



CITY OF WILMINGTON

ANNUAL BUDGET

Michael S. Purzycki
MAYOR

FISCAL YEAR

2024

City of Wilmington Delaware



Approved Budget FY 2024

Michael S. Purzycki
Mayor

Prepared by the
Office of Management and Budget

Fiscal Year 2024 • Approved by City Council • May 18, 2023



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

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**The City of Wilmington
Delaware**

For the Fiscal Year Beginning
July 01, 2022

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, 2022.

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.

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Treasurer - DaWayne Sims

THE COUNCIL

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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 Latisha Bracy

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Mona A. Parikh, City Council Chief of Staff

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Ian R. Smith

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Chief of Staff

Director of Human Resources

Commissioner of Licenses & Inspections

Chief of Police

City Solicitor

Chief of Fire

Director of Economic Development

Director of Emergency Management Office

Director of Parks and Recreation

Director of Land Use and Planning

Director of Finance

Director of Real Estate and Housing

Commissioner of Public Works

City Auditor

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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 2024 BUDGET MESSAGE

REASONS FOR OPTIMISM

I am pleased to report that the state of the City is better than we could have ever imagined just a short while ago. There has been much progress that this Administration and this Council have made together. We certainly do not always agree on some of the means and methods, but we surely agree on the goals: a safe, healthy, and prosperous City in which our children can grow and reach their full potential.

Two years ago, there were reasons for us to be very uneasy about the state of affairs locally and nationally. The pandemic exacted a price on all sectors of the economy. It changed the way Americans lived their lives and how we worked as well. All of this affected the fortunes of America's cities. Working from home has negatively impacted wage tax revenue. In America's largest cities, 25% of employee time is spent working from home. Empty office buildings have resulted in fewer customers for our small businesses and lower tax assessments on appeal, inevitably lowering property tax revenue. This post-pandemic reality foreshadows a declining tax base and future fiscal challenges for cities across America. Wilmington assuredly is not exempt.

But through this once-in-a-lifetime crisis, our City's economy withstood the national headwinds that threatened the revenues of city after city across the nation. Construction of apartments, hotels, and restaurants have energized Wilmington's economy. Building permits issued over the past three years indicate that the total value of new construction and renovation activity in the City has averaged a remarkable \$253 million annually. The Downtown District, the Riverfront, and our neighborhoods have all thrived economically.

Most notably, despite the recent trend toward working from home, some of our major employers are holding firm to their commitment to Wilmington; JP Morgan Chase alone has invested \$250 million in the City. We applaud Chase and our other employers for their unwavering commitment to Wilmington.

When would you have imagined that Wilmington would be chosen by Condé Nast as one of the 23 best cities in America to visit? And featured by Forbes as one of their 22 best places to travel? And repeatedly featured in Virginia and Philly magazines for our restaurants, hotels, and amenities? Washington, D.C. Thrillist listed Wilmington among seven cities to visit this past winter.

The Chase Fieldhouse has become an unexpected economic driver for the City, drawing an astonishing 1.5 million participants and visitors to Wilmington in 2022, while the Christina Riverwalk counted well over one million visitors over this past year. In the Downtown District, Quoin joined La Fia, Bardea and Bardea Steak, and a host of other fine dining destinations. The Chancery joined DECO as a premiere food hall where our residents can socialize and eat a relaxing meal. SZA rehearsed for a week in Wilmington at the \$20 million Pine Box Studios, which opened just this past year.

STRENGTHENING OUR NEIGHBORHOODS

Strengthening our neighborhoods and our neighbors has been an overarching goal of this Administration and this Council. We have worked together to bring the impressive work of the Community Based Public Safety Collective to Wilmington from Newark, NJ. Under the leadership of Dr. Debra Mason, 18 of our citizens will become the frontline trained professionals prepared to interrupt the violence that plagues our neighborhoods without having to depend entirely on our police officers.

Having said that, violent crime has actually been reduced to the lowest level in memory, almost exclusively through the work of our police department. While the nation's cities in 2022 experienced a drop of 6% from the previous year, Wilmington saw a 62% drop in homicides and a 17-year low in overall violent crime during that same year. Our new Police Chief, Wilfredo Campos, has notably implemented deployment strategies that will strengthen our ongoing commitment to community policing, an objective we all share.

I continue to work with Council regarding police methods and practices. Our commitment to civilian oversight of our police department is strong but is limited by the Delaware Law Enforcement Officers' Bill of Rights and by changes proposed by the State Legislature. We are making progress, nonetheless, in building confidence between our officers and the public they serve. In any case, I believe that the Wilmington Police Department is, and will continue to be, one of the very finest departments of its size in the nation. And I remain appreciative of the many contributions and suggestions made by Council to improve it even more.

In our neighborhoods, unprecedented investment has occurred. In the Northeast, \$150 million is being invested in Amani Village, EastSide Charter School, and a new Kingswood Community Center. Amani Village, an existing 140-unit Purpose Built Community under the Reach Riverside umbrella, is now seeking to expand one of the most ambitious housing projects in the City's history.

On the East Side, we have committed \$20 million of American Rescue Plan Act funds for up to 150 new and redeveloped houses for our residents. Habitat for Humanity has repaired or rebuilt 49 houses to date for City homeowners, with another 40 in process or scheduled for repairs. Overgrown alleys have been cleaned and the Hattie Phelan Park has been reclaimed. The Governor has committed almost \$100 million to the rebuilding of Bancroft School. The Wilmington Housing Authority and the Community Education Building have jointly purchased the Elwyn Building on East 11th Street to turn it into a social services support center for our residents. We continue to work with community partners like Central Baptist CDC to rebuild our historic East Side. And we have asked the State for \$1.5 million to remake Herman Holloway Park, hopefully to include a likeness of the iconic state senator himself.

On Lower Hilltop, the Wilmington Land Bank has committed millions of dollars to rebuild another of our long-forgotten neighborhoods. It has acquired approximately 40 parcels, including five rehabilitated units

nearing completion. Alleys where nothing good happens are being gated by L&I, abandoned houses are being closed or demolished, and open space is being created. Fifty-four new affordable units just opened in West Center City, while 72 dilapidated apartment units are about to undergo a complete rehabilitation.

In this year's budget we again increased funding to our Clean Teams to continue the program that keeps our neighborhoods' appearances worthy of the children whose futures we claim to value while providing valuable employment opportunities for those who are often in most need of a job.

IMPROVING THE CITY AND THE CITY GOVERNMENT

The goal of this Administration has been to improve every service we provide and upgrade every property we own. We don't always succeed. But we try. To this end, we have thoroughly reorganized our Land Use & Planning department in an effort to increase efficiency and staff accountability.

For the first time in the City's history, Wilmington is reviewing closely the fairness and inclusiveness of our government procurement process. To this end, we launched a disparity study in 2022. Our goal is to make sure the procurement system is providing minority and women-owned businesses the opportunity to bid for City-issued proposals for goods and services.

We have begun to act on the recommendations of the Disparity Report, which was compiled by Miller 3 Consulting. I want to thank Council, and especially to remember our late dear friend Rysheema Dixon, for working with the Administration to bring about needed change. The patterns of longer-term disparity, as presented in the report, did not start with my Administration, but it is my goal to see these practices end before I leave office. I pledge to continue working with City Council for as long as it takes to get the job done. Along these lines it should be noted that this Administration has extended over \$4 million in credit and grants to minority developers and businesses.

There is much we have accomplished together that receives little mention. A sewer agreement with New Castle County eluded our predecessors for almost 20 years until this year, when the County Executive and I determined to negotiate a fair agreement that will endure for a decade. Property reassessment is finally being conducted after we reluctantly joined a lawsuit brought by the school districts against the County. For the first time since 1983, there will be tax fairness for our City property owners and for property owners throughout the County.

In 2017, the total fund balance of the General Fund was \$33.9 million — less than that required by bond rating agencies to maintain our bond rating. By the end of FY 2023 we are projected to have increased our General Fund balance to a very healthy \$86.9 million, or 45.4% of revenues. This is well above the minimum 25% benchmark required by the bond rating agencies.

Most of our capital assets, including our parks, are in excellent condition. But some of our fire stations, after having been neglected for years, are not in such good condition and will be receiving our much-needed attention. One complete renovation was completed last year, one rehabilitation is now underway, and another is in pre-construction.

The defunct Rodney reservoir underground holding tank is another example of a City property needing our attention. It has been an unsafe, unsightly, and poorly maintained structure for far too long. We intend to demolish it and transform the site above it into a beautiful City park. And to that end, we intend to fully engage with the community for a planning exercise for the design of the site.

Under the orchestration of our Cultural Affairs Office, we have constructed a beautiful performance stage in a park-like setting at the Urban Artist Exchange on the City's East Side. We will complete the next phase of the Rodney Square revitalization this summer. And DNREC has committed to finally improving the aesthetics at H. Fletcher Brown Park along the Brandywine River.

Many thanks to DelDOT for their extraordinary partnership and cooperation through the two-year reconstruction of the section of Interstate 95 that runs the heart of the City. Together, we paved almost 38 miles of City streets as part of the traffic reconfiguration needed during the project. DelDOT is restoring all of the recreational facilities that were previously in the highway right-of-way, and the decorative fencing along the highway has been a welcome improvement.

We have asked Council to support policy changes that respond to our changing times. Employee residency requirements must yield to new employment realities. Owners of vacant housing must be held to account for dragging down our neighborhoods by being charged more appropriately for the damage they inflict. Our fees must be updated to meet our budgetary demands of delivering regulatory and enforcement services. I extend my sincere gratitude to Council for its cooperation and support of our efforts.

Along with removing the employment barrier of residency, we must remain competitive with other employers. Our negotiations with our union employees have been productive but necessarily costly given the inflationary environment. A Citywide compensation study will be completed this spring to help guide the compensation of our valued employees.

BUDGET DISCUSSION

As to our budget for this year, we will enjoy a short-lived surplus and, therefore, require no Property Tax increase. According to our revenue projections, we can escape deficits in FY 2024 and FY 2025, but starting in FY 2026 and beyond is when balancing the budget will become an ever greater challenge.

We will simply need every additional source of revenue to balance our budgets in the very near future. To this end, we will be asking Council to begin to consider future proposed sources of additional revenue to help ensure our long-term financial viability. As promised, we will also continue to engage with the State to find new funding sources.

A reality we must get used to is that, based on the long-term capital needs of our aging sewer and water infrastructure, without external revenue sources, our Water/Sewer Fund will require rate increases on a fairly regular basis. The Utilities Citizens Advisory Board has recommended rate increases in utility fees of about 5.7% each year over the next five years.

Below are the highlights of the FY 2024 General Fund Budget followed by those of the Water/Sewer Fund.

General Fund Highlights

- The FY 2024 General Fund operating budget expenditures total \$182,623,700 – up \$5,758,395 or 3.3% from FY 2023. There is no proposed increase to the Property Tax rate.
- The budget contains just over \$2.0 million to cover projected salary increases for union labor contracts and for a 2.5% cost-of-living-adjustment (COLA) salary increase for non-union employees. In addition, mandatory anniversary salary step increases for eligible employees added

just over \$416,000 to the budget.

- Staffing increased by a net total of 3.42 full-time equivalents (FTE). There were 45 personnel actions, including changes in grades and shifts to split-funded positions, that resulted in a total net increase of \$211,505.
- Consultants increased a net \$724,280, with the vast majority of the increase attributable to the departments of Land Use, Police, and Fire. Land Use added \$200,000 for Phase III of the federally required ADA self-assessment regarding accessibility for disabled persons at all City public spaces, sidewalks, and buildings. In addition, Land Use requested \$150,000 to perform a comprehensive zoning code review and update, something that has not been done for 55 years. Finally, Police and Fire added a combined \$235,000 to cover the fees of specialized consultants required to administer their biennial officer promotional processes.
- Miscellaneous Projects increased by \$704,204. In the Mayor's Office, \$85,000 of additional funding will be used to expand community programming and cultural activities. The Mayor's Office also added \$50,000 to help support the Beautification Commission in its mission to enhance the attractiveness of the City's public spaces. City Council added \$300,000 to create a pool of funding to be allocated among the council members for distribution to various community organizations in need. In Real Estate & Housing, there is \$200,000 in funding for the Down Payment Settlement Assistance Program for home buyers who exceed federal income limits. However, that funding (\$200,000) was a transfer from the Disposition Cost account where the Program had been budgeted in previous years.
- The Motor Vehicle Costs account jumped by almost \$650,100, driven by large price hikes in the cost of new cars, especially police vehicles. In addition, fleet maintenance costs are up as inventories of auto parts remain low.
- The cost of employee healthcare is projected to grow by almost \$578,000 or 3.6%. It is important to note that the growth rate in healthcare cost for the City in FY 2024 is only about half of what is being projected nationally for most other employers by experts in the healthcare field.
- In the Department of Information Technologies, the cost of computer software and software licenses rose almost \$482,000 to support a number of IT initiatives and improvements that are both City-wide and for specific departmental projects. Some of the larger-cost items include the transfer of the City/County building data center, large format document scanning services for the Land Use and Licenses & Inspections departments, providing the Microsoft 365 suite to an additional 170 employees, and the purchase of cloud data backup services to meet insurance requirements.
- The Department of Human Resources (HR) recently awarded a contract to Paycom to completely outsource the complex functions of the City's payroll and employee timekeeping processes. Paycom will also handle pension payroll for retirees. To more efficiently manage the oversight and payment of invoices, the entire \$327,200 cost of the Paycom contract was budgeted in HR for FY 2024, consolidating costs that were previously spread among other departments, such as Integrated Technologies, which saw a \$168,000 decrease in cost as a result. HR also eliminated the \$93,115 budgeted last fiscal year that had been slated for ADP to provide some limited payroll services.
- Overtime and Special Events-Overtime in the Police and Fire departments increased by a net combined total of almost \$290,000. Overtime in Fire was increased by \$198,000 to better reflect prior year actual spending and to ensure minimum company staffing requirements will be met based

on projected attrition trends. In Police, Overtime increased by almost \$300,000, but was offset in large part by a reduction of \$207,000 to Special Events-Overtime.

- Contracted Maintenance Services in Police increased by almost \$202,000. This includes a \$109,000 increase to the neighborhood cameras maintenance agreement, \$35,000 for Public Safety Building cameras, and a variety of smaller increases to existing contracts.
- Total Debt Service decreased a net \$310,304 based on the existing debt service schedules. Although there is a new bond issuance planned for FY 2024, it will be structured so that the first debt service payment would not occur until FY 2025.
- Combined, pension and pension healthcare costs declined by a net total of just over \$1.0 million. Upon recommendation of the City's Actuary, the Pension Board implemented a new and more flexible layered amortization of the unfunded liability of the now-closed City-sponsored pension plans. The new amortization methodology saved almost \$2.1 million in FY 2024, offsetting the nearly \$1.1 million total cost increase in pension healthcare and the State-sponsored pension plans.
- A total transfer of \$5.0 million from the Tax Stabilization Reserve was made to fund the newly created Neighborhood Stabilization Fund (NSF) and to provide additional support to the existing Economic Strategic Fund (ESF). The NSF received \$4.0 million, of which \$1.0 million will be granted to the Land Bank. And the ESF received an infusion of \$1.0 million, of which \$300,000 will be used for the Minority Business Development Program.

Water/Sewer Fund Highlights

- The FY 2024 Water/Sewer Fund operating budget expenditures total \$84,543,234 – up \$2,398,777 or 2.9% from FY 2023. The FY 2024 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 \$254,421 allowance to cover salary increases as dictated by union labor contracts and for a 2.5% cost-of-living-adjustment (COLA) salary increase for non-union employees. In addition, mandatory anniversary salary step increases for eligible employees added \$51,559 to the budget.
- Staffing increased by a net total of 2.80 FTE. Personnel actions, including changes in grades and shifts to split-funded positions, resulted in a total net increase of \$193,510.
- The budget for Bulk Chemicals was increased by \$1.05 million or 110.5%. Chemicals used for water treatment are byproducts of refining processes involved in producing chemicals for a variety of other major industries. When the pandemic curtailed production in those other industries, availability of the byproducts plummeted as well. As a result of continued production volatility, the City's chemical vendors stopped honoring contract prices and are now requiring payments that are double what they were two years ago. The Water System Director expects that market volatility will continue into FY 2024.
- Depreciation increased by \$932,217, reflecting the aggressive infrastructure replacement program adopted by the Public Works Department that increased both the number and value of the City's

water, sewer, and stormwater infrastructure fixed assets.

- The Contracted Maintenance Services account increased a net \$635,494. Almost all of the 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 Low-Income Household Water Assistance Program (LIHWAP) was a temporary federal emergency grant program that helped low-income Wilmington families pay overdue water bills. Also, the City had created its own utility assistance program using American Rescue Plan Act (ARPA) federal funding. With both of these federal sources of funding ending, \$250,000 was added to the Miscellaneous Charges-N.O.C. account in the Finance Department to maintain a utility assistance program in FY 2024.
- A total of \$265,000 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.
- Consultants rose by \$125,250, with three items accounting for most of the increase. In the Finance Department, \$50,000 was added for a Data Analyst to assist with collection reporting and special project analysis. For better asset management, Public Works added \$50,000 for a database development specialist to integrate sewer inspection data into the CityWorks platform. Also in Public Works, the fee to Stroud Water Research Center was increased \$15,000 to improve algae management at Porter Reservoir by incorporating a continuous monitoring system.
- Legal fees decreased 71.4% (from \$700,000 to \$200,000) as the legal proceedings against New Castle County (wastewater treatment contract) and Honeywell (breach of contract regarding the renewable energy bio-solids facility) have been settled.
- Total Debt Service decreased \$1.15 million based on the existing debt service schedule. This includes savings in interest costs as well as the continued amortization of the bond premium and refunding gains from the City's November 2020 bond issuance. Although there is a new bond issuance planned for FY 2024, it will be structured so that the first debt service payment would not occur until FY 2025.
- There is a 5.7% increase to water/sewer rates along with a 6.0% increase in stormwater rates. The projected fiscal impact of the rate changes is an increase of \$3.61 million in revenue to the Water/Sewer Fund in FY 2024. The typical residential customer in the City using 4,000 gallons of water per month will see an increase of \$3.70 to their monthly bill.

CONCLUSION

In spite of the challenges we have faced together, we have fostered unprecedented economic development, greatly enhanced the condition of our neighborhoods, improved housing, reduced crime, stabilized our finances, and helped thousands of our children get to college.

I don't mean to suggest that we deserve credit for every success. But assuredly we deserve credit for creating the environment for success and for the vision needed to succeed. We deserve credit for giving confidence to the investment community that Wilmington is worth every dollar they've invested. All of

us, working together through the pushing and pulling that is the inevitable part of governance, can be proud of everything that has been achieved over the past year. I know I am, and you all should be too.

Respectfully,

A handwritten signature in blue ink, appearing to read "Michael S. Purzycki". The signature is fluid and cursive, with a large loop at the end.

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 Wilmington Airport, located four miles from the central business district, offers domestic flights through Avelo Airlines, as well as general aviation access and charter services. 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%.

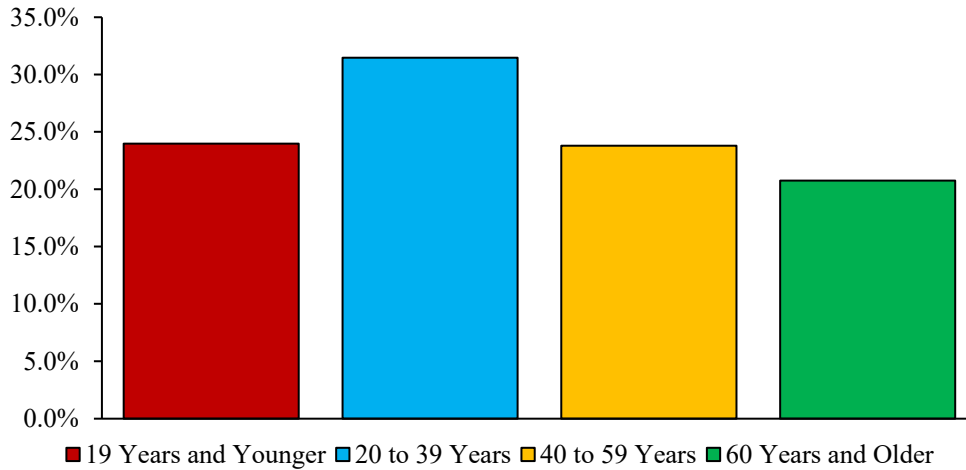
Population Density

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

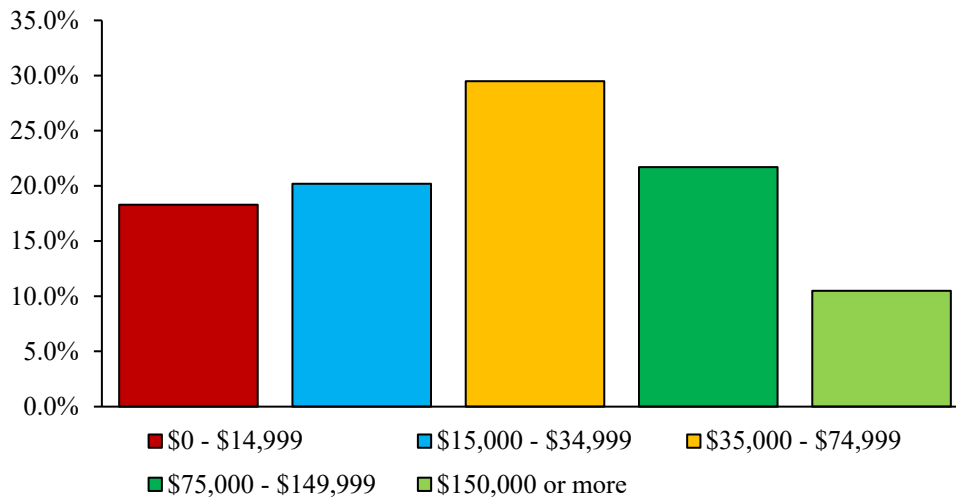
City of Wilmington Demographic Statistics

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 \$35,000 creates a greater need for City Parks & Recreation and Public Safety services.

Percentage of Population by Age Group



Percentage of Households by Annual Income (2021 inflation adjusted dollars)



Median Household Income (2021 inflation adjusted dollars)

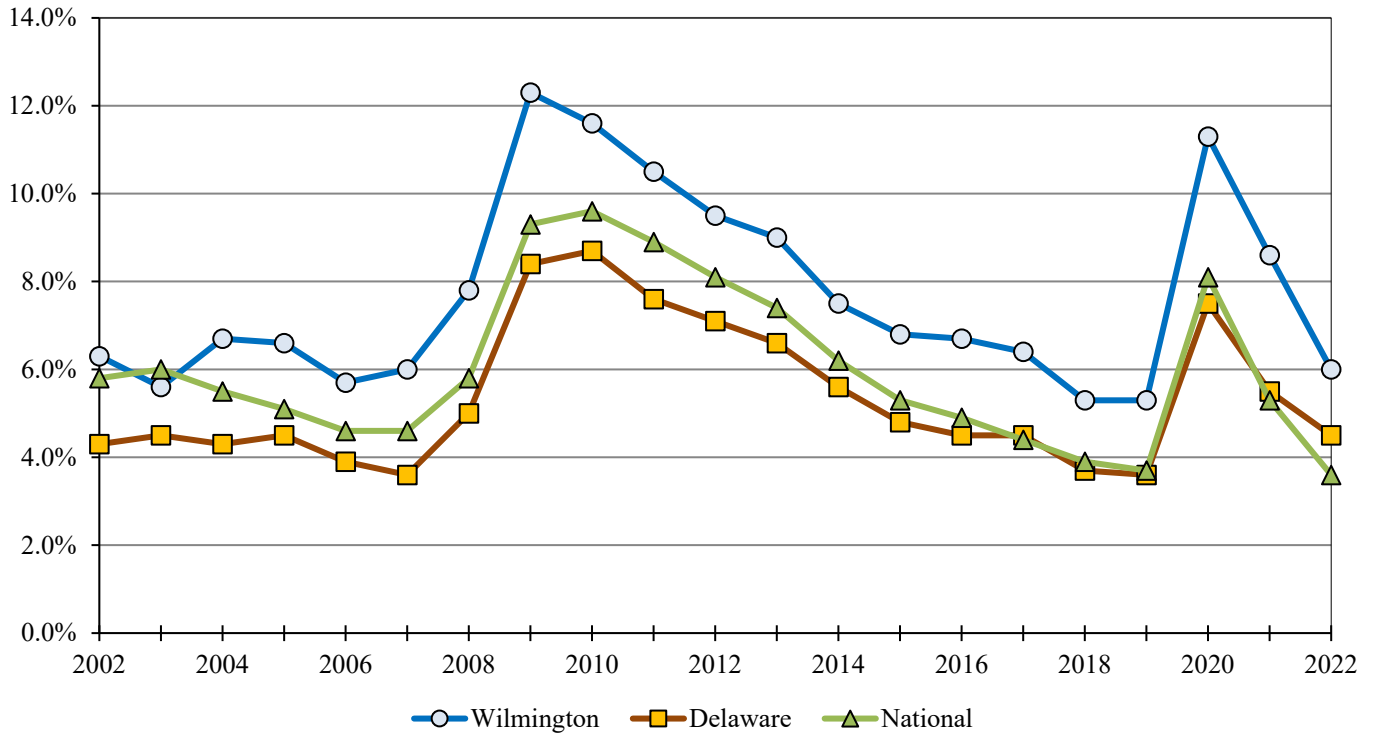
Median Income	2017	2018	2019	2020	2021	% Change
City of Wilmington	44,563	46,349	47,836	47,320	49,354	4.3%
New Castle County	75,714	76,786	78,493	78,912	78,428	-0.6%
State of Delaware	69,842	70,979	72,539	72,449	72,724	0.4%

Source: U.S. Census Bureau, 2021 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 percentage points above the national trend, and 2.5 percentage points 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.

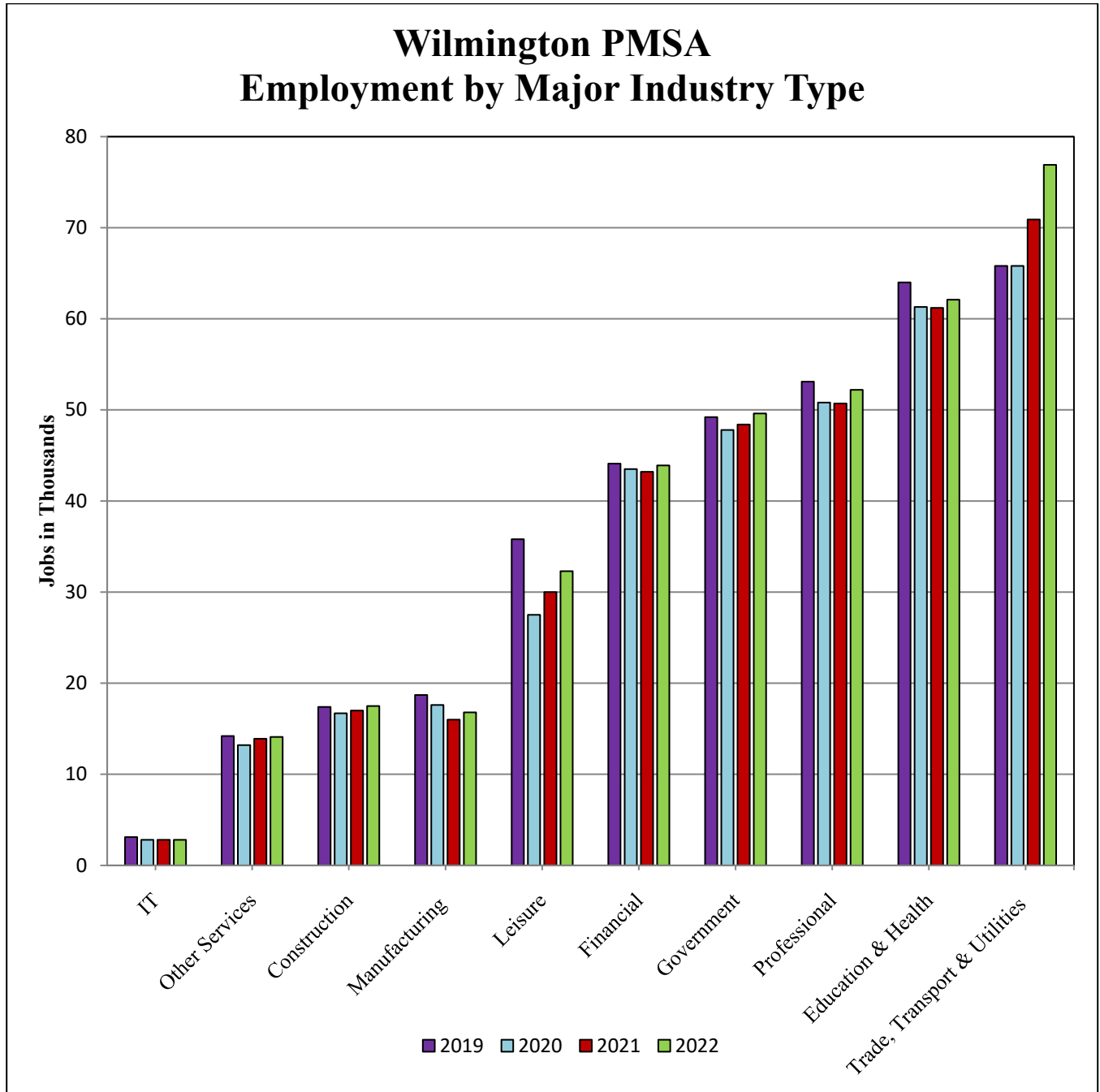
City of Wilmington's Unemployment Rate (%)



Source: U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics & Annual Average Unemployment Rate, June 2023.

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. While total employment has increased over the last four years, many industries are still below their pre-COVID employment peaks (although all but Manufacturing have improved relative to the reductions seen during COVID). Trade, Transport and Utilities remains the exception, up nearly 17% compared to 2019.



Source: U.S. Department of Labor, Bureau of Labor Statistics, Current Employment Statistics Program, June 2023.

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 and net profits tax withholdings grew significantly in Calendar Year (CY) 2022, while head tax withholdings declined slightly. However, all three categories saw greater payer diversification, with the top ten payers representing a smaller amount of the total withholdings (likely driven by the post-COVID recovery in small business activity) compared to CY 2021.

Top Ten Taxpayers

Wage Tax

Calendar Year	Withholdings by Top Ten Taxpayers	Total Withholdings	Top Ten Withholdings As % of Total
2022	\$21,784,355	\$64,914,974	33.6%
2021	\$22,166,270	\$61,21,529	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%

Net Profits Tax

Calendar Year	Withholdings by Top Ten Taxpayers	Total Withholdings	Top Ten Withholdings As % of Total
2022	\$4,941,509	\$8,316,196	59.4%
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%

Head Tax

Calendar Year	Payments by Top Ten Taxpayers	Total Payments	Top Ten Payments As % of Total
2022	\$1,498,620	\$3,101,700	48.3%
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%

Source: City of Wilmington Department of Finance, June 2023.

Wage Tax, Net Profits Tax, and Head Tax Revenue

Tax Remits Grouped by Size Calendar Year 2022

Wage Tax

Remit Range	Total Employers	Total Remits	Percent of Total Remits
Greater than \$1 million	9	\$20,788,022	32.0%
Between \$100,000 and \$1 million	77	\$21,149,416	32.6%
Between \$10,000 and \$100,000	562	\$14,582,408	22.5%
Less than \$10,000	5,416	\$8,395,128	12.9%
Total	6,064	\$64,914,974	100.0%

Net Profits Tax

Remit Range	Total Employers	Total Remits	Percent of Total Remits
Greater than \$1 million	1	\$1,072,748	12.9%
Between \$100,000 and \$1 million	8	\$3,768,866	45.3%
Between \$10,000 and \$100,000	65	\$2,174,033	26.1%
Less than \$10,000	2,284	\$1,300,550	15.6%
Total	2,358	\$8,316,196	100.0%

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	\$1,153,860	37.2%
Between \$10,000 and \$100,000	40	\$1,102,725	35.6%
Less than \$10,000	489	\$845,115	27.3%
Total	534	\$3,101,700	100.0%

Source: City of Wilmington Department of Finance, June 2023.

Largest Real Estate Taxpayers in the City of Wilmington

Property Tax is the City’s second-largest revenue source. Below are the largest real estate owners (as of the CY 2022 billings) that, combined, represent nearly one-quarter of the total taxable assessment value in the City.

Name	Property Type	Taxable Assessment	Percent of Total Assessment
Buccini Pollin Group	Office & Residential	\$145,312,700	6.7%
JP Morgan Chase	Office Building	\$56,882,200	2.6%
Delmarva Power & Light Co.	Electric & Gas	\$55,526,100	2.6%
M & T Bank	Office Building	\$52,722,360	2.4%
1201 North Market St., LLC	Office Building	\$35,000,000	1.6%
Calpine Mid-Atlantic	Electric Generation	\$32,703,400	1.5%
TRC 300 Delaware, LLC	Office Building	\$25,548,300	1.2%
1313 Owner LLC	Office Building	\$27,900,000	1.3%
CCI-Bracebridge	Office Building	\$22,967,500	1.1%
Verizon Delaware, LLC	Utility	\$21,967,800	1.0%
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%
Total		\$514,499,660	23.8%

Source: City of Wilmington Department of Finance, June 2023.

Wilmington Construction and Renovation Activity

Changes in the housing, construction, and building industries directly affect City revenue through the issuance of permits and the levying of increased property taxes, and serve as an indicator of the overall health of the City’s residential and commercial sectors. FY 2023 represents a return to roughly average overall construction activity, following larger-than-normal multi-family residential new construction in FY 2020 and FY 2022.

New Construction Permits Issued

	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023 (YTD)
Single-Family	20	18	19	20	9
Multi-Family	1	19	2	6	5
Non-Residential	7	4	8	9	5
Total	28	41	29	35	19

Total Value of New Construction Activity

	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023 (YTD)
Residential	\$19,440,646	\$74,528,916	\$47,029,728	\$74,139,348	\$17,153,984
Non-Residential	\$27,175,173	\$21,009,503	\$17,639,485	\$27,350,352	\$25,208,404
Total	\$46,615,819	\$95,538,419	\$64,669,213	\$101,489,700	\$42,362,388

Renovation Construction Permits Issued

	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023 (YTD)
Residential	1,720	2,551	3,152	2,843	1,919
Non-Residential	465	493	825	1,739	1,118
Total	2,185	3,044	3,977	4,582	3,037

Total Value of Renovation Construction Activity

	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023 (YTD)
Residential	\$55,706,339	\$74,528,916	\$46,100,777	\$46,172,072	\$25,304,569
Non-Residential	\$129,610,607	\$215,101,160	\$117,229,897	\$129,271,867	\$150,076,222
Total	\$185,316,946	\$289,630,076	\$163,330,674	\$175,443,939	\$175,380,791

Source: City of Wilmington, Department of Land Use and Planning, June 2023.

Economic Development Activity

Employment

Wilmington has continued to show steady signs of economic growth over the last year. According to the Delaware Department of Labor, the unemployment rate decreased from an annual average of 8.5% in 2021 to 6.1% in 2022. While this decrease continues to parallel the national trend, the City's unemployment rate remains higher than the State of Delaware's average of 4.6% in 2022. The total number of jobs located within the City, regardless of residency, remained stable with an average of 47,305 in 2022. While this is an increase from the low of 44,160 jobs in April 2020, it is still below the 2019 total of 50,207. As of April 2023, the number of employed Wilmington residents was 32,754 (out of a population of 71,569) which represents a 1.5% increase from 2022. Industries with the highest number of jobs in the City include banking, insurance, and finance, followed by professional, scientific, and technical services. These industries account for roughly 35% of the City's total jobs. The rest of the local jobs are mainly comprised of health care, social services, manufacturing, and government.

Incentive Program

Through the Strategic Fund Incentive Program, the Office of Economic Development (OED) tracks employment figures across more than 60 companies of varying sizes and types. The wage taxes collected over the last year from this "index" of companies remained steady at around \$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 \$18 million in incentive payments to businesses, yielding approximately \$137.5 million in Wage Taxes to the City's General Fund. As a result of the Program's continued success, a \$1 million infusion to the Economic Strategic Fund was approved as part of the FY 2024 Annual Operating Budget. Of that amount, \$300,000 is set aside for Small & Minority Business Development.

Additionally, as part of the FY 2024 Capital Budget, OED will receive \$1.5 million for infrastructure and site improvement funds to be used for infrastructure expenses which include construction of new roads, utilities, site preparation work, and environmental remediation. The Capital Budget also includes \$1 million in site acquisition funds, which are focused on preventing the expansion of undesirable commercial uses in underutilized and blighted areas.

Businesses Development

Because Delaware is home to a talented financial services and technology workforce, 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 16,934 graduates within a 30-mile radius of Wilmington. In addition, the 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 Ally Financial, Investor Cash Management, College Ave, Acorns, Epic Research, Compass Red Analytics, Bounteous, and Carvertise.

The sports and recreation sector continues to see growth in Wilmington following the success of the PGA Tour's BMW Championship in August 2022. In March 2023, the Chase Fieldhouse in South Wilmington hosted the Atlantic 10 women's basketball tournament which, according to the Delaware Tourism Office,

brought in an estimated 13,000 people to the City of Wilmington and resulted in 1,000 hotel rooms booked, generating more than \$2 million in estimated economic impact. According to BPG Sports, the Chase Fieldhouse had 1.5 million visitors in FY 2022 and is on track for 2 million visitors in 2023. Additionally, the Wilmington Blue Rocks entered a 10-year contract with the Washington Nationals as a High-A professional baseball affiliate and extended their lease at Judy Johnson Field at Daniel S. Frawley Stadium in Wilmington's Riverfront through at least the 2030 season.

Additional business development highlights include:

- Fair Square Financial, a Wilmington based financial services company providing credit card products through analytics-based underwriting, was acquired by Ally Financial in Fall 2022 and announced plans to add 150 employees in order to expand their credit business in downtown Wilmington.
- J.P. Morgan announced business expansion plans at the Wilmington Corporate Center and started renovations to 22 floors across several buildings in addition to construction of a new 700-space garage in lower Market Street.
- Carvertise, an advertising company with 55 employees that utilizes custom-wrapped rideshare vehicles, completed a \$1.2 million investment into its new 15,000-square-foot headquarters located in the Shipyard Center in Wilmington's Riverfront in June 2023, with plans to hire technology roles to help build out its own proprietary systems.
- Delaware State University acquired the former Capital One building located on the Wilmington Riverfront in February 2022, with plans to use the building for graduate, adult, and continuing education classes, a new workforce development center, and an incubation hub for small businesses with a focus on minority- and women-owned companies.
- Nerdt Now, a Delaware based R2 certified electronics recycling business, held a ribbon cutting ceremony in December 2022 for its new electronics recycling headquarters on 3030 Bowers Street with plans to hire 75 people and offer workforce development training.
- Insuperity, a national human resources service company, opened its first Delaware office in downtown Wilmington office in Spring 2023. Insuperity offers a variety of HR services to small to medium-sized businesses in the City with the goal of facilitating growth and accelerating business plans.
- Bardea Food & Drink, a James Beard nominated restaurant located in downtown Wilmington, expanded its restaurant footprint on Market Street with the opening of Bardea Steak in June 2022 and The Garden in May 2023. The Garden, located in a terrace between Bardea Food & Drink and Bardea Steak, offers a casual alfresco dining experience with outdoor seating and greenery. Bardea Steak, housed in a 5,000 square foot space adjacent to Bardea Food & Drink, is a steakhouse that earned regional and national recognition in publications such as Vogue for its unique use of dry-aged meats and live fire in a custom-made open hearth.
- The Quoin, a boutique hotel developed and designed by Philadelphia-based Method Co. in partnership with The Buccini/Pollin Group, opened in September 2022. The Quoin has 24 luxury hotel rooms and features a lobby cafe and bar, ground floor restaurant, lower-level cocktail lounge, and rooftop bar. The project is a renovation of the historic Security Trust & Safe Company Building located at 519 North Market Street.
- The Chancery Market project, managed by Brooklyn-based creative consulting and management firm Hospitality HQ, opened in December 2022. Located at the northern end of Wilmington's central business district, this 12,000-square-foot indoor-outdoor food hall offers a wide variety of vendor and entertainment options. This location has quickly become a popular spot for the lunch crowd and large happy hour groups.

Real Estate Development

Investment and demand in the multi-family housing market has increased in the last year and remains an area of focus for the City. Continued 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. The changing demand for office space within the City has spurred investments into existing offices to create amenities-rich spaces that appeal to a hybrid workforce, and has led to the

redevelopment of vacant offices into residential and hotel conversions. In all, OED has tracked 18 residential projects in development, accounting for 1,084 new units throughout the City.

Riverfront Development Corporation initiated the first phase of the Riverfront East project which will include infrastructure construction for stormwater management, roadways, and parking areas, as well as a riverwalk and a central green space. The City of Wilmington was awarded a U.S. Department of Transportation RAISE grant in partnership with the Riverfront Development Corporation in 2021 to help fund the infrastructure improvements proposed for Riverfront East, and is currently going through the Department's National Environmental Policy Act process with a projected January 2024 end date.

Additional real estate development highlights include:

- Pennsylvania-based Westover Companies completed construction of the office-to-residential conversion at 901 N. Market Street in January 2023. The 14-story building was a former masonry building and previously known as the Equitable Building and the Bank of Delaware. The \$30 million office-to-residential conversion is now a full-service apartment complex with 82 units and commercial space on the first floor.
- Driftwood Capital completed construction of a \$31 million office-to-hotel conversion in July 2022. The 11 story Staybridge Suites hotel features 134 suite-style rooms and provides a new hotel option to accommodate travelers to downtown Wilmington.
- The Buccini/Pollin Group announced the Market West project in downtown Wilmington, a mixed-use campus which includes the DuPont, Nemours, and Brandywine buildings. Recent investments include office amenities at the Brandywine Building, office conversions at the Nemours Building to create 355 apartments, an expansion of The Mill co-working space, a new upscale restaurant, and renovation of the 17,000-square-foot outdoor plaza connecting the former Nemours and Brandywine buildings.
- Westrum Development Company started construction on the Luxor apartments at 340 S. Market Street with plans to offer 193 market-rate apartment units in an amenities-rich apartment complex adjacent to Riverfront East.
- Crosby Hill, a \$62 million apartment complex located at 5th and Shipley Street, completed construction in May 2023 and started leasing 203 market-rate units spread over two four-story buildings and one 11-story building.
- Washington Place Equities is set to complete construction of the River House Apartments by July 2023. The \$28 million project will bring 150 new residential units to South Wilmington.
- Yada Properties completed renovations of the former Saville building located at 521 North King Street in May 2023. The 42,000-square-foot mixed-use building now features 42 residential units in Wilmington's Downtown area along with a commercial space on the first floor.
- The Hercules Plaza located at 1313 N. Market Street continues to see investments in office building amenities with a recently completed 125-seat art theater available for events, in addition to a 10,000-square-foot outdoor plaza that will complement the Chancery Market.
- Wilmington UDAG Corporation completed the sale of 801 N. Market Street to local developer 9SDC in 2022. 9SDC has already started construction with a project cost of \$6.4 million to convert the building to a mixed-use building with 15 market rate units and three commercial spaces while preserving the historic elements of the building.

Conclusion

Wilmington remains a key component of the \$478 billion Philadelphia-Wilmington-Camden metropolitan economy, enjoying all of the economic advantages of a region of almost 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 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. 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 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.

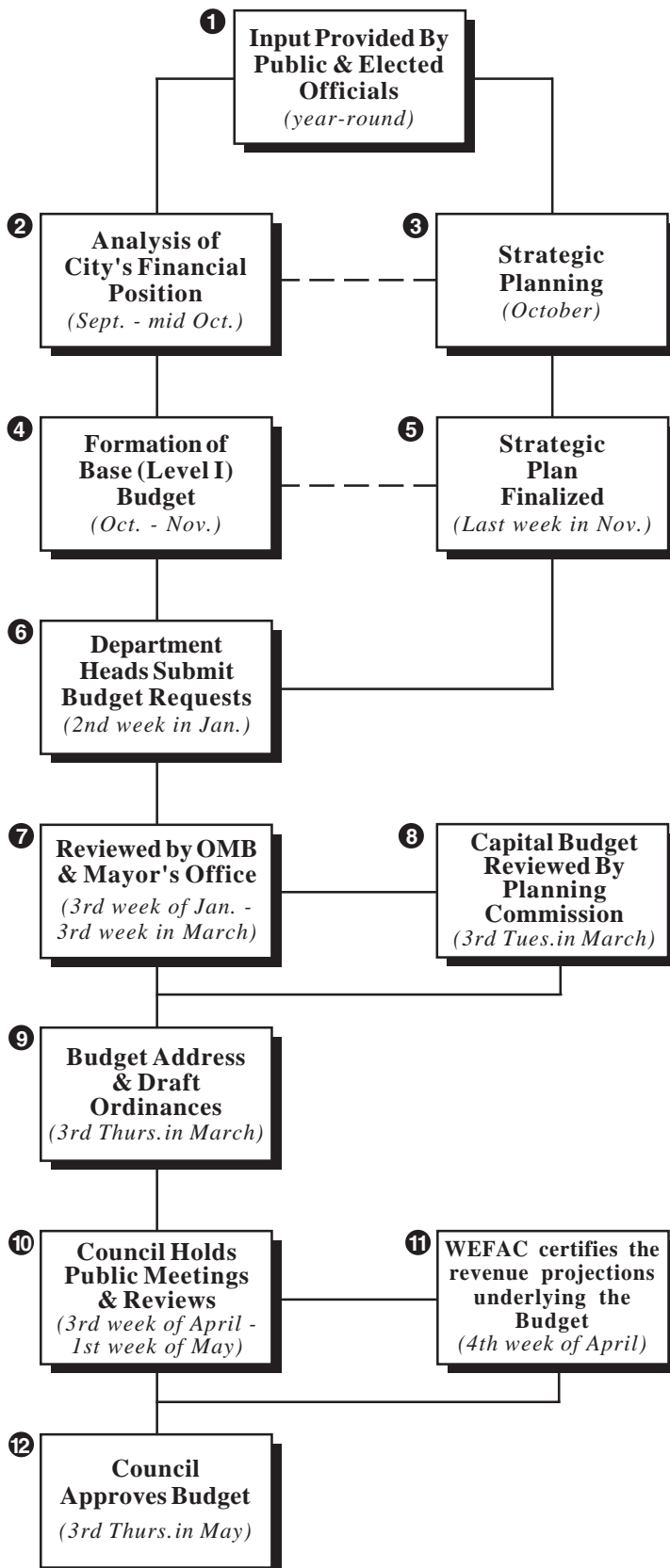
Questions and Feedback About the Budget

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/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 approved budget book 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.

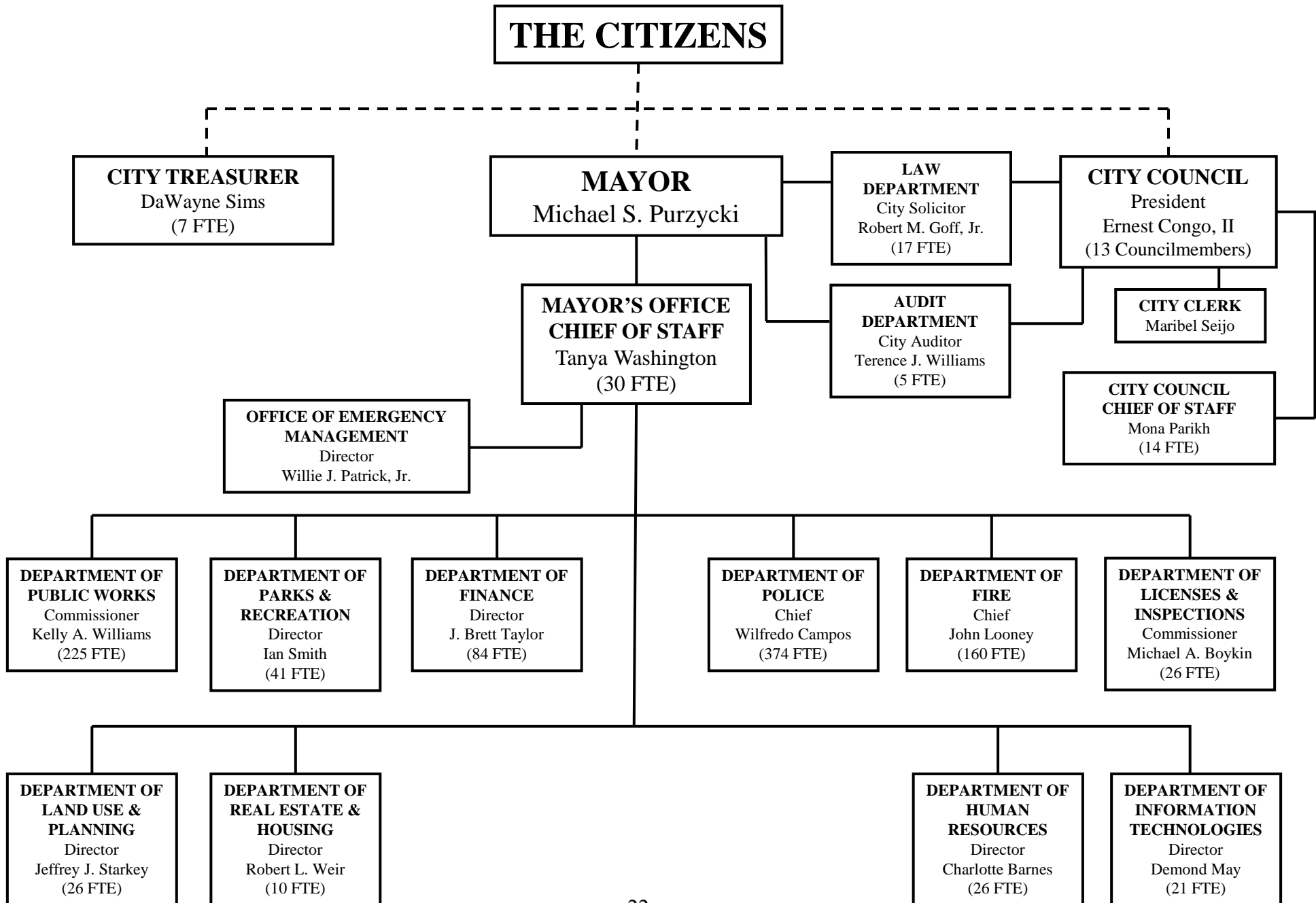
3. A target of 80% or more of the General Fund or operating budget should represent direct essential services deemed as priorities by the citizens, such as Police, Fire, Public Works, Parks & Recreation, and Licenses & Inspections.

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 should 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)

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

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.

Emergency Management Performance Grant (EMPG) provides state, local, tribal, and territorial emergency management agencies with the resources required for implementation of the National Preparedness System and works toward the National Preparedness Goal of a secure and resilient nation.

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.

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.

DESCRIPTION OF APPROPRIATED FUNDS

The Commerce Fund (continued)

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 2024

The General Fund

- The FY 2024 General Fund operating budget expenditures total **\$182,623,700** – up \$5,758,395 or 3.3% from FY 2023. There is no proposed increase to the Property Tax rate.
- The budget contains just over \$2.0 million to cover projected salary increases for union labor contracts and for a 2.5% cost-of-living-adjustment (COLA) salary increase for non-union employees. In addition, mandatory anniversary salary step increases for eligible employees added just over \$416,000 to the budget.
- Staffing increased by a net total of 3.42 full-time equivalents (FTE). There were 45 personnel actions, including changes in grades and shifts to split-funded positions, that resulted in a total net increase of \$272,992.
- Consultants increased a net \$724,280, with the vast majority of the increase attributable to the departments of Land Use, Police, and Fire. Land Use added \$200,000 for Phase III of the federally required ADA self-assessment regarding accessibility for disabled persons at all City public spaces, sidewalks, and buildings. In addition, Land Use requested \$150,000 to perform a comprehensive zoning code review and update, something that has not been done for 55 years. Finally, Police and Fire added a combined \$235,000 to cover the fees of specialized consultants required to administer their biennial officer promotional processes.
- Miscellaneous Projects increased by \$704,204. In the Mayor’s Office, \$85,000 of additional funding will be used to expand community programming and cultural activities. The Mayor’s Office also added \$50,000 to help support the Beautification Commission in its mission to enhance the attractiveness of the City's public spaces. City Council added \$300,000 to create a pool of funding to be allocated among the council members for distribution to various community organizations in need. In Real Estate & Housing, there is \$200,000 in funding for the Down Payment Settlement Assistance Program for home buyers who exceed federal income limits. However, that funding (\$200,000) was a transfer from the Disposition Cost account where the Program had been budgeted in previous years.
- The Motor Vehicle Costs account jumped by almost \$650,100, driven by large price hikes in the cost of new cars, especially police vehicles. In addition, fleet maintenance costs are up as inventories of auto parts remain low.
- The cost of employee healthcare is projected to grow by almost \$578,000 or 3.6%. It is important to note that the growth rate in healthcare cost for the City in FY 2024 is only about half of what is being projected nationally for most other employers by experts in the healthcare field.

BUDGET HIGHLIGHTS
CITY OF WILMINGTON
FISCAL YEAR 2024

The General Fund (continued)

- In the Department of Information Technologies, the cost of computer software and software licenses rose almost \$482,000 to support a number of IT initiatives and improvements that are both City-wide and for specific departmental projects. Some of the larger-cost items include the transfer of the City/County building data center, large format document scanning services for the Land Use and Licenses & Inspections departments, providing the Microsoft 365 suite to an additional 170 employees, and the purchase of cloud data backup services to meet insurance requirements.
- The Department of Human Resources (HR) recently awarded a contract to Paycom to completely outsource the complex functions of the City's payroll and employee timekeeping processes. Paycom will also handle pension payroll for retirees. To more efficiently manage the oversight and payment of invoices, the entire \$327,200 cost of the Paycom contract was budgeted in HR for FY 2024, consolidating costs that were previously spread among other departments, such as Integrated Technologies, which saw a \$168,000 decrease in cost as a result. HR also eliminated the \$93,115 budgeted last fiscal year that had been slated for ADP to provide some limited payroll services.
- Overtime and Special Events-Overtime in the Police and Fire departments increased by a net combined total of almost \$290,000. Overtime in Fire was increased by \$198,000 to better reflect prior year actual spending and to ensure minimum company staffing requirements will be met based on projected attrition trends. In Police, Overtime increased by almost \$300,000, but was offset in large part by a reduction of \$207,000 to Special Events-Overtime.
- Contracted Maintenance Services in Police increased by almost \$202,000. This includes a \$109,000 increase to the neighborhood cameras maintenance agreement, \$35,000 for Public Safety Building cameras, and a variety of smaller increases to existing contracts.
- Total Debt Service decreased a net \$310,304 based on the existing debt service schedules. Although there is a new bond issuance planned for FY 2024, it will be structured so that the first debt service payment would not occur until FY 2025.
- Combined, pension and pension healthcare costs declined by a net total of just over \$1.0 million. Upon recommendation of the City's Actuary, the Pension Board implemented a new and more flexible layered amortization of the unfunded liability of the now-closed City-sponsored pension plans. The new amortization methodology saved almost \$2.1 million in FY 2024, offsetting the nearly \$1.1 million total cost increase in pension healthcare and the State-sponsored pension plans.
- A total transfer of \$5.0 million from the Tax Stabilization Reserve was made to fund the newly created Neighborhood Stabilization Fund (NSF) and to provide additional support to the existing Economic Strategic Fund (ESF). The NSF received \$4.0 million, of which \$1.0 million will be granted to the Land Bank. And the ESF received an infusion of \$1.0 million, of which \$300,000 will be used for the Minority Business Development Program.

BUDGET HIGHLIGHTS

CITY OF WILMINGTON

FISCAL YEAR 2024

The Water/Sewer Fund

- The FY 2024 Water/Sewer Fund operating budget expenditures total **\$84,543,234** – up \$2,398,777 or 2.9% from FY 2023. The FY 2024 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 \$254,421 allowance to cover salary increases as dictated by union labor contracts and for a 2.5% cost-of-living-adjustment (COLA) salary increase for non-union employees. In addition, mandatory anniversary salary step increases for eligible employees added \$51,559 to the budget.
- Staffing increased by a net total of 2.80 FTE. Personnel actions, including changes in grades and shifts to split-funded positions, resulted in a total net increase of \$193,510.
- The budget for Bulk Chemicals was increased by \$1.05 million or 110.5%. Chemicals used for water treatment are byproducts of refining processes involved in producing chemicals for a variety of other major industries. When the pandemic curtailed production in those other industries, availability of the byproducts plummeted as well. As a result of continued production volatility, the City’s chemical vendors stopped honoring contract prices and are now requiring payments that are double what they were two years ago. The Water System Director expects that market volatility will continue into FY 2024.
- Depreciation increased by \$932,217, reflecting the aggressive infrastructure replacement program adopted by the Public Works Department that increased both the number and value of the City's water, sewer, and stormwater infrastructure fixed assets.
- The Contracted Maintenance Services account increased a net \$635,494. Almost all of the 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 Low-Income Household Water Assistance Program (LIHWAP) was a temporary federal emergency grant program that helped low-income Wilmington families pay overdue water bills. Also, the City had created its own utility assistance program using American Rescue Plan Act (ARPA) federal funding. With both of these federal sources of funding ending, \$250,000 was added to the Miscellaneous Charges-N.O.C. account in the Finance Department to maintain a utility assistance program in FY 2024.

BUDGET HIGHLIGHTS
CITY OF WILMINGTON
FISCAL YEAR 2024

The Water/Sewer Fund (continued)

- A total of \$265,000 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.
- Consultants rose by \$125,250, with three items accounting for most of the increase. In the Finance Department, \$50,000 was added for a Data Analyst to assist with collection reporting and special project analysis. For better asset management, Public Works added \$50,000 for a database development specialist to integrate sewer inspection data into the CityWorks platform. Also in Public Works, the fee to Stroud Water Research Center was increased \$15,000 to improve algae management at Porter Reservoir by incorporating a continuous monitoring system.
- Legal fees decreased 71.4% (from \$700,000 to \$200,000) as the legal proceedings against New Castle County (wastewater treatment contract) and Honeywell (breach of contract regarding the renewable energy bio-solids facility) have been settled.
- Total Debt Service decreased \$1.15 million based on the existing debt service schedule. This includes savings in interest costs as well as the continued amortization of the bond premium and refunding gains from the City’s November 2020 bond issuance. Although there is a new bond issuance planned for FY 2024, it will be structured so that the first debt service payment would not occur until FY 2025.
- There is a 5.7% increase to water/sewer rates along with a 6.0% increase in stormwater rates. The projected fiscal impact of the rate changes is an increase of \$3.61 million in revenue to the Water/Sewer Fund in FY 2024. The typical residential customer in the City using 4,000 gallons of water per month will see an increase of \$3.70 to their monthly bill.

Summary of Combined Statement of Revenues Fiscal Year 2024

Revenues	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	Dollar Change FY'24-'23	Percent Change FY'24-'23
General Fund						
Taxes	\$119,118,378	\$128,569,270	\$125,327,627	\$128,417,712	\$3,090,085	2.5%
Permits, Fees, and Fines	10,412,428	14,628,798	12,049,727	11,267,446	(782,281)	-6.5%
Task Force Revenues	6,622,225	7,539,736	7,423,147	7,425,231	2,084	0.0%
County Seat Relief	12,441,554	13,567,280	12,470,162	12,451,316	(18,846)	-0.2%
State Pension Contribution	6,352,066	6,617,935	6,352,066	6,617,935	265,869	4.2%
Other	19,949,631	10,704,836	22,497,441	16,947,423	(5,550,018)	-24.7%
Transfers In	275,000	275,000	275,000	275,000	0	0.0%
General Fund Total	\$175,171,282	\$181,902,855	\$186,395,170	\$183,402,063	(\$2,993,107)	-1.6%
Water/Sewer Fund						
Water/Sewer Fees	\$62,826,157	\$66,171,049	\$64,739,186	\$70,727,000	\$5,987,814	9.2%
NCC Sewer Services	19,622,109	20,748,646	21,056,000	20,949,000	(107,000)	-0.5%
Other	1,011,702	591,656	572,000	463,000	(109,000)	-19.1%
Water/Sewer Fund Total	\$83,459,968	\$87,511,351	\$86,367,186	\$92,139,000	\$5,771,814	6.7%
Special Funds						
Grants	\$11,543,747	\$9,966,181	\$7,448,571	\$7,771,990	\$323,419	4.3%
Other	6,493,856	6,777,897	7,128,540	7,395,476	266,936	3.7%
Special Funds Total	\$18,037,603	\$16,744,078	\$14,577,111	\$15,167,466	\$590,355	4.0%
Total Revenues						
All Funds Total	\$276,668,853	\$286,158,284	\$287,339,467	\$290,708,529	\$3,369,062	1.2%

Summary of Combined Statement of Expenditures Fiscal Year 2024

Expenditures	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	Dollar Change FY'24-'23	Percent Change FY'24-'23
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General Fund						
Personal Services	\$110,402,315	\$113,622,343	\$116,329,996	\$118,723,900	\$2,393,904	2.1%
Materials, Supplies, & Equip.	38,669,544	42,578,831	44,985,426	48,650,987	3,665,561	8.1%
Debt Service	10,443,854	15,037,350	14,596,018	14,285,714	(310,304)	-2.1%
Other	261,210	263,518	953,865	963,099	9,234	1.0%
General Fund Total	\$159,776,923	\$171,502,042	\$176,865,305	\$182,623,700	\$5,758,395	3.3%

Water/Sewer Fund						
Personal Services	\$10,832,655	\$10,833,344	\$12,324,512	\$12,722,051	\$397,539	3.2%
Materials, Supplies, & Equip.	51,741,126	52,846,184	54,538,416	56,758,298	2,219,882	4.1%
Debt Service	5,841,152	6,437,099	5,784,523	4,633,662	(1,150,861)	-19.9%
Other	10,424,403	10,429,223	9,497,006	10,429,223	932,217	9.8%
Water/Sewer Fund Total	\$78,839,336	\$80,545,850	\$82,144,457	\$84,543,234	\$2,398,777	2.9%

Special Funds						
Personal Services	\$4,520,487	\$3,459,089	\$3,535,845	\$3,636,929	\$101,084	2.9%
Materials, Supplies, & Equip.	6,100,874	5,208,885	3,686,614	3,781,191	94,577	2.6%
Debt Service	73,605	32,150	36,659	22,771	(13,888)	-37.9%
Other	7,527,884	7,602,402	7,303,426	7,820,407	516,981	7.1%
Special Funds Total	\$18,222,850	\$16,302,526	\$14,562,544	\$15,261,298	\$698,754	4.8%

Total Expenditures						
All Funds Total	\$256,839,109	\$268,350,418	\$273,572,306	\$282,428,232	\$8,855,926	3.2%

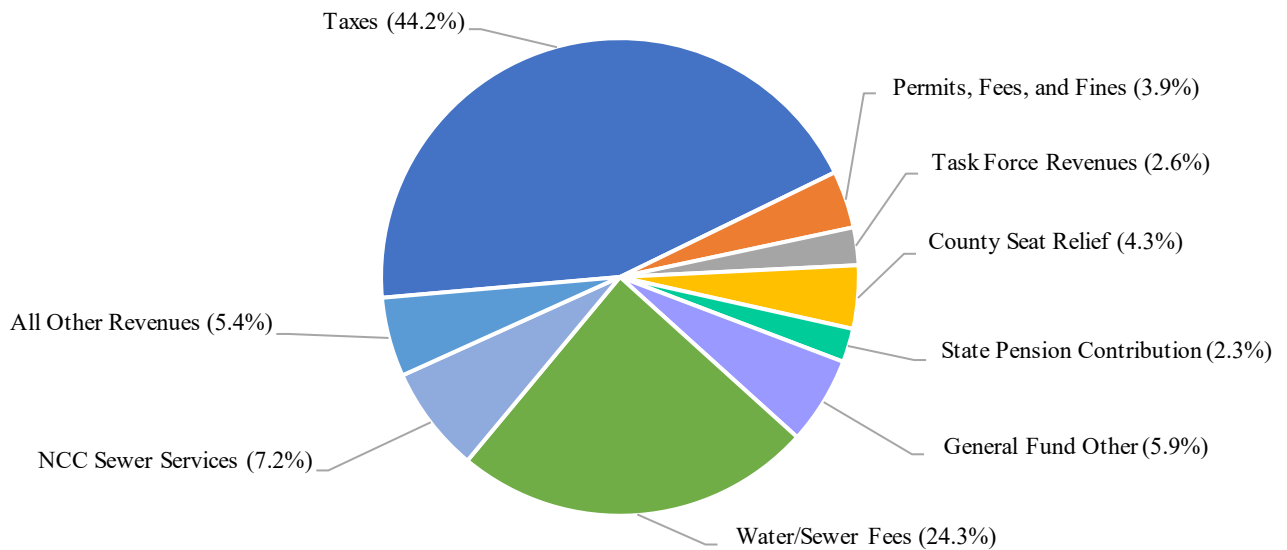
Income / (Loss)	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	Dollar Change FY'24-'23	Percent Change FY'24-'23
General Fund	\$15,394,359	\$10,400,813	\$9,529,865	\$778,363	(\$8,751,502)	-91.8%
Water/Sewer Fund	4,620,632	6,965,501	4,222,729	7,595,766	3,373,037	79.9%
Special Funds	(185,247)	441,552	14,567	(93,832)	(108,399)	-744.1%
Total Income / (Loss)	\$19,829,744	\$17,807,866	\$13,767,161	\$8,280,297	(\$5,486,864)	-39.9%

Summary of All Funds Combined Fiscal Year 2024

All Funds Revenues	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	Dollar Change FY'24-'23	Percent Change FY'24-'23
Taxes	\$119,118,378	\$128,569,270	\$125,327,627	\$128,417,712	\$3,090,085	2.5%
Permits, Fees, and Fines	10,412,428	14,628,798	12,049,727	11,267,446	(782,281)	-6.5%
Task Force Revenues	6,622,225	7,539,736	7,423,147	7,425,231	2,084	0.0%
County Seat Relief	12,441,554	13,567,280	12,470,162	12,451,316	(18,846)	-0.2%
State Pension Contribution	6,352,066	6,617,935	6,352,066	6,617,935	265,869	4.2%
General Fund Other	11,570,731	10,979,836	10,772,441	17,222,423	6,449,982	59.9%
Water/Sewer Fees	62,826,157	66,171,049	64,739,186	70,727,000	5,987,814	9.2%
NCC Sewer Services	19,622,109	20,748,646	21,056,000	20,949,000	(107,000)	-0.5%
Water/Sewer Other	711,702	591,656	572,000	463,000	(109,000)	-19.1%
CARES / ARPA	8,953,900	0	12,000,000	0	(12,000,000)	-100.0%
Special Funds Grants	11,543,747	9,966,181	7,448,571	7,771,990	323,419	4.3%
Special Funds Other	6,493,856	6,777,897	7,128,540	7,395,476	266,936	3.7%
Total Revenues	\$276,668,853	\$286,158,284	\$287,339,467	\$290,708,529	\$3,369,062	1.2%

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.

