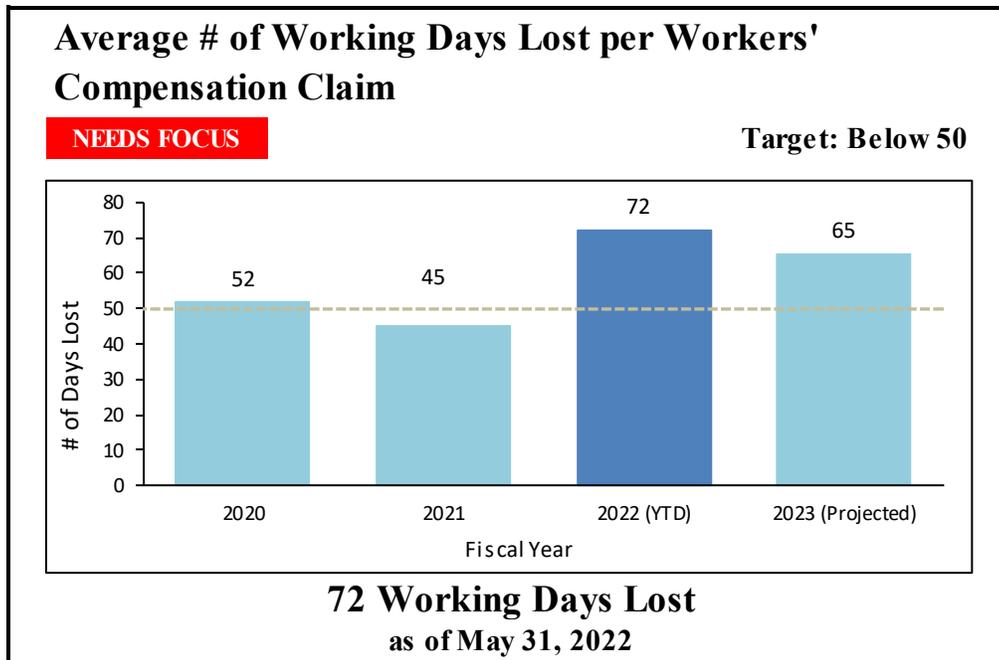
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### Focus Area: Effective City Government

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#### **CITY-WIDE GOAL #3: Enhance Fiscal Prudence**

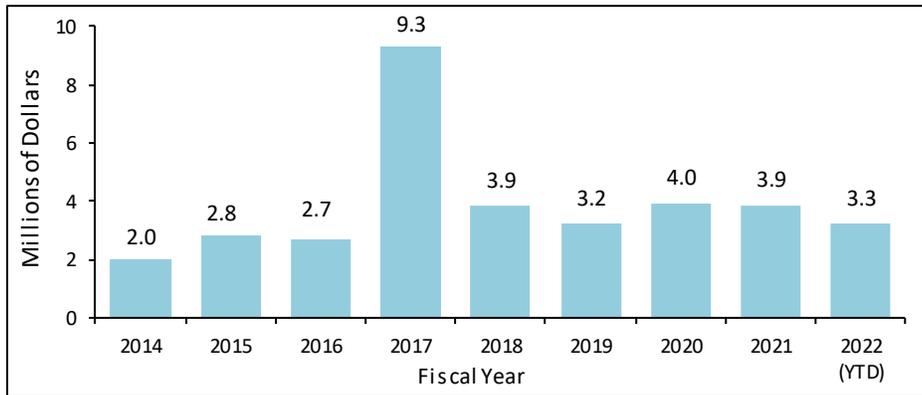
**Objective:** Minimize Workers' Compensation costs by limiting average number of working days lost per claim to less than 50.



# HUMAN RESOURCES

## Performance Trends

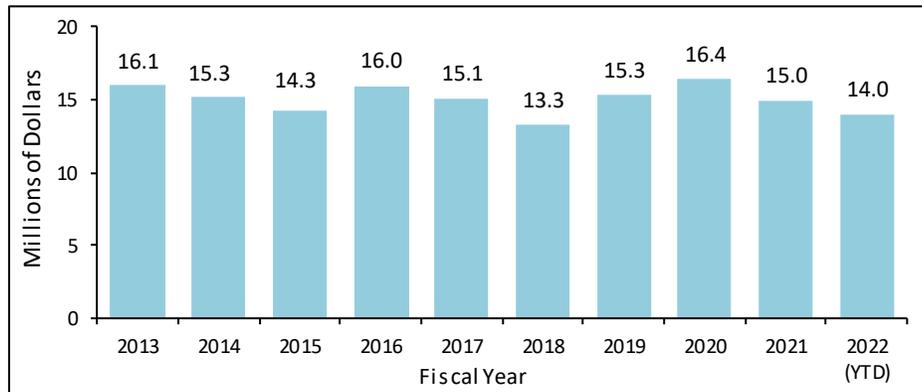
### Total Cost of Workers' Compensation Claims



**\$3.3 Million**  
as of May 31, 2022

The above chart shows the annual total cost of workers' compensation claims from FY 2014 to FY 2022. The goal is to minimize these costs. The spike in FY 2017 was due to the extraordinary and tragic loss of three firefighters as a result of injuries sustained while fighting a home arson fire.

### Total Cost of Medical Care (Excluding Prescriptions)

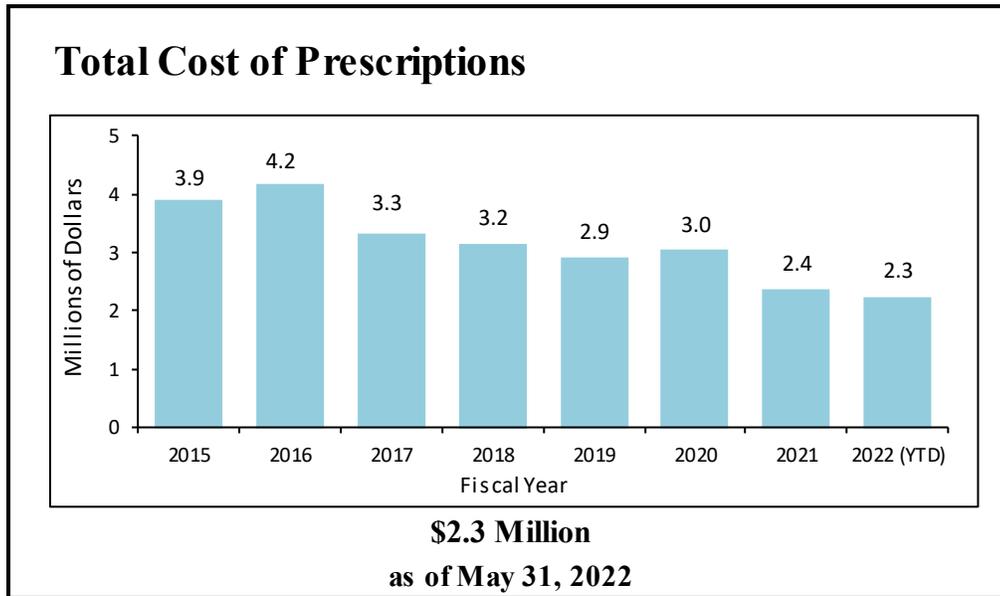


**\$14.0 Million**  
as of May 31, 2022

The above chart shows the annual total costs of medical care (excluding prescriptions) for City employees from FY 2013 to FY 2022. The goal is to minimize these costs while still providing high-quality medical care. Declines seen in FY 2021 and FY 2022 reflect the effects of the COVID pandemic.

# HUMAN RESOURCES

## Performance Trends



The chart above shows the annual total cost of prescriptions for City employees from FY 2015 to FY 2022. The goal is to minimize these costs, while still providing high-quality prescription services. FY 2022 fits within the trend of declining Medical Prescription costs over the past seven years.

Department: Human Resources

Fund: General

<b>Personal Services</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
Regular Salaries	827,785	859,401	1,192,903	1,238,504	45,601	3.8%
Temporary Salaries	34,708	75,335	12,000	12,000	0	0.0%
Acting Out Of Classification	0	0	300	300	0	0.0%
Sick Leave Bonus	0	300	600	600	0	0.0%
Overtime	84	0	2,000	2,000	0	0.0%
Meal Allowance	94	264	145	145	0	0.0%
Health Cash Back	450	0	1,080	1,080	0	0.0%
Pension Contribution	168,617	151,213	144,684	132,104	(12,580)	-8.7%
Social Security	53,550	60,713	72,694	75,414	2,720	3.7%
Medicare Tax	11,976	13,215	17,003	17,639	636	3.7%
Hospitalization	190,925	190,125	266,188	270,800	4,612	1.7%
Life Insurance	2,795	3,043	3,984	3,984	0	0.0%
Pension Healthcare	57,401	60,692	64,373	70,599	6,226	9.7%
State Pension Plan - Civilian	16,601	22,781	48,470	45,298	(3,172)	-6.5%
Attrition	0	0	(7,379)	(7,642)	(263)	3.6%
<b>Total Personal Services</b>	<b>1,364,986</b>	<b>1,437,082</b>	<b>1,819,045</b>	<b>1,862,825</b>	<b>43,780</b>	<b>2.4%</b>

<b>Materials, Supplies, and Equipment</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
Printing and Advertising	5,334	4,698	10,175	10,175	0	0.0%
Communications and Utilities	0	0	200	200	0	0.0%
Transportation	3,826	0	11,895	11,895	0	0.0%
Contracted Maintenance	472	486	650	650	0	0.0%
Professional Fees	34,703	4,180	120,075	125,075	5,000	4.2%
Other Fees	5,388	3,299	4,589	4,589	0	0.0%
Memberships and Registrations	67,294	37,773	105,582	105,582	0	0.0%
Miscellaneous Services	19,072	24,786	136,115	121,115	(15,000)	-11.0%
Office and General Supplies	3,902	1,445	8,000	8,000	0	0.0%
Wearing Apparel and Safety	1,301	971	1,100	1,100	0	0.0%
Misc. Mat., Supp., and Parts	23,717	17,555	33,500	33,500	0	0.0%
Equipment	4,840	3,198	5,500	5,500	0	0.0%
<b>Total M.S.&amp;E.</b>	<b>169,849</b>	<b>98,391</b>	<b>437,381</b>	<b>427,381</b>	<b>(10,000)</b>	<b>-2.3%</b>

<b>Internal Services</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
Administrative Services	2,303	2,175	4,488	4,623	135	3.0%
Self-Insurance	11,749	9,003	7,207	7,438	231	3.2%
<b>Total Internal Services</b>	<b>14,052</b>	<b>11,178</b>	<b>11,695</b>	<b>12,061</b>	<b>366</b>	<b>3.1%</b>

<b>Debt Service</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
Principal Payments	25,658	5,073	20,931	27,075	6,144	29.4%
Interest Payments	14,623	12,464	12,693	11,469	(1,224)	-9.6%
<b>Total Debt Service</b>	<b>40,281</b>	<b>17,537</b>	<b>33,624</b>	<b>38,544</b>	<b>4,920</b>	<b>14.6%</b>

Department: Human Resources

Fund: General

General Fund	Actual FY 2020	Actual FY 2021	Budget FY 2022	Budget FY 2023	\$ Change FY'23-'22	% Change FY'23-'22
<b>Total</b>	<b>1,589,168</b>	<b>1,564,188</b>	<b>2,301,745</b>	<b>2,340,811</b>	<b>39,066</b>	<b>1.7%</b>

Department: Human Resources

Fund: Risk Management

Personal Services	Actual FY 2020	Actual FY 2021	Budget FY 2022	Budget FY 2023	\$ Change FY'23-'22	% Change FY'23-'22
Regular Salaries	101,343	103,903	102,657	103,881	1,224	1.2%
Temporary Salaries	31,063	28,838	33,840	45,120	11,280	33.3%
Accrued Sick/Vacation	2,718	3,442	0	0	0	0.0%
Pension Contribution	27,755	27,066	25,689	27,299	1,610	6.3%
Social Security	8,688	8,046	8,338	9,123	785	9.4%
Medicare Tax	2,032	1,882	1,950	2,133	183	9.4%
Hospitalization	15,835	15,232	14,524	13,525	(999)	-6.9%
Life Insurance	323	321	312	312	0	0.0%
Pension Healthcare	4,496	4,889	5,042	5,529	487	9.7%
State Pension Plan - Civilian	1,202	1,164	1,193	909	(284)	-23.8%
Attrition	0	0	(1,206)	(1,249)	(43)	3.6%
<b>Total Personal Services</b>	<b>195,455</b>	<b>194,783</b>	<b>192,339</b>	<b>206,582</b>	<b>14,243</b>	<b>7.4%</b>

Materials, Supplies, and Equipment	Actual FY 2020	Actual FY 2021	Budget FY 2022	Budget FY 2023	\$ Change FY'23-'22	% Change FY'23-'22
Transportation	4,206	536	4,540	4,540	0	0.0%
Insurance	3,879,401	2,280,938	3,486,300	3,902,181	415,881	11.9%
Professional Fees	201,612	186,721	227,400	236,460	9,060	4.0%
Memberships and Registrations	1,405	1,555	2,790	2,970	180	6.5%
Office and General Supplies	2,545	2,777	2,500	2,500	0	0.0%
<b>Total M.S.&amp;E.</b>	<b>4,089,169</b>	<b>2,472,527</b>	<b>3,723,530</b>	<b>4,148,651</b>	<b>425,121</b>	<b>11.4%</b>

Internal Services	Actual FY 2020	Actual FY 2021	Budget FY 2022	Budget FY 2023	\$ Change FY'23-'22	% Change FY'23-'22
Administrative Services	9,336	19,218	6,356	6,547	191	3.0%
Self-Insurance	1,128	1,158	1,189	1,224	35	2.9%
<b>Total Internal Services</b>	<b>10,464</b>	<b>20,376</b>	<b>7,545</b>	<b>7,771</b>	<b>226</b>	<b>3.0%</b>

Other / Special Purpose	Actual FY 2020	Actual FY 2021	Budget FY 2022	Budget FY 2023	\$ Change FY'23-'22	% Change FY'23-'22
Self-Insurance Costs	(293,048)	455,593	0	0	0	0.0%
Depreciation	0	0	12,554	12,554	0	0.0%
<b>Total Other / Special Purpose</b>	<b>(293,048)</b>	<b>455,593</b>	<b>12,554</b>	<b>12,554</b>	<b>0</b>	<b>0.0%</b>

Risk Management	Actual FY 2020	Actual FY 2021	Budget FY 2022	Budget FY 2023	\$ Change FY'23-'22	% Change FY'23-'22
<b>Total</b>	<b>4,002,040</b>	<b>3,143,279</b>	<b>3,935,968</b>	<b>4,375,558</b>	<b>439,590</b>	<b>11.2%</b>

Department: Human Resources

Fund: Workers' Compensation

<b>Personal Services</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
Regular Salaries	286,121	279,551	298,914	306,493	7,579	2.5%
Temporary Salaries	31,064	39,955	45,890	33,950	(11,940)	-26.0%
Acting Out Of Classification	1,920	409	0	1,500	1,500	0.0%
Overtime	3,860	2,469	4,840	4,840	0	0.0%
Meal Allowance	247	111	200	200	0	0.0%
Accrued Sick/Vacation	4,251	(3,763)	0	0	0	0.0%
Pension Contribution	60,641	59,192	70,161	53,153	(17,008)	-24.2%
Social Security	19,204	19,250	21,087	20,886	(201)	-1.0%
Medicare Tax	4,491	4,502	4,931	4,884	(47)	-1.0%
Hospitalization	86,569	69,885	70,586	72,447	1,861	2.6%
Life Insurance	1,056	975	1,032	1,032	0	0.0%
Pension Healthcare	14,870	14,135	16,676	18,288	1,612	9.7%
State Pension Plan - Civilian	4,756	4,610	4,515	7,556	3,041	67.4%
<b>Total Personal Services</b>	<b>519,050</b>	<b>491,281</b>	<b>538,832</b>	<b>525,229</b>	<b>(13,603)</b>	<b>-2.5%</b>

<b>Materials, Supplies, and Equipment</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
Printing and Advertising	0	0	660	660	0	0.0%
Transportation	754	0	6,600	8,800	2,200	33.3%
Insurance	241,665	250,794	517,250	517,250	0	0.0%
Rentals	0	0	200	200	0	0.0%
Contracted Maintenance	270	1,764	1,400	1,400	0	0.0%
Professional Fees	301,995	321,036	404,400	385,450	(18,950)	-4.7%
Memberships and Registrations	2,608	988	11,160	12,450	1,290	11.6%
Office and General Supplies	1,063	1,500	2,300	2,300	0	0.0%
Wearing Apparel and Safety	1,363	1,236	2,100	2,100	0	0.0%
Misc. Mat., Supp., and Parts	12,532	14,256	32,500	33,100	600	1.8%
Equipment	0	1,790	1,600	1,600	0	0.0%
<b>Total M.S.&amp;E.</b>	<b>562,250</b>	<b>593,364</b>	<b>980,170</b>	<b>965,310</b>	<b>(14,860)</b>	<b>-1.5%</b>

<b>Internal Services</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
Administrative Services	(495)	(270)	0	0	0	0.0%
Self-Insurance	2,213	2,273	2,335	2,414	79	3.4%
<b>Total Internal Services</b>	<b>1,718</b>	<b>2,003</b>	<b>2,335</b>	<b>2,414</b>	<b>79</b>	<b>3.4%</b>

<b>Other / Special Purpose</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
Workers' Compensation	129,220	102,374	137,000	137,000	0	0.0%
Self-Insurance Costs	4,866,318	3,446,633	3,473,061	4,012,507	539,446	15.5%
Depreciation	391	391	0	0	0	0.0%
<b>Total Other / Special Purpose</b>	<b>4,995,929</b>	<b>3,549,398</b>	<b>3,610,061</b>	<b>4,149,507</b>	<b>539,446</b>	<b>14.9%</b>

<b>Workers' Compensation</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
<b>Total</b>	<b>6,078,947</b>	<b>4,636,046</b>	<b>5,131,398</b>	<b>5,642,460</b>	<b>511,062</b>	<b>10.0%</b>

Department: Human Resources

Fund: Health and Welfare

<b>Personal Services</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
Regular Salaries	255,955	285,807	288,324	306,030	17,706	6.1%
Temporary Salaries	14,018	0	10,000	12,000	2,000	20.0%
Acting Out Of Classification	1,305	255	2,000	0	(2,000)	-100.0%
Health Cash Back	270	0	1,080	1,080	0	0.0%
Accrued Sick/Vacation	5,403	6,591	0	0	0	0.0%
Pension Contribution	27,849	6,055	5,776	6,315	539	9.3%
Social Security	16,131	17,171	18,401	19,484	1,083	5.9%
Medicare Tax	3,765	4,016	4,303	4,557	254	5.9%
Hospitalization	35,969	35,841	35,040	36,181	1,141	3.3%
Life Insurance	938	924	912	912	0	0.0%
Pension Healthcare	13,141	14,104	14,737	16,162	1,425	9.7%
State Pension Plan - Civilian	16,287	18,809	18,326	15,920	(2,406)	-13.1%
<b>Total Personal Services</b>	<b>391,031</b>	<b>389,573</b>	<b>398,899</b>	<b>418,641</b>	<b>19,742</b>	<b>4.9%</b>

<b>Materials, Supplies, and Equipment</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
Printing and Advertising	0	0	500	500	0	0.0%
Communications and Utilities	0	81	500	500	0	0.0%
Transportation	230	0	4,500	10,000	5,500	122.2%
Professional Fees	197,315	209,322	297,140	193,530	(103,610)	-34.9%
Memberships and Registrations	27,185	816	44,925	39,925	(5,000)	-11.1%
Office and General Supplies	1,733	126	2,500	1,000	(1,500)	-60.0%
Wearing Apparel and Safety	0	0	600	600	0	0.0%
Misc. Mat., Supp., and Parts	0	719	1,150	1,150	0	0.0%
Equipment	465	5,339	1,250	1,250	0	0.0%
<b>Total M.S.&amp;E.</b>	<b>226,928</b>	<b>216,403</b>	<b>353,065</b>	<b>248,455</b>	<b>(104,610)</b>	<b>-29.6%</b>

<b>Internal Services</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
Self-Insurance	743	763	784	810	26	3.3%
<b>Total Internal Services</b>	<b>743</b>	<b>763</b>	<b>784</b>	<b>810</b>	<b>26</b>	<b>3.3%</b>

<b>Other / Special Purpose</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
Self-Insurance Costs	19,868,925	18,783,992	19,835,914	21,276,179	1,440,265	7.3%
<b>Total Other / Special Purpose</b>	<b>19,868,925</b>	<b>18,783,992</b>	<b>19,835,914</b>	<b>21,276,179</b>	<b>1,440,265</b>	<b>7.3%</b>

<b>Health and Welfare</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
<b>Total</b>	<b>20,487,627</b>	<b>19,390,731</b>	<b>20,588,662</b>	<b>21,944,085</b>	<b>1,355,423</b>	<b>6.6%</b>

# DEPARTMENT OF LICENSES & INSPECTIONS

The Department of Licenses and Inspections (L&I) is responsible for promoting the general welfare and protecting the life, health, and safety of all citizens of Wilmington by monitoring the City’s building stock through code enforcement and abatement of code violations. This is achieved by regulating various activities through the issuance of permits, licenses, certificates, and the appropriate inspections to assure compliance with all laws and ordinances this Department is empowered to enforce.

The Department performs mandated activities and conducts inspections on rental properties, issues Notifications/Certificates of Use and Occupancy and registers vacant properties.

<b>PRIORITIES FOR FISCAL YEAR 2023</b>
<ul style="list-style-type: none"> <li>• Continue implementation of the new Salesforce software for the Department.</li> <li>• Implement and monitor new civil penalties for rental properties.</li> <li>• Increase code enforcement throughout the city.</li> <li>• Enforce and demolish blighted vacant properties.</li> <li>• Schedule and complete 500 rental inspections.</li> <li>• Increase fees for commercial instant ticketing.</li> <li>• Identify non-licensed rental property owners.</li> </ul>

## SUMMARY OF FUNDING FOR THE DEPARTMENT OF LICENSES & INSPECTIONS

<b>Total All Funds Licenses &amp; Inspections</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>Dollar Change FY'23-'22</b>	<b>Percent Change FY'23-'22</b>
Personal Services	4,030,411	3,925,391	4,300,967	2,742,088	(1,558,879)	-36.2%
Materials, Supplies, and Equipment	698,171	354,634	839,710	265,234	(574,476)	-68.4%
Internal Services	235,379	210,374	273,622	227,318	(46,304)	-16.9%
Debt Service	7,256	779	1,559	2,791	1,232	79.0%
Other / Special Purpose	256,385	256,385	262,795	269,365	6,570	2.5%
<b>Total</b>	<b>5,227,602</b>	<b>4,747,563</b>	<b>5,678,653</b>	<b>3,506,796</b>	<b>(2,171,857)</b>	<b>-38.2%</b>
<b>Staffing Levels</b>	<b>43.00</b>	<b>42.00</b>	<b>42.00</b>	<b>26.00</b>	<b>(16.00)</b>	<b>-38.1%</b>

<b>General Fund</b>	<b>Actual</b>	<b>Actual</b>	<b>Budget</b>	<b>Budget</b>	<b>Dollar</b>	<b>Percent</b>
<b>Licenses &amp; Inspections</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>	<b>FY 2023</b>	<b>Change</b>	<b>Change</b>
					<b>FY'23-'22</b>	<b>FY'23-'22</b>
Personal Services	4,030,411	3,925,391	4,300,967	2,742,088	(1,558,879)	-36.2%
Materials, Supplies, and Equipment	698,171	354,634	839,710	265,234	(574,476)	-68.4%
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<b>Staffing Levels</b>	<b>43.00</b>	<b>42.00</b>	<b>42.00</b>	<b>26.00</b>	<b>(16.00)</b>	<b>-38.1%</b>

**MAJOR FUNDING CHANGES FROM PRIOR YEAR  
GENERAL FUND**

- The Department of Planning & Development has become the Department of Land Use and Planning. It was reorganized by transferring in those processes, employees, and budget accounts from the Department of Licenses & Inspections related to permitting, plan reviews, and land development. Among other things, the proper integration of processes and employees will ensure a more efficient review and response to land development requests.
- In Personal Services, the position of Deputy Commissioner was deleted, and 15 other positions were transferred to the Land Use and Planning Department. In addition, the salary of the Commissioner was reduced. The total impact of these actions is a reduction of \$1,636,644.
- Materials, Supplies, and Equipment decreased by \$574,476, of which \$525,977 was transferred out to the Land Use and Planning Department. Some of the larger accounts that were transferred include Demolition (\$350,000), Consultants (\$120,000) and Temporary Agencies (\$15,000).
- The contractual amount the City pays to the Delaware Office of Animal Welfare for Animal Control Services increased 2.5% to \$269,365.

# DEPARTMENT OF LICENSES & INSPECTIONS

## Strategic Plan

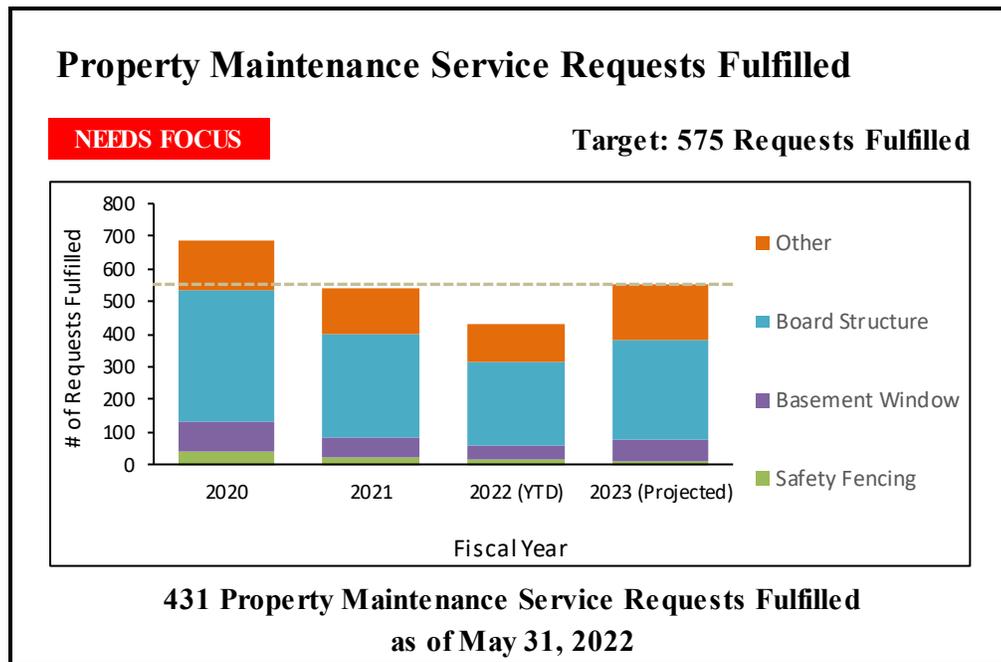
The Department of Licenses and Inspections (L&I) strives to promote and protect a safe living and working environment for all citizens of the City of Wilmington. This is achieved by enforcing and implementing the Wilmington City Code in a fair and unbiased manner. Our goal is to facilitate voluntary compliance by working in partnership with our constituents.

Current data for the goals and objectives listed below can be found on the Licenses & Inspections OpevGov story page at <http://bit.ly/WDe21OG>.

### Focus Area: Quality of Life

#### **CITY-WIDE GOAL #17: Improve Housing Quality**

**Objective 1:** Effectively and Efficiently Address Structurally Deficient Properties through Property Maintenance.



# DEPARTMENT OF LICENSES & INSPECTIONS

## Strategic Plan

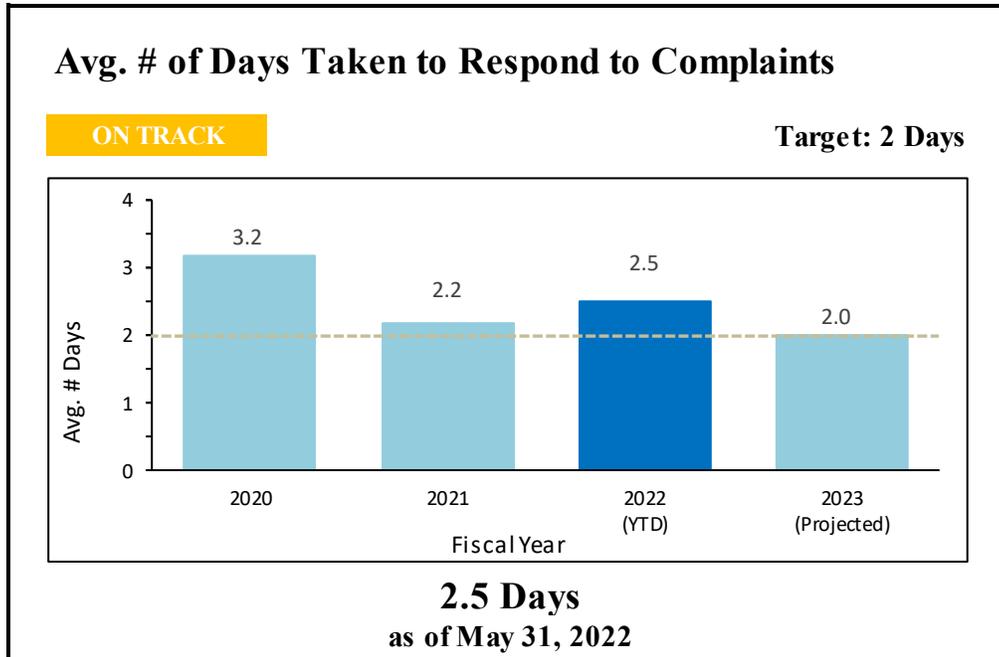
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### Focus Area: Quality of Life

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#### CITY-WIDE GOAL #17: Improve Housing Quality

**Objective 2:** Respond to All Constituent Complaints within Two Business Days.



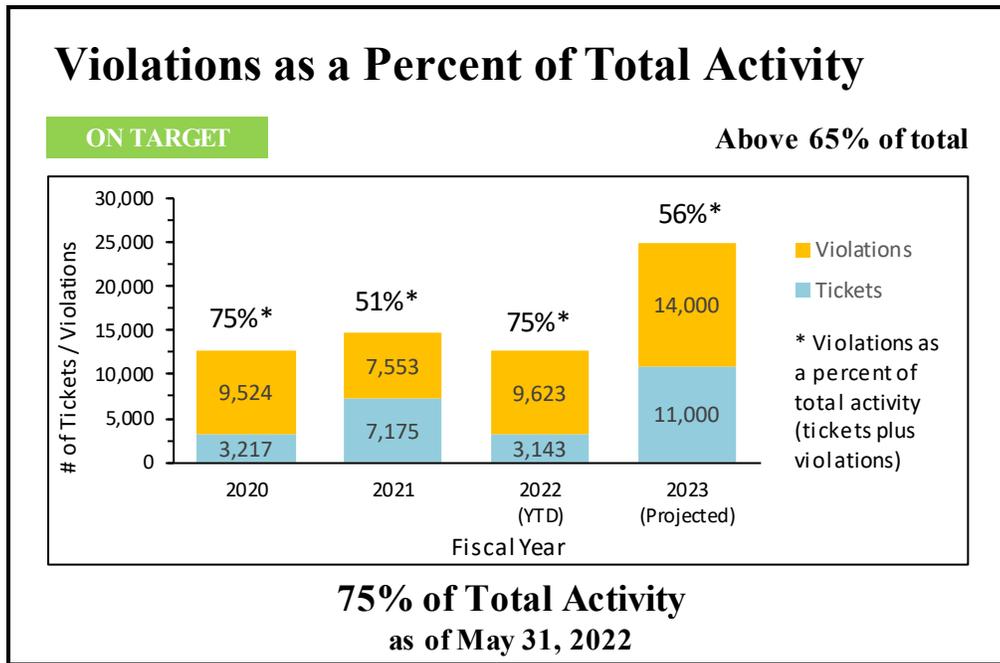
# DEPARTMENT OF LICENSES & INSPECTIONS

## Strategic Plan

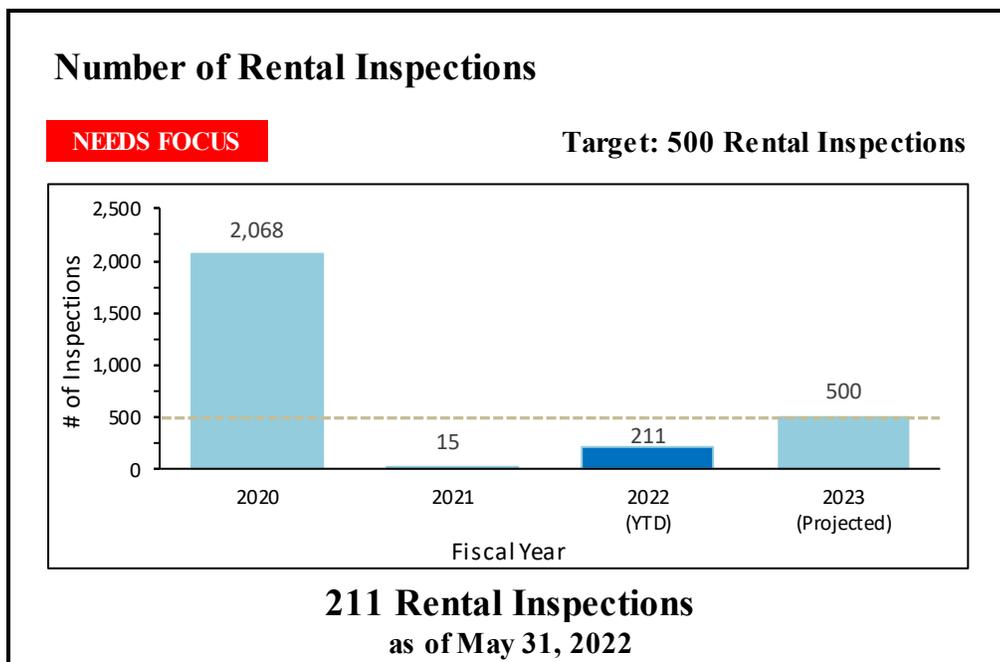
### Focus Area: Quality of Life

**CITY-WIDE GOAL #17: Improve Housing Quality**

**Objective 3: Better Utilize Limited Resources by Focusing on Code Violations Rather than Instant Tickets**



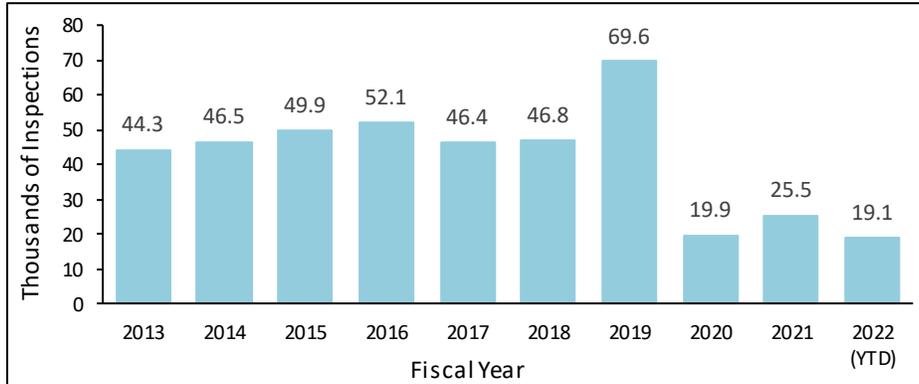
**Objective 4: Increase the Number of Rental Inspections to Improve the Quality of Rental Housing**



# DEPARTMENT OF LICENSES AND INSPECTIONS

## Performance Trends

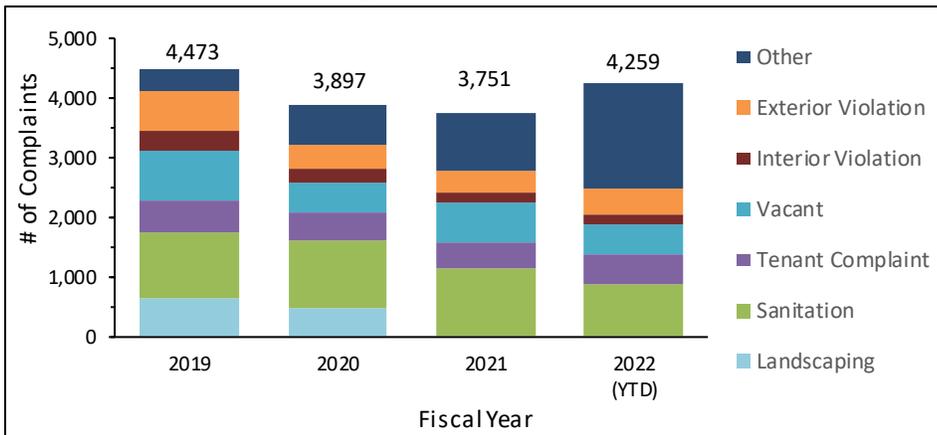
### Housing Inspections



**19,121 Housing Inspections**  
as of May 31, 2022

Housing inspections performed include rentals, tenant complaints, sanitation, graffiti, and neighborhood stabilization inspections.

### Constituent Complaints



**4,259 Constituent Complaints**  
as of May 31, 2022

**Department: Licenses and Inspections**

**Fund: General**

<b>Personal Services</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
Regular Salaries	2,381,150	2,372,676	2,628,322	1,660,531	(967,791)	-36.8%
Temporary Salaries	0	916	0	0	0	0.0%
Acting Out Of Classification	0	1,688	1,000	500	(500)	-50.0%
Sick Leave Bonus	3,400	3,200	4,200	1,000	(3,200)	-76.2%
Overtime	39,121	24,396	40,000	30,000	(10,000)	-25.0%
Meal Allowance	350	120	0	200	200	0.0%
Clothing Allowance	8,292	7,904	8,300	0	(8,300)	-100.0%
Standby Pay	20,919	20,420	27,840	27,840	0	0.0%
Health Cash Back	8,460	5,000	4,800	2,400	(2,400)	-50.0%
Pension Contribution	505,587	488,808	533,066	268,159	(264,907)	-49.7%
Social Security	148,017	151,088	162,476	102,398	(60,078)	-37.0%
Medicare Tax	34,617	36,707	37,995	23,950	(14,045)	-37.0%
Hospitalization	661,896	585,600	662,962	492,268	(170,694)	-25.7%
Life Insurance	9,538	9,441	10,039	6,231	(3,808)	-37.9%
Pension Healthcare	148,694	153,552	162,876	110,578	(52,298)	-32.1%
State Pension Plan - Civilian	49,648	52,875	58,828	44,580	(14,248)	-24.2%
Personal Services Adjustment	10,722	11,000	10,435	6,750	(3,685)	-35.3%
Attrition	0	0	(52,172)	(35,297)	16,875	-32.3%
<b>Total Personal Services</b>	<b>4,030,411</b>	<b>3,925,391</b>	<b>4,300,967</b>	<b>2,742,088</b>	<b>(1,558,879)</b>	<b>-36.2%</b>

<b>Materials, Supplies, and Equipment</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
Printing and Advertising	2,300	9,584	46,000	13,000	(33,000)	-71.7%
Transportation	60	0	2,500	2,500	0	0.0%
Rentals	26,000	31,200	35,760	26,132	(9,628)	-26.9%
Contracted Maintenance	90,225	105,682	150,000	130,000	(20,000)	-13.3%
Professional Fees	137,886	88,558	140,000	20,000	(120,000)	-85.7%
Other Fees	9,055	6,707	10,000	7,000	(3,000)	-30.0%
Memberships and Registrations	7,723	4,311	27,500	20,097	(7,403)	-26.9%
Miscellaneous Services	1,878	1,836	3,200	3,200	0	0.0%
Office and General Supplies	5,941	5,679	6,000	4,385	(1,615)	-26.9%
Wearing Apparel and Safety	32,172	31,608	40,750	27,420	(13,330)	-32.7%
Misc. Mat., Supp., and Parts	2,273	704	3,000	2,500	(500)	-16.7%
Construction and Repairs	344,703	64,161	365,000	4,000	(361,000)	-98.9%
Equipment	37,955	4,604	10,000	5,000	(5,000)	-50.0%
<b>Total M.S.&amp;E.</b>	<b>698,171</b>	<b>354,634</b>	<b>839,710</b>	<b>265,234</b>	<b>(574,476)</b>	<b>-68.4%</b>

<b>Internal Services</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
Administrative Services	179,600	166,594	238,464	179,490	(58,974)	-24.7%
Self-Insurance	55,779	43,780	35,158	47,828	12,670	36.0%
<b>Total Internal Services</b>	<b>235,379</b>	<b>210,374</b>	<b>273,622</b>	<b>227,318</b>	<b>(46,304)</b>	<b>-16.9%</b>

**Department: Licenses and Inspections**

**Fund: General**

	Actual	Actual	Budget	Budget	\$ Change	% Change
<b>Debt Service</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>	<b>FY 2023</b>	<b>FY'23-'22</b>	<b>FY'23-'22</b>
Principal Payments	5,927	0	651	2,024	1,373	210.9%
Interest Payments	1,329	779	908	767	(141)	-15.5%
<b>Total Debt Service</b>	<b>7,256</b>	<b>779</b>	<b>1,559</b>	<b>2,791</b>	<b>1,232</b>	<b>79.0%</b>

	Actual	Actual	Budget	Budget	\$ Change	% Change
<b>Other / Special Purpose</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>	<b>FY 2023</b>	<b>FY'23-'22</b>	<b>FY'23-'22</b>
Special Purpose	256,385	256,385	262,795	269,365	6,570	2.5%
<b>Total Other / Special Purpose</b>	<b>256,385</b>	<b>256,385</b>	<b>262,795</b>	<b>269,365</b>	<b>6,570</b>	<b>2.5%</b>

	Actual	Actual	Budget	Budget	\$ Change	% Change
<b>General Fund</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>	<b>FY 2023</b>	<b>FY'23-'22</b>	<b>FY'23-'22</b>
<b>Total</b>	<b>5,227,602</b>	<b>4,747,563</b>	<b>5,678,653</b>	<b>3,506,796</b>	<b>(2,171,857)</b>	<b>-38.2%</b>

# DEPARTMENT OF PARKS & RECREATION

The mission of the Department of Parks & Recreation is to provide comprehensive and quality programming that supports the holistic wellness of City residents by offering recreational, social, cultural, employment, and educational opportunities for all City residents regardless of age or physical barriers.

