

City of Wilmington Delaware



Annual Budget

James M. Baker
Mayor

Prepared by the
Office of Management and Budget

Fiscal Year 2006 • Approved by City Council • May 19, 2005

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, 2004.

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.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

City of Wilmington

Delaware

For the Fiscal Year Beginning

July 1, 2004

Handwritten signature of Nancy L. Zjelle in cursive script.

President

Handwritten signature of Jeffrey R. Emer in cursive script.

Executive Director

CITY ADMINISTRATION

Mayor - James M. Baker
Treasurer - Henry W. Supinski

THE COUNCIL

President - Theodore Blunt

1st District	Charles Potter, Jr.	5th District	Samuel Prado
2nd District	Norman D. Griffiths	6th District	Kevin F. Kelley, Sr.
3rd District	Stephanie T. Bolden	7th District	Paul F. Ignudo, Jr.
4th District	Hanifa G.N. Shabazz	8th District	Gerald L. Brady
At Large	Michael A. Brown, Sr.	At Large	Charles M. Freel
At Large	Theopolis K. Gregory	At Large	Loretta Walsh

Maribel Ruiz, City Clerk
Charlotte B. Barnes, City Council Chief of Staff

CITY OFFICIALS

William S. Montgomery

Romain L. Alexander
Peter D. Besecker
Eugene A. Bradley
James W. Ford
Monica Gonzalez-Gillespie
James N. Mosley
Ronald P. Pinkett
Richard V. Pryor
John R. Sheridan
Kash Srinivasan
Jeffrey J. Starkey
Michael J. Szczerba
Robert L. Weir

Chief of Staff

Director of Parks and Recreation
Director of Planning
City Auditor
Chief of Fire
Director of Personnel
Director of Public Safety
Director of Finance
Director of Economic Development Office
City Solicitor
Commissioner of Public Works
Commissioner of Licenses and Inspections
Chief of Police
Director of Real Estate and Housing

OFFICE OF MANAGEMENT & BUDGET

Robert S. Greco
Matthew J. Razze
Rosalie B. Suber

Budget Director
Senior Analyst/Systems Coordinator
Budget Analyst II

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FISCAL YEAR 2006 BUDGET MESSAGE

THE FINANCIAL SITUATION

The year-end audit of Fiscal Year (FY) 2004, which indicated a General Fund surplus, was encouraging news for all of us. But, as the saying goes, “timing is everything.” And the surplus of FY 2004 was one of timing. After fruitless talks that bogged down over the last three years due to fiscal concerns, we have finally settled equitable labor agreements with all of the City’s unions in the present Fiscal Year (2005). The “savings” seen over the last three years in general wage increases were only payment deferred until the labor agreements were reached. FY 2005 was the first in four years that City employees were given general salary increases. Those wage savings coupled with an overheated real estate market that featured several large downtown buildings selling for record prices, leading to an unexpected doubling of our transfer tax revenue, were the prime reasons for the surplus. But, it was a surplus built on unsustainable cost containment and one-time revenue. Some saw this as an opportunity to spend the surplus on new programs, many of which were shortsighted, penny-wise, and pound-foolish.

City of Wilmington Projected Financial Results				
GENERAL FUND	FY 2006	FY 2007	FY 2008	FY 2009
Revenues	\$96,200,158	\$97,619,580	\$99,483,883	\$100,728,527
Expenditures	96,691,544	101,494,165	108,712,782	114,699,408
Net Transfers In/(Out)	500,000	500,000	500,000	500,000
(Deficit)/Surplus	\$8,614	(\$3,374,585)	(\$8,728,899)	(\$13,470,881)

(Please see pages 54-60 for details on projections and assumptions)

I must stress that the future has not changed as to projected growth in expenses and the need for new and diversified revenue sources. As the table above shows, no matter how well we manage our finances, we will soon hit a brick wall with no place to turn. We have tried every rational approach and angle to let people know of our fiscal dilemma, from the general public, to State and County governments. The response has been encouraging, but we have not crossed the finish line yet. We have tried to be very careful and judicious about the use of tax dollars. We gave no salary increases to employees for three straight fiscal years, delayed going to the bond market, and proposed other unpopular spending reductions to help prepare us for projected deficits.

Some would suggest we keep spending with no regard to cost because there are serious community problems. I agree that Wilmington shares the same serious problems plaguing many American cities, but City government cannot be all things to all people, nor can it spend without concern for what it means to the citizens and businesses that pay the taxes.

Wilmington's growth in business and residential living cannot be sustained if we are forced to craft budgets that, on an all too frequent basis, must be balanced by cuts to basic services and continual tax hikes. I don't want to do it, we shouldn't have to do it, and our City's future prosperity is being harmed because of it. As I have stated so often, the City is in definite need of a stronger and more diversified revenue base, one that is better buffered against economic downturns and one that can keep up with the cost of inflation.

Although Wilmington has a Home Rule Charter, the City cannot change the Wage Tax or create any new taxes without first obtaining enabling legislation from the State General Assembly and approval by the Governor. If we are to avoid a future of structural deficits, we must be allowed to further diversify the City's revenue base and reduce our disproportionate dependency on the old stand-bys of Wage and Property taxes, which account for over 77% of General Fund revenue.

We have been meeting with Delaware Governor Ruth Ann Minner and have presented to her, as well as to the Members of the Delaware General Assembly, a package of revenue proposals for Wilmington. This matter of Wilmington gaining its financial freedom has got to be settled now. As the projected budget deficits in the above table demonstrate, we cannot tolerate any further delay in decisions being made about Wilmington's financial future.

We have made a good, well reasoned case over the past few years for additional revenue streams for Delaware's center of business and commerce. I am confident that the Governor and General Assembly will act during the State's upcoming legislative year-end wrap-up process to swiftly settle this issue and continue supporting the City's path toward growth and progress.

BUDGET DISCUSSION

The approach we are using in the management of City government—creativity, aggressiveness, and productivity—is nowhere more evident than in the Fiscal Year 2006 Budget. I commend each and every department of City government for the creativity displayed in carrying out the functions of City government for another year with limited resources.

General Fund Expenditures

The General Fund Operating Budget for FY 2006 totals \$96,691,544. This represents a \$4.5 million or 4.9% increase from FY 2005. The City has now settled with all of its labor unions and the cumulative cost effects of these contracts are reflected in the budget. The exception is the cost of the Police contract, which is being offset by a three-year grant from New Castle County (NCC). By shifting 37 officers into the NCC grant, the City's General Fund is spared the Police contract cost increase of \$2.26 million. Even so, salaries and benefits still rose a total of almost \$2.5 million.

Total Materials, Supplies & Equipment costs rose \$739,550, with almost 70% of this attributable to Data Processing costs. With software that was nearly 18 years old, we were in desperate need of a complete overhaul of our mainframe computing system. Our present conversion to a new software system, along with an accounting change that no longer allows capitalization of PC's and printers, increased the budget by \$513,804. In Fire, \$100,000 was added to supplement the capital purchase of five pieces of new firefighting apparatus. The expansion of the Camera Watch program, with 16 additional cameras, along with the cost of an Airbridge connection for 90 Police Mobile Data Terminals, added \$92,000 to the budget.

Debt Service increased a net \$1.3 million. Funding for the FY 2004 Capital Program raised debt service by \$2.3 million, while declines in existing debt service and recent refunding of past bond issues defrayed that increase by \$1 million.

General Fund Staffing

Staffing was reorganized in the General Fund, resulting in a net decrease of 30 positions, from 863 to 833. As mentioned above, 37 police officers were shifted from the General Fund into the NCC grant. During FY 2005, NCC awarded the City a policing grant that will total \$15 million over a three-year period. A large portion (\$10 million) of the grant has been dedicated to fund the cost of the recent labor contract for police officers. The increase of \$2.26 million in police salaries and benefits for FY 2006 will be offset by transferring the equivalent cost of 37 patrol officers now paid by the General Fund into the NCC grant. I would also like to note that an additional six newly-created patrol officer positions will also be paid from the grant. It is with deep appreciation that we extend our thanks to the New Castle County government for providing these needed funds at such a critical time.

The Police Department received over 1.2 million calls for service over the past four years. In order to handle the building volume of emergency calls to the 911 Center, it was necessary to add two more Emergency Call Operators, at a cost of \$84,000.

In Licenses & Inspections, we added a Code Enforcement Inspector and a Mechanical Code Enforcement Inspector, at a total cost of \$101,500. The Code Enforcement Inspector will meet the additional demands of monitoring rental housing violations and enforcing recent legislation pertaining to rental business licenses. The Mechanical Code Inspector is needed to handle the growing number of building permits resulting from increased rehabilitation work being performed on properties in the City. In addition, a net of two Code Enforcement Officer positions, previously funded through a federal Community Development Block Grant, were shifted into the General Fund to keep under the federal grant administrative spending cap.

In the Department of Planning, a consultant position was converted into a Planner II position at a net cost of \$25,210. The new Planner II will assist with the review and management of the burgeoning number of building and demolition cases within the City's historic and conservation districts.

Finally, the City Treasurer converted a Temporary Office Assistant into a full-time position at a net cost of \$16,526, to be split evenly between the General and Pension Funds.

General Fund Revenues

The City's future fiscal outlook remains poor. We do not have any considerable and permanent additions to revenue upon which we can draw a consistent and substantial annual stream of funds to match the rising costs of fundamental services, such as Public Safety. It was therefore necessary to increase property taxes 6.9% in order to adequately fund basic services, cover the increased debt service from funding the FY 2004 Capital Budget, and cover the expenses related to salaries, pensions and healthcare costs of the new labor contracts.

Total General Fund Revenue before transfers from the Water/Sewer Fund and the Wilmington Parking Authority is expected to be \$96,200,158, an increase of \$6,614,425 or 7.4% over the FY 2005 Budget. The net increase from the FY 2005 Budget to the FY 2006 Budget can be broken down as follows:

- **Property Tax** *up* \$2,547,300
- **Wage & Net Profits Taxes** *up* \$2,498,125
- **Net all other revenues** *up* \$1,569,000

The Property Tax rate increase of 6.9% results in \$1,966,500 more in revenue. Another \$580,800 in revenue is a result of the FY 2004 year-end audit and is indicative of more accurate exemption information and better organized revenue files.

The increase in the Wage and Net Profits Taxes recognizes the impact of volatile job growth and a fluid banking industry, especially in the area of consumer credit cards (e.g. MBNA and JP Morgan Chase). We used the Second Quarter FY 2005 Wage Tax projection as our base because it already factors in the effects of major financial entities possibly reducing taxable wages (through a reduction in employment and/or elimination of senior executive compensation via bonuses and

stock options). We then projected a modest 2.5% growth (mostly due to employee raises) on that new base. Net Profits revenue has been exceptionally strong the past two years, as a few local law firms have won some large civil lawsuits. But, even discounting these mainly one-time revenues from law firms, there has been sufficient profit growth in other businesses to warrant a projected increase of about \$457,500 in the Net Profits Tax for FY 2006.

The larger components of *Net all other revenues* are the Real Estate Transfer Tax, Building Permits & Fees, Task Force Revenues, Interest Earnings and Parking Tickets.

Real Estate Transfer revenues hit an all-time high of over \$6 million in FY 2004, as the frenzied activity in both commercial and residential property sales hit a peak. Although that level is unsustainable in the long-run (FY 2005 is projected to be down \$1 million from FY 2004), base activity has expanded as a result of growth in both the residential and commercial markets, especially at the Riverfront. The FY 2006 net base of \$3,366,000 factors out the effects of one-time sales of large commercial buildings and the turnover caused by speculative investment activity in the residential market.

Building Permits and Fees reflect expected strong continued building activity and renovations in the Downtown Business District, as well as at the Riverfront and in the Ship's Tavern District. The FY 2006 projection mirrors that of the Second Quarter of FY 2005, which is also about \$700,000 higher than the FY 2005 budget.

Task Force Revenues are three new revenue sources that were created as a result of the Governor's Task Force and took effect early in FY 2004. As a result, each County Seat (Wilmington is the County Seat of New Castle County) in the State receives the revenue derived from a \$20 State filing fee for Corporations and Limited Liability Companies (LLC's). Using partial FY 2004 and partial FY 2005 actual revenue data, in addition to information given to us by the State, we are projecting the filing fees revenue to total over \$2.5 million for FY 2006, up \$300,000 from last year. The State also passed enabling legislation allowing the City to create a 2% Lodging Tax and a 2% Natural Gas Franchise Fee on gross sales of natural gas in the City. Both of these revenues have come in stronger than anticipated, and as a result, we are projecting increases of \$185,000 and \$187,500 in the Lodging Tax and Natural Gas Franchise Fee, respectively.

The greatest single effect on Interest Earnings will be the investing of about \$40 million of the Bond proceeds funding the FY 2004 Capital Program, scheduled to take place in early FY 2006. In addition, it is assumed that the interest rate on cash investments will be 25 basis points higher than they are presently.

Continued high attrition among the ranks of the Parking Regulation Enforcement Officers (PREO's), along with the recent policy of assigning non-emergency public safety related tasks to the PREO's in order to free up more police officers for street patrol, has reduced the volume of ticket writing. As a result, we are projecting \$1.5 million in Parking Ticket revenue for FY 2006, a decrease of \$935,000.

Water/Sewer Fund Expenditures

The Water/Sewer Fund Operating Budget totals \$41,637,327. This represents an increase of \$2,919,385 or 7.5% from Fiscal Year 2005. The majority of this increase is due to a \$2,250,000 increase in the contract by the vendor that operates the City's sewage treatment plant and provides necessary capital improvements. Personal Services increased \$403,000 as a result of union labor contract settlements. Debt Service increased by a net \$440,000 to fund needed infrastructure projects in the FY 2004 Capital Program.

Engineering and Consultant Fees have risen \$186,000, as we continue to aggressively pursue an accelerated program of Combined Sewer Overflow (CSO) mitigation, along with finished water filtration and supply improvements that exceed EPA standards and contribute to the stability of northern New Castle County's water supply during times of drought.

Offsetting the above increases is a reduction of \$374,000 for the disposal of the City's sewage sludge. We have an agreement with the Delaware Solid Waste Authority to use the sludge as landfill cover for the re-contouring of the now-closed Pigeon Point landfill.

An aggressive operating infrastructure improvements program, budgeted at \$5.1 million, includes the continuation of the water meter replacement program, improvements to water system buildings, CSO mitigation, and replacement of damaged water and sewer mains.

Finally, a vacant water meter reader position was eliminated, reducing staffing down to 140 and saving \$41,239.

Water/Sewer Fund Revenues

Water/Sewer Direct User Fees, before any adjustments to rates, are projected to be \$4 million below budget in FY 2005. This continues a trend that saw FY 2004 actual revenues from this source come in at \$2.9 million below budget. A combination of system problems, past billing errors, and the replacement of meters have all contributed to the decline.

It is on the new base of \$21,822,560, projected for FY 2005, that a 15% rate increase was applied, yielding an additional \$3,273,384. However, because of the decline in actual revenues, the rate increase leads to a FY 2006 Direct User Fees revenue figure of \$25,095,944 — \$727,000 less than the FY 2005 Budget. The computer software system upgrade and conversion, when completed, should dramatically reduce the problems affecting billings, revenue collection and General Ledger recording.

The City's contract to provide sewage treatment for New Castle County (NCC) allows for an annual inflation adjustment of 2.75% per year. The fee to NCC for FY 2006 will be \$15,417,000, up \$413,000 from the FY 2005 Budget. The City will also receive \$401,123 in reimbursement from NCC for annual debt service in connection with an aeration basin the City built to accommodate additional NCC flows. This reimbursement is the same as last year.

OPERATIONAL DISCUSSION

We are Making Progress Despite Fiscal Limitations

While we wait for the final solution to the issue of revenue stability for the City, we have not stopped taking steps to help ourselves and improve the lives of the citizens we serve. Working for the people of this City, those that live here and those that come to work or visit, we have accomplished a good deal. We are vastly improving our computer software system, enabling us to better handle requests and inquiries from the public. Our City's communications system is being raised to a new state-of-the-art level. The Rodney, Cool Springs, and Hoopes reservoirs are now better secured. We are fixing more streets annually, after previous policies resulted in streets not being repaved for many years and potholes not filled on a timely basis. We have implemented the Residential Improvement Stabilization Effort (RISE) initiative to stabilize and strengthen City neighborhoods, as well as other housing projects in partnership with non-profit and profit making entities. The first phase of RISE housing projects, worth \$1.2 million, is currently out for bid.

For more than a year now, we have had a new vacant housing registration program in place. We are imposing stiff new fees and forcing the owners of long-time, abandoned, and vacant properties to do something to improve their properties and neighborhoods. Administered by Licenses and Inspections, the program has resulted in nearly 600 permits being issued, totaling some \$9 million in rehabilitation work on hundreds of properties. The difference can be seen in neighborhoods, with new homeownership and rental opportunities where vacant and neglected properties once stood.

In many neighborhoods, facade improvement programs are underway, offering residents who might not otherwise be able to afford it a chance to change and improve the look of their homes and neighborhoods. The Department of Real Estate and Housing has helped make repairs to over 325 homes in just about every area of the City. The Riverfront, one of the City's newest neighborhoods, now has major housing development underway. The Ships Tavern District is 80% occupied and 15 new retail businesses have opened or will soon open. An agreement on a new parking garage for the area is finally moving forward. The *Residences at Rodney Square* are over 85% occupied. And this past April, the City's first-ever "Restaurant Week" was launched as a celebration of the growing variety and sophistication of the City's dining scene.

Economic activity is also going very well. New office buildings are now underway or planned at three major sites in the downtown area (2nd & King Streets, 4th & Market Streets, and 10th & Washington Streets). New businesses have opened at the Riverfront, Ships Tavern District and other locations downtown. We have a very unique project underway called SAMP, which is a comprehensive development and growth plan for the Southbridge neighborhood. Community, government, private and non-profit agencies are working together to plan for overall improvements and the rebuilding of Southbridge. There is a new \$100 million project being planned for the former Public Works yard site and on adjacent land owned by the State. This partnership involves the City, State, Riverfront Development Corporation, and private developers. The project will produce new businesses, new residents, and new jobs for the City.