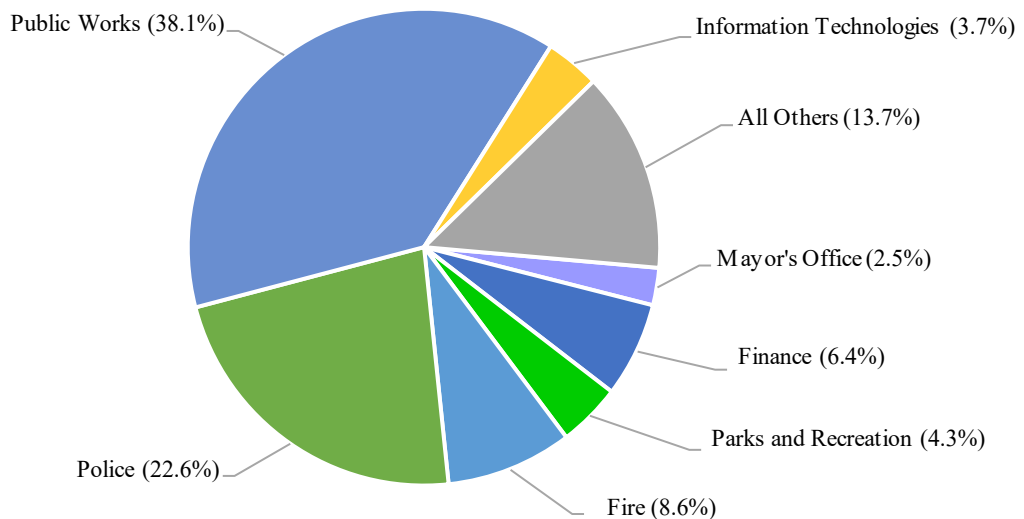
All Funds Revenues Fiscal Year 2024



Summary of All Funds Combined Fiscal Year 2024

All Funds Expenditures	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	Dollar Change FY'24-'23	Percent Change FY'24-'23
Mayor's Office	\$8,631,425	\$7,239,750	\$6,903,364	\$7,162,600	\$259,236	3.8%
City Council	2,873,094	2,274,683	2,887,031	3,537,215	650,184	22.5%
Treasurer	5,911,355	6,073,796	6,463,536	6,731,129	267,593	4.1%
Land Use and Planning	1,434,135	1,448,925	3,879,094	4,389,296	510,202	13.2%
Audit	948,234	974,197	990,200	1,033,482	43,282	4.4%
Law	2,352,462	2,423,294	2,628,829	2,688,837	60,008	2.3%
Finance	16,167,510	15,916,333	17,654,801	18,205,895	551,094	3.1%
Human Resources	1,564,188	1,731,207	2,340,811	2,640,937	300,126	12.8%
Licenses and Inspections	4,747,563	5,360,002	3,506,796	3,545,320	38,524	1.1%
Parks and Recreation	11,150,139	11,087,231	11,282,266	12,206,897	924,631	8.2%
Fire	22,712,233	22,891,732	23,168,158	24,410,009	1,241,851	5.4%
Police	59,816,552	64,291,267	62,508,205	63,829,180	1,320,975	2.1%
Public Works	96,313,744	101,450,324	104,742,446	107,595,714	2,853,268	2.7%
Real Estate and Housing	7,273,373	9,551,134	7,980,264	6,473,792	(1,506,472)	-18.9%
Commerce (Port Debt)	77,374	166,688	277,071	222,717	(54,354)	-19.6%
Information Technologies	8,513,662	8,851,920	9,335,368	10,465,277	1,129,909	12.1%
State Pension Contrib.	6,352,066	6,617,935	6,352,066	6,617,935	265,869	4.2%
Contingent Reserves	0	0	672,000	672,000	0	0.0%
Total Expenditures	\$256,839,109	\$268,350,418	\$273,572,306	\$282,428,232	\$8,855,926	3.2%

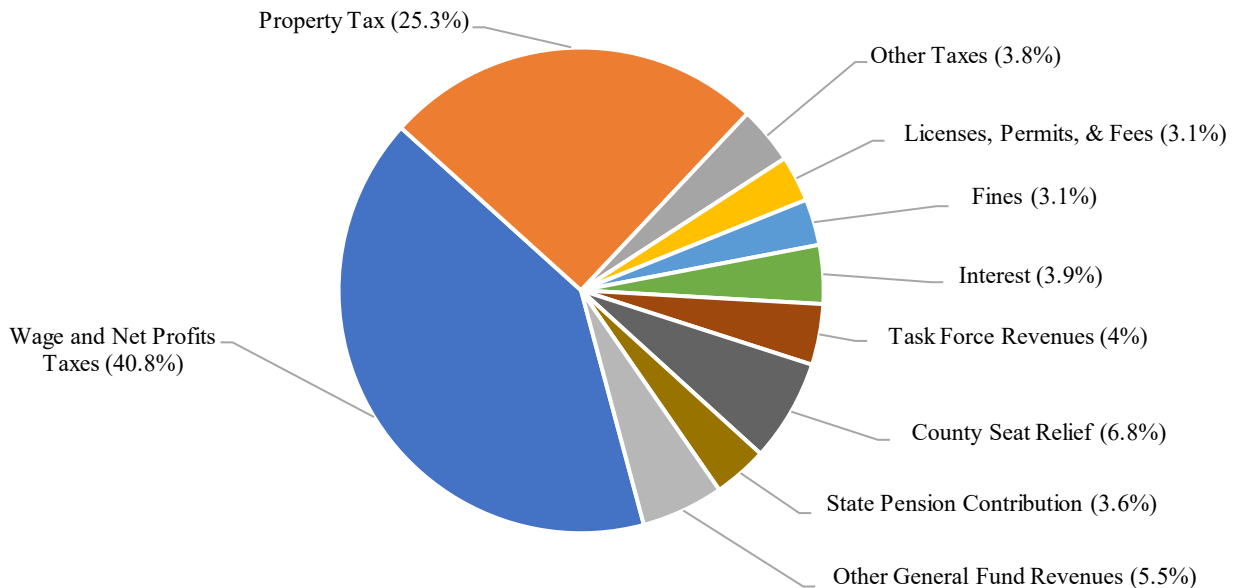
All Funds Expenditures Fiscal Year 2024



Summary of General Fund Fiscal Year 2024

General Fund Revenues	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	Dollar Change FY'24-'23	Percent Change FY'24-'23
Wage and Net Profits Taxes	\$65,444,237	\$72,934,609	\$72,204,780	\$74,912,842	\$2,708,062	3.8%
Property Tax	44,728,292	43,637,012	45,911,800	46,480,386	568,586	1.2%
Other Taxes	8,945,849	11,997,649	7,211,047	7,024,484	(186,563)	-2.6%
Licenses, Permits, & Fees	4,602,110	6,210,661	4,963,677	5,616,619	652,942	13.2%
Fines	5,810,318	8,418,137	7,086,050	5,650,827	(1,435,223)	-20.3%
Interest	256,040	136,559	413,000	7,170,000	6,757,000	1,636.1%
Other Revenues	10,168,834	10,014,073	9,530,612	9,777,423	246,811	2.6%
Task Force Revenues	6,622,225	7,539,736	7,423,147	7,425,231	2,084	0.0%
County Seat Relief	12,441,554	13,567,280	12,470,162	12,451,316	(18,846)	-0.2%
State Pension Contribution	6,352,066	6,617,935	6,352,066	6,617,935	265,869	4.2%
Port Debt Reimbursement	870,857	554,204	553,829	0	(553,829)	-100.0%
CARES / ARPA	8,653,900	0	12,000,000	0	(12,000,000)	-100.0%
Transfers In/(Out)	275,000	275,000	275,000	275,000	0	0.0%
Total Revenues	\$175,171,282	\$181,902,855	\$186,395,170	\$183,402,063	(\$2,993,107)	-1.6%

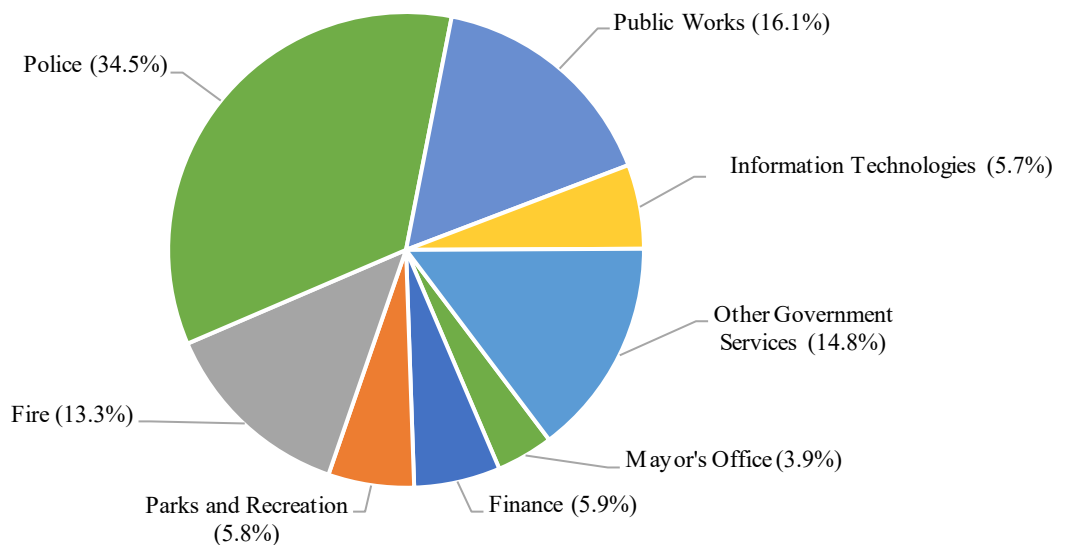
General Fund Revenues Fiscal Year 2024



Summary of General Fund Fiscal Year 2024

General Fund Expenditures	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	Dollar Change FY'24-'23	Percent Change FY'24-'23
Mayor's Office	\$8,290,209	\$7,040,304	\$6,826,305	\$7,079,882	\$253,577	3.7%
City Council	1,687,632	1,722,349	1,901,598	2,443,383	541,785	28.5%
Treasurer	522,656	400,044	449,620	450,662	1,042	0.2%
Land Use and Planning	1,379,348	1,350,833	3,835,055	4,389,296	554,241	14.5%
Audit	851,154	890,519	906,125	949,174	43,049	4.8%
Law	2,352,462	2,423,294	2,628,829	2,688,837	60,008	2.3%
Finance	9,154,059	9,481,100	10,555,660	10,705,020	149,360	1.4%
Human Resources	1,564,188	1,731,207	2,340,811	2,640,937	300,126	12.8%
Licenses and Inspections	4,747,563	5,360,002	3,506,796	3,545,320	38,524	1.1%
Parks and Recreation	7,778,526	9,169,273	9,759,457	10,654,433	894,976	9.2%
Fire	22,601,492	22,749,739	22,966,789	24,212,009	1,245,220	5.4%
Police	57,357,138	61,498,949	61,758,351	63,042,196	1,283,845	2.1%
Public Works	23,564,017	26,353,426	28,564,575	29,436,970	872,395	3.1%
Real Estate and Housing	2,983,377	5,694,460	4,228,829	2,407,652	(1,821,177)	-43.1%
Commerce (Port Debt)	77,374	166,688	277,071	222,717	(54,354)	-19.6%
Information Technologies	8,513,662	8,851,920	9,335,368	10,465,277	1,129,909	12.1%
State Pension Contrib.	6,352,066	6,617,935	6,352,066	6,617,935	265,869	4.2%
Contingent Reserves	0	0	672,000	672,000	0	0.0%
Total Expenditures	\$159,776,923	\$171,502,042	\$176,865,305	\$182,623,700	\$5,758,395	3.3%

General Fund Expenditures Fiscal Year 2024

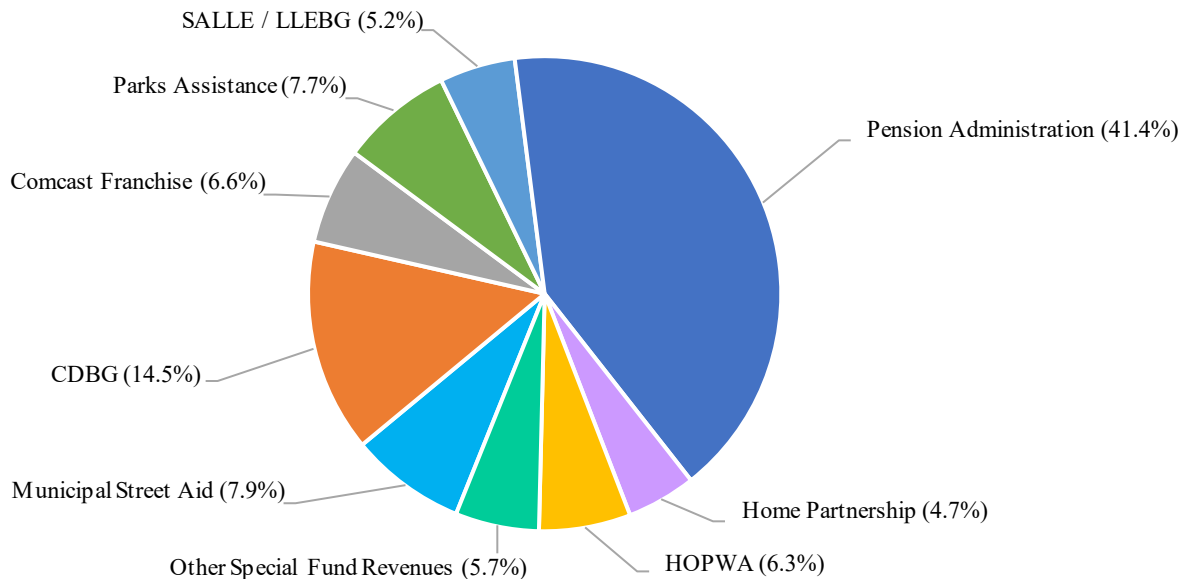


Summary of Special Funds Fiscal Year 2024

Special Funds Revenues	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	Dollar Change FY'24-'23	Percent Change FY'24-'23
Municipal Street Aid	\$1,020,922	\$1,069,959	\$1,216,630	\$1,200,693	(\$15,937)	-1.3%
CDBG	2,528,982	2,283,784	2,156,360	2,199,153	42,793	2.0%
Comcast Franchise	1,000,215	993,886	1,000,000	1,000,000	0	0.0%
Emergency Shelter	357,397	177,664	189,072	197,226	8,154	4.3%
Workforce Investment	331,533	170,310	269,111	274,494	5,383	2.0%
Parks Assistance	2,935,138	1,637,389	1,139,074	1,162,961	23,887	2.1%
Parks Trust Fund	104,942	110,259	114,624	115,009	385	0.3%
SALLE / LLEBG	2,459,414	2,792,318	749,854	786,984	37,130	5.0%
Pension Administration	5,388,699	5,673,752	6,013,916	6,280,467	266,551	4.4%
Home Partnership	586,516	644,809	581,539	718,522	136,983	23.6%
HOPWA	871,888	805,204	824,464	951,239	126,775	15.4%
Miscellaneous Grants	451,957	384,744	322,467	280,718	(41,749)	-12.9%
Total Revenues	\$18,037,603	\$16,744,078	\$14,577,111	\$15,167,466	\$590,355	4.0%

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 2024

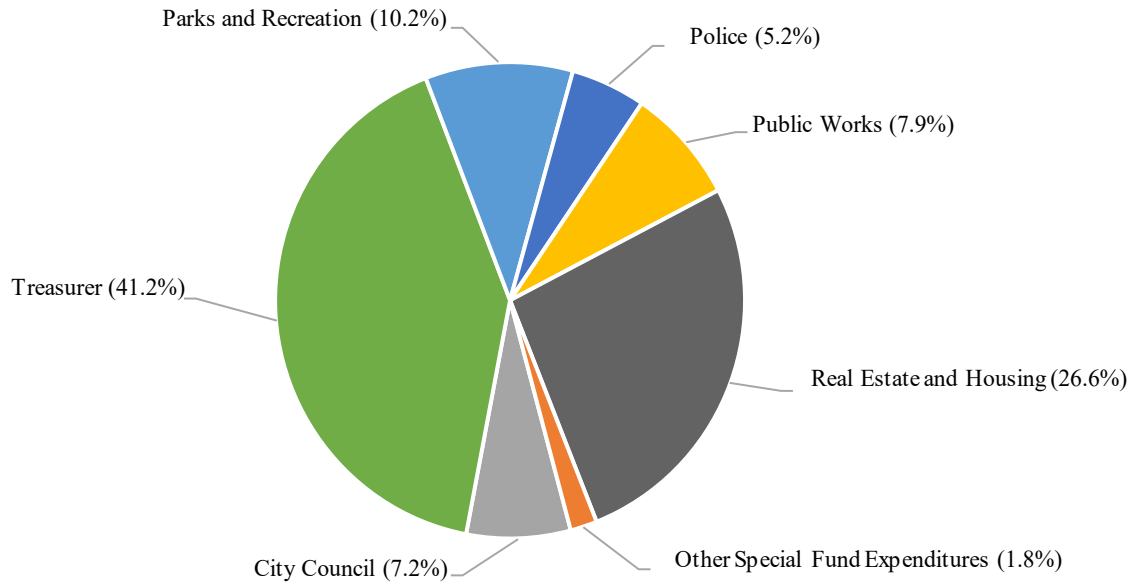


Summary of Special Funds Fiscal Year 2024

Special Funds Expenditures	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	Dollar Change FY'24-'23	Percent Change FY'24-'23
Mayor's Office	\$341,216	\$199,446	\$77,059	\$82,718	\$5,659	7.3%
City Council	1,185,462	552,334	985,433	1,093,832	108,399	11.0%
Treasurer	5,388,699	5,673,752	6,013,916	6,280,467	266,551	4.4%
Land Use and Planning	54,787	98,092	44,039	0	(44,039)	-100.0%
Parks and Recreation	3,371,613	1,917,958	1,522,809	1,552,464	29,655	1.9%
Fire	110,741	141,993	201,369	198,000	(3,369)	-1.7%
Police	2,459,414	2,792,318	749,854	786,984	37,130	5.0%
Public Works	1,020,922	1,069,959	1,216,630	1,200,693	(15,937)	-1.3%
Real Estate and Housing	4,289,996	3,856,674	3,751,435	4,066,140	314,705	8.4%
Total Expenditures	\$18,222,850	\$16,302,526	\$14,562,544	\$15,261,298	\$698,754	4.8%

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.

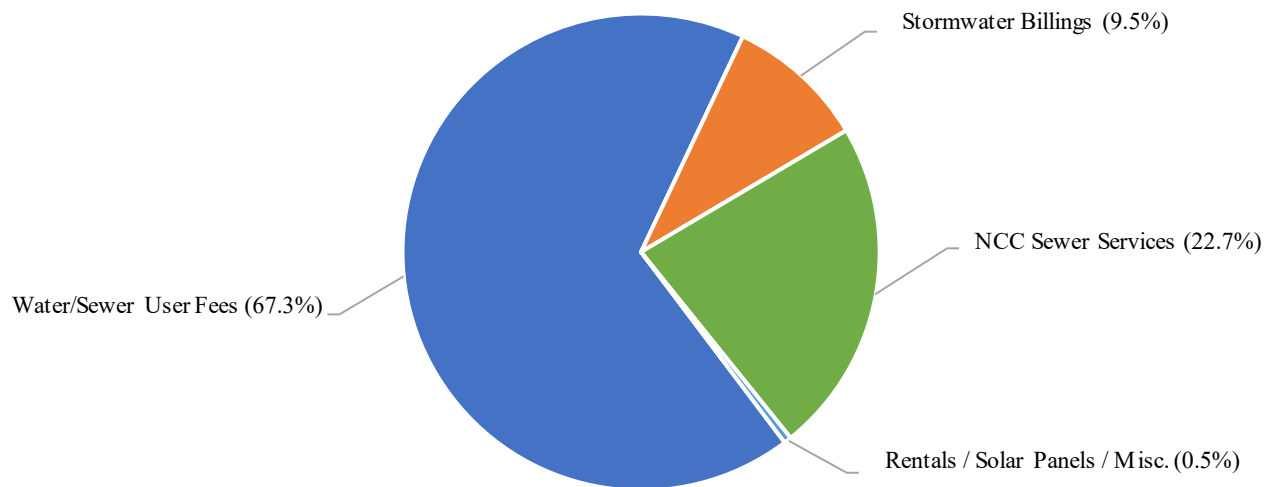
Special Funds Expenditures Fiscal Year 2024



Summary of Water / Sewer Fund Fiscal Year 2024

Water/Sewer Revenues	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	Dollar Change FY'24-'23	Percent Change FY'24-'23
Water/Sewer User Fees	\$53,507,699	\$56,525,889	\$56,531,186	\$62,007,000	\$5,475,814	9.7%
Stormwater Billings	9,318,458	9,645,160	8,208,000	8,720,000	512,000	6.2%
NCC Sewer Services	19,622,109	20,748,646	21,056,000	20,949,000	(107,000)	-0.5%
Rentals/Miscellaneous	694,080	561,991	535,000	426,000	(109,000)	-20.4%
Solar Panel Revenues	17,622	29,665	37,000	37,000	0	0.0%
CARES / ARPA	300,000	0	0	0	0	0.0%
Total Revenues	\$83,459,968	\$87,511,351	\$86,367,186	\$92,139,000	\$5,771,814	6.7%

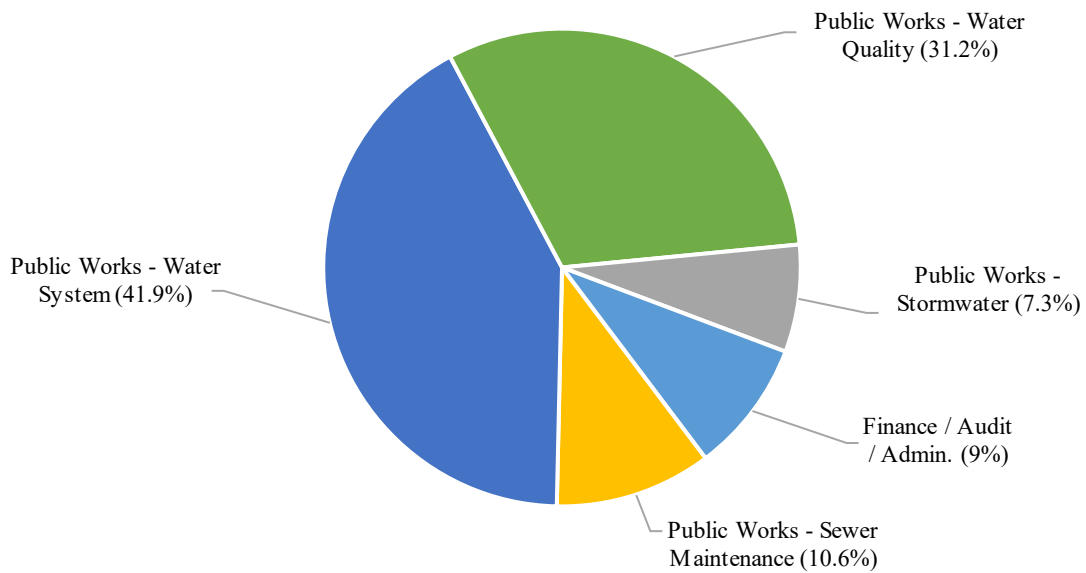
Water/Sewer Revenues Fiscal Year 2024



Summary of Water / Sewer Fund Fiscal Year 2024

Water/Sewer Expenditures	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	Dollar Change FY'24-'23	Percent Change FY'24-'23
Audit	\$97,080	\$83,678	\$84,075	\$84,308	\$233	0.3%
Finance	7,013,451	6,435,233	7,099,141	7,500,875	401,734	5.7%
Public Works	71,728,805	74,026,939	74,961,241	76,958,051	1,996,810	2.7%
Total Expenditures	\$78,839,336	\$80,545,850	\$82,144,457	\$84,543,234	\$2,398,777	2.9%

Water/Sewer Expenditures Fiscal Year 2024

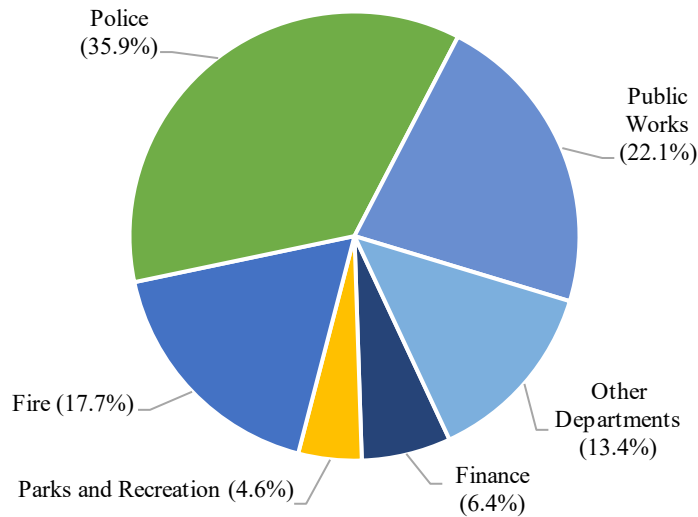


Summary of Internal Service Funds Fiscal Year 2024

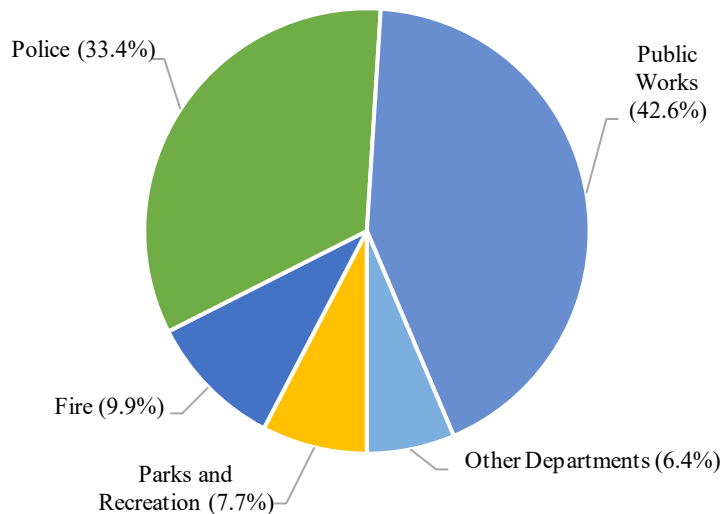
Internal Services Expenditures	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	Dollar Change FY'24-'23	Percent Change FY'24-'23
Human Resources	\$27,170,056	\$28,944,751	\$31,962,103	\$32,944,877	\$982,774	3.1%
Public Works	8,037,680	8,438,847	8,518,655	9,332,799	814,144	9.6%
Total Expenditures	\$35,207,736	\$37,383,598	\$40,480,758	\$42,277,676	\$1,796,918	4.4%

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

HR Self-Insurance Program FY 2024 Internal Service Charge Allocations



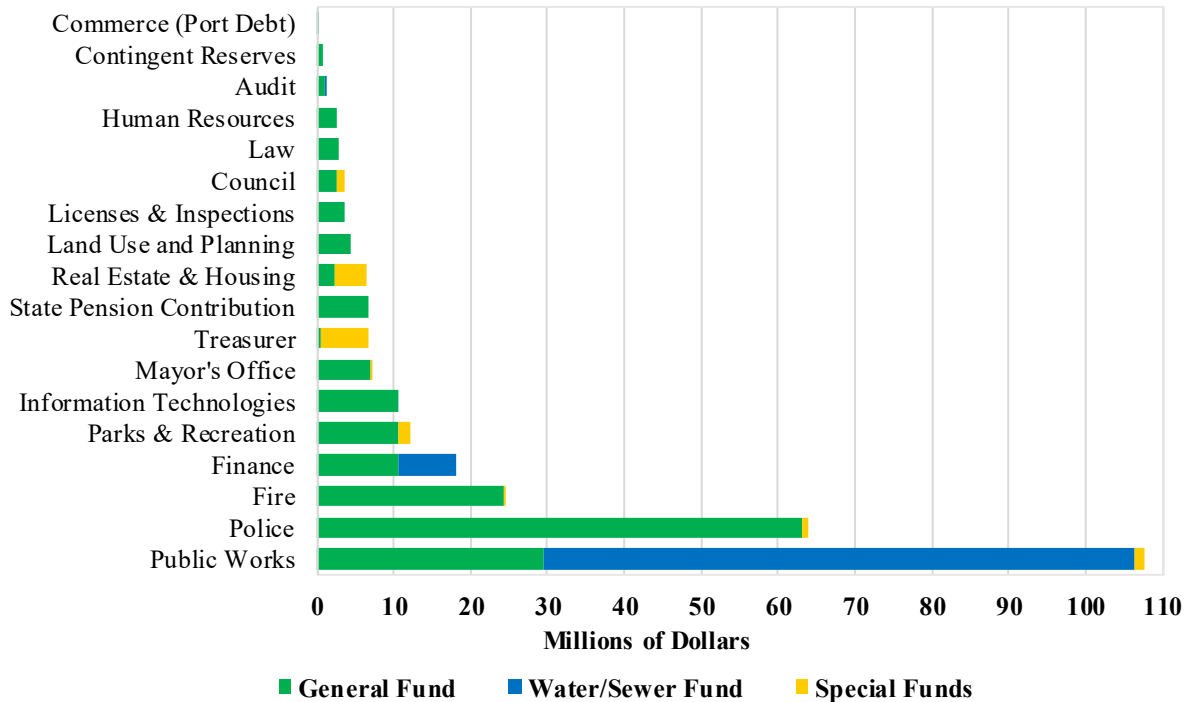
Public Works Motor Vehicle Costs FY 2024 Internal Service Charge Allocations



Departmental Budgets by Fund Fiscal Year 2024

Departmental Budgets	General Fund Budget FY 2024	Water/Sewer Fund Budget FY 2024	Special Funds Budget FY 2024	Total Budget All Funds FY 2024
Mayor's Office	\$7,079,882	\$0	\$82,718	\$7,162,600
Council	2,443,383	0	1,093,832	3,537,215
Treasurer	450,662	0	6,280,467	6,731,129
Land Use and Planning	4,389,296	0	0	4,389,296
Audit	949,174	84,308	0	1,033,482
Law	2,688,837	0	0	2,688,837
Finance	10,705,020	7,500,875	0	18,205,895
Human Resources	2,640,937	0	0	2,640,937
Licenses & Inspections	3,545,320	0	0	3,545,320
Parks & Recreation	10,654,433	0	1,552,464	12,206,897
Fire	24,212,009	0	198,000	24,410,009
Police	63,042,196	0	786,984	63,829,180
Public Works	29,436,970	76,958,051	1,200,693	107,595,714
Real Estate & Housing	2,407,652	0	4,066,140	6,473,792
Commerce (Port Debt)	222,717	0	0	222,717
Information Technologies	10,465,277	0	0	10,465,277
State Pension Contribution	6,617,935	0	0	6,617,935
Contingent Reserves	672,000	0	0	672,000
Total Budget	\$182,623,700	\$84,543,234	\$15,261,298	\$282,428,232

FY 2024 Total Departmental Budgets Breakout by Fund



**Capital Improvements Program
Fiscal Years 2024 - 2029**

Summary: Total Funds Recommended by Fiscal Year and Department

Department	Type of Funding	2024	2025	2026	2027	2028	2029	Total City Funds	Total City / Matching Funds
Finance	G	482,188	0	466,438	0	380,813	0	1,329,439	1,329,439
	W	956,250	0	956,250	0	956,250	0	2,868,750	2,868,750
Fire	G	8,700,000	0	9,700,000	0	3,000,000	0	21,400,000	21,400,000
Mayor's Office	G	2,925,000	0	2,815,000	0	2,665,000	0	8,405,000	8,405,000
Parks	G	3,300,000	0	3,300,000	0	3,300,000	0	9,900,000	9,900,000
Public Works	G	16,150,000	0	14,000,000	0	14,000,000	0	44,150,000	44,150,000
	W	76,500,000	0	76,500,000	0	76,500,000	0	229,500,000	229,500,000
Real Estate and Housing	G	1,000,000	0	1,000,000	0	1,000,000	0	3,000,000	3,000,000
	O	500,000	0	500,000	0	500,000	0	0	1,500,000
Transportation Divison (Public Works)	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	39,057,188	0	37,781,438	0	30,845,813	0	107,684,439	107,684,439
	O	8,500,000	0	8,500,000	0	8,500,000	0	0	25,500,000
	W	77,456,250	0	77,456,250	0	77,456,250	0	232,368,750	232,368,750
Grand Total		125,013,438	0	123,737,688	0	116,802,063	0	340,053,189	365,553,189

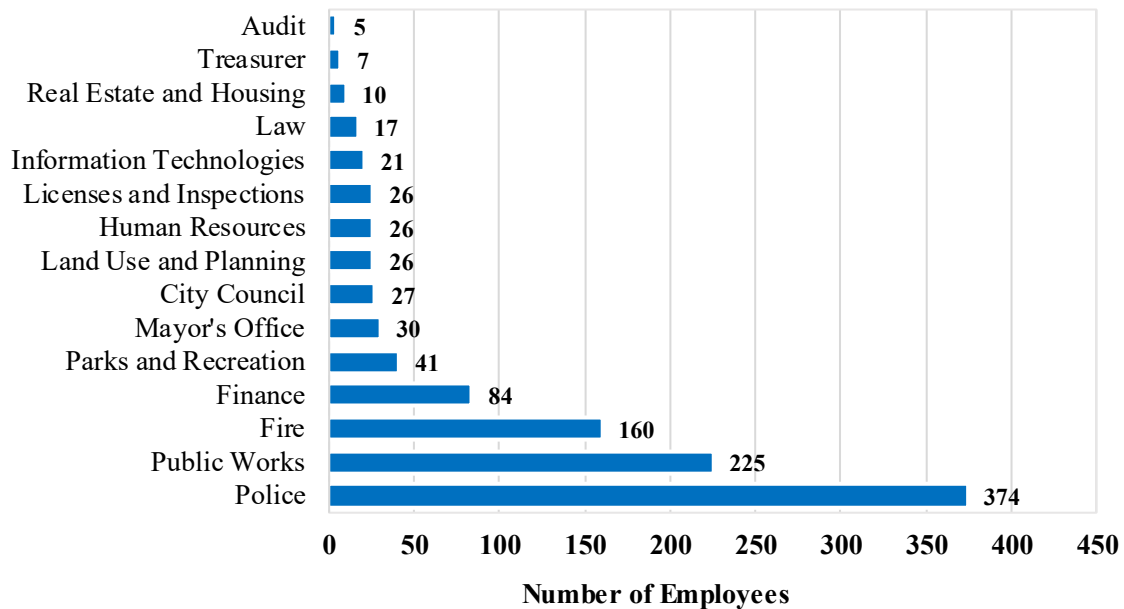
Type of Funding: G - General; W - Water/Sewer; O - Other Governmental

Summary of Staffing Levels Fiscal Year 2024

Total Number of Employees – All Funds

Department	Budget FY 2020	Budget FY 2021	Budget FY 2022	Budget FY 2023	Budget FY 2024	Net Change FY'24-'23
Mayor's Office	34.00	34.00	34.00	30.00	30.00	0.00
City Council	28.00	28.00	27.00	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	9.00	26.00	26.00	0.00
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	85.00	84.00	84.00	81.00	84.00	3.00
Human Resources	26.00	26.00	26.00	26.00	26.00	0.00
Licenses and Inspections	43.00	42.00	42.00	26.00	26.00	0.00
Parks and Recreation	41.00	41.00	40.00	40.00	41.00	1.00
Fire	161.00	161.00	160.00	160.00	160.00	0.00
Police	380.00	379.00	380.00	373.00	374.00	1.00
Public Works	223.00	225.00	225.00	224.00	225.00	1.00
Real Estate and Housing	11.00	11.00	11.00	10.00	10.00	0.00
Information Technologies	22.00	21.00	21.00	21.00	21.00	0.00
Total	1,093.00	1,091.00	1,088.00	1,073.00	1,079.00	6.00
Total Employees per 1,000 City Residents	15.43	15.40	15.36	15.13	15.22	0.08

Total Number of Employees by Department FY 2024 (All Funds)



Nearly 73% (or 785) of the City's employees work to provide Public Safety (Police, Fire, L&I) and Public Works services.

Summary of Staffing Levels Fiscal Year 2024

Total Number of Employees - General Fund

Department	Budget FY 2020	Budget FY 2021	Budget FY 2022	Budget FY 2023	Budget FY 2024	Net Change FY'24-'23
Mayor's Office	33.50	33.50	33.50	29.50	29.50	0.00
City Council	19.20	19.25	19.65	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	8.55	25.55	26.00	0.45
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	58.85	58.85	58.05	55.40	56.60	1.20
Human Resources	16.60	16.60	16.60	16.60	16.60	0.00
Licenses and Inspections	43.00	42.00	42.00	26.00	26.00	0.00
Parks and Recreation	40.60	40.60	39.60	39.60	40.60	1.00
Fire	161.00	161.00	160.00	160.00	160.00	0.00
Police	374.57	373.57	374.57	365.00	366.00	1.00
Public Works	119.05	120.05	120.05	120.05	120.05	0.00
Real Estate and Housing	1.48	2.75	2.88	2.38	2.15	(0.23)
Information Technologies	22.00	21.00	21.00	21.00	21.00	0.00
Total	924.40	923.72	921.45	905.73	909.15	3.42

Total Number of Employees – Water / Sewer Fund

Department	Budget FY 2020	Budget FY 2021	Budget FY 2022	Budget FY 2023	Budget FY 2024	Net Change FY'24-'23
Finance	26.15	25.15	25.95	25.60	27.40	1.80
Public Works	103.95	104.95	104.95	103.95	104.95	1.00
Total	130.10	130.10	130.90	129.55	132.35	2.80

Total Number of Employees – Special Funds

Department	Budget FY 2020	Budget FY 2021	Budget FY 2022	Budget FY 2023	Budget FY 2024	Net Change FY'24-'23
Mayor's Office	0.50	0.50	0.50	0.50	0.50	0.00
City Council	8.80	8.75	7.35	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	0.00	(0.45)
Parks and Recreation	0.40	0.40	0.40	0.40	0.40	0.00
Police	5.43	5.43	5.43	8.00	8.00	0.00
Real Estate and Housing	9.52	8.25	8.12	7.62	7.85	0.23
Total	29.10	27.78	26.25	28.32	28.10	(0.22)

**Summary of Staffing Levels
Fiscal Year 2024**

Total Number of Employees – Internal Service Funds

Department	Budget FY 2020	Budget FY 2021	Budget FY 2022	Budget FY 2023	Budget FY 2024	Net Change FY'24-'23
Human Resources	9.40	9.40	9.40	9.40	9.40	0.00
Total	9.40	9.40	9.40	9.40	9.40	0.00

Summary of Changes from Proposed to Approved Budget Fiscal Year 2024

	Proposed Budget FY 2024	Approved Budget FY 2024	Dollar Change	Percent Change
General Fund				
Total Revenues	\$183,402,063	\$183,402,063	\$0	0.0%
Total Expenditures	183,133,711	182,623,700	(510,011)	-0.3%
Income/(Loss)	\$268,352	\$778,363	\$510,011	190.1%
Staffing Level (FTE)	909.15	909.15	0.00	0.0%
Water/Sewer Fund				
Total Revenues	\$92,139,000	\$92,139,000	\$0	0.0%
Total Expenditures	84,162,130	84,543,234	381,104	0.5%
Income/(Loss)	\$7,976,870	\$7,595,766	(\$381,104)	-4.8%
Staffing Level (FTE)	132.35	132.35	0.00	0.0%
Special Funds				
Total Revenues	\$15,167,466	\$15,167,466	\$0	0.0%
Total Expenditures	15,201,298	15,261,298	60,000	0.4%
Income/(Loss)	(\$33,832)	(\$93,832)	(\$60,000)	177.3%
Staffing Level (FTE)	28.10	28.10	0.00	0.0%
All Funds				
Total Revenues	\$290,708,529	\$290,708,529	\$0	0.0%
Total Expenditures	282,497,139	282,428,232	(68,907)	0.0%
Income/(Loss)	\$8,211,390	\$8,280,297	\$68,907	0.8%
Staffing Level (FTE)	1,069.60	1,069.60	0.00	0.0%

Detail of Changes from Proposed to Approved Budget Fiscal Year 2024

General Fund

- **Expenditures:** Real Estate & Housing, \$500,000 reduction: Eliminate funding for Land Bank from operating budget; Land Bank funding will be provided through newly created Neighborhood Stabilization Fund.
- **Expenditures:** Police, \$146,775 reduction: Eliminate proposed upgrade of eighteen Emergency Call Operators; eliminate proposed upgrade of Communications Supervisor to Senior Communications Supervisor.
- **Expenditures:** City Council, \$125,000 increase: Miscellaneous Projects to fund additional community organization grants.
- **Expenditures:** City Council, \$15,000 increase: Revised Personal Services Adjustment.
- **Expenditures:** Licenses & Inspections, \$3,236 decrease: Delete Code Enforcement Inspector position, add Code Enforcement Supervisor.
- **Transfers:** Transfer \$1.0 million from General Fund Tax Stabilization Reserve to Economic Strategic Fund.
- **Transfers:** Transfer \$4.0 million from General Fund Tax Stabilization Reserve to newly created Neighborhood Stabilization Fund.

Water/Sewer Fund

- **Expenditures:** Public Works, \$318,161 increase: Correct interest payments per audited debt service schedule.
- **Expenditures:** Public Works, \$62,943 increase: Funding for final estimated Jacobs fee for operation of Wastewater Treatment Plant and Renewable Biosolids Facility.

Special Funds

- **Expenditures:** City Council, \$60,000 increase: Add funding for third-party operator and lease in CATV fund.

Fund Balance General Fund Fiscal Year 2024

Fund Balance Activity	Actual FY 2022	Projected FY 2023	Projected FY 2024
Fund Balance as of July 1	\$62,517,648	\$71,666,405	\$86,325,438
Excess of Revenues Over/(Under) Expenditures	10,125,813	15,684,033	503,363
Other Financing Sources/(Uses):			
Transfer From/(To) Wilmington Parking Authority	275,000	275,000	275,000
Net Adjustments and Transfers In/(Out) ¹	(1,252,056)	(1,300,000)	(5,000,000)
Total Other Financing Sources/(Uses)	(977,056)	(1,025,000)	(4,725,000)
Prior Period Adjustments	0	0	0
Net Change in Fund Balance	\$9,148,757	\$14,659,033	(\$4,221,637)
Total Fund Balance as of June 30	\$71,666,405	\$86,325,438	\$82,103,801

Summary of Fund Balance	Actual FY 2022	Projected FY 2023	Projected FY 2024
Nonspendable	\$4,068,641	\$3,987,268	\$3,907,523
Restricted	164,793	0	0
Committed - Budget Reserve ²	17,686,531	18,262,370	19,043,478
Committed - Tax Stabilization Reserve ³	49,746,440	64,075,800	59,152,800
Total Fund Balance as of June 30	\$71,666,405	\$86,325,438	\$82,103,801

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:

- **Nonspendable** – 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. FY 2024 includes a \$5.0 million transfer from the Tax Stabilization Reserve, with \$4.0 million transferred to the newly created Neighborhood Stabilization Fund and \$1.0 million transferred to the existing Economic Strategic Fund.
2. The Budget Reserve is set at the end of each fiscal year to be 10% of the next year’s General Fund operating budget.
3. Tax Stabilization Reserve is equal to the net unrestricted General Fund balance.

**Fund Net Position
Water/Sewer Fund
Fiscal Year 2024**

Fund Net Assets Activity	Actual FY 2022	Projected FY 2023	Projected FY 2024
Net Assets as of July 1	\$183,640,641	\$191,843,334	\$195,923,664
Excess of Revenues Over/(Under) Expenditures	14,048,136	9,292,853	11,766,428
Non-Operating Revenues/(Expenses)			
Interest Expense	(6,437,099)	(5,784,523)	(4,633,662)
Other	591,656	572,000	463,000
Total Non-Operating Revenues/(Expenses)	(5,845,443)	(5,212,523)	(4,170,662)
Income/(Loss) Before Transfers	8,202,693	4,080,330	7,595,766
Prior Period Adjustment	0	0	0
Change in Net Assets	\$8,202,693	\$4,080,330	\$7,595,766
Total Net Assets as of June 30	\$191,843,334	\$195,923,664	\$203,519,430

Summary of Fund Net Assets	Actual FY 2022	Projected FY 2023	Projected FY 2024
Invested in Capital Assets, Net of Related Debt	\$163,115,804	\$165,115,804	\$167,115,804
Restricted - Operation and Maintenance Reserve ¹	13,964,558	14,372,350	14,792,050
Restricted - Rate Stabilization Reserve ²	14,762,972	16,435,510	21,611,576
Total Fund Net Assets as of June 30	\$191,843,334	\$195,923,664	\$203,519,430

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 2024

Fund Balance & Net Position Activity	Actual FY 2022	Projected FY 2023	Projected FY 2024
Fund Balance & Net Position as of July 1	\$246,158,289	\$263,509,739	\$282,249,102
Excess of Revenues Over/(Under) Expenditures	24,173,949	24,976,886	12,269,791
Total Other Financing Sources/(Uses)	(977,056)	(1,025,000)	(4,725,000)
Total Non-Operating Revenues/(Expenses)			
Water/Sewer Fund	(5,845,443)	(5,212,523)	(4,170,662)
Prior Period Adjustments	0	0	0
Change in Fund Balance & Net Position	\$17,351,450	\$18,739,363	\$3,374,129
Total Fund Balance & Net Position as of June 30	\$263,509,739	\$282,249,102	\$285,623,231

Summary of Fund Balance & Net Position	Actual FY 2022	Projected FY 2023	Projected FY 2024
Nonspendable	\$4,068,641	\$3,987,268	\$3,907,523
Restricted	164,793	0	0
Committed - Budget Reserve	17,686,531	18,262,370	19,043,478
Committed - Tax Stabilization Reserve	49,746,440	64,075,800	59,152,800
Invested in Capital Assets, Net of Related Debt	163,115,804	165,115,804	167,115,804
Restricted - Operation and Maintenance Reserve	13,964,558	14,372,350	14,792,050
Restricted - Rate Stabilization Reserve	14,762,972	16,435,510	21,611,576
Total Fund Balance & Net Position as of June 30	\$263,509,739	\$282,249,102	\$285,623,231

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

Revenue Type	Actual FY 2021	Actual FY 2022	Projected FY 2023	Approved FY 2024	Projected FY 2025	Projected FY 2026	Projected FY 2027	Projected FY 2028
Wage and Net Profits Taxes	\$65,444,237	\$72,934,609	\$72,204,780	\$74,912,842	\$77,296,939	\$79,753,165	\$82,284,003	\$84,891,723
Property Tax	44,728,292	43,637,012	45,825,014	46,480,386	46,391,649	46,276,912	46,154,309	46,238,206
Other Taxes	8,945,849	11,997,649	8,648,555	7,024,484	7,098,068	7,186,494	7,240,434	7,299,794
Licenses, Permits, & Fees	4,602,110	6,210,661	5,525,641	5,616,619	7,226,384	7,226,384	7,226,384	7,226,384
Fines	5,810,318	8,418,137	6,400,991	5,650,827	6,186,225	6,186,225	6,186,225	6,186,225
Interest	256,040	136,559	3,747,057	7,170,000	5,678,700	4,770,204	4,311,284	3,922,653
Other Revenues	10,168,834	10,014,073	9,777,423	9,777,423	10,112,568	10,363,777	10,657,090	10,925,286
Task Force Revenues	6,622,225	7,539,736	7,371,886	7,425,231	13,275,823	13,674,763	14,086,505	14,511,465
County Seat Relief	12,441,554	13,567,280	12,628,518	12,451,316	12,538,916	12,564,964	12,653,931	12,743,897
State Pension Contribution	6,352,066	6,617,935	6,617,935	6,617,935	6,617,935	6,617,935	6,617,935	6,617,935
Port Debt Reimbursement	870,857	554,204	553,829	0	0	0	0	0
CARES / ARPA	8,653,900	0	12,000,000	0	0	0	0	0
Total Revenues	\$174,896,282	\$181,627,855	\$191,301,629	\$183,127,063	\$192,423,207	\$194,620,824	\$197,418,100	\$200,563,567
Annual Percentage Change	4.8%	3.8%	5.3%	-4.3%	5.1%	1.1%	1.4%	1.6%

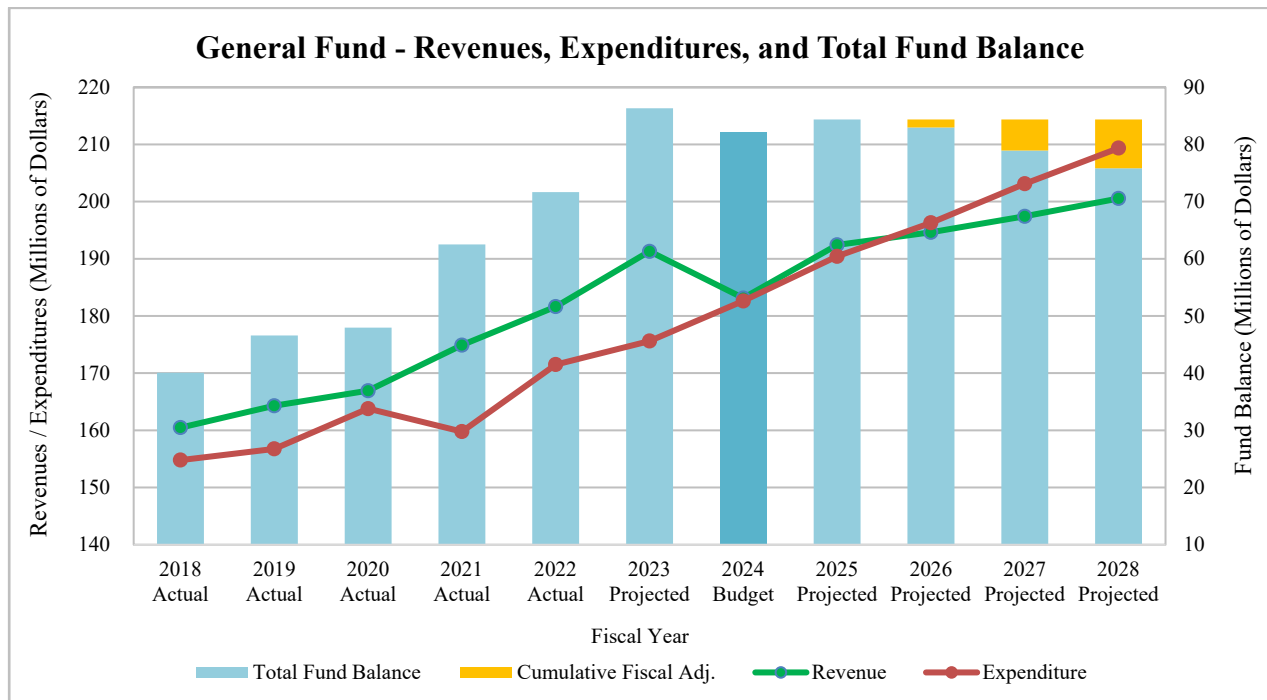
Expenditure Type	Actual FY 2021	Actual FY 2022	Projected FY 2023	Approved FY 2024	Projected FY 2025	Projected FY 2026	Projected FY 2027	Projected FY 2028
Salaries and Wages	\$67,567,753	\$69,746,582	\$69,740,049	\$75,077,836	\$79,280,016	\$82,179,699	\$85,215,552	\$88,357,986
Health Benefits	14,397,533	14,617,202	16,227,436	16,536,503	17,502,150	18,878,637	20,364,333	21,968,305
Pension and Retirement	19,103,924	19,868,919	19,867,058	17,540,527	17,715,458	18,459,996	18,967,006	19,994,652
Other Employee Benefits	2,981,039	2,771,705	2,771,445	2,951,099	3,077,202	3,188,010	3,301,397	3,417,384
Equipment & Services	25,922,845	28,550,592	32,650,211	35,648,425	36,568,031	37,528,337	38,430,656	39,345,868
General Liability	1,937,774	3,241,470	1,536,670	1,575,088	1,614,465	1,654,827	1,696,198	1,738,602
Workers' Compensation	4,011,992	3,837,709	3,439,396	3,559,865	3,711,981	3,845,647	3,982,424	4,122,337
Internal Services	6,796,933	6,949,060	7,889,513	8,539,609	8,881,193	9,236,441	9,605,899	9,990,135
Debt Service	10,443,854	15,037,350	14,596,018	14,285,714	15,167,969	14,394,253	14,630,855	13,501,946
Special Purpose	261,210	263,518	281,865	291,099	298,376	305,836	313,482	321,319
State Pension Contribution	6,352,066	6,617,935	6,617,935	6,617,935	6,617,935	6,617,935	6,617,935	6,617,935
Total Expenditures	\$159,776,923	\$171,502,042	\$175,617,596	\$182,623,700	\$190,434,776	\$196,289,619	\$203,125,735	\$209,376,470
Annual Percentage Change	-2.4%	7.3%	2.4%	4.0%	4.3%	3.1%	3.5%	3.1%

Annual Fiscal Adjustments	N/A	N/A	N/A	N/A	\$0	\$1,393,795	\$4,038,839	\$3,105,268
Cumulative Fiscal Adjustments	N/A	N/A	N/A	N/A	\$0	\$1,393,795	\$5,432,635	\$8,537,903

Operating Surplus/(Deficit)	\$15,119,359	\$10,125,813	\$15,684,033	\$503,363	\$1,988,431	(\$275,000)	(\$275,000)	(\$275,000)
Net Adj. & Transfers In/(Out)	(546,909)	(977,056)	(1,025,000)	(4,725,000)	275,000	275,000	275,000	275,000
Surplus/(Deficit)	\$14,572,450	\$9,148,757	\$14,659,033	(\$4,221,637)	\$2,263,431	\$0	\$0	\$0

Total Fund Balance	\$62,517,648	\$71,666,405	\$86,325,438	\$82,103,801	\$84,367,233	\$84,367,233	\$84,367,233	\$84,367,233
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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 2024), as well as the next four outyears (FY 2025 through 2028). For FY 2024, the approved budget is shown, and unless stated otherwise is the base year upon which the FY 2025 through 2028 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 2023 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 2024 budget

serves as the basis for UCAB’s six-year Water / Sewer financial plan, which can be found at <https://bit.ly/24UCAB>. 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.

In total, the FY 2025 through FY 2028 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 1.2 percentage points; put another way, for every dollar in expenditure growth, revenues only grow by 66 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 \$1.4 million in Annual Fiscal Adjustments included in FY 2026 will recur in each year through FY 2028, with additional permanent adjustments of \$4.0 million required in FY 2027 and \$3.1 million in FY 2028).

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, or 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 12, 2023 Survey projects headline Consumer Price Index (CPI) growth of 3.40% in calendar year 2023, followed by a return to historically normal inflation rates in the outyears.

Calendar Year	Survey of Professional Forecasters Projected Annual Headline CPI Increase
2023	3.40%
2024	2.50%
2025	2.30%
2026	2.15%
2027	2.15%

Federal Reserve Bank of Philadelphia, Survey of Professional Forecasters, May 12, 2023

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 2.5% per year. 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 and Net Profits Taxes (FY 2024 Base Year: \$74,912,842 - 40.9% of total revenues)

Wage and Net Profits Taxes are expected to increase by \$2.7 million to a new total of \$74.9 million.

Wage Taxes make up nearly \$66.7 million of this total category and are expected to grow by almost \$2.0 million (or 3.1%) budget-to-budget in FY 2024. This is net of additional refund losses of \$3.9 million, which is \$2.7 million beyond the normal pre-COVID amount of \$1.2 million. This level of refunds is assumed to be the “new normal,” and is expected to continue into FY 2024 and beyond. In addition, FY 2024 includes projected employee compensation growth of 2.6% (mirroring Delaware Department of Labor wage growth estimates for the City of Wilmington), which expands Wage Tax revenues by nearly \$1.7 million. FY 2025 and beyond include a 3% annual increase, matching Delaware Economic and Financial Advisory Council (DEFAC) wage growth estimates. 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 2024 are budgeted to be \$8.2 million, up \$724,000 from the FY 2023 budget. For FY 2025 and beyond, revenues are projected to grow by 3.3% annually, based on the long-term average growth rate minus a standard deviation.

Property Tax (FY 2024 Base Year: \$46,480,386 - 25.4% of total revenues)

Total Property Tax revenues, which includes real estate taxes along with associated penalty and interest, are projected to total \$46.5 million, an increase of \$569,000, or 1.2%, relative to the FY 2023 budget. Per New Castle County assessments, projected base billings for FY 2024 are \$45.8 million; this is up \$489,000 relative to FY 2023, driven by a reduction in tax-exempt properties. There is no change to the Property Tax rate. Lastly, one-time revenue from Penalty and Interest is expected to be \$1.5 million, which 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 a cumulative \$14.3 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. While the County has begun the process of reassessing properties, the timing and overall impact is still unknown; consequently, no projection of the effects of this reassessment has been included in the outyears.

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 \$661,000 over the period of FY 2025 through FY 2028, with the bulk of the expirations occurring in FY 2028. Lastly, the 2% allowance for uncollectable accounts (approximately \$913,000 annually) and one-time penalty and interest collections (\$1.5 million annually) are expected to remain level for the projection period.

Other Taxes (FY 2024 Base Year: \$7,024,484 - 3.8% of total revenues)

The category of Other Taxes collectively totals \$7.0 million, down \$187,000 from the prior year budget. It 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 \$906,000 in FY 2024 (up \$47,000 from the FY 2023 budget), based on US Energy Information Administration estimates of electricity price increases. For the outyears, revenues are based on electricity price estimates provided by ENSTRAT, Inc., a consultant used by the Department of Public Works. This results in projected growth around 6.5% in FY 2025 and FY 2026, nearly 2.0% in FY 2027, and 1.6% in FY 2028.

Head Tax revenues are derived from a tax paid by businesses based on the number of individuals they employ. For FY 2024, revenues are projected to decrease by nearly \$354,000, to a new total of \$2.9 million. Based on long-term trends, Head Tax is projected to decline by 3.9% annually during the outyears.

Real Estate Transfer Tax, which collectively includes Residential and Commercial Transfer Taxes, is projected to increase by \$121,000 relative to the FY 2023 budget, for a new FY 2024 total of nearly \$3.3 million. While transfer activity was boosted by historically low mortgage interest rates during FY 2021 through FY 2023, we expect that the recent increases in mortgage rates will result in a return to approximately normal transfer activity during FY 2024. The projected outyears include 4.2% annual increases to residential transfer revenues and 3.0% annual increases to commercial transfer revenues, both consistent with historical trends.

Licenses, Permits, & Fees (FY 2024 Base Year: \$5,616,619 - 3.1% of total revenues)

Collectively, Licenses, Permits, and Fees revenues are up almost \$653,000 compared to the FY 2023 budget, largely due to Permits returning to historically average levels, along with process improvements to utility street cut collections. Independent of the passage of the FY 2024 budget, the City amended its business license, permit, and inspection and event fees, which is expected to provide an additional \$1.6 million in revenue annually. As this was not included in the original FY 2024 budget projection, we show this increase in FY 2025 and beyond. No additional increases are expected in the outyears.

Fines (FY 2024 Base Year: \$5,650,827 - 3.1% of total revenues)

Fines are projected to total nearly \$5.7 million in FY 2024, which is down \$1.4 million from the FY 2023 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 decrease in FY 2024 to a new total of \$393,000. No outyear growth is expected.

Parking revenues, which are derived from fines from parking violations and booting fees, are projected to be \$1.4 million in FY 2024, down nearly \$1.4 million from the FY 2023 budget. Three factors are driving the projected loss: first, an overall reduction in citations written, due to staffing issues; second, a \$290,000 loss due to changes in the City's Residential Parking Permit program; and third, a proposed change in parking fines from \$40 to \$25, resulting in a FY 2024 revenue loss of approximately \$535,000.

Although the proposed change to the parking fine rate was introduced separately from the budget and had not yet been approved by Council, it was thought prudent to include it in the FY 2024 budget due to the projected negative effect on revenue. However, the Administration has now requested that the pending legislation be removed from consideration; as such, the reduction in parking fines is no longer expected to occur. Consequently, we have restored the lost \$535,000 beginning in FY 2025. No growth is expected 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 2024, revenues are budgeted to be \$3.8 million, which is unchanged from the FY 2023 budget. No increases are projected in FY 2025 and beyond.

Interest Income (FY 2024 Base Year: \$7,170,000 - 3.9% of total revenues)

By investing in CDs and interest-bearing checking accounts, the City earns interest on its cash balances. The FY 2024 budget of \$7.2 million is based on a projected CD interest rate of 4.63%. The outyear projection assumes an interest rate of 4.31% in FY 2025 and 3.00% in FY 2026, based on Federal Reserve interest rate estimates, followed by annual 25 basis-point interest rate decreases for the remainder of the projection as rates begin to return to the historical average. These rate reductions result in interest revenues declining from their FY 2024 peak to slightly over \$3.9 million by FY 2028. The projection also includes interest earnings on the unspent portion of assumed capital borrowings in January 2026 (\$19.5 million) and January 2028 (\$20.0 million). Both borrowings are assumed to be 50% spent after one year, and fully spent after two years.

Other Revenues (FY 2024 Base Year: \$9,777,423 - 5.3% 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 nearly \$247,000 from the FY 2023 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) are projected to grow in the outyears, with an annual average increase of 3.5%. No outyear increases are expected in the other categories.

Task Force Revenues (FY 2024 Base Year: \$7,425,231 - 4.1% of total revenues)

Task Force Revenues are the revenue sources that were created because 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 revenue derived from the following:

Corporate Filing Tax, projected to be \$1.5 million in the FY 2024 budget. Legislation recently approved by the Delaware General Assembly doubles the fee charged for corporate filings from \$20 to \$40; this results in FY 2025 revenues of nearly \$3.0 million. Beyond this, revenues are projected to grow by 2.4% annually, based on the five-year trend.

Limited Liability Corporation (LLC) Filing Tax, projected to be \$4.4 million in the FY 2024 budget. Legislation recently approved by the Delaware General Assembly doubles the fee charged for LLC filings from \$20 to \$40; this results in FY 2025 revenues of \$8.7 million. Beyond this, revenues are projected to grow by 3.4% annually, based on the five-year trend.

A 2% **Lodging Tax** on hotels in the City, budgeted at nearly \$948,000 in FY 2024; outyear revenues are expected to grow at 3% per year.

A **Natural Gas Franchise Fee**, budgeted at \$604,000 in FY 2024. This is expected to remain level for the rest of the projection period.

County Seat Relief Package (FY 2024 Base Year: \$12,451,316 - 6.8% 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 2024, the combined budget totals nearly \$12.5 million and consists of the following four components:

A **Payment in Lieu of Taxes (PILOT)** on State-owned properties in the City that would otherwise be tax-exempt. This is budgeted at \$3.3 million in FY 2024 (matching the FY 2023 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 slightly less than 1.0% annually during the remainder of the projection, based on the five-year trend.

New Castle County Corporate Filing Fees of more than \$1.7 million. This is expected to grow by 1.5% annually for the remainder of the projection period, based on the five-year trend.

State Pension Contribution (FY 2024 Base Year: \$6,617,935 - 3.6% 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 \$6.6 million in FY 2024 and is projected to stay at this level for the remainder of the projection period.

State Port Debt Reimbursement (FY 2024 Base Year: \$0 - 0.0% 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 remained as a liability on the City's books. 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 continued to book offsetting Port Debt Reimbursement revenue.

In FY 2020, the City refinanced the outstanding bonds, which are now scheduled to be paid down in FY 2032. However, the reimbursement continued as originally scheduled, with the final payment booked in FY 2023 (when the associated debt was originally expected to be fully repaid). As these payments are now complete, there is no budgeted revenue for FY 2024 or in the outyears.

CARES / ARPA (FY 2024 Base Year: \$0 - 0.0% of total revenues)

For FY 2023, the budget included one-time American Rescue Plan Act (ARPA) revenue replacement funds of \$12.0 million. No ARPA revenue replacement is included in FY 2024 or in subsequent years.

Net Adjustments and Transfers (FY 2024 Base Year: \$4,725,000)

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 2024 includes a one-time transfer of \$5.0 million from the Tax Stabilization Reserve to fund the newly created Neighborhood Stabilization Fund (NSF) and to provide additional support to the existing Economic Strategic Fund (ESF). No additional transfers from the Tax Stabilization Reserve are expected beyond this. FY 2024 also 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 2024 Base Year: \$75,077,836 - 41.1% 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 2024 budget serves as the base year for estimating future costs, and all numbers are reported net of projected attrition.

Police unions, which includes rank and file employees as well as captains and inspectors, are under contract through FY 2024; for subsequent years the projection includes a 2.5% annual cost of living adjustment (COLA). In addition, Local 1590 (firefighters) recently signed a new contract that runs through FY 2025; the projection includes a 2.5% COLA for FY 2026 and beyond. Executive & Managerial employees are assumed to receive a 3.0% COLA each year from FY 2025 to FY 2028.

The City recently completed a Classification and Compensation study, which is expected to result in adjusted pay scales for Local 320 (laborers), Local 1102 (clerical), and non-union positions. These increases have been included beginning in FY 2025, with the cumulative cost for the outyear period equal to \$10.1 million. In providing increased compensation, the City aims to promote greater employee retention and recognition of individuals who invest their working hours for the benefit of the public.

Over the four-year projection period, the cumulative cost resulting from the changes in salaries and wages outlined above is \$24.8 million. This excludes an additional \$2.3 million for the associated employee benefits.

Health Benefits, Active Employees (FY 2024 Base Year: \$16,536,503 - 9.1% 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 2025 to FY 2028, medical stop-loss insurance will increase 25.0%; medical costs will increase 7.0%; prescription costs will increase 8.25%; and dental costs will increase 4.0%. Along with other administrative costs, in total this equates to an overall weighted-average increase in base Healthcare costs of 7.9% 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 2024 Base Year: \$17,540,527 - 9.6% 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 2024, this is 12.74% for police officers and firefighters and 5.59% for civilian participants. The total General Fund cost of the State-sponsored pension plans is \$5.9 million in FY 2024, which is projected to grow to \$7.1 million by FY 2028. Because the State funding percentages are estimated to increase annually by only 25 basis points for police and firefighters and 15 basis points for civilians, most of the cost growth is due to the number of new employees hired each year that fill vacancies left by former employees that 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 of 32 employees will retire each fiscal year.

In contrast, the cost of the now-closed City-sponsored pension plans is based on the actuarially determined contribution (ARC) derived each year by the City's Actuary. The 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 Actuary's most recent interim report indicates a decrease of 5.32% in the ARC for FY 2025;

an increase of 3.15% for FY 2026; no change for FY 2027; and an increase of 6.87% for FY 2028. This works out to a weighted-average funding target increase of 1.08% annually for the projection period.

In FY 2000, the City developed a retiree healthcare program and opened it to all employees. Since then, the unfunded liability for the program has grown dramatically, forcing ever increasing annual contributions 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. Even with these changes, the Treasurer's Office foresees necessary annual increases of about \$215,000 (the General Fund's prorated contribution) for at least the next five years. These increases have been incorporated into the outyears of the projection. The General Fund retiree healthcare budget cost for FY 2024 is \$4.1 million and will grow to over \$4.9 million by FY 2028.

Other Employee Benefits (FY 2024 Base Year: \$2,951,099 - 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 2024 Base Year: \$35,648,425 - 19.5% 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. To more accurately estimate future costs, 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 \$1.2 million in FY 2024, the most recent water/sewer utility study projects required rate increases in the outyears that will raise the base fee to roughly \$1.4 million by FY 2028.
- 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 City's current contracts with electricity providers, electricity costs are expected to increase 6.44% in 2025, 6.64% in 2026, 1.98% in 2027, and 1.58% in 2028.
- 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 Parking are expected to increase 2.5% annually and similar costs for Red Light cameras 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 2024 to nearly \$3.5 million by FY 2028.
- 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 2024, the total budget for Community Activities is approximately \$1.2 million (\$684,000 in the Mayor's Office and \$530,500 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 2024. 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 2024 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 2.5% annually.

General Liability (FY 2024 Base Year: \$1,575,088 - 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 2024 budget of \$1.6 million. This figure is projected to increase by 2.5% annually.

Workers' Compensation (FY 2024 Base Year: \$3,559,865 - 1.9% of total expenditures)

The FY 2024 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 2024 Base Year: \$8,539,609 - 4.7% 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.

According to J.P. Morgan's Research group and J.D. Power, new motor vehicle prices are expected to remain elevated as suppliers pass along inflated costs, such as freight, labor, and electricity. While not expected to match their peak in December 2022, new car prices have subsequently grown slightly over 4.0% annually. Similarly, fuel cost increases have averaged 4.0% annually over the last five years. Given these trends, total motor vehicle costs, including fuel costs, are projected to increase 4.0% annually from FY 2025 to FY 2028, resulting in a total cost of \$10.0 million by FY 2028.

Debt Service (FY 2024 Base Year: \$14,285,714 - 7.8% 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 January of 2024 (FY 2024) at an interest rate of 4.0%, a \$19.5 million bond issuance is assumed in January of 2026 (FY 2026) at an interest rate of 4.0%, and a \$20.0 million bond issuance is assumed in January of 2028 (FY 2028) 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. Consequently, the FY 2024 issuance results in \$1.4 million in annual debt service beginning in FY 2025, which continues in each year thereafter. The FY 2026 issuance results in \$1.4 million of debt service in FY 2027 and FY 2028. Lastly, the FY 2028 issuance will not take effect until FY 2029, outside the range of the projection period.

Special Purpose (FY 2024 Base Year: \$291,099 - 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 2024 is approximately \$276,000 and is projected to grow by 2.5% per year through FY 2028.

This category also includes a total of \$15,000 in FY 2024 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 2025.

State Pension Contribution (FY 2024 Base Year: \$6,617,935 - 3.6% of total expenditures)

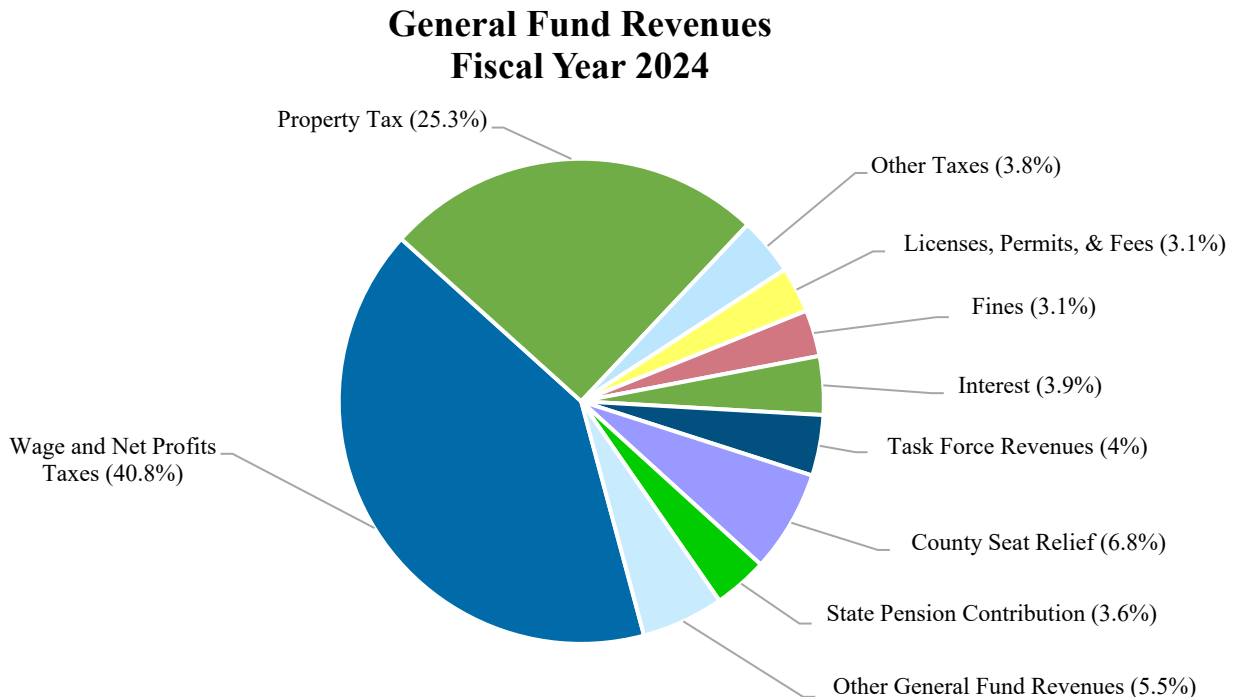
The State Pension Contribution, a grant from the State that is booked as a pass-through in the General Fund to meet the requirements of GASB pronouncement #24, is about \$6.6 million for FY 2024. As such, an equal and offsetting amount is included as General Fund revenue. The outyear State pension contribution projection is expected to remain level for the remainder of the projection period.

General Fund Revenues Fiscal Year 2024

General Fund Revenues	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	Dollar Change FY'24-'23	Percent Change FY'24-'23
Wage and Net Profits Taxes	\$65,444,237	\$72,934,609	\$72,204,780	\$74,912,842	\$2,708,062	3.8%
Property Tax	44,728,292	43,637,012	45,911,800	46,480,386	568,586	1.2%
Other Taxes	8,945,849	11,997,649	7,211,047	7,024,484	(186,563)	-2.6%
Licenses, Permits, & Fees	4,602,110	6,210,661	4,963,677	5,616,619	652,942	13.2%
Fines	5,810,318	8,418,137	7,086,050	5,650,827	(1,435,223)	-20.3%
Interest	256,040	136,559	413,000	7,170,000	6,757,000	1,636.1%
Other Revenues	10,168,834	10,014,073	9,530,612	9,777,423	246,811	2.6%
Task Force Revenues	6,622,225	7,539,736	7,423,147	7,425,231	2,084	0.0%
County Seat Relief	12,441,554	13,567,280	12,470,162	12,451,316	(18,846)	-0.2%
State Pension Contribution	6,352,066	6,617,935	6,352,066	6,617,935	265,869	4.2%
Port Debt Reimbursement	870,857	554,204	553,829	0	(553,829)	-100.0%
CARES / ARPA	8,653,900	0	12,000,000	0	(12,000,000)	-100.0%
Transfers In/(Out)	275,000	275,000	275,000	275,000	0	0.0%
Use of Fund Balance	0	0	0	0	0	0.0%
Total Revenues	\$175,171,282	\$181,902,855	\$186,395,170	\$183,402,063	(\$2,993,107)	-1.6%

Total General Fund revenue (including transfers) is budgeted at **\$183,402,063**, a net decrease of nearly \$3.0 million, or 1.6%, below the FY 2023 budget. Exclusive of the \$12.0 million in one-time American Rescue Plan (ARPA) revenues included in FY 2023, total FY 2024 revenue would be up \$9.0 million or 5.2%. No additional ARPA revenue replacement or use of the Tax Stabilization Reserve is budgeted for FY 2024.

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



**General Fund Revenues
Fiscal Year 2024**

WAGE AND NET PROFITS TAXES

General Fund Revenues	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	Dollar Change*	Percent Change*
Wage and Net Profits Taxes	\$65,444,237	\$72,934,609	\$72,204,780	\$74,912,842	\$2,708,062	3.8%

* Relative to FY 2023 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 \$2.7 million to a new total of \$74.9 million.

Wage Taxes make up nearly \$66.7 million of this total category and are expected to grow by almost \$2.0 million (or 3.1%) budget-to-budget in FY 2024. 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.