PRIORITIES FOR FISCAL YEAR 2023	
•	Implement a year-round youth career development program.
•	Create standards of care for the Park Maintenance Division.
•	Increase and improve collaborative partnerships with parents, government agencies, and community groups.
•	Seek grant opportunities to conduct program initiatives not supported by the General Fund.
•	Promote healthy lifestyles by continuing to offer recreational, educational, cultural, evening feeding, and summer food programs.
•	Expand tutoring programs to assist students in achieving academic success.

## SUMMARY OF FUNDING FOR THE DEPARTMENT OF PARKS & RECREATION

Total All Funds Parks and Recreation	Actual FY 2020	Actual FY 2021	Budget FY 2022	Budget FY 2023	Dollar Change FY'23-'22	Percent Change FY'23-'22
Personal Services	4,934,143	4,747,267	5,225,086	5,531,293	306,207	5.9%
Materials, Supplies, and Equipment	3,130,518	4,019,049	2,158,876	2,234,296	75,420	3.5%
Internal Services	1,330,429	1,202,242	1,104,828	1,138,693	33,865	3.1%
Debt Service	1,781,577	1,181,581	2,449,781	2,377,984	(71,797)	-2.9%
<b>Total</b>	<b>11,176,667</b>	<b>11,150,139</b>	<b>10,938,571</b>	<b>11,282,266</b>	<b>343,695</b>	<b>3.1%</b>
<b>Staffing Levels</b>	<b>41.00</b>	<b>41.00</b>	<b>40.00</b>	<b>40.00</b>	<b>0.00</b>	<b>0.0%</b>

General Fund Parks and Recreation	Actual FY 2020	Actual FY 2021	Budget FY 2022	Budget FY 2023	Dollar Change FY'23-'22	Percent Change FY'23-'22
Personal Services	4,254,072	4,182,898	4,600,227	4,854,650	254,423	5.5%
Materials, Supplies, and Equipment	1,472,189	1,216,038	1,333,308	1,390,467	57,159	4.3%
Internal Services	1,328,149	1,198,009	1,102,548	1,136,356	33,808	3.1%
Debt Service	1,781,577	1,181,581	2,449,781	2,377,984	(71,797)	-2.9%
<b>Total</b>	<b>8,835,987</b>	<b>7,778,526</b>	<b>9,485,864</b>	<b>9,759,457</b>	<b>273,593</b>	<b>2.9%</b>
<b>Staffing Levels</b>	<b>40.60</b>	<b>40.60</b>	<b>39.60</b>	<b>39.60</b>	<b>0.00</b>	<b>0.0%</b>

<b>Parks Assistance Fund Parks and Recreation</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>Dollar Change FY'23-'22</b>	<b>Percent Change FY'23-'22</b>
Personal Services	185,281	132,127	255,630	296,995	41,365	16.2%
Materials, Supplies, and Equipment	1,658,329	2,803,011	825,568	842,079	16,511	2.0%
<b>Total</b>	<b>1,843,610</b>	<b>2,935,138</b>	<b>1,081,198</b>	<b>1,139,074</b>	<b>57,876</b>	<b>5.4%</b>
<b>Staffing Levels</b>	<b>0.40</b>	<b>0.40</b>	<b>0.40</b>	<b>0.40</b>	<b>0.00</b>	<b>0.0%</b>

<b>Parks Trust Fund Parks and Recreation</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>Dollar Change FY'23-'22</b>	<b>Percent Change FY'23-'22</b>
Personal Services	98,090	100,709	105,395	110,537	5,142	4.9%
Materials, Supplies, and Equipment	0	0	0	1,750	1,750	0.0%
Internal Services	2,280	4,233	2,280	2,337	57	2.5%
<b>Total</b>	<b>100,370</b>	<b>104,942</b>	<b>107,675</b>	<b>114,624</b>	<b>6,949</b>	<b>6.5%</b>
<b>Staffing Levels</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.0%</b>

<b>Workforce Investment Board (WIB) Parks and Recreation</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>Dollar Change FY'23-'22</b>	<b>Percent Change FY'23-'22</b>
Personal Services	396,700	331,533	263,834	269,111	5,277	2.0%
<b>Total</b>	<b>396,700</b>	<b>331,533</b>	<b>263,834</b>	<b>269,111</b>	<b>5,277</b>	<b>2.0%</b>
<b>Staffing Levels</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.0%</b>

## MAJOR FUNDING CHANGES FROM PRIOR YEAR

- Personal Services increased by \$254,423; this includes a 2% COLA for eligible employees. Regular Salaries increased \$97,516, or 4.9%, while Pension Contribution increased \$22,150, or 7.8%. Hospitalization was increased by \$101,033, or 15.7%, due to increased medical and prescription costs.
- Temporary Salaries have risen by \$20,622, mainly due to increased pay rates and total weekly hours for the Youth Career Development (YCD) workers and Youth Workers within the Youth and Families Division. Grant funding from Bank of America and a decrease of 40 YCD Youth Workers will help offset the cost of 75 additional Youth Workers and 8 Junior Counselors.
- Employee Benefits costs increased by \$172,667 due to high pension, medical, and prescription costs.
- With the lift of COVID-19 mask and vaccination mandates, Travel and Subsistence increased by \$12,000, as annual conferences and professional development training resume in-person attendance.
- Based on fewer outdoor events, the contract cost of portable toilets in the Equipment Rental account was decreased by \$10,000.
- The Maintenance Division increased Contracted Maintenance by \$40,000 for various repairs to park fencing, lights, vandalism, and infrastructure damages due to unexpected circumstances.
- Repairs to Building and Structures was increased by \$10,000 to assist with structural maintenance in City parks.
- Equipment costs have decreased by \$10,500 and have largely been reprogrammed to the Consultants line in the Administration Division to assist with the development of innovative community-based programs.

# DEPARTMENT OF PARKS & RECREATION

## Strategic Plan

Wilmington’s parks serve as a positive gathering place for residents and visitors to explore and enjoy the outdoors, build stronger communities, and to promote healthy living.

Current financial and capital project data can be found on the Parks and Recreation OpenGov story page at <http://bit.ly/WDe29OG>.

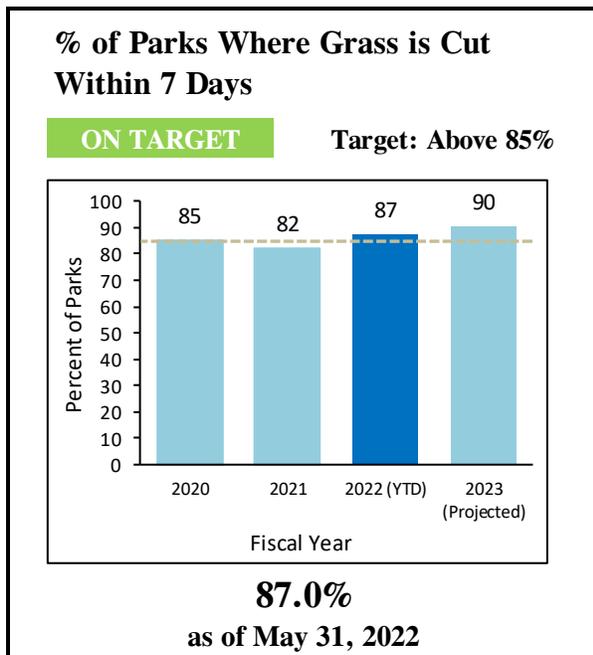
### Focus Area: Quality of Life

#### **CITY-WIDE GOAL #13: Offer Enhanced Recreational Opportunities.**

**Objective 1:** Ensure all City Parks are properly maintained by mowing grass and cleaning on a weekly basis.

Safe, clean, and inviting parks are an important part of a thriving city. In order to provide a system of well-maintained parks for all constituents and visitors, the Department of Parks and Recreation strives to ensure all City parks are cleaned and mowed at least once weekly.

Cleaning efforts involve removing any debris and trash and surveying the park for any potential issues that may need to be addressed. This might include reporting graffiti to Constituent Services for removal or identifying equipment that might need repairs. Once parks are clean and free of debris, grass is cut to ensure that open green space may be used for recreation and leisure.



# DEPARTMENT OF PARKS & RECREATION

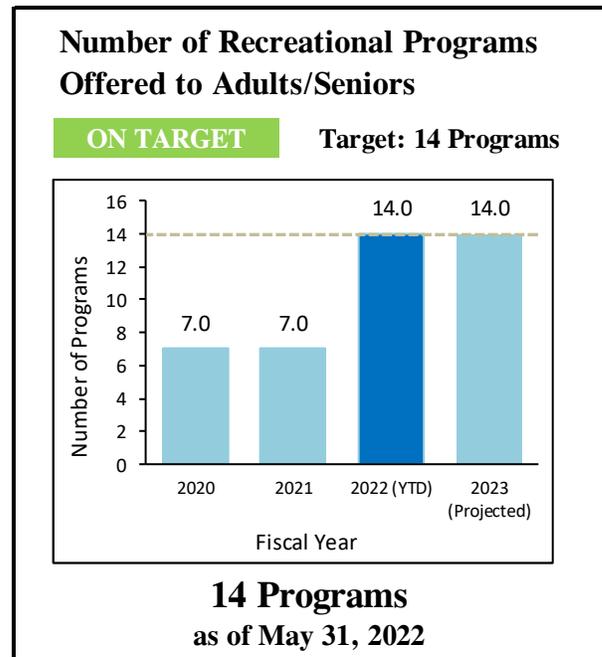
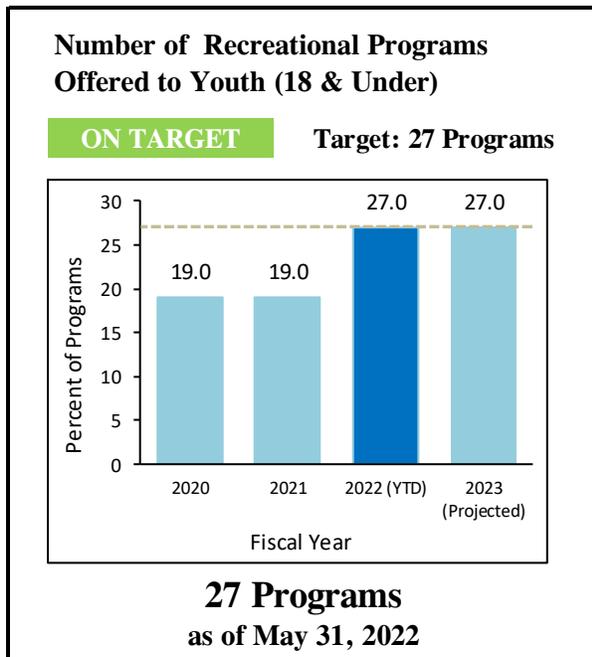
## Strategic Plan

### Focus Area: Quality of Life

**CITY-WIDE GOAL #13: Offer Enhanced Recreational Opportunities.**

**Objective 2:** Provide desirable and enriching opportunities for residents of all ages.

Quality recreational programs are a key component of healthy communities. Not only do they offer residents opportunities to engage in physical activity – which has been shown to positively affect physical, mental, and emotional health – but they also offer residents the chance to build and strengthen relationships with fellow community members and develop important life skills at all ages.



# DEPARTMENT OF PARKS & RECREATION

## Strategic Plan

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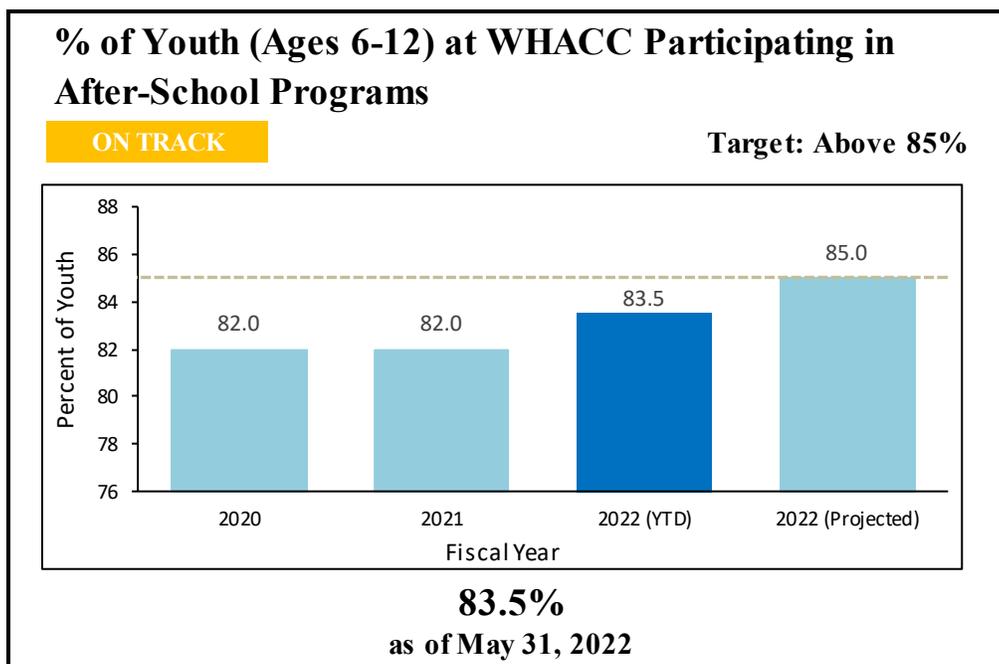
### Focus Area: Quality of Life

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#### **CITY-WIDE GOAL #13: Offer Enhanced Recreational Opportunities.**

**Objective 3:** Fulfill the mission of William “Hicks” Anderson Community Center (WHACC) by increasing participation in high-quality enrichment programming offered in the West Center City community.

The mission of the William “Hicks” Anderson Community Center is to build and strengthen neighborhoods and people by bringing together residents of West Center City through meaningful community building and high-quality enrichment programming for all ages and backgrounds. WHACC is currently focusing on increasing the percentage of youth aged 6 to 12 participating in after-school enrichment programs.



# DEPARTMENT OF PARKS & RECREATION

## Strategic Plan

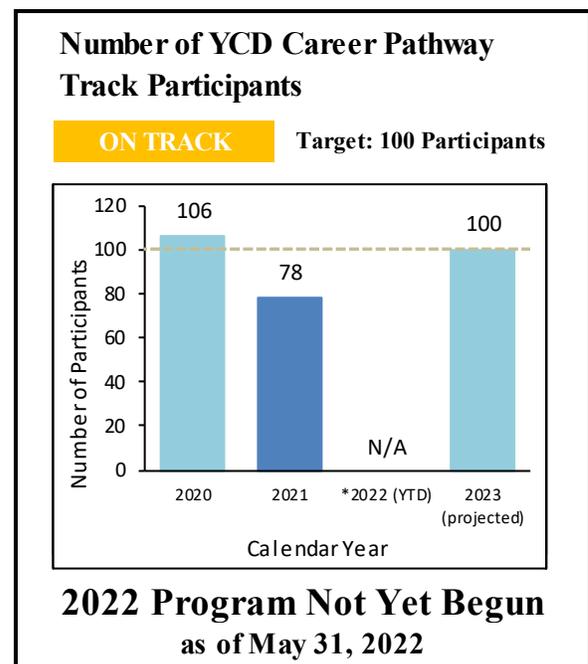
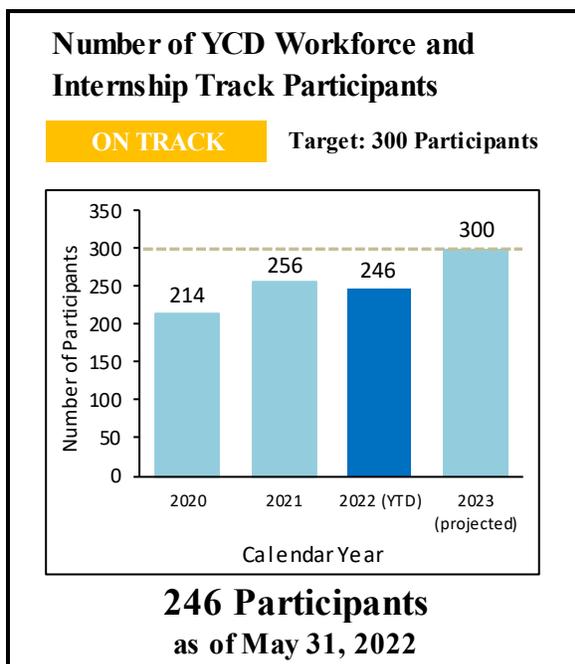
### Focus Area: Quality of Life

#### **CITY-WIDE GOAL #16: Inspire Young People to Achieve Success.**

**Objective 1:** Provide city youth with opportunities to develop and enhance their career pathways by gaining experience in the workplace and through building life skills via the Youth Career Development Program.

The Youth Career Development (YCD) Program is designed to provide youth with meaningful opportunities for employment by placing them in paid summer internships at various job sites throughout the City. Youth are given the chance to shadow professionals in areas of special interest, while gaining insight into future career opportunities and developing important life skills. To participate, youth must submit an application to the Department of Parks and Recreation, be between the ages of 14 and 20, and meet certain income, residency, and job-eligibility requirements.

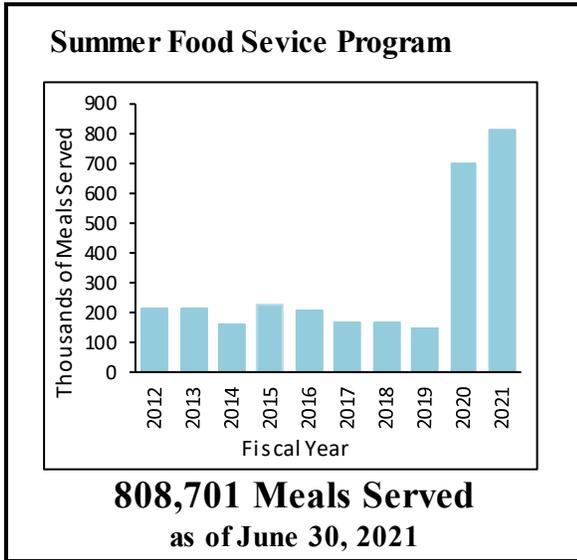
The YCD Program consists of three-track programs to offer a positive employment experience to our youth entering the workforce for the first time while providing training for life-skill development. The Career Pathway Track places participants in jobs related to a youth’s career pathway and is offered during the academic year. During the summer, the Workforce and Internship Tracks are offered. The Workforce Track places participants into entry-level jobs across many industries, including childcare, law offices, not-for-profit and for-profit businesses in their community, and many more. The Internship Track places participants in organizations that provide tasks, day-to-day direction, and a letter of recommendation from their employer upon completion of the program.



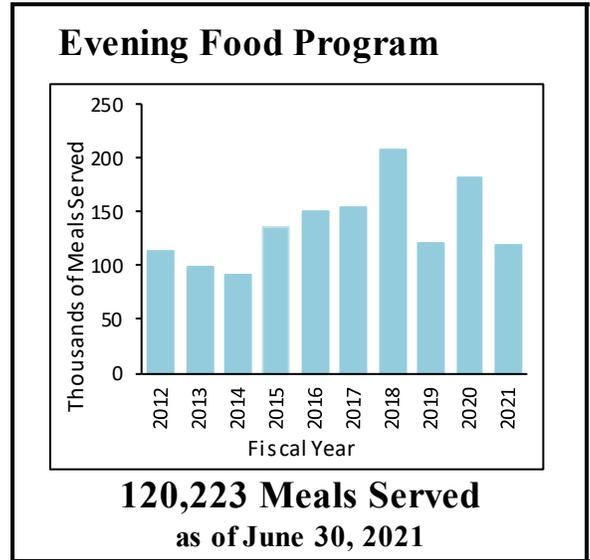
\*Data Unavailable: The YCD Program Career Pathway Track will begin during the fall of 2022, as it coincides with the beginning of the academic year.

# DEPARTMENT OF PARKS & RECREATION

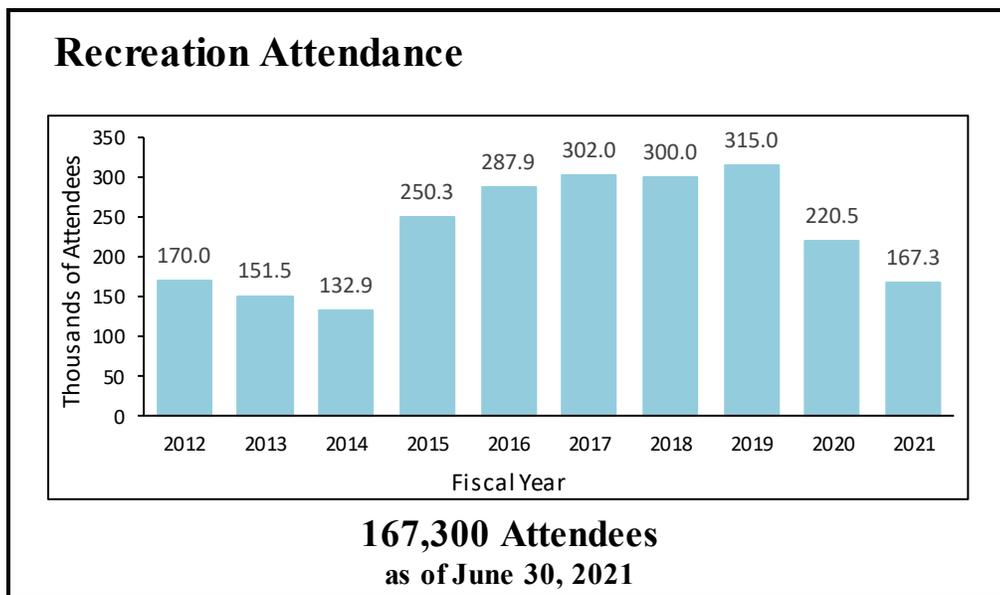
## Performance Trends



The Summer Food Program provides free meals for all children 18 years old and under during the summer months of June through August, when school is not in session. The increase in FY 2020 and 2021 is due to increased “grab and go” meal distribution sites that provided breakfast, lunch, or dinner for students during COVID-19.



The Child and Adult Care Food Program provides meals to childcare centers, adult day care centers, and day care homes during the months of September through May.



A variety of programs are offered to provide all citizens with recreational opportunities, including sports leagues, fitness activities, movies in the park, youth summer camps, and others. FY 2020 and 2021 declines are due to COVID-19.

**Department: Parks and Recreation**

**Fund: General**

<b>Personal Services</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
Regular Salaries	1,820,067	1,877,210	1,978,417	2,075,933	97,516	4.9%
Temporary Salaries	931,502	844,967	1,174,029	1,194,651	20,622	1.8%
Acting Out Of Classification	666	5,716	1,000	1,000	0	0.0%
Sick Leave Bonus	2,550	3,400	1,800	1,800	0	0.0%
Overtime	152,439	141,903	132,406	140,406	8,000	6.0%
Meal Allowance	3,873	4,581	4,000	4,000	0	0.0%
Clothing Allowance	1,750	2,500	2,000	2,000	0	0.0%
Health Cash Back	2,160	1,440	4,800	0	(4,800)	-100.0%
Pension Contribution	271,923	256,235	284,572	306,722	22,150	7.8%
Social Security	176,070	177,968	197,865	204,921	7,056	3.6%
Medicare Tax	41,177	41,133	46,273	47,925	1,652	3.6%
Hospitalization	634,922	603,508	643,034	744,067	101,033	15.7%
Life Insurance	6,953	8,003	9,200	9,351	151	1.6%
Pension Healthcare	140,524	144,427	153,569	168,419	14,850	9.7%
State Pension Plan - Civilian	67,496	69,907	70,465	60,342	(10,123)	-14.4%
Attrition	0	0	(103,203)	(106,887)	(3,684)	3.6%
<b>Total Personal Services</b>	<b>4,254,072</b>	<b>4,182,898</b>	<b>4,600,227</b>	<b>4,854,650</b>	<b>254,423</b>	<b>5.5%</b>

<b>Materials, Supplies, and Equipment</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
Printing and Advertising	10,850	7,324	9,652	9,652	0	0.0%
Communications and Utilities	213,682	193,954	200,000	200,000	0	0.0%
Transportation	3,702	153	3,500	15,500	12,000	342.9%
Rentals	51,897	7,864	67,651	58,165	(9,486)	-14.0%
Contracted Maintenance	177,397	69,486	54,476	104,476	50,000	91.8%
Professional Fees	331,253	270,190	307,859	317,359	9,500	3.1%
Other Fees	29,648	24,214	57,776	57,776	0	0.0%
Memberships and Registrations	9,251	2,258	8,950	11,950	3,000	33.5%
Miscellaneous Services	274,151	238,723	303,880	304,405	525	0.2%
Office and General Supplies	13,414	12,191	15,544	14,544	(1,000)	-6.4%
Wearing Apparel and Safety	53,810	54,708	48,690	46,900	(1,790)	-3.7%
Misc. Mat., Supp., and Parts	150,045	135,429	151,456	155,866	4,410	2.9%
Petroleum and Chemicals	24,225	26,688	27,000	27,000	0	0.0%
Construction and Repairs	19,342	14,323	16,274	16,274	0	0.0%
Equipment	65,261	25,205	39,600	29,100	(10,500)	-26.5%
Community Activities	44,261	133,328	21,000	21,500	500	2.4%
<b>Total M.S.&amp;E.</b>	<b>1,472,189</b>	<b>1,216,038</b>	<b>1,333,308</b>	<b>1,390,467</b>	<b>57,159</b>	<b>4.3%</b>

<b>Internal Services</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
Administrative Services	591,737	634,977	652,676	672,255	19,579	3.0%
Self-Insurance	736,412	563,032	449,872	464,101	14,229	3.2%
<b>Total Internal Services</b>	<b>1,328,149</b>	<b>1,198,009</b>	<b>1,102,548</b>	<b>1,136,356</b>	<b>33,808</b>	<b>3.1%</b>

Department: Parks and Recreation

Fund: General

	Actual FY 2020	Actual FY 2021	Budget FY 2022	Budget FY 2023	\$ Change FY'23-'22	% Change FY'23-'22
<b>Debt Service</b>						
Principal Payments	1,036,073	575,052	1,215,017	1,272,706	57,689	4.7%
Interest Payments	745,504	606,529	1,234,764	1,105,278	(129,486)	-10.5%
<b>Total Debt Service</b>	<b>1,781,577</b>	<b>1,181,581</b>	<b>2,449,781</b>	<b>2,377,984</b>	<b>(71,797)</b>	<b>-2.9%</b>

	Actual FY 2020	Actual FY 2021	Budget FY 2022	Budget FY 2023	\$ Change FY'23-'22	% Change FY'23-'22
<b>General Fund</b>						
<b>Total</b>	<b>8,835,987</b>	<b>7,778,526</b>	<b>9,485,864</b>	<b>9,759,457</b>	<b>273,593</b>	<b>2.9%</b>

Department: Parks and Recreation

Fund: Parks Assistance

	Actual FY 2020	Actual FY 2021	Budget FY 2022	Budget FY 2023	\$ Change FY'23-'22	% Change FY'23-'22
<b>Personal Services</b>						
Regular Salaries	16,782	24,182	0	23,999	23,999	0.0%
Temporary Salaries	148,035	87,015	236,279	241,004	4,725	2.0%
Social Security	10,156	6,798	15,682	16,341	659	4.2%
Medicare Tax	2,381	1,589	3,669	3,822	153	4.2%
Hospitalization	5,826	9,162	0	8,700	8,700	0.0%
Life Insurance	81	95	0	96	96	0.0%
Pension Healthcare	934	1,580	0	1,701	1,701	0.0%
State Pension Plan - Civilian	1,086	1,706	0	1,332	1,332	0.0%
<b>Total Personal Services</b>	<b>185,281</b>	<b>132,127</b>	<b>255,630</b>	<b>296,995</b>	<b>41,365</b>	<b>16.2%</b>

	Actual FY 2020	Actual FY 2021	Budget FY 2022	Budget FY 2023	\$ Change FY'23-'22	% Change FY'23-'22
<b>Materials, Supplies, and Equipment</b>						
Transportation	3,519	0	12,778	13,034	256	2.0%
Rentals	10,538	10,328	5,381	5,489	108	2.0%
Professional Fees	67,208	91,500	0	0	0	0.0%
Miscellaneous Services	8,499	0	90,774	92,589	1,815	2.0%
Wearing Apparel and Safety	2,738	9,622	1,768	1,803	35	2.0%
Misc. Mat., Supp., and Parts	1,562,069	2,690,571	714,867	729,164	14,297	2.0%
Equipment	3,758	990	0	0	0	0.0%
<b>Total M.S.&amp;E.</b>	<b>1,658,329</b>	<b>2,803,011</b>	<b>825,568</b>	<b>842,079</b>	<b>16,511</b>	<b>2.0%</b>

	Actual FY 2020	Actual FY 2021	Budget FY 2022	Budget FY 2023	\$ Change FY'23-'22	% Change FY'23-'22
<b>Parks Assistance Fund</b>						
<b>Total</b>	<b>1,843,610</b>	<b>2,935,138</b>	<b>1,081,198</b>	<b>1,139,074</b>	<b>57,876</b>	<b>5.4%</b>

**Department: Parks and Recreation**

**Fund: Parks Trust**

<b>Personal Services</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
Regular Salaries	51,721	52,618	52,333	56,923	4,590	8.8%
Pension Contribution	14,275	14,535	16,121	17,760	1,639	10.2%
Social Security	2,968	3,018	3,066	3,266	200	6.5%
Medicare Tax	694	706	717	764	47	6.6%
Hospitalization	25,131	25,931	29,040	27,331	(1,709)	-5.9%
Life Insurance	243	241	240	240	0	0.0%
Pension Healthcare	3,058	3,660	3,878	4,253	375	9.7%
<b>Total Personal Services</b>	<b>98,090</b>	<b>100,709</b>	<b>105,395</b>	<b>110,537</b>	<b>5,142</b>	<b>4.9%</b>

<b>Materials, Supplies, and Equipment</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
Communications and Utilities	0	0	0	1,750	1,750	0.0%
<b>Total M.S.&amp;E.</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,750</b>	<b>1,750</b>	<b>0.0%</b>

<b>Internal Services</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
Self-Insurance	2,280	4,233	2,280	2,337	57	2.5%
<b>Total Internal Services</b>	<b>2,280</b>	<b>4,233</b>	<b>2,280</b>	<b>2,337</b>	<b>57</b>	<b>2.5%</b>

<b>Parks Trust Fund</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
<b>Total</b>	<b>100,370</b>	<b>104,942</b>	<b>107,675</b>	<b>114,624</b>	<b>6,949</b>	<b>6.5%</b>

**Department: Parks and Recreation**

**Fund: Workforce Investment Board (WIB)**

<b>Personal Services</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
Temporary Salaries	368,505	308,030	245,085	249,987	4,902	2.0%
Social Security	22,848	19,046	15,195	15,499	304	2.0%
Medicare Tax	5,347	4,457	3,554	3,625	71	2.0%
<b>Total Personal Services</b>	<b>396,700</b>	<b>331,533</b>	<b>263,834</b>	<b>269,111</b>	<b>5,277</b>	<b>2.0%</b>

<b>Workforce Investment Board (WIB)</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
<b>Total</b>	<b>396,700</b>	<b>331,533</b>	<b>263,834</b>	<b>269,111</b>	<b>5,277</b>	<b>2.0%</b>

# DEPARTMENT OF FIRE

The mission of the Fire Department is to create a safe environment and enhance quality of life by working in partnership with the citizens of Wilmington and by providing an effective and professional response to all man-made or natural hazards with well-trained emergency services personnel.

<b>PRIORITIES FOR FISCAL YEAR 2023</b>
<ul style="list-style-type: none"> <li>• Replace fire apparatus according to recommended replacement cycle.</li> <li>• Continue free smoke and carbon monoxide alarm programs for seniors and needy citizens.</li> <li>• Increase public education programs, targeting senior citizens and children.</li> <li>• Begin a recruit class any time uniformed staffing falls below 95% of authorized strength of 156 positions.</li> <li>• Continue the officer development program.</li> </ul>

## SUMMARY OF FUNDING FOR THE DEPARTMENT OF FIRE

<b>Total All Funds Fire Department*</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>Dollar Change FY'23-'22</b>	<b>Percent Change FY'23-'22</b>
Personal Services	22,771,423	23,587,309	22,777,746	23,103,206	325,460	1.4%
Materials, Supplies, and Equipment	791,905	639,137	954,055	1,170,496	216,441	22.7%
Internal Services	2,290,304	2,206,905	1,919,807	1,981,636	61,829	3.2%
Debt Service	1,222,300	845,840	1,377,254	1,479,778	102,524	7.4%
Total	27,075,932	27,279,191	27,028,862	27,735,116	706,254	2.6%
Staffing Levels	161.00	161.00	160.00	160.00	0.00	0.0%

<b>General Fund Fire Department</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>Dollar Change FY'23-'22</b>	<b>Percent Change FY'23-'22</b>
Personal Services	18,632,883	19,020,351	18,685,825	18,536,248	(149,577)	-0.8%
Materials, Supplies, and Equipment	781,257	528,396	752,686	969,127	216,441	28.8%
Internal Services	2,290,304	2,206,905	1,919,807	1,981,636	61,829	3.2%
Debt Service	1,222,300	845,840	1,377,254	1,479,778	102,524	7.4%
Total	22,926,744	22,601,492	22,735,572	22,966,789	231,217	1.0%
Staffing Levels	161.00	161.00	160.00	160.00	0.00	0.0%

\* Differs from Summary of All Funds Combined – Expenditures table on page 35 due to the inclusion of State Pension Contributions.

<b>State Pension Contribution Fire Department</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>Dollar Change FY'23-'22</b>	<b>Percent Change FY'23-'22</b>
Personal Services	4,091,921	4,566,958	4,091,921	4,566,958	475,037	11.6%
<b>Total</b>	<b>4,091,921</b>	<b>4,566,958</b>	<b>4,091,921</b>	<b>4,566,958</b>	<b>475,037</b>	<b>11.6%</b>
<b>Staffing Levels</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.0%</b>

<b>State Fire Grant Fire Department</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>Dollar Change FY'23-'22</b>	<b>Percent Change FY'23-'22</b>
Materials, Supplies, and Equipment	1,200	89,123	201,369	201,369	0	0.0%
<b>Total</b>	<b>1,200</b>	<b>89,123</b>	<b>201,369</b>	<b>201,369</b>	<b>0</b>	<b>0.0%</b>
<b>Staffing Levels</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.0%</b>

<b>Federal Emergency Management and Other Misc. Grants Fire Department</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>Dollar Change FY'23-'22</b>	<b>Percent Change FY'23-'22</b>
Personal Services	46,619	0	0	0	0	0.0%
Materials, Supplies, and Equipment	9,448	21,618	0	0	0	0.0%
<b>Total</b>	<b>56,067</b>	<b>21,618</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0%</b>
<b>Staffing Levels</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.0%</b>

## MAJOR FUNDING CHANGES FROM PRIOR YEAR

- Salaries and Wages are budgeted to increase by \$756,042. Regular Salaries are up \$374,682 as per the IAFF Local 1590 contract and mandatory step increases. In addition, Overtime has been increased by \$370,000 to better reflect prior year actuals and ensure minimum staffing requirements are met while avoiding the use of rolling bypass.
- Total Employee Benefits are down \$373,434. City-sponsored pensions are budgeted to decrease by \$483,069, due in large part to an increase of \$475,037 in State Pension Contribution passthrough (which acts as an offset to the City pension contribution requirements). In addition, the rate for the County and Municipal Police / Fire pension declined from FY 2022, for a savings of \$460,411.
- Travel and Subsistence includes an additional \$16,000 to cover offsite training at the Fire Department Instructors Conference (FDIC) and Fire Department Training Network (FDTN) conference, as well as an additional \$4,000 for Fire Marshal's Office training.
- Consultants declined by a net \$26,500. This is due in part to FY 2023 being an off-year for the biennial promotional exam (previously budgeted at \$45,000 in FY 2022). This decrease is partially offset by the addition of testing of new recruits at a cost of \$10,000.
- Registration Fees are budgeted to increase by \$70,320. \$31,820 of this increase is due to the cost of the rookie class hiring process, which was previously funded with a State grant. In addition, \$17,000 was added for biennial EMT certification renewal, and \$7,500 was added to provide additional driver training.
- Wearing Apparel and Safety is up \$100,873 across all lines. With State grant funding no longer available, costs related to the upcoming rookie class had to be absorbed by the General Fund, including \$91,476 for protective gear and \$11,000 for new uniforms.
- \$15,000 has been added to reinstitute the Fire Explorer Program, which had been temporarily deferred due to COVID. The Fire Explorer Program provides young men and women from the Wilmington with hands-on experience in the fire service.
- Debt Service costs increased by a net \$102,524 per the existing debt service schedule.

# DEPARTMENT OF FIRE

## Strategic Plan

The Wilmington Fire Department is a career, professional fire department established in 1921. The department currently maintains six engine companies, two ladder companies, and a marine fire fighting force. The department is divided into two functional divisions, each under the command of a Deputy Chief: the Operations Division and the Administrative Division.

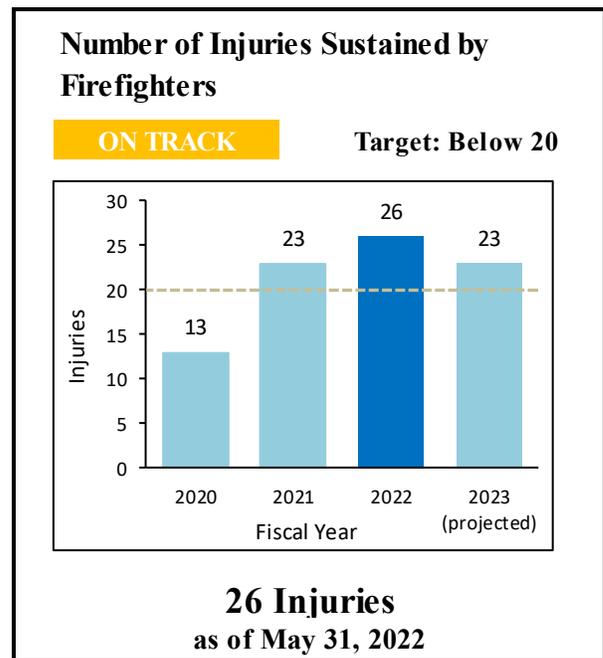
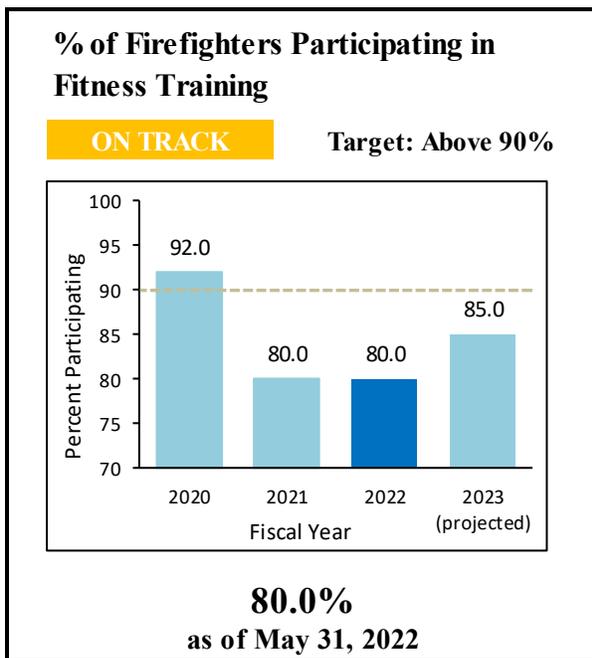
Department officials have shown their commitment to providing the best emergency services delivery through the promotion of implementation of National Fire Protection Agency standards, continuous training, active involvement with community associations, and implementation of a Customer Satisfaction Survey.

Current data for the goals and objectives listed below can be found on the Fire Department OpenGov story page at <http://bit.ly/WDe31OG>.

### Focus Area: Public Safety

#### **CITY-WIDE GOAL #7: Promote Professionalism.**

**Objective 1:** Implement a physical fitness training program for firefighters and reduce firefighter injuries. The Department is striving to promote professionalism and enhance public safety by ensuring that all firefighters are well trained and in peak physical condition. The implementation of a physical fitness program and an injury reduction program will help promote a healthy, well-prepared workforce while also reducing time off for sickness and injury.



# DEPARTMENT OF FIRE Strategic Plan

## Focus Area: Public Safety

### CITY-WIDE GOAL #7: Promote Professionalism.

**Objective 2:** Ensure all Battalion Chiefs, Captains and Lieutenants complete National Fire Protection Association (NFPA) Fire Officer I, II, and III designation.