There are many other efforts underway to make Wilmington a better place to live, work, and visit. For example, we are working with City Council, as well as various community groups, to develop an on-going effort to help keep communities clean. The Clean Wilmington Committee will help people become more aware of their responsibilities as citizens and assist in organizing year-round efforts to keep neighborhoods and communities free of trash and debris. The Clean Wilmington Committee will also focus on the enforcement of existing laws and the development of new laws and regulations in striving to achieve a litter-free City. The City's first Beautification Commission recently completed its report on recommendations to improve the parks, open spaces, and public squares within our City. Implementation of the report recommendations will be largely funded through the FY 2004 Capital Budget.

With input from citizens, City Council, and my executive staff, the Licenses and Inspections Department has developed a series of plans that will greatly improve services to the public. Our Department of Parks and Recreation, for the first time in many years, received multiple awards from the Delaware Recreation and Parks Society at its recent statewide annual meeting for work in improving many facets of the parks system within our City.

Greater Challenges Outside the Fiscal Realm

The City has experienced a great amount of progress over the past several years, yet various obstacles often block the way to a greater future. I saw a picture in the newspaper once of a huge boulder across a highway out West, preventing people from traveling on that roadway. It reminded me of our situation in Wilmington. No matter how much progress we make, we often have to move the huge boulders that fall into our path, so that we can continue in the direction of positive change. Change is a constant, and can be good or bad. We must all work together to move in a positive and enlightened direction, fighting the negative elements along the way.

Black urban America is a shattered shell of what were once strong, healthy communities. Today, these communities lead in poor health from AIDS, cancer, high blood pressure, diabetes, and other tragic illnesses. African American neighborhoods have experienced sharp declines in homeownership, with many consisting of 70% to 90% rental properties. The dropout rate among highschool students is 65% or better and the unemployment rate is a 40% or higher among certain age categories. Seventy percent or better of young females are having babies as single parents, with large numbers of grandparents trying to raise many of these children. Drug addiction is rampant and sales of drugs are crippling neighborhoods. To make matters worse, there is genocide among African American youth in common acts of violence, especially through the use of guns.

Shootings are not confined just to Wilmington. Violence has escalated across our Country, perpetuated by drugs and guns. Who profits from these evil trades? Certainly not the street corner dealers. Ill-fated policies have created the permanent poor, those with little education and no skills, mostly concentrated in urban America. For them, there are no options for a future, except misery, poor health, addiction, mental disorders, crime as an occupation, and disconnection from the rest of society. Most of us seem oblivious to these people or lack the ability to develop solutions to help them.

There used to be more federal and state resources to address societal problems. Today we have less, and each year the resources decrease. Our education system cannot adjust enough to meet the needs of new students coming from poor and minority communities. There seems to be a refusal to comprehensively address Early Childhood Education and other educational needs.

Finger pointing is easy, but accomplishes nothing. There is an old saying that applies here: “If no one heeds your call to action, go forth alone.” In Wilmington, plenty of good people have heard and are taking action. We are now working together to assemble the “Wilmington Plan” to address a multitude of issues that affect not only youth, but address poverty, inadequate healthcare, low education levels, unemployment, housing, and other issues that produce the atmosphere for crime and violence to flourish. Never have I seen so many people of good will coming together to develop a plan in a positive manner to truly address these very deep-rooted problems. Many of these issues are being addressed by agencies and organizations that have little in the way of resources to mount any meaningful efforts and results. We now have a grand opportunity to pool our resources, our energies, and our ideas into a plan that benefits all of Wilmington. We have this opportunity, and we are going to take advantage of it.

I will soon name an independent Commission on Families and Youth that will work to implement programs, coordinate services, and find the resources to continually address issues that affect people within our communities. I do not agree with those that say this type of effort should be a City operation. Since the 1960’s, all such efforts have ended in failure because the City alone cannot supply the staff or money necessary for a sustained effort as is envisioned in this new Commission. The private sector and other governments must take a lead role with the City in this effort. City government has tried, for example, to stretch the word “recreation” into other types of programming with limited success. We cannot expand this Commission into an administrative nightmare.

This Commission can build on work done by previous groups, such as a committee that was convened after a spike of shootings in 1996. Collecting and using such data to implement and coordinate programmatic efforts of public and private organizations are the keys to success. But the most important goal is to raise the resources for the hard task that lies before us. Political efforts are one thing, but marshaling the financial and human resources, gathering the data, and implementing consistent, meaningful programming are altogether different. The vision plan for the physical development of our City is one kind of great effort. The vision and implementation for the greater development of human beings can and will produce far greater rewards for many years to come. This effort is too important to leave to just the politicians.

CONCLUSION

I have no doubt that our City is headed in the right direction. We are making progress. Sometimes the progress comes in small steps and sometimes in large and dramatic fashion. Like many of you, I would like to see Wilmington's change for the better take place more rapidly. I am confident that once we are able to solve the City's revenue problems—and they will be solved—the pace of change will accelerate, and we will make even more progress on the issues that matter most to all of us.

There is an old saying that criticism is the easiest form of mental activity, but creativity is the toughest. I strive daily to encourage creativity, excellence in job performance, and fair and ethical services. In the words of Robert Kennedy, *“One answer to the world's hope, it is to rely on youth. The cruelties and obstacles of this swiftly changing planet will not yield to obsolete dogmas and worn out slogans. It cannot be moved by those who cling to a present, which is already dying, who prefer the illusion of security to the excitement of danger. It demands the qualities of youth, not a time of life, but a state of mind, a temper of the will, a quality of the imagination, a predominance of courage over timidity, and the appetite for adventure over the love of ease.”*

In securing Wilmington's future and its greatness, we must combine the energy and creativity of the young with the wisdom and knowledge of time and experience that only comes through years of hard work and a caring soul. A new City is being born out of the old, and we are all responsible for this new creation. Together, we can continue to transform Wilmington and watch as our City soars to even greater heights.

Respectfully,

James M. Baker
Mayor

THE BUDGET AT A GLANCE
CITY OF WILMINGTON
FISCAL YEAR 2006

General Fund

- The operating budget expenditures total **\$96,691,544** – up \$4,509,739 – a 4.9% increase from Fiscal Year 2005. The City has now settled with all of its labor unions and the cumulative cost effects of these contracts are reflected in the budget. The exception is the cost of the FOP contract, which is being offset by a grant from New Castle County (NCC). By shifting 37 officers into the NCC grant, the City’s General Fund is spared the FOP contract cost increase of \$2.26 million. Even so, salaries and benefits still rose a total of almost \$2.5 million.
- There is a 6.9% increase in the Property Tax rate.
- Total MS&E costs rose \$739,550, with almost 70% of this attributable to Data Processing costs. An ongoing conversion to a new mainframe software system, along with an accounting change that no longer allows capitalization of PC’s and printers is responsible for a \$513,804 increase. In Fire, \$100,000 was added to complete the purchase of five pieces of new firefighting apparatus. The expansion of the Camera Watch program with 16 additional cameras, along with the cost of an Airbridge connection for 90 Police Mobile Data Terminals, added \$92,000 to the budget.
- Debt Service increased a net \$1.3 million. Funding for the FY 2004 Capital Program added \$2.3 million, while declines in existing debt service and recent refunding of past bond issues defrayed that increase by \$1 million.
- Staffing was reorganized in the General Fund, resulting in a net decrease of 30 positions, from 863 to 833. As mentioned above, 37 police officers were shifted from the General Fund into the NCC grant. Police added two Emergency Call Operators. L&I added a Code Enforcement Inspector and a Mechanical Code Enforcement Inspector. In addition, a net of two Code Enforcement Officer positions previously funded by CDBG were shifted into the General Fund at the request of HUD. In Planning, a consultant position was converted into a Planner II position. Finally, the City Treasurer added an Office Assistant position to be split evenly between the General and Pension Funds.

Water/Sewer Fund

- The operating budget expenditures total **\$41,637,327** – up \$2,919,385 or 7.5% from Fiscal Year 2005. The majority of this increase is due to a \$2,250,000 increase in the contract by the vendor that operates the City’s sewage treatment plant and provides necessary capital improvements. Personal Services increased \$403,000 as a result of union labor contract settlements. Debt Service increased by a net \$440,000 to fund the FY 2004 Capital Program.
- Engineering and Consultant Fees have risen \$186,000, as the City continues to aggressively pursue an accelerated program of Combined Sewer Overflow (CSO) mitigation, along with finished water filtration and supply improvements that exceed EPA standards and contribute to the stability of northern New Castle County’s water supply during times of drought.
- Offsetting the above increases is a reduction of \$374,000 for the disposal of the City’s sewage sludge. The City has an agreement with the Delaware Solid Waste Authority to use the sludge as landfill cover for the re-contouring of the now-closed Pigeon Point landfill.
- The Fiscal Year 2006 Budget raises water and sewage rates 15%.
- \$5.1 million has been budgeted for an aggressive operating infrastructure improvements program, including the continuation of the water meter replacement program, improvements to water system buildings, CSO mitigation, and replacement of damaged water and sewer mains.
- A vacant water meter reader position was eliminated, reducing staffing down to 140 and saving \$41,239.

Commerce Fund

- The operating budget expenditures total **\$6,977,546** – down \$484,972 or -6.5% from Fiscal Year 2005. The \$200,000 that was added to defray operating expenses related to site preparation of the Renaissance Center development project in FY 2005 is not carried forward to FY 2006. The accounting reclassification of the Commerce Fund from an Enterprise fund to a Special Revenue fund results in the elimination of \$132,589 of amortized bond discount costs. Debt Service declined a net \$102,343 due to refunding and retirement of previous bond issues. Lastly, at the request of City Council, \$25,000 in contingency legal fees funding was eliminated.
- Staffing decreased by one, to a new total of seven, as a result of the reorganization that took place mid-way through FY 2005. This reorganization carried \$37,000 in savings into FY 2006.

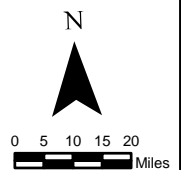


LEGEND

- ★ Capital Cities
- State Boundaries
- ~ Rivers

CITY OF WILMINGTON
"The First City of The First State"

Delaware was the first to ratify the U.S. Constitution, thus becoming the "First State" in the new union. The City of Wilmington was founded in 1638 and was the first settlement in what would later become Delaware.



WILMINGTON FACTS & 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 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 US Routes 13, 40, 41 and 202 conveniently link the immediate areas with the entire region. Amtrak provides full passenger service, while railroads offer comprehensive freight connections available to all major points. The New Castle County Airport, located four miles from the central business district, offers limited commuter flights, along with a full schedule of freight services. The Philadelphia International Airport lies thirty minutes north by car. The Wilmington Port is a full-service Port handling cargo for many regional, national and international firms.

The Wilmington Primary Metropolitan Statistical Area (PMSA) includes portions of two states (Cecil County, Maryland and New Castle County, Delaware). The data below provides a comparative look at the population, land area, and the density of the Wilmington region.

LAND AREA AND POPULATION DENSITY

	<u>1990 Population</u>	<u>2000 Population</u>	<u>% Change</u>	<u>Land Area (sq. mile)</u>	<u>2000 Population Density (sq. mile)</u>
City	71,529	72,664	1.6%	10.8	6,728
New Castle County	441,946	500,265	13.2%	426.0	1,174
Wilmington PMSA	513,587	586,216	14.1%	775.0	756
State of Delaware	666,168	783,600	17.6%	1,955.0	401

Population

The 2000 US Census indicates that the City's population increased by 1.6% from 1990 to 2000. This continues the trend of growth first revealed in the 1990 Census, after decades of population decline that began after WWII. New Castle County, the Wilmington PMSA, and the State have recorded significant increases in population starting from 1970.

POPULATION TRENDS

	<u>1970</u>	<u>1980</u>	<u>1990</u>	<u>2000</u>
City of Wilmington	80,386	70,195	71,529	72,664
Dwelling Units	29,965	30,506	31,244	32,138
State of Delaware	548,104	594,338	666,168	783,600
Wilmington PMSA	499,493	523,221	513,587	586,216
New Castle County	385,856	398,115	441,946	500,265

CITY OF WILMINGTON DEMOGRAPHICS STATISTICS

PERCENT OF POPULATION BY AGE GROUP	
19 YEARS AND YOUNGER	28.7%
20 TO 24 YEARS	7.0%
25 TO 34 YEARS	16.4%
35 TO 44 YEARS	15.6%
45 TO 54 YEARS	12.2%
55 TO 64 YEARS	7.5%
65 YEARS AND OLDER	12.6%
MEDIAN AGE OF POPULATION (YEARS)	33.7

PERCENT OF HOUSEHOLDS BY ANNUAL INCOME	
\$24,999 AND UNDER	36.4%
\$25,000 TO \$34,999	13.3%
\$35,000 TO \$49,999	16.1%
\$50,000 TO \$74,999	16.1%
\$75,000 TO \$99,999	8.3%
\$100,000 AND OVER	9.8%
MEDIAN HOUSEHOLD INCOME	\$35,116

Source: U.S. Census Bureau, Census 2000

WILMINGTON EMPLOYMENT TRENDS

City residents only

Year	Labor Force	Employed	Unemployed	Unemployment Rate
1981	35,775	31,906	3,869	10.8%
1982	36,752	32,822	3,930	10.7%
1983	36,098	32,225	3,873	10.7%
1984	36,484	33,966	2,518	6.9%
1985	31,400	29,200	2,200	7.0%
1986	31,400	29,400	2,000	6.4%
1987	31,800	30,500	1,300	4.1%
1988	32,334	31,142	1,192	3.7%
1989	33,617	32,188	1,429	4.3%
1990	33,824	31,750	2,074	6.1%
1991	33,930	31,367	2,563	7.6%
1992	34,258	31,837	2,421	7.1%
1993	34,766	32,536	2,230	6.4%
1994	35,041	33,078	1,963	5.6%
1995	33,321	31,583	1,738	5.2%
1996	32,658	30,783	1,875	5.7%
1997	34,580	32,625	1,955	5.7%
1998	35,033	33,286	1,747	5.0%
1999	34,382	32,733	1,649	4.8%
2000	35,545	34,291	1,882	5.3%
2001	37,289	35,517	1,772	4.8%
2002	34,829	32,667	2,162	6.2%
2003	33,936	32,165	1,771	5.2%
2004	34,801	32,748	2,053	5.9%

Source: Delaware Department of Labor, Current Employment Statistics Program, 2004

WILMINGTON PMSA EMPLOYMENT BY INDUSTRY

	2001		2002		2003		2004		2001-2004
	Number	%	Number	%	Number	%	Number	%	% Change
TOTAL (Non-Agricultural)	325,000	100%	319,800	100%	318,500	100%	345,500	100%	6.3%
Professional & Business Services*	64,800	19.9%	61,500	19.2%	52,800	16.6%	57,000	16.5%	-12.0%
Government	41,900	12.9%	41,400	12.9%	41,900	13.2%	46,700	13.5%	11.5%
Education, & Health	36,200	11.1%	37,200	11.6%	38,300	12.0%	42,200	12.2%	16.6%
Financial Activities*	33,500	10.3%	32,700	10.2%	39,500	12.4%	38,800	11.2%	15.8%
Retail Trade	36,600	11.3%	36,600	11.4%	36,400	11.4%	38,600	11.2%	5.5%
Leisure And Hospitality	25,200	7.8%	25,400	7.9%	26,000	8.2%	28,200	8.2%	11.9%
Manufacturing	25,600	7.9%	24,300	7.6%	23,400	7.3%	26,000	7.5%	1.6%
Construction	18,500	5.7%	18,500	5.8%	18,100	5.7%	20,500	5.9%	10.8%
Other Services	13,000	4.0%	13,300	4.2%	13,500	4.2%	14,500	4.2%	11.5%
Transportation & Utilities	10,900	3.4%	10,300	3.2%	10,000	3.1%	13,400	3.9%	22.9%
Wholesale Trade	11,700	3.6%	11,800	3.7%	12,100	3.8%	13,200	3.8%	12.8%
Information Technology	7,100	2.2%	6,800	2.1%	6,500	2.0%	6,400	1.9%	-9.9%

*A category definition change took place in 2003 that reclassified a major portion of Professional & Business Services jobs as now belonging under Financial Activities.

Source: Delaware Department of Labor Estimates, Current Employment Statistics Program, 2004

MAJOR AREA EMPLOYERS

The top twenty-five largest employers within commuting distance of the City of Wilmington.