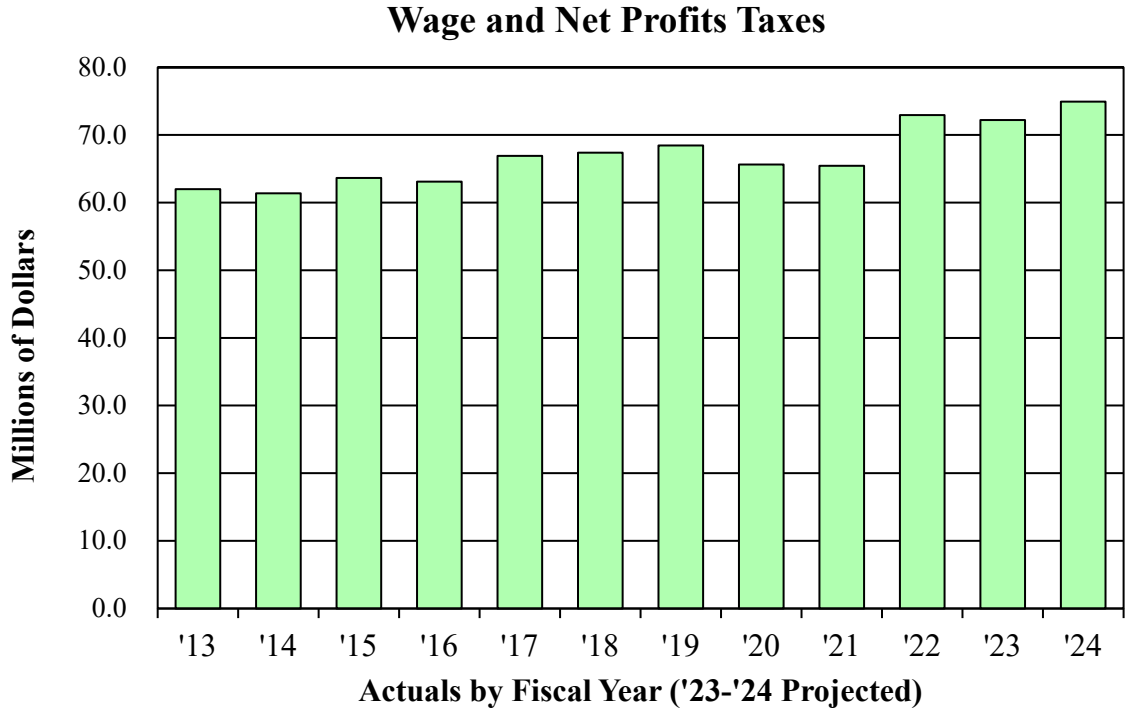
Using the projected FY 2023 Q2 WEFAC Wage Tax projection as the basis for the FY 2024 budget results in an adjusted base of nearly \$63.5 million. This includes additional losses for Wage Tax refunds of \$3.9 million, which is \$2.7 million beyond the normal pre-COVID amount of \$1.2 million. This level of refunds is assumed to be the “new normal,” and is expected to continue into FY 2024.

Increased employee compensation is expected to result in 2.6% growth in taxable wages, expanding Wage Tax revenues by nearly \$1.7 million. In their December 16, 2022 report, the Delaware Economic and Financial Advisory Council (DEFAC) projects Delaware salaries and wages growth will be 3.2% in FY 2024, while the Delaware Department of Labor projects a more modest growth rate of 2.6% for the city of Wilmington. We have chosen to use this more conservative growth rate, which is consistent with Wilmington historically lagging behind the rest of the state in salary and wage growth. Finally, collection efforts are expected to yield \$1.5 million in audit collections, which is unchanged from FY 2023.

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. As the FY 2023 revenues are not booked until Q3, and FY 2022 saw unprecedented Net Profits revenues of nearly \$9.5 million (which we do not expect to recur), FY 2021 audited actuals were used as the basis for FY 2024. This results in FY 2024 projected revenues of \$8.2 million (up \$724,000 from the FY 2023 budget) based on an annual growth rate of 3.3% (the long-term average growth rate minus a standard deviation).

**General Fund Revenues
Fiscal Year 2024**

WAGE AND NET PROFITS TAXES (Continued)



General Fund Revenues Fiscal Year 2024

PROPERTY TAX

General Fund Revenues	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	Dollar Change*	Percent Change*
Property Tax	\$44,728,292	\$43,637,012	\$45,911,800	\$46,480,386	\$568,586	1.2%

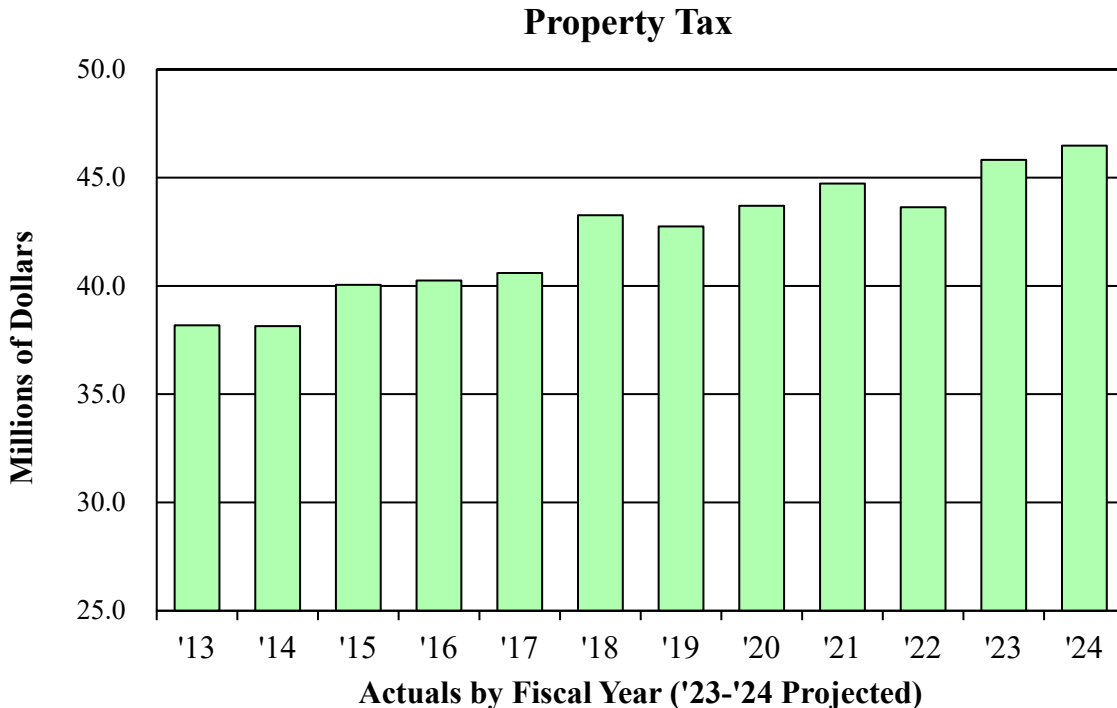
* Relative to FY 2023 budget.

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 \$2.17 billion after exempt properties are excluded. All assessments are adjusted to, and reported in, 1983 dollar values. For FY 2024, the tax rate is \$2.115 per one-hundred dollars of assessed value.

FY 2024 Property Tax revenues are projected to total \$46.5 million, an increase of \$569,000, or 1.2%, relative to the FY 2023 budget. Per New Castle County assessments, projected base billings for FY 2024 are \$45.8 million; this is up \$489,000 relative to FY 2023, driven by a reduction in tax-exempt properties. Beyond this, the budget assumes a reduction of \$250,000 in projected reassessment appeals. However, this is offset by a combined \$319,000 in additional revenue due to expiring tax incentives and projected property improvements. The usual 2.0% allowance for doubtful accounts further reduces revenue by \$918,000. Lastly, one-time revenue from Penalty and Interest is expected to be \$1.5 million, which is consistent with historical trends.

No changes to the Property Tax rate are included in the FY 2024 budget.



**General Fund Revenues
Fiscal Year 2024**

OTHER TAXES

General Fund Revenues	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	Dollar Change*	Percent Change*
Other Taxes	\$8,945,849	\$11,997,649	\$7,211,047	\$7,024,484	(\$186,563)	-2.6%

* Relative to FY 2023 budget.

Basis: Trend analysis / growth of local economy

Critical Assumptions: Other Taxes are projected to decrease by \$187,000 in FY 2024 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 \$906,000 in FY 2024 (up \$47,000 from FY 2023 budget), based on US Energy Information Administration estimates of electricity price increases.

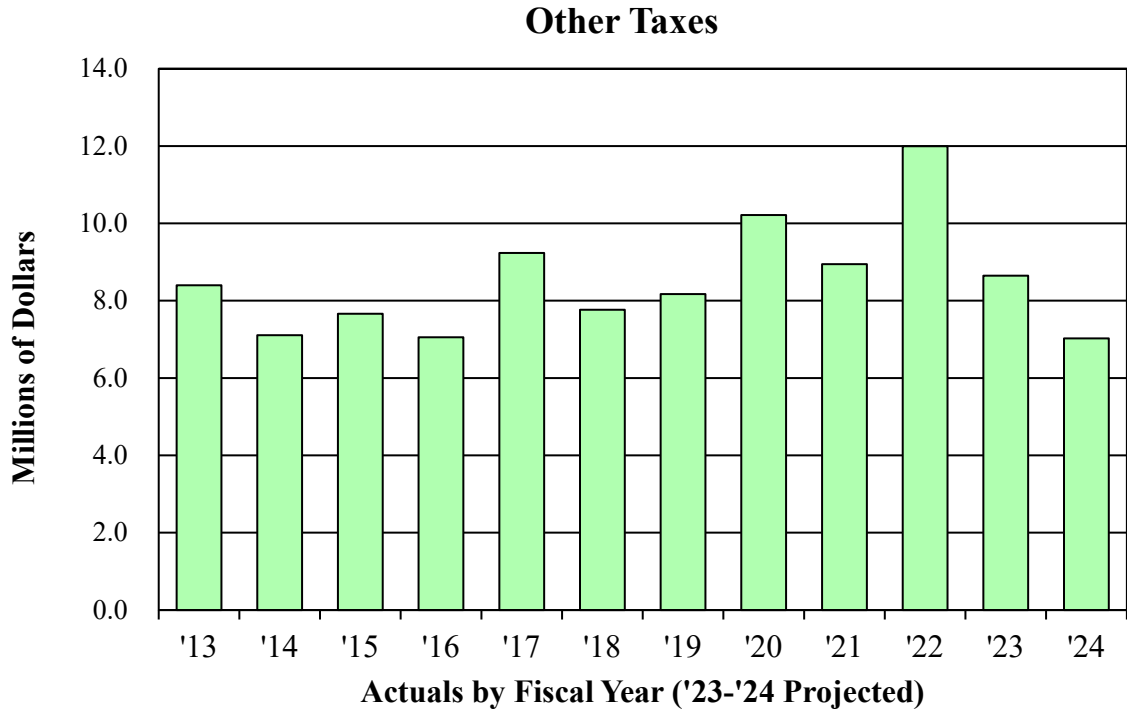
Head Tax revenues are derived from a tax paid by businesses based on the number of individuals they employ, with businesses paying \$15.00 per month for each employee above an exempted base of five. For FY 2024, revenues are projected to decrease by nearly \$354,000, to a new total of \$2.9 million. This is based on the Q2 FY 2023 WEFAC year-end projection, which assumes continued work-from-home losses and greater unemployment than pre-COVID levels. In addition, based on the long-term trend, we assume Head Tax will continue to decline by 3.9% 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 2024, revenues are projected to increase by nearly \$90,000 relative to the FY 2023 budget; however, relative to the Q2 FY 2023 WEFAC year-end projection, this is down \$690,000. Contrary to the projections in the FY 2023 budget, residential transfers did not return to pre-COVID levels, but were instead boosted by historically low interest rates. As rates have now increased significantly, we project that FY 2024 residential transfer activity will return to approximately normal levels. Consequently, our revenue estimate is based on the historical average of residential transfer revenue minus one standard deviation, plus 4.2% growth (matching the ten-year average trend).

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 2024, revenues are projected to increase by \$31,000 relative to the FY 2023 budget; relative to the Q2 FY 2023 WEFAC year-end projection, this is down nearly \$866,000. Commercial transfers have shown unexpected strength during FY 2023 and are expected to be nearly double the FY 2023 budget. However, commercial transfer activity tends to be unpredictable even in normal economic environments, and is not expected to continue at this level into subsequent years. For FY 2024, 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 2024**

OTHER TAXES (Continued)



**General Fund Revenues
Fiscal Year 2024**

LICENSES, PERMITS, AND FEES

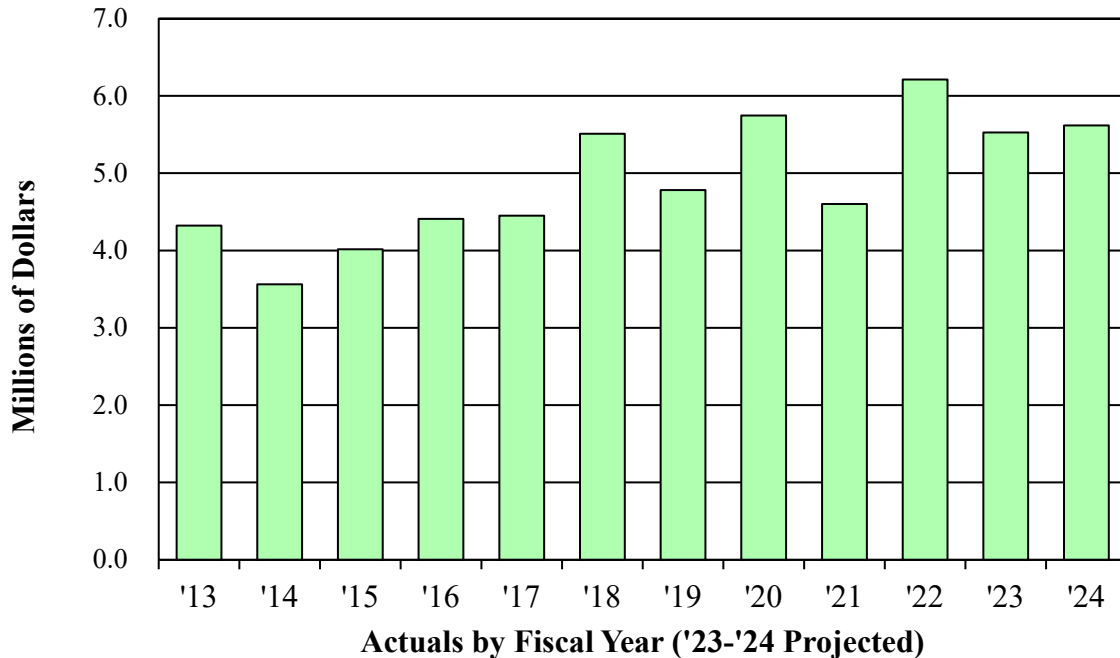
General Fund Revenues	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	Dollar Change*	Percent Change*
Licenses, Permits, & Fees	\$4,602,110	\$6,210,661	\$4,963,677	\$5,616,619	\$652,942	13.2%

* Relative to FY 2023 budget.

Basis: Trend analysis / growth of local economy

Critical Assumptions: In total, Licenses, Permits, & Fees revenues are up almost \$653,000 compared to the FY 2023 budget. Business License revenues (derived from licenses obtained by businesses wishing to operate in the city) are projected to be flat relative to FY 2023, which is consistent with historical trends. Permits revenues (derived from construction, demolition, and activity permits) are projected to be up by \$311,000 relative to the FY 2023 budget, or 3% above the Q2 FY 2023 WEFAC year-end projection, reflecting a return to historically average levels. Finally, Fees revenues (sourced from a variety of charges, including parking meter fees and utility street cut fees) are projected to grow by \$342,000, or 68%, relative to the FY 2023 budget. This is identical to the Q2 FY 2023 WEFAC year-end projection, as FY 2023 revenues are well above historical averages, driven mainly by process improvements to utility street cut fee collections, along with stronger-than-expected parking meter revenues.

Licenses, Permits, & Fees



**General Fund Revenues
Fiscal Year 2024**

FINES

General Fund Revenues	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	Dollar Change*	Percent Change*
Fines	\$5,810,318	\$8,418,137	\$7,086,050	\$5,650,827	(\$1,435,223)	-20.3%

* Relative to FY 2023 budget.

Basis: Trend analysis

Critical Assumptions: Fines are projected to total nearly \$5.7 million, which is \$1.4 million down from the FY 2023 budget, and \$750,000 down from the Q2 FY 2023 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 decline, Criminal Fines appear to have leveled, and are unchanged from FY 2023. Instant Ticket revenues are projected to decline by \$43,000, with the Department of Licenses and Inspections continuing their pivot away from issuing instant tickets in order to concentrate on increasing rental inspections.

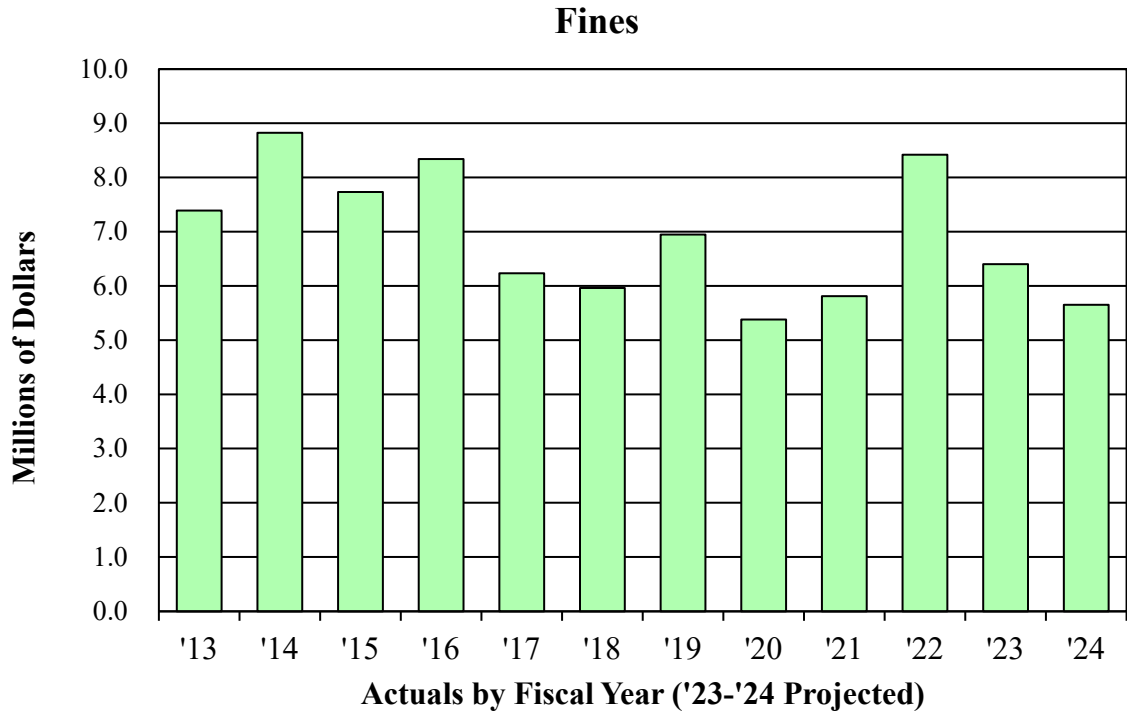
Red Light revenues are derived from the City’s Red Light Camera Safety Program, which issues citations to drivers who fail to stop at red lights in the city. In total, revenues are projected to be \$3.8 million, which is unchanged from FY 2023.

Parking revenues are derived from fines from parking violations and booting fees, and are projected to be \$1.4 million, down nearly \$1.4 million from the FY 2023 budget and \$750,000 from the Q2 FY 2023 WEFAC year-end projection. FY 2023 Q2 revenues are down almost 19% relative to the prior year, driven by staffing challenges and changes to the City’s Residential Parking Permit (RPP) program, with renewals now being biennial instead of annual; this results in fewer expired permit violations being issued. On an annualized basis, the RPP reduction is projected to result in a \$290,000 loss.

In addition, the FY 2024 budget includes the effects of a proposed parking fines reduction from \$40 to \$25. This is expected to result in an FY 2024 loss of approximately \$535,000. However, as the City takes several years to collect on issued tickets, the full impact of this change will not be fully realized until FY 2028, with total multiyear losses on tickets issued in FY 2024 expected to equal approximately \$835,000. Note that the proposed change to fines was introduced separately from the budget and has not been approved by Council.

**General Fund Revenues
Fiscal Year 2024**

FINES (Continued)



General Fund Revenues Fiscal Year 2024

INTEREST

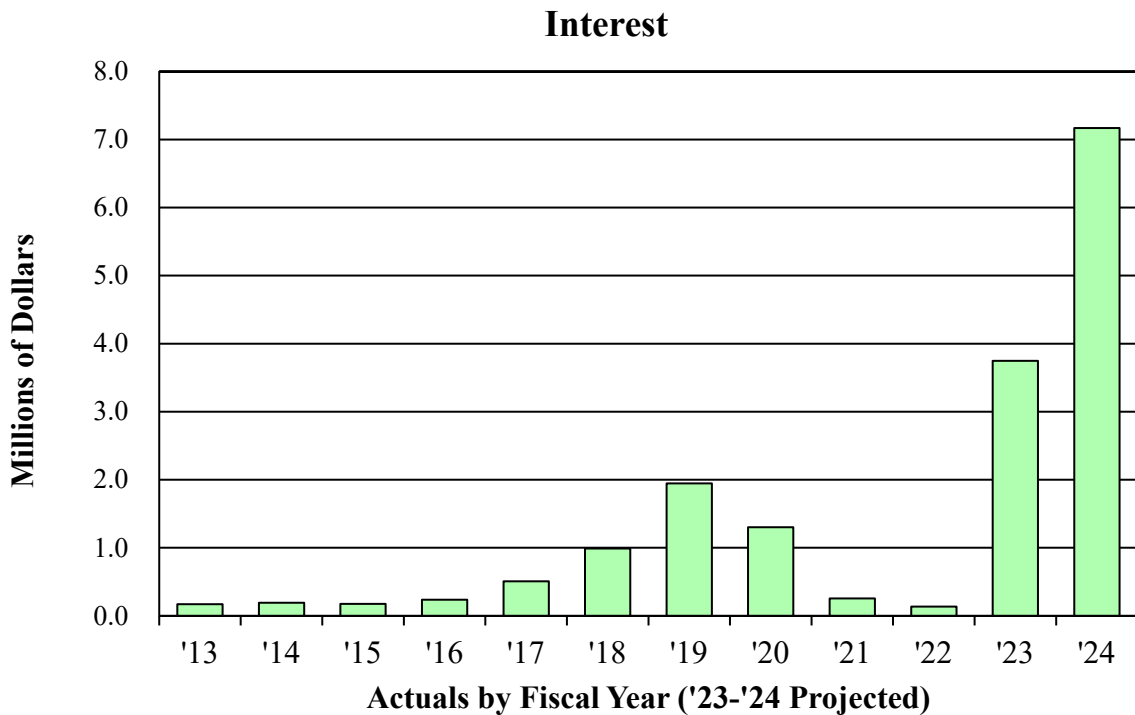
General Fund Revenues	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	Dollar Change*	Percent Change*
Interest	\$256,040	\$136,559	\$413,000	\$7,170,000	\$6,757,000	1,636.1%

* Relative to FY 2023 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. The FY 2023 budget of \$413,000 was based on a projected interest rate of 0.33%, reflecting the historically low rates that were seen at the time. However, the Federal Reserve has subsequently undertaken multiple rate increases, with the City currently earning more than 4% on its CDs. Based on interest projections from the Federal Reserve, rates are expected to continue to increase through FY 2023 and into FY 2024, resulting in an FY 2024 average projected CD rate of over 4.6%.

Combined with increases to the City's fund balance (due to projected FY 2023 surpluses and investing of the unspent portion of capital borrowing expected to occur in January 2024), these rate increases result in an FY 2024 budget of nearly \$7.2 million. This is up nearly \$6.8 million from the FY 2023 budget, and \$3.4 million from the Q2 FY 2023 WEFAC year-end projection.



General Fund Revenues Fiscal Year 2024

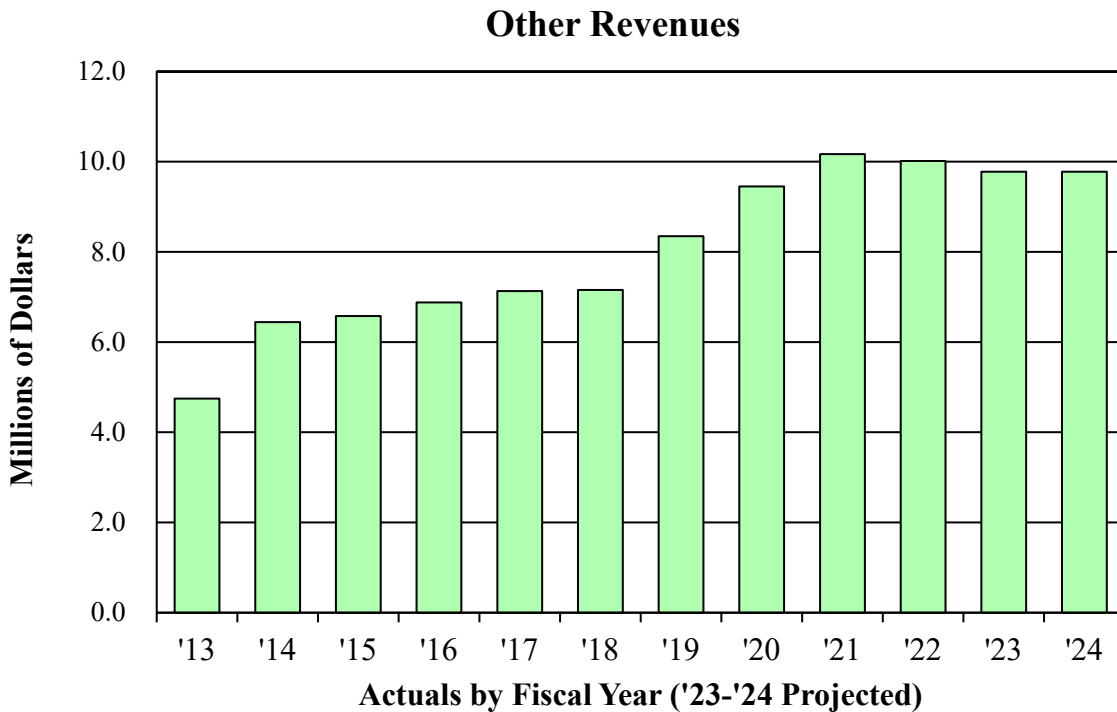
OTHER REVENUES

General Fund Revenues	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	Dollar Change*	Percent Change*
Other Revenues	\$10,168,834	\$10,014,073	\$9,530,612	\$9,777,423	\$246,811	2.6%

* Relative to FY 2023 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 nearly \$247,000 from the FY 2023 budget. Rentals and Concessions are projected to be down nearly \$32,000, matching the Q2 FY 2023 WEFAC year-end projection. Conversely, General Government Charges (which includes a variety of fees and charges, such as vacant property registrations) are projected to increase \$278,000 relative to the FY 2023 budget, driven mainly by strong vacant property registration revenues. 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 unchanged from FY 2023.



General Fund Revenues Fiscal Year 2024

TASK FORCE REVENUES

General Fund Revenues	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	Dollar Change*	Percent Change*
Task Force Revenues	\$6,622,225	\$7,539,736	\$7,423,147	\$7,425,231	\$2,084	0.0%

* Relative to FY 2023 budget.

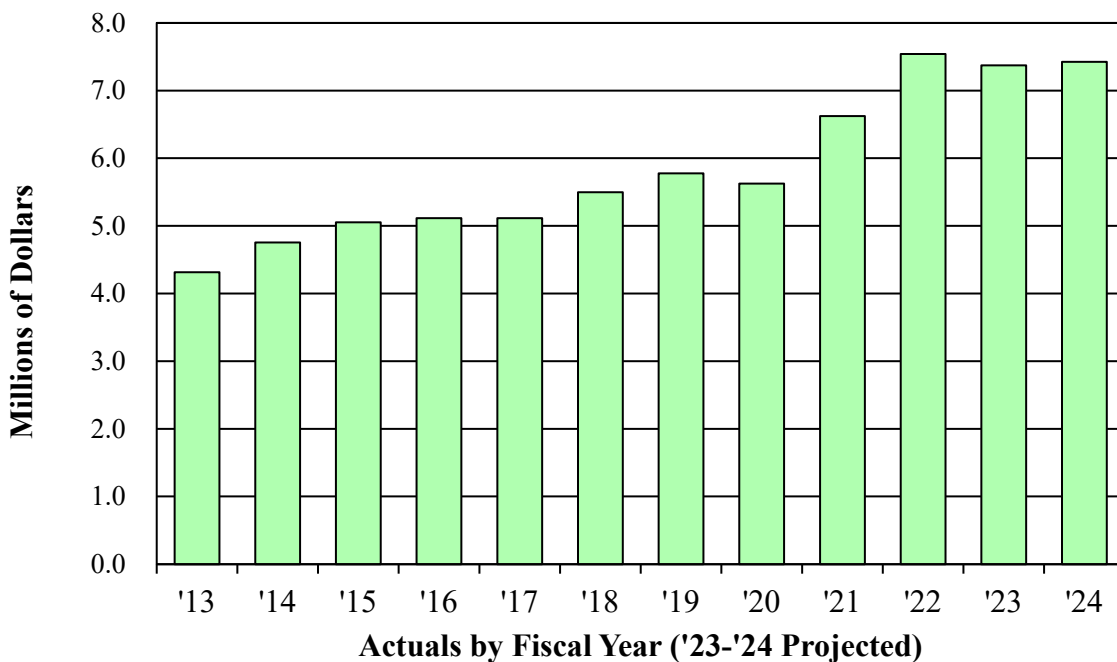
Basis: Estimates from State of Delaware / trend analysis / State agreements

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 nearly flat compared to the FY 2023 budget, or \$53,000 up relative to the Q2 FY 2023 WEFAC projection. The largest Task Force revenues, Corporate Filing Tax and the LLC Filing Tax, are projected to decrease by \$149,000 and \$72,000, respectively. This is consistent with slowing seen in the first half of FY 2023, along with reductions projected by DEFAC.

These reductions are entirely offset by increases in both Lodging Tax and Natural Gas Tax, which are projected to be up in FY 2024. Lodging Tax appears to have recovered from the impacts of COVID, with FY 2023 revenues expected to surpass pre-COVID actuals. The FY 2024 projection of nearly \$948,000 (or \$146,000 up from the FY 2023 budget) is based on the Q2 FY 2023 WEFAC estimate, plus 3% growth. Finally, Natural Gas Tax is projected to increase by nearly \$77,000, consistent with projected FY 2023 revenues.

Task Force Revenues



**General Fund Revenues
Fiscal Year 2024**

COUNTY SEAT RELIEF PACKAGE

General Fund Revenues	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	Dollar Change*	Percent Change*
County Seat Relief	\$12,441,554	\$13,567,280	\$12,470,162	\$12,451,316	(\$18,846)	-0.2%

* Relative to FY 2023 budget.

Basis: Estimates from State of Delaware / trend analysis

Critical Assumptions: The County Seat Relief Package is a bundle of escalating revenue enhancements, first received by the City in FY 2007. These revenues built upon the Governor’s Task Force and were intended to provide further diversification to support the three county seats in the State of Delaware. These The FY 2024 projection totals a combined \$12.4 million, down nearly \$19,000 from FY 2023. Three of the component revenues are passthroughs of State and County corporate filing fees:

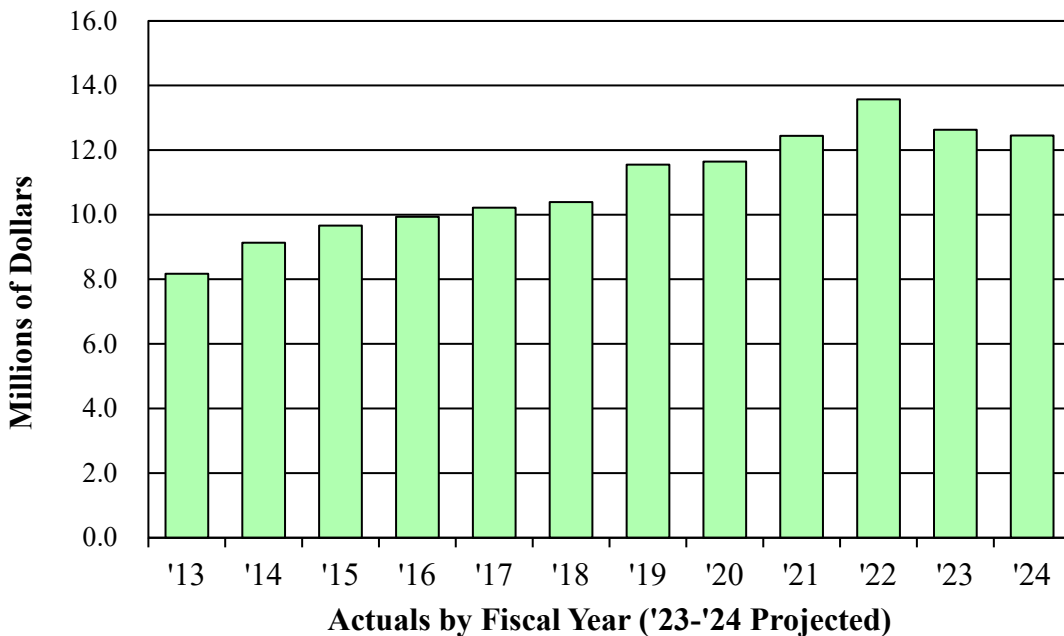
Statutory Trust Filing Fees, which are capped at \$1.0 million, are unchanged from prior years.

New Castle County Corporate Filing Fees are projected to be flat, at \$1.7 million, consistent with DEFAC estimates.

Uniform Commercial Code (UCC) Filing Fees have slowed somewhat from their FY 2022 peak. For FY 2024 they are projected to be flat relative to the FY 2023 budget, though down \$177,000 compared to the Q2 FY 2023 WEFAC projection.

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 decrease by \$19,000, to a new total of over \$3.4 million. This is equal to the PILOT payment the City received in FY 2023.

County Seat Relief



General Fund Revenues Fiscal Year 2024

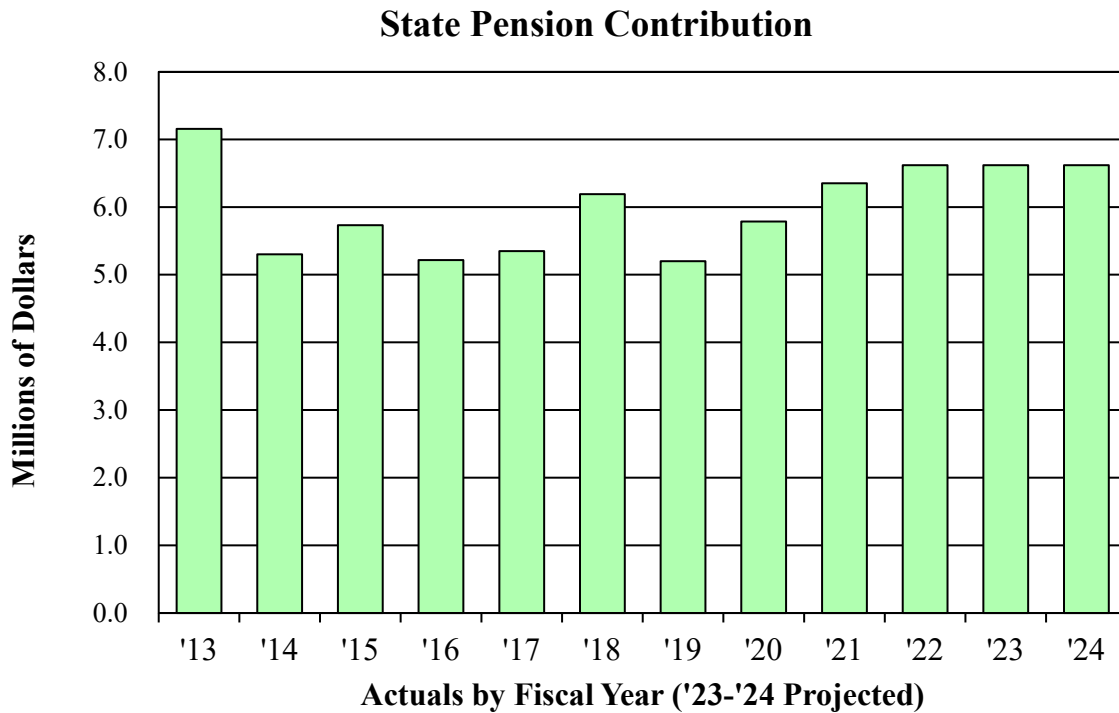
STATE PENSION CONTRIBUTION

General Fund Revenues	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	Dollar Change*	Percent Change*
State Pension Contribution	\$6,352,066	\$6,617,935	\$6,352,066	\$6,617,935	\$265,869	4.2%

* Relative to FY 2023 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 \$266,000 in FY 2024, consistent with revenues received in FY 2023.



**General Fund Revenues
Fiscal Year 2024**

STATE PORT DEBT REIMBURSEMENT

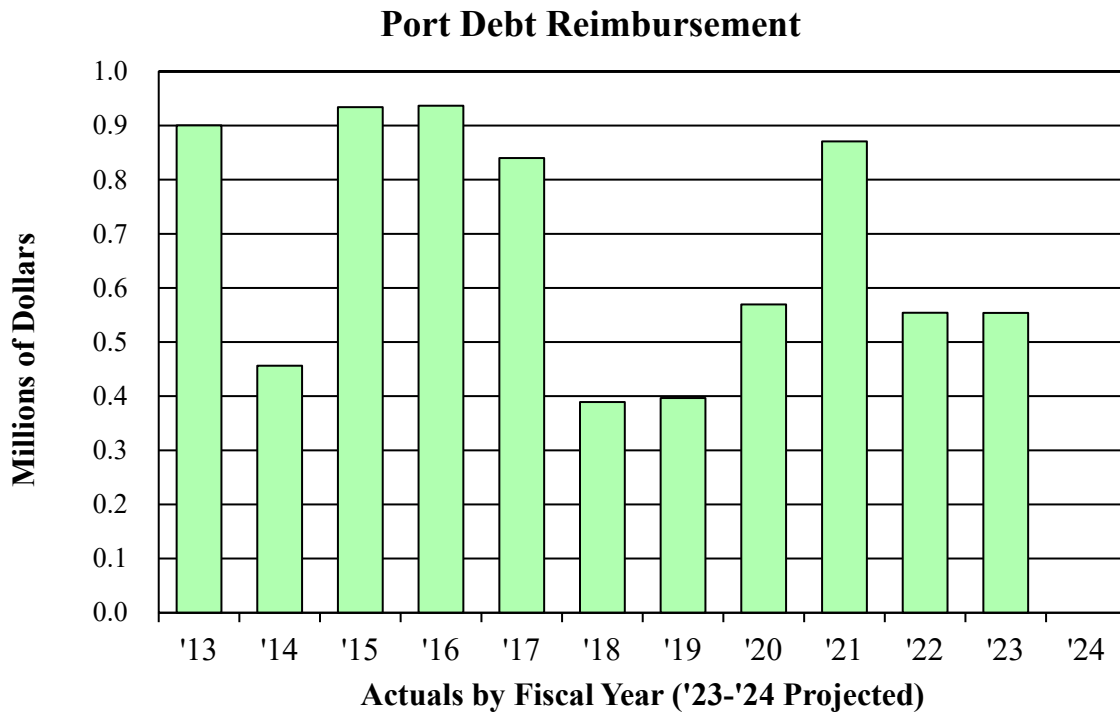
General Fund Revenues	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	Dollar Change*	Percent Change*
Port Debt Reimbursement	\$870,857	\$554,204	\$553,829	\$0	(\$553,829)	-100.0%

* Relative to FY 2023 budget.

Basis: 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 remained as a liability on the City’s books. 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 continued to book offsetting Port Debt Reimbursement revenue.

In FY 2020, the City refinanced the outstanding bonds, which are now scheduled to be paid down in FY 2032. However, the reimbursement continued as originally scheduled, with the final payment booked in FY 2023 (when the associated debt was originally expected to be fully repaid). As these payments are now complete, there is no budgeted revenue for FY 2024.



**General Fund Revenues
Fiscal Year 2024**

TRANSFERS AND USE OF FUND BALANCE

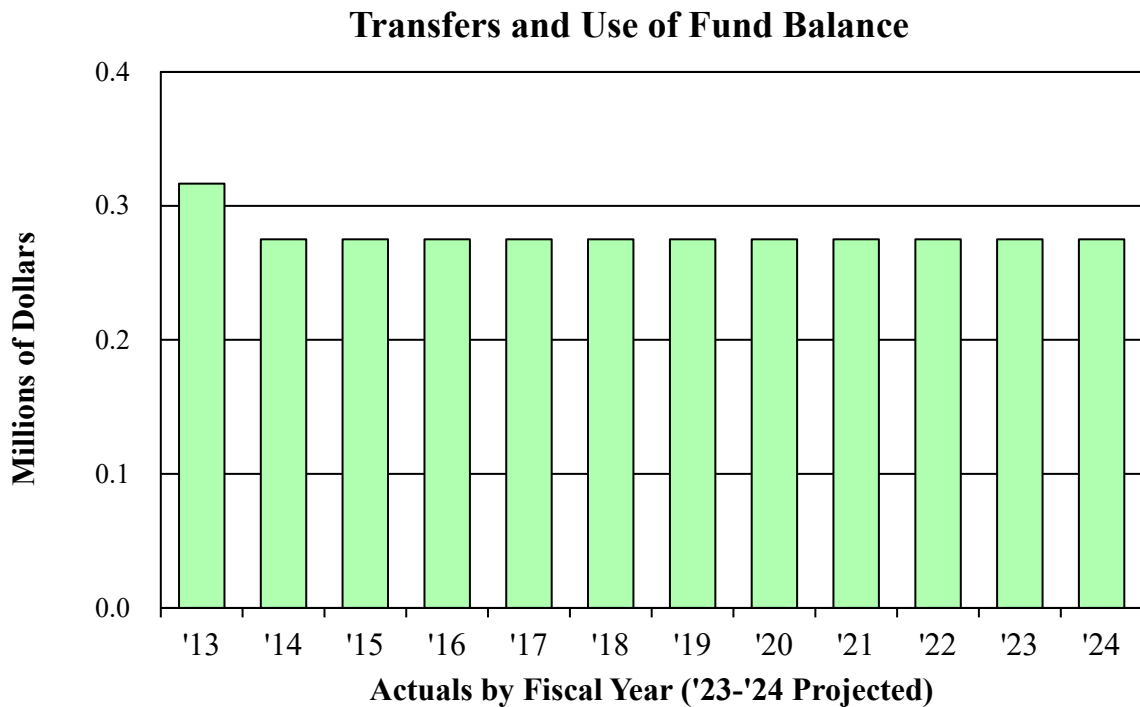
General Fund Revenues	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	Dollar Change*	Percent Change*
Transfers and Use of Fund Balance	\$275,000	\$275,000	\$275,000	\$275,000	\$0	0.0%

* Relative to FY 2023 budget.

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

Critical Assumptions: As other revenues are sufficient to cover General Fund expenditures of \$182.6 million, no Tax Stabilization Reserve funds are necessary to balance the budget.

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



**Special Fund Revenues
Fiscal Year 2024**

Special Funds Revenues	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	Dollar Change FY'24-'23	Percent Change FY'24-'23
Municipal Street Aid	\$1,020,922	\$1,069,959	\$1,216,630	\$1,200,693	(\$15,937)	-1.3%
CDBG	2,528,982	2,283,784	2,156,360	2,199,153	42,793	2.0%
Comcast Franchise	1,000,215	993,886	1,000,000	1,000,000	0	0.0%
Emergency Shelter	357,397	177,664	189,072	197,226	8,154	4.3%
Workforce Investment	331,533	170,310	269,111	274,494	5,383	2.0%
Parks Assistance	2,935,138	1,637,389	1,139,074	1,162,961	23,887	2.1%
Parks Trust Fund	104,942	110,259	114,624	115,009	385	0.3%
SALLE / LLEBG	2,459,414	2,792,318	749,854	786,984	37,130	5.0%
Pension Administration	5,388,699	5,673,752	6,013,916	6,280,467	266,551	4.4%
Home Partnership	586,516	644,809	581,539	718,522	136,983	23.6%
HOPWA	871,888	805,204	824,464	951,239	126,775	15.4%
Miscellaneous Grants	451,957	384,744	322,467	280,718	(41,749)	-12.9%
Total Revenues	\$18,037,603	\$16,744,078	\$14,577,111	\$15,167,466	\$590,355	4.0%

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 2024, total Special Funds revenue is budgeted to be **\$15,167,466**, a net increase of \$590,000, or 4.0%, above the FY 2023 budget.

MUNICIPAL STREET AID

Special Funds Revenues	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	Dollar Change*	Percent Change*
Municipal Street Aid	\$1,020,922	\$1,069,959	\$1,216,630	\$1,200,693	(\$15,937)	-1.3%

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 nearly \$16,000 compared to the FY 2023 level.

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)

Special Funds Revenues	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	Dollar Change*	Percent Change*
CDBG	\$2,528,982	\$2,283,784	\$2,156,360	\$2,199,153	\$42,793	2.0%

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 increase by \$43,000 compared to the FY 2023 award.

* Relative to FY 2023 budget.

**Special Fund Revenues
Fiscal Year 2024**

COMCAST FRANCHISE FEES

Special Funds Revenues	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	Dollar Change*	Percent Change*
Comcast Franchise	\$1,000,215	\$993,886	\$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 2024, this revenue source is expected to remain level, at \$1.0 million.

EMERGENCY SHELTER GRANTS (ESG)

Special Funds Revenues	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	Dollar Change*	Percent Change*
Emergency Shelter	\$357,397	\$177,664	\$189,072	\$197,226	\$8,154	4.3%

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 increase by \$8,000 in FY 2024.

WORKFORCE INVESTMENT BOARD GRANT

Special Funds Revenues	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	Dollar Change*	Percent Change*
Workforce Investment	\$331,533	\$170,310	\$269,111	\$274,494	\$5,383	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 2024.

PARKS ASSISTANCE

Special Funds Revenues	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	Dollar Change*	Percent Change*
Parks Assistance	\$2,935,138	\$1,637,389	\$1,139,074	\$1,162,961	\$23,887	2.1%

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 \$24,000 compared to the FY 2023 budget.

* Relative to FY 2023 budget.

**Special Fund Revenues
Fiscal Year 2024**

PARKS TRUST FUND

Special Funds Revenues	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	Dollar Change*	Percent Change*
Parks Trust Fund	\$104,942	\$110,259	\$114,624	\$115,009	\$385	0.3%

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 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	Dollar Change*	Percent Change*
SALLE / LLEBG	\$2,459,414	\$2,792,318	\$749,854	\$786,984	\$37,130	5.0%

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

Critical Assumption: These grants are expected to increase by \$37,000 relative to the FY 2023 budget.

PENSION ADMINISTRATION

Special Funds Revenues	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	Dollar Change*	Percent Change*
Pension Administration	\$5,388,699	\$5,673,752	\$6,013,916	\$6,280,467	\$266,551	4.4%

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 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	Dollar Change*	Percent Change*
Home Partnership	\$586,516	\$644,809	\$581,539	\$718,522	\$136,983	23.6%

Basis: Estimate from Federal Government (HUD)

Critical Assumption: The Home Partnership Program is awarded through HUD and is expected to increase by nearly \$137,000, or 23.6%, in FY 2024.

* Relative to FY 2023 budget.

**Special Fund Revenues
Fiscal Year 2024**

HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS GRANT (HOPWA)

Special Funds Revenues	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	Dollar Change*	Percent Change*
HOPWA	\$871,888	\$805,204	\$824,464	\$951,239	\$126,775	15.4%

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 increase by \$127,000 in FY 2024.

MISCELLANEOUS GRANTS

Special Funds Revenues	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	Dollar Change*	Percent Change*
Miscellaneous Grants	\$451,957	\$384,744	\$322,467	\$280,718	(\$41,749)	-12.9%

Basis: State of Delaware award letters

Critical Assumption: Miscellaneous Grants consists of the combined total of two grants: the Emergency Management Performance Grant (\$82,718 in FY 2024) and the State Fire Grant (\$198,000 in FY 2024). For FY 2023, this also included \$44,039 in American Rescue Plan funding; however, no ARPA revenues are budgeted in FY 2024.

* Relative to FY 2023 budget.

**Water / Sewer Fund Revenues
Fiscal Year 2024**

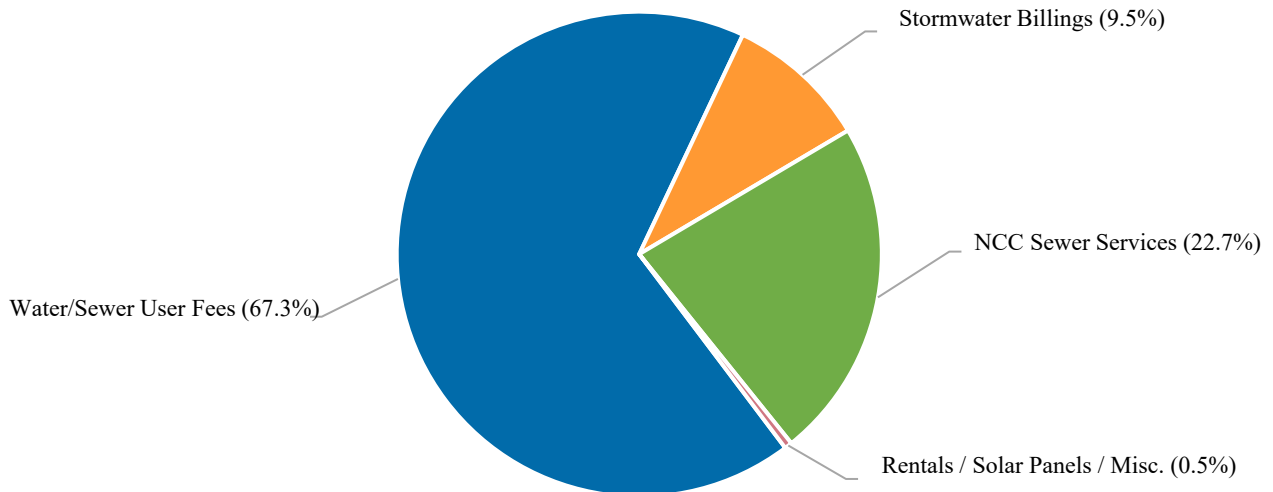
WATER / SEWER FUND

Water / Sewer Fund Revenues	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	Dollar Change FY'24-'23	Percent Change FY'24-'23
Water/Sewer User Fees	\$53,507,699	\$56,525,889	\$56,531,186	\$62,007,000	\$5,475,814	9.7%
Stormwater Billings	9,318,458	9,645,160	8,208,000	8,720,000	512,000	6.2%
NCC Sewer Services	19,622,109	20,748,646	21,056,000	20,949,000	(107,000)	-0.5%
Rentals/Miscellaneous	694,080	561,991	535,000	426,000	(109,000)	-20.4%
Solar Panel Revenues	17,622	29,665	37,000	37,000	0	0.0%
CARES / ARPA	300,000	0	0	0	0	0.0%
Total Revenues	\$83,459,968	\$87,511,351	\$86,367,186	\$92,139,000	\$5,771,814	6.7%

Total Water / Sewer Fund revenue is budgeted to be **\$92,139,000**, a net increase of nearly \$5.8 million, or 6.7%, above the FY 2023 budget. No additional CARES revenue is budgeted for FY 2024.

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

**Water/Sewer Revenues
Fiscal Year 2024**



Water / Sewer Fund Revenues Fiscal Year 2024

WATER/SEWER USER FEES

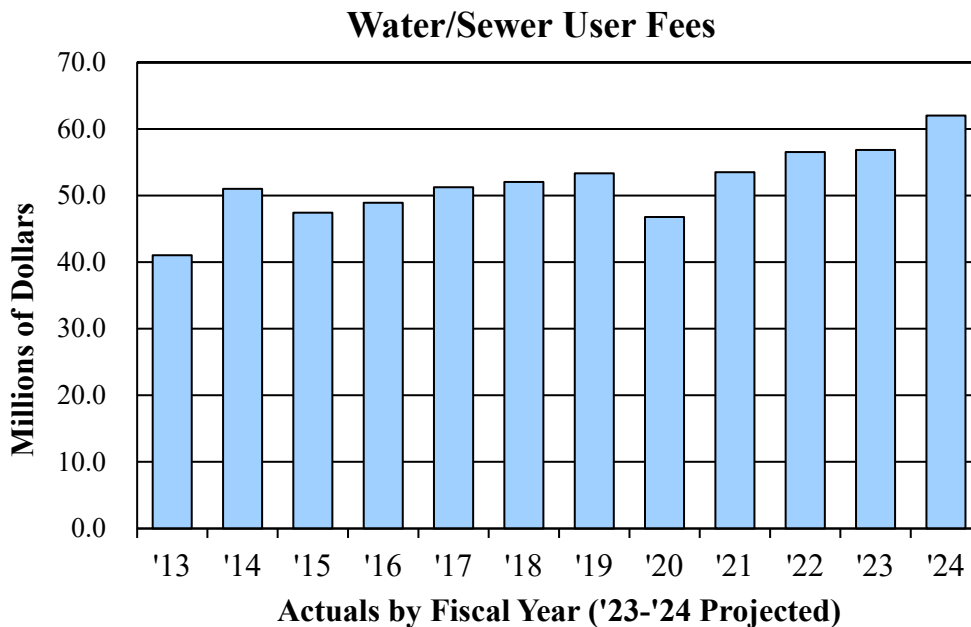
Water / Sewer Fund Revenues	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	Dollar Change*	Percent Change*
Water/Sewer User Fees	\$53,507,699	\$56,525,889	\$56,531,186	\$62,007,000	\$5,475,814	9.7%

* Relative to FY 2023 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 2024, Water/Sewer Fees are projected to total \$62.0 million, an increase of \$5.5 million from the FY 2023 budget and \$5.2 million from the Q2 FY 2023 WEFAC projection. Per Black & Veatch estimates, FY 2024 base revenues will be \$56.4 million, up \$3.8 million from the FY 2023 budgeted base; this is due to the combined effects of a 5% rate increase included in FY 2023 (up \$2.5 million), along with overall consumption increases (up \$1.3 million). Added to this is the projected impact of a 5.7% rate increase on Inside City water, Inside City sewer, and Outside City Water charges. Combined, these rate increases yield \$3.1 million in additional revenue, net of bad debt. For the typical Inside City residential customer using 4,000 gallons per month, this is an increase of \$3.40 per month.

In addition, special sewer fees are projected to provide nearly \$1.8 million (down by \$85,000 from FY 2023), and penalty and interest will provide nearly \$1.9 million (unchanged from FY 2023). Finally, the projection includes a nearly \$1.8 million offset for bad debt, down from \$2.8 million in the FY 2023 budget. This is due to a change in the bad debt rate from 5.0% to 3.0% in order to better reflect historical actuals.



**Water / Sewer Fund Revenues
Fiscal Year 2024**

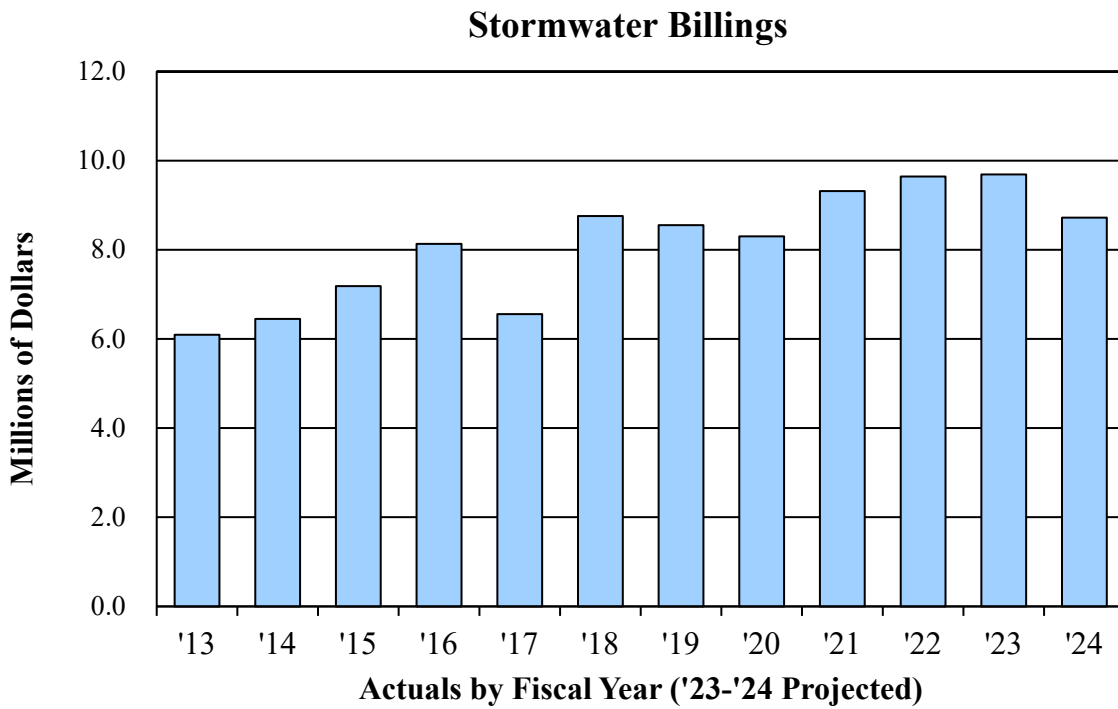
STORMWATER BILLINGS

Water / Sewer Fund Revenues	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	Dollar Change*	Percent Change*
Stormwater Billings	\$9,318,458	\$9,645,160	\$8,208,000	\$8,720,000	\$512,000	6.2%

* Relative to FY 2023 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 2024 are \$8.7 million, unchanged from FY 2023. Added to this is the impact of a 6.0% rate increase, which is projected to yield \$494,000 in additional revenue, net of bad debt. For the typical City residential customer this is an increase of \$0.30 per month. Offsetting this is a \$459,000 reduction for bad debt, based on a 5% bad debt rate (unchanged from FY 2023).



**Water / Sewer Fund Revenues
Fiscal Year 2024**

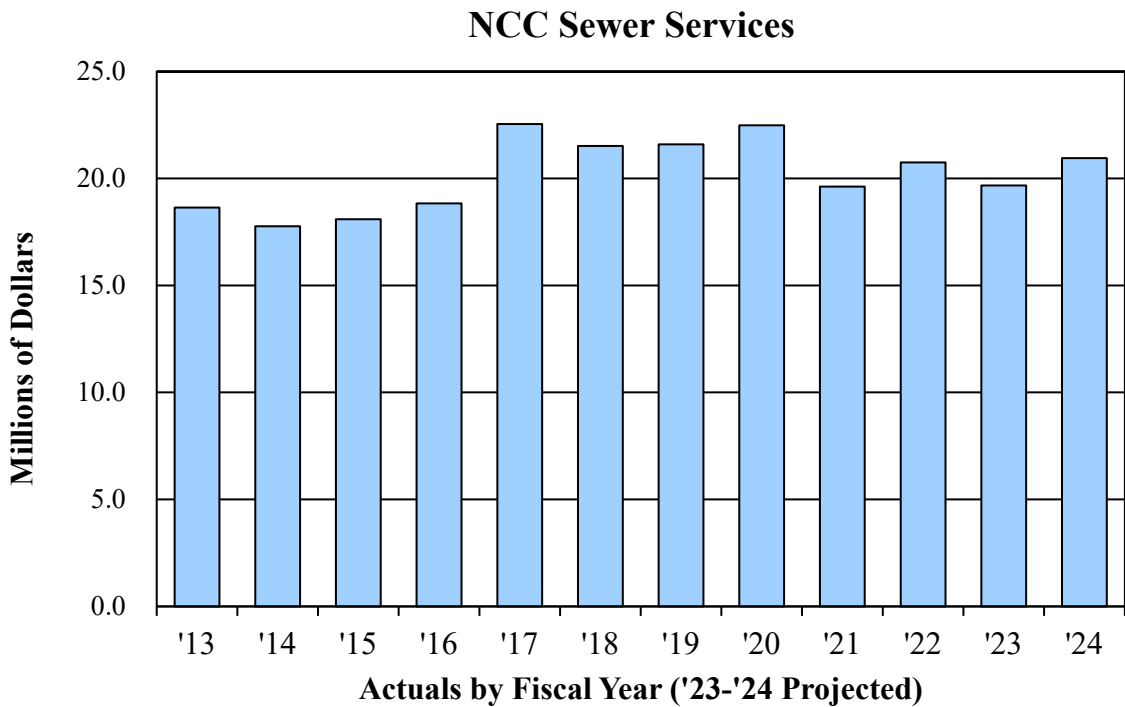
NEW CASTLE COUNTY SEWER SERVICES

Water / Sewer Fund Revenues	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	Dollar Change*	Percent Change*
NCC Sewer Services	\$19,622,109	\$20,748,646	\$21,056,000	\$20,949,000	(\$107,000)	-0.5%

* Relative to FY 2023 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. Based on Black & Veatch’s analysis of the contract between the City and County, FY 2024 revenues are expected to be \$20.9 million, down \$107,000 from the FY 2023 budget.



**Water / Sewer Fund Revenues
Fiscal Year 2024**

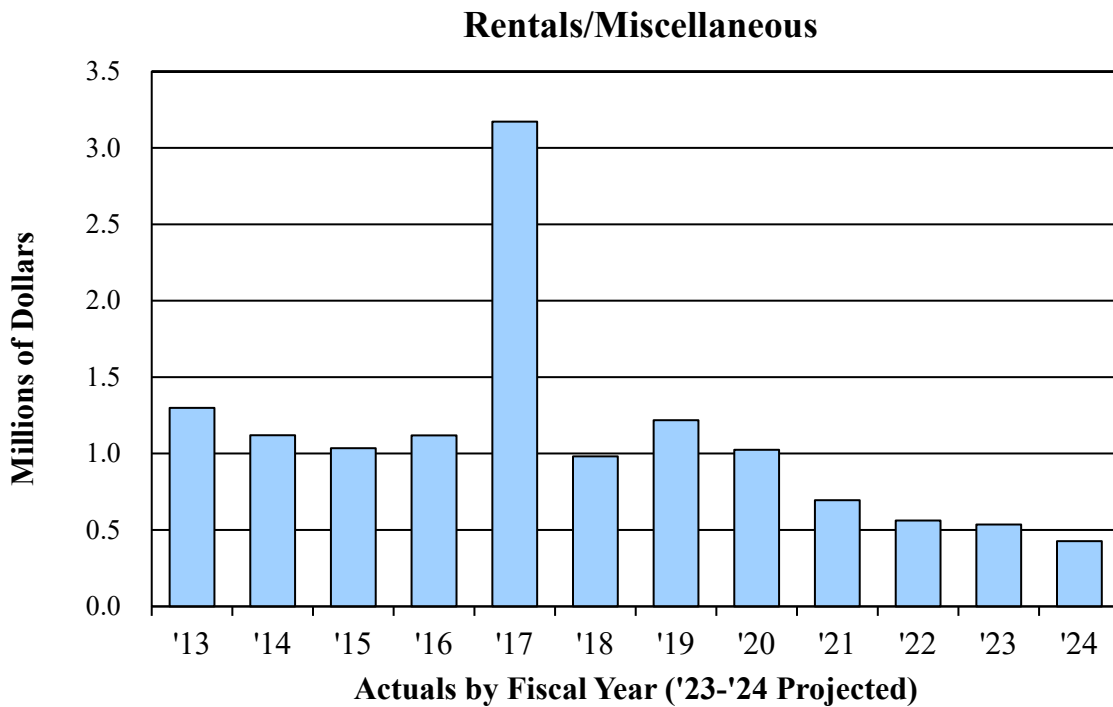
RENTALS / MISCELLANEOUS

Water / Sewer Fund Revenues	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	Dollar Change*	Percent Change*
Rentals/Miscellaneous	\$694,080	\$561,991	\$535,000	\$426,000	(\$109,000)	-20.4%

* Relative to FY 2023 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. FY 2024 is budgeted to be \$109,000 below the FY 2023 budget, due to reductions in cell tower rental revenues.



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 2024**

SOLAR PANEL REVENUE

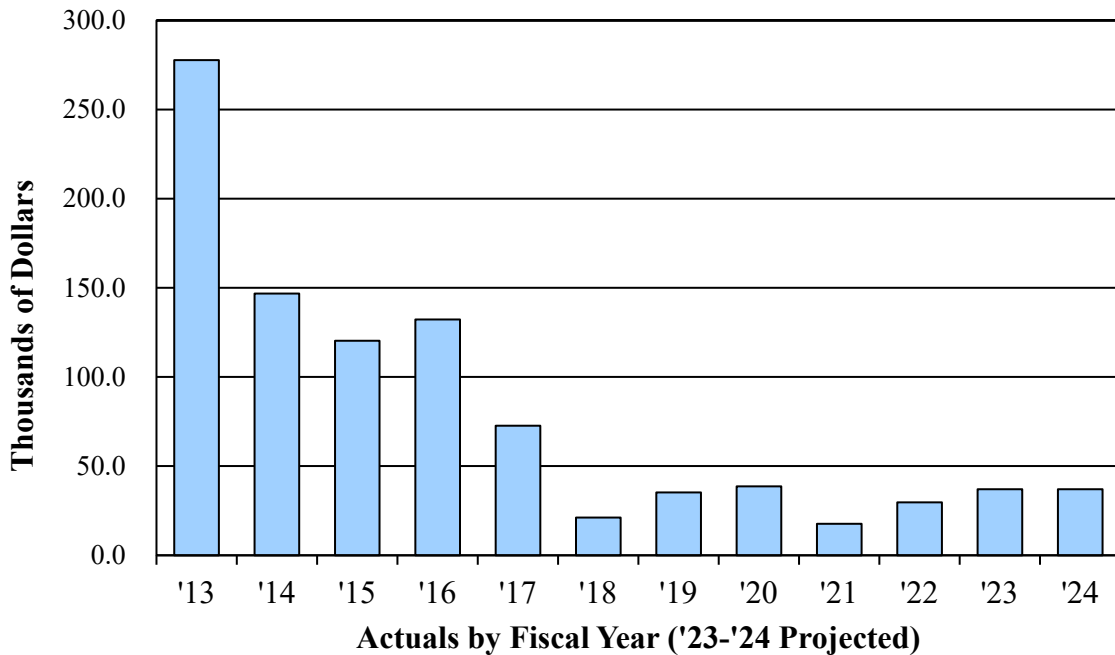
Water / Sewer Fund Revenues	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	Dollar Change*	Percent Change*
Solar Panel Revenues	\$17,622	\$29,665	\$37,000	\$37,000	\$0	0.0%

* Relative to FY 2023 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 2024 are unchanged from the prior year.

Solar Panel Revenues



**City of Wilmington Tax Rates
Fiscal Year 2024**

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 2024**

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

Total All Funds* Mayor's Office	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	Dollar Change FY'24-'23	Percent Change FY'24-'23
Personal Services	3,761,531	3,888,726	3,747,051	3,774,971	27,920	0.7%
Materials, Supplies, and Equipment	1,518,523	1,956,231	1,790,147	2,047,035	256,888	14.4%
Internal Services	170,601	222,072	135,860	142,913	7,053	5.2%
Debt Service	3,180,770	1,172,721	1,230,306	1,197,681	(32,625)	-2.7%
Contingent Reserves	0	0	672,000	672,000	0	0.0%
Total	8,631,425	7,239,750	7,575,364	7,834,600	259,236	3.4%
Staffing Levels	34.00	34.00	30.00	30.00	0.00	0.0%

General Fund Mayor's Office	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	Dollar Change FY'24-'23	Percent Change FY'24-'23
Personal Services	3,690,691	3,809,083	3,669,992	3,692,253	22,261	0.6%
Materials, Supplies, and Equipment	1,248,147	1,836,428	1,790,147	2,047,035	256,888	14.4%
Internal Services	170,601	222,072	135,860	142,913	7,053	5.2%
Debt Service	3,180,770	1,172,721	1,230,306	1,197,681	(32,625)	-2.7%
Total	8,290,209	7,040,304	6,826,305	7,079,882	253,577	3.7%
Staffing Levels	33.50	33.50	29.50	29.50	0.00	0.0%

General Fund Contingent Reserves	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	Dollar Change FY'24-'23	Percent Change FY'24-'23
Contingency	0	0	500,000	500,000	0	0.0%
Snow and Weather Emergencies	0	0	172,000	172,000	0	0.0%
Total	0	0	672,000	672,000	0	0.0%
Staffing Levels	0.00	0.00	0.00	0.00	0.00	0.0%

EMPG Grant Fund Mayor's Office	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	Dollar Change FY'24-'23	Percent Change FY'24-'23
Personal Services	70,840	79,643	77,059	82,718	5,659	7.3%
Materials, Supplies, and Equipment	270,376	119,803	0	0	0	0.0%
Total	341,216	199,446	77,059	82,718	5,659	7.3%
Staffing Levels	0.50	0.50	0.50	0.50	0.00	0.0%

* Differs from Summary of All Funds Combined – Expenditures table on page 33 due to Contingent Reserve expenses being listed separately.

**MAJOR FUNDING CHANGES FROM PRIOR YEAR
ALL FUNDS**

- Relative to the FY 2023 budget, total Mayor's Office Personal Services costs increased by \$27,920. Total FTE positions remained unchanged, at 30. Major changes include:
 - A 2.5% cost of living adjustment for eligible employees, along with mandatory step increases, added \$88,387.
 - In the Administration Division, the Communications Specialist was upgraded to Director of Communications (increase of \$4,388), a Special Assistant to the Mayor was added (increase of \$117,554), and Special Assistant was downgraded to Administrative Assistant II (no cost change).
 - The Deputy Director of Economic Development was deleted for a savings of \$117,554.
 - In the Office of Cultural Affairs, the Marketing and Special Projects Coordinator was downgraded to a Cultural/Arts Program Assistant for a savings of \$26,295.
 - In the Constituent Services Division, the Constituent Services Officer was upgraded to a Senior Constituent Services Officer (increase of \$7,538); the Civil Appeals Officer was upgraded to a Constituent Services Officer (increase of \$4,795); and the Director of Constituent Services was retitled 311 Administrator (no cost change).
- The Mayor's Office Administration Division added an additional \$23,150 for expanded Grants to Agencies, as well as an additional \$10,000 in Temporary Agencies to provide additional front desk and constituent services coverage.
- Total Cultural Affairs Materials, Supplies, and Equipment (MS&E) costs increased by a net \$127,410. This includes an \$85,000 increase to Miscellaneous Projects to provide additional funding for community programming and cultural activities; a \$38,300 Consultants increase to support expanded programming and increased Redding Gallery artist stipends; and an additional \$15,000 in Rentals N.O.C. due to cost increases for various event support items such as staging, tents, fencing, and RVs.
- \$50,000 has been added to Constituent Services Miscellaneous Projects to fund the Beautification Commission, with the goal of enhancing the attractiveness of the city's public spaces.
- The Office of Emergency Management added an additional \$13,000 in the Consultants line to update the City's emergency Continuation of Operations (COOP) plan, along with an additional \$13,000 in Miscellaneous Charges N.O.C. due to increased Emergency Operations Center maintenance and groundskeeping costs.
- Debt Service costs decreased by a net \$32,625 per the existing debt service schedule.