\* Officer III training was first available in FY 2022.

# DEPARTMENT OF FIRE Strategic Plan

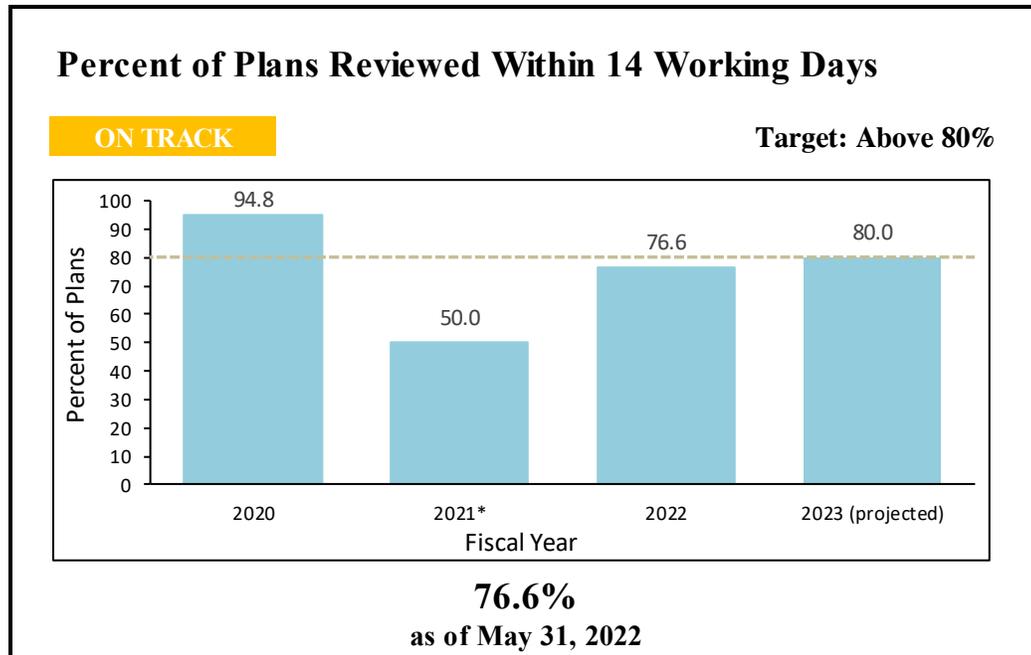
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## Focus Area: Economic Vitality

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### CITY-WIDE GOAL #9: Streamline Permitting Process.

**Objective 1:** Achieve and maintain a fourteen-working-day turnaround for the plan review permitting process.



Note: FY 2021 reviews were delayed due to the combined effects of COVID and the transition from in-house to external plan review.

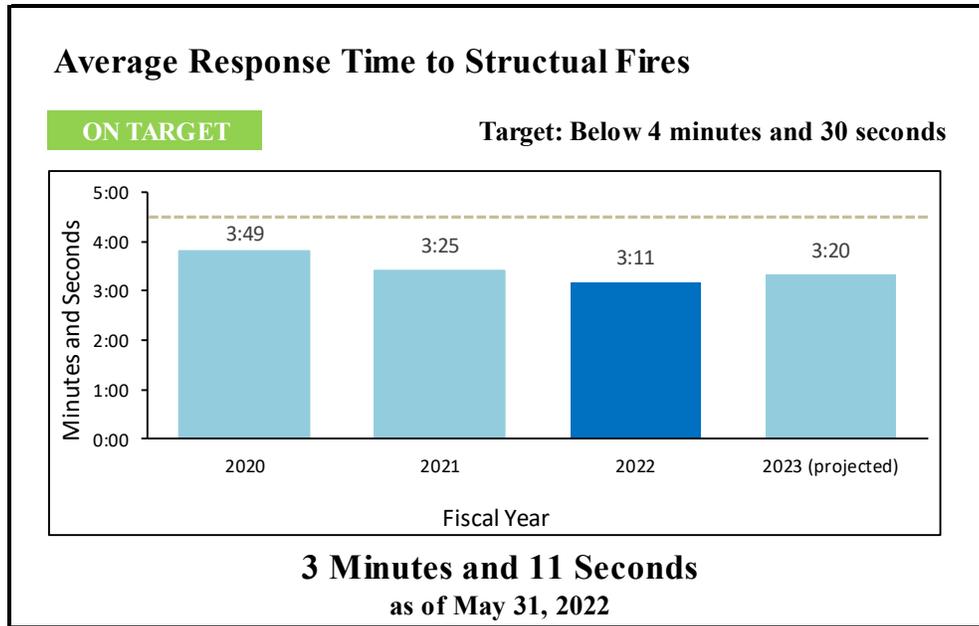
# DEPARTMENT OF FIRE

## Strategic Plan

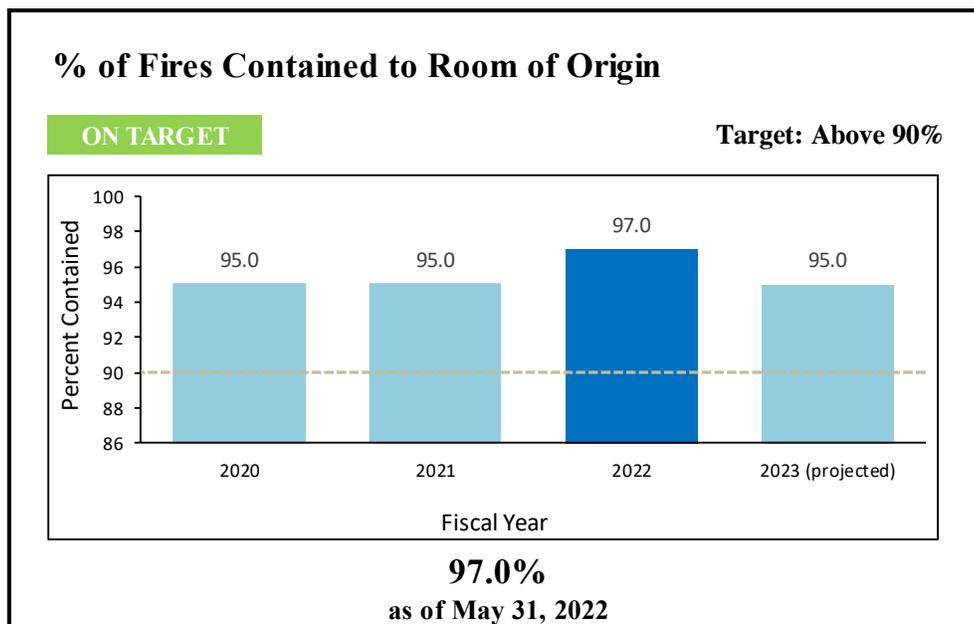
### Focus Area: Quality of Life

#### CITY-WIDE GOAL #15: Enhance City Services.

**Objective 1:** Achieve a response time from dispatch to arrival of four minutes for the first arriving unit per National Fire Protection Agency Standard 1710.



**Objective 2:** Keep at least 90% of structural fires to room of origin, which significantly reduces damage to the affected structure and adjoining properties.

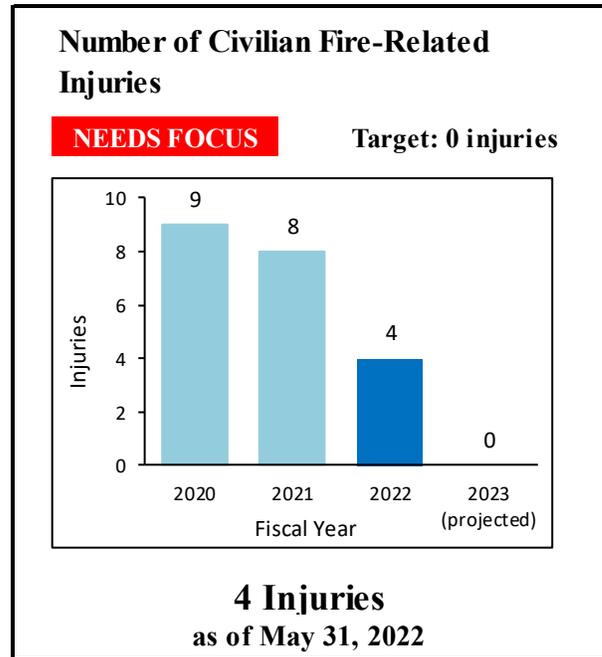
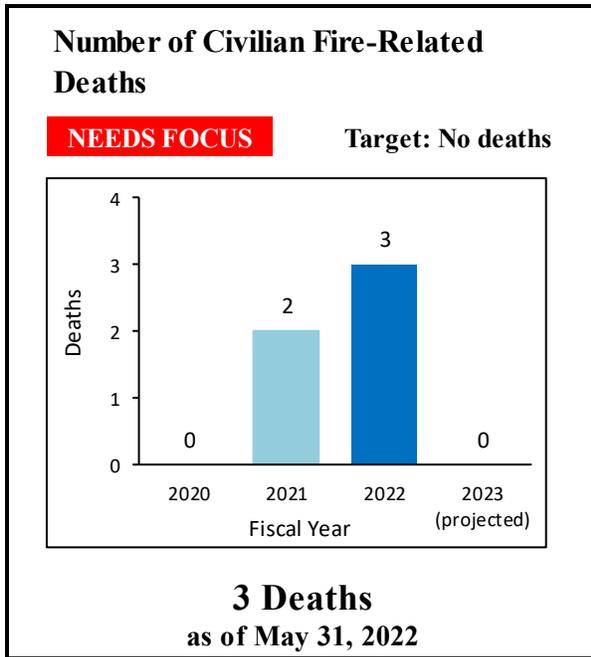


# DEPARTMENT OF FIRE Strategic Plan

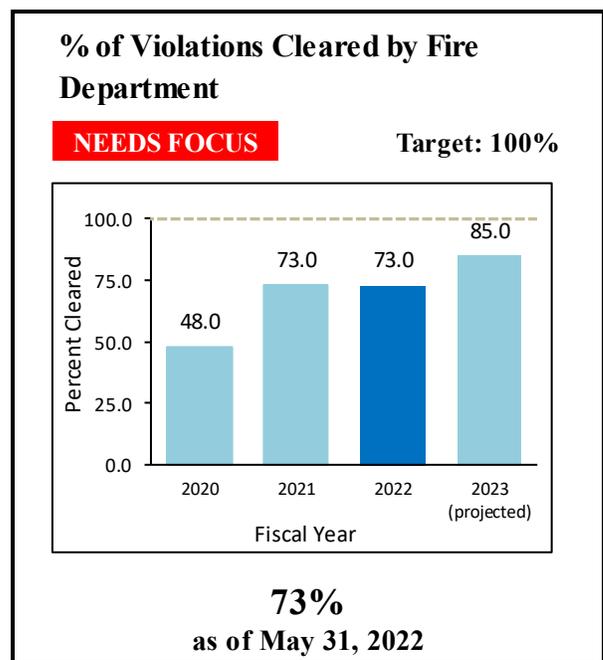
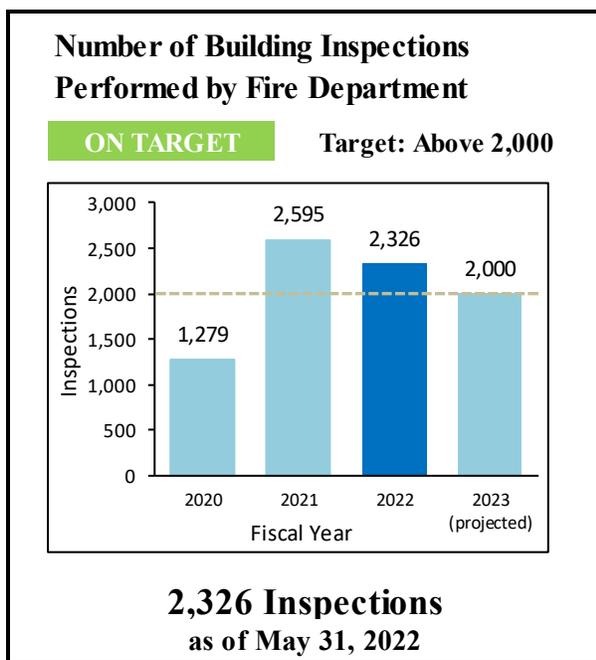
## Focus Area: Quality of Life

### CITY-WIDE GOAL #15: Enhance City Services.

**Objective 3:** Reduce civilian fire-related deaths and injuries to zero.



**Objective 4:** Increase building inspections and clear 100% of violations found during inspection.



# DEPARTMENT OF FIRE Strategic Plan

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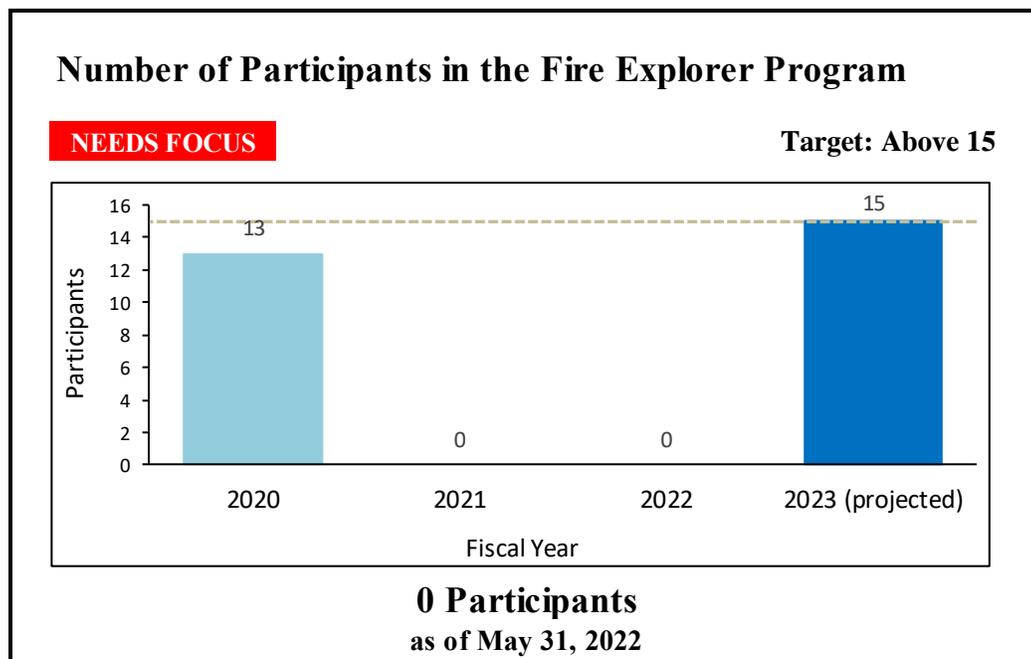
## Focus Area: Quality of Life

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### CITY-WIDE GOAL #16: Inspire Young People to Achieve Success.

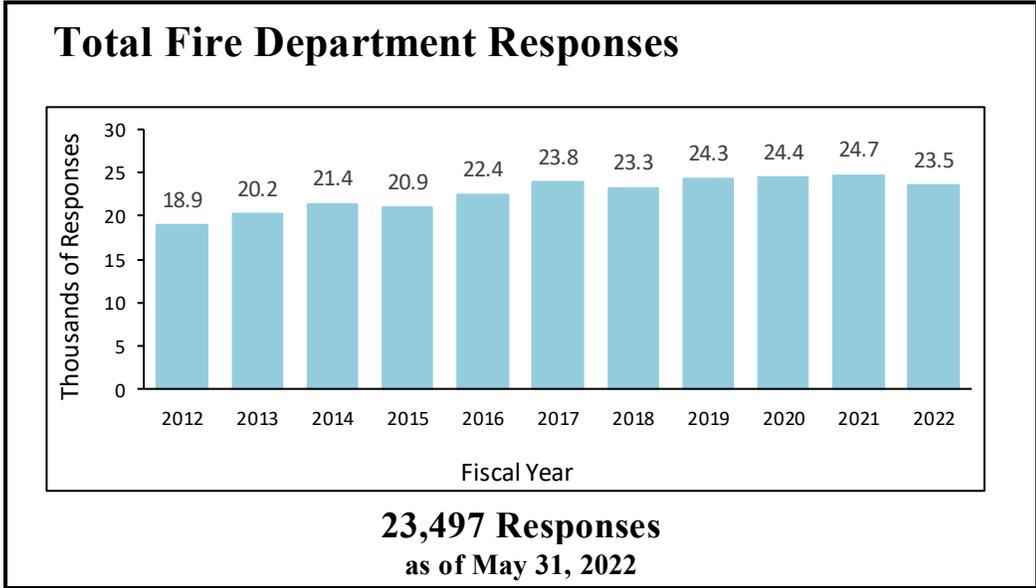
**Objective 1:** Increase involvement in the Fire Explorer program. Involving youth with the Explorer Program will assist young people ages 14-20 in choosing a career in the emergency services field. Six members of the Wilmington Fire Department Explorer Post 100 have been hired as Wilmington Firefighters over the past several years.

Note that for FY 2021 and FY 2022 the Fire Explorer program was temporarily deferred due to COVID-19, and is expected to be reinstated in FY 2023.

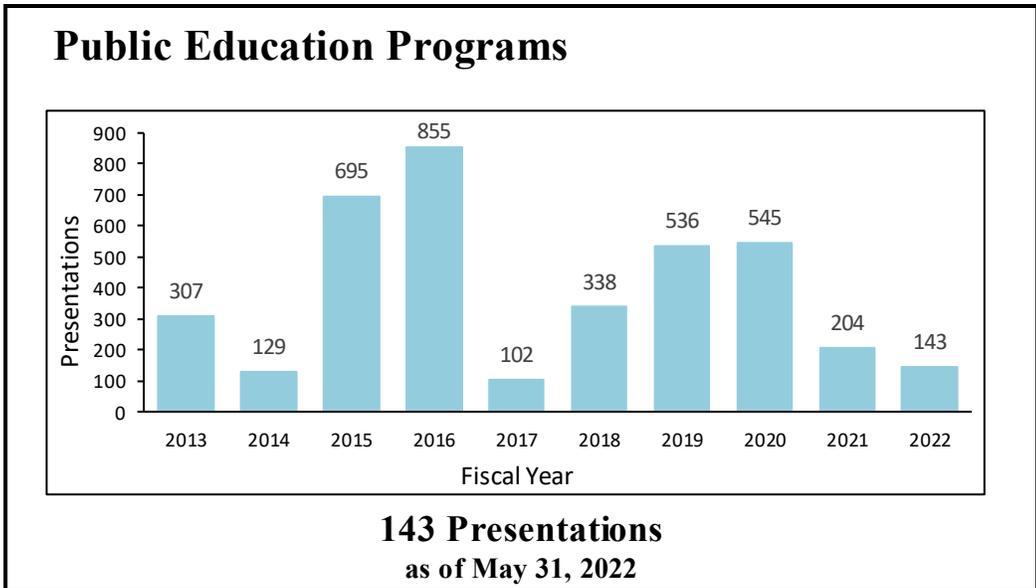


# DEPARTMENT OF FIRE

## Performance Trends



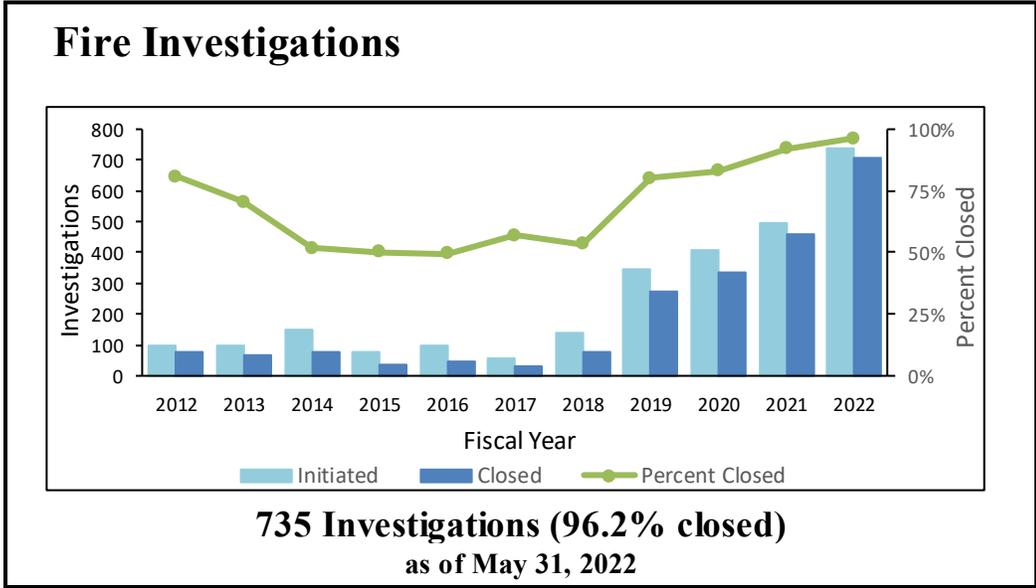
Total responses includes those for engine and ladder companies, rescue and ambulance units, and marine fire units.



Public education through group prevention presentations is one of the Department’s goals and contributes to fire safety. An Administration change temporarily resulted in fewer presentations in FY 2017. Public education programs were reduced in FY 2021 and FY 2022 due to COVID.

# DEPARTMENT OF FIRE

## Performance Trends



The Prevention Division is responsible for investigating fires to determine cause. The increases beginning in FY 2018 are due to additional training regarding when investigations should be initiated.

Department: Fire

Fund: General

<b>Personal Services</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
Regular Salaries	10,163,447	11,819,247	11,899,249	12,273,931	374,682	3.1%
Acting Out Of Classification	7,270	15,146	26,360	31,000	4,640	17.6%
Overtime	1,333,225	1,716,900	425,000	795,000	370,000	87.1%
Holiday Pay	70,745	24,536	28,600	28,600	0	0.0%
Special Events Overtime	442	18,696	0	0	0	0.0%
Clothing Allowance	0	73	0	0	0	0.0%
Health Cash Back	14,000	14,200	7,200	13,920	6,720	93.3%
Pension Contribution	1,471,646	(36,131)	658,807	175,738	(483,069)	-73.3%
Social Security	16,242	15,409	12,854	13,225	371	2.9%
Medicare Tax	154,346	229,496	167,080	182,391	15,311	9.2%
Hospitalization	3,372,920	2,827,232	3,118,935	3,139,002	20,067	0.6%
Life Insurance	37,793	37,913	38,640	38,400	(240)	-0.6%
State Pension Plan - Police/Fire	1,425,415	1,744,970	1,801,841	1,341,430	(460,411)	-25.6%
Pension Healthcare	556,738	588,616	620,480	680,480	60,000	9.7%
State Pension Plan - Civilian	8,654	4,048	3,797	3,297	(500)	-13.2%
Personal Services Adjustment	0	0	50,938	0	(50,938)	-100.0%
Attrition	0	0	(173,956)	(180,166)	(6,210)	3.6%
<b>Total Personal Services</b>	<b>18,632,883</b>	<b>19,020,351</b>	<b>18,685,825</b>	<b>18,536,248</b>	<b>(149,577)</b>	<b>-0.8%</b>

<b>Materials, Supplies, and Equipment</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
Printing and Advertising	1,163	6,208	656	8,880	8,224	1253.7%
Communications and Utilities	92,469	92,631	96,045	106,036	9,991	10.4%
Transportation	3,329	678	0	20,000	20,000	0.0%
Contracted Maintenance	75,966	95,294	120,000	124,000	4,000	3.3%
Professional Fees	76,782	99,265	207,000	180,500	(26,500)	-12.8%
Memberships and Registrations	50,773	31,910	38,105	109,900	71,795	188.4%
Miscellaneous Services	100,555	73,210	135,880	141,138	5,258	3.9%
Office and General Supplies	26,406	13,030	28,500	33,400	4,900	17.2%
Wearing Apparel and Safety	185,730	66,884	78,800	179,673	100,873	128.0%
Misc. Mat., Supp., and Parts	130,895	29,532	32,300	32,300	0	0.0%
Construction and Repairs	1,150	1,200	2,000	2,000	0	0.0%
Equipment	36,039	18,554	13,400	16,300	2,900	21.6%
Community Activities	0	0	0	15,000	15,000	0.0%
<b>Total M.S.&amp;E.</b>	<b>781,257</b>	<b>528,396</b>	<b>752,686</b>	<b>969,127</b>	<b>216,441</b>	<b>28.8%</b>

<b>Internal Services</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
Administrative Services	571,085	872,672	841,498	866,743	25,245	3.0%
Self-Insurance	1,719,219	1,334,233	1,078,309	1,114,893	36,584	3.4%
<b>Total Internal Services</b>	<b>2,290,304</b>	<b>2,206,905</b>	<b>1,919,807</b>	<b>1,981,636</b>	<b>61,829</b>	<b>3.2%</b>

<b>Debt Service</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
Principal Payments	738,138	474,226	821,037	989,764	168,727	20.6%
Interest Payments	484,162	371,614	556,217	490,014	(66,203)	-11.9%
<b>Total Debt Service</b>	<b>1,222,300</b>	<b>845,840</b>	<b>1,377,254</b>	<b>1,479,778</b>	<b>102,524</b>	<b>7.4%</b>

**Department: Fire**

**Fund: General**

<b>General Fund</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
<b>Total</b>	<b>22,926,744</b>	<b>22,601,492</b>	<b>22,735,572</b>	<b>22,966,789</b>	<b>231,217</b>	<b>1.0%</b>

**Department: Fire**

**Fund: State Pension Contributions**

<b>Personal Services</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
State Pension Contribution	4,091,921	4,566,958	4,091,921	4,566,958	475,037	11.6%
<b>Total Personal Services</b>	<b>4,091,921</b>	<b>4,566,958</b>	<b>4,091,921</b>	<b>4,566,958</b>	<b>475,037</b>	<b>11.6%</b>

**Department: Fire**

**Fund: State Fire Grant**

<b>Materials, Supplies, and Equipment</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
Contracted Maintenance	0	0	8,568	8,568	0	0.0%
Professional Fees	0	0	2,292	2,292	0	0.0%
Memberships and Registrations	1,200	0	3,000	3,000	0	0.0%
Wearing Apparel and Safety	0	72,585	87,509	87,509	0	0.0%
Fixed Assets	0	16,538	100,000	100,000	0	0.0%
<b>Total M.S.&amp;E.</b>	<b>1,200</b>	<b>89,123</b>	<b>201,369</b>	<b>201,369</b>	<b>0</b>	<b>0.0%</b>

<b>State Fire Grant</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
<b>Total</b>	<b>1,200</b>	<b>89,123</b>	<b>201,369</b>	<b>201,369</b>	<b>0</b>	<b>0.0%</b>

**Department: Fire**

**Fund: Federal Emergency Management  
And Other Miscellaneous Grants**

<b>Personal Services</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
Overtime	46,619	0	0	0	0	0.0%
<b>Total Personal Services</b>	<b>46,619</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0%</b>

<b>Materials, Supplies, and Equipment</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
Transportation	0	3,121	0	0	0	0.0%
Contracted Maintenance	9,448	18,497	0	0	0	0.0%
<b>Total M.S.&amp;E.</b>	<b>9,448</b>	<b>21,618</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0%</b>

<b>Federal Emergency Management and Other Misc. Grants</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
<b>Total</b>	<b>56,067</b>	<b>21,618</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0%</b>

# DEPARTMENT OF POLICE

The mission of the Police Department is to work in partnership with our fellow citizens, raise the level of public safety through law enforcement, and thereby reduce the fear and instance of crime. To achieve this, the Department will promote trust between the people and those responsible for their public safety, recognizing and communicating that it is everybody’s responsibility to protect and respect all individuals.

<b>PRIORITIES FOR FISCAL YEAR 2023</b>	
•	Reduce crime and shooting incidents.
•	Continue to enhance public trust through police legitimacy and procedural justice.
•	Improve performance through organizational discipline, accountability, communication, and personnel training and development.
•	Maintain a heightened state of awareness and preparedness while working with our State and Federal partners.

## SUMMARY OF FUNDING FOR THE DEPARTMENT OF POLICE

<b>Total All Funds Police*</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>Dollar Change FY'23-'22</b>	<b>Percent Change FY'23-'22</b>
Personal Services	52,767,467	53,244,515	53,317,144	55,180,308	1,863,164	3.5%
Materials, Supplies, and Equipment	3,238,116	2,954,964	3,345,877	3,504,699	158,822	4.7%
Internal Services	6,261,235	5,273,097	5,156,869	5,369,469	212,600	4.1%
Debt Service	262,409	129,084	200,380	238,837	38,457	19.2%
<b>Total</b>	<b>62,529,227</b>	<b>61,601,660</b>	<b>62,020,270</b>	<b>64,293,313</b>	<b>2,273,043</b>	<b>3.7%</b>
<b>Staffing Levels</b>	<b>380.00</b>	<b>379.00</b>	<b>380.00</b>	<b>373.00</b>	<b>(7.00)</b>	<b>-1.8%</b>

<b>General Fund Police</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>Dollar Change FY'23-'22</b>	<b>Percent Change FY'23-'22</b>
Personal Services	49,076,164	49,465,770	50,471,757	52,645,346	2,173,589	4.3%
Materials, Supplies, and Equipment	2,150,139	2,489,187	3,345,877	3,504,699	158,822	4.7%
Internal Services	6,261,235	5,273,097	5,156,869	5,369,469	212,600	4.1%
Debt Service	262,409	129,084	200,380	238,837	38,457	19.2%
<b>Total</b>	<b>57,749,947</b>	<b>57,357,138</b>	<b>59,174,883</b>	<b>61,758,351</b>	<b>2,583,468</b>	<b>4.4%</b>
<b>Staffing Levels</b>	<b>374.57</b>	<b>373.57</b>	<b>374.57</b>	<b>365.00</b>	<b>(9.57)</b>	<b>-2.6%</b>

\* Differs from Summary of All Funds Combined – Expenditures table on page 35 due to the inclusion of State Pension Contributions.

<b>State Pension Contribution Police</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>Dollar Change FY'23-'22</b>	<b>Percent Change FY'23-'22</b>
Personal Services	1,693,545	1,785,108	1,693,545	1,785,108	91,563	5.4%
<b>Total</b>	<b>1,693,545</b>	<b>1,785,108</b>	<b>1,693,545</b>	<b>1,785,108</b>	<b>91,563</b>	<b>5.4%</b>
<b>Staffing Levels</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.0%</b>

<b>SALLE and Other Special Grants Police</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>Dollar Change FY'23-'22</b>	<b>Percent Change FY'23-'22</b>
Personal Services	1,997,758	1,993,637	1,151,842	749,854	(401,988)	-34.9%
Materials, Supplies, and Equipment	1,087,977	465,777	0	0	0	0.0%
<b>Total</b>	<b>3,085,735</b>	<b>2,459,414</b>	<b>1,151,842</b>	<b>749,854</b>	<b>(401,988)</b>	<b>-34.9%</b>
<b>Staffing Levels</b>	<b>5.43</b>	<b>5.43</b>	<b>5.43</b>	<b>8.00</b>	<b>2.57</b>	<b>47.3%</b>

### MAJOR FUNDING CHANGES FROM PRIOR YEAR

- Relative to the FY 2022 budget, total Police Department staffing across all funds decreased by a net total of 7.00 FTE, for a net Personal Services savings of \$618,121. The General Fund decreased by 9.57 FTE, for a net savings of \$140,121. Uniformed staffing (authorized strength) decreased by seven, to 312 FTE. Major changes include:
  - Seven vacant patrol officer positions were eliminated in the General Fund, for a savings of \$618,121.
  - The six School Resource Officers (SRO), currently split funded between the General and Special Funds, have been reallocated to be 100% Special Fund, better reflecting actual costs and school-provided revenues. As part of this reallocation, the General Fund absorbed the City-sponsored pension cost for one of the previously assigned SROs, resulting in a \$478,000 increase to the General Fund.
- Regular Salaries are budgeted to increase by \$2,293,549, exclusive of the position changes listed above. Approximately \$2.2 million of this increase is due to the effects of the new Police Rank and File contract, which took effect during FY 2022 but was not fully budgeted until FY 2023. In addition, the budget provides for a 2.0% cost-of-living adjustment (COLA) for other eligible employees, as well as mandatory step increases as appropriate.
- Combined Overtime costs are budgeted to increase by \$212,650. This includes a \$290,000 increase for regular Overtime and a \$61,000 decrease in Special Events – Overtime, and represents a reallocation of Overtime funding to better reflect historical actual spending.
- Total Employee Benefits are budgeted to increase by a net \$141,897. The largest element of this change is a \$964,214 decrease in the County and Municipal Police / Fire pension, as the required pension rate declined from 16.0% in FY 2022 to 11.3% in FY 2023. Offsetting this is a \$523,903 increase in Hospitalization, and a net \$359,439 increase in the City-sponsored Pension Contribution (due largely to the SRO reallocation mentioned above).

**MAJOR FUNDING CHANGES FROM PRIOR YEAR  
(CONTINUED)**

- A Police Cadet Program has been added at a total cost of \$100,000, split between \$75,000 in Temporary Salaries and \$25,000 for Uniforms and Related Equipment. The Police Cadet Program is a police apprenticeship program that provides qualified young men and women a chance to gain valuable experience by working directly with members of the community as well as with sworn officers of the Wilmington Police Department.
- Consultants costs are budgeted to decrease by a net \$103,000, as FY 2023 is an off-year for the biennial promotional process (previously budgeted at \$105,000 in FY 2022).
- Contracted Maintenance Services declined by a net \$40,428. The largest component of this change is the removal of \$185,000 previously budgeted in FY 2022 for the upgrade of the Public Safety Building security camera system. Partially offsetting this are a \$31,000 increase to the Advantech/Harmony maintenance agreement, an \$87,612 contractual increase to the five-year Axon body camera contract, and a variety of other smaller contractual increases.
- Uniforms and Related Equipment increased by \$144,410, excluding the costs of the Police Cadet Program. This includes an additional \$30,000 to replace body armor and outfit the upcoming academy class, a \$52,110 increase to the Axon taser contract, and \$50,000 to replace an expired bomb suit.
- The Equipment category increased by a combined total of \$75,400, including \$35,000 for replacement furniture in the Records Division and \$30,000 for an upgrade to 911 consoles and the CAD (computer aided dispatch) system.
- A variety of other lines have smaller changes: \$10,950 in additional Laboratory Fees for DUI and DNA testing; a \$10,000 increase to the Facilities Management Fees related to the Public Safety Building; an additional \$26,900 in Miscellaneous Supplies or Parts, mainly for crime scene investigation materials, UAV maintenance, and expanded hard drive storage for body camera data; and a net \$18,500 decrease in Ammunition costs.
- Debt Service costs increased by a net \$38,457 per the existing debt service schedule.

# DEPARTMENT OF POLICE

## Strategic Plan

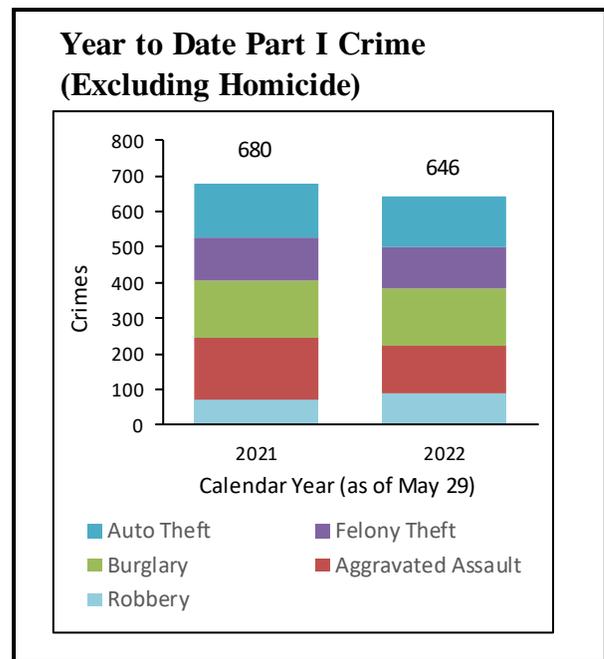
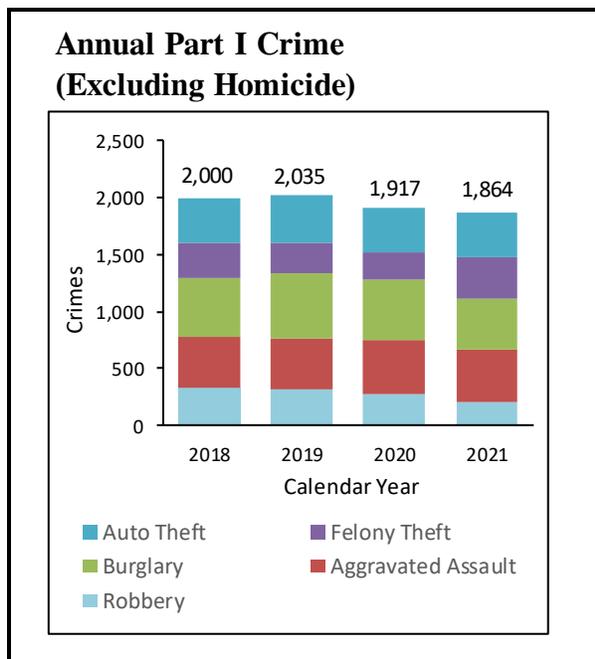
The Wilmington Police Department provides citizens with weekly data-driven performance measurements for the Wilmington Police Department via ComStat. This methodology, which has been used by the New York Police Department since 1994, allows the WPD to track data in near real-time, providing the department greater levels of accountability, focus, and follow-up. The data supports efficient, targeted policing across the city for all residents and visitors, is also used as a management tool for reducing crime, improving procedures and training, and providing greater transparency to the public and City officials.

Current data for the goals and objectives listed below can be found on the Police Department OpenGov story page at <http://bit.ly/WDe32OG>, along with the CompStat page at <http://bit.ly/WPDCCompStat>.

### Focus Area: Public Safety

#### **CITY-WIDE GOAL #5: Prevent and Deter Violent Crime.**

**Objective 1:** Reduce the number of Part I crimes committed in the City. As defined by the Uniform Crime Reporting (UCR) program, these are the most serious crimes, and include criminal homicide, rape, robbery, aggravated assault, burglary, larceny (felony) theft, and motor vehicle theft. Homicide is tracked separately as part of Objective 2 (see below).



Note: CompStat tracks and reports on a calendar year, rather than a fiscal year, basis.