Employer	Business	Employees
MBNA America.	Banking	10,700
Dupont	Chemicals and Energy	9,400
State of Delaware (Non-education)	State Government	7,500
Christiana Care Health Services	Hospital/Healthcare Complex	7,100
University of Delaware	Higher Education	5,600
J P Morgan Chase Inc.	Banking	5,300
AstraZeneca Inc.	Pharmaceuticals/Chemicals	4,700
Christiana School District	Public Education	2,700
A.I. Dupont Institute	Children's Hospital/Healthcare	2,600
Wilmington Trust Co.	Banking	2,200
DaimlerChrysler Corp.	Automotive Assembly	2,100
Happy Harry's Inc.	Pharmacy Retail Chain	2,100
New Castle County Government	County Government	2,000
Red Clay School District	Public Education	2,000
Brandywine School District	Public Education	1,700
Integrity Staffing	Temporary Employment Agency	1,700
United States Postal Service	Mail Service	1,700
Citicorp	Banking/Credit Cards	1,400
Bank of America	Banking/Credit Cards	1,300
Colonial School District	Public Education	1,300
COMCAST	Cable Television/Internet Service	1,300
Delaware Park	Racetrack/Slot Machine Gambling	1,300
General Motors Corp.	Automotive Assembly	1,300
YMCA	Civic/Social Services	1,300
Saint Francis Hospital	Hospital/Medical Care Complex	1,200

Source: Delaware Department of Labor, Current Employment Statistics Program, 2004

Largest Real Estate Taxpayers in the City of Wilmington
Fiscal Year 2006

Name	Property	Taxable Assessment	% of Total Taxable Assessment
MBNA America Bank	Corporate Headquarters	\$90,931,700	4.3%
Conectiv	Electric & Gas Utility	81,904,600	3.8%
MacQuarie BDN Christina	Office Building	63,704,500	3.0%
Hercules	Corporate Headquarters	58,084,300	2.7%
Dupont	Corporate Headquarters	55,152,300	2.6%
Tatten Partners	Office Building	54,823,300	2.6%
1201 Market Street LLC	Office Building	51,775,000	2.4%
Verizon	Communications	42,720,500	2.0%
HUB Properties Trust	Office Building	36,128,200	1.7%
Rodney Square Investors LP	Office Building	27,054,360	1.3%
100 West Street Corporation	Office Building	25,749,900	1.2%
Brandywine Office Investment	Office Building	24,729,500	1.2%
TRC One Rodney Square	Office Building	15,113,600	0.7%
Total		\$627,871,760	29.4%

Source: City of Wilmington Revenue Division

New Construction Permits Issued

	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004
Single-Family	22	15	199	70	133
Multi-Family	0	0	0	0	1
Non-Residential	27	22	6	8	4
TOTAL	49	37	205	78	138

Total Value of New Construction Activity

	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004
Residential	\$ 1,867,000	\$ 1,025,000	\$ 20,226,000	\$ 10,910,016	\$ 20,740,844
Non-Residential	\$117,800,000	\$ 11,889,795	\$ 46,460,100	\$ 3,630,220	\$ 23,175,504
TOTAL	\$119,667,000	\$ 12,914,795	\$ 66,686,100	\$ 14,540,236	\$ 43,916,348

Renovation Construction Permits Issued

	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004
Residential	2,523	2,669	2,606	3,602	3,307
Non-Residential	1,084	1,187	1,177	1,012	1,518
TOTAL	3,607	3,856	3,783	4,614	4,825

Total Value of Renovation Construction Activity

	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004
Residential	\$ 12,218,510	\$ 15,296,234	\$ 13,782,383	\$ 23,854,761	\$ 17,589,049
Non-Residential	\$ 70,867,229	\$101,341,613	\$ 92,396,597	\$ 131,885,291	\$ 156,171,933
TOTAL	\$ 83,085,739	\$116,637,847	\$106,178,980	\$ 155,740,052	\$ 173,760,982

ECONOMIC DEVELOPMENT ACTIVITY

In 1981, the State of Delaware introduced the Financial Center Development Act that made Delaware the location of choice for major financial institutions to relocate their operations centers. These companies offer a diversity of services: consumer lending and credit cards; commercial lending and cash management; and corporate services and financing. Back in 1981, conventional wisdom was to locate many of these facilities in the suburbs, where land was considerably cheaper. Today, smart business leaders, including those from banking, law, chemical and financial services companies are continuing a recent trend of moving back to the City.

Wilmington offers some unique opportunities because of the advantages of its proximity to a large skilled workforce, its economies of scale, and its access to commercial, legal and governmental centers of operation. The City also sits astride the main north-south fibre optic trunk line along the Atlantic seaboard. These competitive advantages have helped employment in the City increase by 10% in the past three years alone.

City Lures New Employers, Jobs, and Wage Taxes

The City has worked diligently to bring in about 11,500 new jobs over the past ten years. Businesses have moved into Wilmington as a result of economic development incentives provided by the City, which used to consist of property and head tax abatements. But more recently, the City adopted the use of special cash incentives as a new tactic in pursuit of an expanded employment base. These incentives take the form of targeted cash advances and grants to alleviate relocation costs (such as moving expenses, equipment installations and workforce development) for businesses moving into the City. These cash incentives are keyed to, and dependent upon, the maintenance of an agreed upon base of employees for an extended number of years. Depending on the mix of incentives involved in any given agreement, the City's cash outlay is paid back by increased wage tax revenues within 20 to 36 months. It is important to note that the funds for the incentives do not come from the General Fund, but from a special economic development fund that was created from the mortgage proceeds of the 1996 sale of the Port of Wilmington to the State of Delaware.

The incentive program encouraged major new employers, including ING Direct, Juniper Bank, and AAA Mid-Atlantic Corporate headquarters, to move or expand operations within the City. The City has also sharpened its focus on employers with a workforce of 25 to 100 employees, succeeding in luring several of these smaller firms to settle in Wilmington. In FY 2005 alone, these incentives resulted in the same-year creation of 1,363 new jobs, the commitment of an additional 1,513 new jobs over the ensuing 18 months, and the retention of 975 jobs. The program has generated strong momentum for ongoing business development in Wilmington and provided additional wage tax revenues for the General Fund that far exceed the amount of the incentives and tax abatements granted.

The City's aggressive policy of economic incentives and expedited regulatory reviews, along with Wilmington's distinct advantages as the State's only major city, have enabled the City to achieve widespread recognition as the location of choice for doing business in Delaware.

State of the Art Telecommunications Capability and Highspeed Train Travel

One of the distinct advantages of the City of Wilmington in attracting financial services operations is its telecommunications capacity. Fibre optics are shedding a whole new light on Wilmington for data centers and 800 long-distance toll-free telephone exchange users. Three telecommunications companies have installed fibre optic distribution cables throughout the City, positioning Wilmington as one of the most competitively networked locations on the eastern seaboard for providing state-of-the-art telecommunication expansion capability. Fibre optics provide a faster, completely secure means of communicating information and provide disaster recovery that is 99.8% certain. Not only do these installed fibre optic cables offer Wilmington's businesses virtually unlimited future telecommunications expansion capability, these cables also make the cost of locating an operations center in the City more competitive than anywhere else in the region, thus reducing

business operations overhead. This is particularly true for 800 exchange users and bank operations centers, according to the telecommunications experts.

One can travel on AMTRAK'S highspeed line from Wilmington to Manhattan in less than two hours, the same amount of time as a commuter train from Princeton to Manhattan. Because of its strategic location midway between New York and Washington DC, AMTRAK's Wilmington station is among the ten most heavily traveled train stations in the country. In 1999, AMTRAK opened its new national training center west of Frawley Stadium near the Christina Waterfront, where it instructs between 1,500 and 2,500 engineers, mechanics, conductors and customer service personnel. The City of Wilmington annexed over five acres from New Castle County and expended over \$600,000 in infrastructure improvements to help AMTRAK make its National Training Center a reality. Adding its Highspeed National Training Center to its Locomotive Shop and National Operations Center, all in Wilmington, speaks volumes for the City's strategic location along the Northeast Corridor.

Wilmington's Riverfront

Riverfront development in Wilmington is expanding at an accelerated pace. After an infusion of more than \$130 million from the State and City to jumpstart development along the former industrial wasteland on the banks of the Christina River in south Wilmington, the Riverfront Development Corporation (the joint City and State entity charged with managing development along the riverfront) is reporting that the amount of private investment dollars flowing into the area has increased dramatically. In 2005, private investment surpassed public investment for the first time.

Over the last two years, several successful restaurants have opened: *Joe's Crab Shack*, the national theme restaurant; *Iron Hill Brewery*, a regional favorite; *Harry's Seafood Grille*, the immensely popular and elegant seafood restaurant owned and operated by a local and nationally recognized restaurateur; and the high-end *Conley-Ward's Steakhouse*, which features expansive outdoor bar seating on a scenic bend in the river. These restaurant openings, combined with the already established outlet shops, demonstrate that the City is becoming a dining and attractions hub, with increasing numbers of people now enjoying Wilmington's Riverfront.

Connecting all these attractions is the creatively designed and historically marked 1.3 mile-long Riverwalk, allowing visitors and residents alike to witness the continuing changes and development happening right before their eyes. In June 2005, AAA Mid-Atlantic moved its corporate headquarters from Philadelphia, where it had been located for 105 years, to a highly-visible, newly-constructed building on a portion of the city's former Public Works Storage and Maintenance Yard. In early fall 2005, the balance of the Yard's eight acres, together with an adjacent seven acres acquired by the State, will be privately developed into a \$100 million mixed-use community of 600 residential units, a hotel, supportive retail shops, and some limited office space. Close on the heels of this development will be the nearby groundbreaking for a Children's Museum.

The Riverfront continues to be an inviting option for those businesses seeking large amounts of office space in suburban-like settings, a segment of the market where the City could not previously compete. In addition to the AAA office development, ING Direct and Juniper Bank have both prospered and expanded dramatically over the past four years. ING Direct has seen such spectacular growth that it has expanded to the former Pennsylvania Railroad Building (a Frank Furness architectural specimen) adjacent to the AMTRAK Station, as well as to a building in the northern section of the Central Business District (CBD) to accommodate another 400 employees. Juniper Bank is constructing a new building across the street from its Riverfront headquarters in order to accommodate an additional 600 new employees over the next four years. For various smaller employers, the conversion and expansion of a former shipbuilding office near Frawley stadium has provided unique space options and flexibility.

The beautifully landscaped Tubman-Garrett Riverfront Park has solidified the linkage of the AMTRAK station area with the Riverfront's growing cultural attractions and its baseball stadium, clubs, restaurants, outlet shops and the *Bank One Center on the Riverfront* (formerly the *First USA Riverfront Arts Center*). The Riverfront Farmers Market, situated between the headquarters of ING Direct and *Harry's Seafood Grille*, continues to be an attractive amenity and shopping convenience for commuters and residents alike.

One of the most notable and striking developments of all at the Riverfront is *Christina Landing*. Barely a concept a little more than two years ago, *Christina Landing*, located on the south bank of the Christina River across from the AMTRAK Station and Tubman-Garrett Park, is now a prominent residential community in great demand. All of its 65 townhouses sold out before construction was completed. A 22-story apartment tower has been erected, and pilings for a 25-story condominium tower are almost complete. The condo tower is more than 60% pre-sold. The success of this project has spurred the same developer to take on and begin a 15-acre mixed-use development centered on the City's former Public Works Yard.

Downtown Development

The Riverfront is not the only area of the City experiencing new development. The area of the CBD known as Lower Market Street is continuing in the process of a tremendous, though extremely difficult, transformation. The nearby \$140 million New Castle County State Courthouse continues to attract small law firms and related supporting businesses to the area, though at a slower pace than the Christina Riverfront developments.

Across King Street from the new Courthouse, the developer of a formerly City-owned square block has begun work on a project that combines new construction (an office tower of 150,000 square feet and a 400-car garage) with historically-preserved older structures. Phase I of the nearby Ships Tavern District of historically-preserved and reconstructed buildings is complete, with approximately 80% of its 85 upper-level residential units occupied and 35% of its street-level retail space occupied. However, the challenges of developing older structures to qualify for federal *and* state historic tax credits has been more difficult and slower than originally projected. Even so, at least four new smaller developments within this six-block district are now under way or under contract, and another project that was just completed will move 100 employees into that area by the end of August 2005.

Three new developments underway downtown that merited special mention in recent years, the two former Dupont Company office buildings and the renovation and residential conversion of the 600,000 square foot former Delaware Trust Building, have continued to grow and prosper. The former Delaware Trust Building conversion into a 275-unit luxury apartment building known as the *Residences at Rodney Square*, reminiscent of Philadelphia's Rittenhouse Square, is now complete and 85% occupied. Indeed, the increased desire for downtown living that was hoped would emerge has not only occurred, but is far exceeding expectations.

In 2002 the City persuaded the renowned 1970's-era folk and rock guitarist David Bromberg to relocate his present-day business (as an internationally respected classical string and violin appraiser, procurer, collector and dealer) from Chicago to Wilmington. Living above their shop in a building renovated by the City, David and his sculptor wife, Nancy Josephson, have sparked a number of new artistic endeavors and amenities in the central Market Street area. One of these is the expansion of the Delaware College of Art and Design's residential student program. Originally consisting of several dispersed apartment units about a ½ mile away from the college, the new program is a 102-unit residential apartment complex across the street from the school that has created the beginnings of a small college campus with creative youth bringing life to the CBD after business hours.

Finally, a 225,000 square foot new office building in the western gateway of the CBD will soon break ground and house the venerable local banking institution, Wilmington Savings Fund Society (WSFS). The new building will allow WSFS to consolidate hundreds of its employees now disbursed throughout the suburbs into a new, much larger headquarters in the City. This new structure will also house a large law firm and the main downtown branch of the United States Post Office.

These new physical developments only tell part of the story. They, and the new jobs and amenities that have accompanied them, have sparked a new excitement and sense of pride in the City of Wilmington not felt in more than 20 years. The City's recent economic development successes have justified the aggressive marketing campaign theme launched in 2002 entitled *Advantage Wilmington – You'll Like the Companies We Keep*.

CITY-WIDE STRATEGIC PLAN

LONG-TERM POLICY GOALS AND OBJECTIVES

1. MANAGE CITY GOVERNMENT EFFECTIVELY

- A. Maintain fiscal prudence and responsibility.
- B. Increase responsiveness to citizens.
- C. Increase level of customer service satisfaction.
- D. Enforce and reward accountability through all levels of operations.
- E. Increase City employee morale and productivity.

2. FOSTER BUSINESS AND ECONOMIC DEVELOPMENT

- A. Expand the City's employment base.
- B. Increase manufacturing and reuse of brownfields.
- C. Increase entrepreneurship opportunities.
- D. Enhance retail services on downtown Market Street.
- E. Improve traffic patterns and transportation links to neighborhoods.
- F. Support development activities along the City's waterfront.

3. IMPROVE THE QUALITY OF LIFE AT THE NEIGHBORHOOD LEVEL

- A. Increase quality and affordability of housing for low-moderate income families.
- B. Increase home ownership.
- C. Increase and/or improve traditional City services (i.e. trash pickup, street repairs, etc.)
- D. Increase services and recreation opportunities for youth and families.
- E. Reduce crime and increase citizens' sense of safety and security.

4. UNIFY THE CITY

- A. Foster respect for cultural and ethnic diversity.
- B. Increase the presence and use of the arts.

STATEMENT OF BUDGET POLICIES

1. The City Code requires the operating budget to be "balanced" or operating expenditures must be equal to revenues plus prior years' accumulated surplus. Wilmington's budget policy extends the code to include the following:
 - 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 Budget Policy #6). This policy limits tax increases because prior years' surplus are used prior to revenue enhancements.
 - 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 revenues to sustain water and sewer operations.
 - 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 produce a profit. Profitability is important in risk management because a catastrophic equity reserve must be established. When its catastrophic reserve is established, a balanced budget should be maintained.
2. A target of 80% or more of the General Fund or operating budget should represent direct essential services to the citizens such as Police, Fire, Public Works, Parks & Recreation and L & I.
3. Cost containment shall be achieved by limiting growth of controllable expenses to no more than the increase in the Consumer Price Index (CPI). Cost containment must 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.
4. Revenue generation will be derived from various sources with the primary focus on economic development activities. Increases in our tax base rather than our tax rates is the objective; however, real estate tax rates and various user charges must be periodically adjusted for CPI increases. Collection and enforcement are vital components to our revenue generation program. All taxes, fees, and user charges shall have a collection rate of 90% or greater, collectively.
5. 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.
6. Because the City's operating strategies regarding economic development, cost containment and debt management are aggressive, Wilmington's financial position shall be managed conservatively. The following strategies are deployed:
 - The City shall maintain a Budget Reserve Account or "Rainy Day Account" of at least 5% of the General Fund Operating Budget. The Budget Reserve is an equity reserve held for emergencies.

- Operating contingencies shall be budgeted annually for general miscellaneous contingencies, snow removal and contingencies due to new or increased business activity.
 - Provisions for pension expenses shall include amounts for current expenses and an appropriation for prior unfunded pension liabilities.
 - The Risk Management Fund or Self-Insurance Fund shall maintain an equity reserve for catastrophic losses, in addition to the actuarially calculated loss liability.
7. The City has and continues to maintain and fund a pro-active infrastructure replacement program. 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 are reviewed annually and planned maintenance or replacement is scheduled.
8. The City shall make maximum use of private resources. Utilization of private resources can be categorized as follows:
- Public/Private Partnerships--Private sector funding combined with public sector funding can be utilized to solve many quality of life problems. The "partnership" approach has been effectively utilized in supporting housing and cultural activities. The replacement of lost federal funding with public/private partnerships is a goal.
 - Privatization--When services can be provided more effectively and/or at a lesser cost through the private sector, such resources should be deployed.

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 24.

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, City department heads are developing their strategic plans on which spending decisions and staffing level requests will be based.

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

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

In other limited cases, such as with utilities, office supplies, repairs to equipment and printing, the current year's budget allotment is reduced 20% and then this reduced figure is put in as the new Level I amount. For those line items, departments have to justify only the portion of their request that exceeds that 80% given them by OMB. Any request by a department above the Level One 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 extending review process that includes the Personnel 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. It is important to note that by law, City Council cannot alter the Mayor's revenue budget projections.