Personal Services	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Regular Salaries	2,511,415	2,612,611	2,615,311	2,672,717	57,406	2.2%
Temporary Salaries	0	32	0	0	0	0.0%
Acting Out Of Classification	0	1,944	0	0	0	0.0%
Sick Leave Bonus	2,800	2,300	0	0	0	0.0%
Overtime	0	187	0	0	0	0.0%
Meal Allowance	0	20	0	0	0	0.0%
Health Cash Back	4,600	2,400	2,400	2,400	0	0.0%
Pension Contribution	231,695	266,409	224,641	152,855	(71,786)	-32.0%
Social Security	157,703	157,535	158,329	160,882	2,553	1.6%
Medicare Tax	36,301	36,844	37,030	37,848	818	2.2%
Hospitalization	496,998	467,362	437,183	451,467	14,284	3.3%
Life Insurance	7,751	7,524	7,080	7,080	0	0.0%
Pension Healthcare	122,848	133,953	125,463	132,197	6,734	5.4%
State Pension Plan - Civilian	118,580	119,962	105,325	118,976	13,651	13.0%
Attrition	0	0	(42,770)	(44,169)	(1,399)	3.3%
Total Personal Services	3,690,691	3,809,083	3,669,992	3,692,253	22,261	0.6%

Materials, Supplies, and Equipment	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Printing and Advertising	76,420	104,144	301,790	302,040	250	0.1%
Communications and Utilities	12,985	12,342	20,760	22,760	2,000	9.6%
Transportation	(277)	9,562	16,875	21,150	4,275	25.3%
Rentals	0	49,777	47,200	62,200	15,000	31.8%
Contracted Maintenance	46	0	1,900	1,900	0	0.0%
Professional Fees	200,555	442,873	572,200	620,500	48,300	8.4%
Memberships and Registrations	31,489	38,266	54,500	56,810	2,310	4.2%
Miscellaneous Services	24,452	164,801	178,700	189,575	10,875	6.1%
Office and General Supplies	10,925	8,083	10,072	12,000	1,928	19.1%
Misc. Mat., Supp., and Parts	11,393	53,611	58,800	71,100	12,300	20.9%
Construction and Repairs	0	471	1,000	1,000	0	0.0%
Equipment	3,418	75	0	0	0	0.0%
Fixed Assets	460	81	2,000	2,000	0	0.0%
Community Activities	876,281	952,342	524,350	684,000	159,650	30.4%
Total M.S.&E.	1,248,147	1,836,428	1,790,147	2,047,035	256,888	14.4%

Internal Services	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Administrative Services	78,141	80,954	61,563	66,636	5,073	8.2%
Self-Insurance	92,460	141,118	74,297	76,277	1,980	2.7%
Total Internal Services	170,601	222,072	135,860	142,913	7,053	5.2%

Debt Service	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Principal Payments	3,045,296	745,290	854,257	861,492	7,235	0.8%
Interest Payments	135,474	427,431	376,049	336,189	(39,860)	-10.6%
Total Debt Service	3,180,770	1,172,721	1,230,306	1,197,681	(32,625)	-2.7%

Department: Contingent Reserves

Fund: General

Other / Special Purpose	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Contingency	0	0	500,000	500,000	0	0.0%
Snow and Weather Emergencies	0	0	172,000	172,000	0	0.0%
Total Other / Special Purpose	0	0	672,000	672,000	0	0.0%

Department: Mayor's Office

Fund: General

General Fund	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Total	8,290,209	7,040,304	7,498,305	7,751,882	253,577	3.4%

Department: Mayor's Office

Fund: EMPG Grant Fund

Personal Services	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Regular Salaries	53,112	59,807	57,898	62,478	4,580	7.9%
Social Security	3,208	3,618	3,494	3,775	281	8.0%
Medicare Tax	750	846	817	883	66	8.1%
Hospitalization	8,177	9,285	9,390	9,722	332	3.5%
Life Insurance	105	122	120	120	0	0.0%
Pension Healthcare	1,739	1,946	2,127	2,247	120	5.6%
State Pension Plan - Civilian	3,749	4,019	3,213	3,493	280	8.7%
Total Personal Services	70,840	79,643	77,059	82,718	5,659	7.3%

Materials, Supplies, and Equipment	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Communications and Utilities	9,906	19,414	0	0	0	0.0%
Insurance	1,819	0	0	0	0	0.0%
Contracted Maintenance	0	592	0	0	0	0.0%
Professional Fees	3,500	3,900	0	0	0	0.0%
Memberships and Registrations	425	0	0	0	0	0.0%
Miscellaneous Services	221,498	95,172	0	0	0	0.0%
Office and General Supplies	1,519	180	0	0	0	0.0%
Misc. Mat., Supp., and Parts	3,534	0	0	0	0	0.0%
Fixed Assets	28,175	545	0	0	0	0.0%
Total M.S.&E.	270,376	119,803	0	0	0	0.0%

EMPG Grant Fund	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Total	341,216	199,446	77,059	82,718	5,659	7.3%

CITY COUNCIL

City Council is the legislative branch 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 Division. The City Clerk is the official keeper of the City's legislative records, responsible for the receipt and transmission of all official communications of Council, maintains precise records of all laws passed by Council, and archiving of the official legislative records. The staff in the City Clerk Division provides legislative administrative support to Council, drafts legislation, develops City policy, conducts research, and creates legislative strategy. WITN (Wilmington Information Television Network) is the City's governmental television channel, which is under the purview of the CVT Commission. Per City code, the Station Manager oversees the Public, Educational, and Government (PEG) channels as defined within the City's franchise agreement.

PRIORITIES FOR FISCAL YEAR 2024

- 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 2024 (Continued)

- Provide 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 and work in conjunction with the Wilmington Learning collaborative (WLC).
- 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.
- Collaborate with the Administration on names for appointments to the Citizen Review Board (CRB) and work with the CRB on best policing procedures and policies that are within the confinements of the LEBOR (Law Enforcement Bill of Rights).
- Review findings, suggestions, and recommendations of the Reparations Taskforce. The members of the taskforce were adopted by Res. # 22-078 and #23-006. The reparations report is due to Council by the end of CY2023.
- Develop policies, procedures, legislative resolutions, and ordinances based on the priorities as outlined in the 108th Session of Council's Strategic Plan that was adopted by Res. No. 22-077. The Strategic Plan is a guide for the legislative agenda of City Council.
- Prepare the City of Wilmington for the best telecommunications outcomes to be outlined in a new Cable Franchise Agreement. The current contract expires in 2024. Council welcomes competition for cable operators in the City of Wilmington. Also, seeking to explore and expound cable franchising and revamping Chapter 6 (Cable, Video, and Telecommunication) of the City code.
- Work extensively with the Community Based Public Safety Collective (CBPSC) for implementation of recommendations, suggestions, and findings from the Landscape Analysis Report adopted by Res. # 22-073.
- Communicate with the City's Local Delegation on new or updated State policies, procedures, and laws that impact the City of Wilmington. For example, providing local control to the City of Wilmington.
- Review the findings, suggestions, and recommendations as outlined in the Disparity Report dated February 6, 2023 to ensure adherence and compliance for implementation.
- Continue to work with the Administration on allocation and spend down of \$55M in ARPA (American Rescue Plan Act) Funds to set the City on a trajectory of long- term financial sustainability.
- Collaborate with the Administration and New Castle County if any issues arise with property reassessments, which are to be completed by the end of CY2024.

SUMMARY OF FUNDING FOR CITY COUNCIL

Total All Funds City Council	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	Dollar Change FY'24-'23	Percent Change FY'24-'23
Personal Services	2,048,467	1,749,983	2,166,632	2,360,573	193,941	9.0%
Materials, Supplies, and Equipment	702,244	446,370	652,474	1,119,586	467,112	71.6%
Internal Services	43,842	38,319	18,766	19,285	519	2.8%
Debt Service	73,716	32,150	36,659	22,771	(13,888)	-37.9%
Other / Special Purpose	4,825	7,861	12,500	15,000	2,500	20.0%
Total	2,873,094	2,274,683	2,887,031	3,537,215	650,184	22.5%
Staffing Levels	28.00	27.00	27.00	27.00	0.00	0.0%

General Fund City Council	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	Dollar Change FY'24-'23	Percent Change FY'24-'23
Personal Services	1,313,061	1,329,129	1,448,286	1,587,452	139,166	9.6%
Materials, Supplies, and Equipment	335,673	347,040	422,046	821,646	399,600	94.7%
Internal Services	33,962	38,319	18,766	19,285	519	2.8%
Debt Service	111	0	0	0	0	0.0%
Other / Special Purpose	4,825	7,861	12,500	15,000	2,500	20.0%
Total	1,687,632	1,722,349	1,901,598	2,443,383	541,785	28.5%
Staffing Levels	19.25	19.65	19.65	19.65	0.00	0.0%

CATV Fund City Council	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	Dollar Change FY'24-'23	Percent Change FY'24-'23
Personal Services	735,406	420,854	718,346	773,121	54,775	7.6%
Materials, Supplies, and Equipment	366,571	99,330	230,428	297,940	67,512	29.3%
Internal Services	9,880	0	0	0	0	0.0%
Debt Service	73,605	32,150	36,659	22,771	(13,888)	-37.9%
Total	1,185,462	552,334	985,433	1,093,832	108,399	11.0%
Staffing Levels	8.75	7.35	7.35	7.35	0.00	0.0%

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

- Personal Services increased by \$139,166, or 9.6%, largely due to increases in Regular Salaries and Hospitalization of \$49,904 and \$77,771 respectively.
- Consultants costs increased by \$57,000 to fund financial, legal, public relations, or other services, as outlined by Council's Strategic Plan. This line also includes funding for the services of a Project Manager for various ongoing Council projects that require extensive oversight.
- Miscellaneous Projects increased by \$317,500, which is to be distributed among council members to support various organizations in fulfilling the needs of the community.

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

- Personal Services increased by \$59,168 or 8.3%. Regular Salaries rose by \$51,769 largely due to salary adjustments, with title changes for the following positions: Senior Producer On Air Talent was upgraded to Senior Producer (\$9,192) and a Producer was upgraded to Production Coordinator (\$13,000).
- MS&E increased by a net \$67,512 or 29.3%, primarily due to the following: \$60,000 for Third Party Operator equipment and lease, \$4,512 for Memberships and Registration as well as \$3,000 for Travel and Subsistence.

Personal Services	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Regular Salaries	842,136	840,069	882,843	932,747	49,904	5.7%
Temporary Salaries	21,277	26,659	64,590	62,000	(2,590)	-4.0%
Sick Leave Bonus	1,200	600	1,200	1,200	0	0.0%
Overtime	0	337	0	0	0	0.0%
Health Cash Back	8,500	8,120	9,120	2,400	(6,720)	-73.7%
Pension Contribution	64,771	75,575	70,325	63,446	(6,879)	-9.8%
Social Security	54,037	52,065	57,404	59,232	1,828	3.2%
Medicare Tax	12,326	12,177	13,428	13,853	425	3.2%
Hospitalization	196,879	195,719	208,557	286,328	77,771	37.3%
Life Insurance	3,596	3,372	3,821	3,872	51	1.3%
Pension Healthcare	69,111	75,974	83,571	88,287	4,716	5.6%
State Pension Plan - Civilian	39,228	38,462	35,427	39,087	3,660	10.3%
Personal Services Adjustment	0	0	18,000	35,000	17,000	94.4%
Total Personal Services	1,313,061	1,329,129	1,448,286	1,587,452	139,166	9.6%

Materials, Supplies, and Equipment	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Printing and Advertising	14,464	12,014	16,700	17,500	800	4.8%
Transportation	0	4,317	9,000	12,500	3,500	38.9%
Rentals	0	0	500	500	0	0.0%
Contracted Maintenance	0	0	1,500	1,500	0	0.0%
Professional Fees	88,951	110,260	154,000	211,000	57,000	37.0%
Memberships and Registrations	4,880	8,461	15,200	23,000	7,800	51.3%
Miscellaneous Services	2,487	1,214	2,000	2,000	0	0.0%
Office and General Supplies	2,916	4,828	6,000	6,000	0	0.0%
Misc. Mat., Supp., and Parts	349	9,555	11,146	11,146	0	0.0%
Equipment	0	66	1,000	6,000	5,000	500.0%
Community Activities	221,626	196,325	205,000	530,500	325,500	158.8%
Total M.S.&E.	335,673	347,040	422,046	821,646	399,600	94.7%

Internal Services	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Administrative Services	10,798	5,115	0	0	0	0.0%
Self-Insurance	23,164	33,204	18,766	19,285	519	2.8%
Total Internal Services	33,962	38,319	18,766	19,285	519	2.8%

Debt Service	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Interest Payments	111	0	0	0	0	0.0%
Total Debt Service	111	0	0	0	0	0.0%

Other / Special Purpose	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Special Purpose	4,825	7,861	12,500	15,000	2,500	20.0%
Total Other / Special Purpose	4,825	7,861	12,500	15,000	2,500	20.0%

Department: City Council

Fund: General

General Fund	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Total	1,687,632	1,722,349	1,901,598	2,443,383	541,785	28.5%

Department: City Council

Fund: CATV

Personal Services	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Regular Salaries	475,027	284,445	453,743	502,762	49,019	10.8%
Temporary Salaries	15,584	9,989	15,000	20,000	5,000	33.3%
Sick Leave Bonus	900	1,100	900	900	0	0.0%
Overtime	2,299	26	0	0	0	0.0%
Pension Contribution	20,684	9,206	8,436	7,710	(726)	-8.6%
Social Security	29,487	17,677	27,939	31,386	3,447	12.3%
Medicare Tax	6,896	4,138	6,534	7,338	804	12.3%
Hospitalization	120,662	59,967	131,087	123,735	(7,352)	-5.6%
Life Insurance	2,065	1,038	1,764	1,764	0	0.0%
Pension Healthcare	33,399	16,273	31,260	33,024	1,764	5.6%
State Pension Contribution	28,403	16,995	23,683	26,502	2,819	11.9%
Personal Services Adjustment	0	0	18,000	18,000	0	0.0%
Total Personal Services	735,406	420,854	718,346	773,121	54,775	7.6%

Materials, Supplies, and Equipment	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Transportation	0	0	5,000	8,000	3,000	60.0%
Rentals	9,280	4,930	15,720	15,720	0	0.0%
Contracted Maintenance	0	4,125	20,000	20,000	0	0.0%
Professional Fees	73,292	18,500	75,000	75,000	0	0.0%
Memberships and Registrations	27,014	39,009	53,208	57,720	4,512	8.5%
Miscellaneous Services	18,000	25,250	28,000	28,000	0	0.0%
Office and General Supplies	1,559	1,918	5,000	5,000	0	0.0%
Wearing Apparel and Safety	0	3,423	3,500	3,500	0	0.0%
Misc. Mat., Supp., and Parts	15,326	280	19,500	19,500	0	0.0%
Equipment	74,111	1,895	5,500	35,500	30,000	545.5%
Fixed Assets	98,019	0	0	30,000	30,000	0.0%
Construction and Deve-Cap	49,970	0	0	0	0	0.0%
Total M.S.&E.	366,571	99,330	230,428	297,940	67,512	29.3%

Internal Services	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Administrative Services	9,880	0	0	0	0	0.0%
Total Internal Services	9,880	0	0	0	0	0.0%

Debt Service	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Principal Payments	13,558	24,542	28,871	16,084	(12,787)	-44.3%
Interest Payments	8,518	7,608	7,788	6,687	(1,101)	-14.1%
TPO Lease Payments	51,529	0	0	0	0	0.0%
Total Debt Service	73,605	32,150	36,659	22,771	(13,888)	-37.9%

CATV Fund	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Total	1,185,462	552,334	985,433	1,093,832	108,399	11.0%

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.

PRIORITIES FOR FISCAL YEAR 2024
<ul style="list-style-type: none"> • Governance: 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. • Modernization: Creating a 21st-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. • Efficiency: 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. • Outreach: Engaging in strategic partnerships to promote enhanced financial literacy and education for city employees and the greater Wilmington community.

SUMMARY OF FUNDING FOR CITY TREASURER

Total All Funds Treasurer	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	Dollar Change FY'24-'23	Percent Change FY'24-'23
Personal Services	789,046	843,947	816,077	812,041	(4,036)	-0.5%
Materials, Supplies, and Equipment	1,105,838	962,422	1,128,041	1,148,471	20,430	1.8%
Internal Services	16,471	17,427	19,418	20,617	1,199	6.2%
Other / Special Purpose	4,000,000	4,250,000	4,500,000	4,750,000	250,000	5.6%
Total	5,911,355	6,073,796	6,463,536	6,731,129	267,593	4.1%
Staffing Levels	7.00	7.00	7.00	7.00	0.00	0.0%

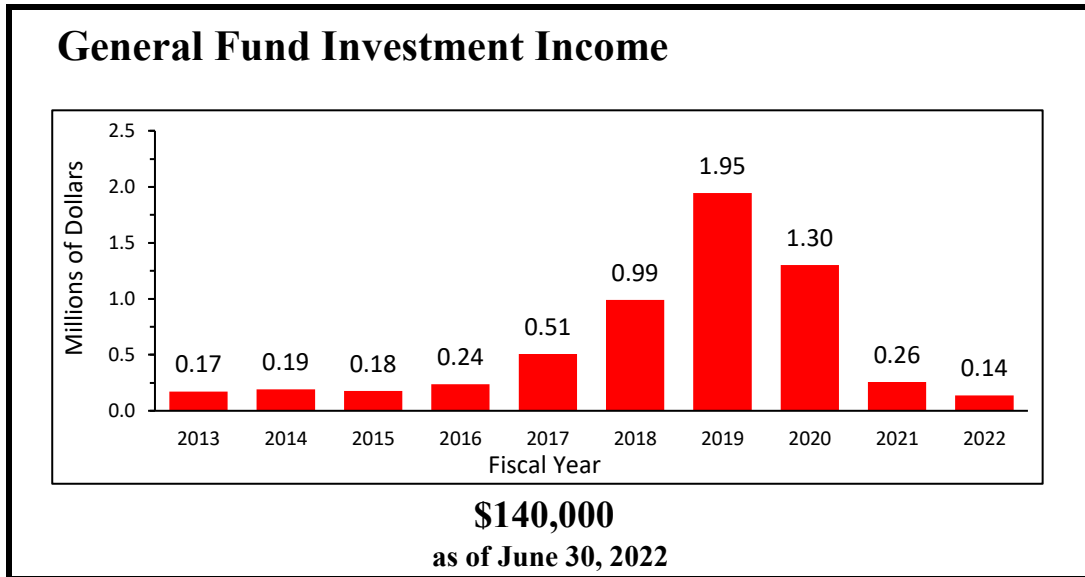
General Fund Treasurer	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	Dollar Change FY'24-'23	Percent Change FY'24-'23
Personal Services	397,512	356,486	347,977	346,861	(1,116)	-0.3%
Materials, Supplies, and Equipment	109,923	27,414	83,550	84,550	1,000	1.2%
Internal Services	15,221	16,144	18,093	19,251	1,158	6.4%
Total	522,656	400,044	449,620	450,662	1,042	0.2%
Staffing Levels	3.00	3.00	3.00	3.00	0.00	0.0%

Pension Admin. Funds Treasurer	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	Dollar Change FY'24-'23	Percent Change FY'24-'23
Personal Services	391,534	487,461	468,100	465,180	(2,920)	-0.6%
Materials, Supplies, and Equipment	995,915	935,008	1,044,491	1,063,921	19,430	1.9%
Internal Services	1,250	1,283	1,325	1,366	41	3.1%
Other / Special Purpose	4,000,000	4,250,000	4,500,000	4,750,000	250,000	5.6%
Total	5,388,699	5,673,752	6,013,916	6,280,467	266,551	4.4%
Staffing Levels	4.00	4.00	4.00	4.00	0.00	0.0%

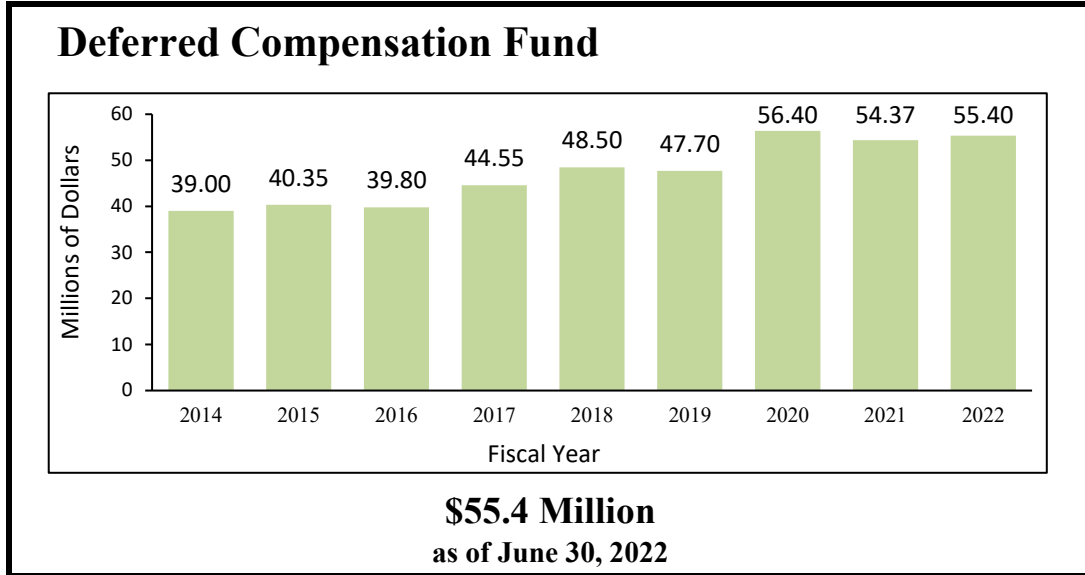
MAJOR FUNDING CHANGES FROM PRIOR YEAR

- Personal Services in both the General and Pension funds decreased by a net \$4,036, due to a city-wide Hospitalization increase being offset by one employee changing to a lower-cost plan.
- MS&E in the General Fund netted a \$1,000 increase, with a \$3,000 combined decrease in the Advertising, Subscriptions/Books, Stationery and Supplies, and Furniture, Fixtures, & Office Equipment account lines. This decrease was offset by a \$4,000 increase in Consultants for investment advisory services (investment & policy), business consulting (operations and industry best practices), and audit consulting (assessment and implementation).
- Pension Plan I Trustee Fees increased by \$31,280 based on an estimation of the total value of funds managed by the City's Financial Advisors.
- 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 \$4.75 million for FY 2024.

CITY TREASURER Performance Trends



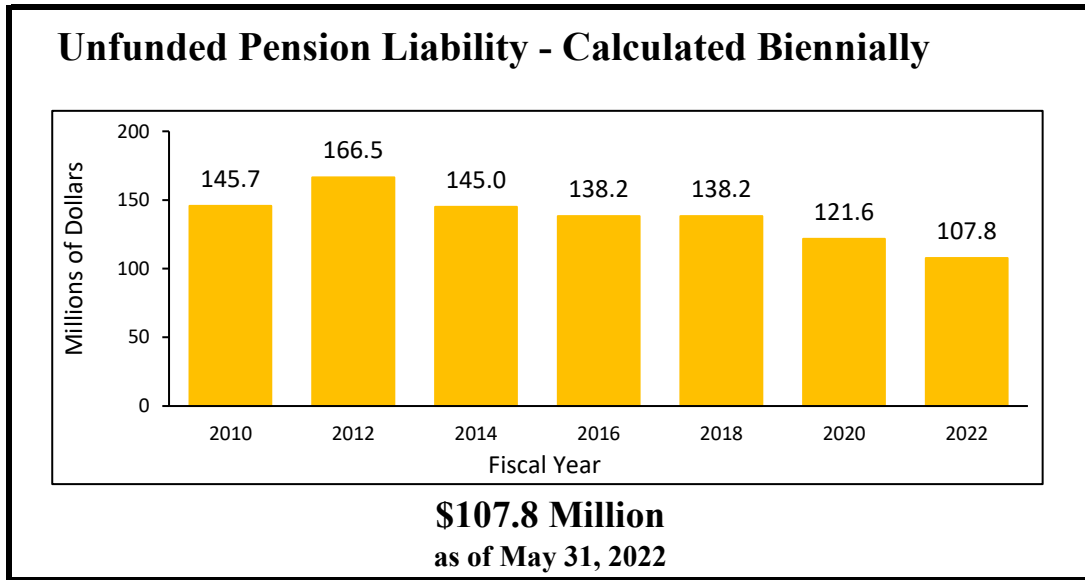
Prudent cash management and investment policies dictate the investment vehicles permitted to change daily cash balances. During the COVID-19 outbreak, interest rates fell drastically, resulting in a decrease in investment revenues.



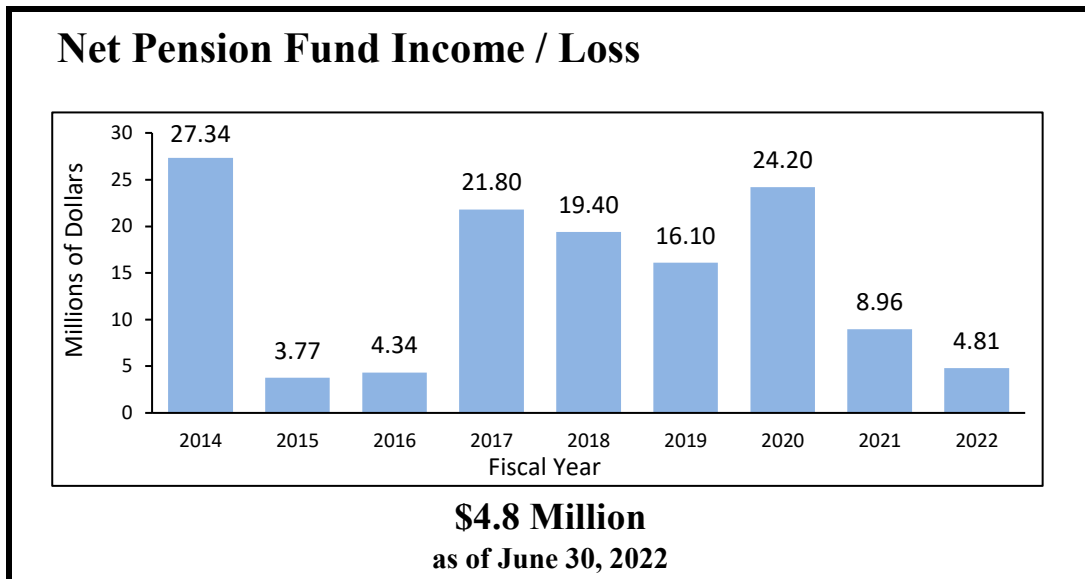
The City’s Deferred Compensation plan is available on a voluntary basis to employees who wish to supplement their retirement income by investing a portion of their current earnings on a tax-deferred basis.

CITY TREASURER

Performance Trends



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.



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.

Personal Services	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Regular Salaries	273,089	240,903	241,567	243,316	1,749	0.7%
Sick Leave Bonus	900	1,200	0	0	0	0.0%
Pension Contribution	29,439	31,540	30,953	30,313	(640)	-2.1%
Social Security	17,080	14,367	14,556	14,670	114	0.8%
Medicare Tax	3,873	3,360	3,405	3,430	25	0.7%
Hospitalization	49,976	42,803	45,666	42,842	(2,824)	-6.2%
Life Insurance	793	725	720	720	0	0.0%
Pension Healthcare	10,964	11,996	12,761	13,477	716	5.6%
State Pension Plan - Civilian	11,398	9,592	7,903	7,959	56	0.7%
Attrition	0	0	(9,554)	(9,866)	(312)	3.3%
Total Personal Services	397,512	356,486	347,977	346,861	(1,116)	-0.3%

Materials, Supplies, and Equipment	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Printing and Advertising	0	250	1,350	850	(500)	-37.0%
Transportation	0	0	2,000	2,000	0	0.0%
Rentals	660	0	0	0	0	0.0%
Professional Fees	40,000	14,264	66,500	70,500	4,000	6.0%
Other Fees	1,462	164	500	500	0	0.0%
Memberships and Registrations	2,669	6,799	5,000	4,000	(1,000)	-20.0%
Miscellaneous Services	120	96	500	500	0	0.0%
Office and General Supplies	1,214	1,053	1,500	1,000	(500)	-33.3%
Misc. Mat., Supp., and Parts	206	526	700	700	0	0.0%
Equipment	39,127	762	1,500	500	(1,000)	-66.7%
Community Activities	24,465	3,500	4,000	4,000	0	0.0%
Total M.S.&E.	109,923	27,414	83,550	84,550	1,000	1.2%

Internal Services	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Administrative Services	7,435	7,613	11,595	12,550	955	8.2%
Self-Insurance	7,786	8,531	6,498	6,701	203	3.1%
Total Internal Services	15,221	16,144	18,093	19,251	1,158	6.4%

General Fund	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Total	522,656	400,044	449,620	450,662	1,042	0.2%

Department: City Treasurer

Fund: Pension Administration

Personal Services	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Regular Salaries	278,400	229,017	318,564	320,314	1,750	0.5%
Accrued Sick/Vacation	(9,223)	145,454	0	0	0	0.0%
Pension Contribution	27,147	30,027	30,952	27,158	(3,794)	-12.3%
Social Security	16,754	13,730	19,146	19,244	98	0.5%
Medicare Tax	3,918	3,211	4,476	4,501	25	0.6%
Hospitalization	49,693	40,170	67,352	65,385	(1,967)	-2.9%
Life Insurance	905	655	960	960	0	0.0%
Pension Healthcare	11,226	15,995	17,010	17,974	964	5.7%
State Pension Plan - Civilian	12,714	9,202	12,174	12,261	87	0.7%
Attrition	0	0	(2,534)	(2,617)	(83)	3.3%
Total Personal Services	391,534	487,461	468,100	465,180	(2,920)	-0.6%

Materials, Supplies, and Equipment	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Printing and Advertising	0	0	251	251	0	0.0%
Transportation	0	0	2,000	2,000	0	0.0%
Rentals	240	91	299	299	0	0.0%
Professional Fees	992,504	932,064	1,028,710	1,047,680	18,970	1.8%
Other Fees	2,362	2,362	3,000	3,120	120	4.0%
Memberships and Registrations	809	300	6,751	6,751	0	0.0%
Office and General Supplies	0	191	1,500	1,500	0	0.0%
Misc. Mat., Supp., and Parts	0	0	600	600	0	0.0%
Equipment	0	0	1,380	1,720	340	24.6%
Total M.S.&E.	995,915	935,008	1,044,491	1,063,921	19,430	1.9%

Internal Services	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Self-Insurance	1,250	1,283	1,325	1,366	41	3.1%
Total Internal Services	1,250	1,283	1,325	1,366	41	3.1%

Other / Special Purpose	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Self-Insurance Costs	4,000,000	4,250,000	4,500,000	4,750,000	250,000	5.6%
Total Other / Special Purpose	4,000,000	4,250,000	4,500,000	4,750,000	250,000	5.6%

Pension Admin. Funds	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Total	5,388,699	5,673,752	6,013,916	6,280,467	266,551	4.4%

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 2024

- 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 projects/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 and update 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, and the Wilmington Design Review and Preservation Commission.
- Review the city's established historic districts and make recommendations on improvements.

SUMMARY OF FUNDING FOR DEPARTMENT OF LAND USE AND PLANNING

Total All Funds Land Use and Planning	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	Dollar Change FY'24-'23	Percent Change FY'24-'23
Personal Services	1,087,141	1,062,002	2,913,822	2,984,815	70,993	2.4%
Materials, Supplies, and Equipment	101,787	27,746	593,342	980,439	387,097	65.2%
Internal Services	71,902	113,303	109,617	116,287	6,670	6.1%
Debt Service	173,305	245,874	262,313	307,755	45,442	17.3%
Total	1,434,135	1,448,925	3,879,094	4,389,296	510,202	13.2%
Staffing Levels	10.00	9.00	26.00	26.00	0.00	0.0%

General Fund Land Use and Planning	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	Dollar Change FY'24-'23	Percent Change FY'24-'23
Personal Services	1,032,354	963,910	2,869,783	2,984,815	115,032	4.0%
Materials, Supplies, and Equipment	101,787	27,746	593,342	980,439	387,097	65.2%
Internal Services	71,902	113,303	109,617	116,287	6,670	6.1%
Debt Service	173,305	245,874	262,313	307,755	45,442	17.3%
Total	1,379,348	1,350,833	3,835,055	4,389,296	554,241	14.5%
Staffing Levels	9.55	8.55	25.55	26.00	0.45	1.8%

Community Development Block Grant (CDBG) Land Use and Planning	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	Dollar Change FY'24-'23	Percent Change FY'24-'23
Personal Services	54,787	54,787	0	0	0	0.0%
Total	54,787	54,787	0	0	0	0.0%
Staffing Levels	0.45	0.45	0.00	0.00	0.00	0.0%

American Rescue Plan (ARPA) Land Use and Planning	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	Dollar Change FY'24-'23	Percent Change FY'24-'23
Personal Services	0	43,305	44,039	0	(44,039)	N/A
Total	0	43,305	44,039	0	(44,039)	-100.0%
Staffing Levels	0.00	0.00	0.45	0.00	(0.45)	-100.0%

MAJOR FUNDING CHANGES FROM PRIOR YEAR

- Personal Services increased by \$115,032 or 4.0%. Regular Salaries rose by \$90,685, largely driven by an allowance for a 2.5% cost of living adjustment (COLA) and mandatory reviews for executive and managerial employees.
- Temporary Salaries increased by \$34,429 to provide for a part-time clerical position and support for the Historical Preservation Planner due to a reduction in State grant funding.
- The Planner II position, which used to be 55% General Fund and 45% ARPA Fund, is now reallocated 100% General Fund which resulted in an increase of \$44,039 to the General Fund.
- Travel and Subsistence increased by \$12,600 following the lift of COVID-19 mandates that limited in-person travel for regional and national conferences.
- Consultants increased by a net \$330,000, due to the addition of \$200,000 to fund Phase II of the federally required ADA self-assessment regarding accessibility for disabled persons, along with \$150,000 to update the city's 55-year-old zoning reforms.
- Workshops, Seminars, and Training increased by \$14,500 to prepare Building Inspectors, Zoning Officers, and Business Compliance Officers for the conversion to electronic trades testing certification.
- Uniforms and Related Equipment increased by \$10,620 to purchase new uniforms that bear the logo of the department Land Use and Planning.
- Debt Service increased by \$45,442 per the existing debt service schedule.

DEPARTMENT OF LAND USE AND PLANNING

Strategic Plan

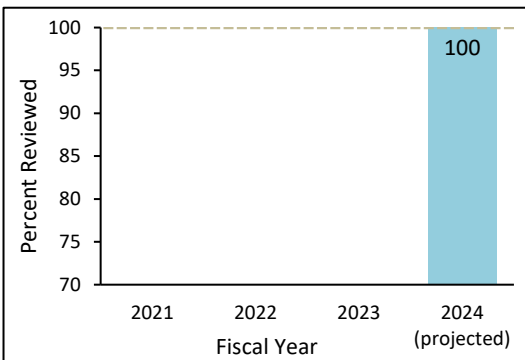
Focus Area: Quality of Life

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.

% of Minor Reviews Completed within 2 Weeks

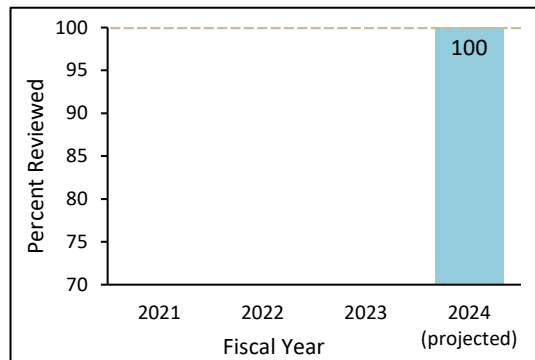
Target: 100 Percent



New Metric
No data prior to FY 2024

% of Major Reviews Completed within 4 Weeks

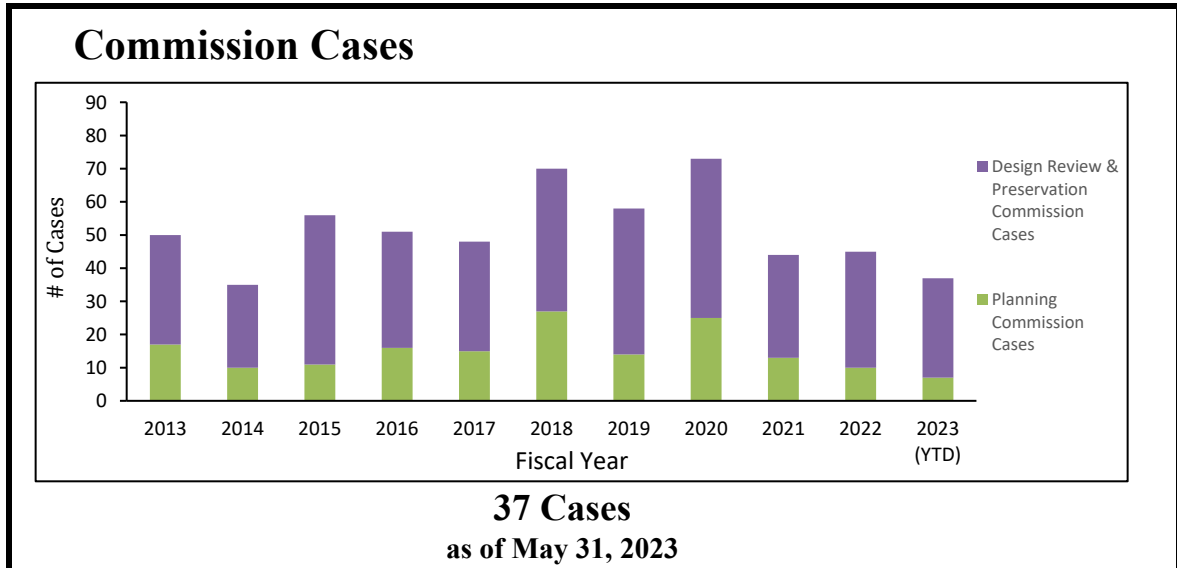
Target: 100 Percent



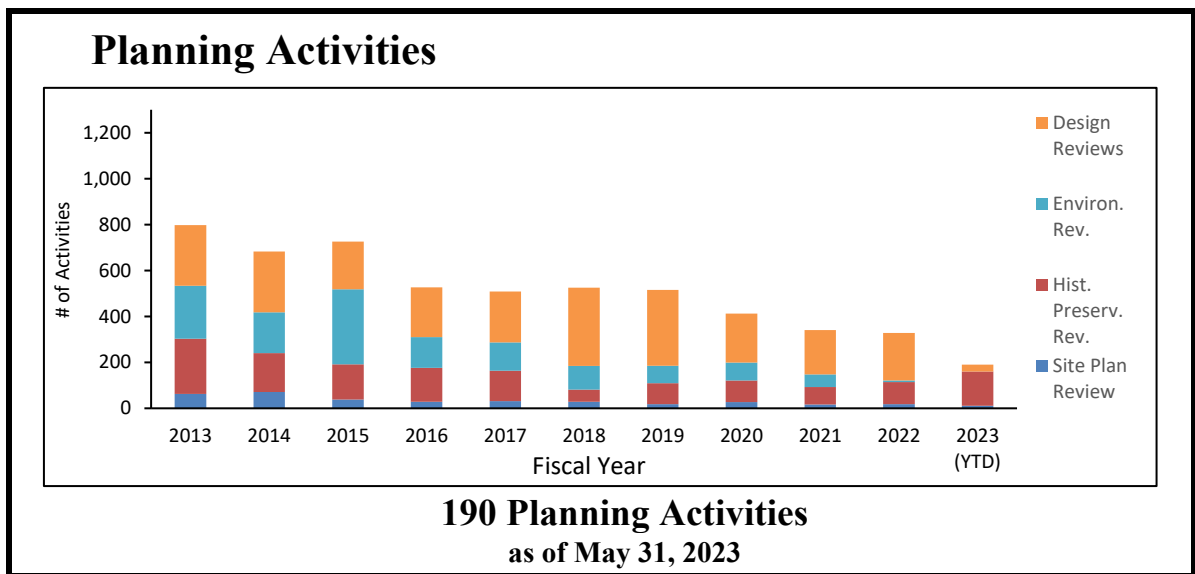
New Metric
No data prior to FY 2024

DEPARTMENT OF LAND USE AND PLANNING

Performance Trends



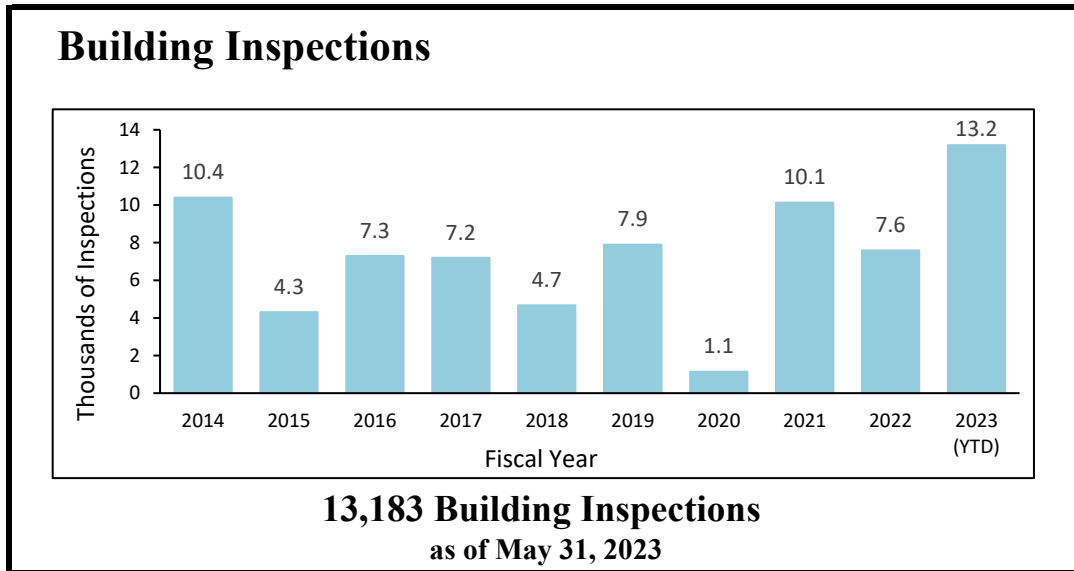
The Department provides staff support, analyses, and project monitoring for the City’s Design Review & Preservation Commission and the Planning Commission.



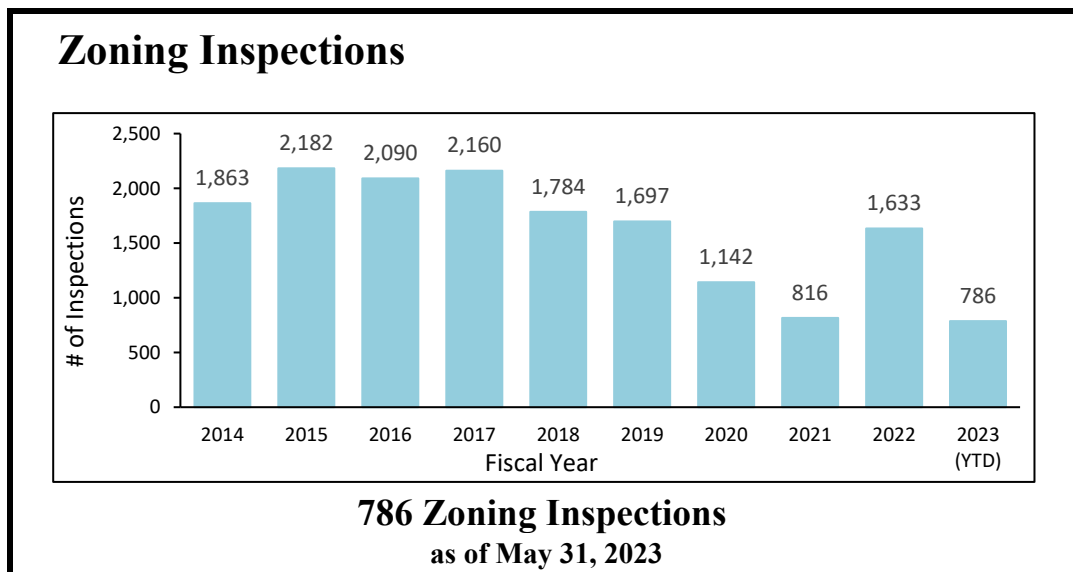
The Department ensures that land use and planning policies address the social, cultural, and economic needs of City residents by conducting design reviews, environmental reviews, historical preservation reviews, and site plan reviews.

DEPARTMENT OF LAND USE AND PLANNING

Performance Trends



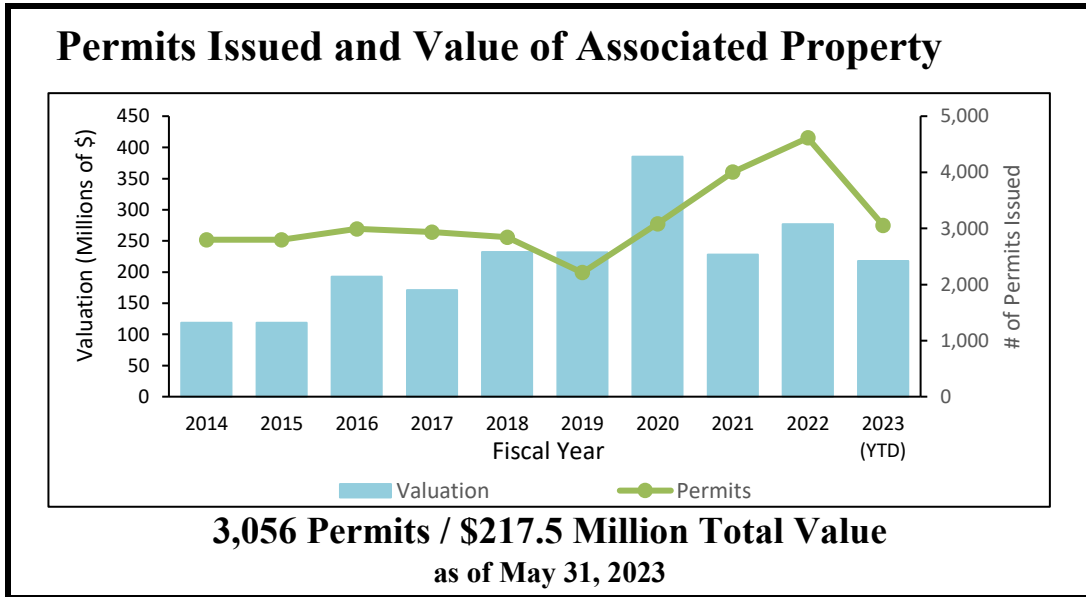
The number of comprehensive building inspections is largely based on market demand.



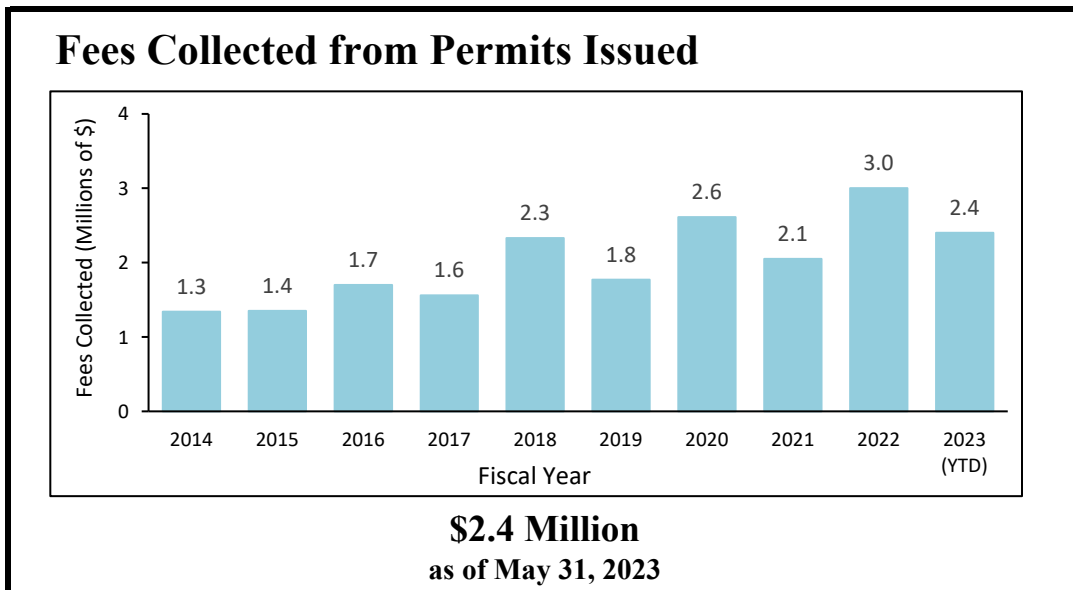
This reflects Land Use efforts to enforce zoning codes and regulations. A license must be obtained to operate a business, and all businesses must be properly zoned to obtain a license.

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 ten years.



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

Department: Land Use and Planning

Fund: General

Personal Services	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Regular Salaries	647,553	583,161	1,792,436	1,883,121	90,685	5.1%
Temporary Salaries	46,160	46,596	47,505	81,934	34,429	72.5%
Acting Out Of Classification	0	8,440	0	500	500	0.0%
Sick Leave Bonus	100	300	0	700	700	0.0%
Meal Allowance	0	0	0	500	500	0.0%
Clothing Allowance	0	0	0	3,120	3,120	0.0%
Health Cash Back	2,400	1,800	2,400	2,160	(240)	-10.0%
Pension Contribution	123,016	123,840	356,475	296,214	(60,261)	-16.9%
Social Security	42,755	38,554	110,530	118,475	7,945	7.2%
Medicare Tax	9,829	9,016	25,850	27,708	1,858	7.2%
Hospitalization	109,753	101,909	412,314	430,354	18,040	4.4%
Life Insurance	2,001	1,863	6,106	6,224	118	1.9%
Pension Healthcare	34,249	34,188	108,664	116,818	8,154	7.5%
State Pension Plan - Civilian	14,538	14,243	36,197	46,620	10,423	28.8%
Personal Services Adjustment	0	0	3,400	3,511	111	3.3%
Attrition	0	0	(32,094)	(33,144)	(1,050)	3.3%
Total Personal Services	1,032,354	963,910	2,869,783	2,984,815	115,032	4.0%

Materials, Supplies, and Equipment	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Printing and Advertising	443	969	5,400	10,400	5,000	92.6%
Transportation	0	0	700	13,100	12,400	1771.4%
Rentals	0	90	9,628	11,520	1,892	19.7%
Contracted Maintenance	0	0	0	10,000	10,000	0.0%
Professional Fees	99,296	2,360	185,000	500,000	315,000	170.3%
Other Fees	0	0	0	2,000	2,000	0.0%
Memberships and Registrations	1,247	1,031	11,323	30,583	19,260	170.1%
Miscellaneous Services	0	0	0	1,836	1,836	0.0%
Office and General Supplies	652	1,005	2,815	2,800	(15)	-0.5%
Wearing Apparel and Safety	0	0	11,330	23,700	12,370	109.2%
Misc. Mat., Supp., and Parts	149	495	1,600	4,500	2,900	181.3%
Construction and Repairs	0	0	358,000	358,000	0	0.0%
Equipment	0	0	750	5,000	4,250	566.7%
Community Activities	0	21,796	6,796	7,000	204	3.0%
Total M.S.&E.	101,787	27,746	593,342	980,439	387,097	65.2%

Internal Services	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Administrative Services	2,948	1,729	66,128	71,577	5,449	8.2%
Self-Insurance	68,954	111,574	43,489	44,710	1,221	2.8%
Total Internal Services	71,902	113,303	109,617	116,287	6,670	6.1%

Debt Service	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Principal Payments	69,788	147,172	173,220	227,062	53,842	31.1%
Interest Payments	103,517	98,702	89,093	80,693	(8,400)	-9.4%
Total Debt Service	173,305	245,874	262,313	307,755	45,442	17.3%

Department: Land Use and Planning

Fund: General

General Fund	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Total	1,379,348	1,350,833	3,835,055	4,389,296	554,241	14.5%

Department: Land Use and Planning

Fund: CDBG

Personal Services	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Regular Salaries	37,948	37,948	0	0	0	0.0%
Pension Contribution	2,776	2,776	0	0	0	0.0%
Social Security	2,295	2,295	0	0	0	0.0%
Medicare Tax	537	537	0	0	0	0.0%
Hospitalization	6,774	6,774	0	0	0	0.0%
Life Insurance	178	178	0	0	0	0.0%
Pension Healthcare	2,311	2,311	0	0	0	0.0%
State Pension Contribution	1,968	1,968	0	0	0	0.0%
Total Personal Services	54,787	54,787	0	0	0	0.0%

Community Development Block Grant (CDBG)	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Total	54,787	54,787	0	0	0	0.0%

Department: Land Use and Planning

Fund: ARPA

Personal Services	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Regular Salaries	0	30,534	31,264	0	(31,264)	-100.0%
Social Security	0	1,837	1,881	0	(1,881)	-100.0%
Medicare Tax	0	430	440	0	(440)	-100.0%
Hospitalization	0	6,540	6,697	0	(6,697)	-100.0%
Life Insurance	0	107	108	0	(108)	-100.0%
Pension Healthcare	0	1,805	1,914	0	(1,914)	-100.0%
State Pension Contribution	0	2,052	1,735	0	(1,735)	-100.0%
Total Personal Services	0	43,305	44,039	0	(44,039)	-100.0%

American Rescue Plan (ARPA)	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Total	0	43,305	44,039	0	(44,039)	-100.0%

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.

PRIORITIES FOR FISCAL YEAR 2024
<ul style="list-style-type: none">• Conduct scheduled audits using sound methods, professionalism, integrity, objectivity, and confidentiality.• Evaluate controls, note commendable practices, and recommend feasible process improvements.• Assist the external auditors with the annual audits of the Annual Report and Federal Funds.• Continue to aid in the development of a strong internal control environment within the City of Wilmington.• Conduct quarterly follow-ups to ensure effective implementation of agreed-upon recommendations.• Advise and consult with City management regarding improvements in operating efficiencies, effectiveness, and results.• Continue to develop the knowledge, skills, and effectiveness of departmental staff.

SUMMARY OF FUNDING FOR THE AUDIT DEPARTMENT

Total All Funds Audit Department	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	Dollar Change FY'24-'23	Percent Change FY'24-'23
Personal Services	647,358	669,491	682,249	743,324	61,075	9.0%
Materials, Supplies, and Equipment	296,410	299,213	304,267	286,364	(17,903)	-5.9%
Internal Services	4,466	5,493	3,684	3,794	110	3.0%
Total	948,234	974,197	990,200	1,033,482	43,282	4.4%
Staffing Levels	5.00	5.00	5.00	5.00	0.00	0.0%

General Fund Audit Department	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	Dollar Change FY'24-'23	Percent Change FY'24-'23
Personal Services	647,358	669,491	682,249	743,324	61,075	9.0%
Materials, Supplies, and Equipment	199,330	215,535	220,192	202,056	(18,136)	-8.2%
Internal Services	4,466	5,493	3,684	3,794	110	3.0%
Total	851,154	890,519	906,125	949,174	43,049	4.8%
Staffing Levels	5.00	5.00	5.00	5.00	0.00	0.0%

Water/Sewer Fund Audit Department	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	Dollar Change FY'24-'23	Percent Change FY'24-'23
Materials, Supplies, and Equipment	97,080	83,678	84,075	84,308	233	0.3%
Total	97,080	83,678	84,075	84,308	233	0.3%
Staffing Levels	0.00	0.00	0.00	0.00	0.00	0.0%

MAJOR FUNDING CHANGES FROM PRIOR YEAR

- Personal Services increased by \$61,075, or 9.0%, driven mainly by a \$53,537 increase in the Salary and Wages account group.
- Regular Salaries increased by \$31,146 to cover a projected 2.5% COLA and salary anniversary step increases for staff employees, along with an estimated 3.0% average annual salary increase for managers.
- Temporary Salaries funding of \$22,391 was added to the budget to hire a limited-service employee to work as an office assistant. The Department had previously used contractual workers provided through Integrity Staffing for this function.
- Total MS&E costs are down a net \$17,903, or 5.9%, primarily due to the elimination of \$22,000 of funding for Integrity Staffing in the Temporary Agencies account. As mentioned above, the Department will hire an employee directly as an office assistant.

Department: Audit Department

Fund: General

Personal Services	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Regular Salaries	412,325	432,017	442,687	473,833	31,146	7.0%
Temporary Salaries	0	0	0	22,391	22,391	0.0%
Pension Contribution	43,226	52,854	52,683	50,087	(2,596)	-4.9%
Social Security	25,284	25,376	26,444	29,697	3,253	12.3%
Medicare Tax	5,758	5,935	6,184	6,946	762	12.3%
Hospitalization	123,455	114,155	116,588	120,627	4,039	3.5%
Life Insurance	1,206	1,216	1,200	1,200	0	0.0%
Pension Healthcare	18,280	19,993	21,265	22,465	1,200	5.6%
State Pension Plan - Civilian	17,824	17,945	15,198	16,078	880	5.8%
Total Personal Services	647,358	669,491	682,249	743,324	61,075	9.0%

Materials, Supplies, and Equipment	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Printing and Advertising	212	0	0	1,000	1,000	0.0%
Transportation	0	1,579	10,000	12,000	2,000	20.0%
Professional Fees	171,274	193,605	183,320	161,320	(22,000)	-12.0%
Memberships and Registrations	27,151	18,793	25,072	25,936	864	3.4%
Office and General Supplies	693	893	900	900	0	0.0%
Misc. Mat., Supp., and Parts	0	665	900	900	0	0.0%
Total M.S.&E.	199,330	215,535	220,192	202,056	(18,136)	-8.2%

Internal Services	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Self-Insurance	4,466	5,493	3,684	3,794	110	3.0%
Total Internal Services	4,466	5,493	3,684	3,794	110	3.0%

General Fund	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Total	851,154	890,519	906,125	949,174	43,049	4.8%

Department: Audit Department

Fund: Water/Sewer

Materials, Supplies, and Equipment	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Professional Fees	83,776	71,680	71,680	71,680	0	0.0%
Supporting Services	13,304	11,998	12,395	12,628	233	1.9%
Total M.S.&E.	97,080	83,678	84,075	84,308	233	0.3%

Water/Sewer Fund	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Total	97,080	83,678	84,075	84,308	233	0.3%

LAW DEPARTMENT

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

PRIORITIES FOR FISCAL YEAR 2024
<ul style="list-style-type: none"> • Continue to provide effective and efficient legal advice to the City, generally, as appropriate. • Aggressively defend and prosecute litigation. • Assist in and prosecute code enforcement and collection actions. • Provide actionable legal advice on various employment matters. • Provide strategic and legal support in the negotiations of collective bargaining agreements. • Deliver necessary and appropriate legal support to City Council. • Meet budget targets.

SUMMARY OF FUNDING FOR THE LAW DEPARTMENT

Total All Funds Law Department	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	Dollar Change FY'24-'23	Percent Change FY'24-'23
Personal Services	1,993,621	2,127,543	2,175,839	2,226,513	50,674	2.3%
Materials, Supplies, and Equipment	327,655	257,880	427,231	435,791	8,560	2.0%
Internal Services	31,186	37,871	25,759	26,533	774	3.0%
Total	2,352,462	2,423,294	2,628,829	2,688,837	60,008	2.3%
Staffing Levels	17.00	17.00	17.00	17.00	0.00	0.0%

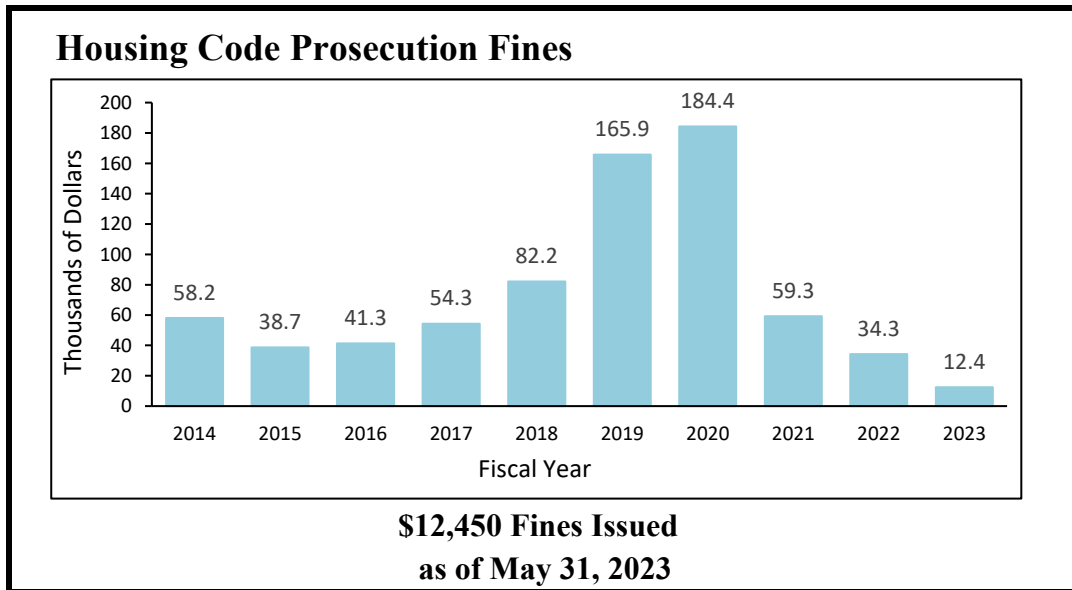
General Fund Law Department	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	Dollar Change FY'24-'23	Percent Change FY'24-'23
Personal Services	1,993,621	2,127,543	2,175,839	2,226,513	50,674	2.3%
Materials, Supplies, and Equipment	327,655	257,880	427,231	435,791	8,560	2.0%
Internal Services	31,186	37,871	25,759	26,533	774	3.0%
Total	2,352,462	2,423,294	2,628,829	2,688,837	60,008	2.3%
Staffing Levels	17.00	17.00	17.00	17.00	0.00	0.0%

MAJOR FUNDING CHANGES FROM PRIOR YEAR

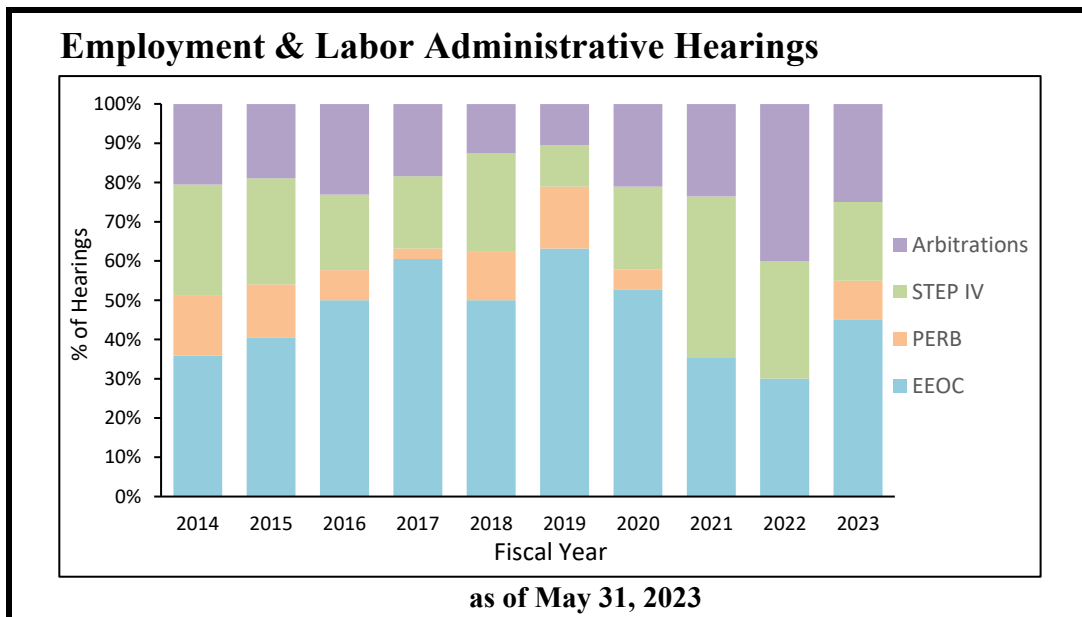
- Regular Salaries increased by \$63,042 or 4.2% largely driven by an allowance for a 2.5% cost of living adjustment (COLA) and mandatory reviews for executive and managerial employees. This was somewhat offset by a decrease in Pension Contributions, down \$35,752 or 19.7%.
- Total Materials, Supplies & Equipment increased a net \$8,560. An increase of \$15,000 in Court Costs and Notary Fees was offset by an equal decrease in Legal Charges.
- Also, there was an increase in Travel and Subsistence of \$4,800 as well as a combined total increase of \$3,805 between Subscriptions and Electronic Legal Research.

LAW DEPARTMENT

Performance Trends

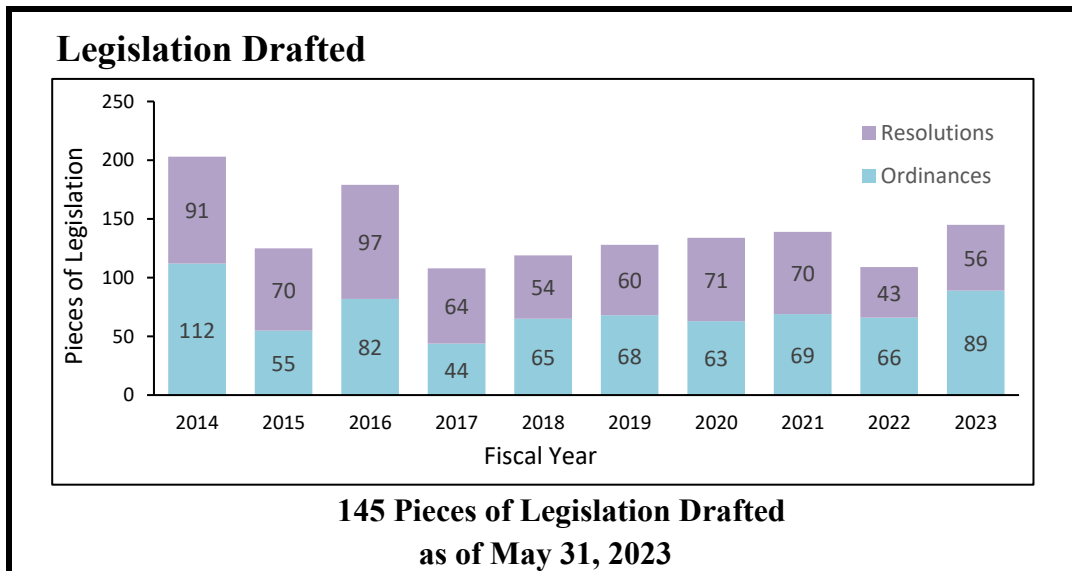


An increase in high profile cases involving properties with a substantial number of violations led to an increase in fines in FY 2019 and FY 2020.



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.

Personal Services	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Regular Salaries	1,334,235	1,452,438	1,498,292	1,561,334	63,042	4.2%
Acting Out Of Classification	1,372	378	0	0	0	0.0%
Health Cash Back	2,400	2,400	2,400	2,400	0	0.0%
Pension Contribution	158,352	180,710	181,051	145,299	(35,752)	-19.7%
Social Security	83,401	87,320	90,596	94,403	3,807	4.2%
Medicare Tax	19,601	20,422	21,190	22,078	888	4.2%
Hospitalization	274,994	252,362	274,347	287,172	12,825	4.7%
Life Insurance	3,937	4,189	4,080	4,080	0	0.0%
Pension Healthcare	62,152	67,976	72,301	76,381	4,080	5.6%
State Pension Plan - Civilian	53,177	59,348	54,680	57,219	2,539	4.6%
Attrition	0	0	(23,098)	(23,853)	(755)	3.3%
Total Personal Services	1,993,621	2,127,543	2,175,839	2,226,513	50,674	2.3%

Materials, Supplies, and Equipment	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Printing and Advertising	640	143	150	105	(45)	-30.0%
Communications and Utilities	8	27	105	105	0	0.0%
Transportation	(279)	0	200	5,000	4,800	2400.0%
Contracted Maintenance	0	0	250	250	0	0.0%
Professional Fees	219,384	144,961	295,000	280,000	(15,000)	-5.1%
Other Fees	50,228	46,193	60,000	75,000	15,000	25.0%
Memberships and Registrations	18,336	26,826	30,218	32,218	2,000	6.6%
Miscellaneous Services	35,573	36,269	37,308	39,113	1,805	4.8%
Office and General Supplies	3,765	3,461	4,000	4,000	0	0.0%
Total M.S.&E.	327,655	257,880	427,231	435,791	8,560	2.0%

Internal Services	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Self-Insurance	31,186	37,871	25,759	26,533	774	3.0%
Total Internal Services	31,186	37,871	25,759	26,533	774	3.0%

General Fund	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Total	2,352,462	2,423,294	2,628,829	2,688,837	60,008	2.3%

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.

PRIORITIES FOR FISCAL YEAR 2024
<ul style="list-style-type: none"> Improve Community Engagement and Customer Service to support those navigating City of Wilmington services, resources, and accessibility. Ensure highly reliable accounting practices and quality control/quality assurance. Optimize internal collection processes and improve revenue. Cultivate best practices through improved business processes, enhanced data management, and relevant technology.

SUMMARY OF FUNDING FOR DEPARTMENT OF FINANCE

Total All Funds Finance Department	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	Dollar Change FY'24-'23	Percent Change FY'24-'23
Personal Services	7,702,123	7,538,704	7,958,974	8,401,608	442,634	5.6%
Materials, Supplies, and Equipment	7,610,126	7,878,524	9,249,980	9,354,856	104,876	1.1%
Internal Services	332,114	393,401	341,102	360,392	19,290	5.7%
Debt Service	523,147	105,704	104,745	89,039	(15,706)	-15.0%
Total	16,167,510	15,916,333	17,654,801	18,205,895	551,094	3.1%
Staffing Levels	84.00	84.00	81.00	84.00	3.00	3.7%

General Fund Finance Department	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	Dollar Change FY'24-'23	Percent Change FY'24-'23
Personal Services	5,286,944	5,040,473	5,340,900	5,565,736	224,836	4.2%
Materials, Supplies, and Equipment	3,645,174	4,118,236	4,967,485	4,883,140	(84,345)	-1.7%
Internal Services	197,167	257,262	192,326	202,302	9,976	5.2%
Debt Service	24,774	65,129	54,949	53,842	(1,107)	-2.0%
Total	9,154,059	9,481,100	10,555,660	10,705,020	149,360	1.4%
Staffing Levels	58.85	58.05	55.40	56.60	1.20	2.2%

Water/Sewer Fund Finance Department	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	Dollar Change FY'24-'23	Percent Change FY'24-'23
Personal Services	2,415,179	2,498,231	2,618,074	2,835,872	217,798	8.3%
Materials, Supplies, and Equipment	3,964,952	3,760,288	4,282,495	4,471,716	189,221	4.4%
Internal Services	134,947	136,139	148,776	158,090	9,314	6.3%
Debt Service	498,373	40,575	49,796	35,197	(14,599)	-29.3%
Total	7,013,451	6,435,233	7,099,141	7,500,875	401,734	5.7%
Staffing Levels	25.15	25.95	25.60	27.40	1.80	7.0%

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

- Personal Services increased by a net of 1.20 FTE. Included are four new positions, at a total cost of \$131,559: Disadvantaged Business Enterprise Analyst (100% General Fund), Settlement Clerk (20% General Fund and 80% Water/Sewer Fund), Delinquent Accounts Agent (50% General Fund and 50% Water/Sewer Fund), and Customer Service Representative II (50% General Fund and 50% Water/Sewer Fund).
- Additionally, the Parking Enforcement Officer was upgraded to Parking Enforcement Administrator at a cost of \$1,558, and two positions were upgraded through the Biennial Classification Appeal Process at a cost of \$10,802.
- Furthermore, the deletion of a Parking Enforcement Officer resulted in a savings of \$44,966.
- Printing and Advertising costs increased by \$9,850 mainly due to the increase in cost for printing Wage, Head, and Lodging Tax coupon booklets.
- Travel and Subsistence increased by \$6,000 following the lift of COVID-19 mandates that limited in-person travel for conferences and seminars.
- Temporary Agencies increased by \$35,000, primarily to acquire accounting expertise and assistance during the preparation of the Annual Financial Report.
- Collection Expense-Parking Citation Commissions decreased by \$62,385 to match historical trends.
- Collection Expense-Red Light Camera Commissions increased by \$33,640 to capture costs associated with the red-light ticket and video enforcement program.
- Collection Expense-Wage & Head Audit decreased by \$117,000 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.

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

- Personal Services increased by a net of 1.80 FTE. Included are three new split-funded positions: Settlement Clerk (80% Water/Sewer Fund and 20% General Fund), Delinquent Accounts Agent (50% Water/Sewer Fund and 50% General Fund), and Customer Service Representative II (50% Water/Sewer Fund and 50% General Fund). These additions come with a cost of \$103,644.
- Postage-Direct Charge decreased by \$15,000 based on previous years' actuals.
- Due to staffing needs during the preparation of the Annual Financial Report, Professional Fees increased by a net \$23,750.
- The Miscellaneous Services account group rose by a net \$246,000. The department is implementing a Water Utility Assistance Program, at a cost of \$250,000, to help low-income households who qualify for assistance.
- Debt Service decreased by \$14,599 per the debt service schedule provided by the Finance department.