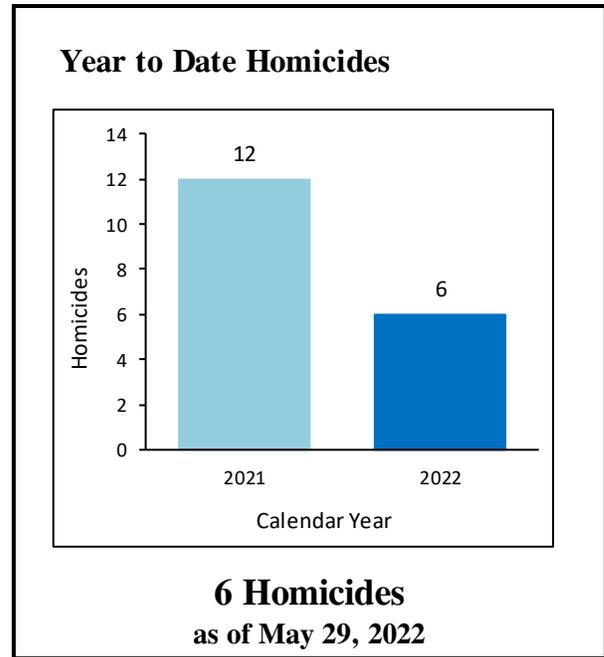
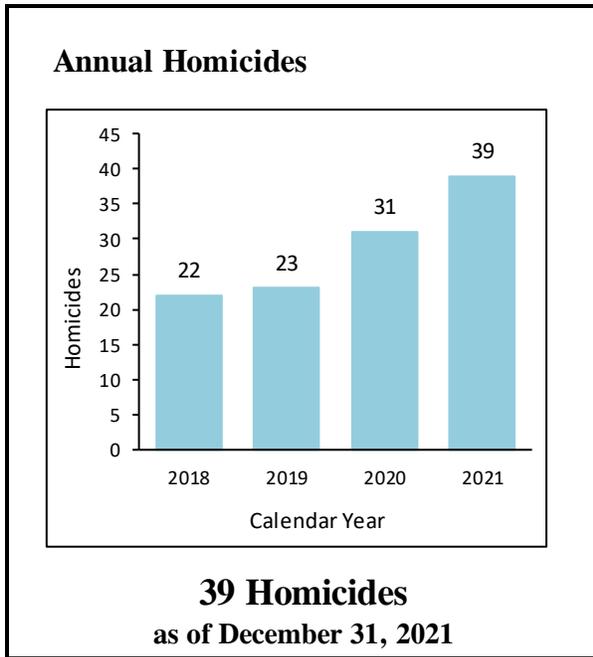
# DEPARTMENT OF POLICE

## Strategic Plan

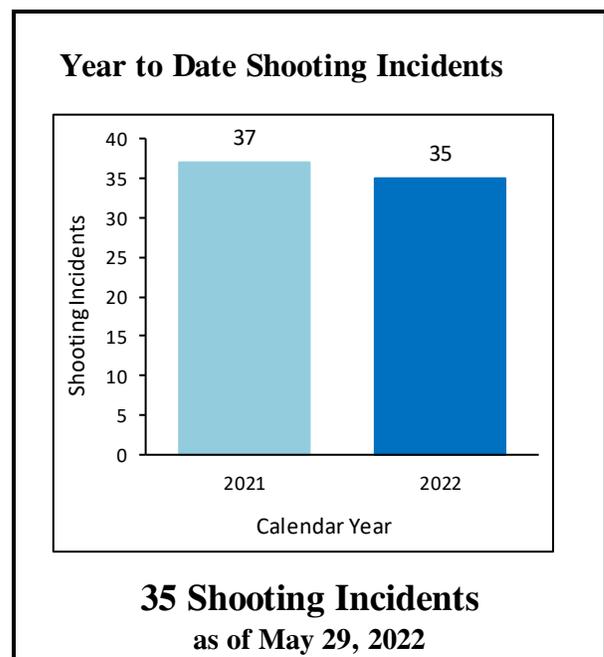
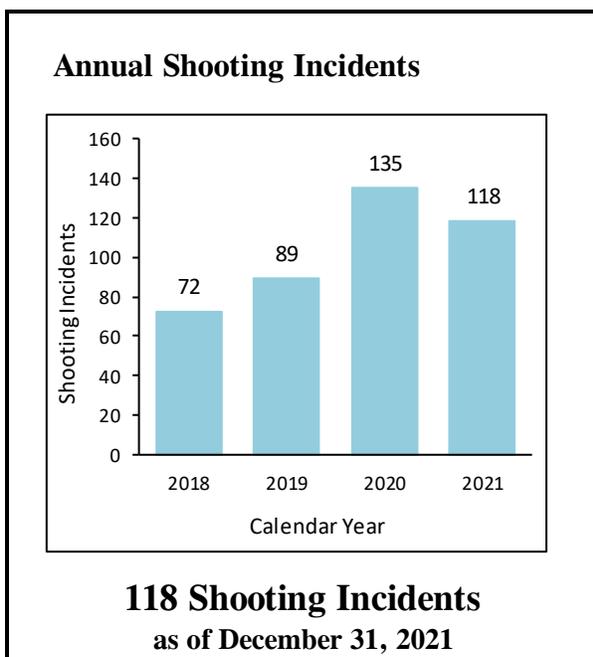
### Focus Area: Public Safety

#### **CITY-WIDE GOAL #5: Prevent and Deter Violent Crime.**

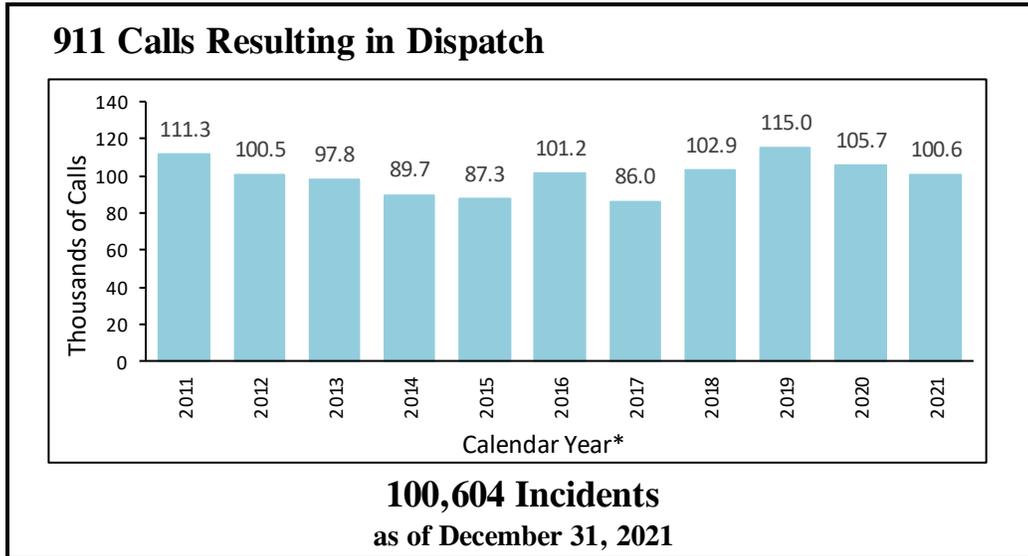
**Objective 2:** Reduce the number of homicides committed in the City.



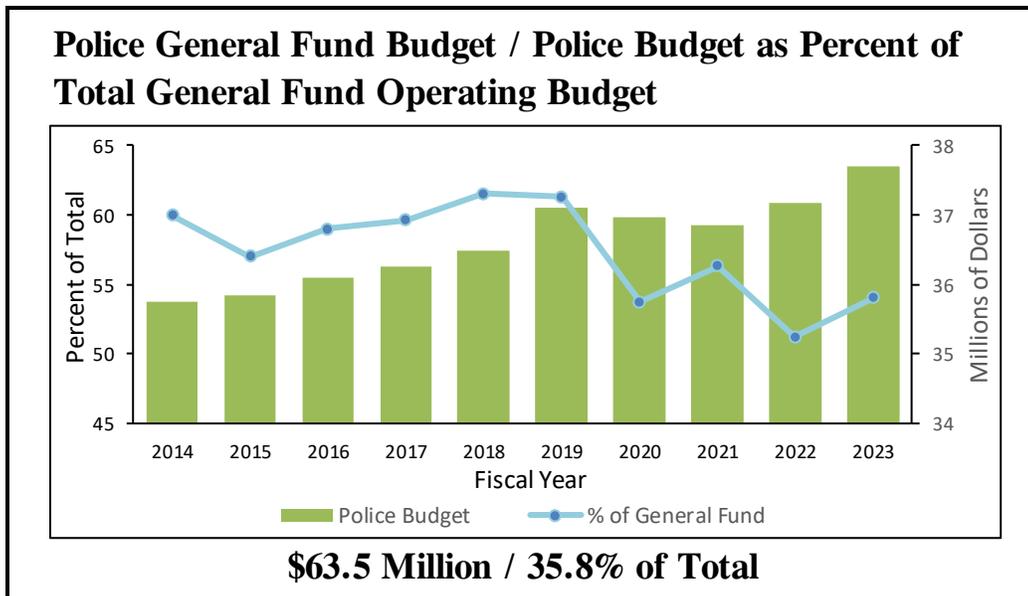
**Objective 3:** Reduce the number of shooting incidents committed in the City.



## DEPARTMENT OF POLICE Performance Trends



The total number of calls for Police services has declined over the last decade, though recent years have seen modest increases. With changes in policies and better screening techniques, the Department has reduced the number of calls for service resulting in dispatch, allowing for better use of available resources.



In FY 2023 the Police Department budget increased as a percent of total General Fund spending, with total Police spending up by nearly \$2.7 million, or 4.4%, over FY 2022. Excluding the Police Department, the General Fund is budgeted to be up \$1.5 million, or 1.3%. Note that the FY 2020 decrease was mainly due to the transfer of the Internal Service funds to the General Fund; exclusive of this, the Police Department would have been down slightly relative to FY 2019.

**Department: Police**

**Fund: General**

<b>Personal Services</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
Regular Salaries	26,639,143	27,057,225	28,946,597	30,844,761	1,898,164	6.6%
Temporary Salaries	318,492	245,541	497,250	572,250	75,000	15.1%
Acting Out Of Classification	(423)	1,749	2,500	2,500	0	0.0%
Shift Differential	33,029	28,791	39,000	37,750	(1,250)	-3.2%
Shooting Days	22,445	26,022	30,000	22,000	(8,000)	-26.7%
Sick Leave Bonus	2,500	2,700	3,000	3,000	0	0.0%
Overtime	1,943,356	2,067,388	1,708,000	1,998,000	290,000	17.0%
Comp Time Payouts	838,148	914,348	750,000	750,000	0	0.0%
Civilian Holiday Overtime	126,507	138,823	135,000	135,000	0	0.0%
Court Overtime	16,035	13,642	55,709	39,359	(16,350)	-29.3%
Special Events Overtime	631,514	544,183	667,000	606,000	(61,000)	-9.1%
Meal Allowance	19,204	18,927	21,100	21,100	0	0.0%
Clothing Allowance	82,344	79,617	76,500	76,500	0	0.0%
Health Cash Back	26,000	28,400	26,160	25,440	(720)	-2.8%
Pension Contribution	6,293,055	6,369,384	5,944,564	6,304,003	359,439	6.0%
Social Security	224,940	218,738	224,090	247,927	23,837	10.6%
Medicare Tax	443,841	572,543	460,543	482,301	21,758	4.7%
Hospitalization	6,241,568	5,835,354	6,101,975	6,625,878	523,903	8.6%
Life Insurance	76,831	85,826	89,880	87,600	(2,280)	-2.5%
State Pension Plan - Police/Fire	3,731,767	3,763,491	3,947,368	2,983,154	(964,214)	-24.4%
Pension Healthcare	1,277,726	1,363,217	1,452,582	1,552,345	99,763	6.9%
State Pension Plan - Civilian	88,142	89,861	93,373	81,501	(11,872)	-12.7%
Attrition	0	0	(800,434)	(853,023)	(52,589)	6.6%
<b>Total Personal Services</b>	<b>49,076,164</b>	<b>49,465,770</b>	<b>50,471,757</b>	<b>52,645,346</b>	<b>2,173,589</b>	<b>4.3%</b>

<b>Materials, Supplies, and Equipment</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
Printing and Advertising	18,770	22,346	22,500	28,500	6,000	26.7%
Communications and Utilities	155,817	95,408	171,940	173,940	2,000	1.2%
Transportation	8,549	1,989	12,500	16,500	4,000	32.0%
Rentals	69,064	50,521	57,416	60,416	3,000	5.2%
Contracted Maintenance	35,734	52,992	76,982	77,782	800	1.0%
Professional Fees	533,590	459,506	625,000	522,000	(103,000)	-16.5%
Other Fees	342,184	384,702	387,940	408,890	20,950	5.4%
Memberships and Registrations	38,284	44,935	59,940	68,240	8,300	13.8%
Miscellaneous Services	510,174	522,601	1,196,449	1,164,521	(31,928)	-2.7%
Office and General Supplies	70,079	78,791	98,200	93,880	(4,320)	-4.4%
Wearing Apparel and Safety	158,544	328,770	388,450	555,610	167,160	43.0%
Misc. Mat., Supp., and Parts	186,624	217,435	238,560	246,960	8,400	3.5%
Equipment	22,726	7,556	10,000	85,400	75,400	754.0%
Fixed Assets	0	221,635	0	2,060	2,060	0.0%
<b>Total M.S.&amp;E.</b>	<b>2,150,139</b>	<b>2,489,187</b>	<b>3,345,877</b>	<b>3,504,699</b>	<b>158,822</b>	<b>4.7%</b>

**Department: Police**

**Fund: General**

	Actual FY 2020	Actual FY 2021	Budget FY 2022	Budget FY 2023	\$ Change FY'23-'22	% Change FY'23-'22
<b>Internal Services</b>						
Administrative Services	2,535,017	2,400,688	2,847,238	2,932,655	85,417	3.0%
Self-Insurance	3,726,218	2,872,409	2,309,631	2,436,814	127,183	5.5%
<b>Total Internal Services</b>	<b>6,261,235</b>	<b>5,273,097</b>	<b>5,156,869</b>	<b>5,369,469</b>	<b>212,600</b>	<b>4.1%</b>

	Actual FY 2020	Actual FY 2021	Budget FY 2022	Budget FY 2023	\$ Change FY'23-'22	% Change FY'23-'22
<b>Debt Service</b>						
Principal Payments	173,186	63,401	127,826	176,161	48,335	37.8%
Interest Payments	89,223	65,683	72,554	62,676	(9,878)	-13.6%
<b>Total Debt Service</b>	<b>262,409</b>	<b>129,084</b>	<b>200,380</b>	<b>238,837</b>	<b>38,457</b>	<b>19.2%</b>

	Actual FY 2020	Actual FY 2021	Budget FY 2022	Budget FY 2023	\$ Change FY'23-'22	% Change FY'23-'22
<b>General Fund</b>						
<b>Total</b>	<b>57,749,947</b>	<b>57,357,138</b>	<b>59,174,883</b>	<b>61,758,351</b>	<b>2,583,468</b>	<b>4.4%</b>

**Department: Police**

**Fund: State Pension Contributions**

	Actual FY 2020	Actual FY 2021	Budget FY 2022	Budget FY 2023	\$ Change FY'23-'22	% Change FY'23-'22
<b>Personal Services</b>						
State Pension Contribution	1,693,545	1,785,108	1,693,545	1,785,108	91,563	5.4%
<b>Total Personal Services</b>	<b>1,693,545</b>	<b>1,785,108</b>	<b>1,693,545</b>	<b>1,785,108</b>	<b>91,563</b>	<b>5.4%</b>

**Department: Police**

**Fund: SALLE and Other Special Grants**

	Actual FY 2020	Actual FY 2021	Budget FY 2022	Budget FY 2023	\$ Change FY'23-'22	% Change FY'23-'22
<b>Personal Services</b>						
Regular Salaries	326,788	291,540	468,252	485,646	17,394	3.7%
Temporary Salaries	128,092	129,629	0	0	0	0.0%
Overtime	1,204,578	1,277,042	0	0	0	0.0%
Clothing Allowance	0	250	0	0	0	0.0%
Pension Contribution	159,800	106,824	471,722	0	(471,722)	-100.0%
Social Security	4,579	5,512	0	0	0	0.0%
Medicare Tax	20,114	11,943	6,483	6,718	235	3.6%
Hospitalization	80,730	102,402	125,272	166,474	41,202	32.9%
Life Insurance	11,148	1,266	1,304	1,920	616	47.2%
State Pension Plan - Police/Fire	42,503	52,375	57,751	55,072	(2,679)	-4.6%
Pension Healthcare	19,426	14,854	21,058	34,024	12,966	61.6%
<b>Total Personal Services</b>	<b>1,997,758</b>	<b>1,993,637</b>	<b>1,151,842</b>	<b>749,854</b>	<b>(401,988)</b>	<b>-34.9%</b>

**Department: Police**

**Fund: SALLE and Other Special Grants**

<b>Materials, Supplies, and Equipment</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
Communications and Utilities	3,307	3,405	0	0	0	0.0%
Transportation	63,048	(1,232)	0	0	0	0.0%
Rentals	38,117	41,679	0	0	0	0.0%
Contracted Maintenance	0	10,774	0	0	0	0.0%
Professional Fees	245,867	104,517	0	0	0	0.0%
Other Fees	0	9,885	0	0	0	0.0%
Memberships and Registrations	49,689	4,527	0	0	0	0.0%
Miscellaneous Services	41,040	74,444	0	0	0	0.0%
Wearing Apparel and Safety	57,828	89,340	0	0	0	0.0%
Misc. Mat., Supp., and Parts	18,937	25,459	0	0	0	0.0%
Equipment	55,743	66,429	0	0	0	0.0%
Fixed Assets	514,401	36,550	0	0	0	0.0%
<b>Total M.S.&amp;E.</b>	<b>1,087,977</b>	<b>465,777</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0%</b>

<b>SALLE and Other Special Grants</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
<b>Total</b>	<b>3,085,735</b>	<b>2,459,414</b>	<b>1,151,842</b>	<b>749,854</b>	<b>(401,988)</b>	<b>-34.9%</b>

# DEPARTMENT OF PUBLIC WORKS

The mission of the Department of Public Works is to operate and maintain infrastructure and facilities, provide superior services for our customers, and promote environmental sustainability.

The Department provides a wide array of services, including once a week recycling and once a week residential solid waste collection, treatment and distribution of high-quality drinking water, collection and treatment of sewage, storm water management, sweeping of all City streets, street paving and repairs, maintenance of traffic signs and signals, line striping, rodent control, snow removal, and maintenance of the City fleet and City properties.

## PRIORITIES FOR FISCAL YEAR 2023

- Continue implementation of Beautiful City Initiative.
- Comprehensive installation of LED street lighting through-out Wilmington for remaining Delmarva-owned lights.
- Increase contractor compliance with the Roadway Cut Management legislation.
- Continue Street Paving and Reconstruction and ADA Curb Ramp Installation.
- Continue to optimize Co-Generation and Sludge Processing Facilities as part of the new OMI WWTP O&M contract.
- Construct the South Wilmington sewer separation project to divert stormwater flows to the SWWP.
- Continue implementation of GIS and CityWorks programs with focus on Computerized Maintenance Management.
- Complete upgrades to air scour at Porter Filter Plant.
- Complete upgrades to Pump #2 at Brandywine Pumping Station.
- Implement regulatory requirements for developing a Backflow/Cross Connection Prevention Program and Lead Service Line Inventory.
- Continue hydrant testing and rehabilitation program and valve exercising and repair program.
- Continue SRF funded small main replacement projects throughout the water district.
- Continue SRF funded transmission main improvements throughout the water district.
- Complete parking meter technology upgrades in cooperation with Finance Department.
- Procure new multi-space parking meters for downtown and additional single space meters elsewhere.
- Continue program of repairing and painting elevated water storage tanks.
- Continue program of testing and replacing small and large water meters.
- Implement suggestions to adjust special pickup/bulk pickup of MSW.
- Design and implement green infrastructure program on City owned properties.
- Expand city's urban tree canopy.

## SUMMARY OF FUNDING FOR THE DEPARTMENT OF PUBLIC WORKS

<b>Total All Funds Public Works*</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>Dollar Change FY'23-'22</b>	<b>Percent Change FY'23-'22</b>
Personal Services	17,990,242	17,564,044	19,181,614	19,992,933	811,319	4.2%
Materials, Supplies, and Equipment	62,210,677	61,303,296	63,376,014	66,856,809	3,480,795	5.5%
Internal Services	6,374,251	5,696,808	5,327,974	5,487,280	159,306	3.0%
Debt Service	10,847,736	9,268,017	12,321,297	11,938,636	(382,661)	-3.1%
Other / Special Purpose	9,228,186	10,519,259	9,303,095	8,985,443	(317,652)	-3.4%
<b>Total</b>	<b>106,651,092</b>	<b>104,351,424</b>	<b>109,509,994</b>	<b>113,261,101</b>	<b>3,751,107</b>	<b>3.4%</b>
<b>Staffing Levels</b>	<b>223.00</b>	<b>225.00</b>	<b>225.00</b>	<b>224.00</b>	<b>(1.00)</b>	<b>-0.4%</b>

<b>General Fund Public Works</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>Dollar Change FY'23-'22</b>	<b>Percent Change FY'23-'22</b>
Personal Services	9,034,223	9,146,568	9,756,766	10,286,495	529,729	5.4%
Materials, Supplies, and Equipment	6,893,900	7,307,774	8,348,640	8,582,347	233,707	2.8%
Internal Services	3,651,670	3,263,560	3,462,694	3,566,433	103,739	3.0%
Debt Service	5,016,361	3,846,115	5,903,614	6,129,300	225,686	3.8%
<b>Total</b>	<b>24,596,154</b>	<b>23,564,017</b>	<b>27,471,714</b>	<b>28,564,575</b>	<b>1,092,861</b>	<b>4.0%</b>
<b>Staffing Levels</b>	<b>119.05</b>	<b>120.05</b>	<b>120.05</b>	<b>120.05</b>	<b>0.00</b>	<b>0.0%</b>

<b>Water/Sewer Fund Public Works</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>Dollar Change FY'23-'22</b>	<b>Percent Change FY'23-'22</b>
Personal Services	8,956,019	8,417,476	9,424,848	9,706,438	281,590	3.0%
Materials, Supplies, and Equipment	46,533,106	45,730,363	45,708,946	48,358,565	2,649,619	5.8%
Internal Services	2,158,975	1,813,784	1,615,587	1,664,505	48,918	3.0%
Debt Service	5,700,366	5,342,779	6,299,476	5,734,727	(564,749)	-9.0%
Other / Special Purpose	9,497,006	10,424,403	9,497,006	9,497,006	0	0.0%
<b>Total</b>	<b>72,845,472</b>	<b>71,728,805</b>	<b>72,545,863</b>	<b>74,961,241</b>	<b>2,415,378</b>	<b>3.3%</b>
<b>Staffing Levels</b>	<b>103.95</b>	<b>104.95</b>	<b>104.95</b>	<b>103.95</b>	<b>(1.00)</b>	<b>-1.0%</b>

<b>Motor Vehicle Fund Public Works</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>Dollar Change FY'23-'22</b>	<b>Percent Change FY'23-'22</b>
Materials, Supplies, and Equipment	7,523,063	7,244,237	8,095,768	8,699,267	603,499	7.5%
Internal Services	563,606	619,464	249,693	256,342	6,649	2.7%
Debt Service	131,009	79,123	118,207	74,609	(43,598)	-36.9%
Other / Special Purpose	(268,820)	94,856	(193,911)	(511,563)	(317,652)	163.8%
<b>Total</b>	<b>7,948,858</b>	<b>8,037,680</b>	<b>8,269,757</b>	<b>8,518,655</b>	<b>248,898</b>	<b>3.0%</b>
<b>Staffing Levels</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.0%</b>

\* Differs from Summary of All Funds Combined – Expenditures table on page 35 due to inclusion of Internal Service Funds.

<b>Municipal Street Aid Public Works</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>Dollar Change FY'23-'22</b>	<b>Percent Change FY'23-'22</b>
Materials, Supplies, and Equipment	1,260,608	1,020,922	1,222,660	1,216,630	(6,030)	-0.5%
<b>Total</b>	<b>1,260,608</b>	<b>1,020,922</b>	<b>1,222,660</b>	<b>1,216,630</b>	<b>(6,030)</b>	<b>-0.5%</b>
<b>Staffing Levels</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.0%</b>

**MAJOR FUNDING CHANGES FROM PRIOR YEAR  
GENERAL FUND**

- In Personal Services, two split-funded (50% General Fund and 50% Water/Sewer Fund) positions were deleted and replaced by two new positions with the same split-funded allocation. The two positions eliminated were Account Technician and Construction Inspector. A Utilities Facilities Program Administrator and Administrative Services Coordinator will replace the deleted positions. In addition, a vacant Signal Electrician was upgraded to a Senior Signal Electrician; a split-funded (25% General Fund and 75% Water/Sewer Fund) Administrative Assistant I was upgraded to an Administrative Assistant II, and the Administrative Coordinator (split-fund 50% with the Water/Sewer Fund) was upgraded to Special Assistant to the Public Works Commissioner. All the changes resulted in a net increase of \$14,558.
- Regular Salaries rose by \$261,456 due to employee anniversary step increases, a city-wide 2% cost of living adjustment, mandatory step increases for non-union classified employees, and mandatory annual reviews for executive and managerial employees. Hospitalization and Pensions healthcare increased by \$219,964 and \$45,022.
- Contracted Maintenance increased by \$79,164 due to the high maintenance cost to existing structures and increased CityWorks service requests.
- Recycle Bank Program increased by \$83,187 based on the Vision Software Solution for asset tracking. The city-wide municipal solid waste container program is heading into the fourth year of a five-year program.
- Xmas Lights & Other Decorations increased by \$18,000 due to Holiday decoration maintenance, storage, set-up/breakdown, tree ornaments, and pole decorations.
- \$27,500 from Roadway Markings was reallocated to Traffic Signs and Signals for Miscellaneous LEDs, Reflective Signs, and Signal Heads.
- Debt Service increased by \$225,686 according to the revised debt service schedule from the Accounting Division.

**MAJOR FUNDING CHANGES FROM PRIOR YEAR  
WATER/SEWER FUND**

- In Personal Services, five various vacant positions (two of which were split-funded 50% with the General Fund) were eliminated, and four positions (two of which are split-funded 50% with the General Fund) were added for a savings of \$68,175. In addition, a split-funded (75% Water/Sewer Fund and 25% General Fund) Administrative Assistant I was upgraded to an Administrative Assistant II; the Administrative Coordinator (split-funded 50% with the General Fund) was upgraded to Special Assistant to the Public Works Commissioner; a GIS Technical II was upgraded to a GIS Analyst II; and all eight Plant Operator IIIs were upgraded from Grade H to Grade J in the Local 320 union pay scale. The effect of the above-listed upgrades was an increase of \$18,161.
- Regular Salaries rose by \$203,613 due to employee anniversary step increases, a city-wide 2% COLA, mandatory step increases for non-union classified employees, and mandatory annual reviews for executive and managerial employees. Hospitalization and Pensions healthcare increased by \$57,776 and \$35,100.
- Combined, Repairs to Sewer Lines and Condition Assessment increased by \$440,000, reflecting emergency sewer line repairs, increased flood point inspections, additional footage of sewer pipes, and cleaning of sewer interceptors.
- Legal fees were increased 40% (from \$500,000 to \$700,000) to cover arbitration and legal proceedings against New Castle County (wastewater treatment contract), the Army Corps of Engineers (unpaid stormwater bills), and Honeywell (breach of contract regarding the renewable energy bio-solids facility).
- Consultant expenses increased by \$99,500 due to the need for on-call assistance for utility billing operations that include analytical support, benchmarking, and related services.
- Contract Maintenance Services increased by \$960,400. Nearly all of the increase is due to Jacobs's contract fee to operate and maintain the City's sewage treatment plant and manage the City's renewable energy bio-solids facility.
- Engineering Costs rose by \$209,000 due to replacing obsolete equipment at the Brandywine Membrane Plant, increased inspection and oversight at the WWTP, and continued consulting on local limits analysis.
- The current effects of COVID-19 have driven the prices of dozens of chemicals up by more than 100%. Some of the affected chemicals are used in the City's Porter and Brandywine filter plants for water treatment. In addition, new types of specialty chemicals are needed to clean the membranes at the Brandywine Plant. As a result, Bulk Chemicals increased by \$175,000.
- Agricultural and Landscaping increased by \$50,000 for park tree maintenance, tree removal, and emergency hazard mitigation for street trees.
- Due to low inventory to monument boxes, catch basins, and maintenance hole covers, Materials and Supplies for Roads increased by \$75,500 to replenish casting inventories.
- Indirect Cost charges increased by \$190,654, reflecting a budgeted increase in supporting services provided to the Water/Sewer Fund's utility functions by the General Fund.
- Total Debt Service decreased a \$564,749. Ongoing reconciliation by the City's auditors of the prorated debt service savings from the November 2020 bond refinancing has changed the debt service schedules.

**MAJOR FUNDING CHANGES FROM PRIOR YEAR  
MOTOR VEHICLE FUND**

- Repairs to Equipment decreased by \$48,000 due to the elimination of the initial one-time upgrade cost of the Fuelmaster system in FY 2022. Motor Vehicle will continue to pay a \$10,000 annual fee for the fuel management technology.
- Contracted Maintenance Services increased by \$66,152 due to the two-year fleet maintenance contract extension with First Vehicle Services.
- Motor Fuels & Lubricants increased by \$261,900, reflecting expected increases in unleaded gasoline and diesel fuel.
- Automotive Equipment increased by \$317,652, mainly driven by the expansion of specialized equipment in the Police Department. Additionally, Parks & Recreation added a small utility vehicle (SUV) to its fleet to assist with day-to-day operations in the Recreation Division.

# DEPARTMENT OF PUBLIC WORKS

## Strategic Plan

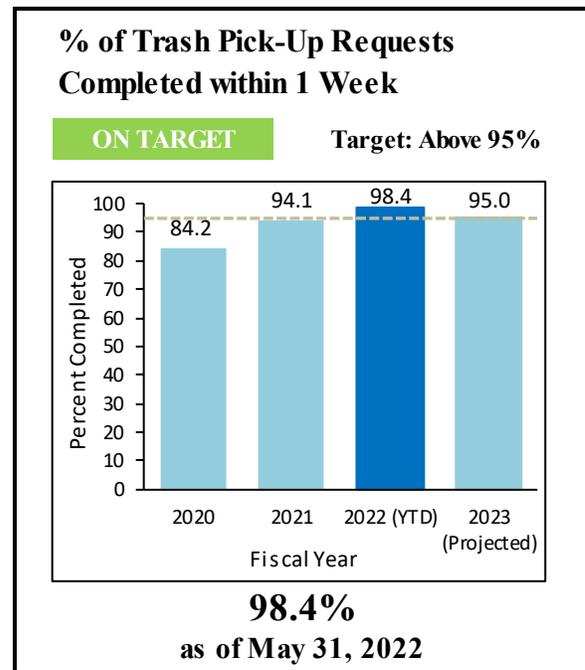
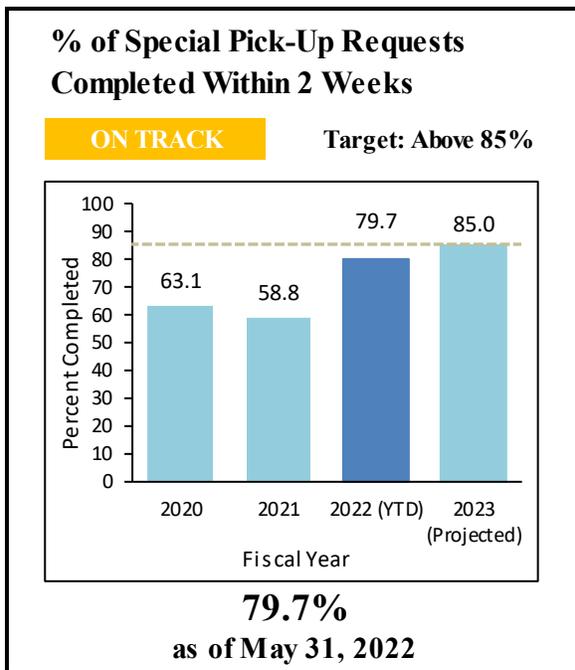
The Department of Public Works provides a wide array of important City services, including recycling and solid waste collection; treatment and distribution of high-quality drinking water; collection and treatment of sewage; storm water management; sweeping of all City streets; street paving and repairs; maintenance of traffic signs and signals; snow removal; and maintenance of the City fleet and City properties.

Current data for the goals and objectives listed below can be found on the Public Works OpenGov story page at <http://bit.ly/WDe22OG>.

### Focus Area: Effective City Government

#### **CITY-WIDE GOAL #1: Embrace a Culture of Service.**

**Objective 1:** Respond to All Service Requests Received by Constituents within the Time Frame Specified for Each Category Listed Below



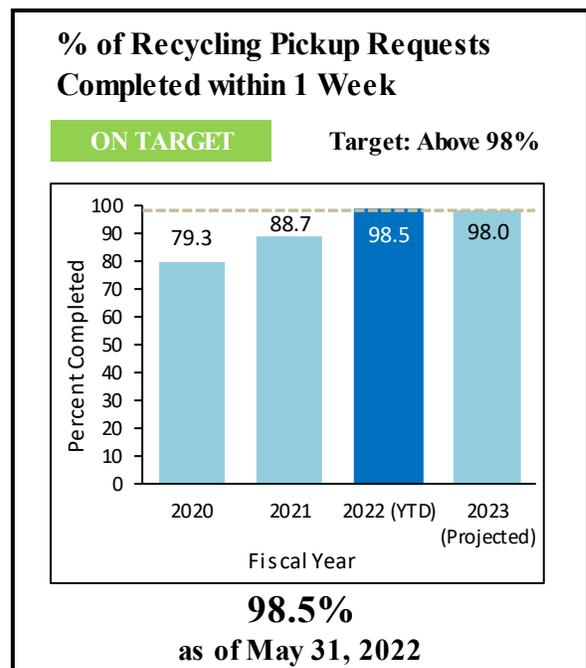
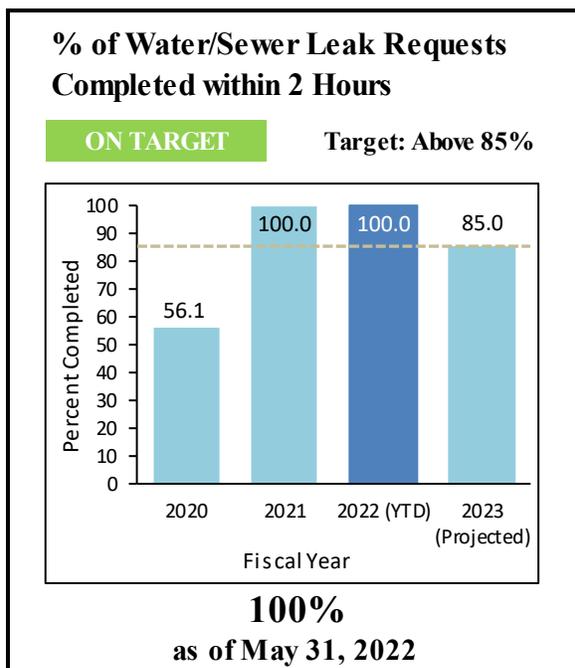
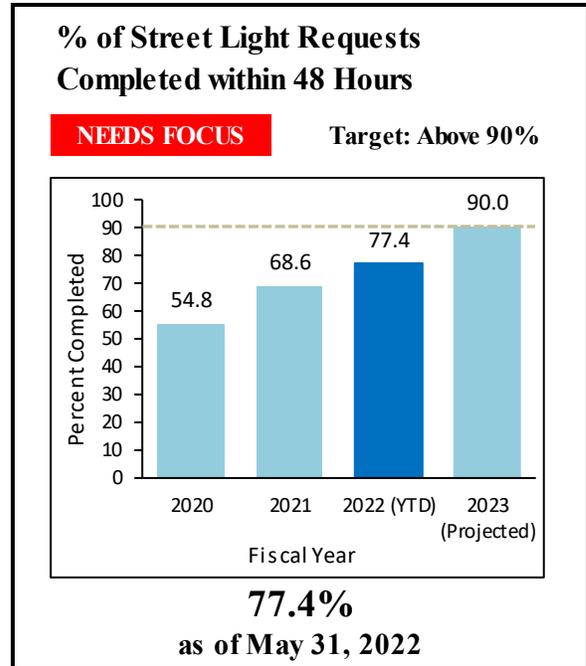
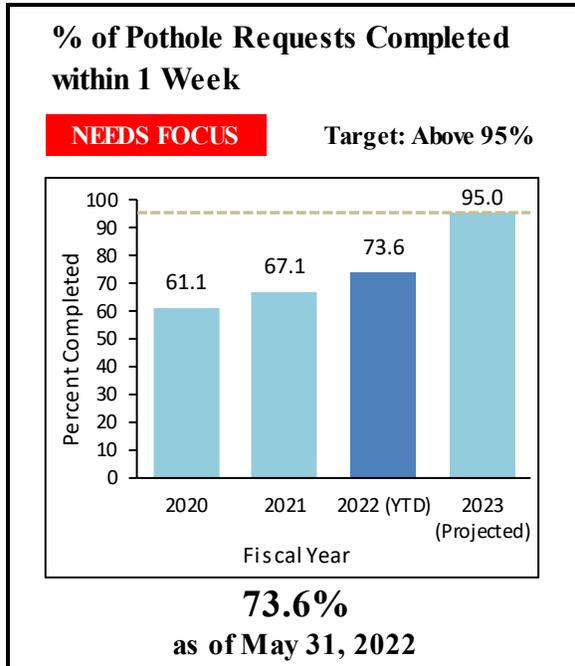
# DEPARTMENT OF PUBLIC WORKS

## Strategic Plan

### Focus Area: Effective City Government

**CITY-WIDE GOAL #1: Embrace a Culture of Service. (Cont'd)**

**Objective 1 (Cont'd):** Respond to All Service Requests Received by Constituents within the Time Frame Specified for Each Category Listed Below



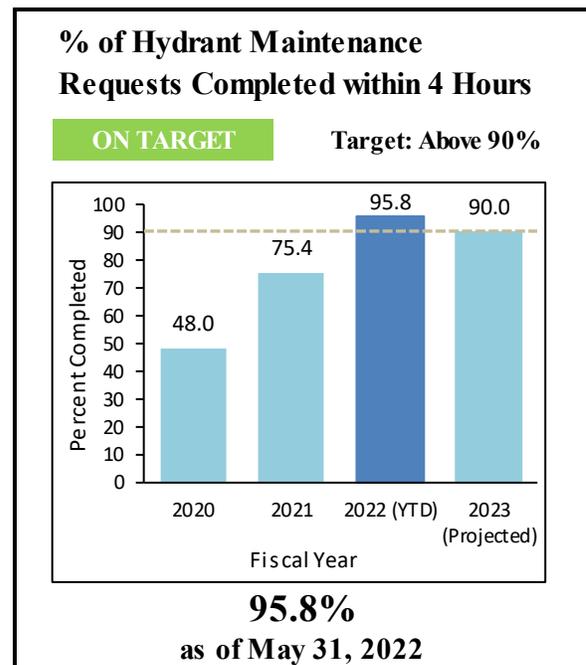
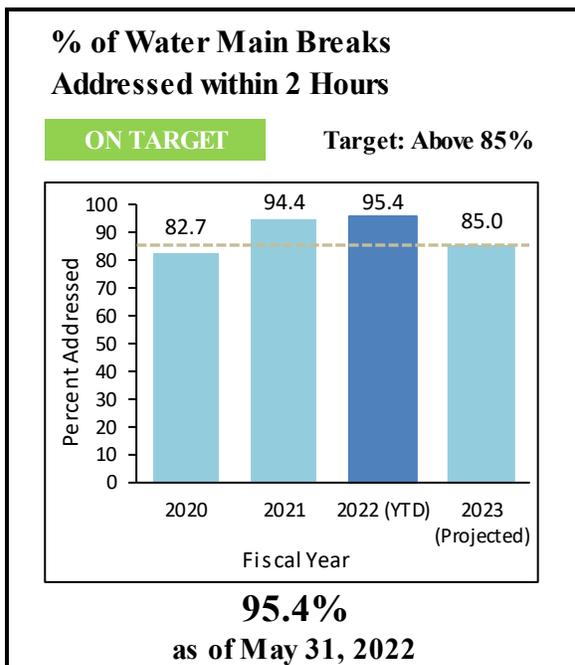
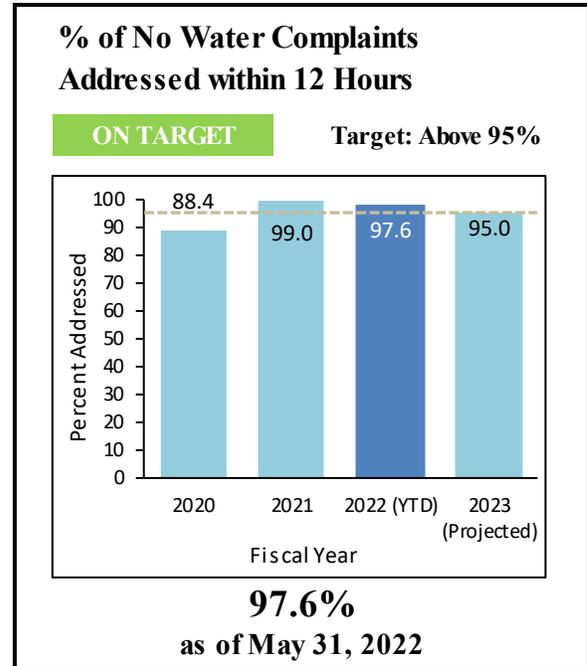
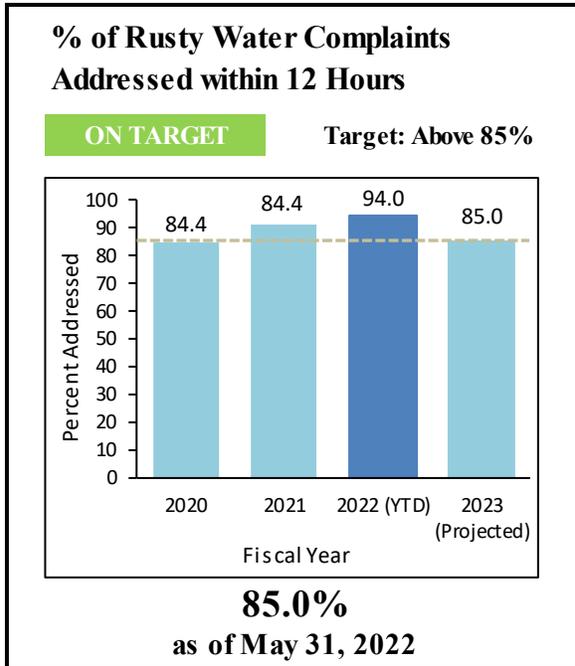
# DEPARTMENT OF PUBLIC WORKS

## Strategic Plan

### Focus Area: Effective City Government

**CITY-WIDE GOAL #1: Embrace a Culture of Service. (Cont'd)**

**Objective 1 (Cont'd):** Respond to All Service Requests Received by Constituents within the Time Frame Specified for Each Category Listed Below