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. Copies of the Approved Budget Book are normally available at the start of the fiscal year through OMB 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 of the Wilmington City Code) "*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 fire fighting apparatus, street lighting, and computer software. **Please see the Capital Program section of this book for more details starting on page 219.**

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 biannual 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

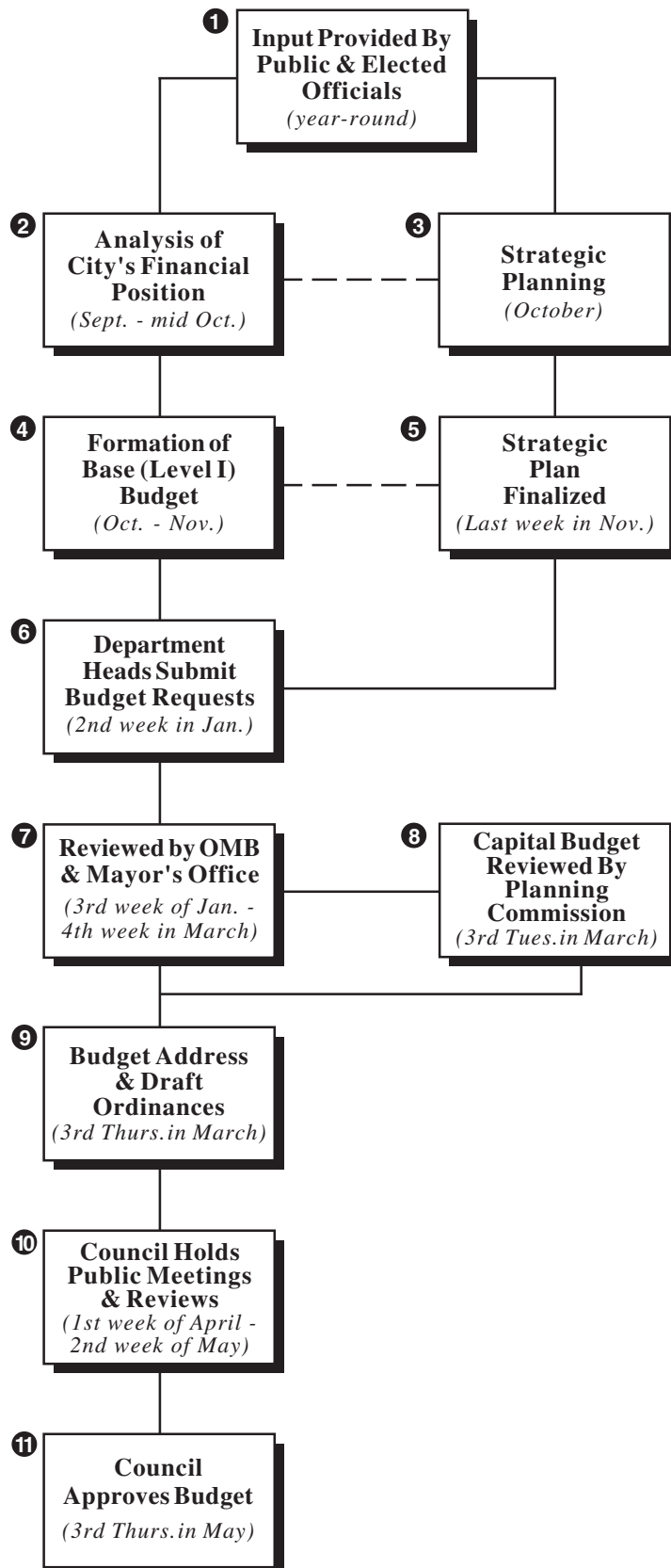
The City's budget is prepared using the same basis of accounting methods and procedures utilized to prepare the Comprehensive Annual Financial Report. The City's Comprehensive Annual Financial Statement for FY 2002 was awarded the Certificate of Achievement in financial reporting by the Government Financial Officers Association. 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 five major funds: The General, Special, Water/Sewer, Commerce and Internal Service funds for both budgeting and accounting purposes (**please see Description of Funds on page 31**). 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, Commerce and Special funds are budgeted and operate under a **modified accrual basis** in which only the major revenues sources (i.e. Wage Tax, Property Tax, Licenses & Permits) are recorded when earned (not when cash is received) and all expenditures, except fixed assets, are recorded when incurred (not when cash is paid out). The Water/Sewer and Internal Service funds are budgeted and operate under the **accrual method** (used by most businesses) in which all revenues and expenditures are recorded when recognized 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:

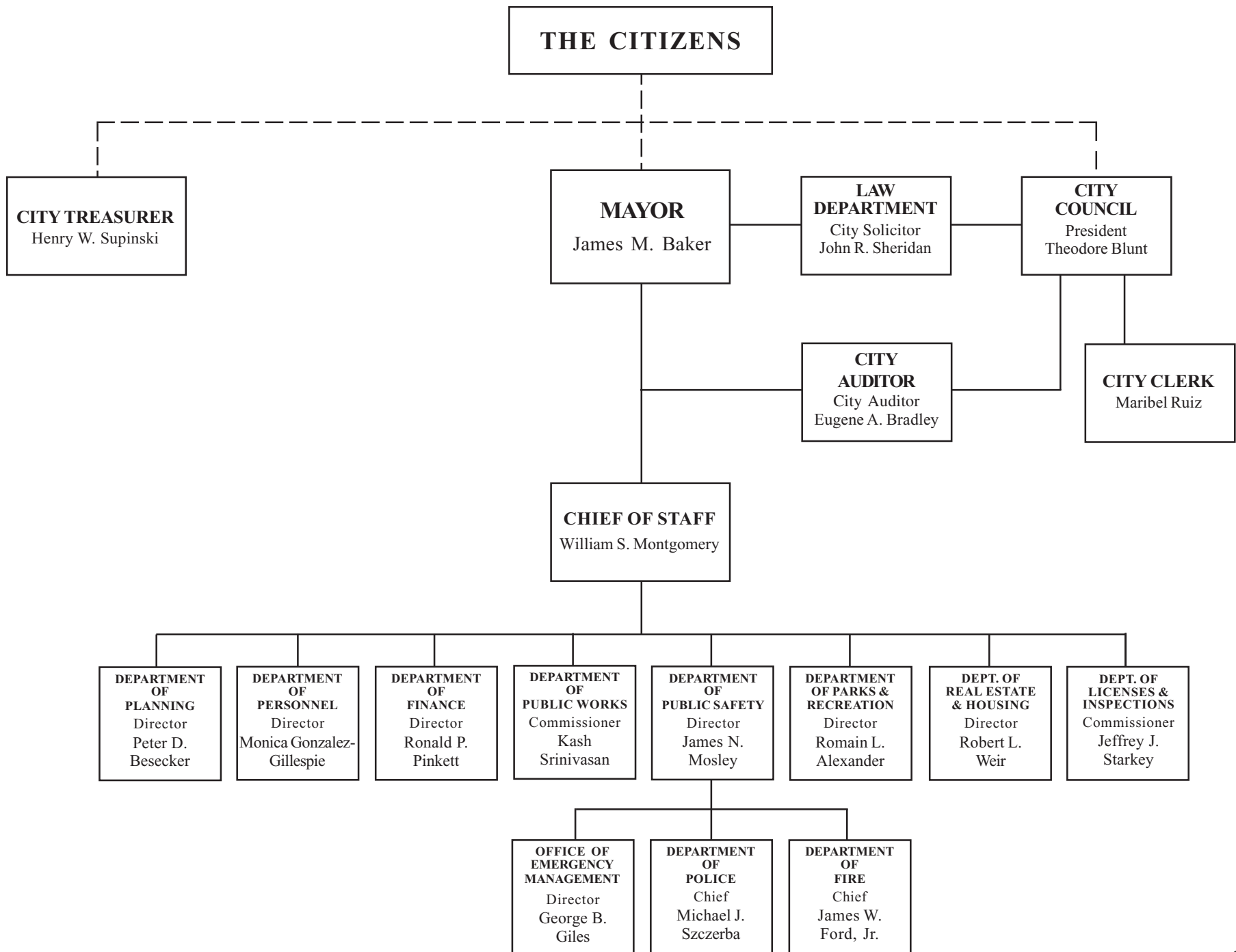
- Depreciation of fixed assets is budgeted and expensed in the Water/Sewer and Internal Service funds. In the General and Commerce Funds, however, no depreciation is budgeted or expensed, rather the *total cost* of fixed asset acquisitions are budgeted and then expensed when purchased.
- The total cost of fixed asset acquisitions in the Water/Sewer and Internal Service Funds are also budgeted, but only to establish a 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 and Commerce funds.

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 Department Heads develop five to seven year strategic plans.
- 4 OMB develops a baseline budget from historical data, trends, local economy and strategic plans.
- 5 Department Heads finalize Strategic Plan.
- 6 Based on Strategic Plan results and baseline budget or 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 City Council must approve a balanced budget by June 1 or 30 days prior to start of fiscal year.

CITY OF WILMINGTON ORGANIZATION CHART



DESCRIPTION OF TERMS USED IN THIS BOOK

Account Group: A group of similarly related expense accounts such as Personal Services, which includes salaries, overtime, pension, 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 paid or collected.

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 include Word Processing, Data Processing, Mapping and Graphics, Mail and Copy Services, Telephone, Radio and the Motor Vehicle Fleet. Administrative Services are part of the Internal Services account group.

Assessed Valuation: A value that is established for real property for use as a basis for levying property tax. (Property values are assessed by New Castle County).

BAN (Bond Anticipation Note): A short-term interest-bearing note issued by a government 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 uses the Accrual Basis and Modified Accrual Basis.

Bond: A written promise to pay a sum of money on a specific date at a specified rate of interest. The most common types, general obligation and revenue bonds, are most frequently used for construction of large capital projects such as buildings, streets, and sewers.

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.

CAFR: Comprehensive Annual Financial Report, prepared by the Accounting Division to provide the public with detailed information regarding the financial position of the City.

DESCRIPTION OF TERMS USED IN THIS BOOK

(continued)

Capital Budget: A one-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.

Capitalization: In the Enterprise 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 budget purposes the purchase needs to be specified for City Council and the public.

Capital Program: A six-year plan for the purpose 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 **C**ommunity **D**evelopment **B**lock **G**rant from the United States Department of Housing and Urban Development. 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 reserve for snow removal, unplanned operating expenses and additions to the budget reserve account. As per City ordinance, the budget reserve account is to be used by the City in dire emergency and represents up to 5% of General Fund revenues.

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.

Designated Fund Equity: Reserved fund balance representing amounts that are legally identified for a specific purpose, such as to pay debt or encumbrances.

DESCRIPTION OF TERMS USED IN THIS BOOK

(continued)

Expenditure/Expense: Payment for 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.

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.

Forward Supply Contracts: Investment agreements requiring funds be set aside to purchase U.S. Strip Securities for payment of future debt service. These contracts arose from an advanced refinancing of long-term debt.

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 five major funds: General, Water/Sewer, Commerce, Special and Internal Services. **See the section entitled Description of Funds on page 31 for more information.**

Fund Balance: The difference between assets and liabilities in a governmental fund, such as the General Fund.

FY: Abbreviation for “Fiscal Year”.

GAAP (Generally Accepted Accounting Principles): Rules that govern the accounting profession.

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.

DESCRIPTION OF TERMS USED IN THIS BOOK

(continued)

Grants and Fixed Charges: An activity with a limited time span and purpose often financed by Federal or State contributions, and usually include payments to a third party agency.

HOPWA: A grant entitled **H**ousing **O**pportunities for **P**ersons **W**ith **A**IDS 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: The account group made up of a combination of various services internally supplied to all departments and reimbursed on a per usage basis. These activities include the Administrative Services of Word Processing, Data Processing, Mapping and Graphics, Mail and Copy Services, Telephone, Radio and the Motor Vehicle Fleet, along with the Self-Insurance services of Risk Management and Workers' Compensation.

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: **L**ocal **L**aw **E**nforcement **B**lock **G**rant 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 same as the Accrual Basis except that some minor revenue sources and all fixed asset purchases are recorded on a **Cash Basis**.

Net Assets: The difference between assets and liabilities in proprietary funds, such as the Water/Sewer Fund.

Objective: A specific, well-defined, and measurable condition that must be attained in order to accomplish a stated goal.

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 from the Water/Sewer Fund to the General Fund.

DESCRIPTION OF TERMS USED IN THIS BOOK

(continued)

Ordinance: A formal legislative enactment by City Council which has the full force and effect of law within the boundaries of the City.

Performance Indicator: Statistical measurements 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.

Proprietary Funds: Funds used to account for business-type activities.

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 (not taxes) from the project being financed or the entity doing the borrowing, such as a water/sewer system.

Risk Management/Self Insurance: Cash 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. The City is self insured up to \$2 million. For claims that are higher, the City carries a catastrophic insurance policy with a third party insurer.

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.

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.

Undesignated Fund Equity: Fund balance monies not earmarked for a specific purpose.

User Fee: A charge for the provision of a service usually correlated to the level of usage, such as water/sewer fees.

DESCRIPTION OF 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 Funds** are contributions in trust which investment earnings and principal, if needed, are used in the maintenance and improvement of specific City-owned parks.
- **Municipal Street Aid Fund** reflects the fiscal activities regarding a special State of Delaware appropriation for Street maintenance.
- **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.
- **Community Development Block Grant (CDBG) Funds** are federally-funded activities administered by City staff and subrecipients for urban renewal and development.
- **Job Training Partnership Act (JTPA)** was a U.S. Department of Labor program used to employ City youth in private and public sector jobs during the summer season. This program was eliminated and replaced with the Workforce Investment Board in the year 2000.
- **Home Partnership Funds** are federal funds which address a variety of housing assistance programs to benefit low-to-moderate income City residents.
- **Pension Trusts Funds** reflect the contributions in trust, investment earnings and financial activity of the City's five employee pension plans.
- **Emergency Shelter Grant** is designed to improve the quality of emergency shelters for the homeless. Funding for this program is awarded through the United States Department of Housing and Urban Development.
- **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.

DESCRIPTION OF FUNDS

(continued)

Enterprise Funds are user fee-based programs/activities that are normally self-supporting.

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

The Commerce Fund 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 did dictate, however, that the remaining equity of the Commerce Fund had to be used exclusively for economic development activities.

As a result, the Commerce Fund is no longer classified as an Enterprise Fund, but as a Special Revenue fund. As such, debt service expense for principal repayment is now charged and depreciation expense is dropped. The reimbursement of Commerce Fund debt service from the State now includes having to book the principal portion of the reimbursement as revenue, whereas in previous years only the interest portion of the debt reimbursement was considered revenue.

Internal Services Funds are used to summarize City-wide common expenditures in one area, then to allocate such expenditures to the various departments. 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.
- **Self-Insurance:** Risk Management; Workers' Compensation; Health and Welfare

Funding Appropriation

All of the City's Major Funds, described above, are appropriated through the Budget Process and approved by City Council through City Ordinance.

BUDGET

SUMMARY

SUMMARY OF COMBINED STATEMENT OF REVENUES
FY 2002 - FY 2006

REVENUES	ACTUAL FY2002	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
General Fund					
Taxes	\$79,151,501	\$76,895,976	\$83,768,168	\$76,301,200	\$82,176,625
Fees & Fines	6,718,047	6,182,017	5,263,212	5,567,000	5,403,500
Interest & Other	5,356,155	5,864,613	8,581,676	7,717,533	8,620,033
Transfers In	1,200,000	2,275,000	1,275,000	2,775,000	500,000
Prior Year Surplus	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Subtotal	92,425,703	91,217,606	98,888,056	92,360,733	96,700,158
Water/Sewer Fund					
Direct User Charges *	20,399,487	23,276,378	22,913,101	25,822,560	25,095,944
New Castle County Charges	14,231,530	14,612,124	15,003,123	15,405,123	15,818,123
Prior Year Surplus	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Subtotal	34,631,017	37,888,502	37,916,224	41,227,683	40,914,067
Commerce Fund					
Direct User Charges	28,575	0	0	0	0
Interest & Other	5,027,324	7,330,865	6,958,209	7,797,382	3,986,864
Transfer from General Fund	<u>0</u>	<u>0</u>	<u>2,000,000</u>	<u>0</u>	<u>0</u>
Subtotal	5,055,899	7,330,865	8,958,209	7,797,382	3,986,864
Special Funds					
Federal/State Grants	13,572,775	12,432,860	13,525,124	11,143,939	14,642,184
Other Sources	<u>1,148,540</u>	<u>1,650,570</u>	<u>1,603,509</u>	<u>1,817,795</u>	<u>1,801,305</u>
Subtotal	14,721,315	14,083,430	15,128,633	12,961,734	16,443,489
Total Revenues	\$ 146,833,934	\$ 150,520,403	\$ 160,891,122	\$ 154,347,532	\$ 158,044,578

* FY 2002 includes a one-time \$3.4 million write-off against revenue as dictated by a change in the methodology of accounting for delinquent receivables as prescribed by the City's Outside Auditors, Ernst & Young.