DEPARTMENT OF FINANCE

Strategic Plan

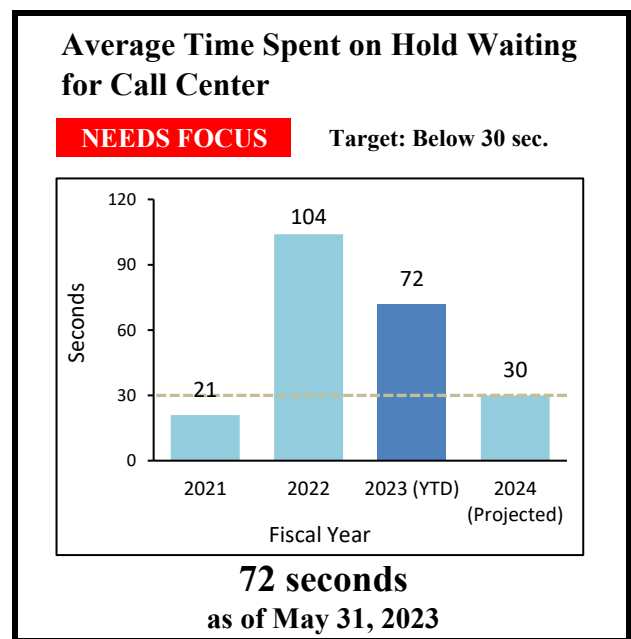
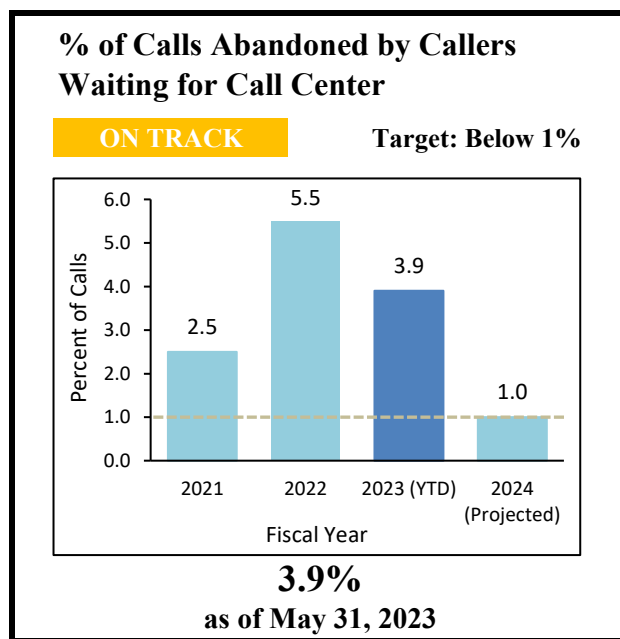
The mission of the Department of Finance is to manage the fiscal activities of the City to maintain and improve the City’s financial position. The Department completes its mission by billing and collecting revenues, providing water meter-reading service, maintaining the City’s accounting system, preparing 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 and FY 2023 were largely due to staffing issues post pandemic.

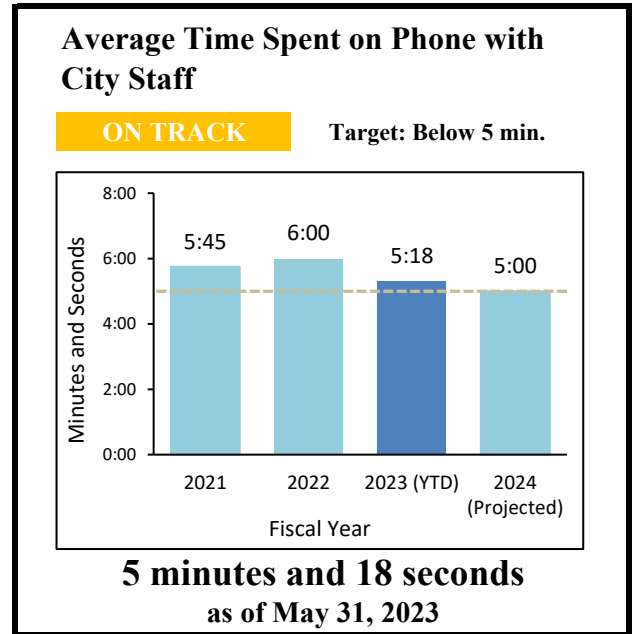
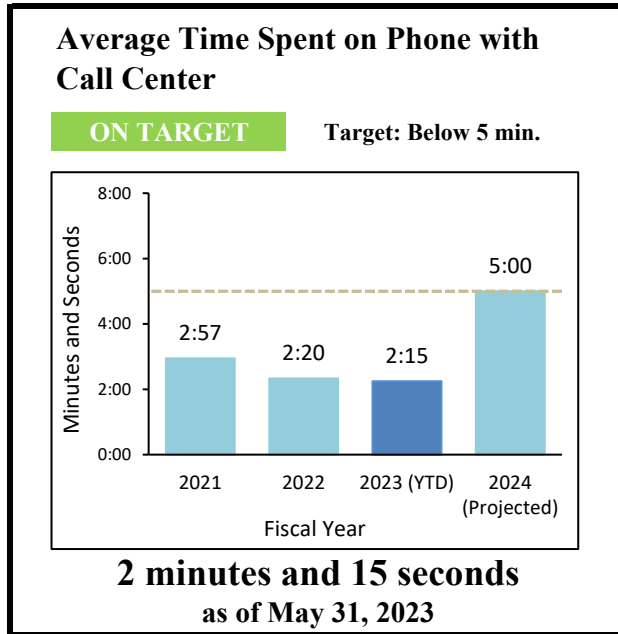
DEPARTMENT OF FINANCE

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.



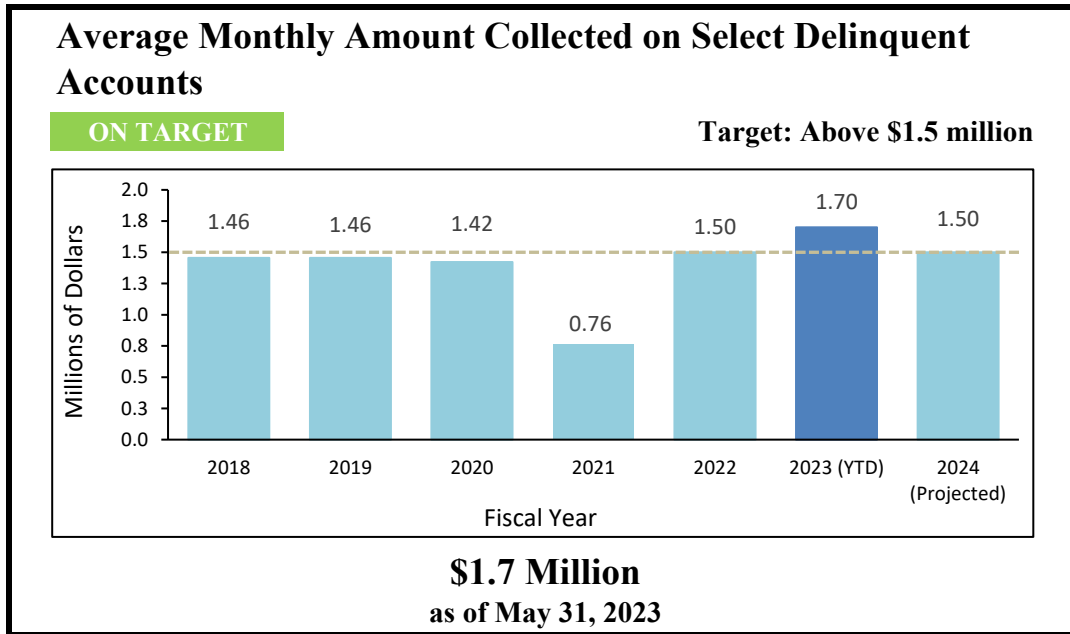
DEPARTMENT OF FINANCE

Strategic Plan

Focus Area: Effective City Government

CITY-WIDE GOAL #3: Enhance Fiscal Prudence

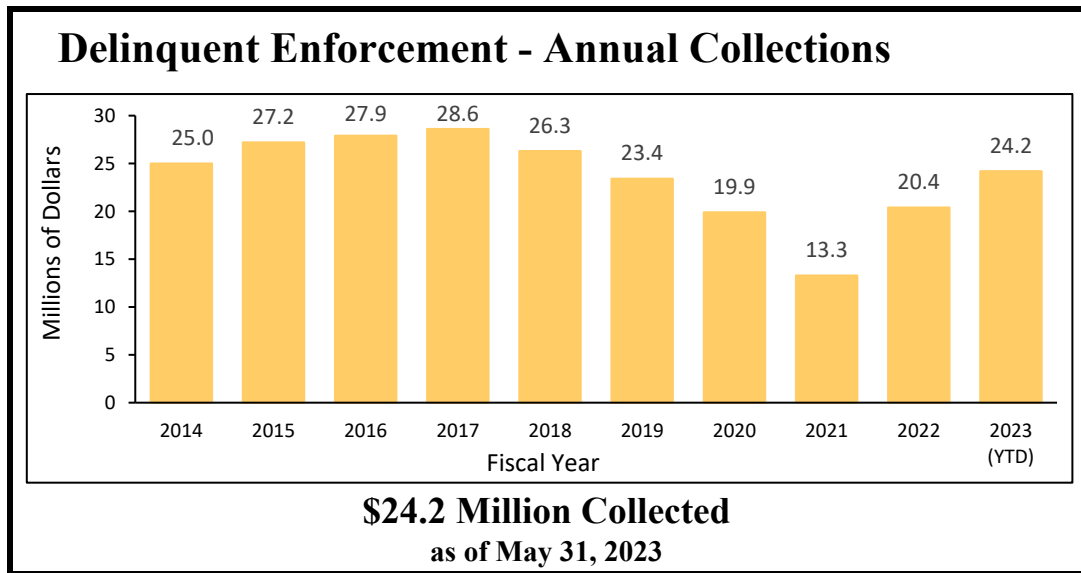
Objective 1: Improve Delinquent Account Collections.



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.

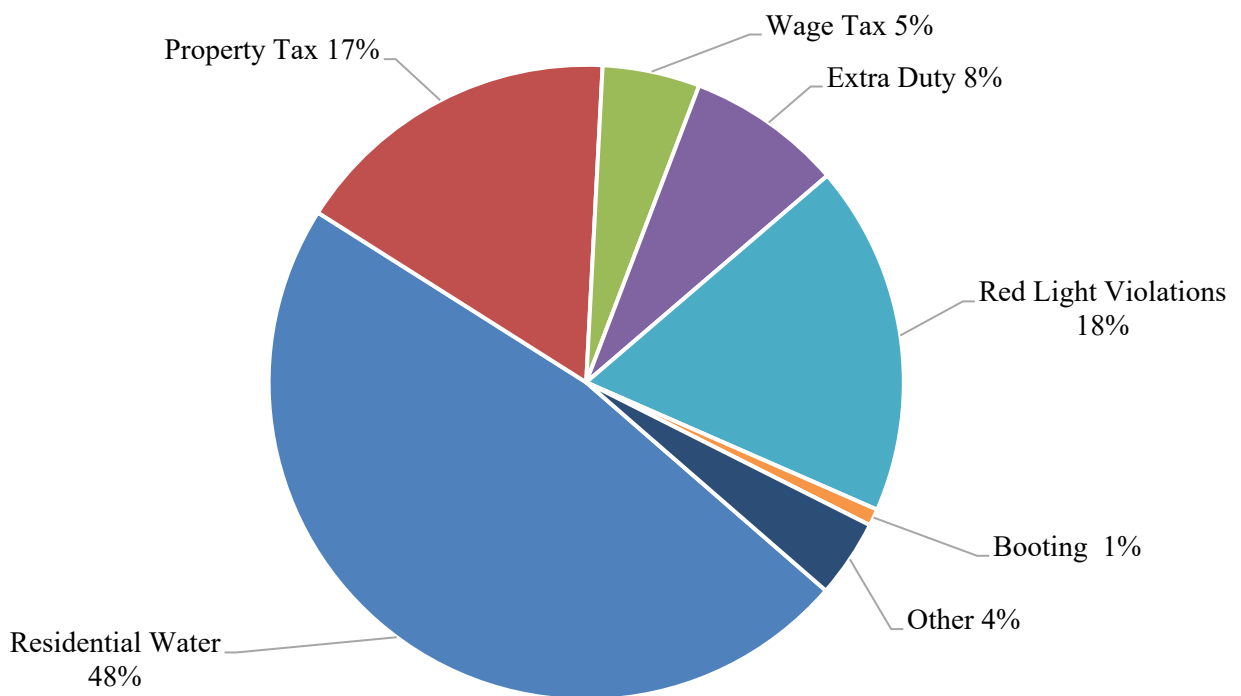
DEPARTMENT OF FINANCE

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 2023



Department: Finance

Fund: General

Personal Services	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Regular Salaries	3,167,693	3,051,235	3,278,720	3,461,304	182,584	5.6%
Temporary Salaries	0	11,377	0	0	0	0.0%
Acting Out Of Classification	0	3,054	0	0	0	0.0%
Sick Leave Bonus	1,900	3,200	4,700	5,550	850	18.1%
Overtime	36,868	40,120	51,000	43,000	(8,000)	-15.7%
Meal Allowance	2,297	2,085	5,100	4,300	(800)	-15.7%
Clothing Allowance	3,625	1,594	3,500	3,500	0	0.0%
Health Cash Back	0	0	1,296	1,440	144	11.1%
Pension Contribution	492,807	555,423	549,201	491,597	(57,604)	-10.5%
Social Security	196,877	177,523	198,389	208,659	10,270	5.2%
Medicare Tax	45,071	41,516	46,399	48,801	2,402	5.2%
Hospitalization	1,011,524	826,637	977,782	1,046,846	69,064	7.1%
Life Insurance	12,995	12,246	13,277	13,579	302	2.3%
Pension Healthcare	213,631	232,531	235,605	254,292	18,687	7.9%
State Pension Plan - Civilian	101,656	81,932	84,348	94,830	10,482	12.4%
Attrition	0	0	(108,417)	(111,962)	(3,545)	3.3%
Total Personal Services	5,286,944	5,040,473	5,340,900	5,565,736	224,836	4.2%

Materials, Supplies, and Equipment	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Printing and Advertising	49,505	45,603	64,050	73,900	9,850	15.4%
Communications and Utilities	14,910	10,700	15,300	17,400	2,100	13.7%
Transportation	(2,420)	2,437	15,200	21,200	6,000	39.5%
Contracted Maintenance	0	0	400	0	(400)	-100.0%
Professional Fees	230,858	402,315	603,750	645,000	41,250	6.8%
Memberships and Registrations	20,284	24,433	48,750	49,600	850	1.7%
Miscellaneous Services	3,313,224	3,589,994	4,188,385	4,043,640	(144,745)	-3.5%
Office and General Supplies	11,357	23,444	15,800	15,800	0	0.0%
Wearing Apparel and Safety	6,562	5,724	7,000	7,000	0	0.0%
Misc. Mat., Supp., and Parts	259	442	600	600	0	0.0%
Equipment	752	13,126	8,250	9,000	750	9.1%
Fixed Assets	(117)	18	0	0	0	0.0%
Total M.S.&E.	3,645,174	4,118,236	4,967,485	4,883,140	(84,345)	-1.7%

Internal Services	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Administrative Services	65,081	64,845	85,533	92,581	7,048	8.2%
Self-Insurance	132,086	192,417	106,793	109,721	2,928	2.7%
Total Internal Services	197,167	257,262	192,326	202,302	9,976	5.2%

Debt Service	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Principal Payments	9,321	39,156	30,482	30,542	60	0.2%
Interest Payments	15,453	25,973	24,467	23,300	(1,167)	-4.8%
Total Debt Service	24,774	65,129	54,949	53,842	(1,107)	-2.0%

Department: Finance

Fund: General

General Fund	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Total	9,154,059	9,481,100	10,555,660	10,705,020	149,360	1.4%

Department: Finance

Fund: Water / Sewer

Personal Services	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Regular Salaries	1,448,118	1,524,609	1,663,523	1,811,093	147,570	8.9%
Sick Leave Bonus	600	0	2,300	2,300	0	0.0%
Overtime	13,912	11,195	38,700	29,500	(9,200)	-23.8%
Meal Allowance	25	117	3,050	2,950	(100)	-3.3%
Clothing Allowance	346	213	500	500	0	0.0%
Health Cash Back	0	0	864	960	96	11.1%
Accrued Sick/Vacation	16,054	65,464	0	0	0	0.0%
Pension Contribution	188,417	214,795	212,899	198,775	(14,124)	-6.6%
Social Security	86,237	90,096	102,268	110,297	8,029	7.9%
Medicare Tax	20,170	21,072	23,920	25,793	1,873	7.8%
Hospitalization	384,638	352,135	400,538	462,227	61,689	15.4%
Life Insurance	5,387	5,863	6,120	6,565	445	7.3%
Pension Healthcare	91,950	104,037	108,888	123,120	14,232	13.1%
State Pension Plan - Civilian	55,768	57,545	54,504	61,792	7,288	13.4%
Pension Healthcare - Implicit	103,557	51,090	0	0	0	0.0%
Total Personal Services	2,415,179	2,498,231	2,618,074	2,835,872	217,798	8.3%

Internal Services	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Administrative Services	68,061	44,406	94,288	102,057	7,769	8.2%
Self-Insurance	66,886	91,733	54,488	56,033	1,545	2.8%
Total Internal Services	134,947	136,139	148,776	158,090	9,314	6.3%

Debt Service	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Interest Payments	498,373	40,575	49,796	35,197	(14,599)	-29.3%
Total Debt Service	498,373	40,575	49,796	35,197	(14,599)	-29.3%

Water/Sewer Fund	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Total	7,013,451	6,435,233	7,099,141	7,500,875	401,734	5.7%

DEPARTMENT OF HUMAN RESOURCES

The mission of the Department of Human Resources (HR) is to provide the necessary human resources to City Departments 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.

PRIORITIES FOR FISCAL YEAR 2024	
•	Research, recommend, and implement a new process for performance management.
•	Recommend and implement a new Classification and Compensation System.
•	Develop and implement a series of workforce training courses focused on topics, including conducting internal investigations, administering employee discipline, leadership / management skills, professional development, and career advancement.
•	Revise strategic processes to promote improved compliance with ADA, FMLA, and City Code § 40-54.
•	Expand the portfolio of population health programs for employees and retirees while delivering exemplary customer service.
•	Manage risk by implementing more effective controls and techniques for managing claims.

SUMMARY OF FUNDING FOR DEPARTMENT OF HUMAN RESOURCES

Total All Funds*	Actual	Actual	Budget	Budget	Dollar	Percent
Human Resources	FY 2021	FY 2022	FY 2023	FY 2024	Change	Change
					FY'24-'23	FY'24-'23
Personal Services	2,512,719	2,654,362	3,013,277	3,088,715	75,438	2.5%
Materials, Supplies, and Equipment	3,380,685	5,147,515	5,789,797	6,464,357	674,560	11.7%
Internal Services	34,320	16,044	23,056	24,336	1,280	5.6%
Debt Service	17,537	34,093	38,544	35,091	(3,453)	-9.0%
Other / Special Purpose	22,788,983	22,823,944	25,438,240	25,973,315	535,075	2.1%
Total	28,734,244	30,675,958	34,302,914	35,585,814	1,282,900	3.7%
Staffing Levels	26.00	26.00	26.00	26.00	0.00	0.0%

* Differs from Summary of All Funds Combined – Expenditures table on page 33 due to Internal Service Funds being listed separately.

General Fund Human Resources	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	Dollar Change FY'24-'23	Percent Change FY'24-'23
Personal Services	1,437,082	1,508,147	1,862,825	1,874,609	11,784	0.6%
Materials, Supplies, and Equipment	98,391	175,523	427,381	718,571	291,190	68.1%
Internal Services	11,178	13,444	12,061	12,666	605	5.0%
Debt Service	17,537	34,093	38,544	35,091	(3,453)	-9.0%
Total	1,564,188	1,731,207	2,340,811	2,640,937	300,126	12.8%
Staffing Levels	16.60	16.60	16.60	16.60	0.00	0.0%

Risk Management Human Resources	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	Dollar Change FY'24-'23	Percent Change FY'24-'23
Personal Services	194,783	229,316	206,582	213,848	7,266	3.5%
Materials, Supplies, and Equipment	2,472,527	4,249,792	4,148,651	4,475,179	326,528	7.9%
Internal Services	20,376	9,201	7,771	8,345	574	7.4%
Other / Special Purpose	455,593	317,497	12,554	12,554	0	0.0%
Total	3,143,279	4,805,806	4,375,558	4,709,926	334,368	7.6%
Staffing Levels	1.30	1.30	1.30	1.30	0.00	0.0%

Workers' Compensation Human Resources	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	Dollar Change FY'24-'23	Percent Change FY'24-'23
Personal Services	491,281	507,733	525,229	538,269	13,040	2.5%
Materials, Supplies, and Equipment	593,364	510,605	965,310	1,020,152	54,842	5.7%
Internal Services	2,003	(7,385)	2,414	2,490	76	3.1%
Other / Special Purpose	3,549,398	3,423,155	4,149,507	3,915,852	(233,655)	-5.6%
Total	4,636,046	4,434,108	5,642,460	5,476,763	(165,697)	-2.9%
Staffing Levels	4.30	4.30	4.30	4.30	0.00	0.0%

Health and Welfare Human Resources	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	Dollar Change FY'24-'23	Percent Change FY'24-'23
Personal Services	389,573	409,166	418,641	461,989	43,348	10.4%
Materials, Supplies, and Equipment	216,403	211,595	248,455	250,455	2,000	0.8%
Internal Services	763	784	810	835	25	3.1%
Other / Special Purpose	18,783,992	19,083,292	21,276,179	22,044,909	768,730	3.6%
Total	19,390,731	19,704,837	21,944,085	22,758,188	814,103	3.7%
Staffing Levels	3.80	3.80	3.80	3.80	0.00	0.0%

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

- The City signed a contract with Paycom to outsource payroll for a total cost of \$327,000. Partially offsetting the increased costs from this agreement is a decrease of \$168,000 in expenses within the City's IT budget as contracts with Kronos for payroll services will not be renewed.
- Regarding Human Resources' budget for workshops, seminars, and training, the net increase for FY2024 is \$94,000. This increase is due to the following additional items: \$40,000 for the Trackstar employee performance management system, \$30,000 for the Local Gov U training platform, and \$35,000 for Human Resources staff to create training materials.

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

- Fire insurance coverage for the City has a net increase of around \$113,000 or 37.9% due to premium increases for several properties.
- Premiums for General Liability and Cyber insurance have increased by a net of nearly \$148,000 or 14.0%.
- Insurance Claims have increased by approximately \$59,000 or 3.8% from the latest Actuary Report of General Liability, Auto, and Property claims.

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

- As a result of the 2023 biennial appeals process, the Medical Dispensary Coordinator position was upgraded at a cost of nearly \$2,000.
- Specifically for Workers' Compensation purposes, the budget for consultants has a \$49,000 or 22.0% increase, largely due to the need to digitalize medical records so that the City complies with rules of retention. Additionally, small increases are present with the contracts for the City Physician and Workers' Compensation insurance coverage with the vendor, PMA. As a partial offset of this increase, the account for Delaware State Self-Insurer's Tax is reduced by \$37,000 as the State has lowered its rates.

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

- Dental Costs have an increase of nearly \$201,000 or 17.2% as the costs of claims from current employees are higher than what was budgeted last year.
- Stop Loss Insurance has an increase of around \$519,000 or 44.4% due to an extremely high-cost claim, which initiated the City's Stop-Loss limit.
- The budget for Employer-Funded Health Reimbursement Accounts has an increase of \$140,000 or 7.4% due to a 95% rate of utilization for programs among City employees. This line was previously budgeted for the industry standard utilization of 60%.
- Medical Costs and Prescription Costs have a combined decrease of approximately \$84,000 based on the latest review of claims expenses.

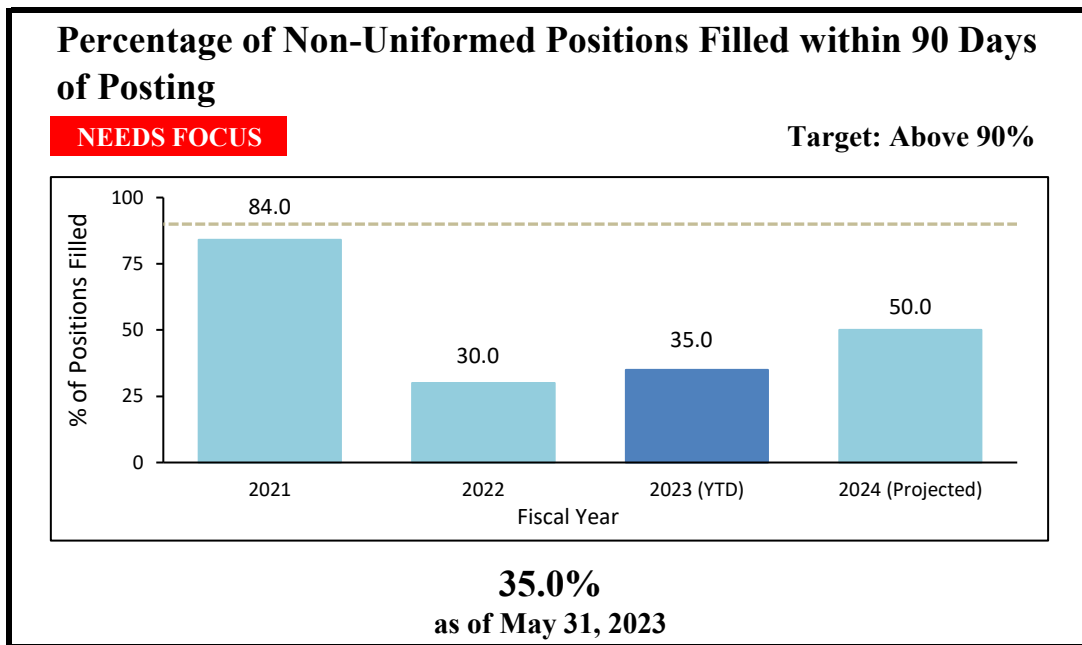
HUMAN RESOURCES

Strategic Plan

Focus Area: Effective City Government

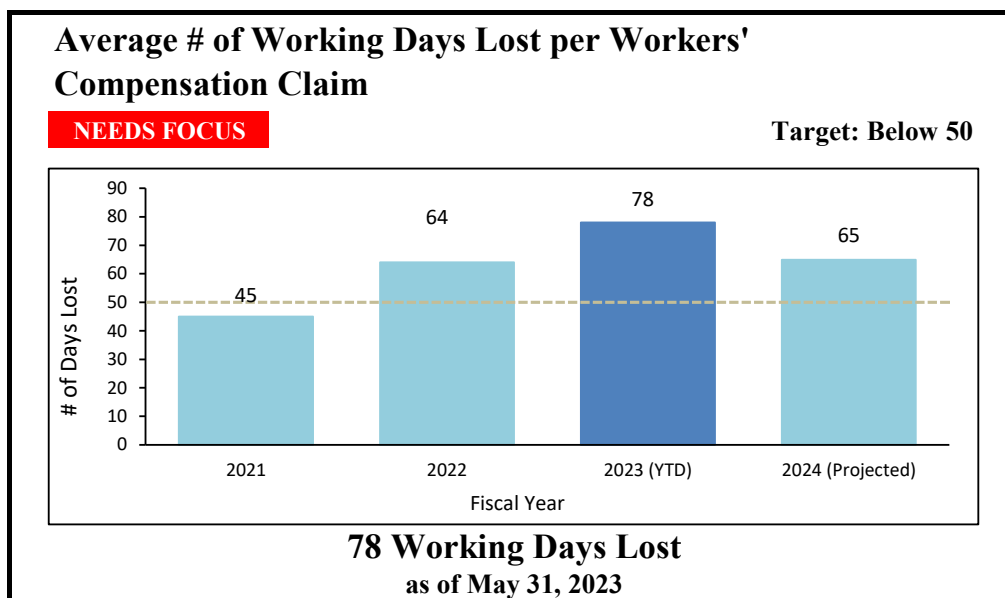
CITY-WIDE GOAL #1: Embrace a Culture of Service

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



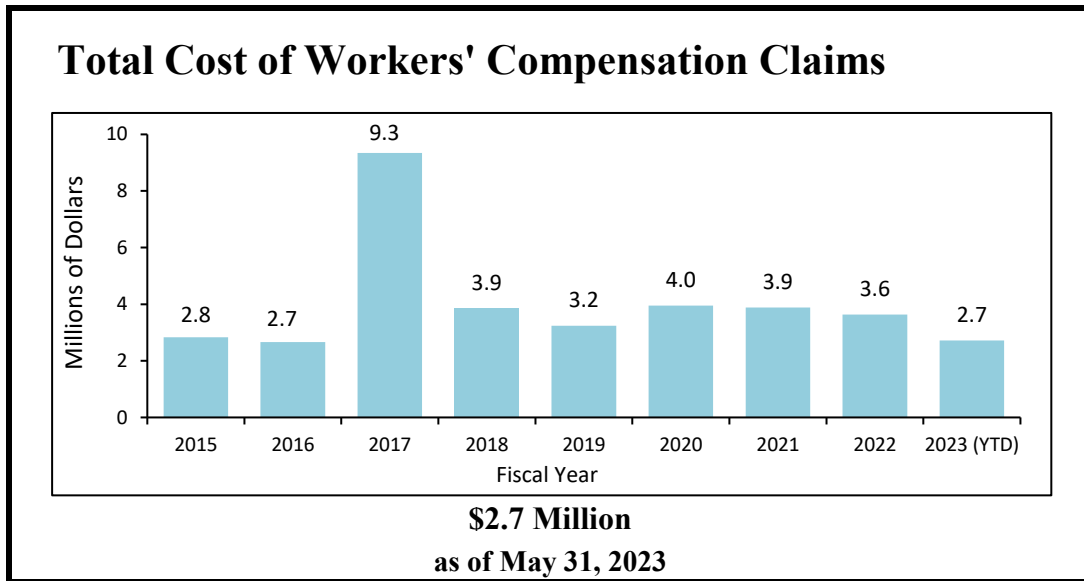
CITY-WIDE GOAL #2: Enhance Fiscal Prudence

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

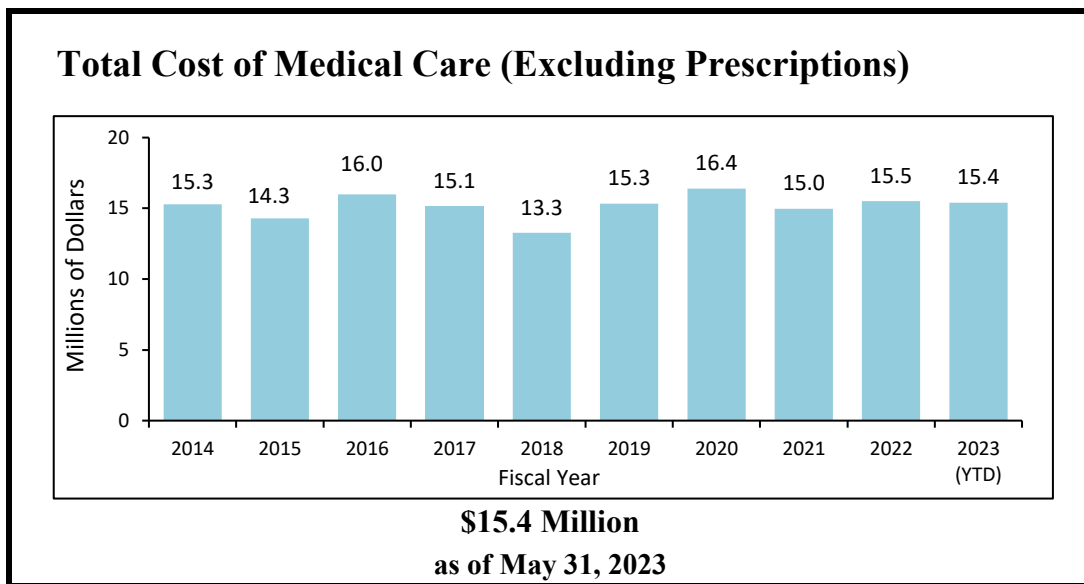


HUMAN RESOURCES

Performance Trends



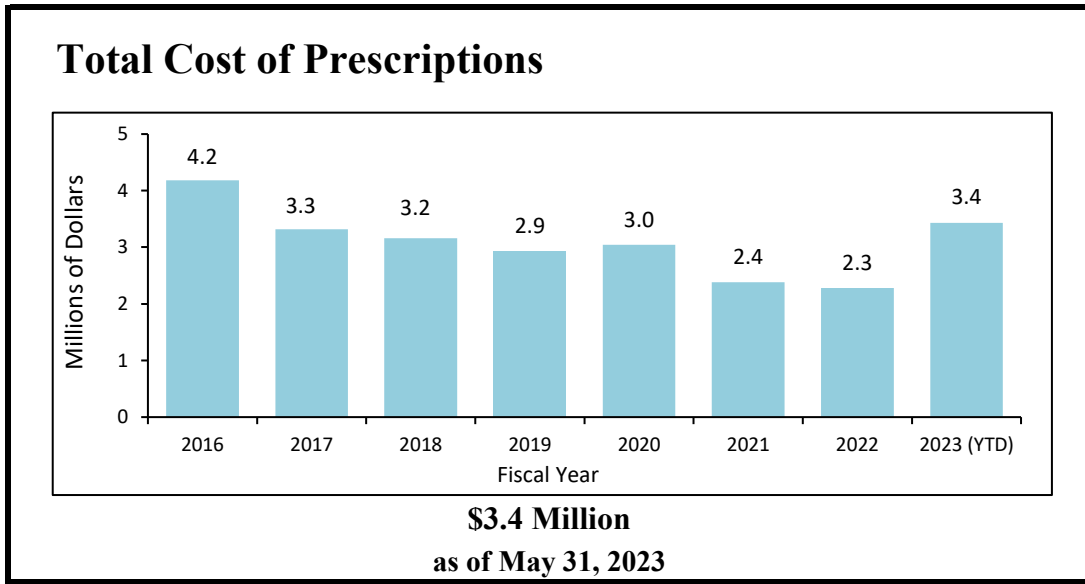
The above chart shows the annual total cost of workers' compensation claims from FY 2015 to FY 2023. The goal is to minimize these costs. The spike in FY 2017 was due to the extraordinary and tragic loss of three firefighters as a result of injuries sustained while fighting a home arson fire.



The above chart shows the annual total costs of medical care (excluding prescriptions) for City employees from FY 2014 to FY 2023. The goal is to minimize these costs and still provide high-quality medical care.

HUMAN RESOURCES

Performance Trends



The chart above shows the annual total cost of prescriptions for City employees from FY 2016 to FY 2023. The goal is to minimize these costs and still provide high-quality prescription services. The elevated total in FY 2023 is due to the timing of a rebate being booked in the previous fiscal year.

Department: Human Resources

Fund: General

Personal Services	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Regular Salaries	859,401	983,600	1,238,504	1,280,905	42,401	3.4%
Temporary Salaries	75,335	9,883	12,000	12,000	0	0.0%
Acting Out Of Classification	0	0	300	2,000	1,700	566.7%
Sick Leave Bonus	300	600	600	600	0	0.0%
Overtime	0	975	2,000	2,000	0	0.0%
Meal Allowance	264	77	145	202	57	39.3%
Health Cash Back	0	0	1,080	0	(1,080)	-100.0%
Pension Contribution	151,213	134,693	132,104	105,923	(26,181)	-19.8%
Social Security	60,713	61,960	75,414	78,221	2,807	3.7%
Medicare Tax	13,215	13,904	17,639	18,292	653	3.7%
Hospitalization	190,125	194,950	270,800	252,890	(17,910)	-6.6%
Life Insurance	3,043	3,531	3,984	3,984	0	0.0%
Pension Healthcare	60,692	66,375	70,599	74,583	3,984	5.6%
State Pension Plan - Civilian	22,781	37,599	45,298	50,901	5,603	12.4%
Attrition	0	0	(7,642)	(7,892)	(250)	3.3%
Total Personal Services	1,437,082	1,508,147	1,862,825	1,874,609	11,784	0.6%

Materials, Supplies, and Equipment	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Printing and Advertising	4,698	0	10,175	22,175	12,000	117.9%
Communications and Utilities	0	68	200	200	0	0.0%
Transportation	0	12,073	11,895	23,800	11,905	100.1%
Contracted Maintenance	486	535	650	650	0	0.0%
Professional Fees	4,180	42,548	125,075	59,500	(65,575)	-52.4%
Other Fees	3,299	2,187	4,589	4,589	0	0.0%
Memberships and Registrations	37,773	40,515	105,582	202,157	96,575	91.5%
Miscellaneous Services	24,786	37,593	121,115	354,200	233,085	192.4%
Office and General Supplies	1,445	4,202	8,000	8,500	500	6.3%
Wearing Apparel and Safety	971	703	1,100	1,800	700	63.6%
Misc. Mat., Supp., and Parts	17,555	31,462	33,500	39,000	5,500	16.4%
Equipment	3,198	3,637	5,500	2,000	(3,500)	-63.6%
Total M.S.&E.	98,391	175,523	427,381	718,571	291,190	68.1%

Internal Services	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Administrative Services	2,175	2,515	4,623	5,004	381	8.2%
Self-Insurance	9,003	10,929	7,438	7,662	224	3.0%
Total Internal Services	11,178	13,444	12,061	12,666	605	5.0%

Debt Service	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Principal Payments	5,073	21,420	27,075	24,807	(2,268)	-8.4%
Interest Payments	12,464	12,673	11,469	10,284	(1,185)	-10.3%
Total Debt Service	17,537	34,093	38,544	35,091	(3,453)	-9.0%

General Fund	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Total	1,564,188	1,731,207	2,340,811	2,640,937	300,126	12.8%

Department: Human Resources

Fund: Risk Management

Personal Services	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Regular Salaries	103,903	100,472	103,881	108,909	5,028	4.8%
Temporary Salaries	28,838	28,003	45,120	45,115	(5)	0.0%
Accrued Sick/Vacation	3,442	46,149	0	0	0	0.0%
Pension Contribution	27,066	25,908	27,299	28,359	1,060	3.9%
Social Security	8,046	7,796	9,123	9,429	306	3.4%
Medicare Tax	1,882	1,823	2,133	2,206	73	3.4%
Hospitalization	15,232	12,839	13,525	13,944	419	3.1%
Life Insurance	321	309	312	312	0	0.0%
Pension Healthcare	4,889	5,022	5,529	5,841	312	5.6%
State Pension Plan - Civilian	1,164	995	909	1,023	114	12.5%
Attrition	0	0	(1,249)	(1,290)	(41)	3.3%
Total Personal Services	194,783	229,316	206,582	213,848	7,266	3.5%

Materials, Supplies, and Equipment	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Transportation	536	4,611	4,540	4,540	0	0.0%
Insurance	2,280,938	4,058,116	3,902,181	4,223,679	321,498	8.2%
Professional Fees	186,721	182,633	236,460	241,400	4,940	2.1%
Memberships and Registrations	1,555	1,933	2,970	3,060	90	3.0%
Office and General Supplies	2,777	2,499	2,500	2,500	0	0.0%
Total M.S.&E.	2,472,527	4,249,792	4,148,651	4,475,179	326,528	7.9%

Internal Services	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Administrative Services	19,218	8,012	6,547	7,086	539	8.2%
Self-Insurance	1,158	1,189	1,224	1,259	35	2.9%
Total Internal Services	20,376	9,201	7,771	8,345	574	7.4%

Other / Special Purpose	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Self-Insurance Costs	455,593	317,497	0	0	0	0.0%
Depreciation	0	0	12,554	12,554	0	0.0%
Total Other / Special Purpose	455,593	317,497	12,554	12,554	0	0.0%

Risk Management	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Total	3,143,279	4,805,806	4,375,558	4,709,926	334,368	7.6%

Department: Human Resources

Fund: Workers' Compensation

Personal Services	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Regular Salaries	279,551	270,620	306,493	333,898	27,405	8.9%
Temporary Salaries	39,955	28,004	33,950	35,290	1,340	3.9%
Acting Out Of Classification	409	4,301	1,500	0	(1,500)	-100.0%
Overtime	2,469	2,309	4,840	4,840	0	0.0%
Meal Allowance	111	0	200	200	0	0.0%
Health Cash Back	0	1,080	0	2,160	2,160	0.0%
Accrued Sick/Vacation	(3,763)	44,260	0	0	0	0.0%
Pension Contribution	59,192	51,205	53,153	50,335	(2,818)	-5.3%
Social Security	19,250	18,118	20,886	22,874	1,988	9.5%
Medicare Tax	4,502	4,237	4,884	5,351	467	9.6%
Hospitalization	69,885	60,203	72,447	54,446	(18,001)	-24.8%
Life Insurance	975	1,004	1,032	1,032	0	0.0%
Pension Healthcare	14,135	15,117	18,288	19,320	1,032	5.6%
State Pension Plan - Civilian	4,610	7,275	7,556	8,523	967	12.8%
Total Personal Services	491,281	507,733	525,229	538,269	13,040	2.5%

Materials, Supplies, and Equipment	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Printing and Advertising	0	414	660	600	(60)	-9.1%
Transportation	0	2,463	8,800	8,800	0	0.0%
Insurance	250,794	229,248	517,250	517,250	0	0.0%
Rentals	0	0	200	100	(100)	-50.0%
Contracted Maintenance	1,764	335	1,400	1,400	0	0.0%
Professional Fees	321,036	252,344	385,450	439,778	54,328	14.1%
Memberships and Registrations	988	3,450	12,450	12,650	200	1.6%
Office and General Supplies	1,500	1,691	2,300	2,250	(50)	-2.2%
Wearing Apparel and Safety	1,236	1,427	2,100	1,900	(200)	-9.5%
Misc. Mat., Supp., and Parts	14,256	18,027	33,100	33,124	24	0.1%
Equipment	1,790	1,206	1,600	2,300	700	43.8%
Total M.S.&E.	593,364	510,605	965,310	1,020,152	54,842	5.7%

Internal Services	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Administrative Services	(270)	(9,720)	0	0	0	0.0%
Self-Insurance	2,273	2,335	2,414	2,490	76	3.1%
Total Internal Services	2,003	(7,385)	2,414	2,490	76	3.1%

Other / Special Purpose	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Workers' Compensation	102,374	39,752	137,000	100,000	(37,000)	-27.0%
Self-Insurance Costs	3,446,633	3,383,012	4,012,507	3,815,852	(196,655)	-4.9%
Depreciation	391	391	0	0	0	0.0%
Total Other / Special Purpose	3,549,398	3,423,155	4,149,507	3,915,852	(233,655)	-5.6%

Workers' Compensation	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Total	4,636,046	4,434,108	5,642,460	5,476,763	(165,697)	-2.9%

Department: Human Resources

Fund: Health and Welfare

Personal Services	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Regular Salaries	285,807	288,871	306,030	325,991	19,961	6.5%
Temporary Salaries	0	0	12,000	18,000	6,000	50.0%
Acting Out Of Classification	255	0	0	2,500	2,500	0.0%
Health Cash Back	0	0	1,080	0	(1,080)	-100.0%
Accrued Sick/Vacation	6,591	24,080	0	0	0	0.0%
Pension Contribution	6,055	5,901	6,315	6,782	467	7.4%
Social Security	17,171	17,209	19,484	21,082	1,598	8.2%
Medicare Tax	4,016	4,025	4,557	4,931	374	8.2%
Hospitalization	35,841	35,315	36,181	47,706	11,525	31.9%
Life Insurance	924	914	912	912	0	0.0%
Pension Healthcare	14,104	14,766	16,162	17,074	912	5.6%
State Pension Plan - Civilian	18,809	18,085	15,920	17,011	1,091	6.9%
Total Personal Services	389,573	409,166	418,641	461,989	43,348	10.4%

Materials, Supplies, and Equipment	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Printing and Advertising	0	0	500	500	0	0.0%
Communications and Utilities	81	0	500	500	0	0.0%
Transportation	0	961	10,000	10,000	0	0.0%
Professional Fees	209,322	186,794	193,530	193,705	175	0.1%
Memberships and Registrations	816	23,027	39,925	42,000	2,075	5.2%
Office and General Supplies	126	0	1,000	500	(500)	-50.0%
Wearing Apparel and Safety	0	346	600	750	150	25.0%
Misc. Mat., Supp., and Parts	719	87	1,150	1,250	100	8.7%
Equipment	5,339	380	1,250	1,250	0	0.0%
Total M.S.&E.	216,403	211,595	248,455	250,455	2,000	0.8%

Internal Services	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Self-Insurance	763	784	810	835	25	3.1%
Total Internal Services	763	784	810	835	25	3.1%

Other / Special Purpose	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Self-Insurance Costs	18,783,992	19,083,292	21,276,179	22,044,909	768,730	3.6%
Total Other / Special Purpose	18,783,992	19,083,292	21,276,179	22,044,909	768,730	3.6%

Health and Welfare	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Total	19,390,731	19,704,837	21,944,085	22,758,188	814,103	3.7%

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.

PRIORITIES FOR FISCAL YEAR 2024
<ul style="list-style-type: none"> • Increase code enforcement throughout the city to address blight. • Continue the implementation of the Salesforce software for the department. • Schedule and complete 500 rental inspections. • Identify non-licensed rental property owners and bring them to compliance. • Monitor civil penalties for rental properties. • Increase code enforcement of vacant properties and structures.

SUMMARY OF FUNDING FOR THE DEPARTMENT OF LICENSES & INSPECTIONS

Total All Funds Licenses & Inspections	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	Dollar Change FY'24-'23	Percent Change FY'24-'23
Personal Services	3,925,391	4,024,832	2,742,088	2,728,919	(13,169)	-0.5%
Materials, Supplies, and Equipment	354,634	851,565	265,234	294,609	29,375	11.1%
Internal Services	210,374	226,269	227,318	243,450	16,132	7.1%
Debt Service	779	1,679	2,791	2,243	(548)	-19.6%
Other / Special Purpose	256,385	255,657	269,365	276,099	6,734	2.5%
Total	4,747,563	5,360,002	3,506,796	3,545,320	38,524	1.1%
Staffing Levels	42.00	42.00	26.00	26.00	0.00	0.0%

General Fund Licenses & Inspections	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	Dollar Change FY'24-'23	Percent Change FY'24-'23
Personal Services	3,925,391	4,024,832	2,742,088	2,728,919	(13,169)	-0.5%
Materials, Supplies, and Equipment	354,634	851,565	265,234	294,609	29,375	11.1%
Internal Services	210,374	226,269	227,318	243,450	16,132	7.1%
Debt Service	779	1,679	2,791	2,243	(548)	-19.6%
Other / Special Purpose	256,385	255,657	269,365	276,099	6,734	2.5%
Total	4,747,563	5,360,002	3,506,796	3,545,320	38,524	1.1%
Staffing Levels	42.00	42.00	26.00	26.00	0.00	0.0%

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

- The department's budget for consultants has an increase of around \$15,000 or 72.9% as additional GPS services are needed for the department's vehicle fleet.
- Regarding uniforms & related equipment, there is an increase of nearly \$14,000 or 82.7% to purchase new coats for inspectors. Currently, employees are either wearing jackets over ten years old or personal items.

DEPARTMENT OF LICENSES & INSPECTIONS

Strategic Plan

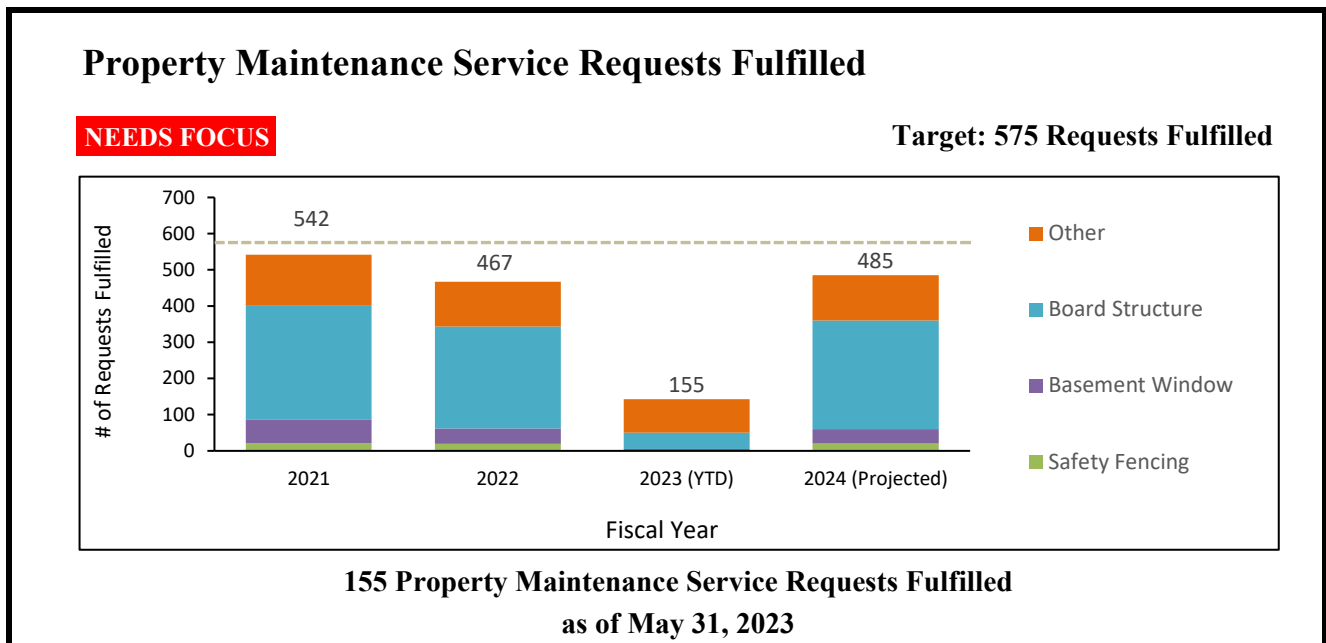
The Department of Licenses and Inspections (L&I) strives to promote and protect a safe living and working environment for all citizens of the City of Wilmington. This is achieved by enforcing and implementing the Wilmington City Code in a fair and unbiased manner. Our goal is to facilitate voluntary 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 and Blighted Conditions of Vacant Properties through Property Maintenance. The “Other” category includes requests to remove trash, debris, high grass, and weeds.



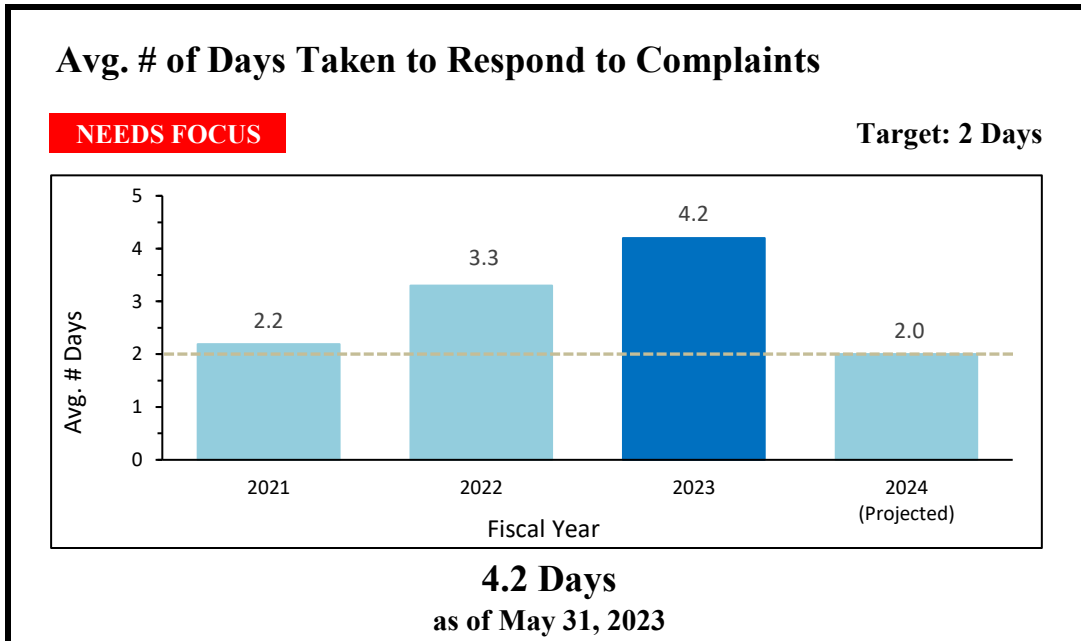
DEPARTMENT OF LICENSES & INSPECTIONS

Strategic Plan

Focus Area: Quality of Life

CITY-WIDE GOAL #17: Improve Housing Quality

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



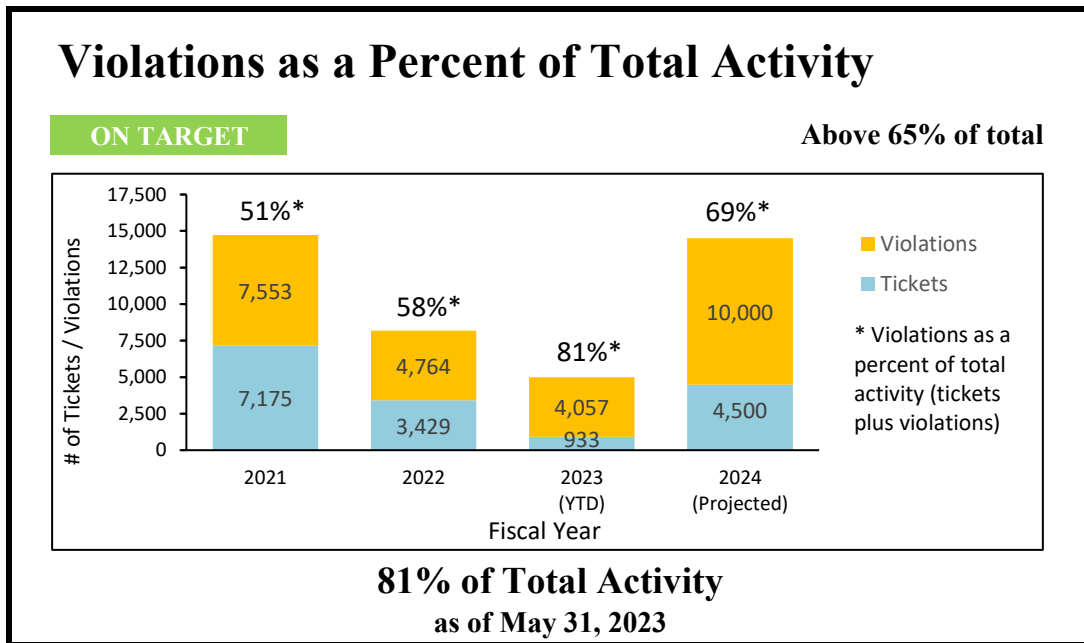
DEPARTMENT OF LICENSES & INSPECTIONS

Strategic Plan

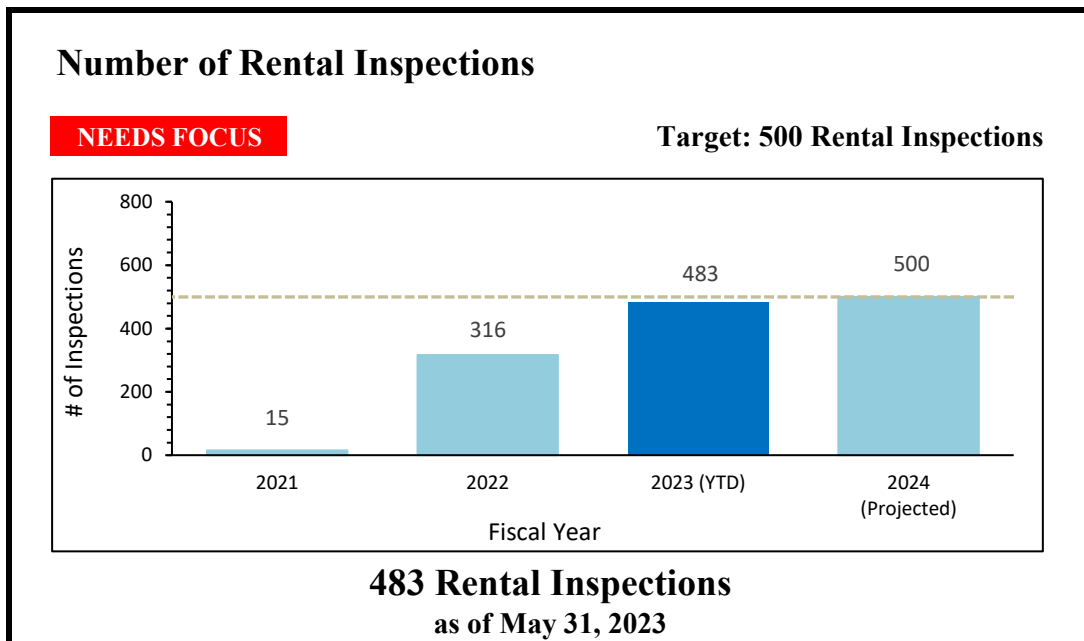
Focus Area: Quality of Life

CITY-WIDE GOAL #17: Improve Housing Quality

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

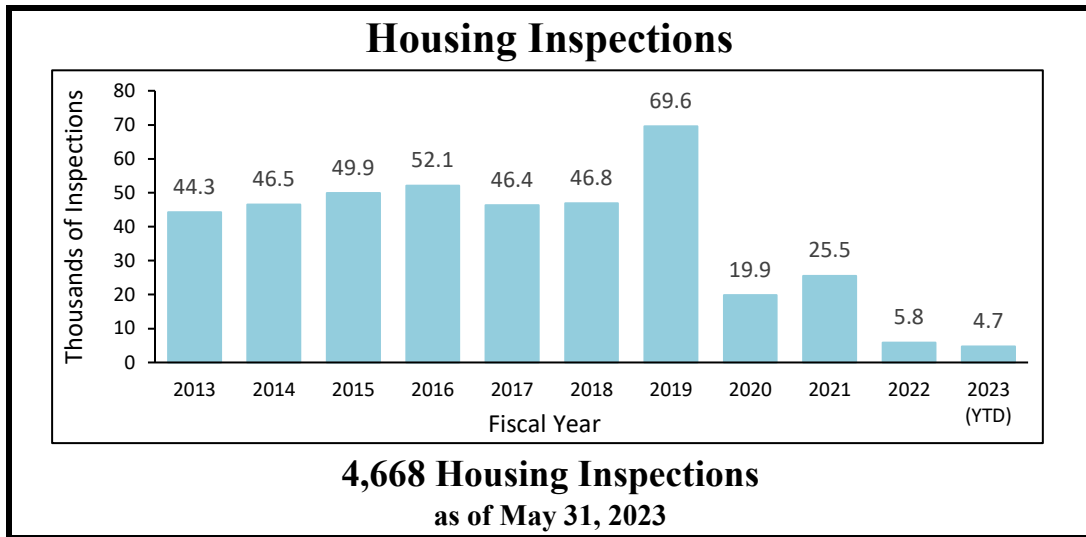


Objective 4: Increase the Number of Rental Inspections to Improve the Quality of Rental Housing

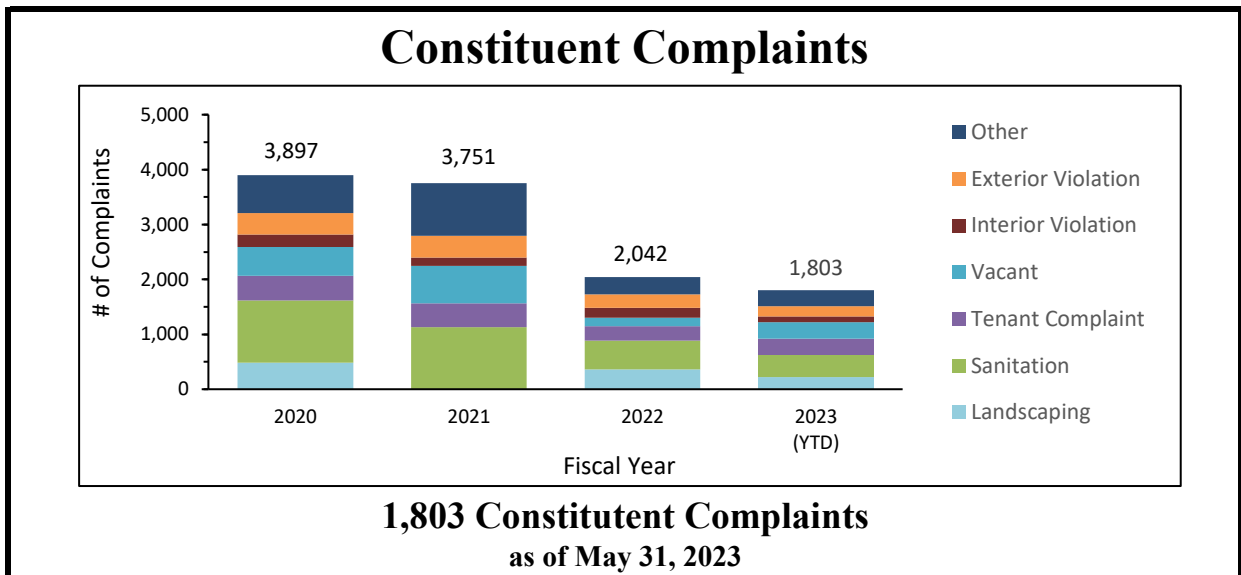


DEPARTMENT OF LICENSES AND INSPECTIONS

Performance Trends



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



Department: Licenses and Inspections

Fund: General

Personal Services	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Regular Salaries	2,372,676	2,394,681	1,660,531	1,684,046	23,515	1.4%
Temporary Salaries	916	20,819	0	0	0	0.0%
Acting Out Of Classification	1,688	5,564	500	2,000	1,500	300.0%
Sick Leave Bonus	3,200	1,650	1,000	1,000	0	0.0%
Overtime	24,396	44,727	30,000	30,000	0	0.0%
Meal Allowance	120	340	200	200	0	0.0%
Clothing Allowance	7,904	3,910	0	7,200	7,200	0.0%
Standby Pay	20,420	9,199	27,840	27,800	(40)	-0.1%
Health Cash Back	5,000	4,800	2,400	2,400	0	0.0%
Pension Contribution	488,808	507,680	268,159	194,824	(73,335)	-27.3%
Social Security	151,088	147,654	102,398	104,159	1,761	1.7%
Medicare Tax	36,707	34,531	23,950	24,359	409	1.7%
Hospitalization	585,600	615,270	492,268	500,149	7,881	1.6%
Life Insurance	9,441	9,383	6,231	6,238	7	0.1%
Pension Healthcare	153,552	167,941	110,578	116,818	6,240	5.6%
State Pension Plan - Civilian	52,875	56,683	44,580	57,206	12,626	28.3%
Personal Services Adjustment	11,000	0	6,750	6,971	221	3.3%
Attrition	0	0	(35,297)	(36,451)	(1,154)	3.3%
Total Personal Services	3,925,391	4,024,832	2,742,088	2,728,919	(13,169)	-0.5%

Materials, Supplies, and Equipment	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Printing and Advertising	9,584	6,919	13,000	17,000	4,000	30.8%
Transportation	0	0	2,500	2,500	0	0.0%
Rentals	31,200	31,200	26,132	26,132	0	0.0%
Contracted Maintenance	105,682	124,226	130,000	130,500	500	0.4%
Professional Fees	88,558	116,581	20,000	34,580	14,580	72.9%
Other Fees	6,707	3,515	7,000	7,000	0	0.0%
Memberships and Registrations	4,311	4,109	20,097	20,012	(85)	-0.4%
Miscellaneous Services	1,836	1,836	3,200	0	(3,200)	-100.0%
Office and General Supplies	5,679	4,912	4,385	4,385	0	0.0%
Wearing Apparel and Safety	31,608	28,161	27,420	41,000	13,580	49.5%
Misc. Mat., Supp., and Parts	704	3,610	2,500	2,500	0	0.0%
Construction and Repairs	64,161	521,600	4,000	4,000	0	0.0%
Equipment	4,604	4,896	5,000	5,000	0	0.0%
Total M.S.&E.	354,634	851,565	265,234	294,609	29,375	11.1%

Internal Services	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Administrative Services	166,594	179,283	179,490	194,280	14,790	8.2%
Self-Insurance	43,780	46,986	47,828	49,170	1,342	2.8%
Total Internal Services	210,374	226,269	227,318	243,450	16,132	7.1%

Department: Licenses and Inspections

Fund: General

	Actual	Actual	Budget	Budget	\$ Change	% Change
Debt Service	FY 2021	FY 2022	FY 2023	FY 2024	FY'24-'23	FY'24-'23
Principal Payments	0	775	2,024	1,537	(487)	-24.1%
Interest Payments	779	904	767	706	(61)	-8.0%
Total Debt Service	779	1,679	2,791	2,243	(548)	-19.6%

	Actual	Actual	Budget	Budget	\$ Change	% Change
Other / Special Purpose	FY 2021	FY 2022	FY 2023	FY 2024	FY'24-'23	FY'24-'23
Special Purpose	256,385	255,657	269,365	276,099	6,734	2.5%
Total Other / Special Purpose	256,385	255,657	269,365	276,099	6,734	2.5%

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

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 2024	
•	Update the Department of Parks and Recreation Work Rules and Policies Manual.
•	Provide more in-depth professional development trainings for FTE staff.
•	Provide career related certification for youth & adults.
•	Increase the number of residents through the nutrient program.
•	Provide new monthly recreational events throughout the city.
•	Establish a summer city swim league.
•	Expand and enhance program partnerships for educational and cultural enrichment.
•	Provide quarterly emergency health trainings; CPR, Narcan, and Stop the Bleed.
•	Expansion of the Community Garden to include supplying fresh products and fruit to the community refrigerator.
•	Development of the sustainability plan.
•	Develop and implement an Adopt-A-Park Program.

SUMMARY OF FUNDING FOR THE DEPARTMENT OF PARKS & RECREATION

Total All Funds Parks and Recreation	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	Dollar Change FY'24-'23	Percent Change FY'24-'23
Personal Services	4,747,267	4,723,772	5,531,293	5,612,796	81,503	1.5%
Materials, Supplies, and Equipment	4,019,049	2,753,740	2,234,296	2,416,919	182,623	8.2%
Internal Services	1,202,242	1,280,561	1,138,693	1,207,971	69,278	6.1%
Debt Service	1,181,581	2,329,158	2,377,984	2,969,211	591,227	24.9%
Total	11,150,139	11,087,231	11,282,266	12,206,897	924,631	8.2%
Staffing Levels	41.00	40.00	40.00	41.00	1.00	2.5%

General Fund Parks and Recreation	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	Dollar Change FY'24-'23	Percent Change FY'24-'23
Personal Services	4,182,898	4,277,029	4,854,650	4,923,398	68,748	1.4%
Materials, Supplies, and Equipment	1,216,038	1,285,871	1,390,467	1,556,248	165,781	11.9%
Internal Services	1,198,009	1,277,215	1,136,356	1,205,576	69,220	6.1%
Debt Service	1,181,581	2,329,158	2,377,984	2,969,211	591,227	24.9%
Total	7,778,526	9,169,273	9,759,457	10,654,433	894,976	9.2%
Staffing Levels	40.60	39.60	39.60	40.60	1.00	2.5%

Parks Assistance Fund Parks and Recreation	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	Dollar Change FY'24-'23	Percent Change FY'24-'23
Personal Services	132,127	169,520	296,995	304,040	7,045	2.4%
Materials, Supplies, and Equipment	2,803,011	1,467,869	842,079	858,921	16,842	2.0%
Total	2,935,138	1,637,389	1,139,074	1,162,961	23,887	2.1%
Staffing Levels	0.40	0.40	0.40	0.40	0.00	0.0%

Parks Trust Fund Parks and Recreation	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	Dollar Change FY'24-'23	Percent Change FY'24-'23
Personal Services	100,709	106,913	110,537	110,864	327	0.3%
Materials, Supplies, and Equipment	0	0	1,750	1,750	0	0.0%
Internal Services	4,233	3,346	2,337	2,395	58	2.5%
Total	104,942	110,259	114,624	115,009	385	0.3%
Staffing Levels	0.00	0.00	0.00	0.00	0.00	0.0%

Workforce Investment Board (WIB) Parks and Recreation	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	Dollar Change FY'24-'23	Percent Change FY'24-'23
Personal Services	331,533	170,310	269,111	274,494	5,383	2.0%
Total	331,533	170,310	269,111	274,494	5,383	2.0%
Staffing Levels	0.00	0.00	0.00	0.00	0.00	0.0%

MAJOR FUNDING CHANGES FROM PRIOR YEAR

- Relative to FY 2023, there is a net one FTE increase to the General Fund at a total net cost of \$43,242. In the Maintenance Division, a vacant Nursery Technician was deleted for a savings of \$45,541, while a Laborer I and Labor Foreman II were added at a combined cost of \$88,783.
- Personal Services rose by \$68,748, or 1.4%. While Salaries and Wages increased a total of \$165,104, this was counterbalanced by a \$92,861 decrease in Employee Benefits due to reduced Pension Contribution and Hospitalization costs.
- Temporary Salaries increased by \$61,050. A temp employee was added to manage transportation for events and programs at a cost of \$20,000. In addition, the budget was increased to cover higher pay rates and extended total weekly hours for the Family Matters Coordinator, Youth Career Development (YCD) workers, and Youth Workers within the Youth and Families Division.
- Temporary Agencies rose by \$50,940, or 20.2%, due to an increase in the hourly wages for laborers from \$12 to \$15 per hour.
- With boosted attendance and activity, and outdated equipment in the weight room and other areas needing replacement to ensure safety, Recreational Equipment was increased by \$45,000 for the William Hicks Anderson Community Center (WHACC).
- Electricity went up \$26,000 due to increased energy costs associated with parks and park structures.
- Rentals – N.O.C increased by \$25,932 for additional tables, chairs, and portable toilets as events and programs are being resumed and expanded following the end of the COVID pandemic.
- Overtime increased by \$13,000, or 9.3%, to cover the additional work hours resulting from expanded programming and events at WHACC.

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>.