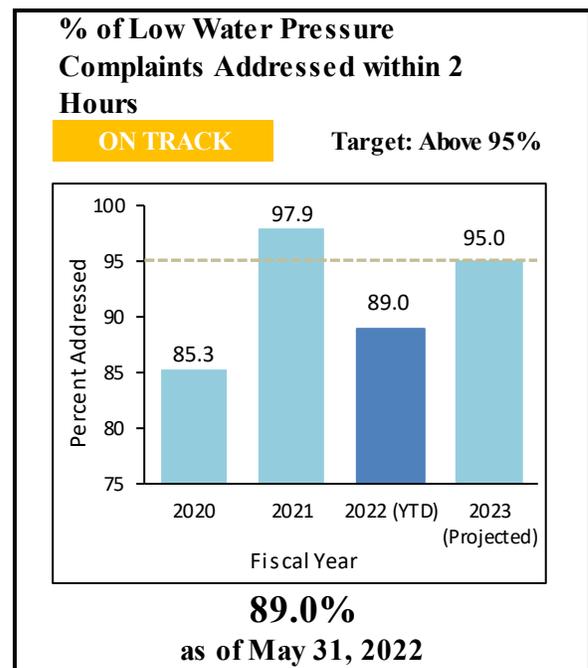
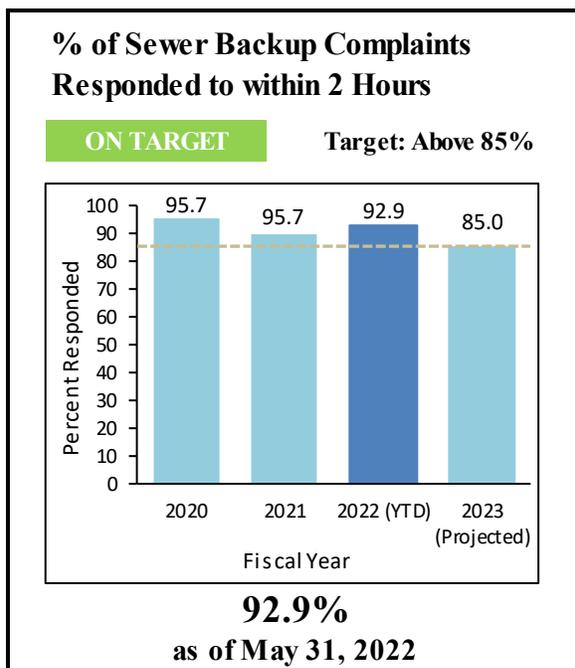
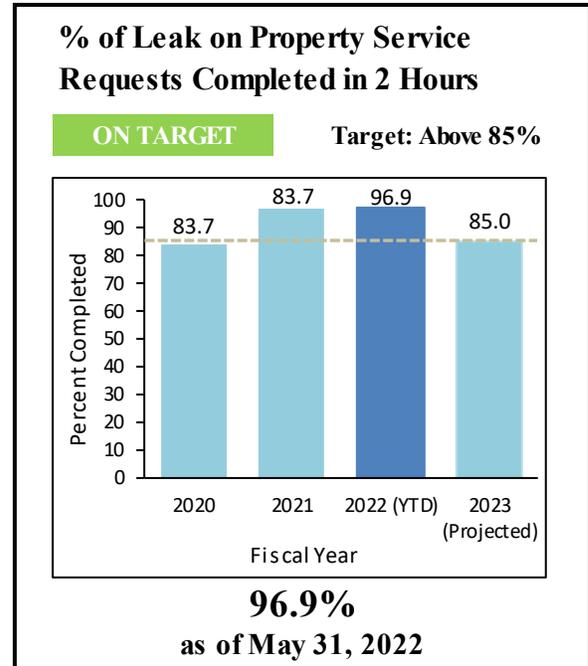
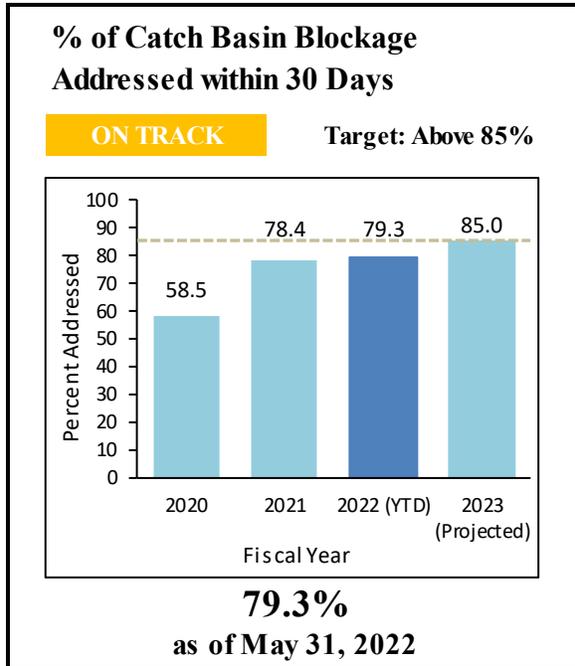
# DEPARTMENT OF PUBLIC WORKS

## Strategic Plan

### Focus Area: Effective City Government

**CITY-WIDE GOAL #1: Embrace a Culture of Service. (Cont'd)**

**Objective 1 (Cont'd):** Respond to All Service Requests Received by Constituents within the Time Frame Specified for Each Category Listed Below



# DEPARTMENT OF PUBLIC WORKS

## Strategic Plan

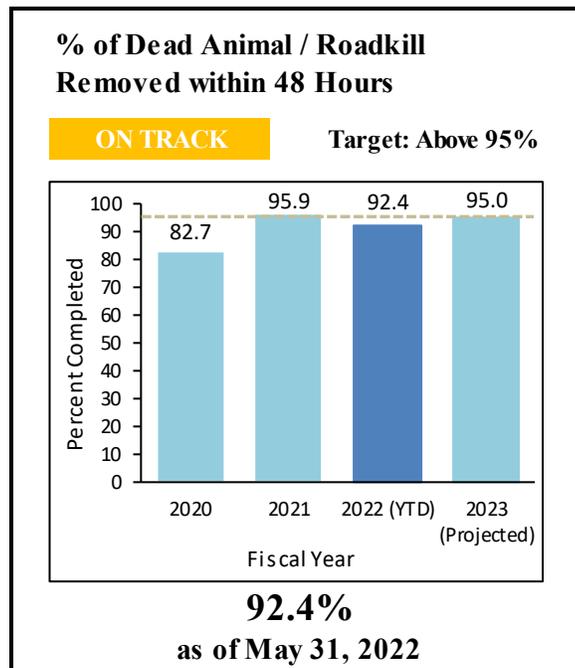
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### Focus Area: Effective City Government

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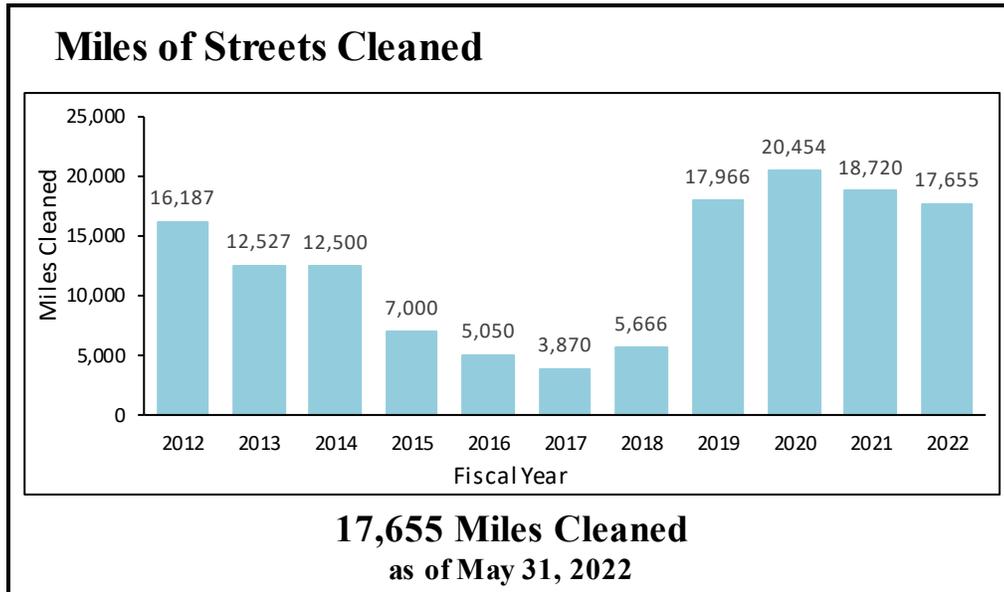
#### CITY-WIDE GOAL #1: Embrace a Culture of Service. (Cont'd)

**Objective 1 (Cont'd):** Respond to All Service Requests Received by Constituents within the Time Frame Specified for Each Category Listed Below

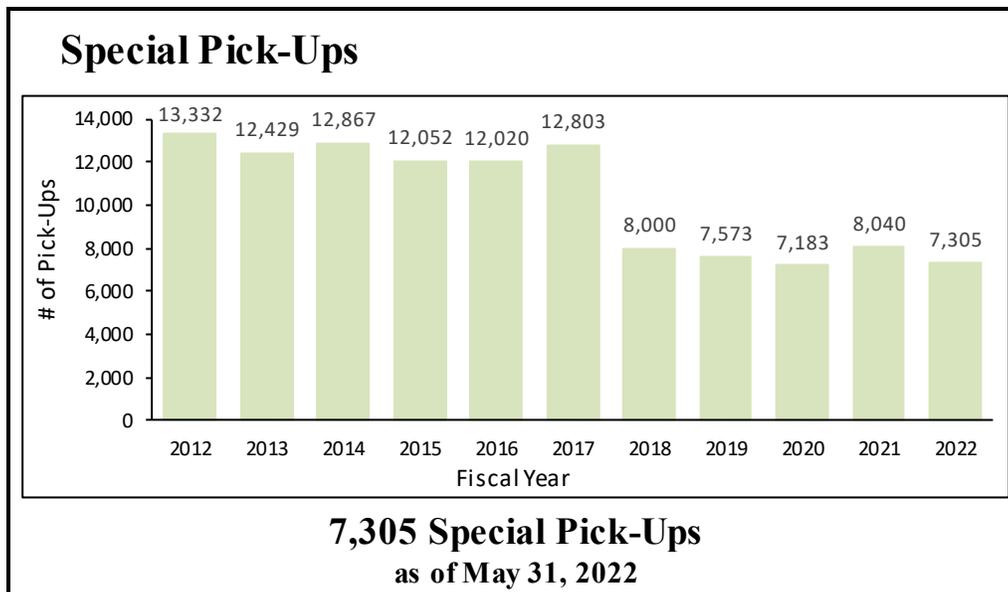


# DEPARTMENT OF PUBLIC WORKS

## Performance Trends



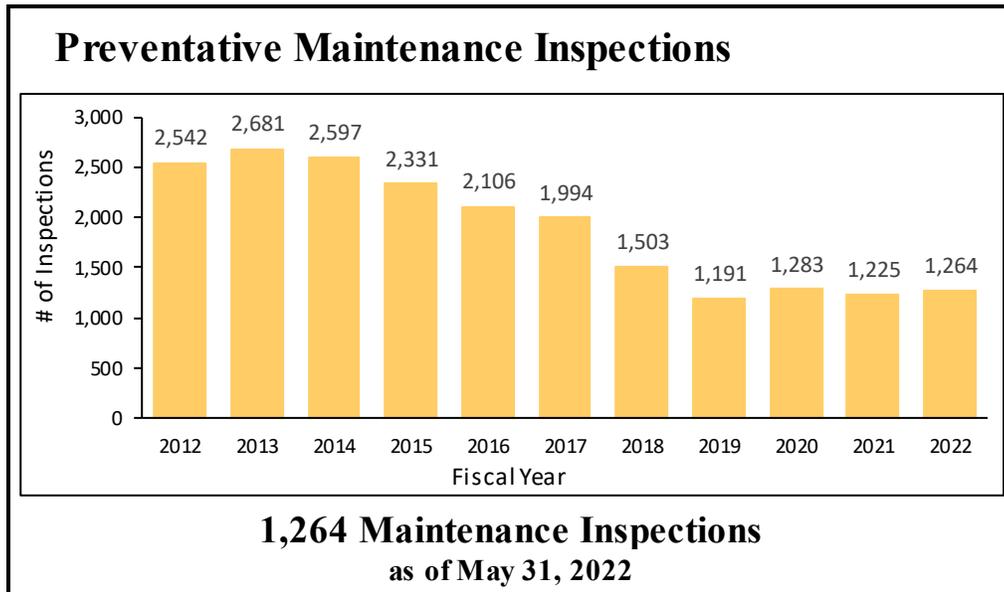
Aggressive management is required to maintain City streets in a litter free condition. In FY 2022, the number decreased due to retirements of Equipment Operators causing extended vacancies.



Special pick-ups involve items other than normal household trash, such as refrigerators, tires, and furniture.

# DEPARTMENT OF PUBLIC WORKS

## Performance Trends



City vehicles are inspected on a regular basis to reduce the number of breakdowns of vehicles and equipment.

<b>Personal Services</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
Regular Salaries	4,653,957	4,851,717	5,437,764	5,702,357	264,593	4.9%
Temporary Salaries	3,000	1,872	8,000	8,000	0	0.0%
Acting Out Of Classification	10,083	5,682	9,300	9,300	0	0.0%
Sick Leave Bonus	7,150	7,200	8,500	8,500	0	0.0%
Overtime	358,258	555,179	460,800	460,800	0	0.0%
Holiday Pay	91,473	109,961	135,800	135,800	0	0.0%
Meal Allowance	5,462	14,453	9,100	9,100	0	0.0%
Clothing Allowance	4,765	4,242	6,850	6,850	0	0.0%
Standby Pay	72,570	76,140	76,075	78,075	2,000	2.6%
Health Cash Back	300	0	4,020	3,600	(420)	-10.4%
Pension Contribution	969,260	774,626	893,369	890,606	(2,763)	-0.3%
Social Security	311,255	348,966	370,164	377,719	7,555	2.0%
Medicare Tax	72,793	81,951	86,565	88,339	1,774	2.0%
Hospitalization	1,908,095	1,701,373	1,933,028	2,153,002	219,974	11.4%
Life Insurance	18,926	21,807	27,668	28,126	458	1.7%
Pension Healthcare	411,680	434,023	465,554	510,576	45,022	9.7%
State Pension Plan - Civilian	135,196	157,376	168,014	157,384	(10,630)	-6.3%
Personal Services Adjustment	0	0	0	18,000	18,000	0.0%
Attrition	0	0	(343,805)	(359,639)	(15,834)	4.6%
<b>Total Personal Services</b>	<b>9,034,223</b>	<b>9,146,568</b>	<b>9,756,766</b>	<b>10,286,495</b>	<b>529,729</b>	<b>5.4%</b>

<b>Materials, Supplies, and Equipment</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
Printing and Advertising	6,720	3,896	13,200	13,400	200	1.5%
Communications and Utilities	1,569,191	1,594,428	1,778,018	1,822,974	44,956	2.5%
Transportation	1,970	2,010	4,000	4,000	0	0.0%
Rentals	80,159	99,880	232,100	234,600	2,500	1.1%
Contracted Maintenance	1,619,979	1,557,187	1,820,372	1,899,536	79,164	4.3%
Professional Fees	894,884	761,916	1,031,800	1,035,800	4,000	0.4%
Other Fees	2,024,117	2,459,443	2,340,000	2,423,187	83,187	3.6%
Memberships and Registrations	16,349	10,551	27,900	22,400	(5,500)	-19.7%
Miscellaneous Services	226,803	307,061	380,600	388,000	7,400	1.9%
Office and General Supplies	7,688	9,698	12,600	12,800	200	1.6%
Wearing Apparel and Safety	83,692	95,598	117,250	117,250	0	0.0%
Misc. Mat., Supp., and Parts	148,219	143,793	187,000	205,500	18,500	9.9%
Construction and Repairs	185,455	243,080	374,500	374,500	0	0.0%
Equipment	23,120	17,236	27,300	26,300	(1,000)	-3.7%
Fixed Assets	5,554	1,997	2,000	2,100	100	5.0%
<b>Total M.S.&amp;E.</b>	<b>6,893,900</b>	<b>7,307,774</b>	<b>8,348,640</b>	<b>8,582,347</b>	<b>233,707</b>	<b>2.8%</b>

<b>Internal Services</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
Administrative Services	2,666,009	2,518,787	2,873,065	2,959,258	86,193	3.0%
Self-Insurance	985,661	744,773	589,629	607,175	17,546	3.0%
<b>Total Internal Services</b>	<b>3,651,670</b>	<b>3,263,560</b>	<b>3,462,694</b>	<b>3,566,433</b>	<b>103,739</b>	<b>3.0%</b>

Department: Public Works

Fund: General

<b>Debt Service</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
Principal Payments	3,019,458	2,125,418	3,545,037	4,036,796	491,759	13.9%
Interest Payments	1,996,903	1,720,697	2,358,577	2,092,504	(266,073)	-11.3%
<b>Total Debt Service</b>	<b>5,016,361</b>	<b>3,846,115</b>	<b>5,903,614</b>	<b>6,129,300</b>	<b>225,686</b>	<b>3.8%</b>

<b>General Fund</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
<b>Total</b>	<b>24,596,154</b>	<b>23,564,017</b>	<b>27,471,714</b>	<b>28,564,575</b>	<b>1,092,861</b>	<b>4.0%</b>

Department: Public Works

Fund: Water / Sewer

<b>Personal Services</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
Regular Salaries	4,608,589	4,556,273	5,269,425	5,473,038	203,613	3.9%
Temporary Salaries	151	0	0	0	0	0.0%
Acting Out Of Classification	5,861	1,147	7,200	7,200	0	0.0%
Shift Differential	3,435	2,808	3,800	3,800	0	0.0%
Sick Leave Bonus	6,700	6,200	7,000	7,000	0	0.0%
Overtime	417,161	327,711	499,500	499,500	0	0.0%
Holiday Pay	863	340	2,000	2,000	0	0.0%
Meal Allowance	11,650	7,203	20,550	20,550	0	0.0%
Clothing Allowance	7,015	7,656	13,200	13,200	0	0.0%
Standby Pay	173,401	195,439	190,600	190,600	0	0.0%
Health Cash Back	300	0	4,860	1,200	(3,660)	-75.3%
Accrued Sick/Vacation	101,403	44,920	0	0	0	0.0%
Pension Contribution	708,508	611,920	681,977	682,343	366	0.1%
Social Security	313,608	305,823	361,340	369,868	8,528	2.4%
Medicare Tax	73,343	71,510	84,505	86,505	2,000	2.4%
Hospitalization	1,542,749	1,289,906	1,648,420	1,706,196	57,776	3.5%
Life Insurance	19,426	18,658	24,478	24,491	13	0.1%
Pension Healthcare	359,455	372,737	406,996	442,096	35,100	8.6%
State Pension Plan - Civilian	182,067	177,438	201,226	179,160	(22,066)	-11.0%
Pension Healthcare - Implicit	420,334	419,787	0	0	0	0.0%
Attrition	0	0	(2,229)	(2,309)	(80)	3.6%
<b>Total Personal Services</b>	<b>8,956,019</b>	<b>8,417,476</b>	<b>9,424,848</b>	<b>9,706,438</b>	<b>281,590</b>	<b>3.0%</b>

Department: Public Works

Fund: Water / Sewer

Materials, Supplies, and Equipment	Actual FY 2020	Actual FY 2021	Budget FY 2022	Budget FY 2023	\$ Change FY'23-'22	% Change FY'23-'22
Printing and Advertising	50,810	53,938	71,400	71,900	500	0.7%
Communications and Utilities	1,039,039	921,747	1,095,458	1,115,518	20,060	1.8%
Transportation	9,487	475	11,750	22,500	10,750	91.5%
Rentals	540	422	760	760	0	0.0%
Contracted Maintenance	8,926,890	7,648,970	9,533,841	10,001,896	468,055	4.9%
Professional Fees	4,412,323	4,854,391	4,207,000	4,715,500	508,500	12.1%
Other Fees	313,851	282,035	383,000	397,000	14,000	3.7%
Memberships and Registrations	55,855	45,629	70,920	79,920	9,000	12.7%
Miscellaneous Services	23,510,365	23,965,972	21,667,700	22,659,000	991,300	4.6%
Office and General Supplies	10,254	10,934	16,100	17,100	1,000	6.2%
Wearing Apparel and Safety	40,084	23,615	51,300	55,800	4,500	8.8%
Misc. Mat., Supp., and Parts	551,325	472,077	807,000	936,100	129,100	16.0%
Petroleum and Chemicals	815,911	708,153	837,500	1,021,100	183,600	21.9%
Construction and Repairs	323,550	307,547	540,500	638,500	98,000	18.1%
Supporting Services	5,943,324	5,943,323	5,760,317	5,950,971	190,654	3.3%
Equipment	374,938	327,615	446,400	467,000	20,600	4.6%
Construction and Deve-Cap	0	4,000	8,000	8,000	0	0.0%
Community Activities	154,560	159,520	200,000	200,000	0	0.0%
<b>Total M.S.&amp;E.</b>	<b>46,533,106</b>	<b>45,730,363</b>	<b>45,708,946</b>	<b>48,358,565</b>	<b>2,649,619</b>	<b>5.8%</b>

Internal Services	Actual FY 2020	Actual FY 2021	Budget FY 2022	Budget FY 2023	\$ Change FY'23-'22	% Change FY'23-'22
Administrative Services	597,678	628,748	674,085	694,307	20,222	3.0%
Self-Insurance	1,561,297	1,185,036	941,502	970,198	28,696	3.0%
<b>Total Internal Services</b>	<b>2,158,975</b>	<b>1,813,784</b>	<b>1,615,587</b>	<b>1,664,505</b>	<b>48,918</b>	<b>3.0%</b>

Debt Service	Actual FY 2020	Actual FY 2021	Budget FY 2022	Budget FY 2023	\$ Change FY'23-'22	% Change FY'23-'22
Amortization	0	154,470	0	0	0	0.0%
Interest Payments	5,700,366	5,188,309	6,299,476	5,734,727	(564,749)	-9.0%
<b>Total Debt Service</b>	<b>5,700,366</b>	<b>5,342,779</b>	<b>6,299,476</b>	<b>5,734,727</b>	<b>(564,749)</b>	<b>-9.0%</b>

Other / Special Purpose	Actual FY 2020	Actual FY 2021	Budget FY 2022	Budget FY 2023	\$ Change FY'23-'22	% Change FY'23-'22
Depreciation	9,497,006	10,424,403	9,497,006	9,497,006	0	0.0%
<b>Total Other / Special Purpose</b>	<b>9,497,006</b>	<b>10,424,403</b>	<b>9,497,006</b>	<b>9,497,006</b>	<b>0</b>	<b>0.0%</b>

Department: Public Works

Fund: Motor Vehicle

Materials, Supplies, and Equipment	Actual FY 2020	Actual FY 2021	Budget FY 2022	Budget FY 2023	\$ Change FY'23-'22	% Change FY'23-'22
Communications and Utilities	32,836	39,812	35,000	39,595	4,595	13.1%
Transportation	4,818	3,370	7,200	7,200	0	0.0%
Rentals	53,220	0	55,100	55,100	0	0.0%
Contracted Maintenance	824,707	882,798	1,103,000	1,055,000	(48,000)	-4.4%
Professional Fees	53,916	59,994	45,000	45,000	0	0.0%
Memberships and Registrations	1,740	2,136	2,500	3,300	800	32.0%
Miscellaneous Services	2,003,666	2,062,307	2,175,120	2,241,672	66,552	3.1%
Misc. Mat., Supp., and Parts	0	2,069	7,500	5,500	(2,000)	-26.7%
Petroleum and Chemicals	712,801	817,767	1,000,000	1,261,900	261,900	26.2%
Equipment	0	0	0	2,000	2,000	0.0%
Fixed Assets	3,835,359	3,373,984	3,665,348	3,983,000	317,652	8.7%
<b>Total M.S.&amp;E.</b>	<b>7,523,063</b>	<b>7,244,237</b>	<b>8,095,768</b>	<b>8,699,267</b>	<b>603,499</b>	<b>7.5%</b>

Internal Services	Actual FY 2020	Actual FY 2021	Budget FY 2022	Budget FY 2023	\$ Change FY'23-'22	% Change FY'23-'22
Administrative Services	182,079	171,827	81,335	83,775	2,440	3.0%
Self-Insurance	381,527	447,637	168,358	172,567	4,209	2.5%
<b>Total Internal Services</b>	<b>563,606</b>	<b>619,464</b>	<b>249,693</b>	<b>256,342</b>	<b>6,649</b>	<b>2.7%</b>

Debt Service	Actual FY 2020	Actual FY 2021	Budget FY 2022	Budget FY 2023	\$ Change FY'23-'22	% Change FY'23-'22
Amortization	0	2,565	0	0	0	0.0%
Interest Payments	131,009	76,558	118,207	74,609	(43,598)	-36.9%
<b>Total Debt Service</b>	<b>131,009</b>	<b>79,123</b>	<b>118,207</b>	<b>74,609</b>	<b>(43,598)</b>	<b>-36.9%</b>

Other / Special Purpose	Actual FY 2020	Actual FY 2021	Budget FY 2022	Budget FY 2023	\$ Change FY'23-'22	% Change FY'23-'22
Capitalization	(3,707,187)	(3,319,344)	(3,665,348)	(3,983,000)	(317,652)	8.7%
Depreciation	3,438,367	3,414,200	3,471,437	3,471,437	0	0.0%
<b>Total Other / Special Purpose</b>	<b>(268,820)</b>	<b>94,856</b>	<b>(193,911)</b>	<b>(511,563)</b>	<b>(317,652)</b>	<b>163.8%</b>

Motor Vehicle Fund	Actual FY 2020	Actual FY 2021	Budget FY 2022	Budget FY 2023	\$ Change FY'23-'22	% Change FY'23-'22
<b>Total</b>	<b>7,948,858</b>	<b>8,037,680</b>	<b>8,269,757</b>	<b>8,518,655</b>	<b>248,898</b>	<b>3.0%</b>

Department: Public Works

Fund: Municipal Street Aid

Materials, Supplies, and Equipment	Actual FY 2020	Actual FY 2021	Budget FY 2022	Budget FY 2023	\$ Change FY'23-'22	% Change FY'23-'22
Communications and Utilities	1,260,608	1,020,922	1,222,660	1,216,630	(6,030)	-0.5%
<b>Total M.S.&amp;E.</b>	<b>1,260,608</b>	<b>1,020,922</b>	<b>1,222,660</b>	<b>1,216,630</b>	<b>(6,030)</b>	<b>-0.5%</b>

Municipal Street Aid	Actual FY 2020	Actual FY 2021	Budget FY 2022	Budget FY 2023	\$ Change FY'23-'22	% Change FY'23-'22
<b>Total</b>	<b>1,260,608</b>	<b>1,020,922</b>	<b>1,222,660</b>	<b>1,216,630</b>	<b>(6,030)</b>	<b>-0.5%</b>

# DEPARTMENT OF REAL ESTATE & HOUSING

The mission of the Department of Real Estate and Housing is to improve the quality of life for residents in the City of Wilmington by increasing the supply of affordable housing, improving housing markets and the quality of existing housing stock, promoting self-sufficiency, and engaging in activities to stabilize and revitalize neighborhoods.

The Department plans, allocates, and administers Federal, State, and local resources for the benefit of persons of low- and moderate-income and the neighborhoods in which they live, involving residents to the greatest extent feasible in decisions that affect their lives. In carrying out this mission, the Department partners with other City departments, government agencies, the private sector, and other organizations that share its goals.

## PRIORITIES FOR FISCAL YEAR 2023

- Actively coordinate with the Wilmington Neighborhood Conservancy Land Bank (WNCLB), Wilmington Housing Authority (WHA), Community Development Corporations (CDCs), and other non-profit and for-profit developers to address neglected and vacant properties through acquisition, disposition, demolition and/or rehabilitation.
- Increase homeownership opportunities through City-sponsored initiatives and collaborative efforts with the WHA, WNCLB, CDCs, and other non-profit and for-profit developers.
- Create and deploy a city-wide Down Payment and Settlement Assistance program in coordination with Housing Counselors, Lenders, and Realtors.
- Direct the use of funds to assist homeowners with minor repairs and improvements as part of the City's neighborhood stabilization initiative.
- Work with State and local housing authorities to create development opportunities including Enterprise Zones, Purpose Built Communities, and re-purposing of brownfields, as part of the City's broader neighborhood stabilization initiative.
- Participate in a State-wide consortium to complete an assessment of policies to further fair housing in Wilmington and the surrounding region.
- Utilizing Federal funding, institute a city-wide rehabilitation grant program with the emphasis on vacant houses.
- Aggressively seek additional funding sources and collaborative partnerships to leverage Federal and local dollars.
- Fund programs and projects that provide needed public services to low- and moderate-income families and neighborhoods, such as community greening efforts, senior housing repair, housing counseling, homelessness prevention, youth programs, and programs that assist persons living with HIV/AIDS.
- Fulfill obligatory allocation, expenditure, monitoring, and reporting requirement for all Federal funding received.
- Conduct public facilities and infrastructure activities to support the development and rehabilitation of affordable housing.

## SUMMARY OF FUNDING FOR THE DEPARTMENT OF REAL ESTATE & HOUSING

<b>Total All Funds Real Estate and Housing</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>Dollar Change FY'23-'22</b>	<b>Percent Change FY'23-'22</b>
Personal Services	1,071,063	1,124,712	1,140,711	1,083,941	(56,770)	-5.0%
Materials, Supplies, and Equipment	1,061,393	2,097,468	1,934,905	1,955,432	20,527	1.1%
Internal Services	38,130	34,503	50,458	51,972	1,514	3.0%
Debt Service	745,256	488,806	3,767,926	2,085,493	(1,682,433)	-44.7%
Other / Special Purpose	2,699,739	3,527,884	2,803,426	2,803,426	0	0.0%
<b>Total</b>	<b>5,615,581</b>	<b>7,273,373</b>	<b>9,697,426</b>	<b>7,980,264</b>	<b>(1,717,162)</b>	<b>-17.7%</b>
<b>Staffing Levels</b>	<b>11.00</b>	<b>11.00</b>	<b>11.00</b>	<b>10.00</b>	<b>(1.00)</b>	<b>-9.1%</b>

<b>General Fund Real Estate and Housing</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>Dollar Change FY'23-'22</b>	<b>Percent Change FY'23-'22</b>
Personal Services	497,907	414,798	307,522	282,137	(25,385)	-8.3%
Materials, Supplies, and Equipment	907,112	2,045,270	1,798,700	1,809,227	10,527	0.6%
Internal Services	38,130	34,503	50,458	51,972	1,514	3.0%
Debt Service	745,256	488,806	3,767,926	2,085,493	(1,682,433)	-44.7%
<b>Total</b>	<b>2,188,405</b>	<b>2,983,377</b>	<b>5,924,606</b>	<b>4,228,829</b>	<b>(1,695,777)</b>	<b>-28.6%</b>
<b>Staffing Levels</b>	<b>1.48</b>	<b>2.75</b>	<b>2.88</b>	<b>2.38</b>	<b>(0.50)</b>	<b>-17.4%</b>

<b>Community Development Block Grant (CDBG) Real Estate and Housing</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>Dollar Change FY'23-'22</b>	<b>Percent Change FY'23-'22</b>
Personal Services	491,731	529,395	747,453	714,145	(33,308)	-4.5%
Materials, Supplies, and Equipment	154,281	52,198	136,205	146,205	10,000	7.3%
Other / Special Purpose	1,571,748	1,892,602	1,296,010	1,296,010	0	0.0%
<b>Total</b>	<b>2,217,760</b>	<b>2,474,195</b>	<b>2,179,668</b>	<b>2,156,360</b>	<b>(23,308)</b>	<b>-1.1%</b>
<b>Staffing Levels</b>	<b>8.81</b>	<b>7.54</b>	<b>7.29</b>	<b>6.79</b>	<b>(0.50)</b>	<b>-6.9%</b>

<b>Home Investment Partnerships Program Fund Real Estate and Housing</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>Dollar Change FY'23-'22</b>	<b>Percent Change FY'23-'22</b>
Personal Services	52,340	157,226	54,262	56,182	1,920	3.5%
Other / Special Purpose	158,722	429,290	525,357	525,357	0	0.0%
<b>Total</b>	<b>211,062</b>	<b>586,516</b>	<b>579,619</b>	<b>581,539</b>	<b>1,920</b>	<b>0.3%</b>
<b>Staffing Levels</b>	<b>0.41</b>	<b>0.41</b>	<b>0.53</b>	<b>0.53</b>	<b>0.00</b>	<b>0.0%</b>

<b>Housing Opportunities for Persons With AIDS (HOPWA) Real Estate and Housing</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>Dollar Change FY'23-'22</b>	<b>Percent Change FY'23-'22</b>
Personal Services	13,041	1,828	17,835	17,836	1	0.0%
Other / Special Purpose	801,742	870,060	806,628	806,628	0	0.0%
<b>Total</b>	<b>814,783</b>	<b>871,888</b>	<b>824,463</b>	<b>824,464</b>	<b>1</b>	<b>0.0%</b>
<b>Staffing Levels</b>	<b>0.17</b>	<b>0.17</b>	<b>0.17</b>	<b>0.17</b>	<b>0.00</b>	<b>0.0%</b>

<b>Emergency Shelter Grant (ESG) Real Estate and Housing</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>Dollar Change FY'23-'22</b>	<b>Percent Change FY'23-'22</b>
Personal Services	16,044	21,465	13,639	13,641	2	0.0%
Other / Special Purpose	167,527	335,932	175,431	175,431	0	0.0%
<b>Total</b>	<b>183,571</b>	<b>357,397</b>	<b>189,070</b>	<b>189,072</b>	<b>2</b>	<b>0.0%</b>
<b>Staffing Levels</b>	<b>0.13</b>	<b>0.13</b>	<b>0.13</b>	<b>0.13</b>	<b>0.00</b>	<b>0.0%</b>

**MAJOR FUNDING CHANGES FROM PRIOR YEAR  
GENERAL FUND**

- Personal Services decreased by a net 8.3% or \$25,385, largely due to the elimination of the GIS Technician I position, which was split-funded between the General and CDBG funds. This change in staffing saved just over \$33,000 in each fund respectively.
- MS&E remained essentially at the same level with a 0.6% or \$10,527 increase. This slight increase was largely due to a \$10,000 addition to the Consultants line for GIS services as a result of the deletion of the GIS Technician I position.
- Debt Service decreased by 44.7% or \$1,682,433 according to Accounting's debt service schedule.
- Funding will continue at the same level to support the following Mayoral priorities:
  - \$700,000 allocated for the Clean Team program. This program, now heading into its fifth year, hires local residents to clean streets and neighborhoods, giving them an opportunity to earn money throughout the summer while providing an important benefit for the entire City.
  - \$500,000 granted to the Wilmington Neighborhood Conservancy Land Bank, which was established to acquire, manage, and maintain vacant, abandoned, and foreclosed properties to restore and re-purpose them into productive use.
  - \$50,000 toward the Live Near Your Work initiative, which is a program whereby a City of Wilmington employee can earn up to \$4,000 in down payment and settlement assistance toward the purchase of a home in the City.

**MAJOR FUNDING CHANGES FROM PRIOR YEAR  
FEDERAL HUD FUNDS**

- In CDBG, Personal Services decreased by a net 4.5% or \$33,308, almost entirely due to the elimination of the GIS Technician I position, which was split-funded between the General and CDBG funds. This change in staffing saved just over \$33,000 in each fund respectively.
- In CDBG, the Consultants line increased by 11.1% or \$10,000 for attorneys and consultants versed in HUD regulations and rules to assist staff.
- In the HOME Fund, Personal Services increased by 3.5% or \$1,920 due to regularly scheduled steps and cost-of-living adjustments.

# DEPARTMENT OF REAL ESTATE & HOUSING

## Strategic Plan

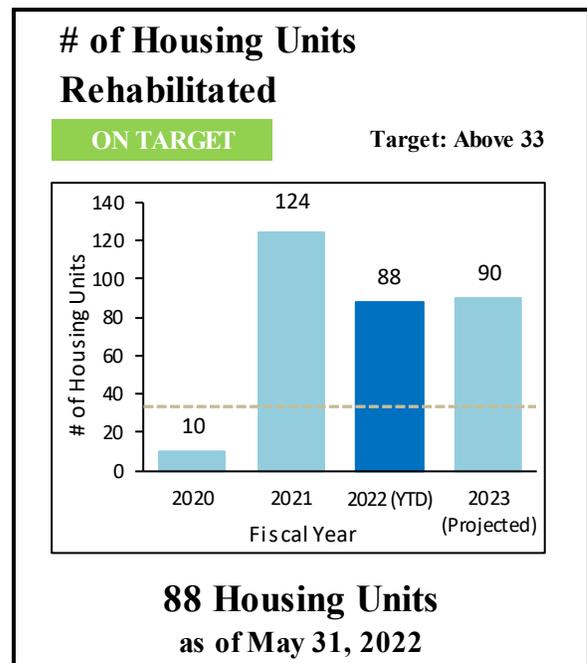
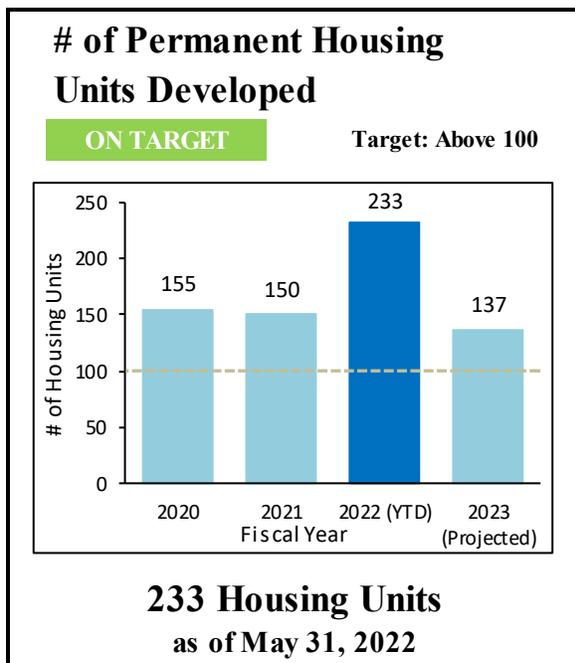
The Department is committed to developing inclusive programs that address the needs of the City’s residential neighborhoods, so that current and future residents receive decent, safe and affordable housing opportunities that are available to current and future residents.

Current data for the goals and objectives listed below may be found on the Real Estate & Housing OpenGov story page at <http://bit.ly/WDe19OG>.

### Focus Area: Quality of Life

#### **CITY-WIDE GOAL #17: Improve Housing Quality.**

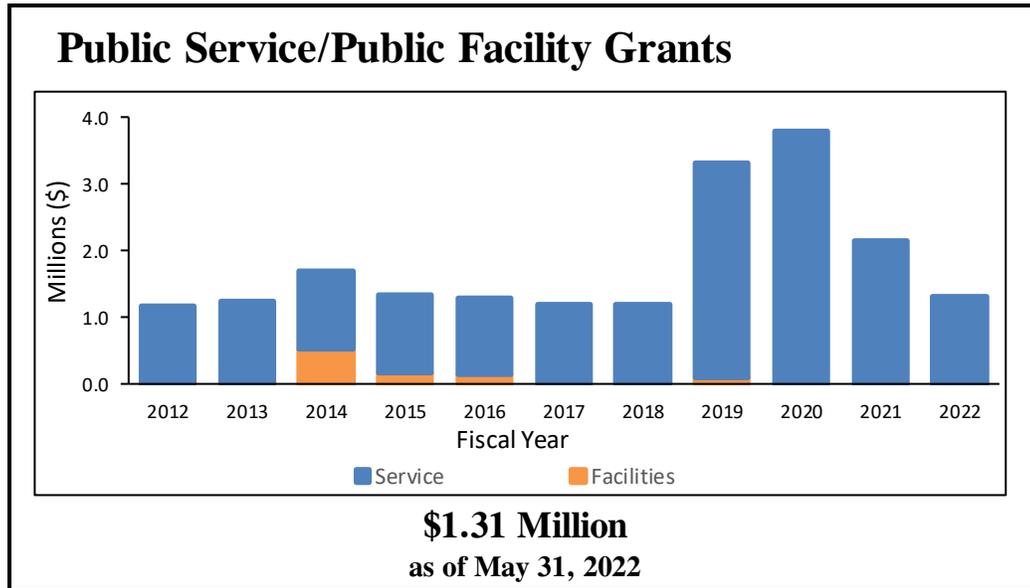
**Objective 1:** Increase the number of permanent housing units available for low/moderate income families/individuals through the development of new quality housing stock and the rehabilitation of existing units.



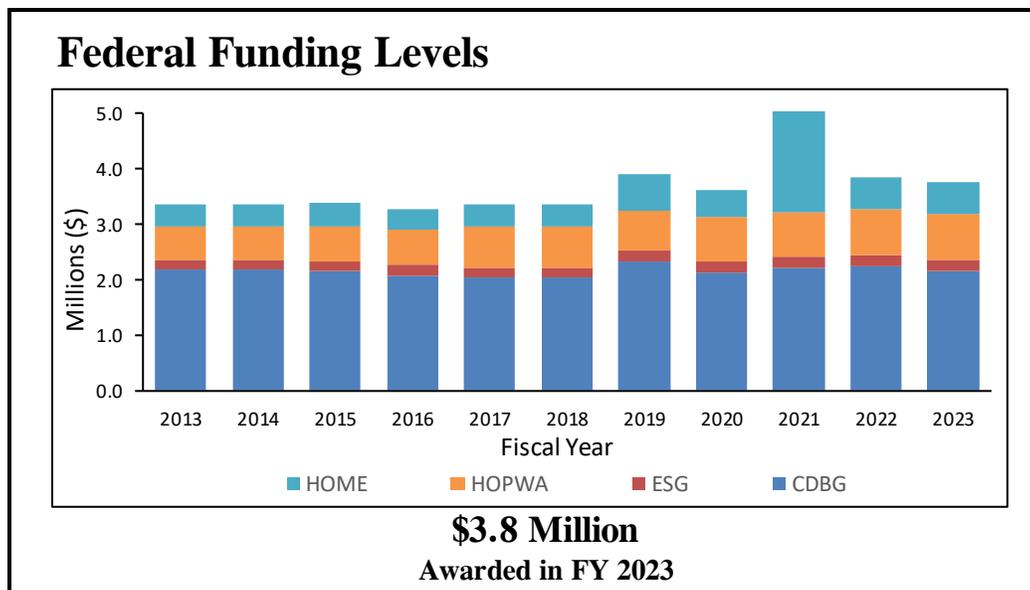
Note: Given the lead time necessary to move a new / rehabilitated housing development project from conception to occupancy, a project is included in the measures above once a firm commitment of funds has been made.