**SUMMARY OF COMBINED STATEMENT OF EXPENDITURES
FY 2002 - FY 2006**

EXPENDITURES	ACTUAL FY2002	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
General Fund					
Personal Services	\$62,282,385	\$60,720,541	\$60,680,849	\$61,662,642	\$64,122,935
M. S. & E.	20,730,794	24,278,082	15,230,053	20,756,437	21,417,187
Debt Service	7,715,892	9,238,480	8,310,949	9,377,626	10,687,522
Other	356,614	357,938	363,469	385,100	463,900
Transfer to Commerce Fund	<u>0</u>	<u>0</u>	<u>2,000,000</u>	<u>0</u>	<u>0</u>
Subtotal	91,085,685	94,595,041	86,585,320	92,181,805	96,691,544
Water/Sewer Fund					
Personal Services	7,450,297	7,394,251	7,684,331	7,947,515	8,350,296
M. S. & E.	19,470,955	21,266,042	19,166,401	22,153,549	24,230,575
Debt Service	3,201,175	3,734,541	3,307,582	3,947,381	4,386,959
Other	4,715,961	5,042,042	5,070,169	4,669,497	4,669,497
Transfer to General Fund	<u>1,000,000</u>	<u>2,500,000</u>	<u>1,000,000</u>	<u>2,500,000</u>	<u>225,000</u>
Subtotal	35,838,388	39,936,876	36,228,483	41,217,942	41,862,327
Commerce Fund					
Personal Services	553,371	487,381	545,160	622,391	585,110
M. S. & E.	529,838	344,493	332,580	679,912	467,162
Debt Service	<u>2,439,593</u>	<u>5,738,341</u>	<u>5,852,477</u>	<u>6,160,215</u>	<u>5,925,274</u>
Subtotal	3,522,802	6,570,215	6,730,217	7,462,518	6,977,546
Special Funds					
Personal Services	3,123,990	2,790,269	2,906,115	2,874,320	5,427,767
M. S. & E.	5,342,249	5,369,542	6,213,204	3,807,811	5,612,951
Other	<u>6,255,076</u>	<u>5,923,619</u>	<u>6,009,314</u>	<u>6,279,603</u>	<u>5,402,771</u>
Subtotal	14,721,315	14,083,430	15,128,633	12,961,734	16,443,489
Total Expenditures	\$ 145,168,190	\$ 155,185,562	\$ 144,672,653	\$ 153,823,999	\$ 161,974,906
INCOME (LOSS)					
General Fund	1,340,018	(3,377,435)	12,302,736	178,928	8,614
Water/Sewer Fund	(1,207,371)	(2,048,374)	1,687,741	9,741	(948,260)
Commerce Fund	1,533,097	760,650	2,227,992	334,864	(2,990,682)
Special Funds	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Income (Loss)	\$ 1,665,744	\$ (4,665,159)	\$ 16,218,469	\$ 523,533	\$ (3,930,328)

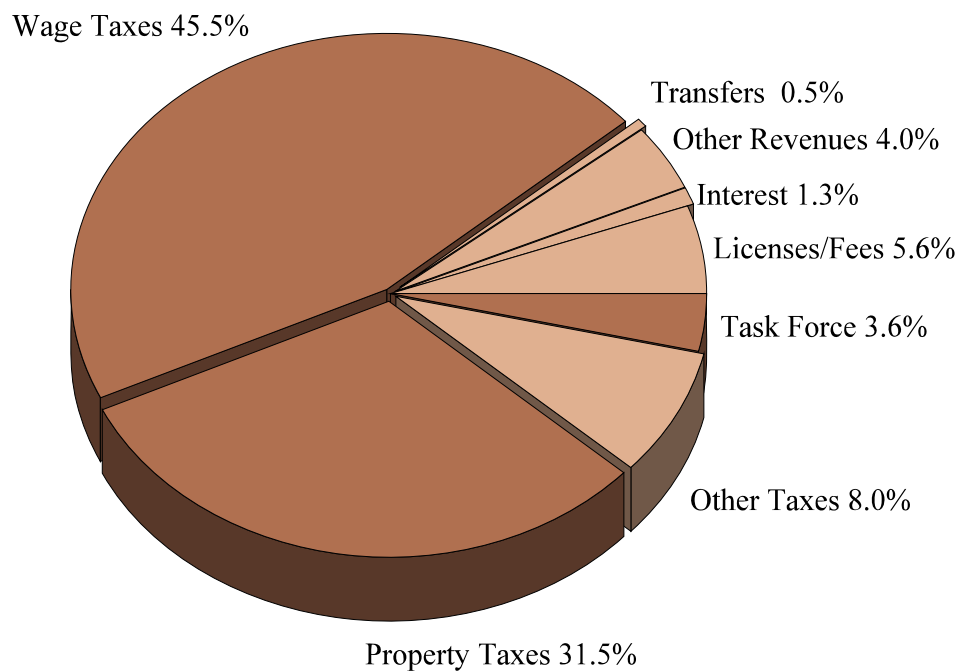
**SUMMARY OF GENERAL FUND
FISCAL YEAR 2006**

Revenues	Actual FY 2003	Actual FY 2004	Budget FY 2005	Budget FY 2006	Percent Change FY'06-'05	Page Reference*
Wage Tax	\$40,625,407	\$44,270,947	\$41,500,000	\$43,998,125	6.0%	63
Property Tax	28,594,333	29,068,010	27,919,200	30,466,500	9.1%	63
Other Taxes	7,676,236	10,429,211	6,882,000	7,712,000	12.1%	64
Licenses, Permits, Fees & Fines	6,182,017	5,263,212	5,567,000	5,403,500	-2.9%	64
Interest	1,083,888	813,364	1,070,000	1,300,000	21.5%	65
Federal, State, & Local Grants	0	0	0	0	0.0%	65
Other Revenues	4,780,725	4,864,956	3,872,533	3,872,533	0.0%	66
Task Force Revenues	0	2,903,356	2,775,000	3,447,500	24.2%	66
Transfers from Other Funds	<u>2,275,000</u>	<u>1,275,000</u>	<u>2,775,000</u>	<u>500,000</u>	<u>-82.0%</u>	67
Total Revenues	<u>\$91,217,606</u>	<u>\$98,888,056</u>	<u>\$92,360,733</u>	<u>\$96,700,158</u>	<u>4.7%</u>	

* See page listed for further detailed information.

Other Taxes include Franchise Fees, Head Tax and Real Estate Transfer. Other Revenues include Indirect Cost allocations, miscellaneous user charges, rental fees, and concession revenues. Task Force revenues include the State Corporate and LLC filings, Lodging Tax and Natural Gas Franchise Fees.

**General Fund Revenues
Fiscal Year 2006**



**SUMMARY OF GENERAL FUND
FISCAL YEAR 2006**

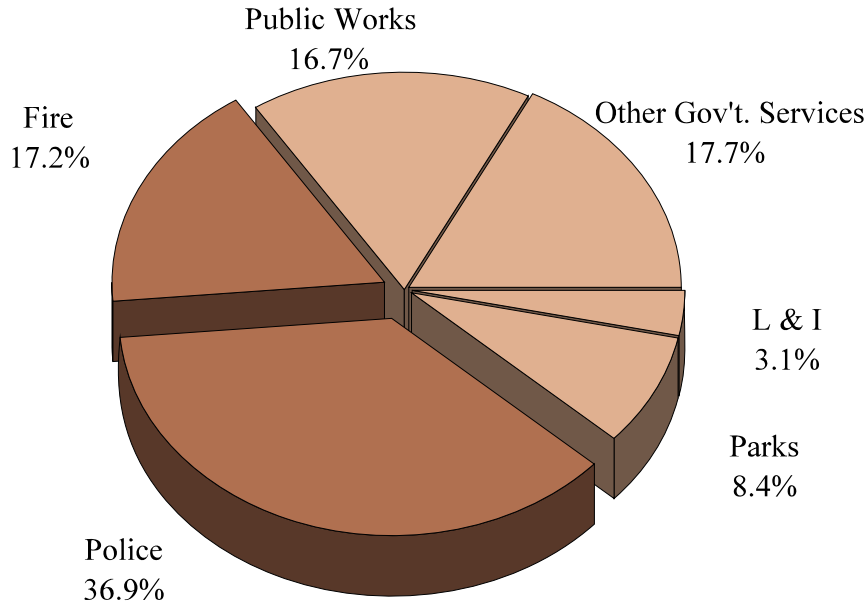
<u>Expenditures</u>	<u>Actual FY 2003</u>	<u>Actual FY 2004</u>	<u>Budget FY 2005</u>	<u>Budget FY 2006</u>	<u>Percent Change FY'06-'05</u>	<u>Page Reference*</u>
Mayor's Office**	\$4,102,986	\$3,724,642	\$4,157,573	\$4,489,980	8.0%	71
Council	1,962,173	1,874,827	1,952,623	2,130,070	9.1%	91
Treasurer	324,635	330,982	324,672	361,108	11.2%	95
Planning	1,205,563	1,104,683	1,193,559	1,254,575	5.1%	101
Auditing	530,537	515,809	503,339	528,775	5.1%	109
Law	1,856,856	1,911,985	2,041,127	2,228,848	9.2%	117
Municipal Court	0	5,473	0	0	0.0%	123
Finance**	3,264,582	2,666,304	2,990,876	3,019,000	0.9%	125
Personnel	1,209,750	1,235,976	1,232,791	1,353,828	9.8%	139
Licenses & Inspections	2,397,662	2,479,033	2,817,772	2,983,491	5.9%	151
Parks & Recreation	8,007,563	6,863,350	7,661,854	8,230,624	7.4%	159
Fire	16,295,357	14,655,172	15,738,215	16,635,093	5.7%	169
Police**	35,751,674	32,742,528	35,042,247	35,638,330	1.7%	178
Public Works	16,203,684	13,447,398	14,804,015	16,124,402	8.9%	188
Real Estate & Housing	1,482,019	1,027,158	1,541,142	1,533,420	-0.5%	201
Youth & Families	0	0	0	0	0.0%	217
Contingent Reserves***	0	0	180,000	180,000	0.0%	77
Total Expenditures	<u>\$94,595,041</u>	<u>\$84,585,320</u>	<u>\$92,181,805</u>	<u>\$96,691,544</u>	<u>4.9%</u>	

* See page listed for detailed explanations of expenditures in each department.

** In FY 2004, the divisions of OMB and Parking Enforcement were transferred from the Finance Department to the Mayor's Office and Police department respectively.

*** Includes \$150,000 for operating contingencies and \$30,000 for snow and weather emergencies.

**General Fund Expenditures
Fiscal Year 2006**



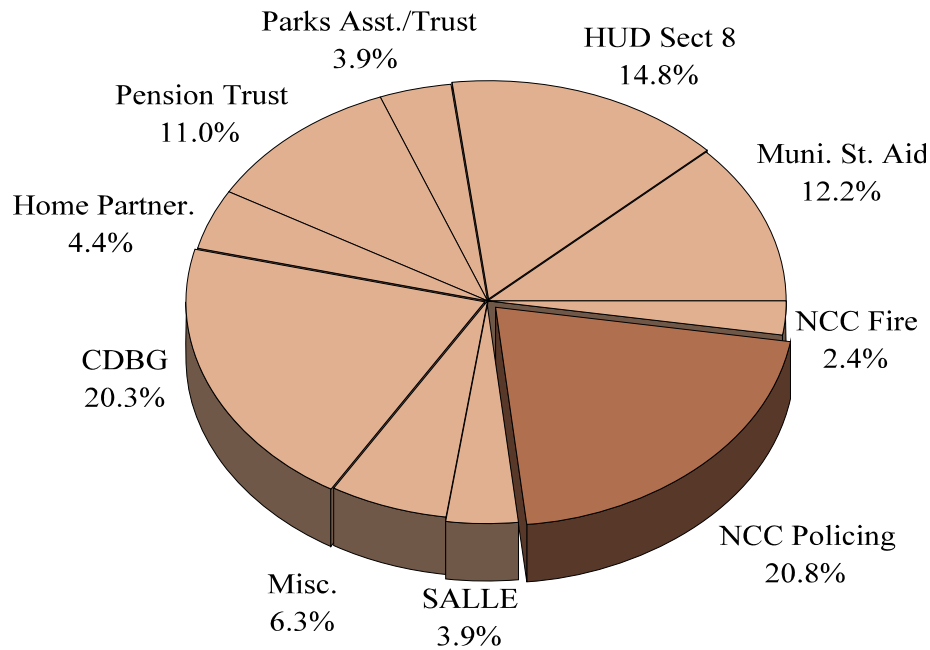
**SUMMARY OF SPECIAL FUNDS
FISCAL YEAR 2006**

<u>Revenues</u>	<u>Actual FY 2003</u>	<u>Actual FY 2004</u>	<u>Budget FY 2005</u>	<u>Budget FY 2006</u>	<u>Percent Change FY'06-'05</u>	<u>Page Reference*</u>
Municipal Street Aid	\$1,866,027	\$1,458,741	\$1,495,113	\$2,005,710	34.2%	68
CDBG	2,786,475	3,260,547	3,649,000	3,337,804	-8.5%	68
HUD Section 8	2,847,957	2,716,965	2,931,806	2,431,814	-17.1%	68
NCC Police Grant	0	0	0	3,414,892	N/A	69
NCC Fire Grant	0	586,598	0	400,000	N/A	69
Parks Assistance	559,822	1,167,314	568,000	489,832	-13.8%	69
Parks Trust Fund	84,573	75,045	134,065	150,429	12.2%	70
SALLE/LLEBG	1,322,203	913,448	637,948	645,868	1.2%	70
Pension Trusts	1,650,570	1,515,835	1,817,795	1,801,305	-0.9%	70
Home Partnership	1,181,409	1,122,302	754,092	723,736	-4.0%	71
Miscellaneous Grants	<u>1,784,394</u>	<u>2,311,838</u>	<u>973,915</u>	<u>1,042,099</u>	<u>7.0%</u>	71
Total Revenues	<u>\$14,083,430</u>	<u>\$15,128,633</u>	<u>\$12,961,734</u>	<u>\$16,443,489</u>	<u>26.9%</u>	

* See page listed for further detailed information.

Special Revenue Funds consist of supplemental revenues derived from non-taxation sources such as federal and state grants and endowments.

**Special Funds Revenues
Fiscal Year 2006**



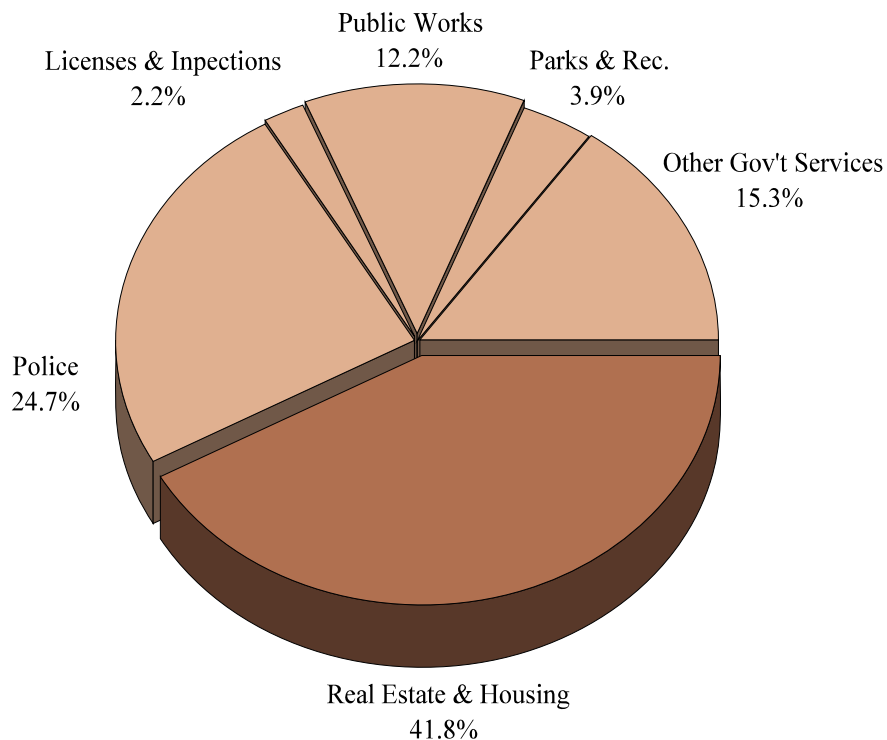
**SUMMARY OF SPECIAL FUNDS
FISCAL YEAR 2006**

<u>Expenditures</u>	<u>Actual FY 2003</u>	<u>Actual FY 2004</u>	<u>Budget FY 2005</u>	<u>Budget FY 2006</u>	<u>Percent Change FY'06-'05</u>	<u>Page Reference*</u>
Mayor's Office	\$792,287	\$634,583	\$64,238	\$42,405	-34.0%	78
Treasurer	1,650,570	1,515,835	1,817,795	1,801,305	-0.9%	96
Planning	192,425	74,798	81,682	83,234	1.9%	102
Finance	59,486	53,127	53,484	0	-100.0%	126
Personnel	11,598	0	0	0	0.0%	140
Licenses & Inspections	337,309	377,228	423,288	353,602	-16.5%	152
Parks & Recreation	325,534	1,277,359	702,065	640,261	-8.8%	160
Fire	193,172	1,240,060	0	587,000	0.0%	170
Police	1,324,252	926,809	637,948	4,060,760	536.5%	178
Public Works	1,866,027	1,458,741	1,495,113	2,005,710	34.2%	189
Real Estate & Housing	6,986,909	7,570,093	7,686,121	6,869,212	-10.6%	202
Youth & Families	<u>343,861</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.0%</u>	217
Total Expenditures	<u>\$14,083,430</u>	<u>\$15,128,633</u>	<u>\$12,961,734</u>	<u>\$16,443,489</u>	<u>26.9%</u>	

* See page listed for detailed explanations of expenditures in each department.

All expenses are equal to revenue (the grants or trust allocations). Thus, there is no income, no fund balance and no change in fund balance for the Special Funds.