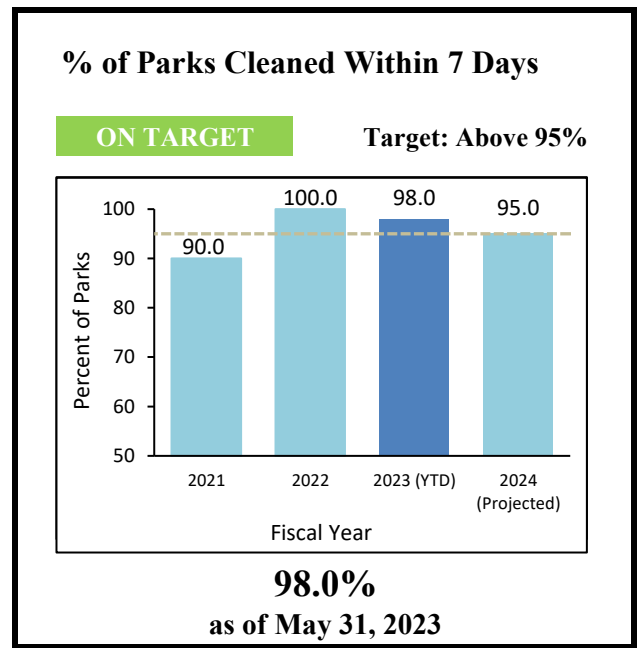
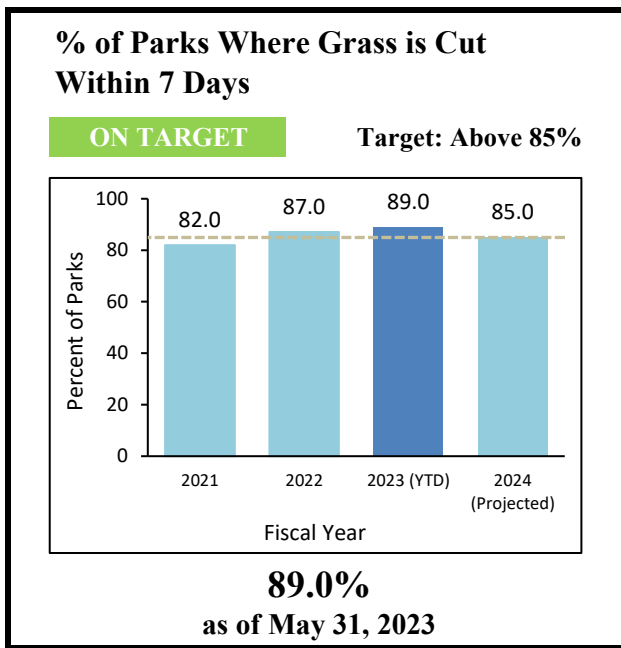
Focus Area: Quality of Life

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

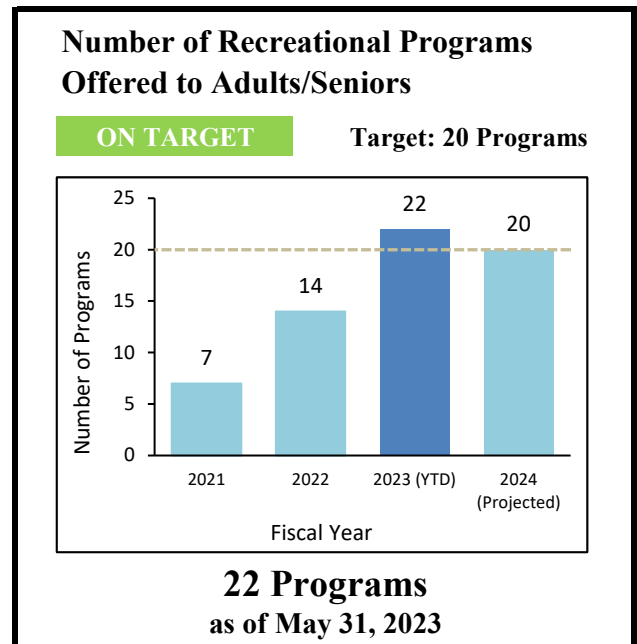
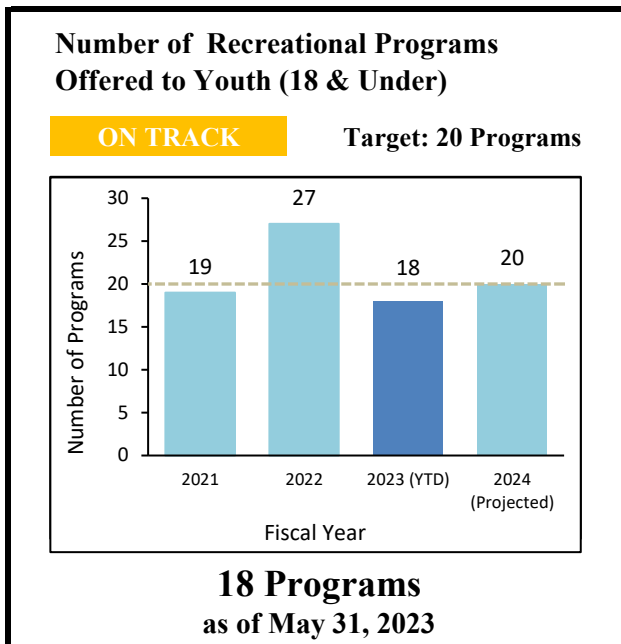
Strategic Plan

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

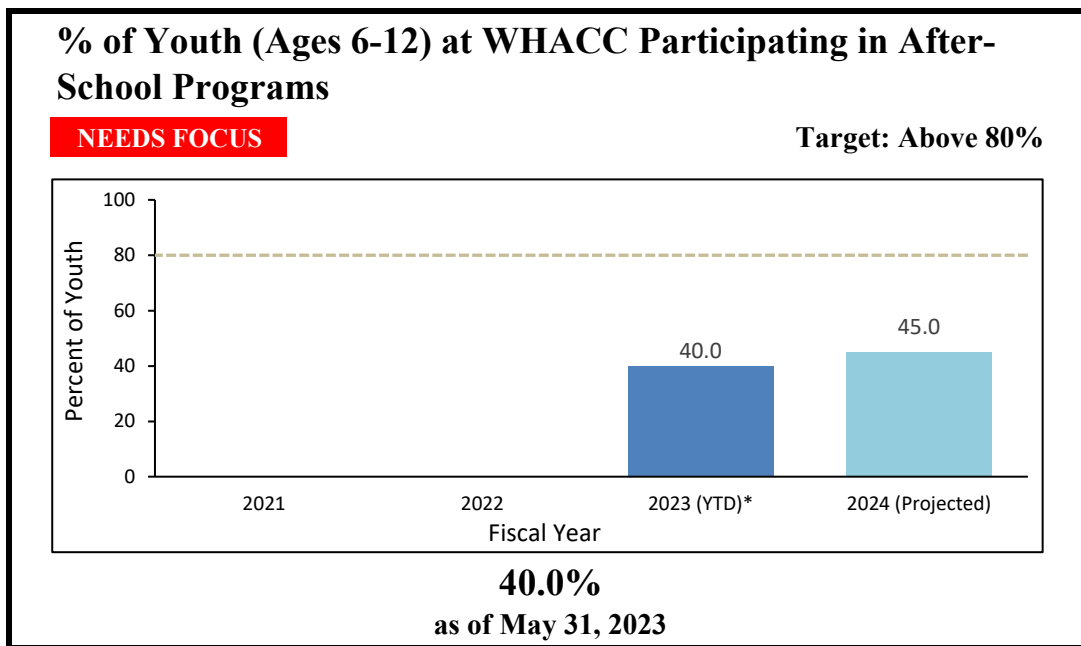
Strategic Plan

Focus Area: Quality of Life

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.



*In FY 2023, a new daily attendance and program sign-in sheet procedure was implemented at the WHACC. The implantation of these new measures was intended to enhance accuracy and efficiency in monitoring attendance and engagement at the WHACC.

DEPARTMENT OF PARKS & RECREATION

Strategic Plan

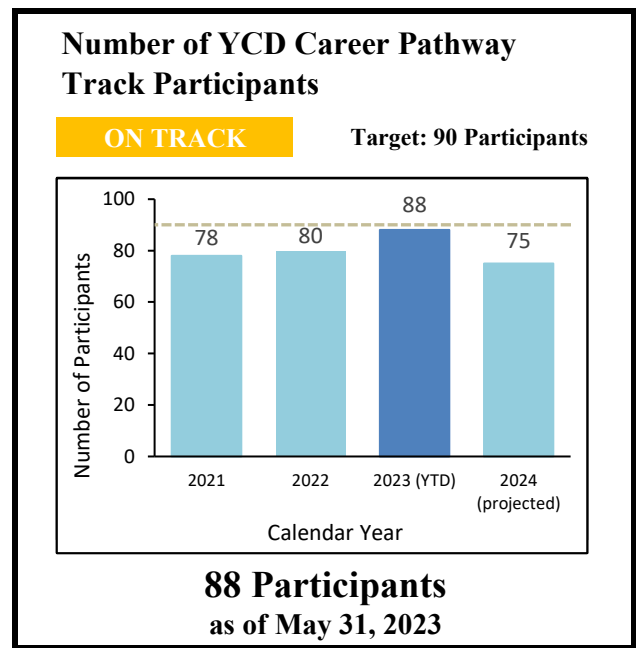
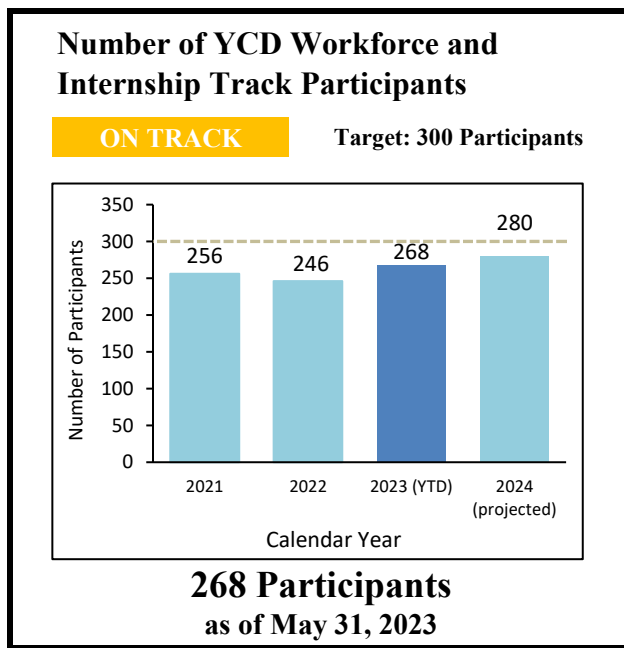
Focus Area: Quality of Life

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.

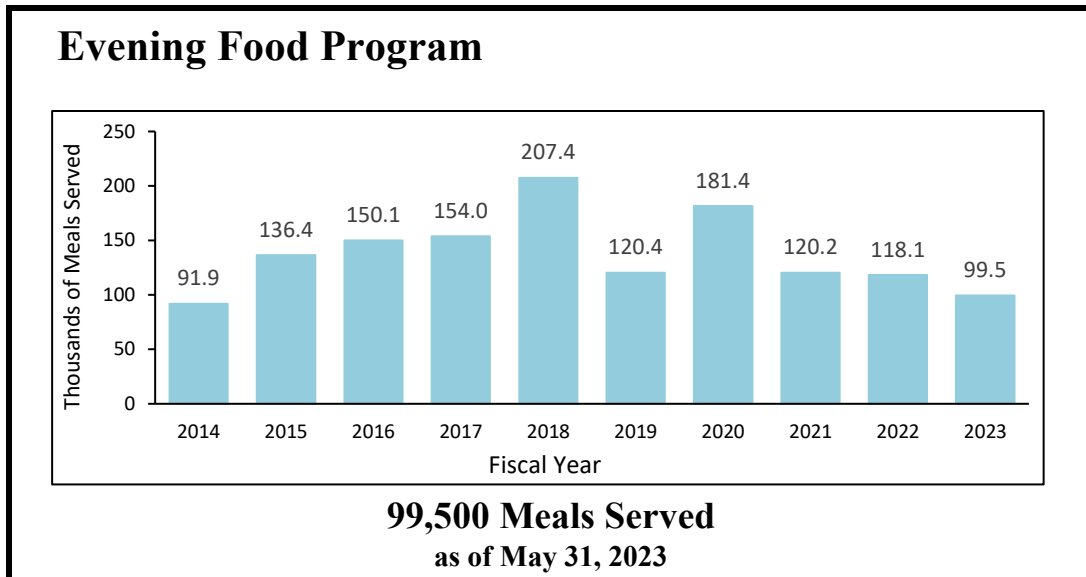
The Youth Career Development (YCD) Program is designed to provide youth with meaningful opportunities for employment by placing them in paid summer internships at various job sites throughout the City. Youth are given the chance to shadow professionals in areas of special interest, while gaining insight 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.

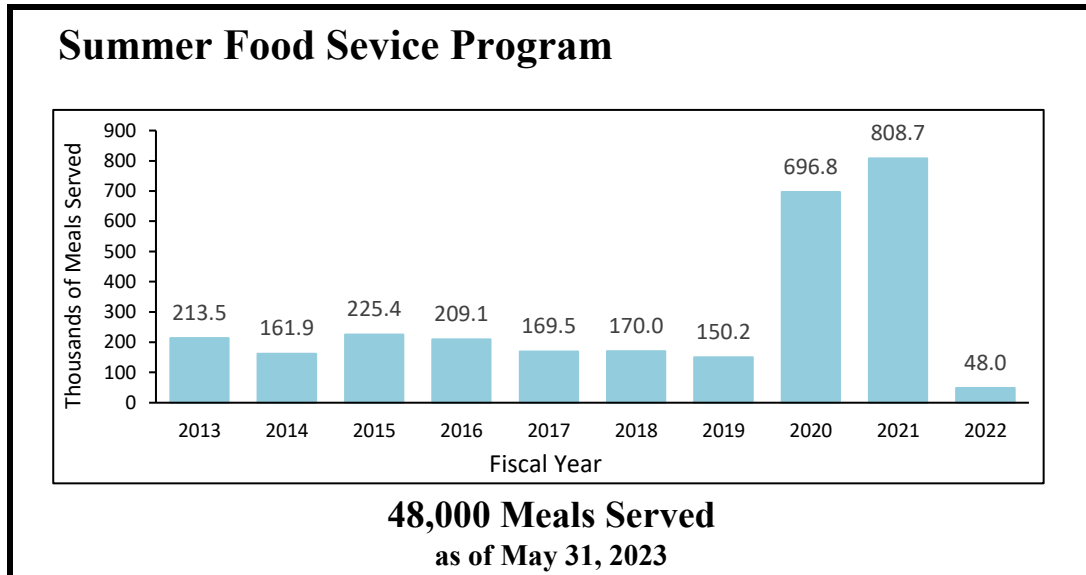


DEPARTMENT OF PARKS & RECREATION

Performance Trends



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.



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 decline in meals served in FY 2022 is attributed to some of the challenges the Nutrition program faced with their vendor last summer and their ability to deliver meals. The state also halted waivers, which meant that the youth were no longer allowed “grab and go” meals and had to remain and eat at the meal distribution sites.

Department: Parks and Recreation

Fund: General

Personal Services	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Regular Salaries	1,877,210	1,839,938	2,075,933	2,166,987	91,054	4.4%
Temporary Salaries	844,967	913,070	1,194,651	1,255,701	61,050	5.1%
Acting Out Of Classification	5,716	2,020	1,000	1,000	0	0.0%
Sick Leave Bonus	3,400	2,550	1,800	1,800	0	0.0%
Overtime	141,903	195,322	140,406	153,406	13,000	9.3%
Meal Allowance	4,581	5,718	4,000	4,000	0	0.0%
Clothing Allowance	2,500	1,269	2,000	2,000	0	0.0%
Health Cash Back	1,440	0	0	0	0	0.0%
Pension Contribution	256,235	301,644	306,722	212,476	(94,246)	-30.7%
Social Security	177,968	177,764	204,921	215,850	10,929	5.3%
Medicare Tax	41,133	35,338	47,925	50,478	2,553	5.3%
Hospitalization	603,508	569,953	744,067	701,147	(42,920)	-5.8%
Life Insurance	8,003	8,276	9,351	9,604	253	2.7%
Pension Healthcare	144,427	158,344	168,419	182,416	13,997	8.3%
State Pension Plan - Civilian	69,907	65,823	60,342	76,915	16,573	27.5%
Attrition	0	0	(106,887)	(110,382)	(3,495)	3.3%
Total Personal Services	4,182,898	4,277,029	4,854,650	4,923,398	68,748	1.4%

Materials, Supplies, and Equipment	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Printing and Advertising	7,324	3,775	9,652	10,452	800	8.3%
Communications and Utilities	193,954	205,795	200,000	226,000	26,000	13.0%
Transportation	153	9,714	15,500	17,000	1,500	9.7%
Rentals	7,864	41,026	58,165	74,800	16,635	28.6%
Contracted Maintenance	69,486	44,355	104,476	103,672	(804)	-0.8%
Professional Fees	270,190	312,168	317,359	370,174	52,815	16.6%
Other Fees	24,214	28,214	57,776	57,776	0	0.0%
Memberships and Registrations	2,258	21,489	11,950	12,450	500	4.2%
Miscellaneous Services	238,723	253,436	304,405	306,405	2,000	0.7%
Office and General Supplies	12,191	12,008	14,544	13,624	(920)	-6.3%
Wearing Apparel and Safety	54,708	55,534	46,900	51,400	4,500	9.6%
Misc. Mat., Supp., and Parts	135,429	157,601	155,866	162,286	6,420	4.1%
Petroleum and Chemicals	26,688	32,101	27,000	33,200	6,200	23.0%
Construction and Repairs	14,323	13,799	16,274	19,409	3,135	19.3%
Equipment	25,205	38,134	29,100	76,100	47,000	161.5%
Community Activities	133,328	56,722	21,500	21,500	0	0.0%
Total M.S.&E.	1,216,038	1,285,871	1,390,467	1,556,248	165,781	11.9%

Internal Services	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Administrative Services	634,977	580,320	672,255	727,649	55,394	8.2%
Self-Insurance	563,032	696,895	464,101	477,927	13,826	3.0%
Total Internal Services	1,198,009	1,277,215	1,136,356	1,205,576	69,220	6.1%

Department: Parks and Recreation

Fund: General

	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Debt Service						
Principal Payments	575,052	1,090,468	1,272,706	1,925,039	652,333	51.3%
Interest Payments	606,529	1,238,690	1,105,278	1,044,172	(61,106)	-5.5%
Total Debt Service	1,181,581	2,329,158	2,377,984	2,969,211	591,227	24.9%

	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
General Fund						
Total	7,778,526	9,169,273	9,759,457	10,654,433	894,976	9.2%

Department: Parks and Recreation

Fund: Parks Assistance

	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Personal Services						
Regular Salaries	24,182	25,240	23,999	25,245	1,246	5.2%
Temporary Salaries	87,015	118,568	241,004	245,825	4,821	2.0%
Social Security	6,798	8,811	16,341	16,728	387	2.4%
Medicare Tax	1,589	4,096	3,822	3,912	90	2.4%
Hospitalization	9,162	9,329	8,700	9,026	326	3.7%
Life Insurance	95	97	96	96	0	0.0%
Pension Healthcare	1,580	1,710	1,701	1,797	96	5.6%
State Pension Plan - Civilian	1,706	1,669	1,332	1,411	79	5.9%
Total Personal Services	132,127	169,520	296,995	304,040	7,045	2.4%

	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Materials, Supplies, and Equipment						
Transportation	0	0	13,034	13,295	261	2.0%
Rentals	10,328	496	5,489	5,599	110	2.0%
Professional Fees	91,500	110,594	0	0	0	0.0%
Miscellaneous Services	0	3,497	92,589	94,441	1,852	2.0%
Wearing Apparel and Safety	9,622	8,273	1,803	1,839	36	2.0%
Misc. Mat., Supp., and Parts	2,690,571	1,345,009	729,164	743,747	14,583	2.0%
Equipment	990	0	0	0	0	0.0%
Total M.S.&E.	2,803,011	1,467,869	842,079	858,921	16,842	2.0%

	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Parks Assistance Fund						
Total	2,935,138	1,637,389	1,139,074	1,162,961	23,887	2.1%

Department: Parks and Recreation

Fund: Parks Trust

	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Personal Services						
Regular Salaries	52,618	55,960	56,923	58,061	1,138	2.0%
Pension Contribution	14,535	16,928	17,760	15,618	(2,142)	-12.1%
Social Security	3,018	3,224	3,266	3,329	63	1.9%
Medicare Tax	706	754	764	778	14	1.8%
Hospitalization	25,931	25,914	27,331	28,345	1,014	3.7%
Life Insurance	241	241	240	240	0	0.0%
Pension Healthcare	3,660	3,892	4,253	4,493	240	5.6%
Total Personal Services	100,709	106,913	110,537	110,864	327	0.3%

	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Materials, Supplies, and Equipment						
Communications and Utilities	0	0	1,750	1,750	0	0.0%
Total M.S.&E.	0	0	1,750	1,750	0	0.0%

	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Internal Services						
Self-Insurance	4,233	3,346	2,337	2,395	58	2.5%
Total Internal Services	4,233	3,346	2,337	2,395	58	2.5%

	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Parks Trust Fund						
Total	104,942	110,259	114,624	115,009	385	0.3%

Department: Parks and Recreation

Fund: Workforce Investment Board (WIB)

	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Personal Services						
Temporary Salaries	308,030	154,514	249,987	254,987	5,000	2.0%
Social Security	19,046	9,435	15,499	15,809	310	2.0%
Medicare Tax	4,457	6,361	3,625	3,698	73	2.0%
Total Personal Services	331,533	170,310	269,111	274,494	5,383	2.0%

	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Workforce Investment Board (WIB)						
Total	331,533	170,310	269,111	274,494	5,383	2.0%

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.

PRIORITIES FOR FISCAL YEAR 2024
<ul style="list-style-type: none"> • Replace fire apparatus according to recommended replacement cycle. • Continue free smoke and carbon monoxide alarm programs for seniors and needy citizens. • Increase public education programs, targeting senior citizens and children. • Begin a recruit class any time uniformed staffing falls below 95% of authorized strength of 156 positions. • Continue the officer development program.

SUMMARY OF FUNDING FOR THE DEPARTMENT OF FIRE

Total All Funds Fire Department*	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	Dollar Change FY'24-'23	Percent Change FY'24-'23
Personal Services	23,587,309	23,017,568	23,103,206	24,084,296	981,090	4.2%
Materials, Supplies, and Equipment	639,137	896,987	1,170,496	1,322,369	151,873	13.0%
Internal Services	2,206,905	2,207,791	1,981,636	2,088,104	106,468	5.4%
Debt Service	845,840	1,373,170	1,479,778	1,519,024	39,246	2.7%
Total	27,279,191	27,495,516	27,735,116	29,013,793	1,278,677	4.6%
Staffing Levels	161.00	160.00	160.00	160.00	0.00	0.0%

General Fund Fire Department	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	Dollar Change FY'24-'23	Percent Change FY'24-'23
Personal Services	19,020,351	18,413,784	18,536,248	19,480,512	944,264	5.1%
Materials, Supplies, and Equipment	528,396	754,994	969,127	1,124,369	155,242	16.0%
Internal Services	2,206,905	2,207,791	1,981,636	2,088,104	106,468	5.4%
Debt Service	845,840	1,373,170	1,479,778	1,519,024	39,246	2.7%
Total	22,601,492	22,749,739	22,966,789	24,212,009	1,245,220	5.4%
Staffing Levels	161.00	160.00	160.00	160.00	0.00	0.0%

* Differs from Summary of All Funds Combined – Expenditures table on page 33 due to the inclusion of State Pension Contributions.

State Pension Contribution Fire Department	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	Dollar Change FY'24-'23	Percent Change FY'24-'23
Personal Services	4,566,958	4,603,784	4,566,958	4,603,784	36,826	0.8%
Total	4,566,958	4,603,784	4,566,958	4,603,784	36,826	0.8%
Staffing Levels	0.00	0.00	0.00	0.00	0.00	0.0%

State Fire Grant Fire Department	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	Dollar Change FY'24-'23	Percent Change FY'24-'23
Materials, Supplies, and Equipment	89,123	107,958	201,369	198,000	(3,369)	-1.7%
Total	89,123	107,958	201,369	198,000	(3,369)	-1.7%
Staffing Levels	0.00	0.00	0.00	0.00	0.00	0.0%

Federal Emergency Management and Other Misc. Grants Fire Department	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	Dollar Change FY'24-'23	Percent Change FY'24-'23
Materials, Supplies, and Equipment	21,618	34,035	0	0	0	0.0%
Total	21,618	34,035	0	0	0	0.0%
Staffing Levels	0.00	0.00	0.00	0.00	0.00	0.0%

MAJOR FUNDING CHANGES FROM PRIOR YEAR

- Salaries and Wages are budgeted to increase by \$510,964. Regular Salaries are up \$334,509 based on an estimated 2.5% COLA along with mandatory step increases. In addition, Overtime has been increased by \$198,000 to better reflect prior year actuals and ensure minimum staffing requirements are met.
- Total Employee Benefits are up \$476,017. City-sponsored pensions are budgeted to decrease by \$130,535, due to the implementation of a revised pension amortization schedule, along with an increase in the State Pension passthrough (which acts as an offset to the City pension contribution requirements). Conversely, contributions to the State Pension increased by \$204,322, reflecting rate increases in the State-sponsored plans. Finally, Hospitalization increased by \$321,719, due in part to Citywide increases in healthcare costs.
- Consultants increased by a net \$79,675. Most of this increase is due to the biennial promotional exam, budgeted at \$70,000 (and previously budgeted at \$45,000 in FY 2022). In addition, the Fire Marshall's Office has budgeted a \$15,000 increase to the plan review contract.
- Wearing Apparel and Safety is up \$35,708 across all lines. This majority of this increase is for the \$20,000 purchase of new 2 ½" hose, with the remainder the result of cost increases for uniforms, gear, and protective equipment for current firefighters and the upcoming rookie class.
- Electricity costs are budgeted to increase \$20,000, to a new total of \$120,000, consistent with historical trends.
- Contracted Maintenance Services are up \$17,717, due mainly to the addition of \$10,000 for third-party high pressure hose testing.
- Debt Service costs increased by a net \$39,246 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.

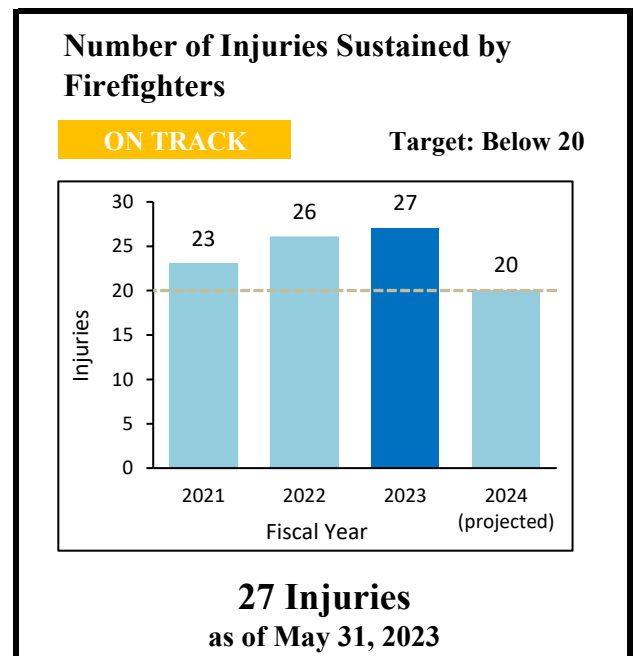
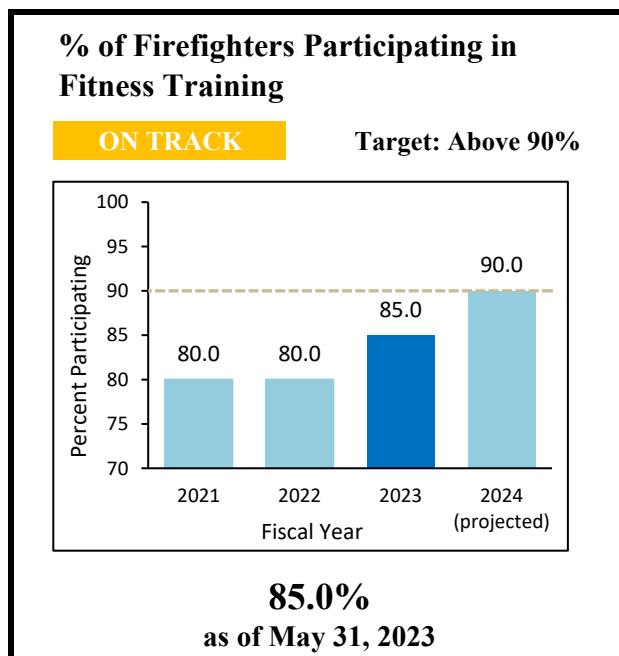
Department officials have shown their commitment to providing the best emergency services delivery through the promotion of implementation of National Fire Protection Agency standards, continuous training, active involvement with community associations, and implementation of a Customer Satisfaction Survey.

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.

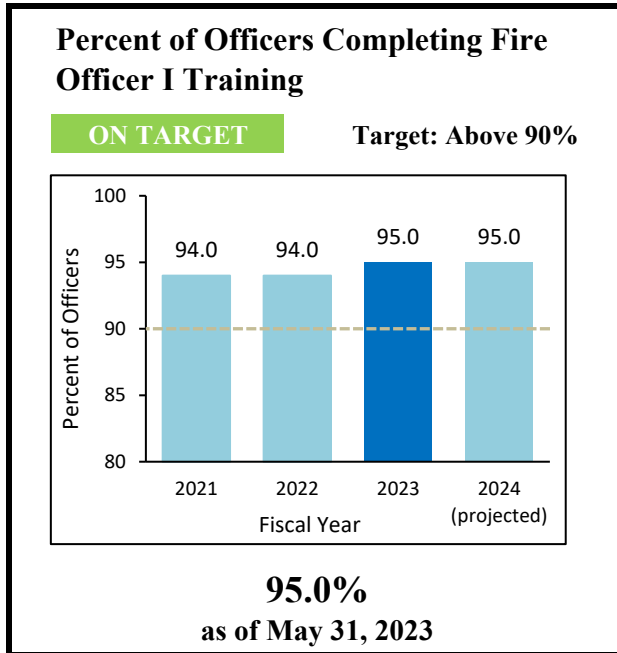


DEPARTMENT OF FIRE Strategic Plan

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.



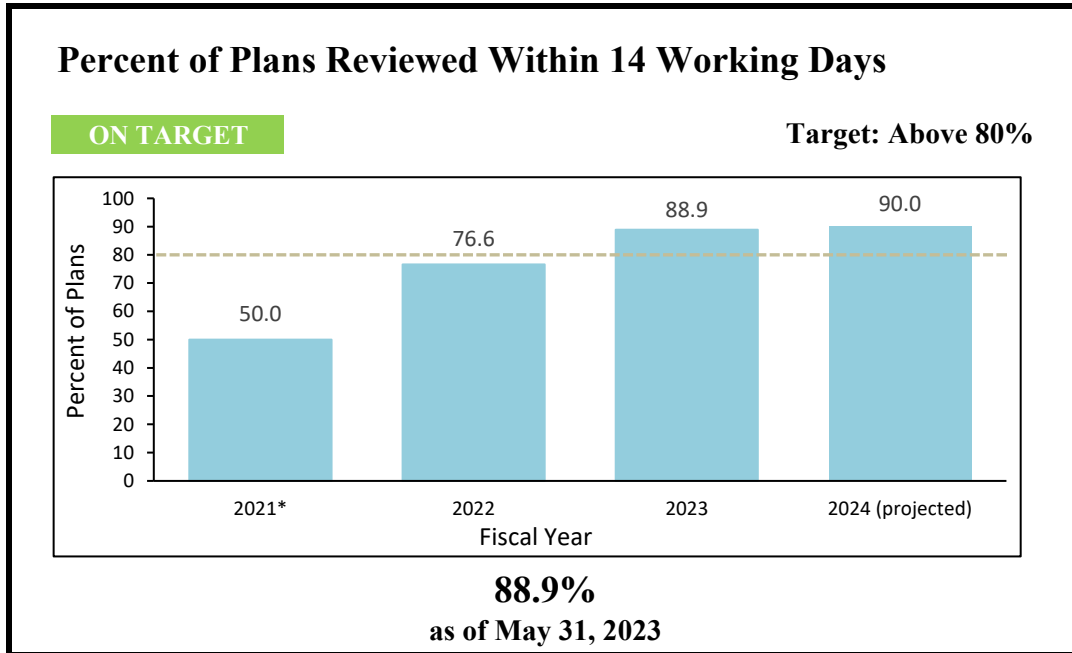
* Officer III training was first available in FY 2022.

DEPARTMENT OF FIRE Strategic Plan

Focus Area: Economic Vitality

CITY-WIDE GOAL #9: Streamline Permitting Process.

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



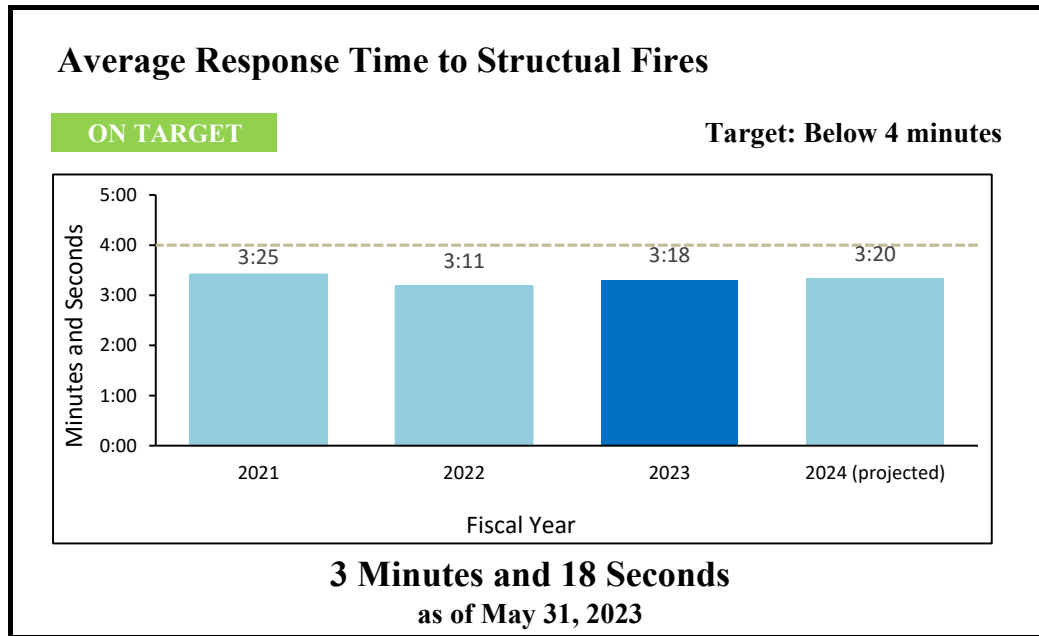
Note: FY 2021 reviews were delayed due to the combined effects of COVID and the transition from in-house to external plan review.

DEPARTMENT OF FIRE Strategic Plan

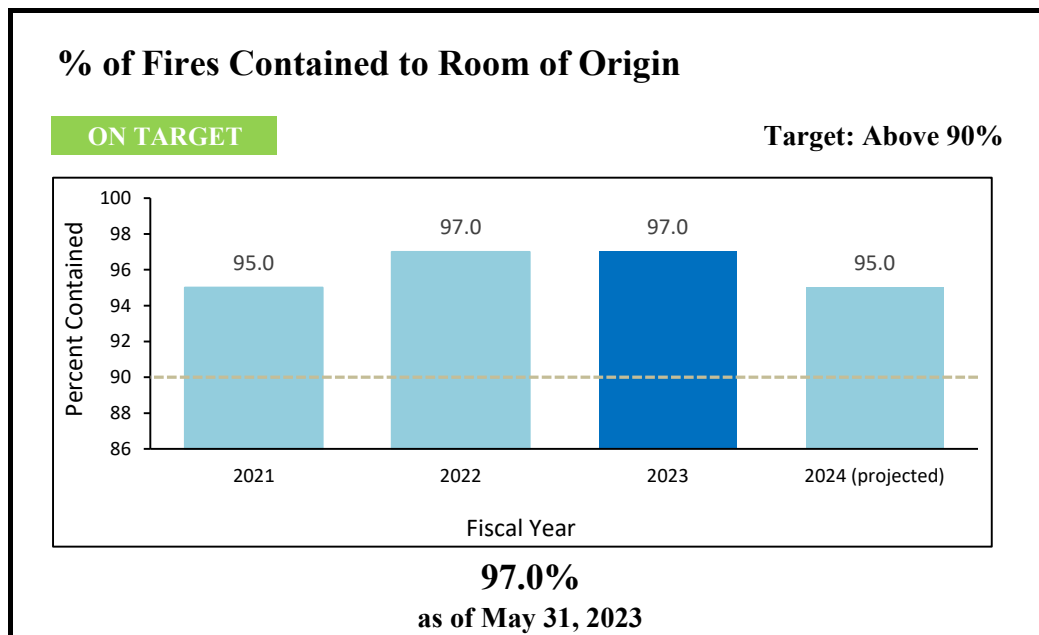
Focus Area: Quality of Life

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.

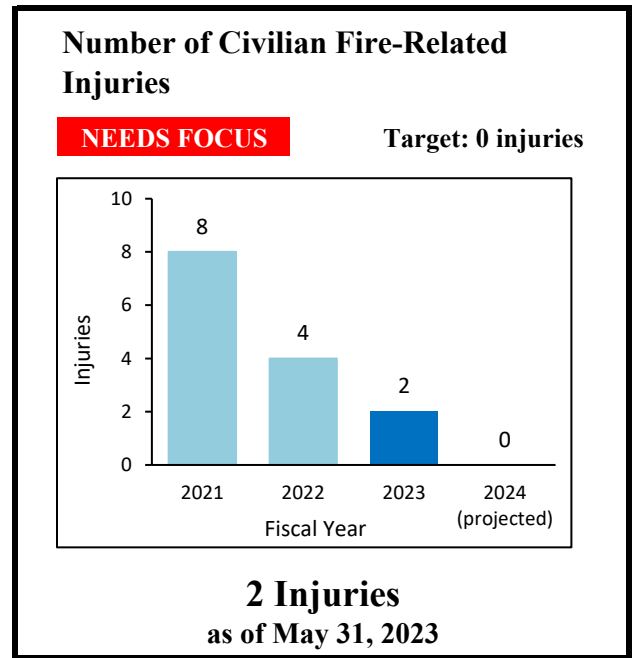
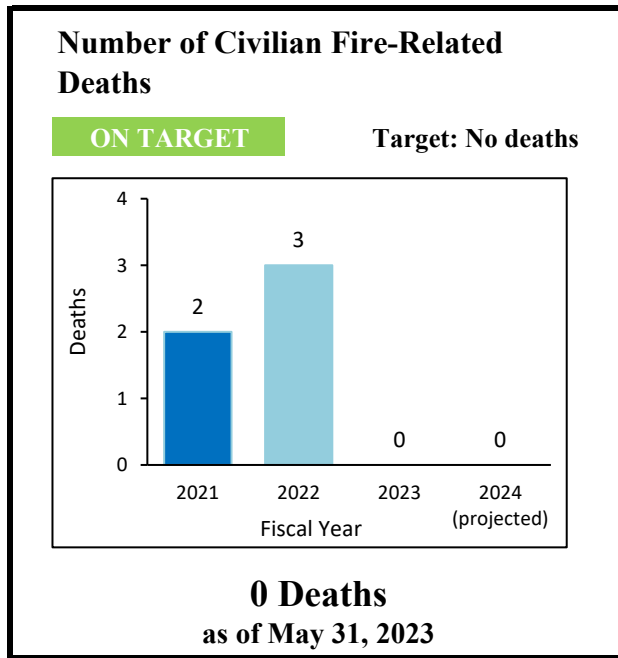


DEPARTMENT OF FIRE Strategic Plan

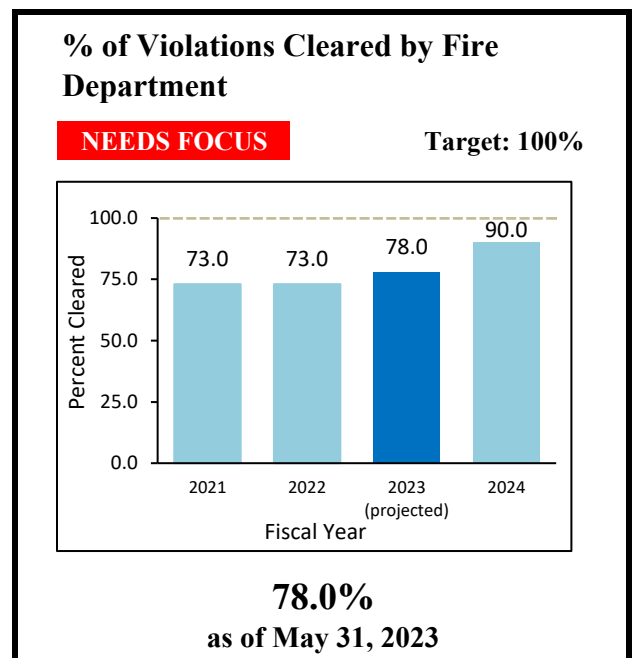
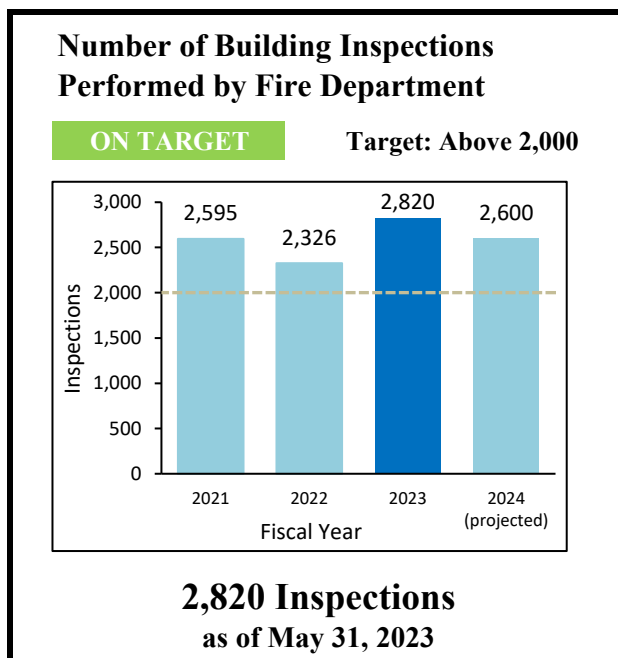
Focus Area: Quality of Life

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.



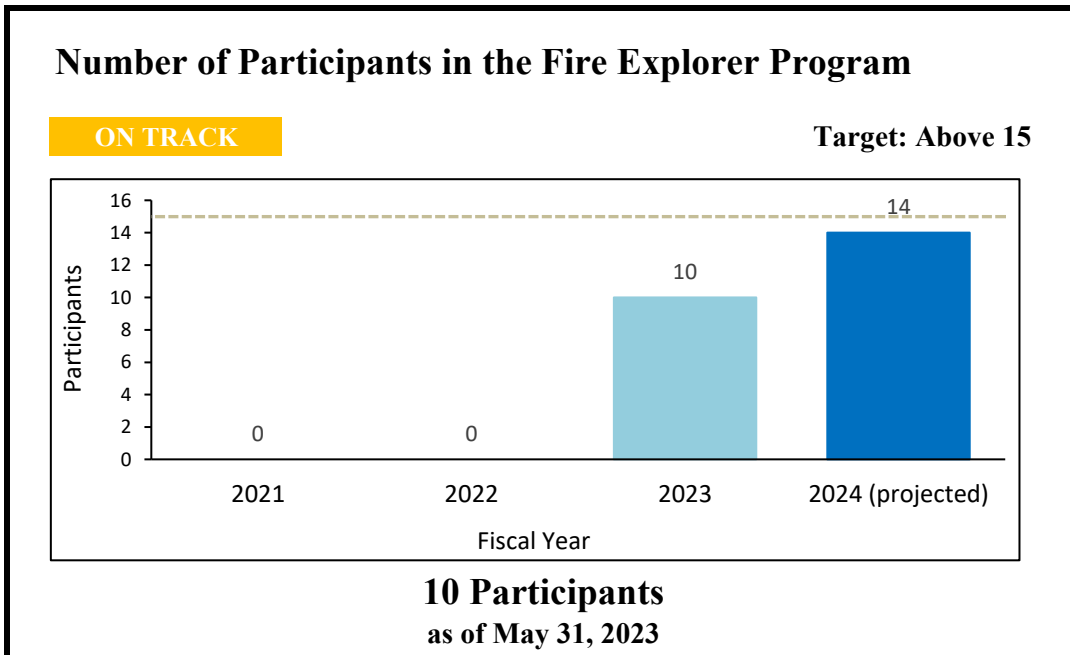
DEPARTMENT OF FIRE Strategic Plan

Focus Area: Quality of Life

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

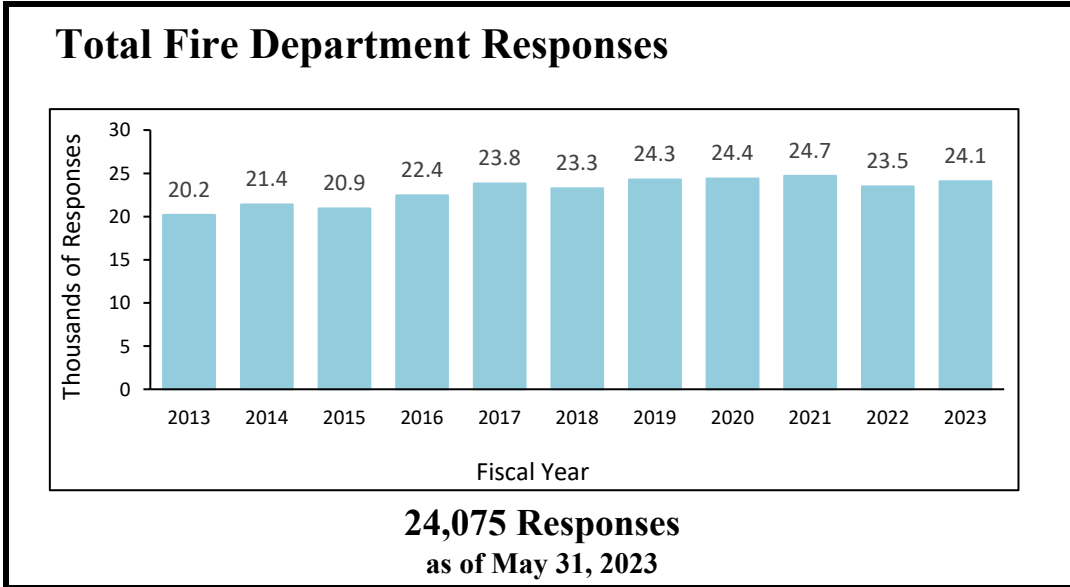
Objective 1: Increase involvement in the Fire Explorer program. Involving youth with the Explorer Program will assist young people ages 14-20 in choosing a career in the emergency services field. Six members of the Wilmington Fire Department Explorer Post 100 have been hired as Wilmington Firefighters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

Note that for FY 2021 and FY 2022 the Fire Explorer program was temporarily deferred due to COVID-19.

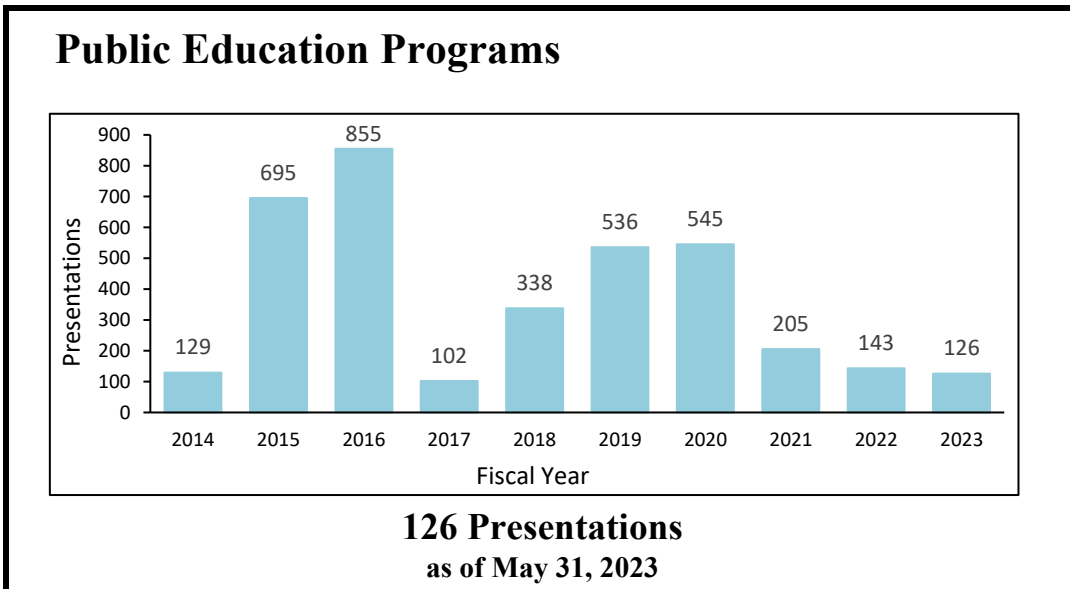


DEPARTMENT OF FIRE

Performance Trends



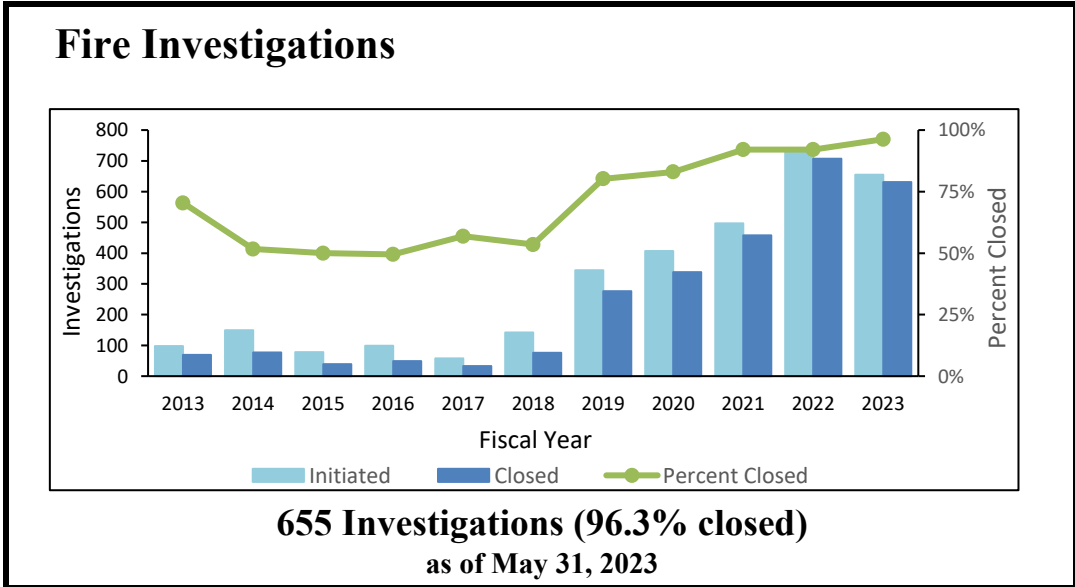
Total responses includes those for engine and ladder companies, rescue and ambulance units, and marine fire units.



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 post- FY 2020 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

Personal Services	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Regular Salaries	11,819,247	11,683,698	12,273,931	12,608,440	334,509	2.7%
Acting Out Of Classification	15,146	32,080	31,000	25,000	(6,000)	-19.4%
Sick Leave Bonus	0	400	0	0	0	0.0%
Overtime	1,716,900	999,609	795,000	993,000	198,000	24.9%
Holiday Pay	24,536	27,373	28,600	26,975	(1,625)	-5.7%
Special Events Overtime	18,696	1,967	0	0	0	0.0%
Clothing Allowance	73	0	0	0	0	0.0%
Health Cash Back	14,200	13,800	13,920	0	(13,920)	-100.0%
Pension Contribution	(36,131)	29,859	175,738	45,203	(130,535)	-74.3%
Social Security	15,409	12,837	13,225	13,716	491	3.7%
Medicare Tax	229,496	172,616	182,391	187,185	4,794	2.6%
Hospitalization	2,827,232	3,010,193	3,139,002	3,460,721	321,719	10.2%
Life Insurance	37,913	39,199	38,400	38,400	0	0.0%
State Pension Plan - Police/Fire	1,744,970	1,746,415	1,341,430	1,545,527	204,097	15.2%
Pension Healthcare	588,616	639,777	680,480	718,880	38,400	5.6%
State Pension Plan - Civilian	4,048	3,961	3,297	3,522	225	6.8%
Attrition	0	0	(180,166)	(186,057)	(5,891)	3.3%
Total Personal Services	19,020,351	18,413,784	18,536,248	19,480,512	944,264	5.1%

Materials, Supplies, and Equipment	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Printing and Advertising	6,208	289	8,880	8,704	(176)	-2.0%
Communications and Utilities	92,631	101,398	106,036	124,829	18,793	17.7%
Transportation	678	3,059	20,000	20,000	0	0.0%
Contracted Maintenance	95,294	120,709	124,000	130,150	6,150	5.0%
Professional Fees	99,265	209,726	180,500	260,175	79,675	44.1%
Memberships and Registrations	31,910	31,265	109,900	103,220	(6,680)	-6.1%
Miscellaneous Services	73,210	122,726	141,138	158,855	17,717	12.6%
Office and General Supplies	13,030	26,624	33,400	34,415	1,015	3.0%
Wearing Apparel and Safety	66,884	93,096	179,673	215,381	35,708	19.9%
Misc. Mat., Supp., and Parts	29,532	32,502	32,300	34,590	2,290	7.1%
Construction and Repairs	1,200	2,000	2,000	2,100	100	5.0%
Equipment	18,554	11,600	16,300	16,950	650	4.0%
Community Activities	0	0	15,000	15,000	0	0.0%
Total M.S.&E.	528,396	754,994	969,127	1,124,369	155,242	16.0%

Internal Services	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Administrative Services	872,672	766,222	866,743	938,163	71,420	8.2%
Self-Insurance	1,334,233	1,441,569	1,114,893	1,149,941	35,048	3.1%
Total Internal Services	2,206,905	2,207,791	1,981,636	2,088,104	106,468	5.4%

Debt Service	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Principal Payments	474,226	816,552	989,764	1,067,231	77,467	7.8%
Interest Payments	371,614	556,618	490,014	451,793	(38,221)	-7.8%
Total Debt Service	845,840	1,373,170	1,479,778	1,519,024	39,246	2.7%

Department: Fire

Fund: General

	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
General Fund						
Total	22,601,492	22,749,739	22,966,789	24,212,009	1,245,220	5.4%

Department: Fire

Fund: State Pension Contributions

	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Personal Services						
State Pension Contribution	4,566,958	4,603,784	4,566,958	4,603,784	36,826	0.8%
Total Personal Services	4,566,958	4,603,784	4,566,958	4,603,784	36,826	0.8%

Department: Fire

Fund: State Fire Grant

Materials, Supplies, and Equipment	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Contracted Maintenance	0	1,185	8,568	75,000	66,432	775.4%
Professional Fees	0	0	2,292	0	(2,292)	-100.0%
Memberships and Registrations	0	32,390	3,000	33,000	30,000	1000.0%
Wearing Apparel and Safety	72,585	74,383	87,509	75,000	(12,509)	-14.3%
Fixed Assets	16,538	0	100,000	15,000	(85,000)	-85.0%
Total M.S.&E.	89,123	107,958	201,369	198,000	(3,369)	-1.7%

State Fire Grant	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Total	89,123	107,958	201,369	198,000	(3,369)	-1.7%

Department: Fire

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

Materials, Supplies, and Equipment	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Transportation	3,121	0	0	0	0	0.0%
Contracted Maintenance	18,497	0	0	0	0	0.0%
Miscellaneous Services	0	20,650	0	0	0	0.0%
Wearing Apparel and Safety	0	13,385	0	0	0	0.0%
Total M.S.&E.	21,618	34,035	0	0	0	0.0%

Federal Emergency Management and Other Misc. Grants	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Total	21,618	34,035	0	0	0	0.0%

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.

PRIORITIES FOR FISCAL YEAR 2024
<ul style="list-style-type: none"> 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

Total All Funds Police*	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	Dollar Change FY'24-'23	Percent Change FY'24-'23
Personal Services	53,244,515	56,168,943	55,180,308	55,860,960	680,652	1.2%
Materials, Supplies, and Equipment	2,954,964	4,067,694	3,504,699	4,131,913	627,214	17.9%
Internal Services	5,273,097	5,863,342	5,369,469	5,694,040	324,571	6.0%
Debt Service	129,084	205,439	238,837	156,418	(82,419)	-34.5%
Total	61,601,660	66,305,418	64,293,313	65,843,331	1,550,018	2.4%
Staffing Levels	379.00	380.00	373.00	374.00	1.00	0.3%

General Fund Police	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	Dollar Change FY'24-'23	Percent Change FY'24-'23
Personal Services	49,465,770	52,718,677	52,645,346	53,059,825	414,479	0.8%
Materials, Supplies, and Equipment	2,489,187	2,711,491	3,504,699	4,131,913	627,214	17.9%
Internal Services	5,273,097	5,863,342	5,369,469	5,694,040	324,571	6.0%
Debt Service	129,084	205,439	238,837	156,418	(82,419)	-34.5%
Total	57,357,138	61,498,949	61,758,351	63,042,196	1,283,845	2.1%
Staffing Levels	373.57	374.57	365.00	366.00	1.00	0.3%

* Differs from Summary of All Funds Combined – Expenditures table on page 33 due to the inclusion of State Pension Contributions.

State Pension Contribution Police	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	Dollar Change FY'24-'23	Percent Change FY'24-'23
Personal Services	1,785,108	2,014,151	1,785,108	2,014,151	229,043	12.8%
Total	1,785,108	2,014,151	1,785,108	2,014,151	229,043	12.8%
Staffing Levels	0.00	0.00	0.00	0.00	0.00	0.0%

SALLE and Other Special Grants Police	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	Dollar Change FY'24-'23	Percent Change FY'24-'23
Personal Services	1,993,637	1,436,115	749,854	786,984	37,130	5.0%
Materials, Supplies, and Equipment	465,777	1,356,203	0	0	0	0.0%
Total	2,459,414	2,792,318	749,854	786,984	37,130	5.0%
Staffing Levels	5.43	5.43	8.00	8.00	0.00	0.0%

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

- Relative to the FY 2023 budget, total General Fund Police Department Personal Services costs increased by \$643,522. General Fund FTEs increased by one, to a new total of 366 (for an all-funds total of 374). Total sworn officers remained unchanged, at 304 (all funds total of 312). Major staffing changes include:
 - A full-time Victim Services Specialist, which had previously been a grant-funded temporary position, was added to the General Fund at a cost of \$76,145.
 - Three other positions received upgrades: a Senior Crime Analyst (upgraded from Crime Analyst, \$1,670 increase); the Vehicle Maintenance Technician (\$1,165 increase); and the Senior Emergency Communication Specialist (\$2,196).
- Regular Salaries are budgeted to increase by \$997,802, exclusive of the position changes listed above. The budget provides for a 3.0% cost-of-living adjustment (COLA) for rank-and-file officers (per the existing contract) and an estimated 2.5% COLA for all other employees, along with mandatory step increases as appropriate.
- Combined Overtime costs are budgeted to increase by a net \$75,141. This includes a \$298,800 increase for regular Overtime and a \$207,000 decrease in Special Events – Overtime, representing a reallocation of Overtime funding to better reflect historical actual spending.
- Total Employee Benefits are budgeted to decrease by a net \$469,599. The largest element of this change is a \$1,378,993 decrease to the City-sponsored pensions, due to the implementation of a revised pension amortization schedule, along with a \$229,043 increase in the State Pension passthrough (which acts as an offset to the City pension contribution requirements). Partially offsetting this decrease is a \$229,043 increase in contributions to the State Pension, reflecting rate increases in the State-sponsored plans.
- Consultants costs are budgeted to increase by a total of \$185,100. The majority of this increase is funding for the biennial promotional exam, budgeted at \$165,000 (and previously budgeted at \$105,000 in FY 2022). In addition, the consultants contract for the Real-Time Crime Center camera watch system increased by \$19,600.
- Contracted Maintenance Services increased by \$201,684. This includes a \$109,000 increase to the Advantech neighborhood camera maintenance agreement, \$35,000 for Public Safety Building cameras, and a variety of smaller increases to existing contracts.
- Other Noncapitalized Equipment increased by \$141,500. Major components include an additional \$100,000 to purchase dress vest outer carriers, as well as \$20,000 for Technical Resource Unit computer equipment upgrades.

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

- Subscriptions/Books increased by a net \$25,600, mainly due to the purchase of a wellness app to support officer mental health.
- A variety of other lines have smaller increases: \$18,000 in Building or Land Rental for vice office rental; \$11,800 in additional Laboratory Fees for various testing supplies and services; a \$10,000 increase to Facilities Management Fees related to the Public Safety Building; an additional \$23,300 in total Miscellaneous Materials, Supplies, and Parts, mainly for additional food and canine equipment; and \$9,840 in Computer Software – Capital, mainly for cloud software for the Technical Resource Unit.
- Debt Service costs decreased by a net \$82,419 per the existing debt service schedule.

**MAJOR FUNDING CHANGES FROM PRIOR YEAR
SPECIAL FUNDS**

- Relative to the FY 2023 budget, total Special Fund Police Department Personal Services costs increased by \$37,130, driven mainly by a 3.0% cost-of-living adjustment (COLA) for rank-and-file officers (per the existing contract), along with benefit increases.
- Total Special Fund FTEs are unchanged at eight, all of which are sworn officers.

DEPARTMENT OF POLICE

Strategic Plan

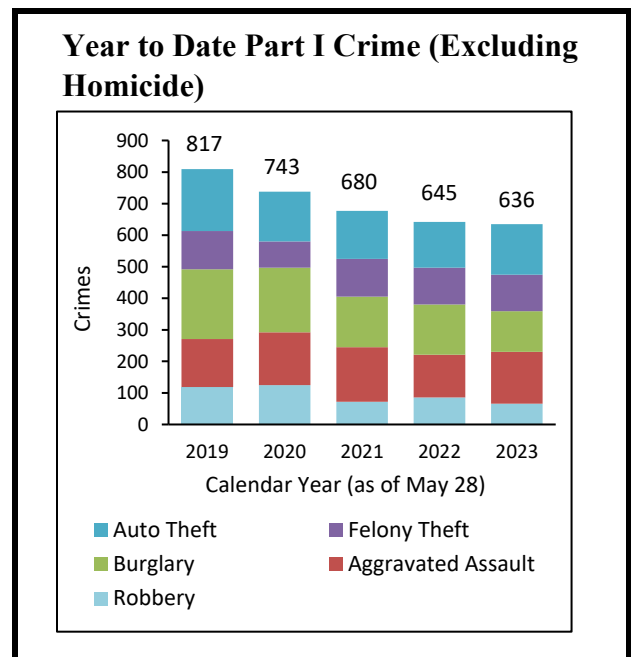
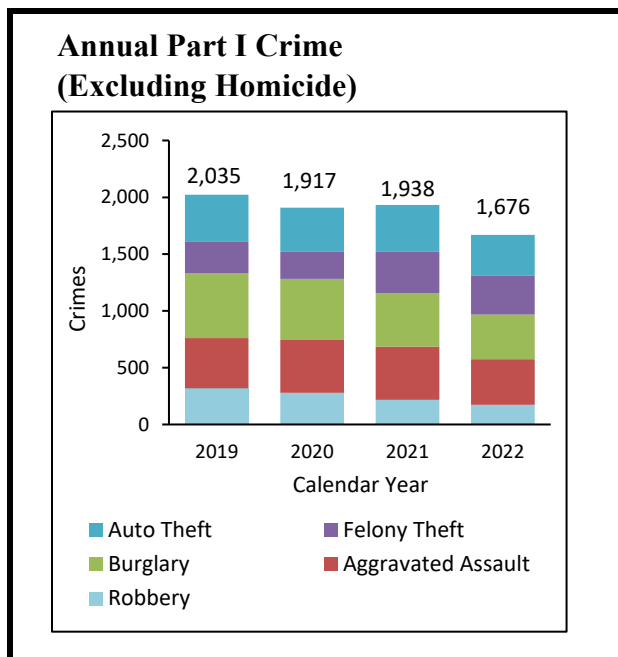
The Wilmington Police Department provides citizens with weekly data-driven performance measurements for the Wilmington Police Department via ComStat. This methodology, which has been used by the New York Police Department since 1994, allows the WPD to track data in near real-time, providing the department 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/WPDCompStat>.

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.

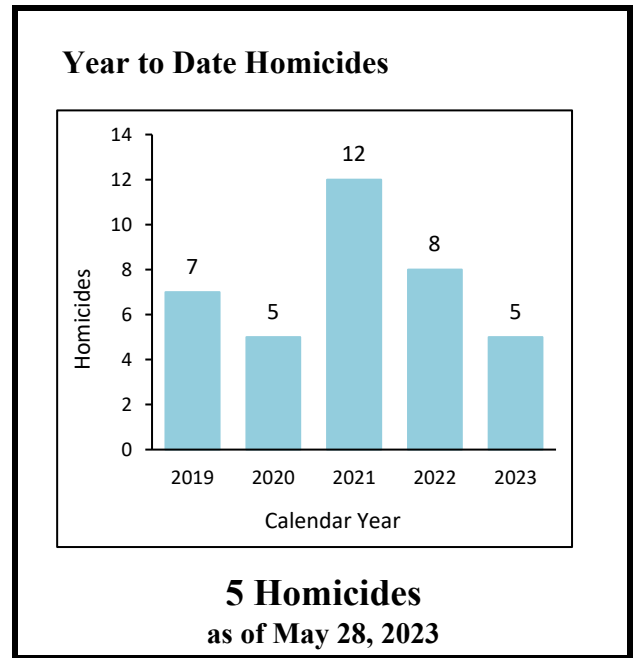
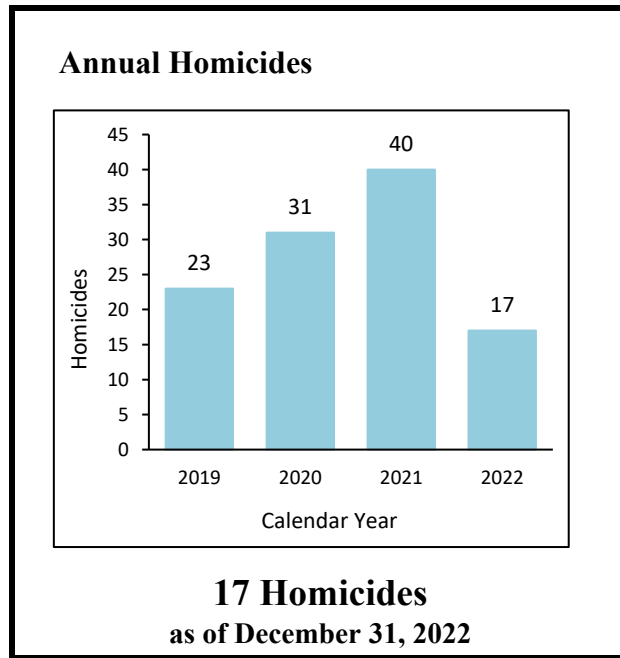
DEPARTMENT OF POLICE

Strategic Plan

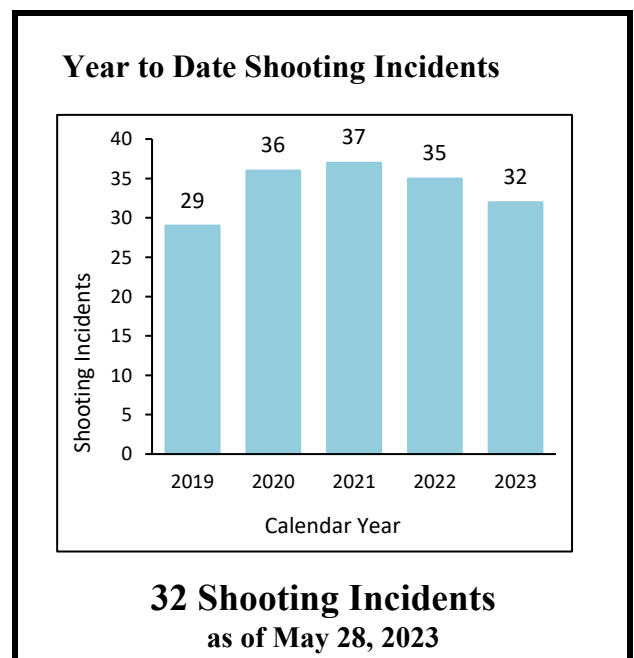
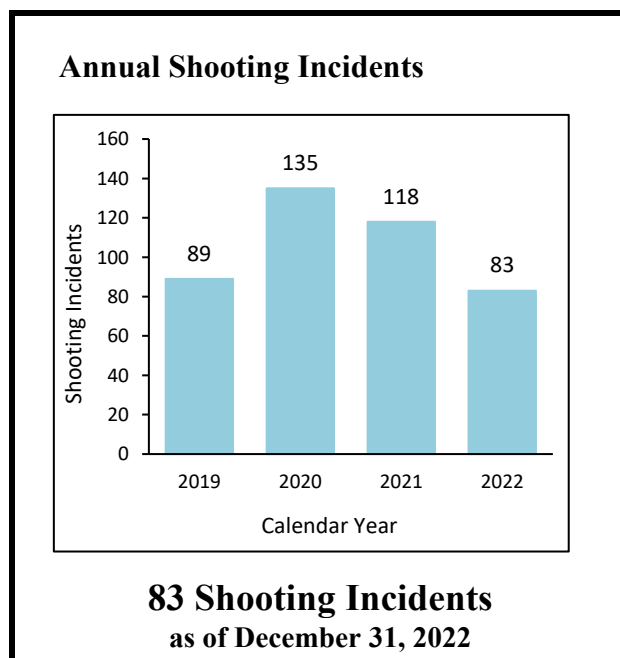
Focus Area: Public Safety

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

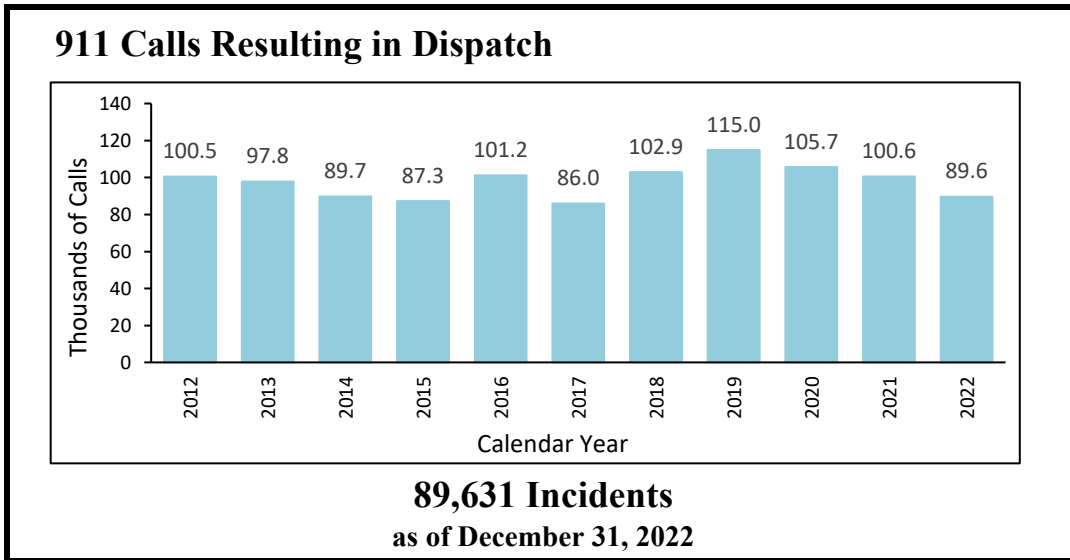
Objective 2: Reduce the number of homicides committed in the City.



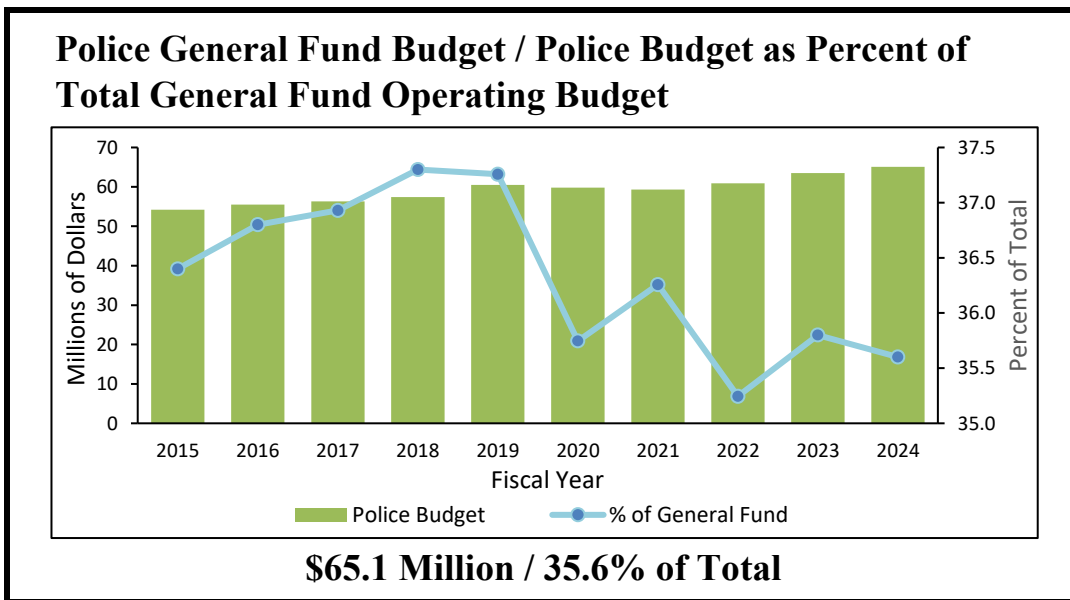
Objective 3: Reduce the number of shooting incidents committed in the City.