# DEPARTMENT OF REAL ESTATE & HOUSING

## Performance Trends



The above chart represents federally funded public services and administration grants. The total for FY 2022 aligns with pre-COVID funding levels.



The above chart shows the amount of regular federal funding received by the Department of Real Estate & Housing over the past ten years. It does not include CARES Act funds related to the COVID-19 pandemic: \$1.8 million in Community Development Block Grant (CDBG) funding, \$1.8 million for Emergency Shelter Grant (ESG) funding, and \$117,000 for Housing Opportunities for Persons With AIDS (HOPWA) funding.

Department: Real Estate and Housing

Fund: General

<b>Personal Services</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
Regular Salaries	319,372	272,835	222,842	202,555	(20,287)	-9.1%
Temporary Salaries	(419)	0	0	0	0	0.0%
Acting Out Of Classification	605	0	0	0	0	0.0%
Sick Leave Bonus	100	1,000	0	0	0	0.0%
Clothing Allowance	1,000	0	0	0	0	0.0%
Pension Contribution	58,950	34,223	29,795	31,399	1,604	5.4%
Social Security	18,822	16,790	13,452	12,320	(1,132)	-8.4%
Medicare Tax	4,657	3,787	3,147	2,882	(265)	-8.4%
Hospitalization	51,734	44,906	27,718	26,691	(1,027)	-3.7%
Life Insurance	1,200	968	692	572	(120)	-17.3%
Pension Healthcare	32,967	30,664	11,169	10,122	(1,047)	-9.4%
State Pension Plan - Civilian	8,919	9,625	8,420	5,656	(2,764)	-32.8%
Attrition	0	0	(9,713)	(10,060)	(347)	3.6%
<b>Total Personal Services</b>	<b>497,907</b>	<b>414,798</b>	<b>307,522</b>	<b>282,137</b>	<b>(25,385)</b>	<b>-8.3%</b>

<b>Materials, Supplies, and Equipment</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
Printing and Advertising	685	559	1,600	1,600	0	0.0%
Communications and Utilities	218	1,625	1,600	1,627	27	1.7%
Professional Fees	14,829	9,113	40,000	50,000	10,000	25.0%
Memberships and Registrations	0	400	0	0	0	0.0%
Miscellaneous Services	5,822	6,000	5,000	5,000	0	0.0%
Office and General Supplies	0	0	0	500	500	0.0%
Misc. Mat., Supp., and Parts	0	0	500	500	0	0.0%
Community Activities	885,558	2,027,573	1,750,000	1,750,000	0	0.0%
<b>Total M.S.&amp;E.</b>	<b>907,112</b>	<b>2,045,270</b>	<b>1,798,700</b>	<b>1,809,227</b>	<b>10,527</b>	<b>0.6%</b>

<b>Internal Services</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
Administrative Services	34,407	32,053	48,223	49,670	1,447	3.0%
Self-Insurance	3,723	2,450	2,235	2,302	67	3.0%
<b>Total Internal Services</b>	<b>38,130</b>	<b>34,503</b>	<b>50,458</b>	<b>51,972</b>	<b>1,514</b>	<b>3.0%</b>

<b>Debt Service</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
Principal Payments	432,970	254,114	3,496,182	1,855,365	(1,640,817)	-46.9%
Interest Payments	312,286	234,692	271,744	230,128	(41,616)	-15.3%
<b>Total Debt Service</b>	<b>745,256</b>	<b>488,806</b>	<b>3,767,926</b>	<b>2,085,493</b>	<b>(1,682,433)</b>	<b>-44.7%</b>

<b>General Fund</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
<b>Total</b>	<b>2,188,405</b>	<b>2,983,377</b>	<b>5,924,606</b>	<b>4,228,829</b>	<b>(1,695,777)</b>	<b>-28.6%</b>

<b>Personal Services</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
Regular Salaries	311,020	339,657	474,295	456,680	(17,615)	-3.7%
Temporary Salaries	17,888	0	0	0	0	0.0%
Pension Contribution	43,446	56,030	98,875	84,402	(14,473)	-14.6%
Social Security	19,759	20,288	28,481	27,394	(1,087)	-3.8%
Medicare Tax	4,621	4,746	6,658	6,406	(252)	-3.8%
Hospitalization	67,872	78,989	99,165	98,424	(741)	-0.7%
Life Insurance	1,242	1,351	1,749	1,629	(120)	-6.9%
Pension Healthcare	14,740	18,690	28,270	28,878	608	2.2%
State Pension Plan - Civilian	11,143	9,644	9,960	10,332	372	3.7%
<b>Total Personal Services</b>	<b>491,731</b>	<b>529,395</b>	<b>747,453</b>	<b>714,145</b>	<b>(33,308)</b>	<b>-4.5%</b>

<b>Materials, Supplies, and Equipment</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
Printing and Advertising	4,269	2,501	5,944	5,944	0	0.0%
Communications and Utilities	353	(19)	1,428	1,428	0	0.0%
Transportation	1,117	0	8,233	8,233	0	0.0%
Rentals	318	0	500	500	0	0.0%
Professional Fees	131,068	41,113	92,200	102,200	10,000	10.8%
Memberships and Registrations	552	0	9,400	9,400	0	0.0%
Miscellaneous Services	8,731	2,206	6,000	6,000	0	0.0%
Office and General Supplies	2,799	2,498	2,500	2,500	0	0.0%
Wearing Apparel and Safety	3,293	1,155	6,000	6,000	0	0.0%
Equipment	1,781	2,744	4,000	4,000	0	0.0%
<b>Total M.S.&amp;E.</b>	<b>154,281</b>	<b>52,198</b>	<b>136,205</b>	<b>146,205</b>	<b>10,000</b>	<b>7.3%</b>

<b>Other / Special Purpose</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
Grants and Fixed Charges	1,571,748	1,892,602	1,296,010	1,296,010	0	0.0%
<b>Total Other / Special Purpose</b>	<b>1,571,748</b>	<b>1,892,602</b>	<b>1,296,010</b>	<b>1,296,010</b>	<b>0</b>	<b>0.0%</b>

Department: Real Estate and Housing

Fund: CDBG

Grants and Fixed Charges Detail	Actual FY 2020	Actual FY 2021	Budget FY 2022	Budget FY 2023	\$ Change FY'23-'22	% Change FY'23-'22
Above Xpectations			3,000	3,000	0	0.0%
Catholic Charities			10,000	14,000	4,000	40.0%
Catholic Charities-Bayard House			20,000	15,000	(5,000)	-25.0%
Challenge Program			30,000	24,000	(6,000)	-20.0%
Christiana Cultural Arts Center Inc.			20,000	22,000	2,000	10.0%
Correct a Code Violation Program			100,000	0	(100,000)	-100.0%
Delaware Center for Horticulture			100,000	150,000	50,000	50.0%
Delaware Futures, Inc.			5,000	1,000	(4,000)	-80.0%
Disposition Program Delivery			82,632	82,632	0	0.0%
Down Payment Assistance			25,000	300,000	275,000	1100.0%
Duffy's Hope			2,000	10,000	8,000	400.0%
Fair Housing			15,000	25,000	10,000	66.7%
Family Counseling of St. Paul			13,368	7,000	(6,368)	-47.6%
Family Promise of Northern NCC			0	10,000	10,000	0.0%
Habitat for Humanity NCC			51,000	0	(51,000)	-100.0%
HOND			1,000	5,000	4,000	400.0%
Ingleside Housing Project			100,000	150,000	50,000	50.0%
Kingswood Community Center			0	5,000	5,000	0.0%
LACC - Evening Enrichment			15,000	0	(15,000)	-100.0%
LACC - Homeless Prevention			10,000	10,000	0	0.0%
LACC - Summer Camp			0	15,000	15,000	0.0%
Lutheran Community Services			0	35,000	35,000	0.0%
Neighborhood House, Inc.			17,000	21,000	4,000	23.5%
Rental Property Rehab			0	500,000	500,000	0.0%
Salvation Army			13,414	0	(13,414)	-100.0%
Sojourners Place			22,500	25,000	2,500	11.1%
Sojourner's Place - Facilities Impr.			100,000	0	(100,000)	-100.0%
STEHM, Inc.			10,000	10,000	0	0.0%
Tech Impact - IT Works			5,000	5,000	0	0.0%
Teen Warehouse			7,500	5,000	(2,500)	-33.3%
Villa Maria - MOC Street Repair			0	100,000	100,000	0.0%
WCC Renovations			400,000	0	(400,000)	-100.0%
West End Neighborhood House			15,500	15,000	(500)	-3.2%
Wilmington HOPE Commission			6,000	5,000	(1,000)	-16.7%
YMCA - Supportive Housing			0	20,000	20,000	0.0%
YMCA - Teen Engagement			0	5,000	5,000	0.0%
YMCA - Teen and Male Residence			30,500	0	(30,500)	-100.0%
YWCA Delaware			20,625	30,000	9,375	45.5%
Budget Control			44,971	(328,622)	(373,593)	-830.7%
FY 2020 Expenditures	1,571,748					
FY 2021 Expenditures		1,892,602				
<b>Total Grants and Fixed Charges</b>	<b>1,571,748</b>	<b>1,892,602</b>	<b>1,296,010</b>	<b>1,296,010</b>	<b>0</b>	<b>0.0%</b>

Community Development Block Grant (CDBG)	Actual FY 2020	Actual FY 2021	Budget FY 2022	Budget FY 2023	\$ Change FY'23-'22	% Change FY'23-'22
<b>Total</b>	<b>2,217,760</b>	<b>2,474,195</b>	<b>2,179,668</b>	<b>2,156,360</b>	<b>(23,308)</b>	<b>-1.1%</b>

Department: Real Estate and Housing

Fund: Home Investment Partnership

<b>Personal Services</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
Regular Salaries	31,488	102,253	34,946	35,646	700	2.0%
Pension Contribution	10,434	25,589	10,554	11,122	568	5.4%
Social Security	1,829	6,053	2,129	2,168	39	1.8%
Medicare Tax	428	1,416	498	507	9	1.8%
Hospitalization	5,931	14,988	3,953	4,358	405	10.2%
Life Insurance	214	(53)	127	127	0	0.0%
State Pension Plan - Police/Fire	2,016	0	2,055	0	(2,055)	-100.0%
Pension Healthcare	0	6,862	0	2,254	2,254	0.0%
State Pension Plan - Civilian	0	118	0	0	0	0.0%
<b>Total Personal Services</b>	<b>52,340</b>	<b>157,226</b>	<b>54,262</b>	<b>56,182</b>	<b>1,920</b>	<b>3.5%</b>

<b>Other / Special Purpose</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
Grants and Fixed Charges	158,722	429,290	525,357	525,357	0	0.0%
<b>Total Other / Special Purpose</b>	<b>158,722</b>	<b>429,290</b>	<b>525,357</b>	<b>525,357</b>	<b>0</b>	<b>0.0%</b>

<b>Grants and Fixed Charges Detail</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
Central Baptist CDC			20,000	30,000	10,000	50.0%
CHDO Set-aside			58,165	74,505	16,340	28.1%
Delaware Valley Development Co.			31,453	31,453	0	0.0%
Habitat for Humanity - Eastside			30,372	0	(30,372)	-100.0%
Sacred Heart			381,110	379,524	(1,587)	-0.4%
Todmorden Foundation - The Flats			0	143,000	143,000	0.0%
Budget Control			4,257	(133,124)	(137,381)	-3227.2%
FY 2020 Expenditures	158,722					
FY 2021 Expenditures		429,290				
<b>Total Grants and Fixed Charges</b>	<b>158,722</b>	<b>429,290</b>	<b>525,357</b>	<b>525,357</b>	<b>0</b>	<b>0.0%</b>

<b>Home Investment Partnerships Program Fund</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
<b>Total</b>	<b>211,062</b>	<b>586,516</b>	<b>579,619</b>	<b>581,539</b>	<b>1,920</b>	<b>0.3%</b>

<b>Personal Services</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
Regular Salaries	10,029	1,385	13,872	13,872	0	0.0%
Pension Contribution	0	9	0	0	0	0.0%
Social Security	611	85	848	847	(1)	-0.1%
Medicare Tax	143	19	198	198	0	0.0%
Hospitalization	1,035	161	1,276	1,385	109	8.5%
Life Insurance	39	4	41	41	0	0.0%
Pension Healthcare	425	69	659	723	64	9.7%
State Pension Plan - Civilian	759	96	941	770	(171)	-18.2%
<b>Total Personal Services</b>	<b>13,041</b>	<b>1,828</b>	<b>17,835</b>	<b>17,836</b>	<b>1</b>	<b>0.0%</b>

<b>Other / Special Purpose</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
Grants and Fixed Charges	801,742	870,060	806,628	806,628	0	0.0%
<b>Total Other / Special Purpose</b>	<b>801,742</b>	<b>870,060</b>	<b>806,628</b>	<b>806,628</b>	<b>0</b>	<b>0.0%</b>

<b>Grants and Fixed Charges Detail</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
Catholic Charities			10,213	10,000	(213)	-2.1%
Cecil County Emergency Housing			38,135	37,000	(1,135)	-3.0%
Delaware HIV Services, Inc.			685,085	672,729	(12,356)	-1.8%
Ministry of Caring			71,030	122,578	51,548	72.6%
Budget Control			2,165	(35,679)	(37,844)	-1748.0%
FY 2020 Expenditures	801,742					
FY 2021 Expenditures		870,060				
<b>Total Grants and Fixed Charges</b>	<b>801,742</b>	<b>870,060</b>	<b>806,628</b>	<b>806,628</b>	<b>0</b>	<b>0.0%</b>

<b>Housing Opportunities for Persons With AIDS (HOPWA)</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
<b>Total</b>	<b>814,783</b>	<b>871,888</b>	<b>824,463</b>	<b>824,464</b>	<b>1</b>	<b>0.0%</b>

Department: Real Estate and Housing

Fund: Emergency Shelter Grant

<b>Personal Services</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
Regular Salaries	12,150	16,074	10,608	10,608	0	0.0%
Pension Contribution	0	319	0	0	0	0.0%
Social Security	738	1,008	649	648	(1)	-0.2%
Medicare Tax	173	161	152	152	0	0.0%
Hospitalization	1,577	2,024	976	1,060	84	8.6%
Life Insurance	28	22	31	31	0	0.0%
Pension Healthcare	530	815	504	553	49	9.7%
State Pension Contribution	848	1,042	719	589	(130)	-18.1%
<b>Total Personal Services</b>	<b>16,044</b>	<b>21,465</b>	<b>13,639</b>	<b>13,641</b>	<b>2</b>	<b>0.0%</b>

<b>Other / Special Purpose</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
Grants and Fixed Charges	167,527	335,932	175,431	175,431	0	0.0%
<b>Total Other / Special Purpose</b>	<b>167,527</b>	<b>335,932</b>	<b>175,431</b>	<b>175,431</b>	<b>0</b>	<b>0.0%</b>

<b>Grants and Fixed Charges Detail</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
Family Promise			30,473	25,000	(5,473)	-18.0%
Housing Alliance Delaware			17,891	18,000	109	0.6%
Ministry of Caring			28,311	40,000	11,689	41.3%
Salvation Army - Code Purple			18,640	30,000	11,360	60.9%
Salvation Army - Emerg. Shelter			0	15,000	15,000	0.0%
WENH Youth - Prevention			0	10,000	10,000	0.0%
YWCA DE - Rapid Re-Housing			79,575	37,086	(42,489)	-53.4%
Budget Control			541	345	(196)	-36.2%
FY 2020 Expenditures	167,527					
FY 2021 Expenditures		335,932				
<b>Total Grants and Fixed Charges</b>	<b>167,527</b>	<b>335,932</b>	<b>175,431</b>	<b>175,431</b>	<b>0</b>	<b>0.0%</b>

<b>Emergency Shelter Grant (ESG)</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
<b>Total</b>	<b>183,571</b>	<b>357,397</b>	<b>189,070</b>	<b>189,072</b>	<b>2</b>	<b>0.0%</b>

# DEPARTMENT OF COMMERCE

Prior to its restructuring in 1995, the Department of Commerce in the Commerce Fund was responsible for promoting and developing commerce and industry within the City of Wilmington. In addition, the Department managed and marketed the Port of Wilmington (the “Port”) as a self-sufficient business entity. Although the Port was profitable, the City could no longer afford the infrastructure improvements necessary to maintain its competitiveness and profitability. Consequently, the City successfully negotiated a sale of the Port to the State of Delaware, effective September 1, 1995. Although the City retained the debt of the Commerce Fund, the State agreed to reimburse the City for both principal and interest, along with a “mortgage” payment based on a 30-year amortization of the sale price.

In February of 2002, under a new agreement with the State, the City received a lump sum payment of \$8 million from the State Transportation Fund, which eliminated all future outstanding mortgage payments. As a result, all future annual amortized gain figures were recalculated and re-amortized from FY 2002 to FY 2005. The State’s reimbursement of the City’s debt was not affected by this new agreement.

In FY 2009, the remaining balance of the City’s Commerce Fund was depleted. As a result, beginning in FY 2010, all Port debt service and reimbursement revenue from the State were budgeted into the General Fund.

In 2018, the State entered into a long-term Port lease agreement with Gulftainer, and subsequently provided the City with full payment for the outstanding debt. The City amortized these funds and budgeted debt reimbursement payments for the remaining life of the associated bonds, which will be fully paid down in FY 2023.

For the FY 2023 budget, total debt service has increased by \$122,130 as per the existing debt service schedule.

## SUMMARY OF FUNDING FOR THE DEPARTMENT OF COMMERCE

<b>Total All Funds Commerce Department</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>Dollar Change FY'23-'22</b>	<b>Percent Change FY'23-'22</b>
Debt Service	720,226	77,374	154,941	277,071	122,130	78.8%
<b>Total</b>	<b>720,226</b>	<b>77,374</b>	<b>154,941</b>	<b>277,071</b>	<b>122,130</b>	<b>78.8%</b>
<b>Staffing Levels</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.0%</b>

<b>General Fund Commerce Department</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>Dollar Change FY'23-'22</b>	<b>Percent Change FY'23-'22</b>
Debt Service	720,226	77,374	154,941	277,071	122,130	78.8%
<b>Total</b>	<b>720,226</b>	<b>77,374</b>	<b>154,941</b>	<b>277,071</b>	<b>122,130</b>	<b>78.8%</b>
<b>Staffing Levels</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.0%</b>

**Department: Commerce**

**Fund: General**

<b>Debt Service</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
Principal Payments	588,328	0	64,668	200,946	136,278	210.7%
Interest Payments	131,898	77,374	90,273	76,125	(14,148)	-15.7%
<b>Total Debt Service</b>	<b>720,226</b>	<b>77,374</b>	<b>154,941</b>	<b>277,071</b>	<b>122,130</b>	<b>78.8%</b>

<b>General Fund</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
<b>Total</b>	<b>720,226</b>	<b>77,374</b>	<b>154,941</b>	<b>277,071</b>	<b>122,130</b>	<b>78.8%</b>

# DEPARTMENT OF INFORMATION TECHNOLOGIES

The mission of the Department of Information Technologies (DoIT) is to enable technology to increase the effectiveness and efficiency of services for the employees and citizens of the City of Wilmington. The Department strives to provide a secure, efficient, and flexible environment that will enhance the productivity of the City's workforce.

DoIT consists of six divisions, including Data Processing, Document Management, Mail Service, Duplication & Printing, Mapping & Graphics, and Communications.

<b>PRIORITIES FOR FISCAL YEAR 2023</b>
<ul style="list-style-type: none"> <li>• Support the Mayor's Office by maintaining an accessible, interactive, and responsive E-Government platform for citizen engagement.</li>   <li>• Provide a secure, reliable, and stable computing environment for City employees.</li>   <li>• Continue to employ cost-effective and innovative Enterprise solutions while leveraging Cloud technologies strategically.</li>   <li>• Invest in solutions to increase employee Cyber-Security awareness and computing skills to create a skilled workforce for the future.</li> </ul>

## SUMMARY OF FUNDING FOR THE DEPARTMENT OF INFORMATION TECHNOLOGIES

<b>Total All Funds Information Technologies</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>Dollar Change FY'23-'22</b>	<b>Percent Change FY'23-'22</b>
Personal Services	2,069,153	2,095,850	2,188,274	2,233,115	44,841	2.0%
Materials, Supplies, and Equipment	5,505,348	5,915,466	6,345,789	6,667,372	321,583	5.1%
Internal Services	4,873	24,568	15,770	16,229	459	2.9%
Debt Service	349,866	477,778	114,548	418,652	304,104	265.5%
Total	7,929,240	8,513,662	8,664,381	9,335,368	670,987	7.7%
Staffing Levels	22.00	21.00	21.00	21.00	0.00	0.0%

<b>General Fund Information Technologies</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>Dollar Change FY'23-'22</b>	<b>Percent Change FY'23-'22</b>
Personal Services	2,069,153	2,095,850	2,188,274	2,233,115	44,841	2.0%
Materials, Supplies, and Equipment	5,505,348	5,915,466	6,345,789	6,667,372	321,583	5.1%
Internal Services	4,873	24,568	15,770	16,229	459	2.9%
Debt Service	349,866	477,778	114,548	418,652	304,104	265.5%
Total	7,929,240	8,513,662	8,664,381	9,335,368	670,987	7.7%
Staffing Levels	22.00	21.00	21.00	21.00	0.00	0.0%

## MAJOR FUNDING CHANGES FROM PRIOR YEAR

- Personal Services increased by 2% or \$44,841 with \$20,011 of this increase due to regular step increases and cost-of-living adjustments. While Hospitalization and Pension Healthcare costs were 8.1% and 9.7% higher than last year, respectively, a 2.9% decrease in Pension Contributions offset a portion of this overall increase.
- Spending decreased for Computer Software Licenses by \$117,576, mainly due to last year's budget including a one-time purchase of Employee Benefits Enrollment and Administrative software which cost \$100,000.
- Consultant fees increased by 12.3% or \$196,400 in large part to provide funding for the development of Land Use permitting software.
- Repairs to Mechanical Office Equipment climbed \$53,741 driven by an additional \$25,000 to replace network routers within the Fire Department.
- \$25,000 was allotted for fixes and replacements of Fire and L&I radios.
- Costs for Other Noncapitalized Equipment rose by \$137,868 to fund departmental requests including:
  - 12 Ethernet switches for Fire (\$39,000)
  - 12 Rugged laptops for Fire (\$21,360)
  - Upgraded technology for computers, screens, audio, and video in the Treasurer's Office (\$35,000)
- Capital Lease Debt Service rose by \$280,000, reflecting the mid-year budget amendment purchase of a new system to replace the City's Storage Area network, protecting against ransomware.

Department: Information Technologies

Fund: General

<b>Personal Services</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
Regular Salaries	1,267,823	1,287,790	1,386,572	1,406,583	20,011	1.4%
Acting Out Of Classification	0	1,546	0	0	0	0.0%
Sick Leave Bonus	1,300	2,000	0	0	0	0.0%
Overtime	1,345	8,640	0	0	0	0.0%
Health Cash Back	2,340	2,160	2,160	2,160	0	0.0%
Pension Contribution	290,927	235,572	254,378	247,073	(7,305)	-2.9%
Social Security	75,400	80,101	83,077	84,082	1,005	1.2%
Medicare Tax	17,587	18,421	19,430	19,665	235	1.2%
Hospitalization	306,521	345,856	319,293	345,095	25,802	8.1%
Life Insurance	4,837	4,837	5,024	5,028	4	0.1%
Pension Healthcare	76,198	76,776	81,438	89,313	7,875	9.7%
State Pension Plan - Civilian	24,875	32,151	36,902	34,116	(2,786)	-7.5%
<b>Total Personal Services</b>	<b>2,069,153</b>	<b>2,095,850</b>	<b>2,188,274</b>	<b>2,233,115</b>	<b>44,841</b>	<b>2.0%</b>

<b>Materials, Supplies, and Equipment</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
Printing and Advertising	70,804	41,588	73,300	73,300	0	0.0%
Communications and Utilities	1,377,577	1,402,740	1,323,048	1,335,074	12,026	0.9%
Transportation	400	598	8,500	8,500	0	0.0%
Rentals	98,932	90,080	120,000	125,000	5,000	4.2%
Contracted Maintenance	615,793	675,643	810,259	864,000	53,741	6.6%
Professional Fees	1,741,948	2,078,455	1,746,100	1,957,500	211,400	12.1%
Memberships and Registrations	37,638	58,108	79,000	79,000	0	0.0%
Miscellaneous Services	46,881	83,342	87,120	78,244	(8,876)	-10.2%
Office and General Supplies	115,176	87,410	149,560	174,560	25,000	16.7%
Wearing Apparel and Safety	878	1,501	7,000	6,000	(1,000)	-14.3%
Misc. Mat., Supp., and Parts	70,362	53,303	70,300	70,300	0	0.0%
Equipment	1,328,959	1,342,698	1,871,602	1,895,894	24,292	1.3%
<b>Total M.S.&amp;E.</b>	<b>5,505,348</b>	<b>5,915,466</b>	<b>6,345,789</b>	<b>6,667,372</b>	<b>321,583</b>	<b>5.1%</b>

<b>Internal Services</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
Administrative Services	4,873	4,584	0	0	0	0.0%
Self-Insurance	0	19,984	15,770	16,229	459	2.9%
<b>Total Internal Services</b>	<b>4,873</b>	<b>24,568</b>	<b>15,770</b>	<b>16,229</b>	<b>459</b>	<b>2.9%</b>

<b>Debt Service</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
Principal Payments	337,812	417,335	88,808	322,731	233,923	263.4%
Interest Payments	12,054	60,443	25,740	95,921	70,181	272.7%
<b>Total Debt Service</b>	<b>349,866</b>	<b>477,778</b>	<b>114,548</b>	<b>418,652</b>	<b>304,104</b>	<b>265.5%</b>

<b>General Fund</b>	<b>Actual FY 2020</b>	<b>Actual FY 2021</b>	<b>Budget FY 2022</b>	<b>Budget FY 2023</b>	<b>\$ Change FY'23-'22</b>	<b>% Change FY'23-'22</b>
<b>Total</b>	<b>7,929,240</b>	<b>8,513,662</b>	<b>8,664,381</b>	<b>9,335,368</b>	<b>670,987</b>	<b>7.7%</b>

# **THE CAPITAL IMPROVEMENTS PROGRAM**

## **I. Introduction**

The Capital Improvements Program is a six-year capital spending plan, adopted by City Council annually. The first year of the Capital Program is known as the Capital Budget. In alternating years, the Capital Budget includes two full fiscal years of funding due to the City's decision to bond biennially, instead of annually. This results in "off" years when the budget requests will be zero. The decision to bond biennially reduces the frequency of borrowing and lowers financing costs.

The Capital Improvements Program and Budget provide a schedule of expenditures to develop and improve the public facilities necessary to serve those who live and work in Wilmington. The projects reflect the physical development policies of the City, such as Comprehensive Development Plans, Urban Renewal Plans, etc. This document describes the development of a Capital Program; the statutory basis for the preparation of the Capital Program; and an explanation of the capital projects proposed for the FY 2022 - FY 2027 period.

## **II. A Guide to the Capital Improvements Program**

### **A. Development of a Capital Program**

The Wilmington Home Rule Charter describes the process for preparing and adopting the City's Capital Program. The process begins with the various City departments submitting requests for specific projects to the Office of Management and Budget and the Department of Planning. Department heads discuss their project proposals with the Office of Management and Budget and the Department of Planning, indicating their programming priorities. Three major considerations guide the review of these departmental requests:

1. Overall development objectives for Wilmington. This includes the feasibility, desirability, and need for specific projects.
2. The relationships among projects with respect to design, location, timing of construction and the nature of activities involved.
3. The City's fiscal policies and capabilities.

The City Planning Commission reviews the Capital Program for conformance to the Comprehensive Plan and other City policies and makes recommendations to the Office of Management and Budget and the Department of Planning. The Capital Program is then submitted to the Mayor for his review and transmittal, along with the Annual Operating Budget, to City Council for their approval.

## **B. Nature of a Capital Project**

Generally, a capital project is fixed in nature, has a relatively long life expectancy, and requires a substantial financial investment. Capital projects traditionally take the form of large-scale physical developments, such as buildings, streets, and water mains. However, a wide range of other projects qualify for capital funding consideration, including fire-fighting apparatus, street lighting, and computer software. A capital project must cost a minimum of \$5,000 and generally include one or more of the following characteristics:

1. Acquisition of real property, including the purchase of land and/or existing structures for a community facility or utility.
2. Major replacement facilities, such as roofs, heating, plumbing, and electrical systems.
3. Preliminary studies and surveys pursuant to acquisition, construction or rehabilitation of City-owned property.
4. Purchase of specialized equipment and furniture for public improvements when first erected or acquired.
5. Cash contributions when necessary to fulfill the City's obligation in federally-assisted programs of a capital nature.
6. Improvements to City-owned public utilities, such as sewers, water mains, fire hydrants, streets, and catch basins.
7. Vehicles (excluding special equipment not considered a part of the vehicle) exceeding \$25,000 in cost and having a life expectancy of more than ten years.

**Percent Allocation to Art:** Municipal construction contracts let by the city for the construction of, or remodeling of, public buildings or structures shall include a sum of money amounting to five percent of the estimated construction cost of the building or structure, for ornamentation. Ornamentation includes, but is not limited to, sculpture, monuments, bas relief, mosaics, frescoes, stained glass, murals, fountains or other decoration, both exterior and interior, having a period of usefulness of at least five years. In the event the five percent sum is not used for the incorporation of ornamentation into the construction project, it shall be placed in the art work reserve fund. Eligible construction contracts means a capital project greater than \$25,000 identified in the annual capital budget to construct or remodel any public building or structure including parks, or any portion thereof, within the city limits. This shall not include construction, repair or alteration of city streets or sidewalks.

## **C. The City's Financial Policy for the Capital Program**

The following are the major elements that determine how much money the City can legally borrow and how it will pay for specific projects:

### **1. Fiscal Borrowing Limit**

Legislation enacted by the Delaware General Assembly on July 7, 1971 amended the general obligation bond limit of the City of Wilmington to permit a debt service which does not exceed 17.5 percent of the annual operating budget. Because the bonds issued for the sewage treatment and water facilities are revenue supported, they are not subject to this limitation.

### **2. Self-Sustaining Projects**

A clear distinction is made in the Capital Program between tax-supporting and self-sustaining (revenue) projects. Self-sustaining projects are part of any operation which will generate sufficient revenues to cover its debt service (water and sewer service, for example). Although the debt service on these bonds is paid from the various operating revenues, the bonds are secured by the City's full taxing authority, and thus are actually a special form of general obligation bonds.

### **3. Bond Life**

The City generally limits the term of its borrowing to 20 years for all tax supported and revenue obligations. However, under special circumstances, 5- or 10-year bonds have been, and can be, issued.

## **D. Expenditure Analysis**

Capital spending projects generally are within the following four categories:

### **1. New Service**

Projects which provide a service not previously available. Examples include sewer lines; roads and water mains to areas not previously served; the acquisition and development of new parks; or the construction of a new facility for a new service.

### **2. New Replacing Existing**

New projects which replace an existing facility providing a similar or identical service. Examples include the acquisition of new apparatus, or the replacement of aging sewer lines and water mains.

### **3. Upgrading Existing**

Additions and modifications to existing facilities aimed at providing more and/or better service than is now provided. Examples include additions to buildings, increasing the capacity of existing water mains and development of park land already owned by the City.

#### **4. Restoring Existing**

Projects aimed at restoring an existing facility to its original capacity and/or quality of service. Examples include cleaning and relining of water mains, and minor capital improvements projects.

Significantly, only a small percentage of past capital expenditures have been for new service. This is very characteristic of an older, highly developed City in which most basic municipal services are already in place, and no new significant population growth is taking place.

Most projects fall within the category of upgrading existing facilities, reflecting a policy of extending and expanding their usefulness to the City's present stock of capital facilities. A policy of utilizing existing facilities with renovations and additions maximizes the efficiency of capital spending.

In the past, the replacement of capital facilities with new ones was prevalent. This approach is justifiable when facilities are too obsolete to permit economical rehabilitation or modification, when they have been utilized to the extent of their full useful life, or they are improperly located to meet the current needs. In general, replacements of this type offer increased capacity, modern features and up-to-date conveniences not found in the facilities they replace.

The restoration of existing facilities is generally undertaken when an existing facility has become so worn or deteriorated that major corrective action is needed to preserve its usefulness. While these expenditures do not result in the provision of new or improved service, they are among the most cost-efficient capital expenditures since maximum use is made of existing facilities.

#### **E. Method of Funding**

##### **1. City Obligations**

The bulk of funding for the City's Capital Improvements Program has traditionally come through general obligation bonds issued by the City and repaid out of the appropriate department operating budget over a 20-year period. In general, investors loan the City funds based upon its "bond" or promise to repay them using all means possible.

##### **2. Federal and State Funds**

In the past, the Federal and State governments have provided substantial support for capital programs in the City. For example, federal grants have often composed a major portion of funding for sewer and water projects, with local capital funding being used to "match" the Federal portion. Federal and State funds have been requested to supplement this year's budget.

##### **3. Unused Capital Funds**

Unexpended funds from previous Capital Budgets are reviewed annually to determine whether a former project has been temporarily delayed, altered or is no longer feasible. Based on this analysis, funds might then be transferred to current fiscal year projects in order to reduce the amount being currently borrowed.

## **F. Capital Funding Proposed for FY 2022 - FY 2027**

The six-year Capital Budget and Capital Improvements Program, as presented in City Planning Commission Resolution 1-21, totals \$288,204,913, with a FY 2022 Capital Budget in the amount of \$99,263,020 and the additional five-year program adding \$188,941,893. A breakdown of these costs and the project descriptions are provided in the following pages.

## **G. Impact of Capital Spending on the Operating Budget**

Because the majority of the projects in the Capital Budget are funded through the issuance of General Obligation Bonds, the payment of debt service has the greatest overall effect on the Operating Budget. The annual debt service expense that would result from bonds issued to fund the Capital Budget would be \$4,137,841. It should be noted that only the interest portion of debt service is booked (and budgeted) as an expense in the Water/Sewer Fund and Internal Service Funds.

In addition to the debt service, completed projects may have operational costs such as maintenance, utilities and the need for additional personnel or work hours. In a few instances, operational efficiencies result from a capital project that decreases costs in the Operating Budget. In the Capital Project descriptions section, each project's annual debt service impact and estimated net annual operational costs or (savings) are shown. The operational impact is divided into two categories: Personal Services (Wages and Benefits costs) and Materials, Supplies and Equipment (M.S.& E.). A summary of the operational impact by Department and Fund is shown in the table on the following page.

## **H. Active Capital Projects**

Because of the complex nature of capital projects, the total budget request is rarely expended within the budget year. Per City Code, the City's Capital Review Committee meets quarterly to review the status of active multi-year projects. Information from these meetings is shared with the public on the City's OpenGov transparency website: <https://bit.ly/WDeCapital>.

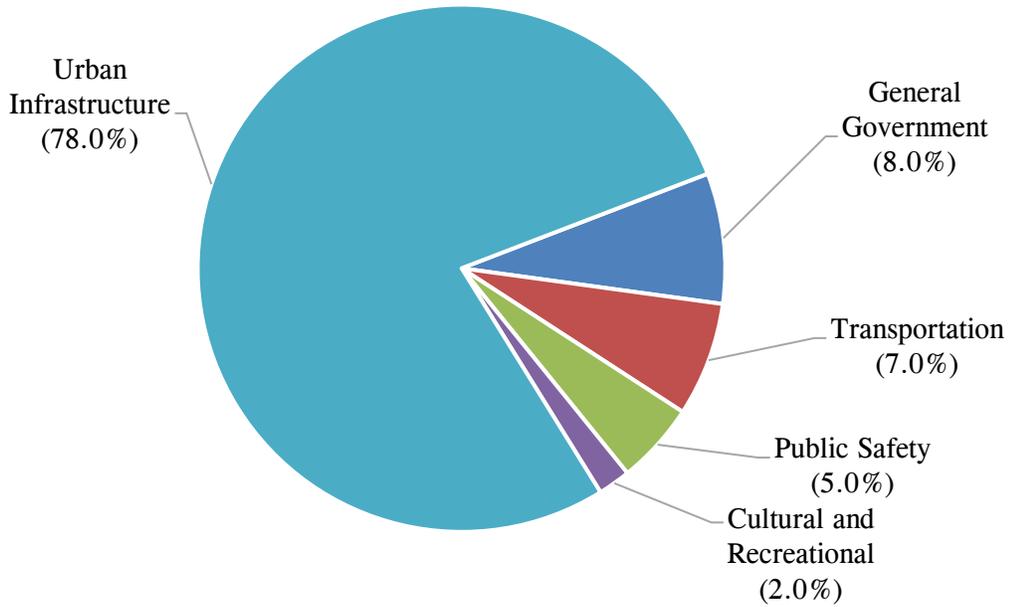
## Estimated Annual Impact of Capital Budget Spending on the Operating Budget

Department	Fund	Debt Service*	Personal Services	M. S. & E.	Total
Finance	General	\$92,035	\$0	\$50,000	\$142,035
	Water/Sewer	233,480	0	100,000	333,480
Fire	General	286,073	0	(20,000)	266,073
Mayor's Office	General	152,691	0	0	152,691
Parks & Recreation	General	143,037	0	(1,000)	142,037
Police	General	22,528	0	1,575	24,103
Public Works	General	429,110	0	(30,000)	399,110
	Water/Sewer	2,242,500	0	(194,000)	2,048,500
Real Estate & Housing	General	71,518	0	0	71,518
Transportation	General	464,869	0	32,500	497,369
<b>TOTAL</b>		<b>\$4,137,841</b>	<b>\$0</b>	<b>(\$60,925)</b>	<b>\$4,076,916</b>

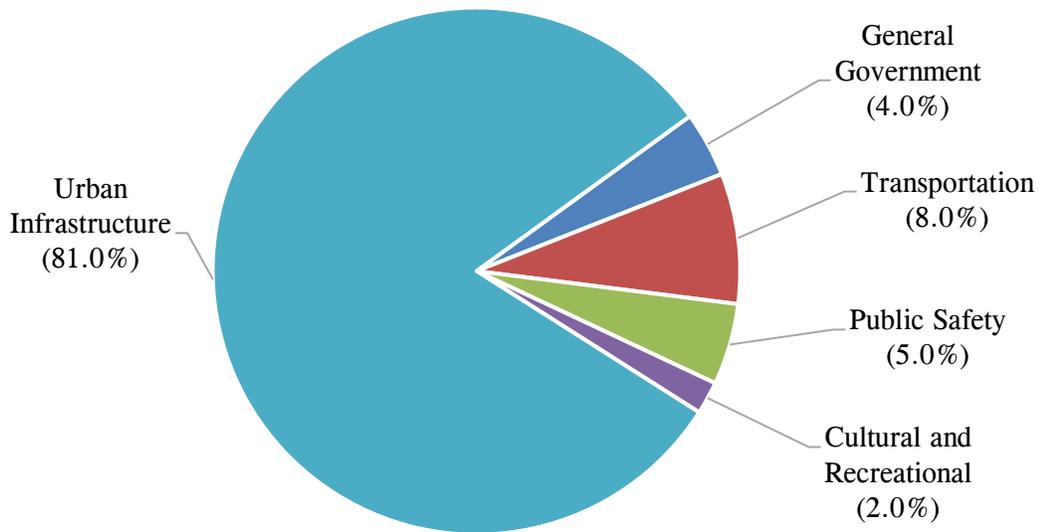
Fund	Debt Service*	Personal Services	M. S. & E.	Total
General	\$1,661,861	\$0	\$33,075	\$1,694,936
Water / Sewer	2,475,980	0	(94,000)	2,381,980
<b>TOTAL</b>	<b>\$4,137,841</b>	<b>\$0</b>	<b>(\$60,925)</b>	<b>\$4,076,916</b>

\* Only the interest portion of debt service is booked (and budgeted) as an expense in the Water/Sewer Fund.