**Special Funds Expenditures
Fiscal Year 2006**

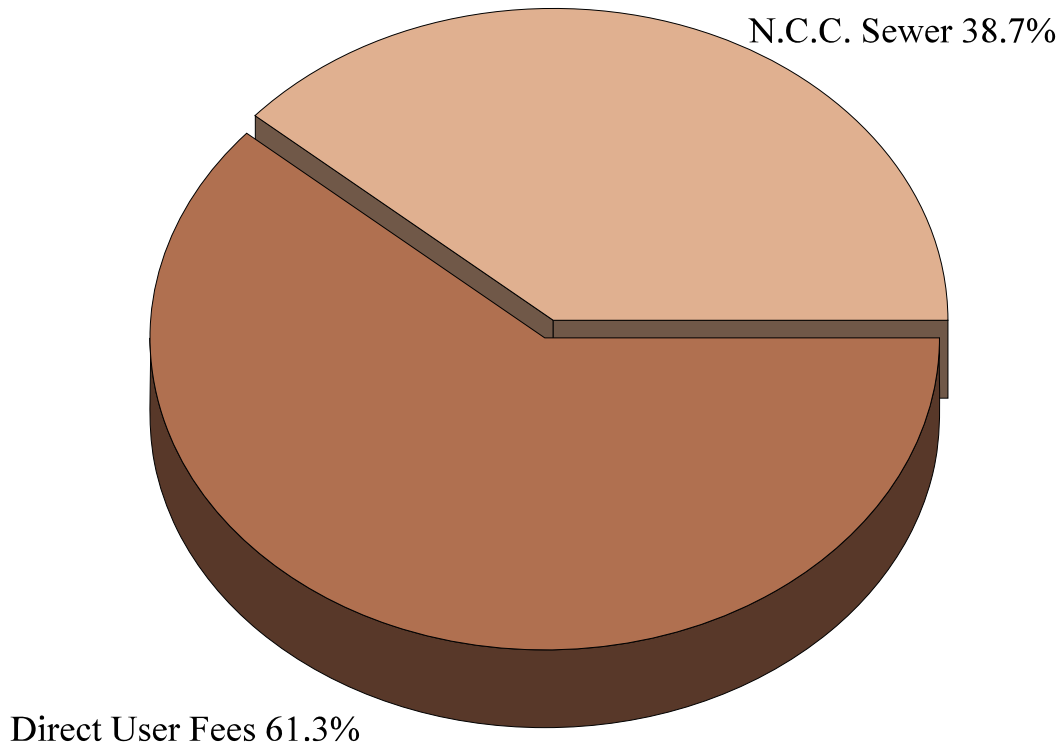


**SUMMARY OF WATER/SEWER FUND
FISCAL YEAR 2006**

<u>Revenues</u>	<u>Actual FY 2003</u>	<u>Actual FY 2004</u>	<u>Budget FY 2005</u>	<u>Budget FY 2006</u>	<u>Percent Change FY'06-'05</u>	<u>Page Reference*</u>
Direct User Fees	\$23,276,378	\$22,913,101	\$25,822,560	\$25,095,944	-2.8%	72
New Castle County Sewer Services	<u>14,612,124</u>	<u>15,003,123</u>	<u>15,405,123</u>	<u>15,818,123</u>	<u>2.7%</u>	72
Total Revenues	<u>\$37,888,502</u>	<u>\$37,916,224</u>	<u>\$41,227,683</u>	<u>\$40,914,067</u>	<u>-0.8%</u>	

* See page listed for further detailed information.

**Water/Sewer Fund Revenues
Fiscal Year 2006**

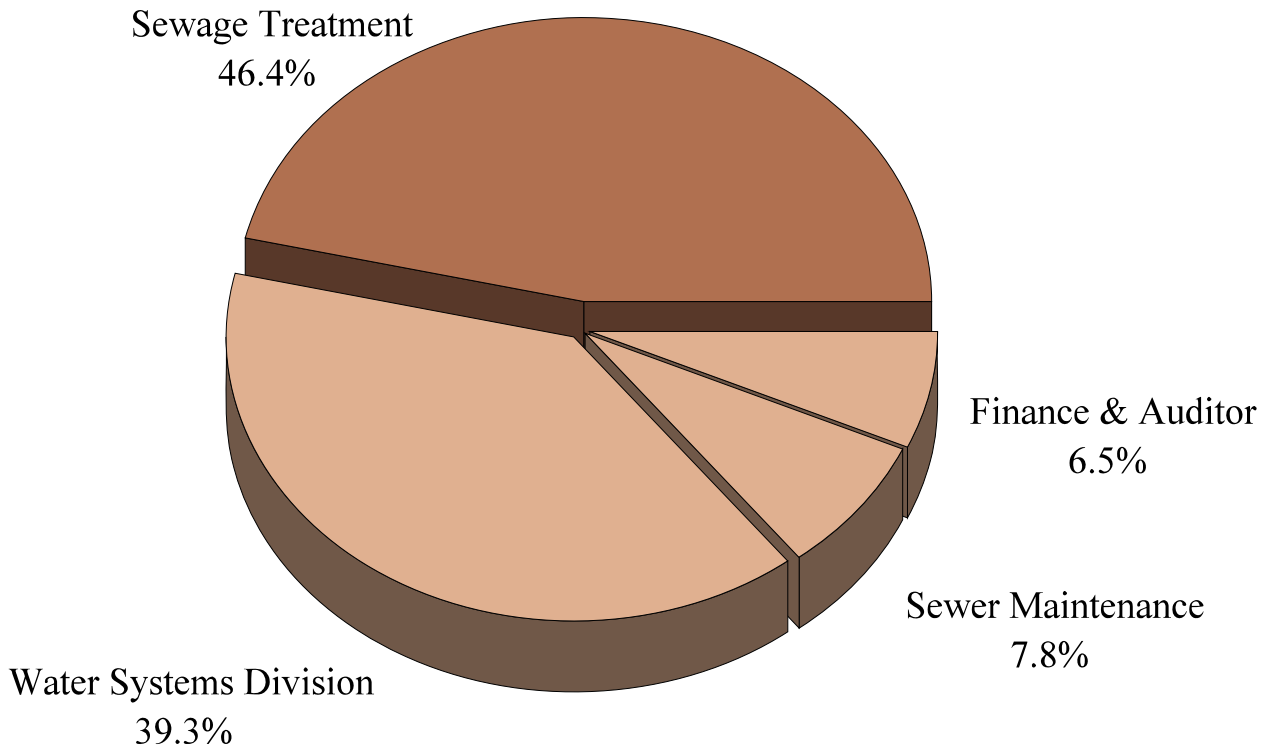


**SUMMARY OF WATER/SEWER FUND
FISCAL YEAR 2006**

<u>Expenditures</u>	<u>Actual FY 2003</u>	<u>Actual FY 2004</u>	<u>Budget FY 2005</u>	<u>Budget FY 2006</u>	<u>Percent Change FY'06-'05</u>	<u>Page Reference*</u>
Auditing	\$70,000	\$84,160	\$60,059	\$54,400	-9.4%	110
Finance	2,242,650	2,242,797	2,532,542	2,650,471	4.7%	126
Public Works	<u>35,124,226</u>	<u>32,901,526</u>	<u>36,125,341</u>	<u>38,932,456</u>	<u>7.8%</u>	188
Total Expenditures	<u>\$37,436,876</u>	<u>\$35,228,483</u>	<u>\$38,717,942</u>	<u>\$41,637,327</u>	<u>7.5%</u>	

* See page listed for detailed explanations of expenditures in each department.

Water/Sewer Fund Expenditures Fiscal Year 2006



**SUMMARY OF COMMERCE FUND
FISCAL YEAR 2006**

<u>Revenues</u>	<u>Actual FY 2003</u>	<u>Actual FY 2004</u>	<u>Budget FY 2005</u>	<u>Budget FY 2006</u>	<u>Percent Change FY'06-'05</u>	<u>Page Reference*</u>
State Debt Reimbursement	\$5,267,136	\$4,866,950	\$5,757,382	\$3,986,864	-30.8%	73
Miscellaneous Revenues	23,729	51,259	0	0	0.0%	73
Gain on Sale of Port Assets	<u>2,040,000</u>	<u>2,040,000</u>	<u>2,040,000</u>	<u>0</u>	<u>-100.0%</u>	73
Total Revenues	<u>\$7,330,865</u>	<u>\$6,958,209</u>	<u>\$7,797,382</u>	<u>\$3,986,864</u>	<u>-48.9%</u>	

* See page listed for further detailed information.

The Port of Wilmington was sold to the State of Delaware in Fiscal Year 1996. Revenues received from the State were the sale proceeds and reimbursement of the previously existing Commerce Fund debt 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 did dictate, however, that the remaining equity of the Commerce Fund had to be used exclusively for economic development activities.

As a result, the Commerce Fund is no longer classified as an Enterprise Fund, but as a Special Revenue fund. As such, debt service expense for principal repayment is now charged and depreciation expense is dropped. The reimbursement of Commerce Fund debt service from the State now includes having to book the principal portion of the reimbursement as revenue, whereas in previous years only the interest portion of the debt reimbursement was considered revenue.

**SUMMARY OF COMMERCE FUND
FISCAL YEAR 2006**

<u>Expenditures</u>	<u>Actual FY 2003</u>	<u>Actual FY 2004</u>	<u>Budget FY 2005</u>	<u>Budget FY 2006</u>	<u>Percent Change FY'06-'05</u>	<u>Page Reference*</u>
Mayor	\$708,443	\$777,659	\$1,215,874	\$1,194,144	-1.8%	78
Finance	0	0	2,273	0	-100.0%	127
Commerce	<u>5,861,772</u>	<u>5,952,558</u>	<u>6,244,371</u>	<u>5,783,402</u>	<u>-7.4%</u>	215
Total Expenditures	<u>\$6,570,215</u>	<u>\$6,730,217</u>	<u>\$7,462,518</u>	<u>\$6,977,546</u>	<u>-6.5%</u>	

* See page listed for detailed explanations of expenditures in each department.

**SUMMARY OF INTERNAL SERVICE FUNDS
FISCAL YEAR 2006**

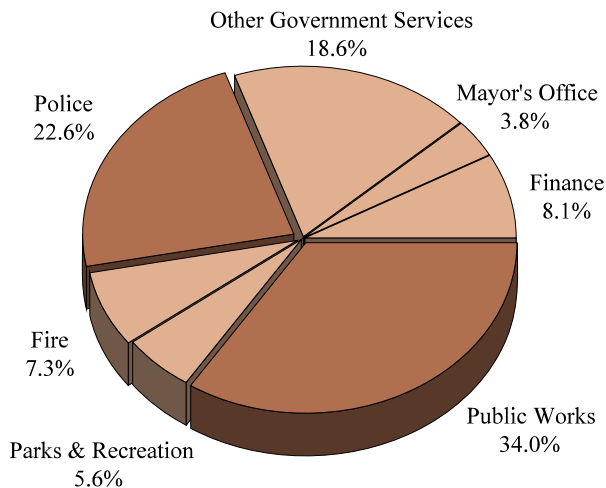
<u>Expenditures*</u>	<u>Actual FY 2003</u>	<u>Actual FY 2004</u>	<u>Budget FY 2005</u>	<u>Budget FY 2006</u>	<u>Percent Change FY'06-'05</u>	<u>Page Reference**</u>
Mayor's Office***	\$2,183,292	\$2,542,390	\$2,311,902	\$3,029,868	31.1%	79
Finance***	1,119,329	1,143,895	1,230,879	1,301,072	5.7%	126
Personnel (Risk Mgmt., Work. Comp., Health)	17,913,218	7,767,061	14,981,956	14,567,626	-2.8%	140
Public Works (Motor Vehicle)	<u>3,820,673</u>	<u>3,663,968</u>	<u>4,281,422</u>	<u>4,754,849</u>	<u>11.1%</u>	189
Total Expenditures	<u>\$25,036,512</u>	<u>\$15,117,314</u>	<u>\$22,806,159</u>	<u>\$23,653,415</u>	<u>3.7%</u>	

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

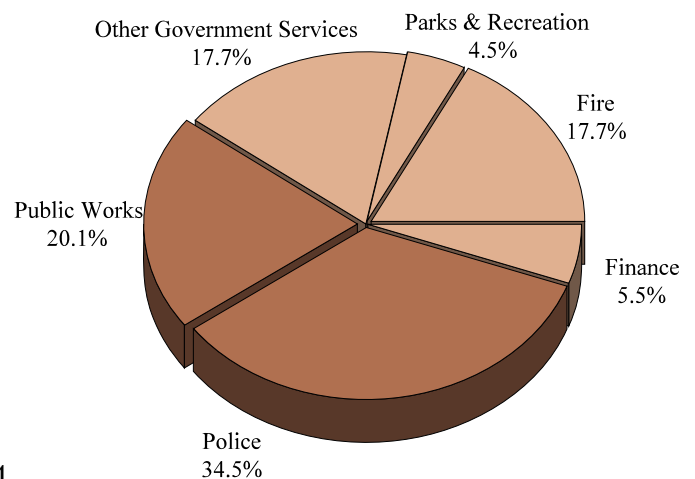
** See page listed for detailed explanations of expenditures in each department.

*** In FY 2004, the Divisions of Data Processing and Communications were transferred from the Finance department to the Mayor's Office.

**Administrative Services
FY '06 Internal Service Charge Allocations**



**Self-Insurance Program
FY '06 Internal Service Charge Allocations**



CAPITAL IMPROVEMENTS PROGRAM
FISCAL YEARS 2006-2011
(000 omitted)

SUMMARY: TOTAL FUNDS RECOMMENDED BY FISCAL YEAR AND DEPARTMENT

NAME OF DEPARTMENT	TYPE OF FUNDING	FISCAL YEARS						TOTAL CITY FUNDS 6 YEAR PERIOD	TOTAL LOCAL AND MATCHING 6 YEAR PERIOD
		2006	2007	2008	2009	2010	2011		
PARKS AND RECREATION	G	2,877.5	0	1,980	0	1,810	0	6,667.5	6,667.5
	O	17.5	0	750	0	0	0	0	767.5
PUBLIC WORKS	G	8,010	0	5,205	0	5,560	0	18,775	18,775
	W	30,395	0	22,460	0	20,985	0	73,840	73,840
FIRE	G	1,120	0	0	0	0	0	1,120	1,120
FINANCE	G	876	0	304	0	314	0	1,494	1,494
	W	912	0	674	0	630	0	2,216	2,216
	C	15	0	15	0	15	0	45	45
TRANSPORTATION	G	1,850	0	1,700	0	1,600	0	5,150	5,150
	O	12,150	0	9,900	0	8,400	0	0	30,450
OFFICE OF THE MAYOR	G	2,850	0	0	0	0	0	2,850	2,850
	C	500	0	500	0	500	0	1,500	1,500
REAL ESTATE & HOUSING	G	1,200	0	1,250	0	1,500	0	3,950	3,950
TOTAL BY FUND	G	18,783.5	0	10,439	0	10,784	0	40,006.5	40,006.5
	O	12,167.5	0	10,650	0	8,400	0	0	31,217.5
	W	31,307	0	23,134	0	21,615	0	76,056	76,056
	C	515	0	515	0	515	0	1,545	1,545
GRAND TOTAL		62,773	0	44,738	0	41,314	0	117,607.5	148,825

* G - General; W - Water/Sewer; C - Commerce; O - Other Governmental

SUMMARY OF STAFFING LEVELS FISCAL YEAR 2006

TOTAL NUMBER OF EMPLOYEES ALL FUNDS

<u>Department</u>	<u>Actual FY2002</u>	<u>Actual FY2003</u>	<u>Actual FY2004</u>	<u>Budget FY2005</u>	<u>Budget FY2006</u>	<u>Net Change FY'06-'05</u>
Mayor's Office	29.00	33.00	45.00	45.00	46.00	1.00
Council	27.00	26.00	25.00	29.00	29.00	0.00
Treasurer	6.00	6.00	6.00	6.00	7.00	1.00
Planning	14.00	10.00	10.00	10.00	11.00	1.00
Auditing	6.00	5.00	5.00	5.00	5.00	0.00
Law	19.00	18.00	19.00	20.00	20.00	0.00
Finance	101.00	101.00	68.00	69.00	67.00	(2.00)
Personnel	20.00	21.00	21.00	21.00	21.00	0.00
Licenses & Inspections	31.00	35.00	36.00	37.00	39.00	2.00
Parks & Recreation	47.00	52.00	52.00	52.00	52.00	0.00
Fire	176.00	176.00	176.00	176.00	176.00	0.00
Police	344.00	344.00	368.00	377.00	386.00	9.00
Public Works	212.00	212.00	212.00	212.00	212.00	0.00
Real Estate & Housing	24.00	24.00	21.00	21.00	20.00	(1.00)
Municipal Court	0.00	0.00	0.00	0.00	0.00	0.00
Commerce	0.00	0.00	0.00	0.00	0.00	0.00
Youth & Families	<u>14.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
TOTAL	<u>1,070</u>	<u>1,063</u>	<u>1,064</u>	<u>1,080</u>	<u>1,091</u>	<u>11.00</u>

SUMMARY OF STAFFING LEVELS FISCAL YEAR 2006

GENERAL FUND NUMBER OF EMPLOYEES

<u>Department</u>	<u>Actual FY2002</u>	<u>Actual FY2003</u>	<u>Actual FY2004</u>	<u>Budget FY2005</u>	<u>Budget FY2006</u>	<u>Net Change FY'06-'05</u>
Mayor's Office	19.25	22.69	26.54	26.54	26.54	0.00
Council	27.00	26.00	25.00	29.00	29.00	0.00
Treasurer	2.92	2.92	2.92	2.92	3.42	0.50
Planning	9.60	7.60	9.60	9.60	10.60	1.00
Auditing	6.00	5.00	5.00	5.00	5.00	0.00
Law	19.00	18.00	19.00	20.00	20.00	0.00
Finance	53.67	54.30	29.30	30.40	30.30	(0.10)
Personnel	13.00	14.00	14.00	14.00	14.00	0.00
Licenses & Inspections	26.20	28.20	29.20	30.03	34.00	3.97
Parks & Recreation	47.00	52.00	52.00	52.00	52.00	0.00
Fire	176.00	176.00	176.00	176.00	176.00	0.00
Police	343.00	343.00	363.00	365.00	330.00	(35.00)
Public Works	109.25	102.25	99.50	99.50	99.50	0.00
Real Estate & Housing	3.00	3.00	2.81	2.76	2.80	0.04
Municipal Court	0.00	0.00	0.00	0.00	0.00	0.00
Youth & Families	<u>14.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
TOTAL	<u>868.89</u>	<u>854.96</u>	<u>853.87</u>	<u>862.75</u>	<u>833.16</u>	<u>(29.59)</u>

SPECIAL FUNDS NUMBER OF EMPLOYEES

<u>Department</u>	<u>Actual FY2002</u>	<u>Actual FY2003</u>	<u>Actual FY2004</u>	<u>Budget FY2005</u>	<u>Budget FY2006</u>	<u>Net Change FY'06-'05</u>
Mayor's Office	2.45	3.20	1.96	1.46	0.46	(1.00)
Treasurer	3.08	3.08	3.08	3.08	3.58	0.50
Planning	4.40	2.40	0.40	0.40	0.40	0.00
Law	0.00	0.00	0.00	0.00	0.00	0.00
Finance	0.63	0.00	1.00	0.90	0.00	(0.90)
Licenses and Inspections	4.80	6.80	6.80	6.97	5.00	(1.97)
Real Estate and Housing	21.00	21.00	18.19	18.24	17.20	(1.04)
Parks and Recreation	0.00	0.00	0.00	0.00	0.00	0.00
Police	<u>1.00</u>	<u>1.00</u>	<u>5.00</u>	<u>12.00</u>	<u>56.00</u>	<u>44.00</u>
TOTAL	<u>37.36</u>	<u>37.48</u>	<u>36.43</u>	<u>43.05</u>	<u>82.64</u>	<u>39.59</u>