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.



Police spending now accounts for a slightly smaller portion of General Fund spending, at 35.6% of the General Fund, down from 35.8% in FY 2023. In absolute terms, the Police Department budget is up \$1.3 million (or 2.1%) in FY 2024, while non-Police General Fund spending is budgeted to increase by \$4.2 million (or 3.6%). 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

Personal Services	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Regular Salaries	27,057,225	29,584,116	30,844,761	31,914,148	1,069,387	3.5%
Temporary Salaries	245,541	402,389	572,250	572,250	0	0.0%
Acting Out Of Classification	1,749	234	2,500	2,500	0	0.0%
Shift Differential	28,791	29,780	37,750	37,750	0	0.0%
Shooting Days	26,022	29,636	22,000	22,000	0	0.0%
Sick Leave Bonus	2,700	900	3,000	3,000	0	0.0%
Overtime	2,067,388	2,622,983	1,998,000	2,296,800	298,800	15.0%
Comp Time Payouts	914,348	629,233	750,000	750,000	0	0.0%
Civilian Holiday Overtime	138,823	121,968	135,000	135,000	0	0.0%
Court Overtime	13,642	22,007	39,359	22,700	(16,659)	-42.3%
Special Events Overtime	544,183	454,758	606,000	399,000	(207,000)	-34.2%
Meal Allowance	18,927	14,396	21,100	21,100	0	0.0%
Clothing Allowance	79,617	77,037	76,500	76,500	0	0.0%
Health Cash Back	28,400	25,400	25,440	25,680	240	0.9%
Pension Contribution	6,369,384	6,216,750	6,304,003	4,925,010	(1,378,993)	-21.9%
Social Security	218,738	216,279	247,927	242,662	(5,265)	-2.1%
Medicare Tax	572,543	493,355	482,301	509,558	27,257	5.7%
Hospitalization	5,835,354	6,125,781	6,625,878	6,667,651	41,773	0.6%
Life Insurance	85,826	87,094	87,600	87,828	228	0.3%
State Pension Plan - Police/Fire	3,763,491	3,974,717	2,983,154	3,487,130	503,976	16.9%
Pension Healthcare	1,363,217	1,497,686	1,552,345	1,644,438	92,093	5.9%
State Pension Plan - Civilian	89,861	92,178	81,501	101,790	20,289	24.9%
Attrition	0	0	(853,023)	(884,670)	(31,647)	3.7%
Total Personal Services	49,465,770	52,718,677	52,645,346	53,059,825	414,479	0.8%

Materials, Supplies, and Equipment	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Printing and Advertising	22,346	15,552	28,500	29,000	500	1.8%
Communications and Utilities	95,408	145,524	173,940	182,940	9,000	5.2%
Transportation	1,989	6,908	16,500	16,500	0	0.0%
Rentals	50,521	48,067	60,416	78,416	18,000	29.8%
Contracted Maintenance	52,992	63,922	77,782	84,992	7,210	9.3%
Professional Fees	459,506	646,473	522,000	713,100	191,100	36.6%
Other Fees	384,702	394,849	408,890	429,950	21,060	5.2%
Memberships and Registrations	44,935	45,811	68,240	94,960	26,720	39.2%
Miscellaneous Services	522,601	712,152	1,164,521	1,370,905	206,384	17.7%
Office and General Supplies	78,791	55,548	93,880	93,880	0	0.0%
Wearing Apparel and Safety	328,770	345,637	555,610	559,610	4,000	0.7%
Misc. Mat., Supp., and Parts	217,435	219,226	246,960	270,260	23,300	9.4%
Equipment	7,556	11,822	85,400	195,500	110,100	128.9%
Fixed Assets	221,635	0	2,060	11,900	9,840	477.7%
Total M.S.&E.	2,489,187	2,711,491	3,504,699	4,131,913	627,214	17.9%

Department: Police

Fund: General

	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Internal Services						
Administrative Services	2,400,688	2,556,714	2,932,655	3,174,306	241,651	8.2%
Self-Insurance	2,872,409	3,306,628	2,436,814	2,519,734	82,920	3.4%
Total Internal Services	5,273,097	5,863,342	5,369,469	5,694,040	324,571	6.0%

	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Debt Service						
Principal Payments	63,401	133,106	176,161	99,301	(76,860)	-43.6%
Interest Payments	65,683	72,333	62,676	57,117	(5,559)	-8.9%
Total Debt Service	129,084	205,439	238,837	156,418	(82,419)	-34.5%

	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
General Fund						
Total	57,357,138	61,498,949	61,758,351	63,042,196	1,283,845	2.1%

Department: Police

Fund: State Pension Contributions

	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Personal Services						
State Pension Contribution	1,785,108	2,014,151	1,785,108	2,014,151	229,043	12.8%
Total Personal Services	1,785,108	2,014,151	1,785,108	2,014,151	229,043	12.8%

Department: Police

Fund: SALLE and Other Special Grants

	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Personal Services						
Regular Salaries	291,540	389,795	485,646	501,114	15,468	3.2%
Temporary Salaries	129,629	69,623	0	0	0	0.0%
Overtime	1,277,042	670,507	0	0	0	0.0%
Clothing Allowance	250	2,766	0	0	0	0.0%
Pension Contribution	106,824	124,131	0	0	0	0.0%
Social Security	5,512	3,563	0	0	0	0.0%
Medicare Tax	11,943	8,640	6,718	6,903	185	2.8%
Hospitalization	102,402	98,566	166,474	177,262	10,788	6.5%
Life Insurance	1,266	1,153	1,920	1,920	0	0.0%
State Pension Plan - Police/Fire	52,375	51,731	55,072	63,841	8,769	15.9%
Pension Healthcare	14,854	15,640	34,024	35,944	1,920	5.6%
Total Personal Services	1,993,637	1,436,115	749,854	786,984	37,130	5.0%

Department: Police

Fund: SALLE and Other Special Grants

Materials, Supplies, and Equipment	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Communications and Utilities	3,405	2,640	0	0	0	0.0%
Transportation	(1,232)	30,314	0	0	0	0.0%
Rentals	41,679	35,456	0	0	0	0.0%
Contracted Maintenance	10,774	3,054	0	0	0	0.0%
Professional Fees	104,517	212,781	0	0	0	0.0%
Other Fees	9,885	1,497	0	0	0	0.0%
Memberships and Registrations	4,527	33,761	0	0	0	0.0%
Miscellaneous Services	74,444	130,567	0	0	0	0.0%
Wearing Apparel and Safety	89,340	697,464	0	0	0	0.0%
Misc. Mat., Supp., and Parts	25,459	27,667	0	0	0	0.0%
Equipment	66,429	167,226	0	0	0	0.0%
Fixed Assets	36,550	13,776	0	0	0	0.0%
Total M.S.&E.	465,777	1,356,203	0	0	0	0.0%

SALLE and Other Special Grants	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Total	2,459,414	2,792,318	749,854	786,984	37,130	5.0%

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 2024

- Continue implementation of Beautiful City Initiative.
- Continue the installation of LED lightning throughout Wilmington.
- Enforce contractor compliance with the Roadway Cut Management legislation.
- Continue Street Paving and Reconstruction and ADA Curb Ramp Installation.
- Continue optimization of the Co-Generation and Sludge Processing Facilities as part of the OMI WWTP O&M contract by increasing use of digester gas.
- Continue construction on the next phase of the South Wilmington sewer separation project to divert stormwater flows to the SWWP. Design next phase of SWWP on EB Hawkins property.
- Continue hydrant testing and rehabilitation program and valve exercising and repair program.
- Complete SRF funded small main replacement and transmission main projects throughout the water district.
- Complete parking meter technology upgrades in cooperation with the Finance Department. Procure and install new multi-space parking meters for the downtown and Riverfront areas.
- Removal and/or reuse of single space meter poles and equipment.
- Continue program of repairing and painting elevated water storage tanks
- Complete construction of new flow meter on the 11th Street Force Main at the WTTP.
- Begin first phase of the 11th Street Dry Weather Sewage Pumping Station.
- Design and implement green infrastructure program on City-owned properties and rights-of-way.
- Improve and expand the city's urban tree canopy and greenways.
- Perform upgrade at the Municipal Complex building's failing HVAC system, and LED light replacement.
- Reduce commercial properties services by the Sanitation Division.
- Implement Robo-calling to remind or confirm a special pick using Salesforce CRM.
- Begin City-wide lead service line inventory (compliance October 2024).
- Begin cross-connection control program (compliance February 2024).

PRIORITIES FOR FISCAL YEAR 2024 (CONTINUED)

- Prepare and plan for pending EPA PFAS regulation, water quality sampling.
- Continue establishing and implementing comprehensive asset management programs across the department by leveraging the storeroom module in CityWorks.
- Continue upgrades and optimization at Water Treatment Plants (wash water tanks, raw water pumps, electrical upgrades).

SUMMARY OF FUNDING FOR THE DEPARTMENT OF PUBLIC WORKS

Total All Funds Public Works*	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	Dollar Change FY'24-'23	Percent Change FY'24-'23
Personal Services	17,564,044	17,706,945	19,992,933	20,224,953	232,020	1.2%
Materials, Supplies, and Equipment	61,303,296	62,555,321	66,856,809	72,309,489	5,452,680	8.2%
Internal Services	5,696,808	6,405,240	5,487,280	5,844,921	357,641	6.5%
Debt Service	9,268,017	12,407,748	11,938,636	10,865,806	(1,072,830)	-9.0%
Other / Special Purpose	10,519,259	10,813,917	8,985,443	7,683,344	(1,302,099)	-14.5%
Total	104,351,424	109,889,171	113,261,101	116,928,513	3,667,412	3.2%
Staffing Levels	225.00	225.00	224.00	225.00	1.00	0.4%

General Fund Public Works	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	Dollar Change FY'24-'23	Percent Change FY'24-'23
Personal Services	9,146,568	9,371,832	10,286,495	10,338,774	52,279	0.5%
Materials, Supplies, and Equipment	7,307,774	7,413,611	8,582,347	9,088,847	506,500	5.9%
Internal Services	3,263,560	3,682,631	3,566,433	3,827,547	261,114	7.3%
Debt Service	3,846,115	5,885,352	6,129,300	6,181,802	52,502	0.9%
Total	23,564,017	26,353,426	28,564,575	29,436,970	872,395	3.1%
Staffing Levels	120.05	120.05	120.05	120.05	0.00	0.0%

Water/Sewer Fund Public Works	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	Dollar Change FY'24-'23	Percent Change FY'24-'23
Personal Services	8,417,476	8,335,113	9,706,438	9,886,179	179,741	1.9%
Materials, Supplies, and Equipment	45,730,363	46,728,520	48,358,565	50,294,369	1,935,804	4.0%
Internal Services	1,813,784	2,137,559	1,664,505	1,749,815	85,310	5.1%
Debt Service	5,342,779	6,396,524	5,734,727	4,598,465	(1,136,262)	-19.8%
Other / Special Purpose	10,424,403	10,429,223	9,497,006	10,429,223	932,217	9.8%
Total	71,728,805	74,026,939	74,961,241	76,958,051	1,996,810	2.7%
Staffing Levels	104.95	104.95	103.95	104.95	1.00	1.0%

* Differs from Summary of All Funds Combined – Expenditures table on page 33 due to inclusion of Internal Service Funds.

Motor Vehicle Fund Public Works	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	Dollar Change FY'24-'23	Percent Change FY'24-'23
Materials, Supplies, and Equipment	7,244,237	7,343,231	8,699,267	11,725,580	3,026,313	34.8%
Internal Services	619,464	585,050	256,342	267,559	11,217	4.4%
Debt Service	79,123	125,872	74,609	85,539	10,930	14.6%
Other / Special Purpose	94,856	384,694	(511,563)	(2,745,879)	(2,234,316)	436.8%
Total	8,037,680	8,438,847	8,518,655	9,332,799	814,144	9.6%
Staffing Levels	0.00	0.00	0.00	0.00	0.00	0.0%

Municipal Street Aid Public Works	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	Dollar Change FY'24-'23	Percent Change FY'24-'23
Materials, Supplies, and Equipment	1,020,922	1,069,959	1,216,630	1,200,693	(15,937)	-1.3%
Total	1,020,922	1,069,959	1,216,630	1,200,693	(15,937)	-1.3%
Staffing Levels	0.00	0.00	0.00	0.00	0.00	0.0%

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

- In Personal Services, there was one position title change and two biennial employee appeals granted. The CADD/GIS Engineering Coordinator position was renamed the Special Projects Coordinator, while the total cost of the appeal process was \$12,068.
- Regular Salaries rose by \$139,802 due to employee anniversary step increases, a 2.5% COLA, mandatory step increases for non-union classified employees and mandatory annual reviews for executive and managerial employees.
- \$70,000 was added to Temporary Salaries to cover vacancies and employee absences within the Rubbish Collection Division.
- Greenspace Maintenance increased by \$90,000 to landscape and maintain the Riverfront Development Corporation Gateway.
- During the I-95 restoration project, DelDOT implemented a new computerized traffic control system at affected streets and intersections in Wilmington. The new system utilizes wireless communication technology. Now that the I-95 project is complete, DelDOT has requested that the City pay the communications cost of the new system. This is reflected in the \$90,000 increase in Traffic Signs and Signals.
- Electricity increased by \$88,312, primarily driven by electricity cost in the Transportation Division for streetlights and signals based on current rates.
- Combined, Water/Sewer Utility and Stormwater Utility increased by \$65,474. The additional cost reflects the proposed rate increase of 5.7% for water and sewer services and a 6.0% increase in the stormwater charge.
- Other Noncapitalized Equipment increased by \$60,000 to replace worn and damaged poly brine tanks. The tanks hold the brine solution spread by trucks to prevent snow and ice from freezing on the road.
- Debt Service increased by \$52,502 according to the revised debt service schedule from the Accounting Division.
- Contracted Maintenance increased by \$29,000 due to HVAC repairs for the Turner Building and increased maintenance service costs for the Municipal Building cameras. Surveillance cameras will also be purchased and installed to discourage illegal dumping in recurring areas of the city.
- Xmas Lights & Other Decorations increased by \$16,700 due to the need for new Christmas trees and decorations for the City/County Building, Mayor's Office, and the Turner Building.
- Asset Management increased building and maintenance costs for the City/County Building, which is split 70/30 with New Castle County, resulting in a \$16,564 increase in Building Maintenance.

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

- In Personal Services, staffing increased by one FTE in the Water/Sewer Fund, with one new position added, one upgrade, and one biennial employee appeal granted. As a result of new regulations for the State and Federal Drinking Water Standards, the Water Quality Laboratory Supervisor was added at a cost of \$76,145. In addition, the GIS Analyst was upgraded from Grade P to Grade S for a cost of \$9,901. The total cost of the appeal process in the Water Sewer Fund was \$3,820.
- Regular Salaries rose by \$202,022 due to employee anniversary step increases, a city-wide 2.5% COLA, mandatory step increases for non-union classified employees and mandatory annual reviews for executive and managerial employees.
- Bulk Chemicals was increased by \$1,050,000 or 110.5%. Chemicals used for water treatment are byproducts of the refining process involved in producing chemicals for various major industries. When the pandemic curtailed production in those other industries, the availability of the byproducts plummeted as well. As a result of continued production volatility, the City's chemical vendors stopped honoring contracted prices and are now requiring payments that are double what they were two years ago. The Water System Director expects that market volatility will continue into FY 2024.
- Contracted Maintenance Services increased by \$625,494, with nearly all the increase 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.
- Legal fees decreased 71.4%, or \$500,000, as the legal proceedings against New Castle County (wastewater treatment contract) and Honeywell (breach of contract regarding the renewable energy bio-solids facility) have been settled.
- Equipment Repairs were reduced by \$300,000 to better reflect the actuals from previous fiscal years.
- Repairs to Buildings and Structures increased by \$298,000 due to increased maintenance of structures, parking lots, sidewalks, and driveways.
- Engineering Cost rose by \$265,000 to cover additional support for the City's renewable energy bio-solids facility, technical assistance, and guidance regarding Environmental Protection Agency (EPA) local limit requirements and project management of the sewer collection system.
- Electricity increased by \$89,522 based on current rates.
- Water Meter Shop Supplies increased by \$86,000 due to unit price increases for water meters, fire meters, and Electronic Reciprocal Transfer Systems (ERTS).
- Consultant expenses increased by \$71,500 for a database development specialist to integrate sewer inspection data into the CityWorks platform. Also, the fee to Stroud Water Research Center was increased to improve algae management at the Porter Reservoir by incorporating a continuous monitoring system.
- Due to increased consumable costs for replacing obsolete equipment and fire hydrants, Miscellaneous Supplies or Parts rose by \$65,000.

**MAJOR FUNDING CHANGES FROM PRIOR YEAR
WATER SEWER FUND (CONTINUED)**

- Repairs to Water Lines rose by \$30,000 for water leak detection equipment that uses ground penetrating radars to detect vibration and noise of water leaving the underground pressurized pipes.
- Laboratory Supplies increased by \$19,840 with increased costs for the sample processing to detect coliform bacteria that may be found in drinking water. Increased supply chain surcharges also are factored into the increase.
- Indirect Cost charges increased by \$60,796, 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 \$1,136,262 based on the existing debt service schedule.

**MAJOR FUNDING CHANGES FROM PRIOR YEAR
MOTOR VEHICLE FUND**

- Automotive Equipment increased by \$2,234,316, mainly driven by increased vehicle costs as part of the Motor Vehicle fleet replacement program. The Department of Parks & Recreation also expanded its specialized equipment to assist with daily operations in the Maintenance Division. Additionally, the Police Department added three unmarked sport utility vehicles (SUVs) and three trainer motorcycles. Land Use & Planning and Public Works also added an SUV and pickup truck to its fleet to assist with regular duties.
- Motor Fuels & Lubricant increased by \$413,100, reflecting expected increases in costs for unleaded gasoline and diesel fuel.
- Due to an estimated consumer price index (CPI) increase of 7.5%, Contracted Maintenance Services increased by \$219,814 for the motor vehicle fleet maintenance contract with First Vehicle Services, now in its second year of a two-year extension.
- As a result of increased non-target repairs to fleet equipment, cost of parts, labor, and vendor services, Equipment Repairs increased by \$152,797.

DEPARTMENT OF PUBLIC WORKS

Strategic Plan

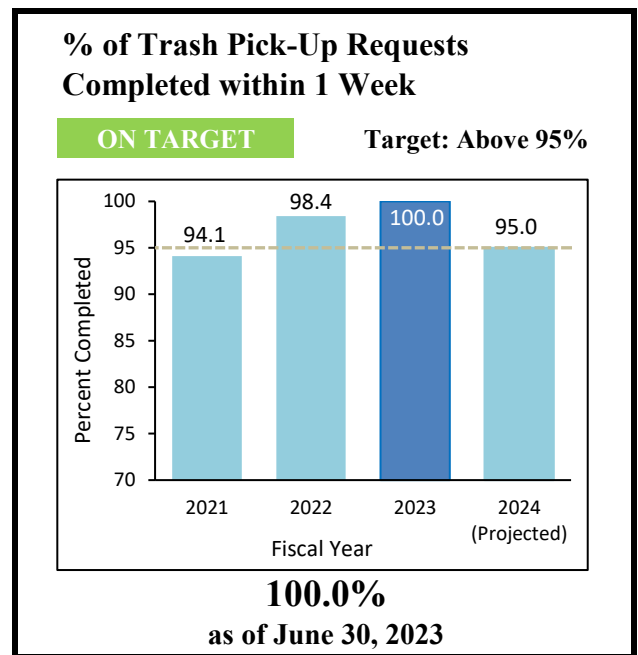
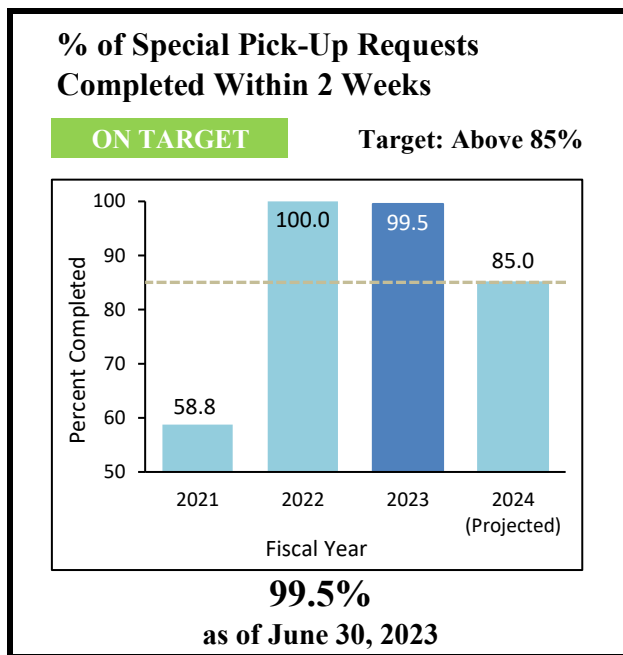
The Department of Public Works provides a wide array of important City services, including recycling and solid waste collection; treatment and distribution of high-quality drinking water; collection and treatment of sewage; storm water management; sweeping of all City streets; street paving and repairs; 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



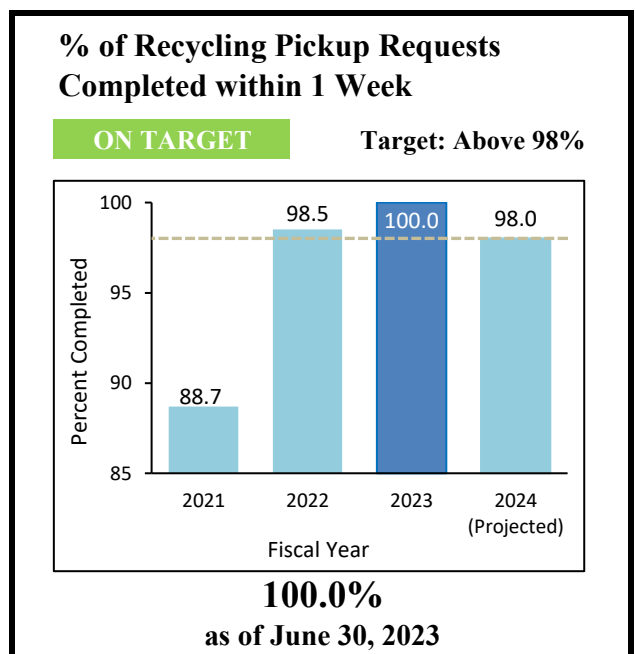
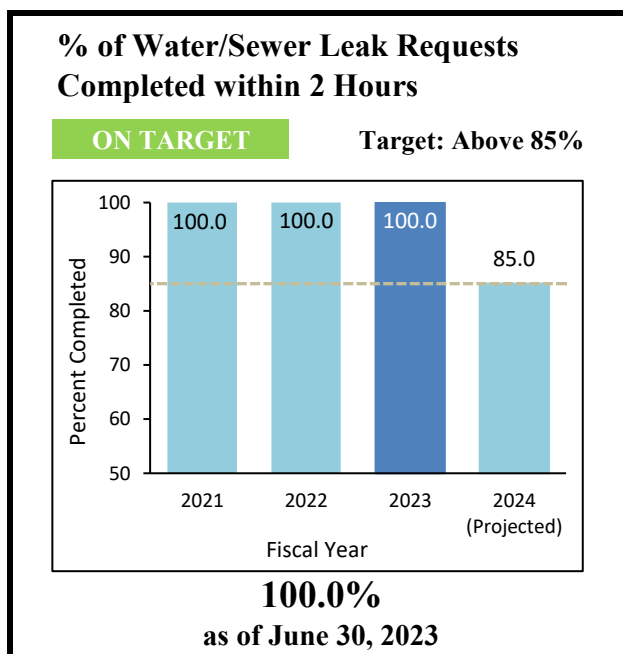
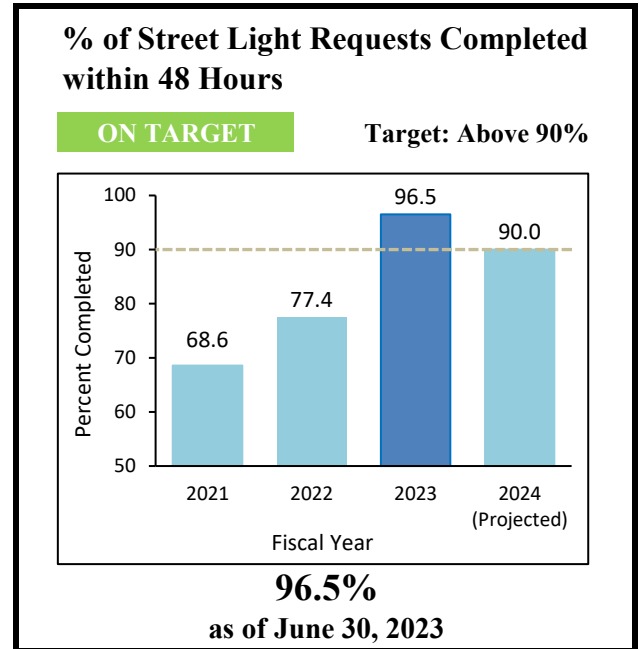
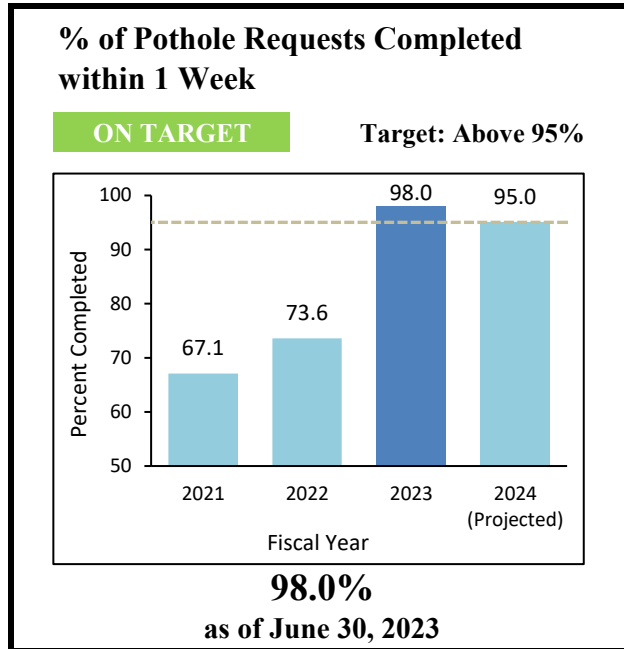
DEPARTMENT OF PUBLIC WORKS

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



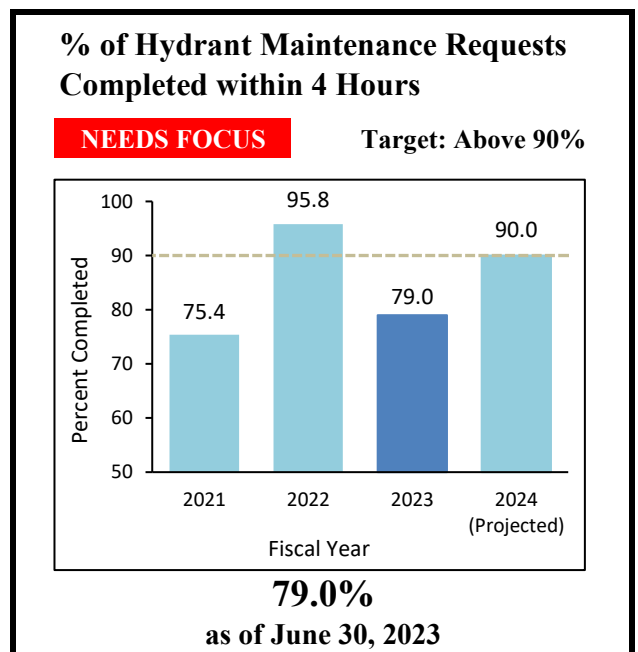
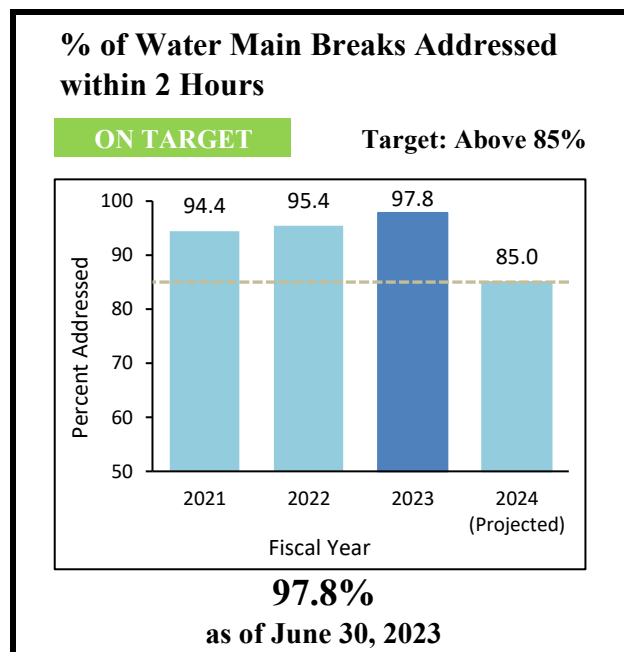
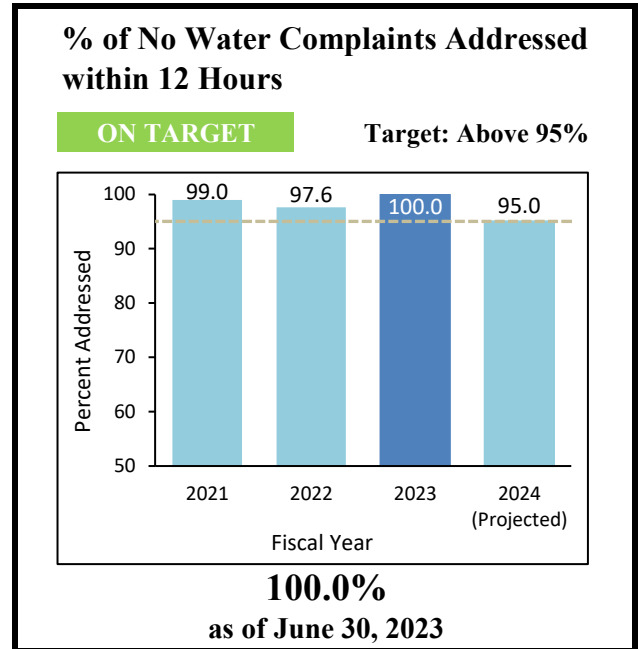
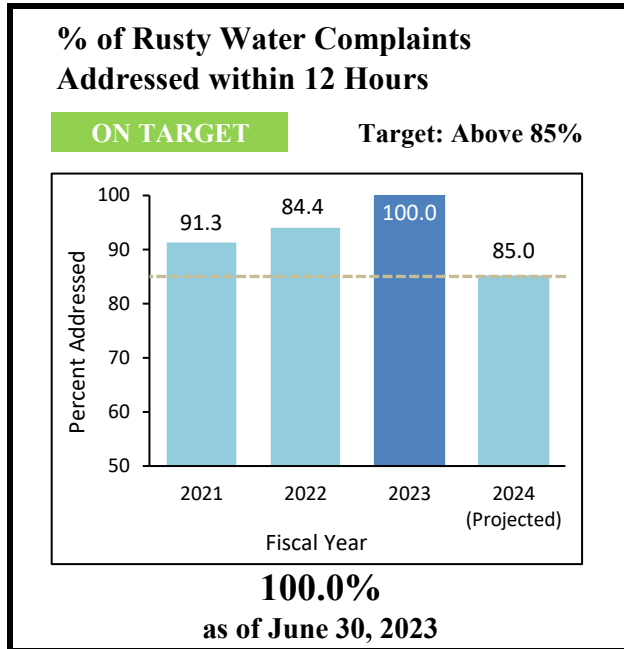
DEPARTMENT OF PUBLIC WORKS

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



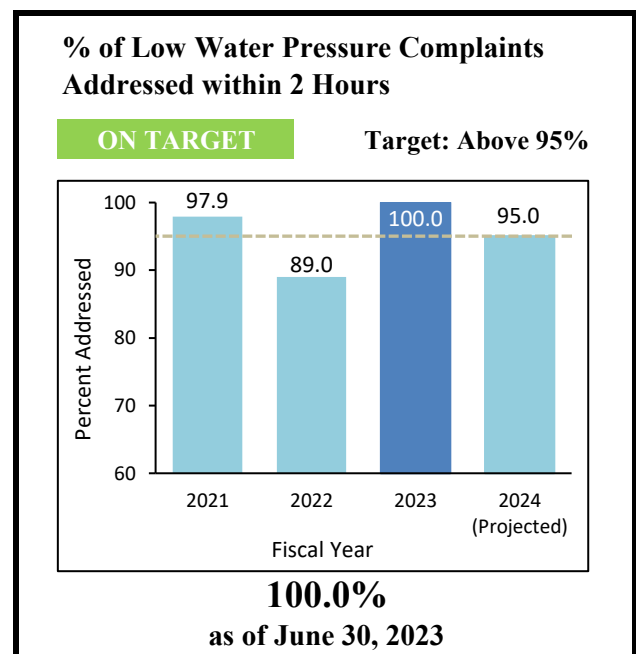
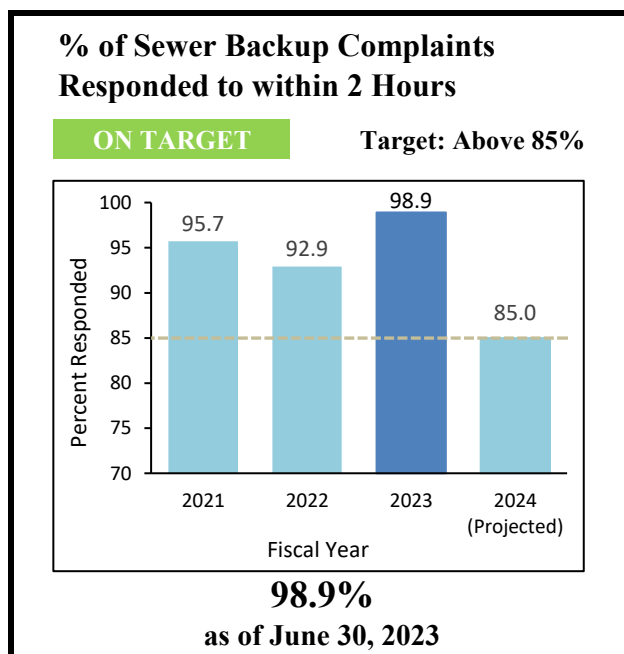
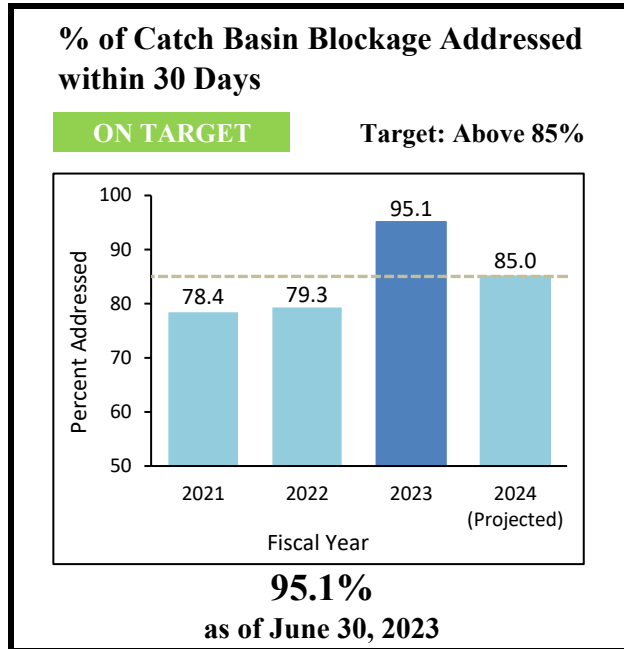
DEPARTMENT OF PUBLIC WORKS

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



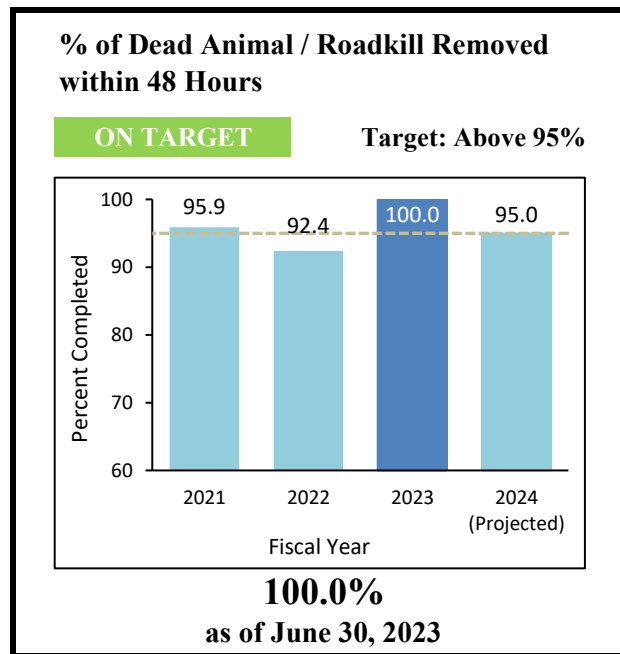
DEPARTMENT OF PUBLIC WORKS

Strategic Plan

Focus Area: Effective City Government

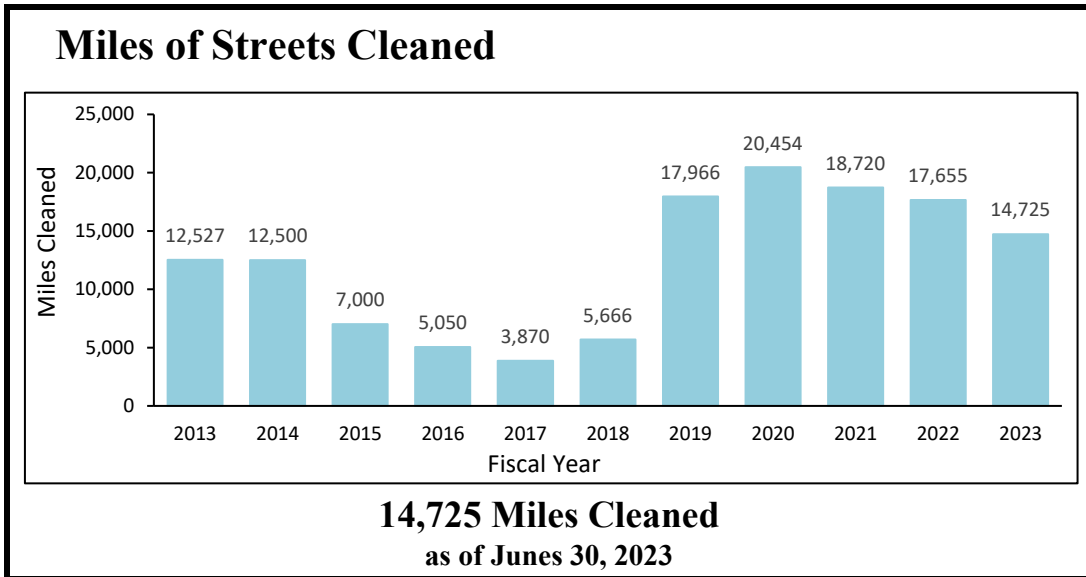
CITY-WIDE GOAL #1: Embrace a Culture of Service. (Cont'd)

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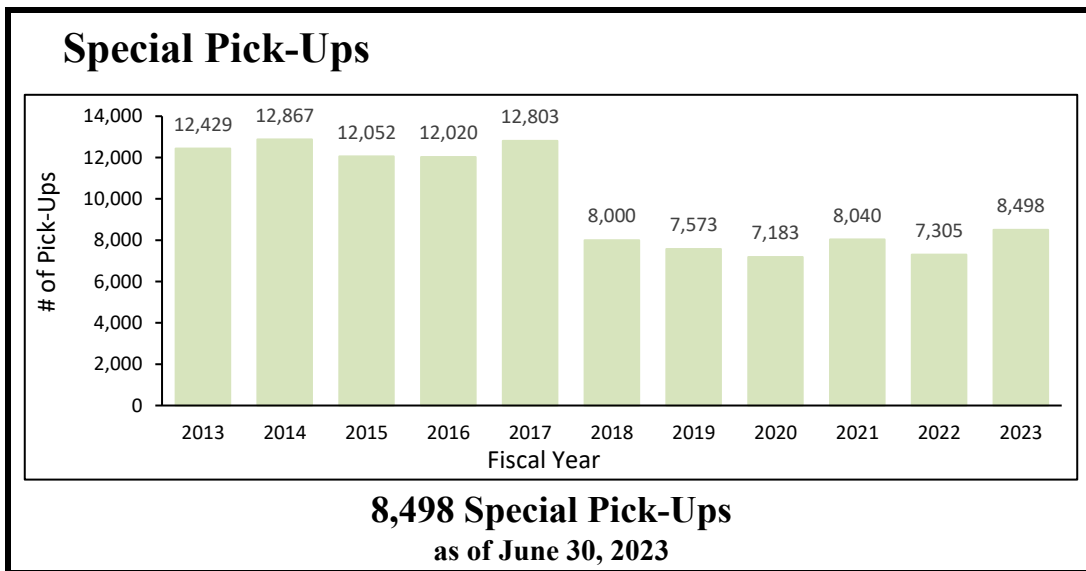


DEPARTMENT OF PUBLIC WORKS

Performance Trends



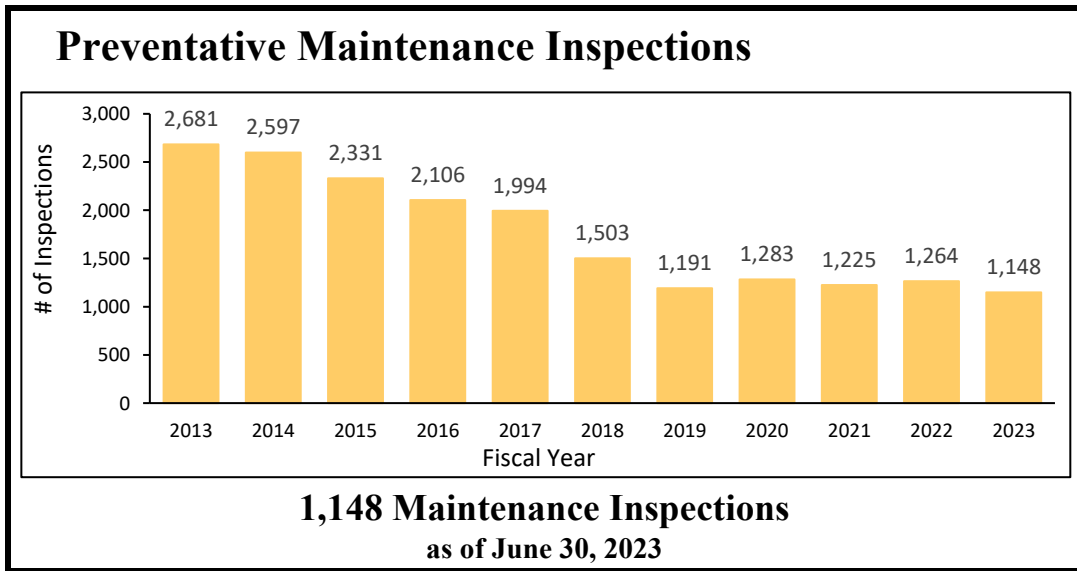
Aggressive management is required to maintain City streets in a litter free condition. In FY 2023, the number decreased due to retirements of Equipment Operators causing extended vacancies.



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.

Department: Public Works

Fund: General

Personal Services	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Regular Salaries	4,851,717	4,913,376	5,702,357	5,842,159	139,802	2.5%
Temporary Salaries	1,872	40,236	8,000	78,000	70,000	875.0%
Acting Out Of Classification	5,682	15,343	9,300	7,800	(1,500)	-16.1%
Sick Leave Bonus	7,200	5,450	8,500	8,100	(400)	-4.7%
Overtime	555,179	475,808	460,800	460,800	0	0.0%
Holiday Pay	109,961	97,968	135,800	139,200	3,400	2.5%
Meal Allowance	14,453	7,847	9,100	10,000	900	9.9%
Clothing Allowance	4,242	2,361	6,850	6,700	(150)	-2.2%
Standby Pay	76,140	77,387	78,075	82,100	4,025	5.2%
Health Cash Back	0	200	3,600	1,680	(1,920)	-53.3%
Pension Contribution	774,626	895,603	890,606	797,001	(93,605)	-10.5%
Social Security	348,966	330,871	377,719	390,462	12,743	3.4%
Medicare Tax	81,951	77,380	88,339	91,317	2,978	3.4%
Hospitalization	1,701,373	1,767,586	2,153,002	2,217,634	64,632	3.0%
Life Insurance	21,807	24,311	28,126	28,341	215	0.8%
Pension Healthcare	434,023	480,032	510,576	539,388	28,812	5.6%
State Pension Plan - Civilian	157,376	160,073	157,384	175,903	18,519	11.8%
Personal Services Adjustment	0	0	18,000	18,589	589	3.3%
Attrition	0	0	(359,639)	(556,400)	(196,761)	54.7%
Total Personal Services	9,146,568	9,371,832	10,286,495	10,338,774	52,279	0.5%

Materials, Supplies, and Equipment	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Printing and Advertising	3,896	4,684	13,400	13,400	0	0.0%
Communications and Utilities	1,594,428	1,801,612	1,822,974	1,976,760	153,786	8.4%
Transportation	2,010	8,776	4,000	4,000	0	0.0%
Rentals	99,880	89,535	234,600	242,600	8,000	3.4%
Contracted Maintenance	1,557,187	1,753,878	1,899,536	2,014,100	114,564	6.0%
Professional Fees	761,916	793,319	1,035,800	1,040,800	5,000	0.5%
Other Fees	2,459,443	2,113,762	2,423,187	2,423,187	0	0.0%
Memberships and Registrations	10,551	11,097	22,400	24,000	1,600	7.1%
Miscellaneous Services	307,061	313,164	388,000	413,000	25,000	6.4%
Office and General Supplies	9,698	13,128	12,800	19,100	6,300	49.2%
Wearing Apparel and Safety	95,598	92,928	117,250	127,450	10,200	8.7%
Misc. Mat., Supp., and Parts	143,793	155,332	205,500	228,050	22,550	11.0%
Construction and Repairs	243,080	243,573	374,500	464,500	90,000	24.0%
Equipment	17,236	16,823	26,300	95,800	69,500	264.3%
Fixed Assets	1,997	2,000	2,100	2,100	0	0.0%
Total M.S.&E.	7,307,774	7,413,611	8,582,347	9,088,847	506,500	5.9%

Internal Services	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Administrative Services	2,518,787	2,667,229	2,959,258	3,203,100	243,842	8.2%
Self-Insurance	744,773	1,015,402	607,175	624,447	17,272	2.8%
Total Internal Services	3,263,560	3,682,631	3,566,433	3,827,547	261,114	7.3%

Department: Public Works

Fund: General

Debt Service	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Principal Payments	2,125,418	3,494,153	4,036,796	4,226,503	189,707	4.7%
Interest Payments	1,720,697	2,391,199	2,092,504	1,955,299	(137,205)	-6.6%
Total Debt Service	3,846,115	5,885,352	6,129,300	6,181,802	52,502	0.9%

General Fund	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Total	23,564,017	26,353,426	28,564,575	29,436,970	872,395	3.1%

Department: Public Works

Fund: Water / Sewer

Personal Services	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Regular Salaries	4,556,273	4,668,936	5,473,038	5,675,060	202,022	3.7%
Acting Out Of Classification	1,147	2,192	7,200	7,200	0	0.0%
Shift Differential	2,808	3,689	3,800	3,800	0	0.0%
Sick Leave Bonus	6,200	4,050	7,000	7,000	0	0.0%
Overtime	327,711	385,003	499,500	496,500	(3,000)	-0.6%
Holiday Pay	340	1,147	2,000	2,000	0	0.0%
Meal Allowance	7,203	8,597	20,550	19,550	(1,000)	-4.9%
Clothing Allowance	7,656	4,184	13,200	13,650	450	3.4%
Standby Pay	195,439	205,291	190,600	190,600	0	0.0%
Health Cash Back	0	0	1,200	3,120	1,920	160.0%
Accrued Sick/Vacation	44,920	(118,716)	0	0	0	0.0%
Pension Contribution	611,920	633,571	682,343	564,453	(117,890)	-17.3%
Social Security	305,823	313,470	369,868	381,900	12,032	3.3%
Medicare Tax	71,510	73,312	86,505	89,317	2,812	3.3%
Hospitalization	1,289,906	1,310,300	1,706,196	1,737,619	31,423	1.8%
Life Insurance	18,658	20,542	24,491	24,863	372	1.5%
Pension Healthcare	372,737	419,653	442,096	471,537	29,441	6.7%
State Pension Plan - Civilian	177,438	193,807	179,160	200,395	21,235	11.9%
Pension Healthcare - Implicit	419,787	206,085	0	0	0	0.0%
Attrition	0	0	(2,309)	(2,385)	(76)	3.3%
Total Personal Services	8,417,476	8,335,113	9,706,438	9,886,179	179,741	1.9%

Department: Public Works

Fund: Water / Sewer

Materials, Supplies, and Equipment	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Printing and Advertising	53,938	47,704	71,900	72,150	250	0.3%
Communications and Utilities	921,747	1,366,449	1,115,518	1,215,288	99,770	8.9%
Transportation	475	(48,345)	22,500	21,000	(1,500)	-6.7%
Rentals	422	540	760	760	0	0.0%
Contracted Maintenance	7,648,970	7,673,725	10,001,896	10,047,750	45,854	0.5%
Professional Fees	4,854,391	5,888,247	4,715,500	4,552,000	(163,500)	-3.5%
Other Fees	282,035	347,214	397,000	400,000	3,000	0.8%
Memberships and Registrations	45,629	44,872	79,920	80,920	1,000	1.3%
Miscellaneous Services	23,965,972	23,184,218	22,659,000	23,288,494	629,494	2.8%
Office and General Supplies	10,934	12,394	17,100	17,100	0	0.0%
Wearing Apparel and Safety	23,615	49,258	55,800	63,800	8,000	14.3%
Misc. Mat., Supp., and Parts	472,077	762,407	936,100	1,015,400	79,300	8.5%
Petroleum and Chemicals	708,153	772,579	1,021,100	2,098,940	1,077,840	105.6%
Construction and Repairs	307,547	351,259	638,500	724,500	86,000	13.5%
Supporting Services	5,943,323	5,760,317	5,950,971	6,011,767	60,796	1.0%
Equipment	327,615	347,588	467,000	471,500	4,500	1.0%
Construction and Deve-Cap	4,000	0	8,000	8,000	0	0.0%
Community Activities	159,520	168,094	200,000	205,000	5,000	2.5%
Total M.S.&E.	45,730,363	46,728,520	48,358,565	50,294,369	1,935,804	4.0%

Internal Services	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Administrative Services	628,748	578,875	694,307	751,518	57,211	8.2%
Self-Insurance	1,185,036	1,558,684	970,198	998,297	28,099	2.9%
Total Internal Services	1,813,784	2,137,559	1,664,505	1,749,815	85,310	5.1%

Debt Service	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Amortization	154,470	0	0	0	0	0.0%
Interest Payments	5,188,309	6,396,524	5,734,727	4,598,465	(1,136,262)	-19.8%
Total Debt Service	5,342,779	6,396,524	5,734,727	4,598,465	(1,136,262)	-19.8%

Other / Special Purpose	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Depreciation	10,424,403	10,429,223	9,497,006	10,429,223	932,217	9.8%
Total Other / Special Purpose	10,424,403	10,429,223	9,497,006	10,429,223	932,217	9.8%

Department: Public Works

Fund: Motor Vehicle

Materials, Supplies, and Equipment	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Communications and Utilities	39,812	25,068	39,595	42,881	3,286	8.3%
Transportation	3,370	3,656	7,200	7,200	0	0.0%
Rentals	0	55,100	55,100	55,100	0	0.0%
Contracted Maintenance	882,798	745,729	1,055,000	1,207,797	152,797	14.5%
Professional Fees	59,994	45,092	45,000	45,000	0	0.0%
Memberships and Registrations	2,136	1,944	3,300	3,300	0	0.0%
Miscellaneous Services	2,062,307	2,115,750	2,241,672	2,464,486	222,814	9.9%
Misc. Mat., Supp., and Parts	2,069	2,500	5,500	5,500	0	0.0%
Petroleum and Chemicals	817,767	1,294,798	1,261,900	1,675,000	413,100	32.7%
Equipment	0	0	2,000	2,000	0	0.0%
Fixed Assets	3,373,984	3,053,594	3,983,000	6,217,316	2,234,316	56.1%
Total M.S.&E.	7,244,237	7,343,231	8,699,267	11,725,580	3,026,313	34.8%

Internal Services	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Administrative Services	171,827	154,583	83,775	90,678	6,903	8.2%
Self-Insurance	447,637	430,467	172,567	176,881	4,314	2.5%
Total Internal Services	619,464	585,050	256,342	267,559	11,217	4.4%

Debt Service	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Amortization	2,565	0	0	0	0	0.0%
Principal Payments	0	7,614	0	0	0	0.0%
Interest Payments	76,558	118,258	74,609	85,539	10,930	14.6%
Total Debt Service	79,123	125,872	74,609	85,539	10,930	14.6%

Other / Special Purpose	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Capitalization	(3,319,344)	(2,965,940)	(3,983,000)	(6,217,316)	(2,234,316)	56.1%
Depreciation	3,414,200	3,350,634	3,471,437	3,471,437	0	0.0%
Total Other / Special Purpose	94,856	384,694	(511,563)	(2,745,879)	(2,234,316)	436.8%

Motor Vehicle Fund	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Total	8,037,680	8,438,847	8,518,655	9,332,799	814,144	9.6%

Department: Public Works

Fund: Municipal Street Aid

Materials, Supplies, and Equipment	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Communications and Utilities	1,020,922	1,069,959	1,216,630	1,200,693	(15,937)	-1.3%
Total M.S.&E.	1,020,922	1,069,959	1,216,630	1,200,693	(15,937)	-1.3%

Municipal Street Aid	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Total	1,020,922	1,069,959	1,216,630	1,200,693	(15,937)	-1.3%

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 2024

- 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 requirements 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

Total All Funds Real Estate and Housing	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	Dollar Change FY'24-'23	Percent Change FY'24-'23
Personal Services	1,124,712	884,031	1,083,941	1,100,716	16,775	1.5%
Materials, Supplies, and Equipment	2,097,468	1,838,041	1,955,432	1,515,567	(439,865)	-22.5%
Internal Services	34,503	35,486	51,972	56,131	4,159	8.0%
Debt Service	488,806	3,441,174	2,085,493	730,971	(1,354,522)	-64.9%
Other / Special Purpose	3,527,884	3,352,402	2,803,426	3,070,407	266,981	9.5%
Total	7,273,373	9,551,134	7,980,264	6,473,792	(1,506,472)	-18.9%
Staffing Levels	11.00	11.00	10.00	10.00	0.00	0.0%

General Fund Real Estate and Housing	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	Dollar Change FY'24-'23	Percent Change FY'24-'23
Personal Services	414,798	393,850	282,137	261,188	(20,949)	-7.4%
Materials, Supplies, and Equipment	2,045,270	1,823,950	1,809,227	1,359,362	(449,865)	-24.9%
Internal Services	34,503	35,486	51,972	56,131	4,159	8.0%
Debt Service	488,806	3,441,174	2,085,493	730,971	(1,354,522)	-64.9%
Total	2,983,377	5,694,460	4,228,829	2,407,652	(1,821,177)	-43.1%
Staffing Levels	2.75	2.88	2.38	2.15	(0.23)	-9.7%

Community Development Block Grant (CDBG) Real Estate and Housing	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	Dollar Change FY'24-'23	Percent Change FY'24-'23
Personal Services	529,395	360,123	714,145	646,087	(68,058)	-9.5%
Materials, Supplies, and Equipment	52,198	14,091	146,205	156,205	10,000	6.8%
Other / Special Purpose	1,892,602	1,854,783	1,296,010	1,396,861	100,851	7.8%
Total	2,474,195	2,228,997	2,156,360	2,199,153	42,793	2.0%
Staffing Levels	7.54	7.29	6.79	6.08	(0.71)	-10.5%

Home Investment Partnerships Program Fund Real Estate and Housing	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	Dollar Change FY'24-'23	Percent Change FY'24-'23
Personal Services	157,226	123,809	56,182	160,637	104,455	185.9%
Other / Special Purpose	429,290	521,000	525,357	557,885	32,528	6.2%
Total	586,516	644,809	581,539	718,522	136,983	23.6%
Staffing Levels	0.41	0.53	0.53	1.43	0.90	169.8%

Housing Opportunities for Persons With AIDS (HOPWA) Real Estate and Housing	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	Dollar Change FY'24-'23	Percent Change FY'24-'23
Personal Services	1,828	3,474	17,836	21,226	3,390	19.0%
Other / Special Purpose	870,060	801,730	806,628	930,013	123,385	15.3%
Total	871,888	805,204	824,464	951,239	126,775	15.4%
Staffing Levels	0.17	0.17	0.17	0.22	0.05	29.4%

Emergency Shelter Grant (ESG) Real Estate and Housing	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	Dollar Change FY'24-'23	Percent Change FY'24-'23
Personal Services	21,465	2,775	13,641	11,578	(2,063)	-15.1%
Other / Special Purpose	335,932	174,889	175,431	185,648	10,217	5.8%
Total	357,397	177,664	189,072	197,226	8,154	4.3%
Staffing Levels	0.13	0.13	0.13	0.12	(0.01)	-7.7%

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

- Three positions have been upgraded: the Director of Compliance & Development, Director of Grants & Rehabilitation, and Administrative Clerk III, which will increase the General Fund budget for Personal Services by nearly \$15,000. The Director of Compliance & Development position is funded 40% by the General Fund, the Director of Grants & Rehabilitation is funded 10% by the General Fund, and the Admin Clerk III position is 10% funded by the General Fund, with the remaining costs included in the Special Funds.
- Following an exercise to update the funding for positions in the department based on the number of hours employees work between Federal and non-Federal projects, the number of full-time equivalent employees in General Fund has been reduced by a net of 0.23 FTE, for a savings of around \$20,000. With these changes, the department can utilize additional grant funding in the HOME Partnerships Fund.
- Debt Service has decreased by approximately \$1.4 million or 64.9% according to the Finance department's latest debt service schedule.
- The General Fund will continue to support the following priorities:
 - \$750,000 for the Clean Team program, a \$50,000 increase from last year due to increased administrative costs. This program, now into its fifth year, hires 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.
 - \$50,000 for the Live Near Your Work initiative, which is a program where 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.
- \$500,000 in funding previously allocated to the Wilmington Neighborhood Conservancy Land Bank was eliminated from the Real Estate and Housing budget. Instead, the City will transfer \$5.0 million from the Tax Stabilization Reserve to fund the newly created Neighborhood Stabilization Fund (NSF). Of the total \$5.0 million, \$1.0 million will be allocated to the Land Bank, which was established to acquire, manage, and maintain vacant, abandoned, and foreclosed properties to restore and re-purpose them into productive use.

**MAJOR FUNDING CHANGES FROM PRIOR YEAR
FEDERAL HUD FUNDS**

- Three positions have been upgraded: the Director of Compliance & Development, Director of Grants & Rehabilitation, and Administrative Clerk III, which will increase the Special Funds budget for Personal Services by nearly \$45,000. The Director of Compliance & Development position is funded 60% by Federal Housing Urban Development (HUD) funds, the Director of Grants & Rehabilitation is funded 90% by Federal HUD funds, and the Admin Clerk III position is funded 90% by Federal HUD funds, with the remaining costs included in the General Fund.
- Following an exercise to update the funding for positions in the department based on the number of hours employees work between Federal and non-Federal projects, the number of full-time equivalent employees in Special Funds has been increased by a net of 0.23 FTE, for an additional cost of around \$20,000. With these changes, the department can more effectively utilize additional grant funding in the HOME Partnerships Fund.
- Federal funding has been awarded to the City according to the following amounts for the department's four special funds:
 - Community Development Block Grant (CDBG): approximately \$2.2 million (up about \$43,000 from last Fiscal Year's 2023 award.)
 - Home Partnerships (HOME): about \$719,000 (up approximately \$137,000 from last Fiscal Year's 2023 award.)
 - Housing for People with Aids (HOPWA): approximately \$951,000 (up around \$127,000 from last Fiscal Year's 2023 award.)
 - Emergency Shelter Grant (ESG): about \$197,000 (up approximately \$8,000 from last Fiscal Year's 2023 award.)

DEPARTMENT OF REAL ESTATE & HOUSING

Strategic Plan

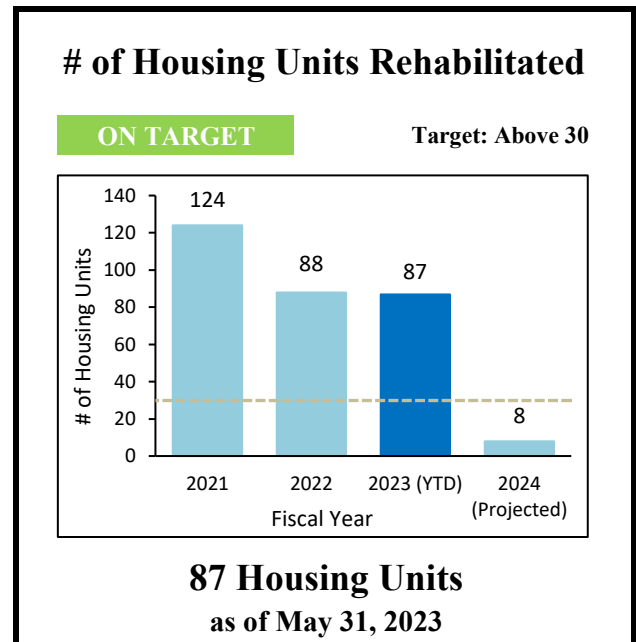
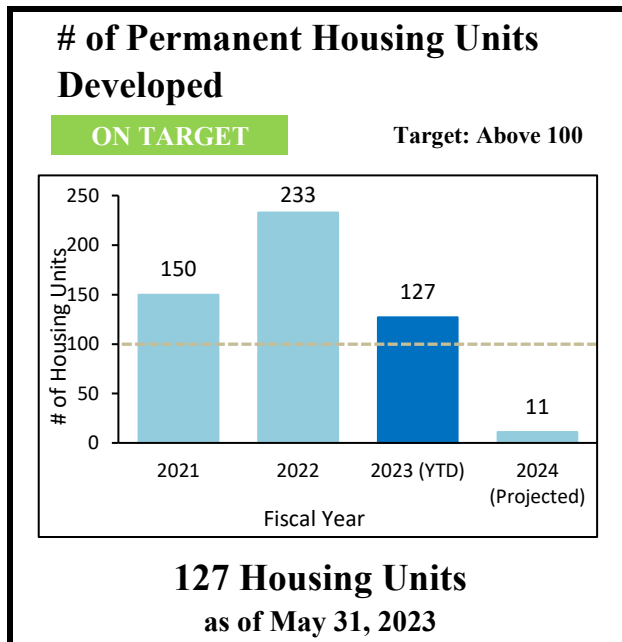
The Department is committed to developing inclusive programs that address the needs of the City’s residential neighborhoods, so that current and future residents receive decent, safe and affordable housing opportunities that are available to current and future residents.

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.

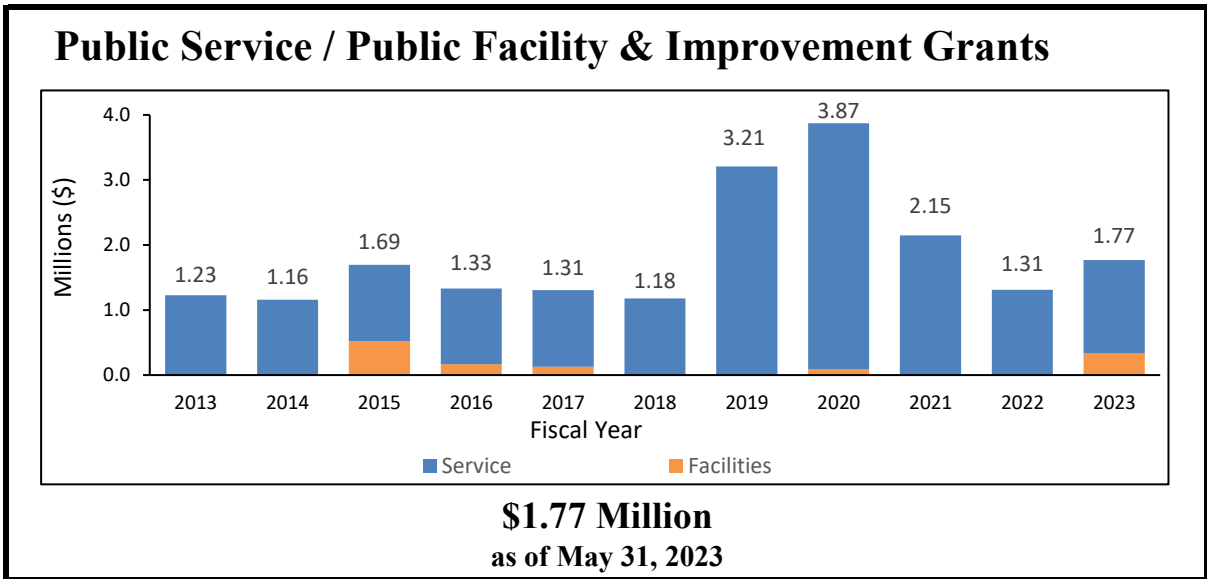
Objective 1: Increase the number of permanent housing units available for low/moderate income families/individuals through the development of new quality housing stock and the rehabilitation of existing units.



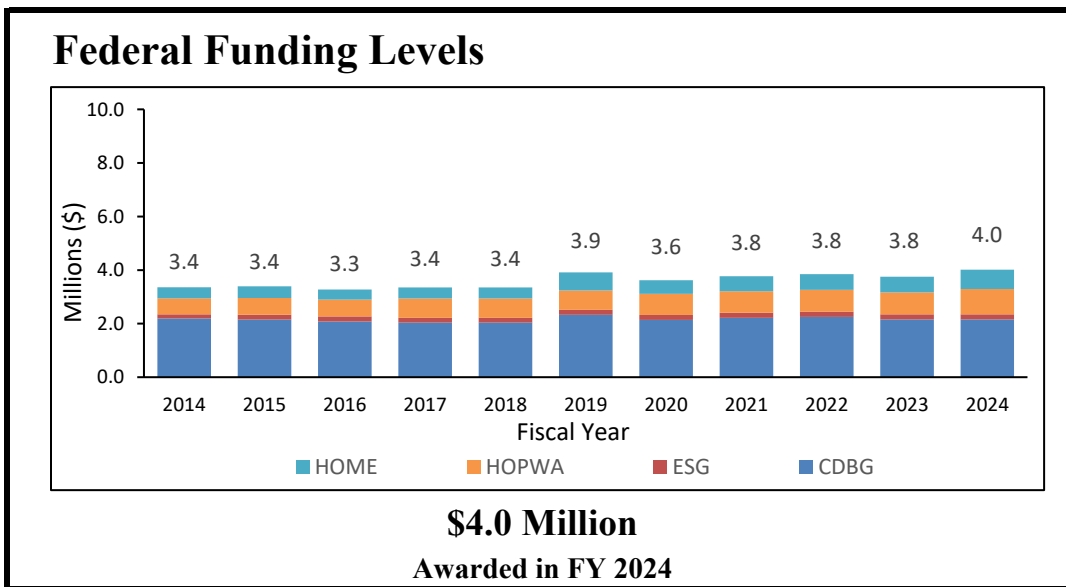
Note: Given the lead time necessary to move a new / rehabilitated housing development project from conception to occupancy, a project is included in the measures above once a firm commitment of funds has been made.

DEPARTMENT OF REAL ESTATE & HOUSING

Performance Trends



The above chart represents federally funded public services and administration grants.