### Capital Program Allocations FY 2022



### Capital Program Allocations FY 2023 - FY 2027



**Capital Improvements Program  
Fiscal Years 2022 - 2027**

**Summary: Total Funds Recommended by Fiscal Year and Department**

Department	Type of Funding	Fiscal Year						Total City Funds	Total City / Matching Funds
		2022	2023	2024	2025	2026	2027		
Finance	G	1,286,880	0	1,905,125	0	287,625	0	3,479,630	3,479,630
	W	6,226,140	0	1,418,905	0	2,810,238	0	10,455,283	10,455,283
Fire	G	4,000,000	0	7,750,000	0	0	0	11,750,000	11,750,000
Mayor's Office	G	2,135,000	0	2,660,000	0	2,510,000	0	7,305,000	7,305,000
Parks	G	2,000,000	0	2,000,000	0	2,000,000	0	6,000,000	6,000,000
Police	G	315,000	0	0	0	0	0	315,000	315,000
Public Works	G	6,000,000	0	11,000,000	0	11,000,000	0	28,000,000	28,000,000
	O	2,000,000		1,000,000		1,000,000		0	4,000,000
	W	59,800,000	0	55,800,000	0	54,800,000	0	170,400,000	170,400,000
Real Estate and Housing	G	1,000,000	0	1,000,000	0	1,000,000	0	3,000,000	3,000,000
Transportation	G	6,500,000	0	6,500,000	0	6,500,000	0	19,500,000	19,500,000
	O	8,000,000	0	8,000,000	0	8,000,000	0	0	24,000,000
Total by Fund	G	23,236,880	0	32,815,125	0	23,297,625	0	79,349,630	79,349,630
	O	10,000,000	0	9,000,000	0	9,000,000	0	0	28,000,000
	W	66,026,140	0	57,218,905	0	57,610,238	0	180,855,283	180,855,283
Grand Total		99,263,020	0	99,034,030	0	89,907,863	0	260,204,913	288,204,913

Type of Funding: G - General; W - Water/Sewer; O - Other Governmental

**Capital Improvements Program  
Fiscal Years 2022 - 2027**

**Summary: Total Funds Recommended by Expenditure Category**

Department	Expend. Category	Fiscal Year						Total City Funds	Total City / Matching Funds
		2022	2023	2024	2025	2026	2027		
<b>Finance (Bond Issuance Costs)</b>	NR	105,140	0	87,030	0	26,238	0	218,408	218,408
	RE	162,500	0	237,500	0	200,000	0	600,000	600,000
	UE	834,380	0	787,000	0	772,625	0	2,394,005	2,394,005
<b>Finance (Projects)</b>	NR	6,411,000	0	2,212,500	0	2,099,000	0	10,722,500	10,722,500
<b>Fire</b>	NR	2,000,000	0	4,750,000	0	0	0	6,750,000	6,750,000
	RE	2,000,000	0	3,000,000	0	0	0	5,000,000	5,000,000
<b>Mayor's Office</b>	UE	2,135,000	0	2,660,000	0	2,510,000	0	7,305,000	7,305,000
<b>Parks</b>	UE	2,000,000	0	2,000,000	0	2,000,000	0	6,000,000	6,000,000
<b>Police</b>	UE	315,000	0	0	0	0	0	315,000	315,000
<b>Public Works</b>	RE	13,000,000	0	17,000,000	0	17,000,000	0	43,000,000	47,000,000
	UE	54,800,000	0	50,800,000	0	49,800,000	0	155,400,000	155,400,000
<b>Real Estate and Housing</b>	UE	1,000,000	0	1,000,000	0	1,000,000	0	3,000,000	3,000,000
<b>Transportation</b>	UE	14,500,000	0	14,500,000	0	14,500,000	0	19,500,000	43,500,000
<b>Total by Expenditure Category</b>	NR	<b>8,516,140</b>	<b>0</b>	<b>7,049,530</b>	<b>0</b>	<b>2,125,238</b>	<b>0</b>	<b>17,690,908</b>	<b>17,690,908</b>
	RE	<b>15,162,500</b>	<b>0</b>	<b>20,237,500</b>	<b>0</b>	<b>17,200,000</b>	<b>0</b>	<b>48,600,000</b>	<b>52,600,000</b>
	UE	<b>75,584,380</b>	<b>0</b>	<b>71,747,000</b>	<b>0</b>	<b>70,582,625</b>	<b>0</b>	<b>193,914,005</b>	<b>217,914,005</b>
<b>Grand Total</b>		<b>99,263,020</b>	<b>0</b>	<b>99,034,030</b>	<b>0</b>	<b>89,907,863</b>	<b>0</b>	<b>260,204,913</b>	<b>288,204,913</b>

Expenditure Category: NS - New Service; NR - New Replace Existing; UE - Upgrade Existing; RE - Restore Existing. See pages 223-224 for detailed descriptions of categories.

**Capital Improvements Program  
Fiscal Years 2022 - 2027**

**Finance Department - Program Recommendations by Fiscal Year**

Project	Expend. Category	Type of Funding	Fiscal Year					Total City Funds	Total City / Matching Funds	
			2022	2023	2024	2025	2026			2027
Utility Billing System	NR	W	5,411,000	0	712,500	0	2,099,000	0	8,222,500	8,222,500
Online Wage Tax Filing System	NR	G	1,000,000	0	1,500,000	0	0	0	2,500,000	2,500,000
Cost of Bond Issue (General Fund)		G	286,880	0	405,125	0	287,625	0	979,630	979,630
Cost of Bond Issue (Water / Sewer Fund)		W	815,140	0	706,405	0	711,238	0	2,232,783	2,232,783
<b>Total by Fund</b>		<b>G</b>	<b>1,286,880</b>	<b>0</b>	<b>1,905,125</b>	<b>0</b>	<b>287,625</b>	<b>0</b>	<b>3,479,630</b>	<b>3,479,630</b>
		<b>W</b>	<b>6,226,140</b>	<b>0</b>	<b>1,418,905</b>	<b>0</b>	<b>2,810,238</b>	<b>0</b>	<b>10,455,283</b>	<b>10,455,283</b>
<b>Total Finance Department Funds</b>			<b>7,513,020</b>	<b>0</b>	<b>3,324,030</b>	<b>0</b>	<b>3,097,863</b>	<b>0</b>	<b>13,934,913</b>	<b>13,934,913</b>

Type of Funding: G - General; W - Water/Sewer; O - Other Governmental

Expenditure Category: NS - New Service; NR - New Replace Existing; UE - Upgrade Existing; RE - Restore Existing. See pages 223-224 for detailed descriptions of categories. Bond Issuance Costs projected to be 1.25%.

**Capital Improvements Program  
Fiscal Years 2022 - 2027**

**Fire Department - Program Recommendations by Fiscal Year**

Project	Expend. Category	Type of Funding	Fiscal Year					Total City Funds	Total City / Matching Funds	
			2022	2023	2024	2025	2026			2027
Apparatus Replacement	NR	G	2,000,000	0	4,000,000	0	0	0	6,000,000	6,000,000
Fire Station Renovations	RE	G	2,000,000	0	3,000,000	0	0	0	5,000,000	5,000,000
Ambulance Replacement	NR	G	0	0	750,000	0	0	0	750,000	750,000
<b>Total by Fund</b>		<b>G</b>	<b>4,000,000</b>	<b>0</b>	<b>7,750,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>11,750,000</b>	<b>11,750,000</b>
<b>Total Fire Funds</b>			<b>4,000,000</b>	<b>0</b>	<b>7,750,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>11,750,000</b>	<b>11,750,000</b>

Type of Funding: G - General; W - Water/Sewer; O - Other Governmental

Expenditure Category: NS - New Service; NR - New Replace Existing; UE - Upgrade Existing; RE - Restore Existing. See pages 223-224 for detailed descriptions of categories.

**Capital Improvements Program  
Fiscal Years 2022 - 2027**

**Mayor's Office - Program Recommendations by Fiscal Year**

Project	Expend. Category	Type of Funding	Fiscal Year					Total City Funds	Total City / Matching Funds	
			2022	2023	2024	2025	2026			2027
Five Percent for Art	UE	G	135,000	0	160,000	0	10,000	0	305,000	305,000
Site Acquisition	UE	G	1,000,000	0	1,000,000	0	1,000,000	0	3,000,000	3,000,000
Infrastructure and Site Improvements Closing Fund	UE	G	1,000,000	0	1,500,000	0	1,500,000	0	4,000,000	4,000,000
<b>Total by Fund</b>		<b>G</b>	<b>2,135,000</b>	<b>0</b>	<b>2,660,000</b>	<b>0</b>	<b>2,510,000</b>	<b>0</b>	<b>7,305,000</b>	<b>7,305,000</b>
<b>Total Mayor's Office Funds</b>			<b>2,135,000</b>	<b>0</b>	<b>2,660,000</b>	<b>0</b>	<b>2,510,000</b>	<b>0</b>	<b>7,305,000</b>	<b>7,305,000</b>

Type of Funding: G - General; W - Water/Sewer; O - Other Governmental

Expenditure Category: NS - New Service; NR - New Replace Existing; UE - Upgrade Existing; RE - Restore Existing. See pages 223-224 for detailed descriptions of categories.

**Capital Improvements Program  
Fiscal Years 2022 - 2027**

**Parks and Recreation - Program Recommendations by Fiscal Year**

Project	Expend. Category	Type of Funding	Fiscal Year					Total City Funds	Total City / Matching Funds	
			2022	2023	2024	2025	2026			2027
Park Improvements	UE	G	1,800,000	0	1,800,000	0	1,800,000	0	5,400,000	5,400,000
WHACC Improvements	UE	G	200,000	0	200,000	0	200,000	0	600,000	600,000
<b>Total by Fund</b>		<b>G</b>	<b>2,000,000</b>	<b>0</b>	<b>2,000,000</b>	<b>0</b>	<b>2,000,000</b>	<b>0</b>	<b>6,000,000</b>	<b>6,000,000</b>
<b>Total Parks and Recreation Funds</b>			<b>2,000,000</b>	<b>0</b>	<b>2,000,000</b>	<b>0</b>	<b>2,000,000</b>	<b>0</b>	<b>6,000,000</b>	<b>6,000,000</b>

Type of Funding: G - General; W - Water/Sewer; O - Other Governmental

Expenditure Category: NS - New Service; NR - New Replace Existing; UE - Upgrade Existing; RE - Restore Existing. See pages 223-224 for detailed descriptions of categories.

**Capital Improvements Program  
Fiscal Years 2022 - 2027**

**Police Department - Program Recommendations by Fiscal Year**

Project	Expend. Category	Type of Funding	Fiscal Year					Total City Funds	Total City / Matching Funds	
			2022	2023	2024	2025	2026			2027
Marine Unit Replacement Vessel	NR	G	315,000	0	0	0	0	0	315,000	315,000
<b>Total by Fund</b>		<b>G</b>	<b>315,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>315,000</b>	<b>315,000</b>
<b>Total Police Department Funds</b>			<b>315,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>315,000</b>	<b>315,000</b>

Type of Funding: G - General; W - Water/Sewer; O - Other Governmental

Expenditure Category: NS - New Service; NR - New Replace Existing; UE - Upgrade Existing; RE - Restore Existing. See pages 223-224 for detailed descriptions of categories.

**Capital Improvements Program  
Fiscal Years 2022 - 2027**

**Public Works - Program Recommendations by Fiscal Year**

Project	Expend. Category	Type of Funding	Fiscal Year					Total City Funds	Total City / Matching Funds	
			2022	2023	2024	2025	2026			2027
Street Paving and Reconstruction	RE	G	5,000,000	0	10,000,000	0	10,000,000	0	25,000,000	25,000,000
	RE	O	2,000,000	0	1,000,000	0	1,000,000	0	0	4,000,000
Emergency Sidewalk Repairs	UE	G	1,000,000	0	1,000,000	0	1,000,000	0	3,000,000	3,000,000
11th Street Sewage Pumping Station Upgrade	UE	W	10,000,000	0	10,000,000	0	10,000,000	0	30,000,000	30,000,000
Annual Minor Sewer Improvements	RE	W	1,500,000	0	1,500,000	0	1,500,000	0	4,500,000	4,500,000
Major Sewer Improvements	RE	W	4,000,000	0	4,000,000	0	4,000,000	0	12,000,000	12,000,000
Annual Water Improvements	UE	W	7,500,000	0	7,500,000	0	7,500,000	0	22,500,000	22,500,000
Porter Filter Plant Improvements	UE	W	8,000,000	0	5,000,000	0	4,000,000	0	17,000,000	17,000,000
Hoopes Raw Water Improvements	UE	W	1,000,000	0	0	0	0	0	1,000,000	1,000,000
Transmission Main Improvements	UE	W	4,000,000	0	4,000,000	0	4,000,000	0	12,000,000	12,000,000
Pressure Zone Reliability Improvements	UE	W	1,000,000	0	1,000,000	0	1,000,000	0	3,000,000	3,000,000
Pumping Station Improvements	UE	W	500,000	0	500,000	0	500,000	0	1,500,000	1,500,000
Brandywine Filter Plant Improvements	UE	W	1,000,000	0	1,000,000	0	1,000,000	0	3,000,000	3,000,000
WWTP Infrastructure Improvements	UE	W	14,000,000	0	14,000,000	0	14,000,000	0	42,000,000	42,000,000
Architectural Improvements	UE	W	1,000,000	0	1,000,000	0	1,000,000	0	3,000,000	3,000,000
Raw Water System Improvements	UE	W	3,000,000	0	3,000,000	0	3,000,000	0	9,000,000	9,000,000
Stormwater Drainage Management Program	UE	W	1,800,000	0	1,800,000	0	1,800,000	0	5,400,000	5,400,000
Storm Water Mitigation (Green Infrastructure)	UE	W	1,000,000	0	1,000,000	0	1,000,000	0	3,000,000	3,000,000
Urban Forest Management Program	RE	W	500,000	0	500,000	0	500,000	0	1,500,000	1,500,000
<b>Total by Fund</b>		<b>G</b>	<b>6,000,000</b>	<b>0</b>	<b>11,000,000</b>	<b>0</b>	<b>11,000,000</b>	<b>0</b>	<b>28,000,000</b>	<b>28,000,000</b>
		<b>O</b>	<b>2,000,000</b>		<b>1,000,000</b>		<b>1,000,000</b>		<b>0</b>	<b>4,000,000</b>
		<b>W</b>	<b>59,800,000</b>	<b>0</b>	<b>55,800,000</b>	<b>0</b>	<b>54,800,000</b>	<b>0</b>	<b>170,400,000</b>	<b>170,400,000</b>
<b>Total Public Works Funds</b>			<b>67,800,000</b>	<b>0</b>	<b>67,800,000</b>	<b>0</b>	<b>66,800,000</b>	<b>0</b>	<b>198,400,000</b>	<b>202,400,000</b>

Type of Funding: G - General; W - Water/Sewer; O - Other Governmental

Expenditure Category: NS - New Service; NR - New Replace Existing; UE - Upgrade Existing; RE - Restore Existing. See pages 223-224 for detailed descriptions of categories.

**Capital Improvements Program  
Fiscal Years 2022 - 2027**

**Real Estate and Housing - Program Recommendations by Fiscal Year**

Project	Expend. Category	Type of Funding	Fiscal Year					Total City Funds	Total City / Matching Funds	
			2022	2023	2024	2025	2026			2027
Stabilization & Rehabilitation	UE	G	1,000,000	0	1,000,000	0	1,000,000	0	3,000,000	3,000,000
<b>Total by Fund</b>		<b>G</b>	<b>1,000,000</b>	<b>0</b>	<b>1,000,000</b>	<b>0</b>	<b>1,000,000</b>	<b>0</b>	<b>3,000,000</b>	<b>3,000,000</b>
<b>Total Real Estate and Housing Funds</b>			<b>1,000,000</b>	<b>0</b>	<b>1,000,000</b>	<b>0</b>	<b>1,000,000</b>	<b>0</b>	<b>3,000,000</b>	<b>3,000,000</b>

Type of Funding: G - General; W - Water/Sewer; O - Other Governmental

Expenditure Category: NS - New Service; NR - New Replace Existing; UE - Upgrade Existing; RE - Restore Existing. See pages 223-224 for detailed descriptions of categories.

**Capital Improvements Program  
Fiscal Years 2022 - 2027**

**Transportation Division - Program Recommendations by Fiscal Year**

Project	Expend. Category	Type of Funding	Fiscal Year					Total City Funds	Total City / Matching Funds	
			2022	2023	2024	2025	2026			2027
ADA Curb Ramp and Sidewalk Compliance	UE	G	2,000,000	0	2,000,000	0	2,000,000	0	6,000,000	6,000,000
Traffic System Infrastructure	UE	G	2,000,000	0	2,500,000	0	2,500,000	0	7,000,000	7,000,000
Wilmington Transportation Initiatives	UE	G	2,000,000	0	2,000,000	0	2,000,000	0	6,000,000	6,000,000
	UE	O	8,000,000	0	8,000,000	0	8,000,000	0	0	24,000,000
11th & Thatcher - Traffic Shop Storage Building	UE	G	500,000	0	0	0	0	0	500,000	500,000
Total by Fund		G	6,500,000	0	6,500,000	0	6,500,000	0	19,500,000	19,500,000
		O	8,000,000	0	8,000,000	0	8,000,000	0	0	24,000,000
Total Transportation Division Funds			14,500,000	0	14,500,000	0	14,500,000	0	19,500,000	43,500,000

Type of Funding: G - General; W - Water/Sewer; O - Other Governmental

Expenditure Category: NS - New Service; NR - New Replace Existing; UE - Upgrade Existing; RE - Restore Existing. See pages 223-224 for detailed descriptions of categories.

### III. CAPITAL PROJECT DESCRIPTIONS - FISCAL YEARS 2022 - 2027

#### A. DEPARTMENT OF FINANCE

The figures provided in the budget and program summary sheets for the Cost of Bond Issue (General Fund) and the Cost of Bond Issue (Water/Sewer Fund) are not related to specific capital projects and as such are not identified in this chapter; rather, these figures represent the costs associated with fund borrowing (bond counsel and other related fees).

##### 1. Utility Billing System

Budget Request: \$5,411,000.  
Program Request: \$2,811,500.

Budget: Provides funds to update the existing MUNIS utility billing system to meet the current needs of the Finance Department. Included are discovery, development of new business processes, software development, testing and implementation.

Program: Ongoing.

<i>Annual Debt Service Impact</i>	<i>\$202,913</i>
<i>Annual Operational Impact Personal Services</i>	<i>\$0</i>
<i>Annual Operational Impact M. S. &amp; E.</i>	<i>\$100,000</i>

##### 2. Online Wage Tax Filing System

Budget Request: \$1,000,000.  
Program Request: \$1,500,000.

Budget: Provides funds for an online W-2 filing system for the processing of wage tax submissions and refunds.

Program: None.

<i>Annual Debt Service Impact</i>	<i>\$71,518</i>
<i>Annual Operational Impact Personal Services</i>	<i>\$0</i>
<i>Annual Operational Impact M. S. &amp; E.</i>	<i>\$50,000</i>

## **B. FIRE DEPARTMENT**

### **1. Apparatus Replacement**

Budget Request: \$2,000,000.  
Program Request: \$4,000,000.

Budget: Provides funds for the replacement of two Engines.

Program: Ongoing.

*Annual Debt Service Impact* \$143,037  
*Annual Operational Impact Personal Services* \$0  
*Annual Operational Impact M. S. & E.* (\$10,000)

### **2. Fire Station Renovations**

Budget Request: \$2,000,000.  
Program Request: \$3,000,000.

Budget: Provides funds for design and renovation work to the City's fire stations, including structural, mechanical and cosmetic upgrades.

Program: Ongoing.

*Annual Debt Service Impact* \$143,037  
*Annual Operational Impact Personal Services* \$0  
*Annual Operational Impact M. S. & E.* (\$10,000)

### **3. Rescue Ambulance Replacement**

Budget Request: \$0.  
Program Request: \$750,000.

Budget: None.

Program: Ongoing program to replace Rescue Ambulances #2, #3 and #6 used for fire calls and emergency medical response.

*Annual Debt Service Impact* \$0  
*Annual Operational Impact Personal Services* \$0  
*Annual Operational Impact M. S. & E.* \$0

## C. OFFICE OF THE MAYOR

### 1. Five Percent for Art

Budget Request: \$135,000.  
Program Request: \$170,000.

Budget: The Five Percent for Art program receives capital funding for the purpose of providing ornamentation, such as sculpture and artwork, on certain eligible capital projects involving public buildings or structures.

Program: Ongoing.

<i>Annual Debt Service Impact</i>	\$9,655
<i>Annual Operational Impact Personal Services</i>	\$0
<i>Annual Operational Impact M. S. &amp; E.</i>	\$0

### 2. Site Acquisition

Budget Request: \$1,000,000.  
Program Request: \$2,000,000.

Budget: Provides funds for land acquisition to support economic development projects, including public-private partnerships, with a focus on preventing the expansion of undesirable commercial uses in blighted areas, and supporting the development of light manufacturing/industrial business parks.

Program: Ongoing.

<i>Annual Debt Service Impact</i>	\$71,518
<i>Annual Operational Impact Personal Services</i>	\$0
<i>Annual Operational Impact M. S. &amp; E.</i>	\$0

### 3. Infrastructure and Site Improvements Closing Fund

Budget Request: \$1,000,000.  
Program Request: \$3,000,000.

Budget: Provides funds for public infrastructure and site improvements to support economic development projects and other major investments that create employment opportunities and expand commercial and market rate residential development; and for leveraging private redevelopment of underutilized and blighted areas. Includes land acquisition, construction of new roads and utilities, site preparation work and environmental remediation.

Program: Ongoing.

<i>Annual Debt Service Impact</i>	\$71,518
<i>Annual Operational Impact Personal Services</i>	\$0
<i>Annual Operational Impact M. S. &amp; E.</i>	\$0

## **D. PARKS AND RECREATION**

### **1. Park Improvements**

Budget Request: \$1,800,000.  
Program Request: \$3,600,000.

Budget: Provides funds for improvements for parks, playgrounds, athletic fields, plazas, triangles, squares, swimming pools, fountains and sculptures throughout the city, including fitness equipment, walkways, fencing, landscaping and related site amenities.

Program: Ongoing.

<i>Annual Debt Service Impact</i>	<i>\$128,733</i>
<i>Annual Operational Impact Personal Services</i>	<i>\$0</i>
<i>Annual Operational Impact M. S. &amp; E.</i>	<i>\$0</i>

### **2. WHACC Improvements**

Budget Request: \$200,000.  
Program Request: \$400,000.

Budget: Provides funds for interior and exterior improvements to the William Hicks Anderson Community Center, to meet programming and operational needs.

Program: Ongoing.

<i>Annual Debt Service Impact</i>	<i>\$14,304</i>
<i>Annual Operational Impact Personal Services</i>	<i>\$0</i>
<i>Annual Operational Impact M. S. &amp; E.</i>	<i>(\$1,000)</i>

## **E. POLICE DEPARTMENT**

### **1. Marine Unit Replacements Vessel**

Budget Request: \$315,000.  
Program Request: \$0.

Budget: Provides funds for repairs, updates and replacement of critical equipment and a towing vehicle for the Marine Unit.

Program: None.

<i>Annual Debt Service Impact</i>	<i>\$22,528</i>
<i>Annual Operational Impact Personal Services</i>	<i>\$0</i>
<i>Annual Operational Impact M. S. &amp; E.</i>	<i>\$1,575</i>

## F. PUBLIC WORKS

### General Fund Projects

#### 1. Street Paving and Reconstruction

Budget Request: \$5,000,000. (Other Funds: \$2,000,000)

Program Request: \$20,000,000. (Other Funds: \$2,000,000)

Budget: Provides funds for routine street paving and reconstruction of deteriorated roadways throughout the city based on condition and use, in order to maintain roadway network infrastructure.

Program: Ongoing.

<i>Annual Debt Service Impact</i>	\$357,951
<i>Annual Operational Impact Personal Services</i>	\$0
<i>Annual Operational Impact M. S. &amp; E.</i>	(\$25,000)

#### 2. Emergency Sidewalk Repairs

Budget Request: \$1,000,000.

Program Request: \$2,000,000.

Budget: Provides funds for emergency repairs to damaged sidewalks throughout the City.

Program: Ongoing.

<i>Annual Debt Service Impact</i>	\$71,518
<i>Annual Operational Impact Personal Services</i>	\$0
<i>Annual Operational Impact M. S. &amp; E.</i>	(\$5,000)

## Water/Sewer Fund Projects

### 1. 11<sup>th</sup> Street Sewage Pumping Station Upgrade

Budget Request: \$10,000,000.  
Program Request: \$20,000,000.

Budget: Provides funds for the rehabilitation and replacement of the aging sewage pumping station.

Program: Ongoing.

<i>Annual Debt Service Impact</i>	<i>\$375,000</i>
<i>Annual Operational Impact Personal Services</i>	<i>\$0</i>
<i>Annual Operational Impact M. S. &amp; E.</i>	<i>(\$50,000)</i>

### 2. Annual Minor Sewer Improvements

Budget Request: \$1,500,000.  
Program Request: \$3,000,000.

Budget: Provides funds for the rehabilitation of small diameter sewers and other projects citywide, as identified through closed-circuit TV (CCTV) inspection and modeling efforts.

Program: Ongoing.

<i>Annual Debt Service Impact</i>	<i>\$56,250</i>
<i>Annual Operational Impact Personal Services</i>	<i>\$0</i>
<i>Annual Operational Impact M. S. &amp; E.</i>	<i>(\$7,500)</i>

### 3. Major Sewer Improvements

Budget Request: \$4,000,000.  
Program Request: \$8,000,000.

Budget: Provides funds for sewer reconstruction and rehabilitation of major brick sewers (24" and above) throughout the City.

Program: Ongoing.

<i>Annual Debt Service Impact</i>	<i>\$150,000</i>
<i>Annual Operational Impact Personal Services</i>	<i>\$0</i>
<i>Annual Operational Impact M. S. &amp; E.</i>	<i>(\$20,000)</i>

**4. Annual Water Improvements**

Budget Request: \$7,500,000.  
Program Request: \$15,000,000.

Budget: Provides funds for maintaining the citywide water distribution system, to improve water quality, pressure, fire flows and overall level of service.

Program: Ongoing.

<i>Annual Debt Service Impact</i>	\$281,250
<i>Annual Operational Impact Personal Services</i>	\$0
<i>Annual Operational Impact M. S. &amp; E.</i>	(\$37,500)

**5. Porter Filter Plant Improvements**

Budget Request: \$8,000,000.  
Program Request: \$9,000,000.

Budget: Provides funds for upgrades to the electrical system and continued improvements to the Porter Reservoir and Clear Well to maintain operations.

Program: Ongoing.

<i>Annual Debt Service Impact</i>	\$300,000
<i>Annual Operational Impact Personal Services</i>	\$0
<i>Annual Operational Impact M. S. &amp; E.</i>	(\$40,000)

**6. Hoopes Raw Water Improvements**

Budget Request: \$1,000,000.  
Program Request: \$0.

Budget: Provides funds for improvements to Hoopes Dam to assure dam safety and function.

Program: None.

<i>Annual Debt Service Impact</i>	\$37,500
<i>Annual Operational Impact Personal Services</i>	\$0
<i>Annual Operational Impact M. S. &amp; E.</i>	(\$5,000)

**7. Transmission Main Improvements**

Budget Request: \$4,000,000.  
Program Request: \$8,000,000.

Budget: Provides funds for transmission capacity improvements throughout the water district, including the installation of new transmission mains.

Program: Ongoing.

<i>Annual Debt Service Impact</i>	<i>\$150,000</i>
<i>Annual Operational Impact Personal Services</i>	<i>\$0</i>
<i>Annual Operational Impact M. S. &amp; E.</i>	<i>\$20,000</i>

**8. Pressure Zone Reliability Improvements**

Budget Request: \$1,000,000.  
Program Request: \$2,000,000.

Budget: Provides funds for improvements to pressure zones, tanks and mains and for strategic small main replacements, to improve reliability of service through redundant feeds which facilitate water storage and distribution maintenance.

Program: Ongoing.

<i>Annual Debt Service Impact</i>	<i>\$37,500</i>
<i>Annual Operational Impact Personal Services</i>	<i>\$0</i>
<i>Annual Operational Impact M. S. &amp; E.</i>	<i>\$5,000</i>

**9. Pumping Station Improvements**

Budget Request: \$500,000.  
Program Request: \$1,000,000.

Budget: Provides funds for upgrades to pumps and electrical components at various pumping stations to maintain consistent level of water service.

Program: Ongoing.

<i>Annual Debt Service Impact</i>	<i>\$18,750</i>
<i>Annual Operational Impact Personal Services</i>	<i>\$0</i>
<i>Annual Operational Impact M. S. &amp; E.</i>	<i>(\$2,500)</i>

**10. Brandywine Filter Plant Improvements**

Budget Request: \$1,000,000.  
Program Request: \$2,000,000.

Budget: Provides funds for structural, mechanical and aesthetic upgrades, including electrical, heating and HVAC system improvements, to the Brandywine Filter Plant.

Program: Ongoing.

<i>Annual Debt Service Impact</i>	\$37,750
<i>Annual Operational Impact Personal Services</i>	\$0
<i>Annual Operational Impact M. S. &amp; E.</i>	(\$5,000)

**11. WWTP Infrastructure System Improvements**

Budget Request: \$14,000,000.  
Program Request: \$28,000,000.

Budget: Provides funds for the rehabilitation and replacement of aged infrastructure at the Waste Water Treatment Plant (12<sup>th</sup> Street and Hay Road).

Program: Ongoing.

<i>Annual Debt Service Impact</i>	\$525,000
<i>Annual Operational Impact Personal Services</i>	\$0
<i>Annual Operational Impact M. S. &amp; E.</i>	(\$70,000)

**12. Architectural Improvements**

Budget Request: \$1,000,000.  
Program Request: \$2,000,000.

Budget: Provides funds for architectural repairs, restoration and stabilization of buildings, roofs, and structural components throughout the water system.

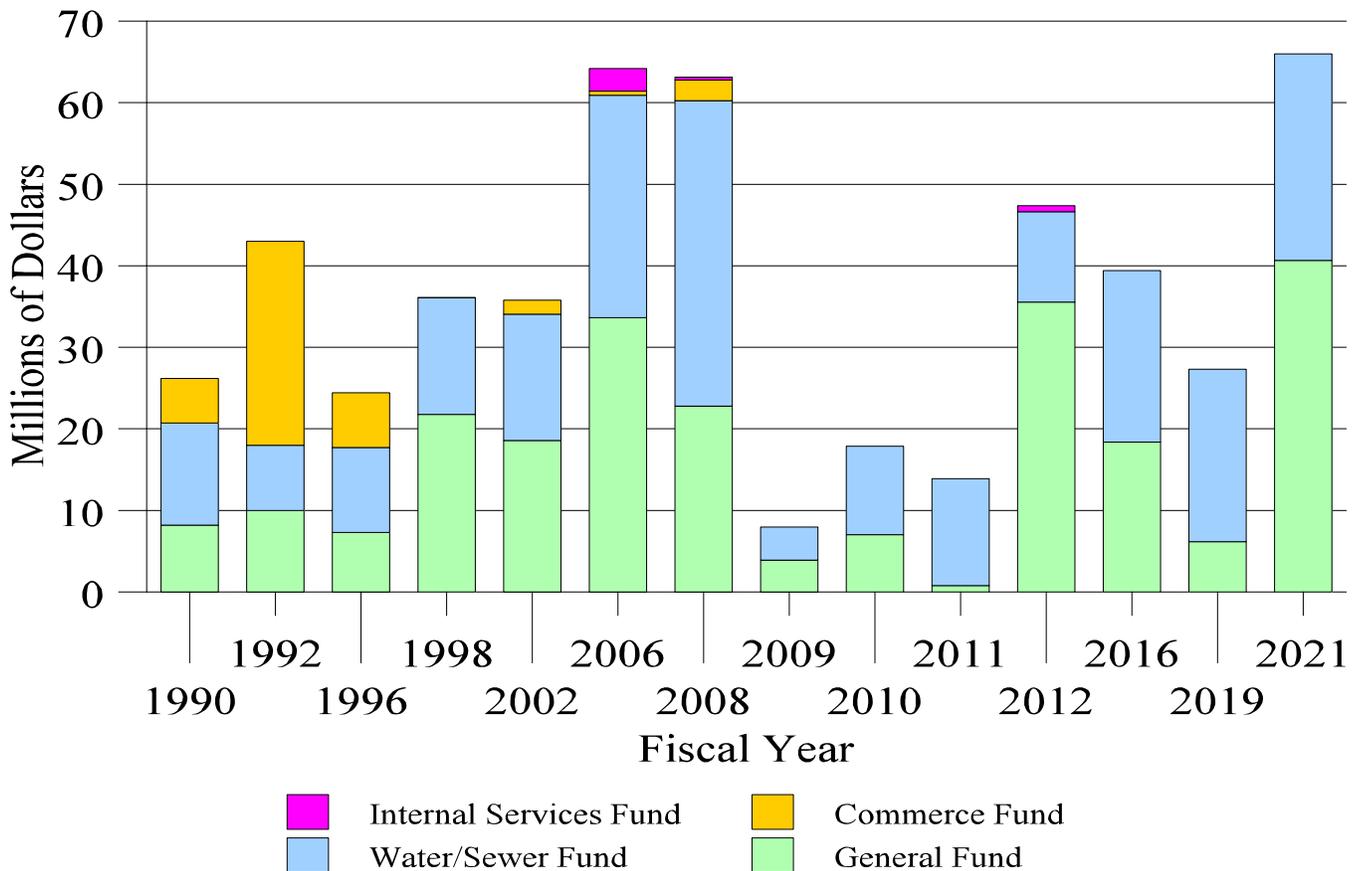
# CAPITAL BORROWING AND DEBT MANAGEMENT

## Borrowing History

The graph below illustrates the City's actual bond market participation for the fiscal years beginning with 1990 and ending in 2021. Amounts shown were borrowed for capital projects within the stated fiscal year. In some fiscal years, the City issued bonds to refinance past obligations at lower interest rates. Those refinancings are not included in the graph below. In other fiscal years, the City issued bonds for both refunding and new projects; only the new projects portion is shown in the graph below. There are also some fiscal years when the City did not issue any bonds.

The City's aggressive position in maintaining its infrastructure results in debt levels and debt servicing requirements slightly higher than peer groups. Overall debt levels have risen due to the expanded servicing area of the Water/Sewer Fund, numerous capital improvements, and the past operations of the Port of Wilmington. However, debt service levels are well within the legal debt limit of 17.5% of operating costs as mandated by the State of Delaware. (This State limit applies only to General Fund debt, not debt found in the Water/Sewer, Commerce, or Internal Service Funds.) With the Fiscal Year 2023 General Fund Operating Budget totaling \$176,865,305, the budgeted debt service of \$14,596,018 is well below the 17.5% legal debt limit of \$30,951,428.

## General Obligation Bond Issuances Fiscal Years 1990-2021



## **CAPITAL BORROWING AND DEBT MANAGEMENT** **(Continued)**

### **Uses of Debt Obligations**

The City of Wilmington issues debt in order to fund its biennial Capital Improvements Program. Specific initiatives have contributed to the fluctuations both in the aggregate debt and within specific funds. For instance, starting in Fiscal Year 1990, funding for the Water/Sewer Fund increased as a result of major enhancements to the wastewater treatment facility. In 1998, the General Fund increased due to emphasis on economic and housing development of the downtown business district. In 2002, the rise in both the General and Water/Sewer Funds resulted from an accelerated infrastructure maintenance schedule that attempted to reverse previous years of funding neglect for streets, parks, water facilities, water mains, and sewer lines. The borrowing during 2006 and 2008 reflected similar goals, with increases in the General and Water/Sewer Funds resulting from a variety of capital improvements, including Christina Landing development; construction of the new Municipal Complex, which serves both the Parks and Public Works departments; and ongoing repairs and upgrades to the City's water and sewer infrastructure, facilities, and reservoirs.

Because the City deferred issuing new debt for the majority of its capital improvements program during the Great Recession in fiscal years 2009, 2010, and 2011, new borrowing was significantly less than in prior years, but did include a small number of Water/Sewer projects, as well as portion of the Market Street redevelopment project. In FY 2012, an in-depth analysis of the City's most pressing capital needs resulted in a consolidated and more efficiently sized Capital Budget. The bond issuance to fund the FY 2012 Capital Budget took place in November 2012. Continuing to concentrate on high-priority infrastructure projects in parks, streets, and water/sewer mains, the City's three most recent bond issuances in November 2015, November 2018, and October 2020 were used to fund the FY 2014, FY 2016, FY 2018, and parts of the FY 2020 Capital Budgets.

Before its sale to the State of Delaware, the City recognized the importance of its port facilities (Commerce Fund) to Wilmington's economy and therefore made concerted efforts to expand and improve these facilities. In 1992, \$18.8 million was borrowed for warehousing improvements in order to maintain the Port's competitiveness. Realizing that the continued maintenance, upgrading and expansion of Port operations were beyond what it could provide, in 1996 the City sold the Port to the State of Delaware. (The debt service for the Port, however, remained on the City's books and was reimbursed by the State.) Additional Commerce Fund borrowing was used to support economic development activity. In 2009, all funds remaining from the sale of the Port were depleted. Consequently, subsequent economic development borrowing, as well as existing Port debt, has been included in the General Fund.

### **Debt Management Policies**

The City takes a conservative approach to debt management. Debt shall never be incurred to finance operating activities, except in the special case, as approved by City Council, where the issuance of tax anticipation notes are to be used to bridge timing gaps in cash flow from tax revenue sources. Capital borrowing shall be structured to create level debt service over the life of the bonds and be opportunistic in regard to market conditions and special issues. The City will take an aggressive position regarding special issues in order to generate interest savings, fee income, or economic development incentives. Although total annual General Fund debt service cost as a percentage of the annual operating budget shall not exceed 17.5%, as mandated by Delaware State law, the City's policy goal is to keep that percentage below 11%.

## **CAPITAL BORROWING AND DEBT MANAGEMENT (Continued)**

The City's debt management is executed by a team of financial specialists that includes the City Treasurer, Budget Director, and Finance Director, along with support from outside financial and legal specialists that form the City's Bond Council.

The bulk of the City's Capital Improvement Program has traditionally been funded through general obligation bonds issued by the City and repaid out of the appropriate departmental operating budgets over a 20-year period, although 5-year and 10-year bonds have been issued in special circumstances. Normally, general obligation bonds are issued for fixed-asset purchases, infrastructure maintenance, and capital improvement projects. The City also uses short-term obligations (e.g. bond anticipation notes, capital leases, etc.) to bridge the time gap between initiation of a project/purchase and the anticipated bond issuance, when the nature of a purchase precludes the issuance of long-term debt, or when it is fiscally responsible to do so.

Per City Code, long-term debt cannot be issued for operating expenses. With City Council approval, the City may in special cases issue short-term tax anticipation notes in order to bridge timing gaps in cash flow from tax revenue sources.

Prior to the issuance of any short- or long-term obligations, the City considers the effect of borrowing on its financial position, its ability to repay, and the legal debt limit imposed by the State of Delaware. As mandated, total General Fund debt service is limited to 17.5% of annual operating costs (equal to \$30,951,428 for FY 2023). This State limit applies only to General Fund debt, not debt found in the Water/Sewer, Commerce, or Internal Service Funds.

The City's current bond rating from the three largest bond rating agencies are:

<b>Fitch:</b>	<b>AA-</b>	“Denotes expectations of very low default risk. Indicates very strong capacity for payment of financial commitments, and this capacity is not significantly vulnerable to foreseeable events.”
<b>Moody's:</b>	<b>Aa2</b>	“Issuers or issues demonstrate very strong creditworthiness relative to other US municipal or tax-exempt issuers or issues.”
<b>Standard &amp; Poor's:</b>	<b>AA</b>	“Very strong capacity to meet financial commitments.”

**DEBT SERVICE SCHEDULES BY FUND  
AND AS A PERCENTAGE OF TOTAL BUDGET**

The five tables below depict past and future debt service payments broken out by principal and interest, total debt service, and debt service as a percentage of the annual budget. Fiscal years 2011 through 2021 figures are actual payments. Fiscal years 2022 and 2023 are budgeted figures, and FY 2024 and beyond are figures based on the current structure of debt outstanding with no calculation added for assumed new borrowing. The average effective interest rates (yields) on outstanding balances are 1.80% for the General Fund, 2.17% for the Water/Sewer Fund, and 2.24% for the Internal Service Funds. (As the Commerce Fund has been exhausted and all debt service transferred to the General Fund, there are no outstanding Commerce Fund balances.)