**SUMMARY OF STAFFING LEVELS
FISCAL YEAR 2006**

**WATER/SEWER FUND
NUMBER OF EMPLOYEES**

<u>Department</u>	<u>Actual FY2002</u>	<u>Actual FY2003</u>	<u>Actual FY2004</u>	<u>Budget FY2005</u>	<u>Budget FY2006</u>	<u>Net Change FY'06-'05</u>
Finance	28.70	28.70	28.70	28.70	27.70	(1.00)
Public Works	<u>102.75</u>	<u>109.75</u>	<u>112.50</u>	<u>112.50</u>	<u>112.50</u>	<u>0.00</u>
TOTAL	<u>131.45</u>	<u>138.45</u>	<u>141.20</u>	<u>141.20</u>	<u>140.20</u>	<u>(1.00)</u>

**COMMERCE FUND
NUMBER OF EMPLOYEES**

<u>Department</u>	<u>Actual FY2002</u>	<u>Actual FY2003</u>	<u>Actual FY2004</u>	<u>Budget FY2005</u>	<u>Budget FY2006</u>	<u>Net Change FY'06-'05</u>
Commerce	0.00	0.00	0.00	0.00	0.00	0.00
Mayor's Office	<u>7.30</u>	<u>7.11</u>	<u>7.50</u>	<u>8.00</u>	<u>7.00</u>	<u>(1.00)</u>
TOTAL	<u>7.30</u>	<u>7.11</u>	<u>7.50</u>	<u>8.00</u>	<u>7.00</u>	<u>(1.00)</u>

**INTERNAL SERVICE FUNDS
NUMBER OF EMPLOYEES**

<u>Department</u>	<u>Actual FY2002</u>	<u>Actual FY2003</u>	<u>Actual FY2004</u>	<u>Budget FY2005</u>	<u>Budget FY2006</u>	<u>Net Change FY'06-'05</u>
Mayor's Office	0.00	0.00	9.00	9.00	12.00	3.00
Personnel	7.00	7.00	7.00	7.00	7.00	0.00
Finance	<u>18.00</u>	<u>18.00</u>	<u>9.00</u>	<u>9.00</u>	<u>9.00</u>	<u>0.00</u>
TOTAL	<u>25.00</u>	<u>25.00</u>	<u>25.00</u>	<u>25.00</u>	<u>28.00</u>	<u>3.00</u>
TOTAL ALL FUNDS	<u>1,070</u>	<u>1,063</u>	<u>1,064</u>	<u>1,080</u>	<u>1,091</u>	<u>11.00</u>

Actual and Projected

Fund Balances and
Net Assets

**FUND BALANCE
GENERAL FUND
FISCAL YEAR 2006**

Fund Balance Activity	Actual FY 2004	Estimated FY 2005	Projected FY 2006
Fund Balance as of July 1	\$13,437,751	\$25,740,545	\$29,868,806
Excess of Revenues Over/(Under) Expenditures	13,027,736	3,853,261	(491,386)
Other Financing Sources/(Uses):			
Transfer from/(to) Water/Sewer Fund	1,000,000	-	225,000
Transfer from/(to) Wilmington Parking Authority	275,000	275,000	275,000
Transfer from/(to) Commerce Fund	(2,000,000)	-	-
Net Accounting Adjustments	<u>58</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources/(Uses)	(724,942)	275,000	500,000
Net Change in Fund Balance	12,302,794	4,128,261	8,614
Total Fund Balance as of June 30	<u>\$25,740,545</u>	<u>\$29,868,806</u>	<u>\$29,877,420</u>
Summary of Fund Balance			
Permanent Investment Reserves	9,434,759	11,498,889	11,503,196
Budget Reserves	<u>16,305,786</u>	<u>18,369,917</u>	<u>18,374,224</u>
Total Fund Balance as of June 30	<u>\$25,740,545</u>	<u>\$29,868,806</u>	<u>\$29,877,420</u>

**FUND NET ASSETS
WATER/SEWER FUND
FISCAL YEAR 2006**

Fund Net Assets Activity	Actual FY 2004	Estimated FY 2005	Projected FY 2006
Net Assets as of July 1	\$78,835,192	\$81,666,622	\$81,575,130
Excess of Revenues Over/(Under) Expenditures	5,802,693	3,855,889	3,663,699
Non-Operating Revenues/(Expenses)			
Interest Expense	(3,114,952)	(3,947,381)	(4,386,959)
Other	<u>1,143,689</u>	<u>-</u>	<u>-</u>
Total Non-Operating Revenues/(Expenses)	(1,971,263)	(3,947,381)	(4,386,959)
Income/(Loss) Before Transfers	3,831,430	(91,492)	(723,260)
Transfer from/(to) General Fund	<u>(1,000,000)</u>	<u>-</u>	<u>(225,000)</u>
Change in Net Assets	2,831,430	(91,492)	(948,260)
Total Net Assets as of June 30	<u>\$81,666,622</u>	<u>\$81,575,130</u>	<u>\$80,626,870</u>

Summary of Fund Net Assets

Invested in Capital Assets, Net of Related Debt	\$81,489,353	\$81,443,607	\$80,495,347
Unrestricted	<u>177,269</u>	<u>131,523</u>	<u>131,523</u>
Total Fund Net Assets as of June 30	<u>\$81,666,622</u>	<u>\$81,575,130</u>	<u>\$80,626,870</u>

**FUND BALANCE
COMMERCE FUND
FISCAL YEAR 2006**

Fund Balance Activity	Actual FY 2004	Estimated FY 2005	Projected FY 2006
Fund Balance as of July 1	\$7,689,683	\$13,484,998	\$13,856,332
Excess of Revenues Over/(Under) Expenditures	(1,812,008)	(1,668,666)	(2,990,682)
Other Financing Sources/(Uses)			
Gain on the Sale of Assets	2,040,000	2,040,000	-
Transfer from/(to) General Fund	2,000,000	-	-
Net Accounting Adjustments	<u>3,567,323</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources	7,607,323	2,040,000	0
Net Change in Fund Balance	5,795,315	371,334	(2,990,682)
Total Fund Balance of June 30	<u>\$13,484,998</u>	<u>\$13,856,332</u>	<u>\$10,865,650</u>
 Summary of Fund Balance			
Economic Development Reserves	<u>\$13,484,998</u>	<u>\$13,856,332</u>	<u>\$10,865,650</u>
Total Fund Balance as of June 30	<u>\$13,484,998</u>	<u>\$13,856,332</u>	<u>\$10,865,650</u>

**CONSOLIDATED FUND BALANCE & NET ASSETS
GENERAL, WATER/SEWER & COMMERCE FUNDS
FISCAL YEAR 2006**

Fund Balance & Net Assets Activity	Actual FY 2004	Estimated FY 2005	Projected FY 2006
Fund Balance & Net Assets as of July 1	\$99,962,626	\$120,892,165	\$125,300,268
Excess of Revenues Over/(Under) Expenditures	17,018,421	6,040,484	181,631
Total Other Financing Sources/(Uses)	6,882,381	2,315,000	500,000
Total Non-Operating Revenues/(Expenses)			
Water Fund	(1,971,263)	(3,947,381)	(4,386,959)
Operating Transfer from Water Fund to General Fund	<u>(1,000,000)</u>	<u>-</u>	<u>(225,000)</u>
Change in Fund Balance & Net Assets	20,929,539	4,408,103	(3,930,328)
Total Fund Balance & Net Assets as of June 30	\$120,892,165	\$125,300,268	\$121,369,940

Summary of Fund Balance & Net Assets

Permanent Investment Reserves	9,434,759	11,498,889	11,503,196
Budget Reserves	16,305,786	18,369,917	18,374,224
Invested in Capital Assets, Net of Related Debt	81,489,353	81,443,607	80,495,347
Unrestricted	177,269	131,523	131,523
Economic Development Reserves	13,484,998	13,856,332	10,865,650
Total Fund Balance & Net Assets as of June 30	\$120,892,165	\$125,300,268	\$121,369,940

CITY OF WILMINGTON GENERAL FUND
ACTUAL & PROJECTED REVENUES AND EXPENDITURES

<u>Revenue Type</u>	<u>FY 2002 Actual</u>	<u>FY 2003 Actual</u>	<u>FY 2004 Actual</u>	<u>FY 2005 Projected</u>	<u>FY 2006 Budget</u>	<u>FY 2007 Projected</u>	<u>FY 2008 Projected</u>	<u>FY 2009 Projected</u>
Wage Tax	\$44,239,646	\$40,625,407	\$44,270,947	\$46,400,000	\$43,998,125	\$45,098,078	\$46,225,530	\$47,381,168
Property Tax	26,085,961	28,594,333	29,068,010	28,500,000	30,466,500	30,466,500	30,466,500	30,466,500
Real Estate Transfer Tax	4,235,821	3,262,024	6,033,039	5,000,000	3,366,000	3,433,320	3,501,986	3,572,026
Head Tax	2,524,037	2,573,858	2,500,666	2,582,000	2,518,000	2,554,000	2,590,000	2,626,000
Franchise Tax	2,066,036	1,840,354	1,895,506	2,000,000	1,828,000	1,857,120	1,887,405	1,918,901
Licenses, Permits, Fees & Fines	6,718,047	6,182,017	5,263,212	5,907,000	5,403,500	5,451,395	5,500,727	5,551,539
Interest Income	1,197,473	1,083,888	813,364	1,070,000	1,300,000	1,416,071	1,945,000	1,821,429
Indirect Costs	2,784,660	2,784,533	2,784,660	2,784,533	2,784,533	2,784,533	2,784,533	2,784,533
Other Miscellaneous Revenues	1,374,022	1,996,192	2,080,296	1,088,000	1,088,000	1,088,000	1,088,000	1,088,000
Task Force Revenues	N/A	N/A	2,903,356	3,560,000	3,447,500	3,470,563	3,494,202	3,518,432
Total Revenues	\$91,225,703	\$88,942,606	\$97,613,056	\$98,891,533	\$96,200,158	\$97,619,580	\$99,483,883	\$100,728,527
Expenditure Type								
Salaries and Wages	\$47,085,628	\$45,953,545	\$45,915,753	\$47,793,257	\$47,036,354	\$48,719,785	\$52,296,512	\$53,759,151
Health Benefits	6,840,030	7,162,632	7,008,371	8,409,811	7,934,314	8,965,775	10,414,617	11,768,517
Pension and Retirement	6,042,441	5,654,019	5,717,574	6,013,334	6,825,045	7,166,297	7,787,847	8,177,239
Other Employee Benefits	2,314,286	1,950,345	2,039,151	2,231,065	2,327,222	2,373,766	2,457,281	2,506,426
Equipment & Services	8,797,265	10,508,811	9,580,452	10,544,514	10,796,365	11,066,274	11,342,931	11,626,504
General Liability	1,559,619	3,458,934	(2,481,899)	1,275,046	1,168,974	1,192,353	1,216,201	1,240,525
Workers' Compensation	3,869,785	3,539,295	1,632,194	3,000,000	2,431,174	2,479,797	2,529,393	2,579,981
Internal Services	6,504,125	6,771,041	6,499,306	6,514,519	7,020,674	7,371,708	7,740,293	8,127,308
Debt Service	7,715,892	9,238,480	8,310,949	8,871,626	10,687,522	11,694,509	12,463,808	14,449,857
Special Purpose	356,614	357,939	363,469	385,100	463,900	463,900	463,900	463,900
Total Expenditures	\$91,085,685	\$94,595,041	\$84,585,320	\$95,038,272	\$96,691,544	\$101,494,165	\$108,712,782	\$114,699,408
Operating Surplus (Deficit)	140,018	(5,652,435)	13,027,736	3,853,261	(491,386)	(3,874,585)	(9,228,899)	(13,970,881)
Net Transfers In/(Out)	2,752,489	3,655,631	(724,942)	275,000	500,000	500,000	500,000	500,000
Surplus/(Deficit)	\$2,892,507	(\$1,996,804)	\$12,302,794	\$4,128,261	\$8,614	(\$3,374,585)	(\$8,728,899)	(\$13,470,881)
Fund Balance	\$15,434,554	\$13,437,751	\$25,740,545	\$29,868,806	\$29,877,420	\$26,502,834	\$17,773,935	\$4,303,054

Assumption details for projections begin on next page

ASSUMPTIONS USED IN PROJECTIONS

BASE YEAR

For Fiscal Year (FY) 2006, the Approved Budget is shown and is the base year upon which the FY 2007-2009 projections are built. A series of assumptions, outlined below, are applied. In general, we have sought to use prudent, moderately conservative assumptions. Of course, with every budget line item, some risks are present. In areas of particular known risk, we have sought to identify these concerns in the detail below. FY 2005 embodies estimated year-end results that have been reviewed by the Wilmington Economic & Financial Advisory Council and the City's Expenditure Review Board.

GENERAL INFLATION ASSUMPTION

Most national projections for growth in the Consumer Price Index — All Urban Consumers (CPI-U) are at or below 2.6 percent for the next five years. The May 16, 2005 release of the Survey of Professional Forecasters projects CPI-U growth of 2.6 percent in 2005, with long-range expectations of 2.5 percent per year. Conducted by the Federal Reserve Bank of Philadelphia, this is the oldest quarterly survey of macroeconomic forecasts in the United States.

Year	Survey of Professional Forecasters Projected Annual CPI-U Increase
2005	2.6%
2006	2.5%
2007	2.5%
2008	2.5%
2009	2.5%

Federal Reserve Bank of Philadelphia, Survey of Professional Forecasters, May 16, 2005

While local factors may vary, the regional CPI for the Philadelphia-Wilmington-Atlantic City Consolidated Metropolitan Statistical Area has tended to mirror national cost-of-living growth in recent years. The projections that follow include a default assumption for overall City inflationary pressures of 2.5 percent per year. However, it should be noted that this is only the default assumption; most cost categories have a variety of overriding assumptions included.

REVENUES

Wage Tax. (FY 2006 Base Year: \$43,998,125 — 45.5% of total revenues) City Wage and Net Profits tax receipts are projected grow an annual average of 2.5% per year from FY 2007-2009. Statewide, in their May 2005 report, the Delaware Economic and Financial Advisory Council (DEFAC) projects a 6.5% growth for FY 2007 in the roughly equivalent Withholding Component of the State Personal Income Tax.

However, due to the City's high concentration of certain business sectors, as well as corporate headquarter locations that are associated with relatively volatile executive bonus compensation, a more conservative out-year growth factor is necessary. With a disproportionate density of credit card operations and on-going downsizing at Dupont, projected volatility of the City's single largest revenue source remains very high.

Reflecting this volatility, Wage Tax revenues actually declined slightly from FY 1999 to FY 2000 (even in the midst of the strongest national economy in decades) only to show significant growth of 6.9% and 11.0% in FY 2001 and FY 2002 respectively. In FY 2003, Wage Tax revenue again dropped, down 8.7% from FY 2002. However, FY 2004 results showed a robust 9.0% rebound, and the upward trend seems to continue in FY 2005, which is now projected to be up 4.8%.

Recognizing the risks associated with not having a more diversified economic base, the City has aggressively offered financial incentives to lure new businesses to the City. The recent decision by AAA Mid-Atlantic to relocate its headquarters from Philadelphia to Wilmington, bringing 350 new jobs, is an example of the City's commitment to reach out to a variety of businesses in order to offset cutbacks in matured industries, such as chemicals and credit card operations.

Property Tax. (FY 2006 Base Year: \$30,466,500 — 31.5% of total revenues) In FY 2002 and FY 2003, the City adopted property tax rate increases of 9.9% per year to help provide for financial stability. These were not enough and thus there is the 6.9% increase in the rate for the FY 2006 Budget. Given this significant upward adjustment for local property tax owners, the City has established a policy goal of maintaining stable rates throughout the remainder of this plan period (FY 2007-2009). Consequently, flat property tax revenues are assumed. In practice, some modest fluctuations will occur due to changes in the property tax base and variances in enforcement and collection rates.

Real Estate Transfer Tax. (FY 2006 Base Year: \$3,366,000 — 3.5% of total revenues) Given the character of Wilmington's real estate base, change in City transfer tax revenues is driven primarily by individual, large commercial transactions. Accordingly, such receipts tend to be very volatile — swinging from \$1.5 million in FY 1997, up to \$2.4 million in FY 1998, and then nearly \$3.2 million in FY 1999; but then back down to \$2.7 million in FY 2000 and \$2.3 million in FY 2001.

True to its volatile nature, FY 2002 receipts rose again to more than \$4.2 million, only to see FY 2003 drop back down to \$3.3 million. Real Estate Transfer revenues hit an all-time high in FY 2004 of over \$6 million, as the frenzied activity in both commercial and residential property sales hit a peak. Although that level is unsustainable in the long-run (FY 2005 is projected to be down \$1 million from FY 2004), base activity has expanded as a result of growth in both the residential and commercial markets, especially at the riverfront.

The FY 2006 net base of \$3,366,000 factors out the effects of one-time sales of large commercial buildings and the turnover caused by speculative investment activity in the residential market. Given the above and further concerns about the so-called real estate bubble, we have projected annual growth of just 2% on the FY 2006 base through FY 2009.

Head Tax. (FY 2006 Base Year: \$2,518,000 — 2.6% of total revenues) As a flat tax of \$10 per month, per number of employees, Head Tax revenues are driven directly by overall employment levels within the City. It is expected that increased hiring activities by some banks and new businesses locating within the City will be partially offset by continued downsizing at Dupont and MBNA. Given the uncertainties, a net growth of 300 jobs per year is projected for this revenue stream.