The above chart shows the amount of regular federal funding received by the Department of Real Estate & Housing since 2014. 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

Personal Services	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Regular Salaries	272,835	269,859	202,555	194,192	(8,363)	-4.1%
Temporary Salaries	0	3,982	0	0	0	0.0%
Sick Leave Bonus	1,000	0	0	0	0	0.0%
Overtime	0	(30)	0	0	0	0.0%
Pension Contribution	34,223	44,363	31,399	12,776	(18,623)	-59.3%
Social Security	16,790	12,785	12,320	11,758	(562)	-4.6%
Medicare Tax	3,787	3,755	2,882	2,749	(133)	-4.6%
Hospitalization	44,906	38,845	26,691	31,723	5,032	18.9%
Life Insurance	968	178	572	516	(56)	-9.8%
Pension Healthcare	30,664	11,516	10,122	9,662	(460)	-4.5%
State Pension Plan - Civilian	9,625	8,597	5,656	8,201	2,545	45.0%
Attrition	0	0	(10,060)	(10,389)	(329)	3.3%
Total Personal Services	414,798	393,850	282,137	261,188	(20,949)	-7.4%

Materials, Supplies, and Equipment	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Printing and Advertising	559	932	1,600	1,600	0	0.0%
Communications and Utilities	1,625	377	1,627	1,762	135	8.3%
Professional Fees	9,113	33,624	50,000	50,000	0	0.0%
Memberships and Registrations	400	0	0	0	0	0.0%
Miscellaneous Services	6,000	4,288	5,000	5,000	0	0.0%
Office and General Supplies	0	8,281	500	500	0	0.0%
Misc. Mat., Supp., and Parts	0	209	500	500	0	0.0%
Community Activities	2,027,573	1,776,239	1,750,000	1,300,000	(450,000)	-25.7%
Total M.S.&E.	2,045,270	1,823,950	1,809,227	1,359,362	(449,865)	-24.9%

Internal Services	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Administrative Services	32,053	33,066	49,670	53,763	4,093	8.2%
Self-Insurance	2,450	2,420	2,302	2,368	66	2.9%
Total Internal Services	34,503	35,486	51,972	56,131	4,159	8.0%

Debt Service	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Principal Payments	254,114	3,183,163	1,855,365	531,356	(1,324,009)	-71.4%
Interest Payments	234,692	258,011	230,128	199,615	(30,513)	-13.3%
Total Debt Service	488,806	3,441,174	2,085,493	730,971	(1,354,522)	-64.9%

General Fund	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Total	2,983,377	5,694,460	4,228,829	2,407,652	(1,821,177)	-43.1%

Personal Services	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Regular Salaries	339,657	234,833	456,680	415,414	(41,266)	-9.0%
Pension Contribution	56,030	30,687	84,402	28,111	(56,291)	-66.7%
Social Security	20,288	14,067	27,394	24,618	(2,776)	-10.1%
Medicare Tax	4,746	3,303	6,406	5,757	(649)	-10.1%
Hospitalization	78,989	54,102	98,424	126,031	27,607	28.0%
Life Insurance	1,351	886	1,629	1,459	(170)	-10.4%
Pension Healthcare	18,690	13,826	28,878	27,317	(1,561)	-5.4%
State Pension Plan - Civilian	9,644	8,419	10,332	17,380	7,048	68.2%
Total Personal Services	529,395	360,123	714,145	646,087	(68,058)	-9.5%

Materials, Supplies, and Equipment	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Printing and Advertising	2,501	1,944	5,944	5,944	0	0.0%
Communications and Utilities	(19)	0	1,428	1,428	0	0.0%
Transportation	0	0	8,233	8,233	0	0.0%
Rentals	0	0	500	500	0	0.0%
Professional Fees	41,113	8,036	102,200	112,200	10,000	9.8%
Memberships and Registrations	0	1,500	9,400	9,400	0	0.0%
Miscellaneous Services	2,206	2,256	6,000	6,000	0	0.0%
Office and General Supplies	2,498	0	2,500	2,500	0	0.0%
Wearing Apparel and Safety	1,155	355	6,000	6,000	0	0.0%
Equipment	2,744	0	4,000	4,000	0	0.0%
Total M.S.&E.	52,198	14,091	146,205	156,205	10,000	6.8%

Other / Special Purpose	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Grants and Fixed Charges	1,892,602	1,854,783	1,296,010	1,396,861	100,851	7.8%
Total Other / Special Purpose	1,892,602	1,854,783	1,296,010	1,396,861	100,851	7.8%

Department: Real Estate and Housing

Fund: CDBG

Grants and Fixed Charges Detail	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Above Xpectations			3,000	11,000	8,000	266.7%
Catholic Charities			14,000	25,000	11,000	78.6%
Catholic Charities - Bayard			15,000	15,000	0	0.0%
Challenge Program			24,000	25,000	1,000	4.2%
Christiana Cultural Arts Center			22,000	23,000	1,000	4.5%
Correct a Code Violation Program			0	0	0	0.0%
Delaware Center for Horticulture			150,000	115,000	(35,000)	-23.3%
Delaware Futures, Inc.			1,000	0	(1,000)	-100.0%
Disposition Program Delivery			82,632	0	(82,632)	-100.0%
Down Payment Assistance			300,000	0	(300,000)	-100.0%
Duffy's Hope			10,000	0	(10,000)	-100.0%
Fair Housing			25,000	25,000	0	0.0%
Family Counseling of St. Paul			7,000	0	(7,000)	-100.0%
Family Promise of Northern NCC			10,000	15,000	5,000	50.0%
Housing Alliance of DE			0	15,000	15,000	0.0%
HOND			5,000	0	(5,000)	-100.0%
Ingleside Housing Project			150,000	110,000	(40,000)	-26.7%
Kingswood Community Center			5,000	0	(5,000)	-100.0%
LACC - Evening Enrichment			0	0	0	0.0%
LACC - Homeless Prevention			10,000	10,000	0	0.0%
LACC - Summer Camp			15,000	15,000	0	0.0%
Lutheran Community Services			35,000	10,000	(25,000)	-71.4%
Ministry of Caring			0	20,000	20,000	0.0%
Neighborhood House, Inc.			21,000	0	(21,000)	-100.0%
Rental Property Rehab			500,000	0	(500,000)	-100.0%
Salvation Army			0	15,000	15,000	0.0%
Sojourners Place			25,000	25,000	0	0.0%
STEHM, Inc.			10,000	10,000	0	0.0%
Streets Repair - Bennett			0	826,823	826,823	0.0%
Tech Impact - IT Works			5,000	0	(5,000)	-100.0%
Teen Warehouse			5,000	0	(5,000)	-100.0%
Urban Bike Project			0	15,000	15,000	0.0%
Villa Maria - MOC Street Repair			100,000	0	(100,000)	-100.0%
West End Neighborhood House			15,000	30,000	15,000	100.0%
Wilmington HOPE Commission			5,000	0	(5,000)	-100.0%
YMCA - Supportive Housing			20,000	15,000	(5,000)	-25.0%
YMCA - Teen Engagement			5,000	0	(5,000)	-100.0%
YWCA Delaware			30,000	35,000	5,000	16.7%
Budget Control			(328,622)	(8,962)	319,660	-97.3%
FY 2021 Expenditures	1,892,602					
FY 2022 Expenditures		1,854,783				
Total Grants and Fixed Charges	1,892,602	1,854,783	1,296,010	1,396,861	100,851	7.8%

Community Development Block Grant (CDBG)	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Total	2,474,195	2,228,997	2,156,360	2,199,153	42,793	2.0%

Department: Real Estate and Housing

Fund: HOME

Personal Services	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Regular Salaries	102,253	76,720	35,646	104,661	69,015	193.6%
Pension Contribution	25,589	22,593	11,122	10,223	(899)	-8.1%
Social Security	6,053	4,563	2,168	6,254	4,086	188.5%
Medicare Tax	1,416	1,064	507	1,463	956	188.6%
Hospitalization	14,988	13,984	4,358	27,543	23,185	532.0%
Life Insurance	(53)	238	127	343	216	170.1%
Pension Healthcare	6,862	4,647	2,254	6,424	4,170	185.0%
State Pension Plan - Civilian	118	0	0	3,726	3,726	0.0%
Total Personal Services	157,226	123,809	56,182	160,637	104,455	185.9%

Other / Special Purpose	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Grants and Fixed Charges	429,290	521,000	525,357	557,885	32,528	6.2%
Total Other / Special Purpose	429,290	521,000	525,357	557,885	32,528	6.2%

Grants and Fixed Charges Detail	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Central Baptist CDC			30,000	0	(30,000)	-100.0%
CHDO Set-Aside			74,505	107,778	33,274	44.7%
Delaware Valley Dev. Co.			31,453	0	(31,453)	-100.0%
Sacred Heart			379,524	0	(379,524)	-100.0%
Habitat for Humanity			0	336,500	336,500	0.0%
Solomon's Court Phase III			0	202,392	202,392	0.0%
Todmorden Foundation			143,000	0	(143,000)	-100.0%
Budget Control			(133,124)	(88,785)	44,339	-33.3%
FY 2021 Expenditures	429,290					
FY 2022 Expenditures		521,000				
Total Grants and Fixed Charges	429,290	521,000	525,357	557,885	32,528	6.2%

Home Investment Partnerships Program Fund	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Total	586,516	644,809	581,539	718,522	136,983	23.6%

Department: Real Estate and Housing

Fund: HOPWA

Personal Services	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Regular Salaries	1,385	2,100	13,872	13,489	(383)	-2.8%
Pension Contribution	9	446	0	0	0	0.0%
Social Security	85	128	847	793	(54)	-6.4%
Medicare Tax	19	30	198	186	(12)	-6.1%
Hospitalization	161	603	1,385	4,963	3,578	258.3%
Life Insurance	4	7	41	53	12	29.3%
Pension Healthcare	69	113	723	988	265	36.7%
State Pension Plan - Civilian	96	47	770	754	(16)	-2.1%
Total Personal Services	1,828	3,474	17,836	21,226	3,390	19.0%

Other / Special Purpose	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Grants and Fixed Charges	870,060	801,730	806,628	930,013	123,385	15.3%
Total Other / Special Purpose	870,060	801,730	806,628	930,013	123,385	15.3%

Grants and Fixed Charges Detail	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Catholic Charities			10,000	0	(10,000)	-100.0%
Cecil County Emerg. Housing			37,000	0	(37,000)	-100.0%
Delaware HIV Services, Inc.			672,729	749,148	76,419	11.4%
Ministry of Caring			122,578	173,554	50,976	41.6%
Budget Control			(35,679)	7,311	42,990	-120.5%
FY 2021 Expenditures	870,060					
FY 2022 Expenditures		801,730				
Total Grants and Fixed Charges	870,060	801,730	806,628	930,013	123,385	15.3%

Housing Opportunities for Persons With AIDS (HOPWA)	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Total	871,888	805,204	824,464	951,239	126,775	15.4%

Department: Real Estate and Housing

Fund: Emergency Shelter Grant

Personal Services	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Regular Salaries	16,074	2,145	10,608	7,358	(3,250)	-30.6%
Pension Contribution	319	0	0	0	0	0.0%
Social Security	1,008	131	648	433	(215)	-33.2%
Medicare Tax	161	31	152	101	(51)	-33.6%
Hospitalization	2,024	201	1,060	2,707	1,647	155.4%
Life Insurance	22	9	31	29	(2)	-6.5%
Pension Healthcare	815	113	553	539	(14)	-2.5%
State Pension Contribution	1,042	145	589	411	(178)	-30.2%
Total Personal Services	21,465	2,775	13,641	11,578	(2,063)	-15.1%

Other / Special Purpose	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Grants and Fixed Charges	335,932	174,889	175,431	185,648	10,217	5.8%
Total Other / Special Purpose	335,932	174,889	175,431	185,648	10,217	5.8%

Grants and Fixed Charges Detail	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Family Promise			25,000	25,000	0	0.0%
Housing Alliance Delaware			18,000	18,000	0	0.0%
Ministry of Caring			40,000	40,000	0	0.0%
Salvation Army - Code Purple			30,000	0	(30,000)	-100.0%
Salvation Army - Emerg. Shelter			15,000	15,000	0	0.0%
Sojourner's Place			0	45,000	45,000	0.0%
WENH Youth - Prevention			10,000	0	(10,000)	-100.0%
YWCA DE - Rapid Re-Housing			37,086	39,472	2,386	6.4%
Budget Control			345	3,176	2,831	820.6%
FY 2021 Expenditures	335,932					
FY 2022 Expenditures		174,889				
Total Grants and Fixed Charges	335,932	174,889	175,431	185,648	10,217	5.8%

Emergency Shelter Grant (ESG)	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Total	357,397	177,664	189,072	197,226	8,154	4.3%

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 continued to pay debt service, with debt reimbursement payments acting as an offsetting revenue.

In FY 2020, the City refinanced the outstanding bonds, which are now scheduled to be paid down in FY 2032. However, the reimbursement amortization continued as originally scheduled, with the final reimbursement booked in FY 2023 (when the associated debt was originally expected to be fully repaid). As these payments are now complete, there is no budgeted revenue for FY 2024.

For the FY 2024 budget, total debt service has decreased by \$54,354 as per the existing debt service schedule.

SUMMARY OF FUNDING FOR THE DEPARTMENT OF COMMERCE

Total All Funds Commerce Department	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	Dollar Change FY'24-'23	Percent Change FY'24-'23
Debt Service	77,374	166,688	277,071	222,717	(54,354)	-19.6%
Total	77,374	166,688	277,071	222,717	(54,354)	-19.6%
Staffing Levels	0.00	0.00	0.00	0.00	0.00	0.0%

General Fund Commerce Department	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	Dollar Change FY'24-'23	Percent Change FY'24-'23
Debt Service	77,374	166,688	277,071	222,717	(54,354)	-19.6%
Total	77,374	166,688	277,071	222,717	(54,354)	-19.6%
Staffing Levels	0.00	0.00	0.00	0.00	0.00	0.0%

Department: Commerce

Fund: General

Debt Service	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Principal Payments	0	76,927	200,946	152,620	(48,326)	-24.0%
Interest Payments	77,374	89,761	76,125	70,097	(6,028)	-7.9%
Total Debt Service	77,374	166,688	277,071	222,717	(54,354)	-19.6%

General Fund	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Total	77,374	166,688	277,071	222,717	(54,354)	-19.6%

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.

PRIORITIES FOR FISCAL YEAR 2024
<ul style="list-style-type: none"> Provide a Cyber resilient, flexible, and highly available computing environment for City employees. Support the Mayor's Office by maintaining an accessible, interactive, and responsive E-Government platform for citizen engagement. Employ innovative and cost-effective enterprise solutions while leveraging Cloud solutions strategically. Create a culture of Cyber Awareness.

SUMMARY OF FUNDING FOR THE DEPARTMENT OF INFORMATION TECHNOLOGIES

Total All Funds Information Technologies	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	Dollar Change FY'24-'23	Percent Change FY'24-'23
Personal Services	2,095,850	2,000,142	2,233,115	2,291,786	58,671	2.6%
Materials, Supplies, and Equipment	5,915,466	6,703,308	6,667,372	7,247,849	580,477	8.7%
Internal Services	24,568	31,597	16,229	16,683	454	2.8%
Debt Service	477,778	116,873	418,652	908,959	490,307	117.1%
Total	8,513,662	8,851,920	9,335,368	10,465,277	1,129,909	12.1%
Staffing Levels	21.00	21.00	21.00	21.00	0.00	0.0%

General Fund Information Technologies	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	Dollar Change FY'24-'23	Percent Change FY'24-'23
Personal Services	2,095,850	2,000,142	2,233,115	2,291,786	58,671	2.6%
Materials, Supplies, and Equipment	5,915,466	6,703,308	6,667,372	7,247,849	580,477	8.7%
Internal Services	24,568	31,597	16,229	16,683	454	2.8%
Debt Service	477,778	116,873	418,652	908,959	490,307	117.1%
Total	8,513,662	8,851,920	9,335,368	10,465,277	1,129,909	12.1%
Staffing Levels	21.00	21.00	21.00	21.00	0.00	0.0%

MAJOR FUNDING CHANGES FROM PRIOR YEAR

- The position of Communications Assistant has been deleted, which saves the City around \$55,000.
- An IT Support Services Technician position has been added for a cost of just over \$41,000.
- The positions of Application Support Specialist II and Network Technician have been upgraded for a total cost of approximately \$26,000.
- The account for Repairs to Mechanical Office Equipment has a net decrease of nearly \$88,000 or 10.2%, which is mainly due to a decrease of \$168,000 as contracts with Kronos for payroll services will not be renewed. Fully offsetting any budgeted savings is the new annual \$327,000 cost of the City's contract with Paycom for payroll services, which is included in the Department of Human Resources' budget.
- The City's budget for Consultants in IT has a net increase of \$73,000 or 4.1%. This is due to two items in particular: \$200,000 for an IT Project Manager to effectively manage projects among various departments and \$100,000 for a Business Analyst Consultant who will improve processes throughout the City. Partially offsetting these increases is the elimination of \$180,000 in one-time FY 2023 costs related to a Land Use & Planning software implementation.
- The budget for Computer Software Licenses has a net increase of nearly \$372,000 or 26.1%. Two items are the main drivers of this increase: \$81,000 to move the data center currently in the City/County building to another nearby site and \$75,000 for the City's contract with the vendor, SHI, to give 170 to 200 additional employees access to Microsoft programs, such as Excel, Word, and PowerPoint. The remaining \$216,000 of this net increase is due to additional costs for several smaller licenses which the City obtains annually.
- The account for Other Noncapitalized Equipment has a net increase of around \$66,000 or 24.9%, which is mainly due to the \$70,000 set to replace old computers for City employees.
- Computer Software Non-Capital has a net increase of \$110,000 or 52.7%, which is in large part due to the \$60,000 purchase of Neighborly software to assist the Department of Real Estate & Housing with their administration and reporting of Community Development Program funds.
- Capital Lease Debt Service is up a net of around \$490,000 or 117.1% due to the latest schedule from the Finance department.

Department: Information Technologies

Fund: General

Personal Services	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Regular Salaries	1,287,790	1,240,506	1,406,583	1,468,824	62,241	4.4%
Acting Out Of Classification	1,546	0	0	0	0	0.0%
Sick Leave Bonus	2,000	300	0	0	0	0.0%
Overtime	8,640	1,776	0	0	0	0.0%
Health Cash Back	2,160	2,160	2,160	2,160	0	0.0%
Pension Contribution	235,572	250,605	247,073	224,125	(22,948)	-9.3%
Social Security	80,101	73,537	84,082	88,000	3,918	4.7%
Medicare Tax	18,421	17,198	19,665	20,579	914	4.6%
Hospitalization	345,856	293,677	345,095	349,547	4,452	1.3%
Life Insurance	4,837	4,824	5,028	5,005	(23)	-0.5%
Pension Healthcare	76,776	83,970	89,313	94,353	5,040	5.6%
State Pension Plan - Civilian	32,151	31,589	34,116	39,193	5,077	14.9%
Total Personal Services	2,095,850	2,000,142	2,233,115	2,291,786	58,671	2.6%

Materials, Supplies, and Equipment	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Printing and Advertising	41,588	60,197	73,300	78,300	5,000	6.8%
Communications and Utilities	1,402,740	1,148,246	1,335,074	1,335,259	185	0.0%
Transportation	598	0	8,500	10,000	1,500	17.6%
Rentals	90,080	90,855	125,000	125,000	0	0.0%
Contracted Maintenance	675,643	739,066	864,000	776,050	(87,950)	-10.2%
Professional Fees	2,078,455	1,935,200	1,957,500	2,030,500	73,000	3.7%
Memberships and Registrations	58,108	32,804	79,000	102,000	23,000	29.1%
Miscellaneous Services	83,342	71,125	78,244	81,620	3,376	4.3%
Office and General Supplies	87,410	136,463	174,560	184,560	10,000	5.7%
Wearing Apparel and Safety	1,501	1,000	6,000	6,000	0	0.0%
Misc. Mat., Supp., and Parts	53,303	55,246	70,300	75,300	5,000	7.1%
Equipment	1,342,698	1,607,845	1,895,894	2,443,260	547,366	28.9%
Fixed Assets	0	825,261	0	0	0	0.0%
Total M.S.&E.	5,915,466	6,703,308	6,667,372	7,247,849	580,477	8.7%

Internal Services	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Administrative Services	4,584	3,455	0	0	0	0.0%
Self-Insurance	19,984	28,142	16,229	16,683	454	2.8%
Total Internal Services	24,568	31,597	16,229	16,683	454	2.8%

Debt Service	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Principal Payments	417,335	91,234	322,731	702,468	379,737	117.7%
Interest Payments	60,443	25,639	95,921	206,491	110,570	115.3%
Total Debt Service	477,778	116,873	418,652	908,959	490,307	117.1%

General Fund	Actual FY 2021	Actual FY 2022	Budget FY 2023	Budget FY 2024	\$ Change FY'24-'23	% Change FY'24-'23
Total	8,513,662	8,851,920	9,335,368	10,465,277	1,129,909	12.1%

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 2024 - FY 2029 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 2024 - FY 2029

The six-year Capital Budget and Capital Improvements Program, as presented to the Planning Commission, totals \$365,553,189, with a FY 2024 Capital Budget in the amount of \$125,013,438 and the additional five-year program adding \$240,539,751. 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 \$5,953,779. 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>.

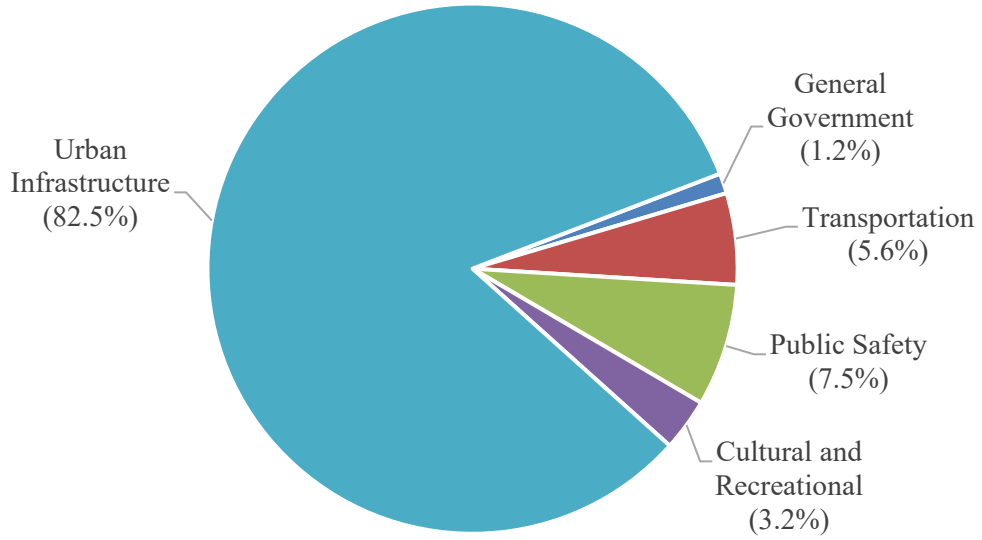
Estimated Annual Impact of Capital Budget Spending on the Operating Budget

Department	Fund	Debt Service*	Personal Services	M. S. & E.	Total
Finance	General	\$35,253	\$0	\$0	\$35,253
	Water/Sewer	38,250	0	0	38,250
Fire	General	636,070	0	(43,500)	592,570
Mayor's Office	General	213,851	0	0	213,851
Parks & Recreation	General	241,268	0	13,500	254,768
Public Works	General	1,180,751	0	(80,750)	1,100,001
	Water/Sewer	3,060,000	0	(257,500)	2,802,500
Real Estate & Housing	General	73,111	0	0	73,111
Transportation Division (Public Works)	General	475,225	0	32,500	507,725
TOTAL		\$5,953,779	\$0	(\$335,750)	\$5,618,029

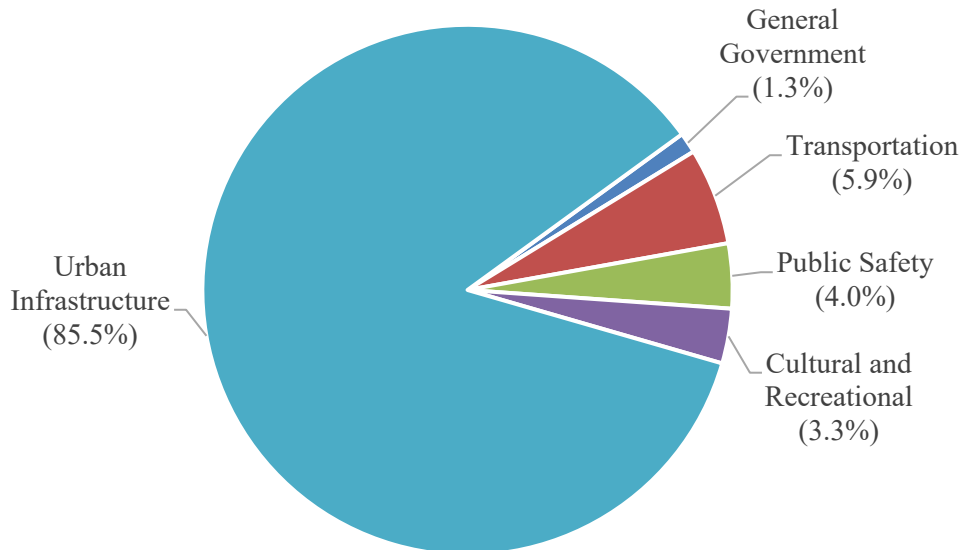
Fund	Debt Service*	Personal Services	M. S. & E.	Total
General	\$2,855,529	\$0	(\$78,250)	\$2,777,279
Water / Sewer	3,098,250	0	(257,500)	2,840,750
TOTAL	\$5,953,779	\$0	(\$335,750)	\$5,618,029

* Only the interest portion of debt service is booked (and budgeted) as an expense in the Water/Sewer Fund.

Capital Program Allocations FY 2024



Capital Program Allocations FY 2025 - FY 2029



**Capital Improvements Program
Fiscal Years 2024 - 2029**

Summary: Total Funds Recommended by Fiscal Year and Department

Department	Type of Funding	2024	2025	2026	2027	2028	2029	Total City Funds	Total City / Matching Funds
Finance	G	482,188	0	466,438	0	380,813	0	1,329,439	1,329,439
	W	956,250	0	956,250	0	956,250	0	2,868,750	2,868,750
Fire	G	8,700,000	0	9,700,000	0	3,000,000	0	21,400,000	21,400,000
Mayor's Office	G	2,925,000	0	2,815,000	0	2,665,000	0	8,405,000	8,405,000
Parks	G	3,300,000	0	3,300,000	0	3,300,000	0	9,900,000	9,900,000
Public Works	G	16,150,000	0	14,000,000	0	14,000,000	0	44,150,000	44,150,000
	W	76,500,000	0	76,500,000	0	76,500,000	0	229,500,000	229,500,000
Real Estate and Housing	G	1,000,000	0	1,000,000	0	1,000,000	0	3,000,000	3,000,000
	O	500,000	0	500,000	0	500,000	0	0	1,500,000
Transportation Divison (Public Works)	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	39,057,188	0	37,781,438	0	30,845,813	0	107,684,439	107,684,439
	O	8,500,000	0	8,500,000	0	8,500,000	0	0	25,500,000
	W	77,456,250	0	77,456,250	0	77,456,250	0	232,368,750	232,368,750
Grand Total		125,013,438	0	123,737,688	0	116,802,063	0	340,053,189	365,553,189

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

**Capital Improvements Program
Fiscal Years 2024 - 2029**

Summary: Total Funds Recommended by Expenditure Category

Department	Expend. Category	2024	2025	2026	2027	2028	2029	Total City Funds	Total City / Matching Funds
Finance (Bond Issuance Costs)	NR	77,500	0	75,000	0	0	0	152,500	152,500
	RE	268,750	0	268,750	0	237,500	0	775,000	775,000
	UE	1,092,188	0	1,078,938	0	1,099,563	0	3,270,689	3,270,689
Fire	NR	6,200,000	0	6,000,000	0	0	0	12,200,000	12,200,000
	RE	2,500,000	0	2,500,000	0	0	0	5,000,000	5,000,000
	UE	0	0	1,200,000	0	3,000,000	0	4,200,000	4,200,000
Mayor's Office	UE	2,925,000	0	2,815,000	0	2,665,000	0	8,405,000	8,405,000
Parks	UE	3,300,000	0	3,300,000	0	3,300,000	0	9,900,000	9,900,000
Public Works	RE	19,000,000	0	19,000,000	0	19,000,000	0	57,000,000	57,000,000
	UE	73,650,000	0	71,500,000	0	71,500,000	0	216,650,000	216,650,000
Real Estate and Housing	UE	1,500,000	0	1,500,000	0	1,500,000	0	3,000,000	4,500,000
Transportation Division (Public Works)	UE	14,500,000	0	14,500,000	0	14,500,000	0	19,500,000	43,500,000
Total by Expenditure Category	NR	6,277,500	0	6,075,000	0	0	0	12,352,500	12,352,500
	RE	21,768,750	0	21,768,750	0	19,237,500	0	62,775,000	62,775,000
	UE	96,967,188	0	95,893,938	0	97,564,563	0	264,925,689	290,425,689
Grand Total		125,013,438	0	123,737,688	0	116,802,063	0	340,053,189	365,553,189

Expenditure Category: NS - New Service; NR - New Replace Existing; UE - Upgrade Existing; RE - Restore Existing. See page 223 for detailed descriptions of categories.

**Capital Improvements Program
Fiscal Years 2024 - 2029**

Finance Department - Program Recommendations by Fiscal Year

Project	Expend. Category	Type of Funding	2024	2025	2026	2027	2028	2029	Total City Funds	Total City / Matching Funds
Cost of Bond Issue (General Fund)		G	482,188	0	466,438	0	380,813	0	1,329,439	1,329,439
Cost of Bond Issue (Water / Sewer Fund)		W	956,250	0	956,250	0	956,250	0	2,868,750	2,868,750
Total by Fund		G	482,188	0	466,438	0	380,813	0	1,329,439	1,329,439
		W	956,250	0	956,250	0	956,250	0	2,868,750	2,868,750
Total Finance Department Funds			1,438,438	0	1,422,688	0	1,337,063	0	4,198,189	4,198,189

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. Bond Issuance. See page 223 for detailed descriptions of categories.

Bond Issuance Costs projected to be 1.25%

**Capital Improvements Program
Fiscal Years 2024 - 2029**

Fire Department - Program Recommendations by Fiscal Year

Project	Expend. Category	Type of Funding	2024	2025	2026	2027	2028	2029	Total City Funds	Total City / Matching Funds
Fire Engine Replacement	NR	G	1,000,000	0	3,000,000	0	0	0	4,000,000	4,000,000
Ladder Truck Replacement	NR	G	2,500,000	0	2,500,000	0	0	0	5,000,000	5,000,000
Fire Station Renovations	RE	G	5,200,000	0	3,000,000	0	0	0	8,200,000	8,200,000
Ambulance Replacement	NR	G	0	0	1,200,000	0	0	0	1,200,000	1,200,000
Fire Boat Refurbishment	UE	G	0	0	0	0	3,000,000	0	3,000,000	3,000,000
Total by Fund		G	8,700,000	0	9,700,000	0	3,000,000	0	21,400,000	21,400,000
Total Fire Funds			8,700,000	0	9,700,000	0	3,000,000	0	21,400,000	21,400,000

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 page 223 for detailed descriptions of categories.

**Capital Improvements Program
Fiscal Years 2024 - 2029**

Mayor's Office - Program Recommendations by Fiscal Year

Project	Expend. Category	Type of Funding	2024	2025	2026	2027	2028	2029	Total City Funds	Total City / Matching Funds
Five Percent for Art	UE	G	425,000	0	315,000	0	165,000	0	905,000	905,000
Infrastructure and Site Improvements Closing Fund	UE	G	1,500,000	0	1,500,000	0	1,500,000	0	4,500,000	4,500,000
Site Acquisition	UE	G	1,000,000	0	1,000,000	0	1,000,000	0	3,000,000	3,000,000
Total by Fund		G	2,925,000	0	2,815,000	0	2,665,000	0	8,405,000	8,405,000
Total Mayor's Office Funds			2,925,000	0	2,815,000	0	2,665,000	0	8,405,000	8,405,000

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 page 223 for detailed descriptions of categories.

**Capital Improvements Program
Fiscal Years 2024 - 2029**

Parks and Recreation - Program Recommendations by Fiscal Year

Project	Expend. Category	Type of Funding	2024	2025	2026	2027	2028	2029	Total City Funds	Total City / Matching Funds
Park Improvements	UE	G	3,000,000	0	3,000,000	0	3,000,000	0	9,000,000	9,000,000
WHACC Improvements	UE	G	300,000	0	300,000	0	300,000	0	900,000	900,000
Total by Fund		G	3,300,000	0	3,300,000	0	3,300,000	0	9,900,000	9,900,000
Total Parks and Recreation Funds			3,300,000	0	3,300,000	0	3,300,000	0	9,900,000	9,900,000

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 page 223 for detailed descriptions of categories.

**Capital Improvements Program
Fiscal Years 2024 - 2029**

Public Works - Program Recommendations by Fiscal Year

Project	Expend. Category	Type of Funding	2024	2025	2026	2027	2028	2029	Total City Funds	Total City / Matching Funds
Street Paving and Reconstruction	RE	G	10,000,000	0	10,000,000	0	10,000,000	0	30,000,000	30,000,000
Emergency Sidewalk Repairs	UE	G	1,000,000	0	1,000,000	0	1,000,000	0	3,000,000	3,000,000
Building Improvements	UE	G	2,000,000	0	2,000,000	0	2,000,000	0	6,000,000	6,000,000
City / County Bldg. Renovations	UE	G	1,000,000	0	1,000,000	0	1,000,000	0	3,000,000	3,000,000
Municipal Complex Energy Upgrades	UE	G	2,150,000	0	0	0	0	0	2,150,000	2,150,000
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	2,500,000	0	2,500,000	0	2,500,000	0	7,500,000	7,500,000
Major Sewer Improvements	RE	W	6,000,000	0	6,000,000	0	6,000,000	0	18,000,000	18,000,000
Annual Water Improvements	UE	W	10,000,000	0	10,000,000	0	10,000,000	0	30,000,000	30,000,000
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	2,000,000	0	2,000,000	0	2,000,000	0	6,000,000	6,000,000
Porter Filter Plant Improvements	UE	W	10,000,000	0	10,000,000	0	10,000,000	0	30,000,000	30,000,000
Brandywine Filter Plant Improvements	UE	W	3,000,000	0	3,000,000	0	3,000,000	0	9,000,000	9,000,000
Raw Water System Improvements	UE	W	3,000,000	0	3,000,000	0	3,000,000	0	9,000,000	9,000,000
Architectural Improvements	UE	W	1,500,000	0	1,500,000	0	1,500,000	0	4,500,000	4,500,000
Pumping Station Improvements	UE	W	500,000	0	500,000	0	500,000	0	1,500,000	1,500,000
WWTP Infrastructure Improvements	UE	W	20,000,000	0	20,000,000	0	20,000,000	0	60,000,000	60,000,000
Stormwater Drainage Management Program	UE	W	2,000,000	0	2,000,000	0	2,000,000	0	6,000,000	6,000,000
Storm Water Mitigation (Green Infrastructure)	UE	W	1,500,000	0	1,500,000	0	1,500,000	0	4,500,000	4,500,000
Urban Forest Management Program	RE	W	500,000	0	500,000	0	500,000	0	1,500,000	1,500,000
Total by Fund		G	16,150,000	0	14,000,000	0	14,000,000	0	44,150,000	44,150,000
		W	76,500,000	0	76,500,000	0	76,500,000	0	229,500,000	229,500,000
Total Public Works Funds			92,650,000	0	90,500,000	0	90,500,000	0	273,650,000	273,650,000

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 page 223 for detailed descriptions of categories.

**Capital Improvements Program
Fiscal Years 2024 - 2029**

Real Estate and Housing - Program Recommendations by Fiscal Year

Project	Expend. Category	Type of Funding	2024	2025	2026	2027	2028	2029	Total City Funds	Total City / Matching Funds
Neighborhood Stabilization	UE	G	1,000,000	0	1,000,000	0	1,000,000	0	3,000,000	3,000,000
	UE	O	500,000	0	500,000	0	500,000	0	0	1,500,000
Total by Fund		G	1,000,000	0	1,000,000	0	1,000,000	0	3,000,000	3,000,000
		O	500,000	0	500,000	0	500,000	0	0	1,500,000
Total Real Estate and Housing Funds			1,500,000	0	1,500,000	0	1,500,000	0	3,000,000	4,500,000

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 page 223 for detailed descriptions of categories.

**Capital Improvements Program
Fiscal Years 2024 - 2029**

Transportation Division (Public Works) - Program Recommendations by Fiscal Year

Project	Expend. Category	Type of Funding	2024	2025	2026	2027	2028	2029	Total City Funds	Total City / Matching Funds
Traffic System Infrastructure	UE	G	2,500,000	0	2,500,000	0	2,500,000	0	7,500,000	7,500,000
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
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
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 (Public Works) 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 page 223 for detailed descriptions of categories.

**Capital Improvements Program
Fiscal Years 2024 - 2029**

Mayor's Office - 5% for Art

Project	Expend. Category	Type of Funding	2024	2025	2026	2027	2028	2029	Total City Funds	Total Local / Matching Funds
Fire Station Renovations	RE	G	5,200,000	0	3,000,000	0	0	0	8,200,000	0
Building Improvements	RE	G	2,000,000	0	2,000,000	0	2,000,000	0	6,000,000	0
City / County Bldg. Renovations	UE	G	1,000,000	0	1,000,000	0	1,000,000	0	3,000,000	0
WHACC Improvements	UE	G	300,000	0	300,000	0	300,000	0	900,000	0
Total by Fund		G	8,500,000	0	6,300,000	0	3,300,000	0	18,100,000	0
Total 5% For Art		G	425,000	0	315,000	0	165,000	0	905,000	0

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 page 223 for detailed descriptions of categories.

III. CAPITAL PROJECT DESCRIPTIONS - FISCAL YEARS 2024 - 2029

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).

B. FIRE DEPARTMENT

1. Fire Engine Replacement

Budget Request: \$1,000,000.
Program Request: \$3,000,000.

Budget: Provides funds for the replacement of existing fire engines with 1500-GPM pumpers with equipment.

Program: Ongoing program.

<i>Annual Debt Service Impact</i>	\$73,111
<i>Annual Operational Impact Personal Services</i>	\$0
<i>Annual Operational Impact M. S. & E.</i>	(\$5,000)

2. Ladder Truck Replacement

Budget Request: \$2,500,000.
Program Request: \$2,500,000.

Budget: Provides funds for the replacement of existing ladder trucks with fully equipped ariel trucks.

Program: Ongoing program.

<i>Annual Debt Service Impact</i>	\$182,779
<i>Annual Operational Impact Personal Services</i>	\$0
<i>Annual Operational Impact M. S. & E.</i>	(\$12,500)

3. Fire Station Renovations

Budget Request: \$5,200,000.
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 program.

Annual Debt Service Impact \$380,180
Annual Operational Impact Personal Services \$0
Annual Operational Impact M. S. & E. (\$26,000)

C. OFFICE OF THE MAYOR

1. Five Percent for Art

Budget Request: \$425,000.
Program Request: \$480,000.

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 program.

Annual Debt Service Impact \$31,072
Annual Operational Impact Personal Services \$0
Annual Operational Impact M. S. & E. \$0

2. Infrastructure and Site Improvements Closing Fund

Budget Request: \$1,500,000.
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 to leverage private redevelopment of underutilized and blighted areas. Includes land acquisition, construction of new roads and utilities, site preparation, and environmental remediation.

Program: Ongoing program.

Annual Debt Service Impact \$73,111
Annual Operational Impact Personal Services \$0
Annual Operational Impact M. S. & E. \$0

3. Site Acquisition

Budget Request: \$1,000,000.
Program Request: \$2,000,000.

Budget: Provides funds for land acquisition which supports 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 program.

Annual Debt Service Impact \$109,667
Annual Operational Impact Personal Services \$0
Annual Operational Impact M. S. & E. \$0

D. PARKS AND RECREATION

1. Park Improvements

Budget Request: \$3,000,000.
Program Request: \$6,000,000.

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 program.

Annual Debt Service Impact \$219,334
Annual Operational Impact Personal Services \$0
Annual Operational Impact M. S. & E. \$15,000

2. WHACC Improvements

Budget Request: \$300,000.
Program Request: \$600,000.

Budget: Provides funds for interior and exterior improvements to the William Hicks Anderson Community Center, to meet programming and operational needs.

Program: Ongoing program.

Annual Debt Service Impact \$21,933
Annual Operational Impact Personal Services \$0
Annual Operational Impact M. S. & E. (\$1,500)

E. PUBLIC WORKS

General Fund Projects

1. Street Paving and Reconstruction

Budget Request: \$10,000,000.
Program Request: \$20,000,000.

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 program.

<i>Annual Debt Service Impact</i>	<i>\$731,115</i>
<i>Annual Operational Impact Personal Services</i>	<i>\$0</i>
<i>Annual Operational Impact M. S. & E.</i>	<i>(\$50,000)</i>

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 program.

<i>Annual Debt Service Impact</i>	<i>\$73,111</i>
<i>Annual Operational Impact Personal Services</i>	<i>\$0</i>
<i>Annual Operational Impact M. S. & E.</i>	<i>(\$5,000)</i>

3. Building Improvements

Budget Request: \$2,000,000.
Program Request: \$4,000,000.

Budget: Provides funds for HVAC, electrical and architectural improvements to the City/County Building and other municipal buildings.

Program: Ongoing program.

<i>Annual Debt Service Impact</i>	<i>\$146,223</i>
<i>Annual Operational Impact Personal Services</i>	<i>\$0</i>
<i>Annual Operational Impact M. S. & E.</i>	<i>(\$10,000)</i>

4. City / County Building Renovations

Budget Request: \$1,000,000.
Program Request: \$2,000,000.

Budget: Provides funds to implement departmental requests for renovations to spaces within the City/County Building, including security locks, buzzers, doors, carpet, paint, furniture, electrical, data, mechanical, construction and fire protection.

Program: Ongoing program.

Annual Debt Service Impact \$73,111
Annual Operational Impact Personal Services \$0
Annual Operational Impact M. S. & E. (\$5,000)

5. Municipal Complex Energy Upgrades

Budget Request: \$2,150,000.
Program Request: \$0.

Budget: Provides funds for implementing energy-saving upgrades to aging municipal buildings to reduce environmental impact and lower energy costs.

Program: Ongoing program.

Annual Debt Service Impact \$157,190
Annual Operational Impact Personal Services \$0
Annual Operational Impact M. S. & E. (\$10,750)

Water/Sewer Fund Projects

1. 11th 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 program.

Annual Debt Service Impact \$400,000
Annual Operational Impact Personal Services \$0
Annual Operational Impact M. S. & E. (\$50,000)

2. Annual Minor Sewer Improvements

Budget Request: \$2,500,000.
Program Request: \$5,000,000.

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 program.

<i>Annual Debt Service Impact</i>	<i>\$100,000</i>
<i>Annual Operational Impact Personal Services</i>	<i>\$0</i>
<i>Annual Operational Impact M. S. & E.</i>	<i>(\$12,500)</i>

3. Major Sewer Improvements

Budget Request: \$6,000,000.
Program Request: \$12,000,000.

Budget: Provides funds for sewer reconstruction and rehabilitation of major brick sewers (24" and above) throughout the City.

Program: Ongoing program.

<i>Annual Debt Service Impact</i>	<i>\$240,000</i>
<i>Annual Operational Impact Personal Services</i>	<i>\$0</i>
<i>Annual Operational Impact M. S. & E.</i>	<i>(\$30,000)</i>

4. Annual Water Improvements

Budget Request: \$10,000,000.
Program Request: \$20,000,000.

Budget: Provides funds for maintaining the citywide water distribution system, to improve water quality, pressure, fire flows and overall level of service.

Program: Ongoing program.

<i>Annual Debt Service Impact</i>	<i>\$400,000</i>
<i>Annual Operational Impact Personal Services</i>	<i>\$0</i>
<i>Annual Operational Impact M. S. & E.</i>	<i>(\$50,000)</i>

5. 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 program.

Annual Debt Service Impact \$160,000
Annual Operational Impact Personal Services \$0
Annual Operational Impact M. S. & E. \$20,000

6. Pressure Zone Reliability Improvements

Budget Request: \$2,000,000.
Program Request: \$4,000,000.

Budget: Provides funds for improvements to pressure zones, tanks, and mains and for strategic small main replacements, to improve the reliability of service through redundant feeds which facilitate water storage and distribution maintenance.

Program: Ongoing program.

Annual Debt Service Impact \$80,000
Annual Operational Impact Personal Services \$0
Annual Operational Impact M. S. & E. \$10,000

7. Porter Filter Plant Improvements

Budget Request: \$10,000,000.
Program Request: \$20,000,000.

Budget: Provides funds for upgrades to the electrical system and continued improvements to the Porter Reservoir and Clear Well to maintain operations.

Program: Ongoing.

Annual Debt Service Impact \$400,000
Annual Operational Impact Personal Services \$0
Annual Operational Impact M. S. & E. (\$50,000)

8. Brandywine Filter Plant Improvements

Budget Request: \$3,000,000.
Program Request: \$6,000,000.

Budget: Provides funds for structural, mechanical, and aesthetic upgrades to the Brandywine Filter Plant, including electrical, heating, and HVAC system improvements.

Program: Ongoing.

Annual Debt Service Impact \$120,000
Annual Operational Impact Personal Services \$0
Annual Operational Impact M. S. & E. (\$15,000)

9. Raw Water System Improvements

Budget Request: \$3,000,000.
Program Request: \$6,000,000.

Budget: Provides funds for the rehabilitation of the 42" raw water transmission main between the Brandywine Pumping Station and Porter Filter Plant, and other critical raw water infrastructure.

Program: Ongoing program.

Annual Debt Service Impact \$120,000
Annual Operational Impact Personal Services \$0
Annual Operational Impact M. S. & E. \$15,000

10. Architectural Improvements

Budget Request: \$1,500,000.
Program Request: \$3,000,000.

Budget: Provides funds for architectural repairs, restoration, and stabilization of buildings, roofs, and structural components throughout the water system.

Program: Ongoing program.

Annual Debt Service Impact \$60,000
Annual Operational Impact Personal Services \$0
Annual Operational Impact M. S. & E. \$7,500

11. Pumping Station Improvements

Budget Request: \$500,000.
Program Request: \$1,000,000.

Budget: Provides funds for upgrades to pumps and electrical components of various remote pumping stations.

Program: Ongoing program.

Annual Debt Service Impact \$20,000
Annual Operational Impact Personal Services \$0
Annual Operational Impact M. S. & E. (\$2,500)

12. WWTP Infrastructure System Improvements

Budget Request: \$20,000,000.
Program Request: \$40,000,000.

Budget: Provides funds for the rehabilitation and replacement of aged infrastructure at the Waste Water Treatment Plant (12th Street and Hay Road).

Program: Ongoing program.

Annual Debt Service Impact \$800,000
Annual Operational Impact Personal Services \$0
Annual Operational Impact M. S. & E. (\$100,000)

13. Stormwater Drainage Management Program

Budget Request: \$2,000,000.
Program Request: \$4,000,000.

Budget: Provides funds for tide gate evaluation and reconstruction, storm inlet reconstruction, and other drainage improvement projects citywide to mitigate local flooding, and prevent tidal water inflows into the sewer system.

Program: Ongoing program.

Annual Debt Service Impact \$80,000
Annual Operational Impact Personal Services \$0
Annual Operational Impact M. S. & E. (\$10,000)

14. Stormwater Mitigation (Green Infrastructure)

Budget Request: \$1,500,000.
Program Request: \$3,000,000.

Budget: Provides funds for the expansion and implementation of green infrastructure projects to mitigate CSOs (Combined Sewer Overflows) through source control of storm water throughout the citywide collection system.

Program: Ongoing program.

<i>Annual Debt Service Impact</i>	<i>\$60,000</i>
<i>Annual Operational Impact Personal Services</i>	<i>\$0</i>
<i>Annual Operational Impact M. S. & E.</i>	<i>\$7,500</i>

15. Urban Forest Management Program

Budget Request: \$500,000.
Program Request: \$1,000,000.

Budget: Provides funds for tree planting and stump removal to support mandates for green infrastructure and storm water control, and 2-for-1 tree replacement.

Program: Ongoing program.

<i>Annual Debt Service Impact</i>	<i>\$20,000</i>
<i>Annual Operational Impact Personal Services</i>	<i>\$0</i>
<i>Annual Operational Impact M. S. & E.</i>	<i>\$2,500</i>

F. REAL ESTATE AND HOUSING

1. Neighborhood Stabilization

Budget Request: \$1,000,000. (Other Funds: \$500,000.)
Program Request: \$2,000,000. (Other Funds: \$1,000,000.)

Budget: Provides funds for the acquisition, rehabilitation and disposition of vacant properties within the Eastside, West Center City, Hilltop and the Northeast neighborhoods.

Program: Ongoing program.

<i>Annual Debt Service Impact</i>	<i>\$73,111</i>
<i>Annual Operational Impact Personal Services</i>	<i>\$0</i>
<i>Annual Operational Impact M. S. & E.</i>	<i>\$0</i>

G. TRANSPORTATION DIVISION (PUBLIC WORKS)

1. Traffic System Infrastructure

Budget Request: \$2,500,000.
Program Request: \$5,000,000.

Budget: Provides funds for programmed traffic infrastructure improvements including signals, smart parking meters, and decorative street lights; and for implementing new smart signal and parking technologies to maintain the existing traffic control system.

Program: Ongoing program.

<i>Annual Debt Service Impact</i>	<i>\$182,779</i>
<i>Annual Operational Impact Personal Services</i>	<i>\$0</i>
<i>Annual Operational Impact M. S. & E.</i>	<i>\$12,500</i>

2. Wilmington Transportation Initiatives

Budget Request: \$2,000,000. (Other Funds: \$8,000,000.)
Program Request: \$5,000,000. (Other Funds: \$16,000,000.)

Budget: Provides local matching funds to leverage federal funding for transportation projects managed through the Wilmington Initiatives partnership (City, DelDOT, WILMAPCO).

Program: Ongoing program.

<i>Annual Debt Service Impact</i>	<i>\$146,223</i>
<i>Annual Operational Impact Personal Services</i>	<i>\$0</i>
<i>Annual Operational Impact M. S. & E.</i>	<i>\$10,000</i>

3. ADA Curb Ramp and Sidewalk Compliance

Budget Request: \$2,000,000.
Program Request: \$4,000,000.

Budget: Provides funds for the installation of ADA-compliant curb ramps and sidewalk repairs to facilitate compliance with Federal requirements.

Program: Ongoing program.

<i>Annual Debt Service Impact</i>	<i>\$146,223</i>
<i>Annual Operational Impact Personal Services</i>	<i>\$0</i>
<i>Annual Operational Impact M. S. & E.</i>	<i>\$10,000</i>

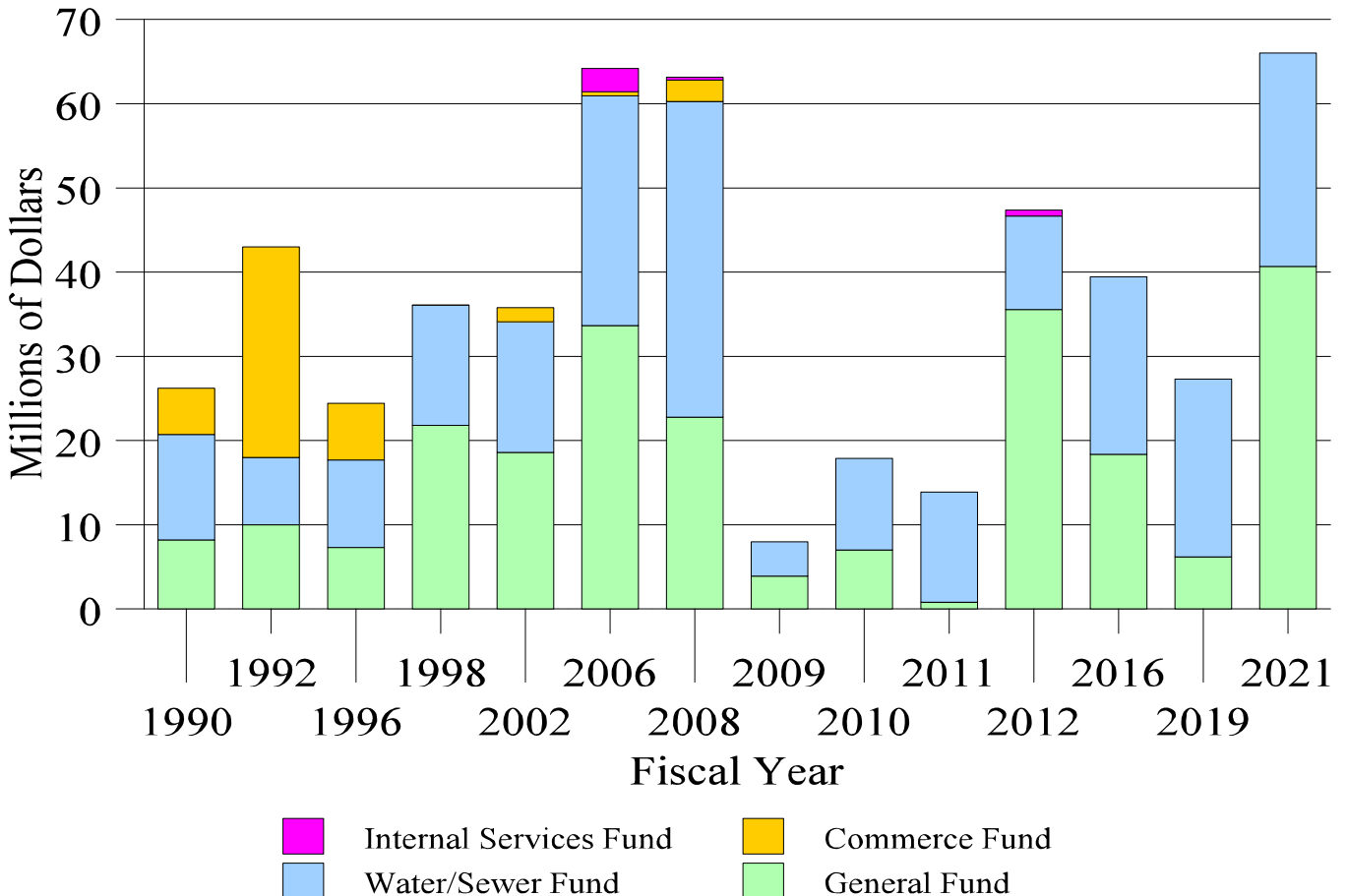
CAPITAL BORROWING AND DEBT MANAGEMENT

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 2024 General Fund Operating Budget totaling \$182,623,700, the budgeted debt service of \$14,285,714 is well below the 17.5% legal debt limit of \$31,959,148.

**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%.

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.

CAPITAL BORROWING AND DEBT MANAGEMENT
(Continued)

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 \$31,959,148 for FY 2024). 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:

Fitch:	AA-	“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.”
Moody’s:	Aa2	“Issuers or issues demonstrate very strong creditworthiness relative to other US municipal or tax-exempt issuers or issues.”
Standard & Poor’s:	AA	“Very strong capacity to meet financial commitments.”

**DEBT SERVICE SCHEDULES BY FUND
AND AS A PERCENTAGE OF TOTAL BUDGET**

The 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 2022 figures are actual payments. Fiscal years 2023 and 2024 are budgeted figures, and FY 2025 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 1.84% for the General Fund, 2.23% for the Water/Sewer Fund, and 2.31% 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.)

GENERAL FUND	Principal	Interest	Total Debt Service	% of Total Budget
FY 2011	2,837,124	5,409,868	8,246,992	5.3%
FY 2012	5,679,233	5,321,512	11,000,745	7.1%
FY 2013	7,243,632	5,074,873	12,318,505	7.8%
FY 2014	6,842,619	5,196,194	12,038,813	7.8%
FY 2015	7,570,521	4,907,923	12,478,444	8.5%
FY 2016	8,105,713	5,042,201	13,147,914	8.7%
FY 2017	8,626,347	4,940,993	13,567,340	9.0%
FY 2018	7,507,637	4,712,927	12,220,564	7.5%
FY 2019	8,450,389	4,465,093	12,915,482	9.0%
FY 2020	9,815,754	4,377,619	14,193,373	8.6%
FY 2021	7,039,024	3,404,830	10,443,854	7.0%
FY 2022	9,839,416	5,197,934	15,037,350	9.0%
FY 2023	9,941,527	4,654,491	14,596,018	8.5%
FY 2024	9,849,961	4,435,754	14,285,715	7.9%
FY 2025	9,852,102	3,990,923	13,843,025	7.4%
FY 2026	9,231,207	3,517,743	12,748,950	6.7%
FY 2027	8,762,012	3,022,483	11,784,495	6.0%
FY 2028	8,031,717	2,623,870	10,655,587	5.3%
FY 2029	7,014,658	2,345,745	9,360,403	4.6%
FY 2030	6,890,062	2,062,177	8,952,239	4.3%
FY 2031	6,698,831	1,793,268	8,492,099	3.9%
FY 2032	5,584,185	1,520,496	7,104,681	3.2%
FY 2033	3,312,418	1,273,530	4,585,948	2.0%
FY 2034	3,474,321	1,109,585	4,583,906	2.0%
FY 2035	3,642,479	937,553	4,580,032	1.9%
FY 2036	3,828,700	757,062	4,585,762	1.9%
FY 2037	2,511,953	604,905	3,116,858	1.2%
FY 2038	2,632,241	482,826	3,115,067	1.2%
FY 2039	2,327,688	354,804	2,682,492	1.0%
FY 2040	2,435,161	242,081	2,677,242	1.0%
FY 2041	2,605,649	124,377	2,730,026	1.0%
FY 2042	0	0	0	0.0%
TOTAL	\$198,184,281	\$93,905,640	\$292,089,921	

**DEBT SERVICE SCHEDULES BY FUND
AND AS A PERCENTAGE OF TOTAL BUDGET
(Continued)**

WATER/SEWER FUND	Principal	Interest	Total Debt Service	% of Total Budget
FY 2011	4,162,803	4,283,208	8,446,011	11.5%
FY 2012	6,522,388	6,193,410	12,715,798	17.4%
FY 2013	7,612,383	5,965,399	13,577,782	18.5%
FY 2014	7,674,780	5,832,865	13,507,645	18.4%
FY 2015	8,799,955	4,833,333	13,633,288	21.0%
FY 2016	9,026,243	5,842,292	14,868,535	20.9%
FY 2017	8,877,456	6,505,585	15,383,041	20.5%
FY 2018	7,398,682	5,579,777	12,978,459	18.2%
FY 2019	11,389,920	5,028,632	16,418,552	24.8%
FY 2020	13,470,113	5,748,801	19,218,914	25.9%
FY 2021	14,889,550	5,841,152	20,730,702	27.0%
FY 2022	14,877,439	6,437,099	21,314,538	26.7%
FY 2023	15,669,473	5,784,523	21,453,996	25.9%
FY 2024	15,608,032	4,633,662	20,241,694	24.0%
FY 2025	16,717,648	5,566,638	22,284,286	25.8%
FY 2026	16,683,747	4,981,811	21,665,558	24.5%
FY 2027	16,818,124	4,338,092	21,156,216	23.3%
FY 2028	16,175,469	3,760,181	19,935,650	21.5%
FY 2029	15,166,907	3,415,297	18,582,204	19.5%
FY 2030	14,300,831	2,804,922	17,105,753	17.5%
FY 2031	13,301,189	2,290,307	15,591,496	15.6%
FY 2032	10,488,402	1,927,983	12,416,385	12.1%
FY 2033	8,415,315	1,576,492	9,991,807	9.5%
FY 2034	8,408,276	1,405,604	9,813,880	9.1%
FY 2035	5,737,188	1,034,505	6,771,693	6.1%
FY 2036	5,973,546	798,915	6,772,461	6.0%
FY 2037	4,087,090	597,275	4,684,365	4.0%
FY 2038	4,068,571	435,067	4,503,638	4.0%
FY 2039	2,411,398	228,603	2,640,001	2.3%
FY 2040	2,130,089	181,286	1,642,750	1.9%
FY 2041	2,296,896	95,013	2,391,909	2.1%
FY 2042	0	0	0	0.0%
TOTAL	\$309,159,903	\$113,947,729	\$423,107,632	

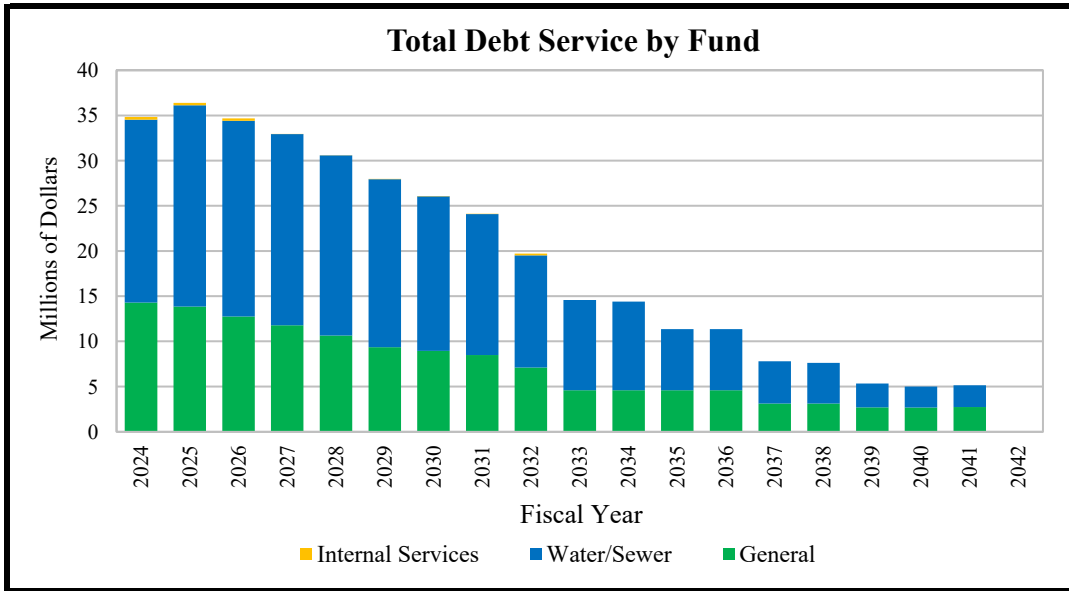
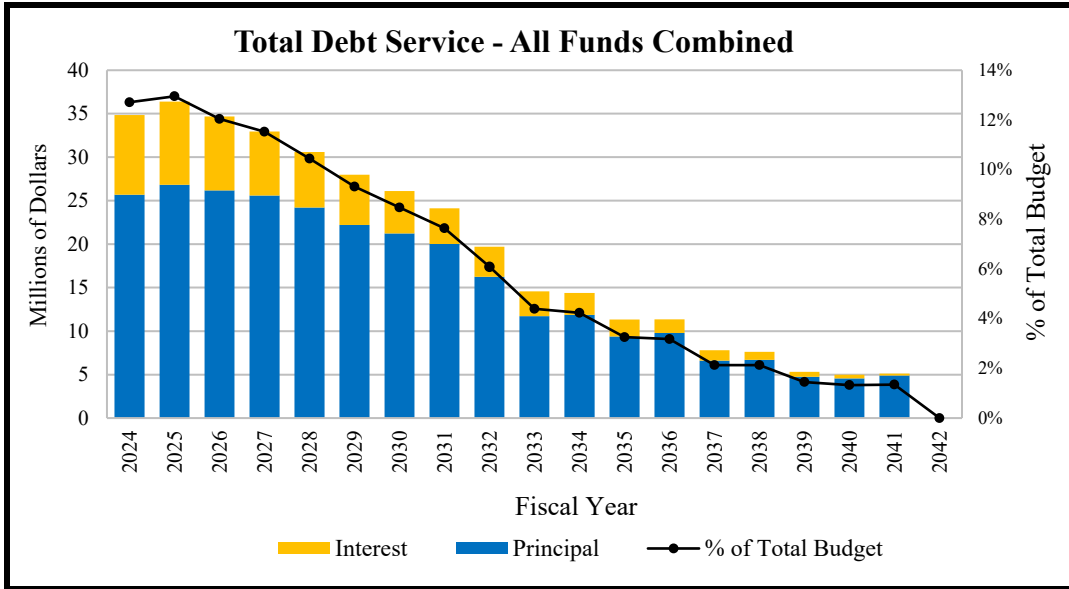
**DEBT SERVICE SCHEDULES BY FUND
AND AS A PERCENTAGE OF TOTAL BUDGET
(Continued)**

INTERNAL SERVICE FUNDS	Principal	Interest	Total Debt Service	% of Total Budget
FY 2011	89,492	425,562	515,054	3.2%
FY 2012	495,641	406,364	902,005	5.6%
FY 2013	428,432	357,357	785,789	4.9%
FY 2014	280,927	397,391	678,318	4.2%
FY 2015	455,418	301,225	756,643	5.5%
FY 2016	480,091	213,883	693,974	6.0%
FY 2017	520,025	202,046	722,071	5.8%
FY 2018	460,958	218,710	679,668	4.3%
FY 2019	396,422	203,712	600,134	2.8%
FY 2020	334,071	131,009	465,080	22.2%
FY 2021	530,370	79,123	609,493	9.7%
FY 2022	559,863	125,872	685,735	8.2%
FY 2023	315,596	74,609	390,205	4.6%
FY 2024	223,324	85,539	308,863	3.5%
FY 2025	234,537	28,759	263,296	2.9%
FY 2026	245,948	16,752	262,700	2.9%
FY 2027	610	10,205	10,815	0.1%
FY 2028	2,758	10,175	12,933	0.1%
FY 2029	27,918	10,064	37,982	0.4%
FY 2030	31,847	8,948	40,795	0.4%
FY 2031	21,500	7,674	29,174	0.3%
FY 2032	170,344	6,814	177,158	1.7%
FY 2033	0	0	0	0.0%
TOTAL	\$6,306,092	\$3,321,793	\$9,627,885	

**DEBT SERVICE SCHEDULES BY FUND
AND AS A PERCENTAGE OF TOTAL BUDGET
(Continued)**

FUNDS COMBINED	Principal	Interest	Total Debt Service	% of Total Budget
FY 2011	7,089,419	10,118,638	17,208,057	7.9%
FY 2012	12,697,262	11,921,286	24,618,548	11.8%
FY 2013	15,284,447	11,397,629	26,682,076	12.5%
FY 2014	14,798,326	11,426,450	26,224,776	11.5%
FY 2015	16,825,894	10,042,481	26,868,375	11.8%
FY 2016	17,612,047	11,098,377	28,710,424	11.8%
FY 2017	18,023,828	11,648,624	29,672,452	12.1%
FY 2018	15,367,277	10,511,414	25,878,691	10.5%
FY 2019	20,236,731	9,697,437	29,934,168	12.7%
FY 2020	23,619,938	10,257,429	33,877,367	14.2%
FY 2021	22,458,944	9,325,105	31,784,049	13.2%
FY 2022	25,276,718	11,760,905	37,037,623	14.4%
FY 2023	25,926,596	10,513,623	36,440,219	13.6%
FY 2024	25,681,317	9,154,954	34,836,271	12.7%
FY 2025	26,804,287	9,586,321	36,390,608	12.9%
FY 2026	26,160,901	8,516,307	34,677,208	12.0%
FY 2027	25,580,746	7,370,781	32,951,527	11.5%
FY 2028	24,209,944	6,394,225	30,604,169	10.4%
FY 2029	22,209,483	5,771,107	27,980,590	9.3%
FY 2030	21,222,739	4,876,047	26,098,786	8.5%
FY 2031	20,021,520	4,091,249	24,112,769	7.6%
FY 2032	16,242,932	3,455,293	19,698,225	6.1%
FY 2033	11,727,733	2,850,022	14,577,755	4.4%
FY 2034	11,882,597	2,515,189	14,397,786	4.2%
FY 2035	9,379,666	1,972,057	11,351,723	3.3%
FY 2036	9,802,247	1,555,977	11,358,224	3.2%
FY 2037	6,599,044	1,202,179	7,801,223	2.1%
FY 2038	6,700,812	917,892	7,618,704	2.1%
FY 2039	4,739,087	583,407	5,322,494	1.5%
FY 2040	4,565,250	423,367	4,988,617	1.3%
FY 2041	4,902,545	219,390	5,121,935	1.4%
FY 2042	0	0	0	0.0%
TOTAL	\$513,650,277	\$211,175,162	\$724,825,439	

**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

DEPARTMENT	ACTUAL FY 2020	ACTUAL FY 2021	ACTUAL FY 2022	BUDGET FY 2023	BUDGET FY 2024
MAYOR'S OFFICE	\$3,818,161	\$3,180,770	\$1,172,721	\$1,230,306	\$1,197,681
% Departmental Expenses	39.4%	38.4%	16.7%	16.4%	15.5%
CITY COUNCIL	1,034	111	0	0	0
% Departmental Expenses	0.1%	0.0%	0.0%	0.0%	0.0%
LAND USE & PLANNING	175,557	173,305	245,874	262,313	307,755
% Departmental Expenses	11.5%	12.6%	18.2%	6.8%	7.2%
FINANCE	53,090	24,774	65,129	54,949	53,842
% Departmental Expenses	0.6%	0.3%	0.7%	0.5%	0.5%
HUMAN RESOURCES	40,280	17,537	34,093	38,544	35,091
% Departmental Expenses	2.5%	1.1%	2.0%	1.6%	1.3%
LICENSES & INSPECTIONS	7,255	779	1,679	2,791	2,243
% Departmental Expenses	0.1%	0.0%	0.0%	0.1%	0.1%
PARKS & RECREATION	1,781,577	1,181,581	2,329,158	2,377,984	2,969,211
% Departmental Expenses	20.2%	15.2%	25.4%	24.4%	27.9%
FIRE	1,222,300	845,840	1,373,170	1,479,778	1,519,024
% Departmental Expenses	4.5%	3.1%	5.0%	5.4%	5.3%
POLICE	262,409	129,084	205,439	238,837	156,418
% Departmental Expenses	0.4%	0.2%	0.3%	0.4%	0.2%
PUBLIC WORKS	5,016,362	3,846,115	5,885,352	6,129,300	6,181,802
% Departmental Expenses	20.4%	16.3%	22.3%	21.5%	21.0%
REAL ESTATE & HOUSING	745,255	488,806	3,441,174	2,085,493	730,971
% Departmental Expenses	34.1%	16.4%	60.4%	49.3%	30.4%
COMMERCE DEPARTMENT	720,226	77,374	166,688	277,071	222,717
% Departmental Expenses	100.0%	100.0%	100.0%	100.0%	100.0%
INFORMATION TECH	349,866	477,778	116,873	418,652	908,959
% Departmental Expenses	4.4%	5.6%	1.3%	4.5%	8.7%

**DEBT SERVICE EXPENSE BY DEPARTMENT IN DOLLARS
AND AS A PERCENTAGE OF TOTAL OPERATING COSTS
(Continued)**

GENERAL FUND (CONTINUED)

DEPARTMENT	ACTUAL FY 2020	ACTUAL FY 2021	ACTUAL FY 2022	BUDGET FY 2023	BUDGET FY 2024
TOTAL DEBT SERVICE	\$14,193,373	\$10,443,854	\$15,037,350	\$14,596,018	\$14,285,714
% General Fund	8.7%	6.5%	8.8%	8.3%	7.8%
LEGAL DEBT SERVICE LIMIT (17.5%)	\$28,662,594	\$27,960,962	\$30,012,857	\$30,951,428	\$31,959,147

WATER/SEWER FUND

DEPARTMENT	ACTUAL FY 2020	ACTUAL FY 2021	ACTUAL FY 2022	BUDGET FY 2023	BUDGET FY 2024
PUBLIC WORKS	\$5,700,366	\$5,342,779	\$6,396,524	\$5,734,727	\$4,598,465
% of Department Expenses	7.8%	7.4%	8.6%	7.7%	6.0%
FINANCE	\$48,433	\$498,373	\$40,575	\$49,796	\$35,197
% of Department Expenses	0.8%	7.1%	0.6%	0.7%	0.5%
TOTAL DEBT SERVICE	\$5,748,799	\$5,841,152	\$6,437,099	\$5,784,523	\$4,633,662
% of Water/Sewer Fund	7.3%	7.4%	8.0%	7.0%	5.5%

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

DEPARTMENT	ACTUAL FY 2020	ACTUAL FY 2021	ACTUAL FY 2022	BUDGET FY 2023	BUDGET FY 2024
MAYOR'S OFFICE	\$0	\$0	\$0	\$0	\$0
% of Department Expenses	0.0%	0.0%	0.0%	0.0%	0.0%
PUBLIC WORKS	\$131,009	\$79,123	\$125,872	\$74,609	\$85,539
% of Department Expenses	1.6%	1.0%	1.5%	0.9%	0.9%
TOTAL DEBT SERVICE	\$131,009	\$79,123	\$125,872	\$74,609	\$85,539
% of IS Fund	1.6%	1.0%	1.5%	0.9%	0.9%

ALL FUNDS

ALL DEPARTMENTS	ACTUAL FY 2020	ACTUAL FY 2021	ACTUAL FY 2022	BUDGET FY 2023	BUDGET FY 2024
TOTAL DEBT SERVICE	\$20,073,182	\$16,364,129	\$21,600,321	\$20,455,150	\$19,004,915
% of All Funds	8.0%	6.6%	8.3%	7.6%	6.9%

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 2002-2023**

Fiscal Year-end	Taxable Assessed Value	Gross Bonded Debt	Gross Debt Payable from Enterprise, Internal Service, and State Funds	Net General Bonded Debt	Ratio of Net Bonded Debt to Assessed Value	Net Bonded Debt per Capita
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
2023	2,166,015,619	278,432,848	179,747,504	98,685,344	4.56%	1,392

**TOTAL DEBT BALANCES BY YEAR
FISCAL YEARS 2024-2042**

First Day of Fiscal Year	General Fund Debt	Water/Sewer Fund Debt	Internal Service Funds Debt	Total Debt
2024	98,685,344	178,788,720	958,784	278,432,848
2025	88,835,383	163,180,688	735,460	252,751,531
2026	78,983,281	146,463,039	500,923	225,947,243
2027	69,752,075	129,779,292	254,976	199,786,343
2028	60,990,063	112,961,168	254,366	174,205,597
2029	52,958,347	96,785,699	251,608	149,995,654
2030	45,943,689	81,618,792	223,690	127,786,171
2031	39,053,627	67,317,961	191,844	106,563,432
2032	32,354,796	54,016,772	170,344	86,541,912
2033	26,770,611	43,528,370	0	70,298,981
2034	23,458,192	35,113,055	0	58,571,247
2035	19,983,871	26,704,779	0	46,688,650
2036	16,341,393	20,967,592	0	37,308,985
2037	12,512,692	14,994,045	0	27,506,737
2038	10,000,739	10,906,955	0	20,907,694
2039	7,368,498	6,838,384	0	14,206,882
2040	5,040,810	4,426,985	0	9,467,795
2041	2,605,649	2,296,896	0	4,902,545
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 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 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.



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