<b>GENERAL FUND</b>	<b>Principal</b>	<b>Interest</b>	<b>Total Debt Service</b>	<b>% of Total Budget</b>
<b>FY 2011</b>	2,837,124	5,409,868	8,246,992	5.3%
<b>FY 2012</b>	5,679,233	5,321,512	11,000,745	7.1%
<b>FY 2013</b>	7,243,632	5,074,873	12,318,505	7.8%
<b>FY 2014</b>	6,842,619	5,196,194	12,038,813	7.8%
<b>FY 2015</b>	7,570,521	4,907,923	12,478,444	8.5%
<b>FY 2016</b>	8,105,713	5,042,201	13,147,914	8.7%
<b>FY 2017</b>	8,626,347	4,940,993	13,567,340	9.0%
<b>FY 2018</b>	7,507,637	4,712,927	12,220,564	7.5%
<b>FY 2019</b>	8,450,389	4,465,093	12,915,482	9.0%
<b>FY 2020</b>	9,815,754	4,377,619	14,193,373	8.6%
<b>FY 2021</b>	7,039,024	3,404,830	10,443,854	7.0%
<b>FY 2022</b>	10,331,451	5,175,036	15,506,487	9.0%
<b>FY 2023</b>	9,941,527	4,654,491	14,596,018	8.8%
<b>FY 2024</b>	9,425,028	4,306,448	13,731,476	7.6%
<b>FY 2025</b>	9,293,748	3,879,476	13,173,224	7.1%
<b>FY 2026</b>	8,967,188	3,432,320	12,399,508	6.5%
<b>FY 2027</b>	8,242,830	2,964,655	11,207,485	5.7%
<b>FY 2028</b>	7,382,139	2,599,365	9,981,504	5.0%
<b>FY 2029</b>	7,014,658	2,345,745	9,360,403	4.6%
<b>FY 2030</b>	6,890,062	2,062,177	8,952,239	4.3%
<b>FY 2031</b>	6,698,831	1,793,268	8,492,099	3.9%
<b>FY 2032</b>	5,584,185	1,520,496	7,104,681	3.2%
<b>FY 2033</b>	3,312,418	1,273,530	4,585,948	2.0%
<b>FY 2034</b>	3,474,321	1,109,585	4,583,906	2.0%
<b>FY 2035</b>	3,642,479	937,553	4,580,032	1.9%
<b>FY 2036</b>	3,828,700	757,062	4,585,762	1.9%
<b>FY 2037</b>	2,511,953	604,905	3,116,858	1.2%
<b>FY 2038</b>	2,632,241	482,826	3,115,067	1.2%
<b>FY 2039</b>	2,327,688	354,804	2,682,492	1.0%
<b>FY 2040</b>	2,435,161	242,081	2,677,242	1.0%
<b>FY 2041</b>	2,605,649	124,377	2,730,026	1.0%
<b>FY 2042</b>	0	0	0	0.0%
<b>TOTAL</b>	<b>\$196,260,250</b>	<b>\$93,474,233</b>	<b>\$289,734,483</b>	

**DEBT SERVICE SCHEDULES BY FUND  
AND AS A PERCENTAGE OF TOTAL BUDGET  
(Continued)**

<b>WATER/SEWER FUND</b>	<b>Principal</b>	<b>Interest</b>	<b>Total Debt Service</b>	<b>% of Total Budget</b>
<b>FY 2011</b>	4,162,803	4,283,208	8,446,011	11.5%
<b>FY 2012</b>	6,522,388	6,193,410	12,715,798	17.4%
<b>FY 2013</b>	7,612,383	5,965,399	13,577,782	18.5%
<b>FY 2014</b>	7,674,780	5,832,865	13,507,645	18.4%
<b>FY 2015</b>	8,799,955	4,833,333	13,633,288	21.0%
<b>FY 2016</b>	9,026,243	5,842,292	14,868,535	20.9%
<b>FY 2017</b>	8,877,456	6,505,585	15,383,041	20.5%
<b>FY 2018</b>	7,398,682	5,579,777	12,978,459	18.2%
<b>FY 2019</b>	11,389,920	5,028,632	16,418,552	24.8%
<b>FY 2020</b>	13,470,113	5,748,801	19,218,914	25.9%
<b>FY 2021</b>	14,889,550	6,601,551	21,491,101	27.0%
<b>FY 2022</b>	14,877,439	6,351,099	21,228,538	26.7%
<b>FY 2023</b>	15,669,473	6,333,428	22,002,901	25.8%
<b>FY 2024</b>	15,608,032	5,788,792	21,396,824	25.4%
<b>FY 2025</b>	15,834,920	5,227,330	21,062,250	24.4%
<b>FY 2026</b>	15,782,553	4,660,968	20,443,521	23.1%
<b>FY 2027</b>	15,898,126	4,036,053	19,934,179	22.0%
<b>FY 2028</b>	15,236,404	3,477,210	18,713,614	20.1%
<b>FY 2029</b>	14,208,121	3,152,047	17,360,168	18.2%
<b>FY 2030</b>	13,321,946	2,561,771	15,883,717	16.3%
<b>FY 2031</b>	12,301,815	2,067,644	14,369,459	14.4%
<b>FY 2032</b>	9,468,192	1,726,156	11,194,348	10.9%
<b>FY 2033</b>	7,388,201	1,396,115	8,784,316	8.4%
<b>FY 2034</b>	7,374,480	1,246,455	8,620,935	8.0%
<b>FY 2035</b>	4,681,962	896,786	5,578,748	5.0%
<b>FY 2036</b>	4,896,479	683,038	5,579,517	4.9%
<b>FY 2037</b>	2,987,635	503,786	3,491,421	3.0%
<b>FY 2038</b>	2,946,259	364,434	3,310,693	2.9%
<b>FY 2039</b>	1,420,000	223,750	1,643,750	1.4%
<b>FY 2040</b>	1,490,000	152,750	1,642,750	1.4%
<b>FY 2041</b>	1,565,000	78,250	1,643,250	1.4%
<b>FY 2042</b>	0	0	0	0.0%
<b>TOTAL</b>	<b>\$292,781,310</b>	<b>\$113,342,715</b>	<b>\$406,124,025</b>	

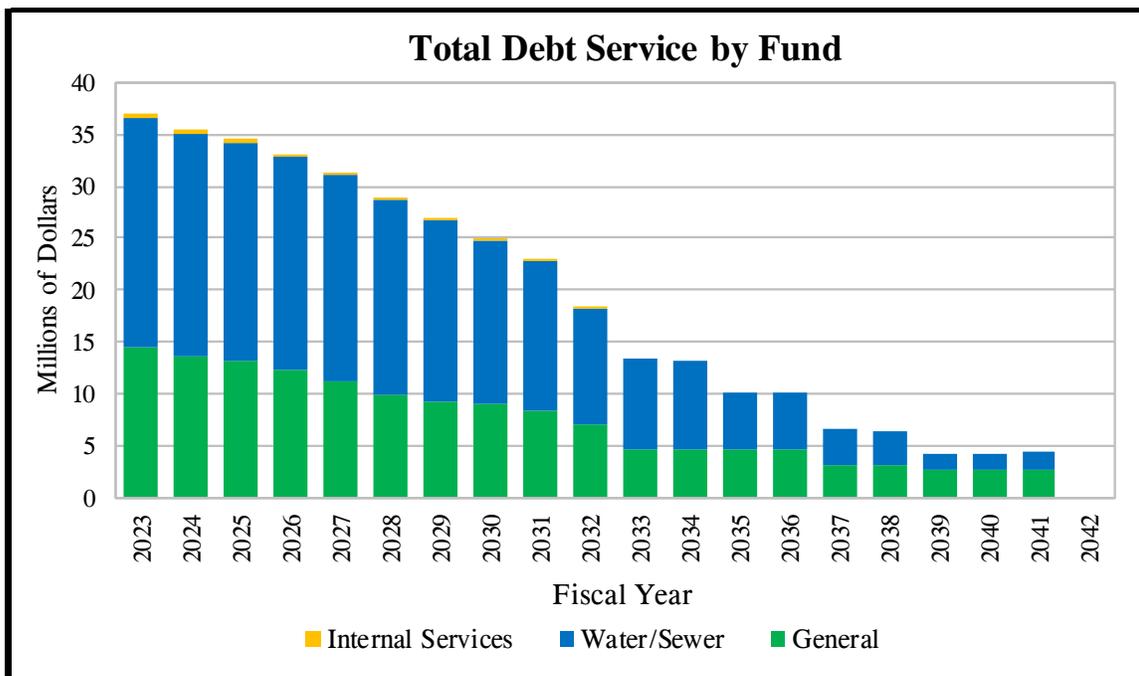
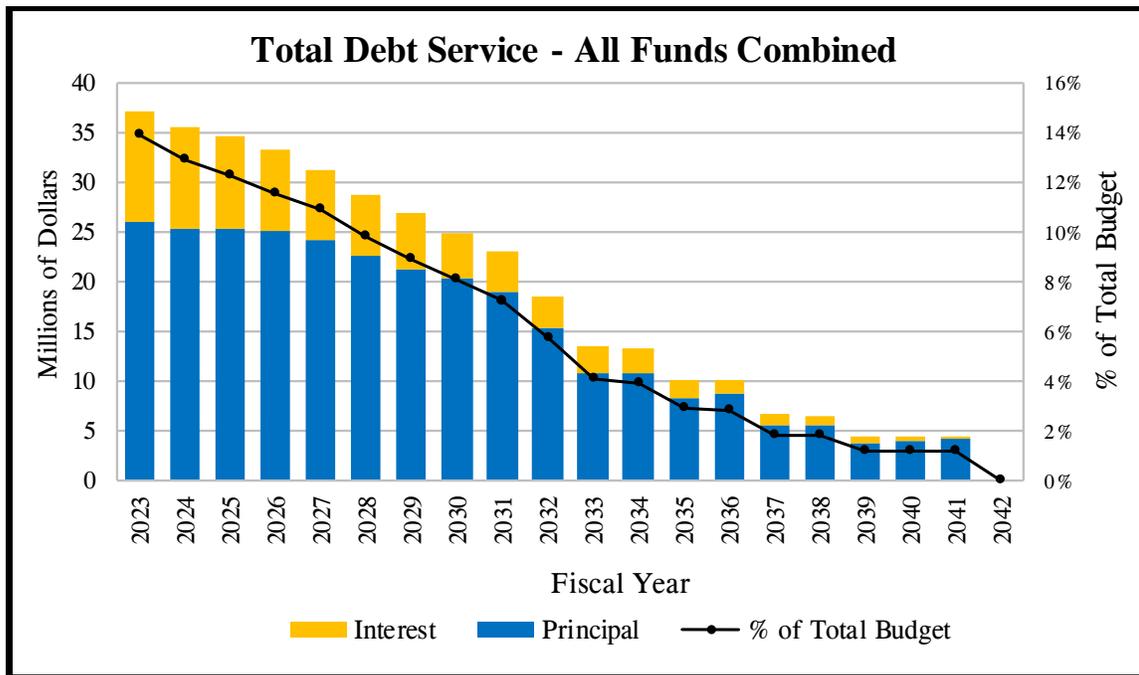
**DEBT SERVICE SCHEDULES BY FUND  
AND AS A PERCENTAGE OF TOTAL BUDGET  
(Continued)**

<b>INTERNAL SERVICE FUNDS</b>	<b>Principal</b>	<b>Interest</b>	<b>Total Debt Service</b>	<b>% of Total Budget</b>
<b>FY 2011</b>	89,492	425,562	515,054	3.2%
<b>FY 2012</b>	495,641	406,364	902,005	5.6%
<b>FY 2013</b>	428,432	357,357	785,789	4.9%
<b>FY 2014</b>	280,927	397,391	678,318	4.2%
<b>FY 2015</b>	455,418	301,225	756,643	5.5%
<b>FY 2016</b>	480,091	213,883	693,974	6.0%
<b>FY 2017</b>	520,025	202,046	722,071	5.8%
<b>FY 2018</b>	460,958	218,710	679,668	4.3%
<b>FY 2019</b>	396,422	203,712	600,134	2.8%
<b>FY 2020</b>	334,071	131,009	465,080	22.2%
<b>FY 2021</b>	530,370	268,212	798,582	9.7%
<b>FY 2022</b>	559,863	118,207	678,070	8.2%
<b>FY 2023</b>	315,596	74,609	390,205	4.6%
<b>FY 2024</b>	223,324	40,039	263,363	3.0%
<b>FY 2025</b>	234,537	28,759	263,296	2.9%
<b>FY 2026</b>	245,948	16,752	262,700	2.9%
<b>FY 2027</b>	610	10,205	10,815	0.1%
<b>FY 2028</b>	2,758	10,175	12,933	0.1%
<b>FY 2029</b>	27,918	10,064	37,982	0.4%
<b>FY 2030</b>	31,847	8,948	40,795	0.4%
<b>FY 2031</b>	21,500	7,674	29,174	0.3%
<b>FY 2032</b>	170,344	6,814	177,158	1.7%
<b>FY 2033</b>	0	0	0	0.0%
<b>TOTAL</b>	<b>\$6,306,092</b>	<b>\$3,457,717</b>	<b>\$9,763,809</b>	

**DEBT SERVICE SCHEDULES BY FUND  
AND AS A PERCENTAGE OF TOTAL BUDGET  
(Continued)**

<b>FUNDS COMBINED</b>	<b>Principal</b>	<b>Interest</b>	<b>Total Debt Service</b>	<b>% of Total Budget</b>
<b>FY 2011</b>	7,089,419	10,118,638	17,208,057	7.9%
<b>FY 2012</b>	12,697,262	11,921,286	24,618,548	11.8%
<b>FY 2013</b>	15,284,447	11,397,629	26,682,076	12.5%
<b>FY 2014</b>	14,798,326	11,426,450	26,224,776	11.5%
<b>FY 2015</b>	16,825,894	10,042,481	26,868,375	11.8%
<b>FY 2016</b>	17,612,047	11,098,377	28,710,424	11.8%
<b>FY 2017</b>	18,023,828	11,648,624	29,672,452	12.1%
<b>FY 2018</b>	15,367,277	10,511,414	25,878,691	10.5%
<b>FY 2019</b>	20,236,731	9,697,437	29,934,168	12.7%
<b>FY 2020</b>	23,619,938	10,257,429	33,877,367	14.2%
<b>FY 2021</b>	22,458,944	10,274,593	32,733,537	13.2%
<b>FY 2022</b>	25,768,753	11,644,342	37,413,095	14.4%
<b>FY 2023</b>	25,926,596	11,062,528	36,989,124	13.8%
<b>FY 2024</b>	25,256,384	10,135,279	35,391,663	12.9%
<b>FY 2025</b>	25,363,204	9,135,566	34,498,770	12.3%
<b>FY 2026</b>	24,995,689	8,110,041	33,105,730	11.5%
<b>FY 2027</b>	24,141,566	7,010,914	31,152,480	10.9%
<b>FY 2028</b>	22,621,300	6,086,750	28,708,050	9.8%
<b>FY 2029</b>	21,250,697	5,507,856	26,758,553	8.9%
<b>FY 2030</b>	20,243,854	4,632,896	24,876,750	8.1%
<b>FY 2031</b>	19,022,146	3,868,585	22,890,731	7.3%
<b>FY 2032</b>	15,222,722	3,253,466	18,476,188	5.7%
<b>FY 2033</b>	10,700,619	2,669,645	13,370,264	4.0%
<b>FY 2034</b>	10,848,801	2,356,041	13,204,842	3.9%
<b>FY 2035</b>	8,324,441	1,834,339	10,158,780	2.9%
<b>FY 2036</b>	8,725,179	1,440,100	10,165,279	2.8%
<b>FY 2037</b>	5,499,589	1,108,690	6,608,279	1.8%
<b>FY 2038</b>	5,578,500	847,260	6,425,760	1.8%
<b>FY 2039</b>	3,747,688	578,554	4,326,242	1.2%
<b>FY 2040</b>	3,925,161	394,831	4,319,992	1.2%
<b>FY 2041</b>	4,170,649	202,627	4,373,276	1.2%
<b>FY 2042</b>	0	0	0	0.0%
<b>TOTAL</b>	<b>\$495,347,651</b>	<b>\$210,274,668</b>	<b>\$705,622,319</b>	

**DEBT SERVICE SCHEDULES BY FUND  
AND AS A PERCENTAGE OF TOTAL BUDGET  
(Continued)**



**DEBT SERVICE EXPENSE BY DEPARTMENT IN DOLLARS  
AND AS A PERCENTAGE OF TOTAL OPERATING COSTS**

**GENERAL FUND**

<b>DEPARTMENT</b>	<b>ACTUAL FY 2019</b>	<b>ACTUAL FY 2020</b>	<b>ACTUAL FY 2021</b>	<b>BUDGET FY 2022</b>	<b>BUDGET FY 2023</b>
<b>MAYOR'S OFFICE</b>	\$3,765,676	\$3,818,161	\$3,180,770	\$1,196,088	\$1,230,306
<b>% Departmental Expenses</b>	<b>38.2%</b>	<b>39.4%</b>	<b>38.4%</b>	<b>15.3%</b>	<b>16.4%</b>
<b>CITY COUNCIL</b>	720	1,034	111	0	0
<b>% Departmental Expenses</b>	<b>0.0%</b>	<b>0.1%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>
<b>PLANNING</b>	215,906	175,557	173,305	241,778	262,313
<b>% Departmental Expenses</b>	<b>11.6%</b>	<b>11.5%</b>	<b>12.6%</b>	<b>16.7%</b>	<b>6.8%</b>
<b>FINANCE</b>	48,625	53,090	24,774	64,994	54,949
<b>% Departmental Expenses</b>	<b>0.5%</b>	<b>0.6%</b>	<b>0.3%</b>	<b>0.6%</b>	<b>0.5%</b>
<b>HUMAN RESOURCES</b>	28,551	40,280	17,537	33,624	38,544
<b>% Departmental Expenses</b>	<b>1.3%</b>	<b>2.5%</b>	<b>1.1%</b>	<b>1.5%</b>	<b>1.6%</b>
<b>LICENSES &amp; INSPECTIONS</b>	5,053	7,255	779	1,559	2,791
<b>% Departmental Expenses</b>	<b>0.1%</b>	<b>0.1%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.1%</b>
<b>PARKS &amp; RECREATION</b>	1,671,497	1,781,577	1,181,581	2,449,781	2,377,984
<b>% Departmental Expenses</b>	<b>18.6%</b>	<b>20.2%</b>	<b>15.2%</b>	<b>25.8%</b>	<b>24.4%</b>
<b>FIRE</b>	998,058	1,222,300	845,840	1,377,254	1,479,778
<b>% Departmental Expenses</b>	<b>3.9%</b>	<b>4.5%</b>	<b>3.1%</b>	<b>5.1%</b>	<b>5.4%</b>
<b>POLICE</b>	274,534	262,409	129,084	200,380	238,837
<b>% Departmental Expenses</b>	<b>0.5%</b>	<b>0.4%</b>	<b>0.2%</b>	<b>0.3%</b>	<b>0.4%</b>
<b>PUBLIC WORKS</b>	4,545,306	5,016,362	3,846,115	5,903,614	6,129,300
<b>% Departmental Expenses</b>	<b>18.5%</b>	<b>20.4%</b>	<b>16.3%</b>	<b>21.5%</b>	<b>21.5%</b>
<b>REAL ESTATE &amp; HOUSING</b>	859,895	745,255	488,806	3,767,926	2,085,493
<b>% Departmental Expenses</b>	<b>42.2%</b>	<b>34.1%</b>	<b>16.4%</b>	<b>63.6%</b>	<b>49.3%</b>
<b>COMMERCE DEPARTMENT</b>	501,661	720,226	77,374	154,941	277,071
<b>% Departmental Expenses</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
<b>INFORMATION TECH</b>	0	349,866	477,778	114,548	418,652
<b>% Departmental Expenses</b>	<b>0.0%</b>	<b>4.4%</b>	<b>5.6%</b>	<b>1.3%</b>	<b>4.5%</b>

**DEBT SERVICE EXPENSE BY DEPARTMENT IN DOLLARS  
AND AS A PERCENTAGE OF TOTAL OPERATING COSTS  
(Continued)**

**GENERAL FUND (CONTINUED)**

<b>DEPARTMENT</b>	<b>ACTUAL FY 2019</b>	<b>ACTUAL FY 2020</b>	<b>ACTUAL FY 2021</b>	<b>BUDGET FY 2022</b>	<b>BUDGET FY 2023</b>
<b>TOTAL DEBT SERVICE</b>	<b>\$12,915,483</b>	<b>\$14,193,373</b>	<b>\$10,443,854</b>	<b>\$15,506,487</b>	<b>\$14,596,018</b>
<b>% General Fund</b>	<b>8.2%</b>	<b>8.7%</b>	<b>6.5%</b>	<b>9.0%</b>	<b>8.3%</b>
<b>LEGAL DEBT SERVICE LIMIT (17.5%)</b>	<b>\$27,431,665</b>	<b>\$28,661,181</b>	<b>\$27,960,962</b>	<b>\$30,222,920</b>	<b>\$30,951,428</b>

**WATER/SEWER FUND**

<b>DEPARTMENT</b>	<b>ACTUAL FY 2019</b>	<b>ACTUAL FY 2020</b>	<b>ACTUAL FY 2021</b>	<b>BUDGET FY 2022</b>	<b>BUDGET FY 2023</b>
<b>PUBLIC WORKS</b>	<b>\$4,998,319</b>	<b>\$5,700,367</b>	<b>\$5,342,779</b>	<b>\$6,299,476</b>	<b>\$5,734,727</b>
<b>% of Department Expenses</b>	<b>7.3%</b>	<b>7.8%</b>	<b>7.4%</b>	<b>8.7%</b>	<b>7.7%</b>
<b>FINANCE</b>	<b>\$30,313</b>	<b>\$48,433</b>	<b>\$498,373</b>	<b>\$51,623</b>	<b>\$49,796</b>
<b>% of Department Expenses</b>	<b>0.5%</b>	<b>0.8%</b>	<b>7.1%</b>	<b>0.7%</b>	<b>0.7%</b>
<b>TOTAL DEBT SERVICE</b>	<b>\$5,028,632</b>	<b>\$5,748,800</b>	<b>\$5,841,152</b>	<b>\$6,351,099</b>	<b>\$5,784,523</b>
<b>% of Water/Sewer Fund</b>	<b>6.8%</b>	<b>7.3%</b>	<b>7.4%</b>	<b>8.0%</b>	<b>7.0%</b>

**Note: Legal Debt Service limit of 17.5% exists only for the General Fund. Only the interest portion of debt service is booked (and budgeted) as an expense in the Water/Sewer Fund and Internal Service Funds.**

**DEBT SERVICE EXPENSE BY DEPARTMENT IN DOLLARS  
AND AS A PERCENTAGE OF TOTAL OPERATING COSTS  
(Continued)**

**INTERNAL SERVICE (IS) FUNDS**

<b>DEPARTMENT</b>	<b>ACTUAL FY 2019</b>	<b>ACTUAL FY 2020</b>	<b>ACTUAL FY 2021</b>	<b>BUDGET FY 2022</b>	<b>BUDGET FY 2023</b>
<b>MAYOR'S OFFICE</b>	\$41,264	\$0	\$0	\$0	\$0
<b>% of Department Expenses</b>	<b>0.8%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>
<b>PUBLIC WORKS</b>	\$203,712	\$131,009	\$79,123	\$118,207	\$74,609
<b>% of Department Expenses</b>	<b>2.6%</b>	<b>1.6%</b>	<b>1.0%</b>	<b>1.4%</b>	<b>0.9%</b>
<b>TOTAL DEBT SERVICE</b>	<b>\$244,976</b>	<b>\$131,009</b>	<b>\$79,123</b>	<b>\$118,207</b>	<b>\$74,609</b>
<b>% of IS Fund</b>	<b>1.9%</b>	<b>1.6%</b>	<b>1.0%</b>	<b>1.4%</b>	<b>0.9%</b>

**ALL FUNDS**

<b>ALL DEPARTMENTS</b>	<b>ACTUAL FY 2019</b>	<b>ACTUAL FY 2020</b>	<b>ACTUAL FY 2021</b>	<b>BUDGET FY 2022</b>	<b>BUDGET FY 2023</b>
<b>TOTAL DEBT SERVICE</b>	<b>\$18,189,091</b>	<b>\$20,073,182</b>	<b>\$16,364,129</b>	<b>\$21,975,793</b>	<b>\$20,455,150</b>
<b>% of All Funds</b>	<b>7.5%</b>	<b>8.0%</b>	<b>6.6%</b>	<b>8.4%</b>	<b>7.6%</b>

Note: Legal Debt Service limit of 17.5% exists only for the General Fund. Only the interest portion of debt service is booked (and budgeted) as an expense in the Water/Sewer Fund and Internal Service Funds.

**RATIO OF NET GENERAL BONDED DEBT TO ASSESSED VALUE  
AND NET BONDED DEBT PER CAPITA  
FISCAL YEARS 2002-2022**

<b>Fiscal Year-end</b>	<b>Taxable Assessed Value</b>	<b>Gross Bonded Debt</b>	<b>Gross Debt Payable from Enterprise, Internal Service, and State Funds</b>	<b>Net General Bonded Debt</b>	<b>Ratio of Net Bonded Debt to Assessed Value</b>	<b>Net Bonded Debt per Capita</b>
2002	2,115,498,937	210,494,211	129,219,543	81,274,668	3.80%	1,119
2003	2,114,078,568	193,818,399	115,330,004	78,488,395	3.71%	1,068
2004	2,182,337,973	184,549,800	111,306,574	73,243,226	3.36%	1,010
2005	2,134,545,304	178,806,711	105,737,075	73,069,636	3.42%	1,006
2006	2,213,839,948	227,706,776	123,183,846	104,522,930	4.72%	1,439
2007	2,300,886,160	286,659,775	178,667,598	107,992,177	4.69%	1,483
2008	2,183,048,645	266,829,357	166,599,233	100,230,124	4.59%	1,376
2009	2,176,247,400	274,287,535	163,713,284	110,574,250	5.08%	1,463
2010	2,220,181,556	266,933,790	156,146,773	110,787,017	4.99%	1,466
2011	2,239,927,925	252,641,967	151,894,478	100,747,489	4.50%	1,422
2012	2,222,588,846	301,229,983	172,739,520	128,490,463	5.78%	1,814
2013	2,181,176,410	290,699,645	166,125,509	124,574,136	5.71%	1,758
2014	2,144,938,410	275,767,390	158,169,811	117,597,579	5.48%	1,660
2015	2,148,473,062	258,631,665	148,914,439	109,717,226	5.11%	1,549
2016	2,150,271,230	308,597,307	190,440,648	118,156,659	5.50%	1,668
2017	2,174,853,025	286,628,777	177,913,124	108,715,653	5.00%	1,534
2018	2,160,800,395	271,400,882	170,053,484	101,347,398	4.69%	1,430
2019	2,165,200,587	318,236,352	219,127,386	99,108,966	4.58%	1,399
2020	2,181,989,209	273,675,577	185,552,066	88,123,511	4.04%	1,243
2021	2,157,242,626	306,370,247	192,988,059	113,382,188	5.26%	1,599
2022	2,143,203,928	285,564,785	179,353,979	106,210,806	4.96%	1,498

**TOTAL DEBT BALANCES BY YEAR  
FISCAL YEARS 2023-2042**

<b>First Day of Fiscal Year</b>	<b>General Fund Debt</b>	<b>Water/Sewer Fund Debt</b>	<b>Internal Service Funds Debt</b>	<b>Total Debt</b>
2023	106,210,806	178,079,599	1,274,380	285,564,785
2024	96,269,279	162,410,126	958,784	259,638,189
2025	86,844,251	146,802,094	735,460	234,381,805
2026	77,550,503	130,967,174	500,923	209,018,600
2027	68,583,315	115,184,621	254,976	184,022,912
2028	60,340,485	99,286,495	254,366	159,881,346
2029	52,958,347	84,050,092	251,608	137,260,047
2030	45,943,689	69,841,970	223,690	116,009,349
2031	39,053,627	56,520,025	191,844	95,765,496
2032	32,354,796	44,218,210	170,344	76,743,350
2033	26,770,611	34,750,017	0	61,520,628
2034	23,458,192	27,361,816	0	50,820,008
2035	19,983,871	19,987,336	0	39,971,207
2036	16,341,393	15,305,373	0	31,646,766
2037	12,512,692	10,408,894	0	22,921,586
2038	10,000,739	7,421,259	0	17,421,998
2039	7,368,498	4,475,000	0	11,843,498
2040	5,040,810	3,055,000	0	8,095,810
2041	2,605,649	1,565,000	0	4,170,649
2042	0	0	0	0

## **DESCRIPTION OF TERMS USED IN THIS BOOK**

**Account:** A separate financial reporting unit for budgeting, management, or accounting purposes. All budgetary transactions, whether revenue or expenditure, are recorded in accounts.

**Account Group:** A group of similarly related expenditure accounts such as Personal Services, which includes salaries, overtime, pension, and hospitalization.

**Accounts Payable:** Amounts due to creditors arising out of the purchase of goods or services.

**Accounts Receivable:** Amounts due from debtors arising out of the extension of open account credit, usually in connection with the sale of goods or services to customers.

**Accrual Basis:** The basis of accounting under which revenues and expenses are recognized and recorded when they are earned or incurred, rather than when collected or paid.

**Accrued Expense:** An expense that has been incurred, but has not been paid out.

**Accrued Revenue:** A revenue that has been earned, but has not been collected.

**Administrative Services:** The combination of various services internally supplied to all departments and reimbursed on a per-usage basis. These activities used to include Word Processing, Data Processing, Mapping and Graphics, Mail and Copy Services, Telephone, Radio, and the Motor Vehicle Fleet. Starting in FY 2020, the Motor Vehicle Fleet become the sole administrative service left in the Internal Services account group.

**Annual Financial Report:** A comprehensive document prepared annually at the end of each fiscal year by the Finance Department that provides detailed information regarding the financial position of the City.

**Appropriation:** An appropriation creates the legal authority to spend or otherwise commit a government's resources. Expenditure authority is created by City Council through the passage of an enacting budget ordinance.

**ARPA:** American Rescue Plan Act federal grant funding provided to state and local governments as part of a spending package approved by Congress to speed up the country's recovery from the economic and health effects of the COVID-19 pandemic. ARPA builds upon many of the measures contained in the previous CARES Act.

**Assessed Valuation:** A value that is established for real property for use as a basis for levying property tax. Property values in the City of Wilmington are assessed by the New Castle County Board of Assessment using 1983 market values as the base.

**Balanced Budget:** For the City budget to be legally balanced, revenues plus an amount of existing prior years' surpluses, if any, must equal operating expenditures plus any existing deficits.

**BAN (Bond Anticipation Note):** A short-term (usually two years or less) interest-bearing note issued by a government to fund capital needs in anticipation of bonds to be issued at a later date. The note is retired from proceeds of the bond issue to which it is related.

**Basis of Accounting:** The underlying fiscal principles utilized in the development of the financial statements. The City uses the Accrual Basis and Modified Accrual Basis.

**Basis of Budgeting:** The underlying fiscal principles utilized in the development of the budget. The City matches its basis of budgeting to its basis of accounting.

**Bond:** A written promise to pay a specified sum of money, called the face value or principal amount, at specified dates, called the maturity dates, together with periodic interest at a specified rate. The City incurs bonded debt to pay for the costs of capital improvements, such as streets, buildings, and water mains.

**Budget:** Plan of financial operation, embodying an estimate of proposed expenditures for a given period and the proposed revenue estimates of financing them. Upon approval by Council, the budget ordinance is the legal basis for expenditures in the budget year.

**Budget Ordinance:** An ordinance by which the appropriations in the budget are given legal effect. It is the method by which the expenditures side of the budget is enacted into law by City Council.

**Budget Reserve:** The Budget Reserve Account or "Rainy Day Account" is a set-aside of funds equal to 10% of the General Fund Operating Budget. The Budget Reserve is to be used only in emergencies as declared by the Mayor and approved by a two-thirds majority vote of City Council. Also see **Fund Balance**.

**CARES Act:** Coronavirus Aid, Relief, and Economic Security Act is federal legislation to provide, among other things, economic stimulus payments to individuals, small business, and state and local governments in response to the negative effects of the COVID-19 pandemic.

**Capital Budget:** A two-year appropriation of expenditures from the Capital Program, normally funded from bond proceeds and intragovernmental grants.

**Capital Expenditures:** Outlays for machinery, equipment, land, buildings, infrastructure and other fixed assets or permanent improvements that have a useful life of at least five years and a cost of at least \$5,000.

**Capitalization:** In the Water/Sewer and Internal Services Funds, fixed-asset acquisitions are budgeted; however, in accordance with the Government Accounting Standards Board, these amounts are subsequently reversed through the capitalization account and not included in totals. This is done because the purchase of fixed assets in Enterprise Funds is not considered an expense, but for appropriation purposes the purchase needs to be specified for City Council and the public.

**Capital Program:** A six-year plan for the purchase of property, equipment (fixed assets), and public improvements that are of a permanent nature.

**Cash Basis:** The basis of accounting in which revenues and expenses are recorded when cash is collected or paid out, not when earned or incurred.

**CDBG:** The City's Community Development Block Grant from the United States Department of Housing and Urban Development (HUD). These monies are specifically designated to revitalize targeted underdeveloped areas of the City, remove artificial barriers and improve slum areas.

**City Charter:** The document issued by the State of Delaware, which defines the City's purpose and privileges, and outlines its principles, functions, and organization.

**Contingent Reserves:** Funds set aside as a reserve for unplanned operating expenses and snow and weather emergencies.

**Debt Limit:** A statutory limit on the amount of debt that an issuer may incur or have outstanding.

**Debt Service:** Principal and interest payments on borrowed funds.

**Deficit:** This occurs when total expenditures for an entity exceed total revenues.

**Department:** A major component of City Government with administrative and managerial responsibility for a function or group of related functions and operations. Examples include the Police Department and the Parks and Recreation Department.

**Depreciation:** The cost of a fixed asset expensed over its useful life.

**Encumbrance:** Any commitment of funds against an appropriation. It may be in the form of a purchase order or a contract. Encumbrance accounting is formally integrated into the accounting system for expenditure control purposes. Until such time as the goods or services are received, the commitment is referred to as an encumbrance. Encumbered balances at year-end, with the authority of the Finance Director, may be re-appropriated into the subsequent year.

**Expenditure/Expense:** A decrease in net financial resources, such as for the payment of goods received or services rendered.

**Financial Statements:** The medium used to communicate accounting information about an entity. The basic elements (building blocks) of financial statements are assets, liabilities, equity, revenues, expenses, gains, and losses.

**Fiscal:** Pertaining to the finances of an entity, such as the City.

**Fiscal Year:** The twelve month period of time between July 1 and June 30 established as the operating and accounting time frame for City activities. The term fiscal year is often abbreviated as “FY”.

**Fixed Asset:** A tangible resource or thing with a relatively long life expectancy, requiring a substantial financial outlay and usually large scale in nature, such as buildings, streets, and water pipes.

**Fund:** An independent accounting unit in which assets, liabilities, and equity are segregated for specific purposes in accordance to Governmental Generally Accepted Accounting Principals (GAAP). The City utilizes four major funds: General, Water/Sewer, Special, and Internal Services.

**Fund Balance:** For the General Fund (and other governmental funds), the difference between fund assets and liabilities is labeled as “**Fund Balance**” on the financial statement. Fund balance is further defined by the following subcategories:

**Non-spendable Fund Balance** – Amounts that cannot be spent either because they are in a non-spendable form or because they are legally or contractually required to be maintained intact.

**Restricted Fund Balance** – Amounts that can be spent only for specific purposes because of the City Charter, City Code, State or Federal laws, or externally imposed conditions by grantors or creditors

**Committed Fund Balance** – Amounts that can be used only for specific purposes determined by a formal action by City Council ordinance or resolution. This includes the Budget Reserve Account and the Tax Stabilization Reserve.

**Assigned Fund Balance** – Amounts that are allocated for a future use by the Mayor but are not spendable until a budget ordinance appropriating the amounts is passed by City Council.

**Unassigned Fund Balance** – All amounts not included in other spendable classifications.

**FY:** Abbreviation for “Fiscal Year”.

**GAAP (Generally Accepted Accounting Principles):** Uniform minimum standards and guidelines for financial accounting and reporting. The primary authoritative body on the application of GAAP to state and local governments is the Government Accounting Standards Board (GASB).

**GASB (Government Accounting Standards Board):** The regulatory body over governmental accounting principles and practices.

**General Obligation Bonds:** A bond that is secured by the full faith and credit of the City, with debt service from the bond being paid from City tax revenues. Such bonds are issued for the purpose of financing city capital improvement projects over a long period of time, usually 20 years.

**Goal:** A broad statement of intended accomplishments or a description of a general condition deemed desirable.

**GFOA (Government Finance Officers Association):** A professional association of state/provincial and local finance officers whose members are dedicated to the sound management of government financial resources and operations.

**Grants and Fixed Charges:** An activity with a limited time span and purpose, usually financed by Federal or State contributions, and sometimes involving payments to a third-party agency.

**HOPWA:** A grant entitled Housing Opportunities for Persons With AIDS received from the United States Department of Housing and Urban Development to address the housing concerns of this growing segment of the population.

**Internal Services:** A combination of various services internally supplied to all departments and reimbursed on a per usage basis. These activities include the **Administrative Services** (see above), along with the Self-Insurance services of Risk Management and Workers’ Compensation.

**Internal Service Chargebacks:** The group of accounts that record the costs that are charged to user departments for goods and services provided by the Internal Services.

**Indirect Costs:** Reimbursement payments from Enterprise Funds to the General Fund for general administrative services that the General Fund has provided such as accounting, legal advice and payroll.

**Infrastructure:** Facilities on which the continuance and growth of a community depend, such as streets, water/sewer lines, etc.

**Initiative:** A new program implemented to achieve a specific goal or objective.

**Interest:** The expense charged for a loan, usually a percentage of the amount borrowed.

**LLEBG: Local Law Enforcement Block Grant** awarded by the United States Department of Justice to be used by local Police jurisdictions to enhance crime prevention and deployment.

**Long Term Debt:** Debt with a maturity of more than one year after the date of issuance.

**M., S. & E (Materials, Supplies and Equipment):** The account group of expenses for goods and services needed to perform day-to-day operations such as equipment, contracted maintenance, repairs or consulting fees.

**Modified Accrual Basis:** The basis in accounting in which revenues are recognized and recorded when they become measurable and available as net current assets, and all expenses, except those related to fixed asset acquisition, are recorded when incurred (not when cash is paid out). "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 General Fund revenues to be available if they are collected within 60 days after the end of the fiscal year.

**Net Position:** For the Water/Sewer Fund (and other proprietary and fiduciary funds), the difference between fund assets and liabilities is labeled as *Net Position* on the financial statement. Net Position is classified as *Invested in Capital Assets*, *Net of Related Debt*, legally *Restricted* for a specific purpose or *Unrestricted*, and available for appropriation for the general purposes of the fund. The Operation and Maintenance Reserve and the Rate Stabilization Reserve are part of the restricted net position of the Water/Sewer Fund.

**Objective:** A specific, well-defined, and measurable condition that must be attained in order to accomplish a stated goal.

**Operation and Maintenance Reserve:** The Operation and Maintenance Reserve was created in FY 2018 for the purpose of providing funding in the event of adverse economic conditions or a public emergency that impacts the operations and maintenance of the Water/Sewer Fund utilities. The Reserve is determined at the end of each fiscal year and is set to be equal to 17% of the following fiscal year's Water/Sewer Fund operating budget. The Reserve can be accessed in order to pay water and sewer obligations if the Mayor certifies that adverse economic conditions or a public emergency has occurred that impacts the operations and maintenance of the Water/Sewer Fund such that immediate action is required. Also see **Net Position**.

**Operating Budget:** The current year estimated revenues and expenditures for the day-to-day operations of the City.

**Operating Transfer:** A legally authorized movement of cash or equity from one fund to another, usually between the Water/Sewer Fund and the General Fund.

**Ordinance:** A formal legislative enactment by City Council that has the full force and effect of law within the boundaries of the City.

**Performance Measures:** Statistical indicators of the relative success toward achieving an objective.

**Personal Services:** Includes salaries and all other human-resource-related allotments, such as overtime, medical insurance, social security, etc.

**Principal:** The face amount of a note or bond, which the issuer promises to pay.

**Projections (Revenues/Expenditures):** An estimate of revenues or expenditures based on trend analysis, the study of economic conditions, and patterns of spending and income generation.

**Property Tax:** A levy based on a set percentage of the assessed value of real estate.

**Property Tax Base:** The value of all taxable real property in the City, as certified by the New Castle County Board of Assessment. The tax base represents the net value after all abatements and exemptions.

**Proprietary Funds:** Funds that focus on the determination of operating income, changes in net assets (or cost recovery), financial position, and cash flows. The City has two different types of proprietary funds: the Water/Sewer Fund and the Internal Services Funds.

**Rate Stabilization Reserve:** The Rate Stabilization Reserve was created in FY 2018 with the purpose of providing future water and sewer rate stabilization for the Water/Sewer Fund. The Reserve is the net unrestricted Water/Sewer Fund balance as determined by the fiscal year-end Comprehensive Annual Financial Report. The Reserve can be accessed in order to pay City water/sewer obligations and to limit the need to increase rates when authorized by City Council by ordinance. Also see **Net Position**.

**Revenue:** Income received from sources such as tax payments, fees from specific services, receipts from other governments, fines, forfeitures, grants, and interest.

**Revenue Bonds:** A bond that is repaid and secured by the expected revenues from the project being financed or the entity doing the borrowing, such as a water/sewer system, and not by taxes.

**Risk Management:** The process of identifying potential events and actions that may result in liability to the City and the actions taken to eliminate or minimize the impact of such a liability on City finances, property, services, operations, and employees.

**SALLE:** State Aid for Local Law Enforcement. These monies are State of Delaware grants used for specific local law-enforcement programs such as training, consulting, counseling, and drug enforcement equipment.

**Self-Insurance:** Funding set aside for the payment of liability claims against the City by a third party or to cover the cost of damage, destruction, injury, or death as a result of City operations or natural disasters.

**Special Purpose:** The same as **Grants and Fixed Charges** except the activity is usually not financed by State or Federal contributions and is requested by the City Administration or City Council.

**Surplus:** The amount by which total revenues exceed total expenditures.

**Tax Stabilization Reserve:** The Tax Stabilization Reserve was created in FY 2018 with the purpose of providing future tax stabilization for the General Fund. The Tax Stabilization Reserve is the net unrestricted General Fund balance as determined by the fiscal year-end Comprehensive Annual Financial Report. The Reserve can be accessed as may be necessary in order to pay City obligations and to limit the need to increase taxes when authorized by City Council by ordinance. Also see **Fund Balance**.

**Unassigned Fund Balance:** See **Fund Balance**.

**User Fee:** A charge for the provision of a service usually correlated to the level of usage, such as water/sewer fees.

**WEFAC:** Wilmington Economic and Financial Advisory Council was created in 1994 and is composed of ten members appointed by the Mayor. Its membership consists of business, academic, and financial leaders with multifaceted expertise and experience. WEFAC's primary functions are to certify the City's revenue projections underlying the annual operating budget, advise the Mayor on revenue projections and trends, and provide a sounding board on issues of urban economics.