Franchise Tax. (FY 2006 Base Year: \$1,828,000— 1.9% of total revenues) These revenues are derived from a tax on the gross receipts for sales of electric and cable television service within the City. In light of recent devolvments and the effects of deregulation, no growth is forecast in electricity gross receipts. In contrast, we are predicting 4% annual growth on the cable television franchise revenue base of \$700,000 through the projection period. It should be noted that the FY 2002 actual contains an “extra” \$200,000 quarterly payment that was erroneously not accrued back to FY 2001.

Licenses, Permits, Fees, and Fines. (FY 2006 Base Year: \$5,403,500 — 5.6% of total revenues) The Building Permits & Fire Plan Review Fees portion of this revenue source (with a base of \$1,550,000) will grow annually by 3%, reflecting expected strong continued building activity and renovations in the Downtown Business District, as well as at the Riverfront and in the Ship’s Tavern District. Flat revenues are assumed across the remaining plan period for the Licences and Fines portion of this revenue.

Interest Income. (FY 2006 Base Year: \$1,300,000 — 1.3% of total revenues) With historically low interest rates, FY 2004 investment earnings fell 25% from the year before. Interest rates and earnings have risen in FY 2005, but how fast and how far they rise remains to be seen. The following changes are assumed:

The interest rate for cash investments will be 3.25% in FY 2007, increasing by 25 basis points each year through the projection period. In addition, it is estimated that a remaining balance of \$15 million from the FY 2006 capital borrowing will be invested throughout FY 2007; that a remaining balance of \$5 million from FY 2006 capital borrowing will be invested throughout FY 2008, along with a balance of \$44 million from the FY 2008 capital borrowing for one-half of a year; and finally that a remaining balance of \$20 million from FY 2008 capital borrowing will be invested throughout FY 2009.

Indirect Costs. (FY 2006 Base Year: \$2,784,533 — 2.9% of total revenues) This line item primarily consists of overhead allocations to the Water/Sewer Fund for services provided by the General Fund. This line item has been locked by agreement, until such time that a new comprehensive indirect cost plan is issued.

Other Miscellaneous Revenues. (FY 2006 Base Year: \$1,088,000 — 1.1% of total revenues) This category includes revenues from site and facility rentals, and may capture other minor sources. No growth is assumed.

Task Force Revenues. (FY 2006 Base Year: \$3,447,500 — 3.6% of total revenues) These consist of three new revenue sources that were created as a result of the Governor’s Task Force and took effect early in FY 2004. As a result, each County Seat (Wilmington is the County Seat of New Castle County) in the State receives the revenue derived from a \$20 State filing fee for Corporations and Limited Liability Companies (LLC’s). Using partial FY 2004 and partial FY 2005 actual revenue data, in addition to information given to us by the State, we are projecting the filing fees revenue to total over \$2.5 million for FY 2006. The State also passed enabling legislation allowing the City to create a 2% Lodging Tax and a 2% Natural Gas Franchise Fee on gross sales of natural gas in the City. Both of these revenues have come in stronger than anticipated, and as a result, for FY 2006 we are projecting increases of \$185,000 and \$187,500 in the Lodging Tax and Natural Gas Franchise Fee, respectively. Based on the data, we have held the State filing fee revenue flat for the projection period, while increasing the Lodging Tax and Natural Gas Franchise Fee 2.5% annually.

Transfers from other Funds. (FY 2006 Base Year: \$500,000 — .5% of total revenues) The City has strived to drastically reduce the amount of transfer revenues from the Water/Sewer Fund significantly from the \$4.0 million transferred in FY 2001. This action has been favorably viewed by independent credit rating agencies, which generally maintain that such transfers should be minimal and stable, if implemented at all. Consistent with this policy, the FY 2006 Budget features a transfer from the Water/Sewer Fund of just \$225,000. It is assumed that the Water/Sewer transfer will remain at \$225,000 annually through the Plan period, and similarly no growth is projected in the annual \$275,000 allocation from the Wilmington Parking Authority.

EXPENDITURES

Salaries and Wages. (FY 2006 Base Year: \$47,036,354 — 48.6% of total expenditures) The City has successfully signed labor contracts with all of its employee unions, retroactive back to FY 2002 and extending to FY 2007. These contracts form the basis for the Salaries and Wages projections. Inclusive in the FY 2005 figures are the retro payments for the various union contract settlements. This includes the cumulative effects of all contractual agreements and union settlements on Shift Differential, Overtime, Holiday Pay, Acting-Out-of-Class and merit step increases. In general, it will be the City's goal to limit annual salary increases to an average of 2% for FY 2008 and FY 2009. However, there are two issues that will greatly increase costs above and beyond simple salary adjustments in the future. They are detailed below.

A tremendous impact to this expense category (and to Health Benefits and Pensions) will occur in FY 2008 when the New Castle County Policing Grant ends. At that time 42 police officers will be transferred back to the General Fund at a cost to Salaries and Wages of almost \$2.2 million. This expense will continue to FY 2009 and beyond and will grow with projected salary increases.

As part of their contract settlement, the Firefighters union agreed to lessor retroactive payments in exchange for a permanent change in the Fire department's work shift configuration to start halfway through FY 2006. More supervisory positions and overtime are necessary to implement the change to the new schedule (24 hours on/72 hours off) As a result, an additional cost of \$640,000 will start in FY 2007 and grows each year with projected salary increases through FY 2009 and beyond.

Health Benefits, Active Employees. (FY 2006 Base Year: \$7,934,314 — 8.2% of total expenditures) National survey data, such as that used in the *2005 Segal Health Plan Cost Trend Survey*, indicate an average 13% cost increase in calendar year 2005 for large employers utilizing Point-of-Service healthcare plans with prescription coverage (as the City does). Locally, the City's self-insured health benefits program cost increases have paralleled national trends, with the major contributing factor to cost increases coming from prescription drugs.

In order to mitigate costs, the City recently implemented a new 3-Tier Prescription Drug Program, with higher co-payments in place of the current 2-Tier Program. Savings from the new program are reflected in the FY 2006 Budget. Although the new prescription program is expected to eventually yield up to \$600,000 in cost savings annually, those savings will continue to be offset due to a City workforce whose average age is much higher than most other employers. Given the above, along with the fact that the City's plans do not require employee contributions, assumed out-year cost growth of 13% per year is used.

As detailed above under Salaries and Wages, the end of the New Castle County Policing Grant will result in the transfer to the General Fund of 42 police officers in FY 2008. The cost of health coverage for those transferred officers will be over \$250,000 and is included in the FY 2008 base, growing at 13% annually.

Pension and Retirement. (FY 2006 Base Year: \$6,825,045 — 7.1% of total expenditures) Required employer pension contributions had been below historical norms in recent years as the City enjoyed the benefit of extraordinary investment returns during the late 1990s. However, the scale of more recent portfolio losses have warranted increased contribution levels. Based on the results of an Experience Study by the City Treasurer's Office, in consultation with the City's Actuary, a one-time infusion of \$3 million is to be added to the actuary funding targets, to be phased in over the next five fiscal years (\$600,000 per year) starting in FY 2006. In addition, the Actuary has incorporated 5% annual growth in the pension funding targets.

Again, as detailed above under Salaries and Wages, the end of the New Castle County Policing Grant will have an effect beginning in FY 2008. The \$265,000 pension cost for the transferred police officers is added to the base in FY 2008, increasing 5% in FY 2009.

Other Employee Benefits. (FY 2006 Base Year: \$2,327,222 — 2.4% of total expenditures) This category consists primarily of payroll taxes, with additional costs including life insurance and post-retirement medical coverage. Such costs in the aggregate should generally track salary increases. Accordingly, an overall inflationary factor of 2% has been applied.

There is only a small impact to this category in FY 2008 of \$35,000 (carrying over to FY 2009 and beyond) due to the end of the New Castle County Police Grant. Because the City does not have to withhold Social Security taxes for police officers, the increase is due to less costly Medtax withholding and basic life insurance.

Equipment and Services. (FY 2006 Base Year: \$10,796,365 — 11.2% of total expenditures) This is a relatively broad grouping of expenditures that includes cost centers such as professional services contracts, landfill fees and utilities, along with basic materials, supplies, and equipment. In general, managers have demonstrated an ability to effectively contain aggregate costs across these categories. However, certain initiatives and unfunded mandates increased the base by \$1.5 million in FY 2003 and those new costs are incorporated in the FY 2006 Budget and beyond. These include enhanced security for City buildings and facilities, increased shared maintenance costs for the aging City/County building, and the traffic safety and pothole repair program. To reflect overall inflationary pressures across this expenditure grouping, an annual growth factor of 2.5% has been applied.

General Liability. (FY 2006 Base Year: \$1,168,974 — 1.2% 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 has recently experienced extreme volatility from year-to-year. For example, in FY 2004 General Liability expense was booked as a negative or contra-expense of \$2.5 million (a swing of \$6 million from FY 2003, when a \$3.5 million expense was recorded). It was determined that incomplete data given to the actuary was largely to blame for these large swings. Consequently, an internal audit and various management changes have led to a more focused effort in this area. We have used the FY 2006 Risk Manager's internal premium calculations as the basis for the FY 2006 Budget. Because of tighter controls, this expense is projected to increase by a modest 2% annually.

Workers' Compensation. (FY 2006 Base Year: \$2,431,174 — 2.5% of total expenditures) Actual expenditures recognized in this category have also experienced extreme volatility from year-to-year. Consequently, a six-year weighted average (FY 1999-2004) of actual expenditures (excluding a one-time payment of \$1.9 million made in FY 2002 to wipe out prior years' accumulated fund deficits) was used as a base for forecasting purposes beginning in FY 2006, with 2% annual growth thereafter to parallel projected growth in wages and salaries.

Internal Services. (FY2006 Base Year: \$7,020,674 — 7.3% of total expenditures) This category encompasses various expenditures generally incurred by operating departments, but budgeted centrally. This includes charges for motor vehicles; telephone and radio usage; postage; data processing; word processing; and mapping & graphics. In the Budget Book, Internal Services also includes General Liability and Workers' Compensation; however for this projection they are analyzed separately above

The City is in the midst of a badly overdue comprehensive Information Technology upgrade and expansion program that will increase Data Processing costs by over 19% a year over the next three fiscal years. For the other services making up the rest of the category, it is assumed that ordinary annual inflationary pressures of 2.5% will be present. This results in a weighted average growth of 5% per year for the Internal Services category as a whole (excluding General Liability and Workers' Compensation).

Debt Service. (FY2006 Base Year: \$ 10,687,522 — 11.0% of total expenditures) Debt service projections are based on existing debt schedules and assumed borrowing for the General Fund Capital Program of \$40.6 million to take place in the 2nd quarter of FY 2006, and \$20 million to take place mid-year in FY 2008. The assumed bond interest rate is 4.00% for FY 2006 and 4.25% for FY 2008. New debt service is calculated to be level over 20 years, with semiannual payments and no capitalization of interest.

Special Purposes. (FY2006 Base Year: \$463,900 — 0.5% of total expenditures) The majority of this relatively small expenditure category funds services provided by the Delaware SPCA, with limited additional City funding for such institutions as the Wilmington Institute Free Library and the Wilmington Arts Commission. Given the commitment to contain such expenditures, zero growth has been assumed in this overall category, despite some inflationary pressures on funding recipients.

FISCAL YEAR 2006 REVENUES

Overview

General Fund

General Fund Revenue before transfers from the Water/Sewer Fund and the Wilmington Parking Authority is expected to increase by a net \$6,614,425 or 7.4% over the Fiscal Year (FY) 2005 Budget. The net increase from Budget to Budget (FY 2006 vs. FY 2005) can be broken down as follows:

- **Property Tax** *up* \$2,547,300
- **Wage & Net Profits Taxes** *up* \$2,498,125
- **Real Estate Transfer Tax** *up* \$766,000
- **Building Permits and Fees** *up* \$771,500
- **Task Force Revenues** *up* \$672,500
- **Interest Earnings** *up* \$230,000
- **Net All Other** *up* \$64,000

- **Parking Tickets** *down* \$935,000

The Property Tax rate was increased 6.9% and results in \$1,966,500 more in revenue. Another \$580,800 in revenue is a result of the FY 2004 year-end audit and is indicative of more accurate exemption information and better organized revenue files.

The increase in the **Wage and Net Profits Taxes** (combined) recognizes the impact of volatile job growth and a fluid banking industry, especially in the area of consumer credit cards (e.g. MBNA and JP Morgan Chase). We used the Second Quarter FY 2005 Wage Tax projection as our base because it already factors in the effects of major financial entities possibly reducing taxable wages (through a reduction in employment and/or elimination of senior executive compensation via bonuses and stock options). We then projected a modest 2.5% growth (mostly due to COLA's) on that new base. Net Profits revenue has been exceptionally strong the past two years, as a few local law firms have won some large civil lawsuits. But, even discounting these mainly one-time revenues from law firms, there has been sufficient profit growth in other businesses to warrant a projected increase of about \$457,500 in the Net Profits Tax for FY 2006.

Real Estate Transfer revenues hit an all-time high of over \$6 million in FY 2004, as the frenzied activity in both commercial and residential property sales hit a peak. Although that level is unsustainable in the long-run, base activity has permanently expanded as a result of growth in the residential and commercial markets, especially at the Riverfront. The FY 2006 net base of \$3,366,000 factors out the effects of one-time sales of large commercial buildings and the turnover caused by speculative investment activity in the residential market. The FY 2006 base is \$766,000 higher than the FY 2005 original budget of \$2.6 million.

Building Permits and Fees reflect expected strong continued building activity and renovations in the Downtown Business District, as well as at the Riverfront and in the Ship's Tavern District. The FY 2006 projection mirrors that of the Second Quarter of FY 2005, which is also about \$700,000 higher than the FY 2005 budget.

Task Force Revenues are three new revenue sources that were created as a result of the Governor's Task Force and took effect early in FY 2004. As a result, each County Seat (Wilmington is the County Seat of New Castle County) in the State receives the revenue derived from a \$20 State filing fee for Corporations and Limited Liability Companies (LLC's). Using partial FY 2004 and partial FY 2005 actual revenue data, in addition to information given to us by the State, we are projecting the filing fees revenue to total over \$2.5

million for FY 2006, up \$300,000 from last year. The State also passed enabling legislation allowing the City to create a 2% Lodging Tax and a 2% Natural Gas Franchise Fee on gross sales of natural gas in the City. Both of these revenues have come in stronger than anticipated, and as a result, we are projecting increases of \$185,000 and \$187,500 in the Lodging Tax and Natural Gas Franchise Fee, respectively.

The greatest single effect on **Interest Earnings** will be the investing of about \$40 million of the Bond proceeds funding the FY 2004 Capital Program, scheduled to take place early in FY 2006. In addition, it is assumed that the interest rate on cash investments will be 25 basis points higher than they are presently.

Continued high attrition among the ranks of the Parking Regulation Enforcement Officers (PREO's), along with the policy of assigning non-emergency public safety related tasks to the PREO's in order to free up more police officers for street patrol, has reduced the volume of ticket writing to the point that FY 2005 revenues are projected to be \$935,000 below budget. There is no indication that this policy will be discontinued in the short-run, and thus, we project \$1.5 million in **Parking Ticket** revenue for FY 2006.

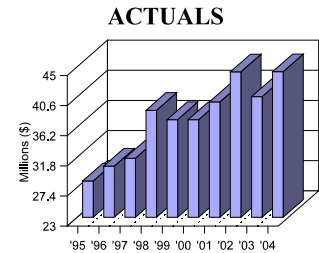
Water/Sewer Fund

Water/Sewer Direct User Fees, before any adjustments to rates, are projected to be \$4 million below budget in FY 2005. This continues a trend that saw FY 2004 actual revenues from this source come in at \$2.9 million below budget. A combination of system problems, billing errors, and the replacement of meters have all contributed to the decline. It is on the new base of \$21,822,560, projected for FY 2005, that a 15% rate increase was applied, yielding an additional \$3,273,384. However, because of the decline in actual revenues, the rate increase leads to a FY 2006 Direct User Fees revenue figure of \$25,095,944 --- \$727,000 less than the FY 2005 Budget.

The City's contract to provide sewage treatment for New Castle County (NCC) allows for an annual inflation adjustment of 2.75% per year. The fee from NCC for FY 2006 will be \$15,417,000, up \$413,000 from the FY 2005 Budget. The City will also receive \$401,123 in reimbursement from NCC for annual debt service in connection with an aeration basin the City built to accommodate additional NCC flows. This reimbursement is the same as last year.

REVENUE PROJECTIONS AND CRITICAL ASSUMPTIONS

General Fund Revenues Fiscal Year 2006

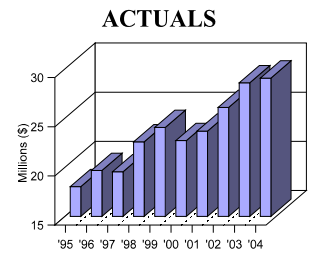


WAGE & NET PROFITS TAX

Basis: Growth of local economy

Critical Assumption: Based on the FY 2005 Second Quarter projections, Wage and Net Profits Taxes are expected to increase by more than 6% above the FY 2005 budgeted figures. Though some effect is anticipated from possible reductions in employment and/or senior executive compensation, a modest 2.5% growth in overall wages has been factored into the FY 2006 Wage Tax projection. There has been sufficient profit growth for all businesses, especially law firms, to warrant a projected increase of about \$457,500 in the Net Profits Tax for FY 2006.

FY 2003 Actual	FY 2004 Actual	FY 2005 Budget	FY 2005 Projected	FY 2006 Budget
\$40,625,407	\$44,270,947	\$41,500,000	\$42,925,000	\$43,998,125



PROPERTY TAX

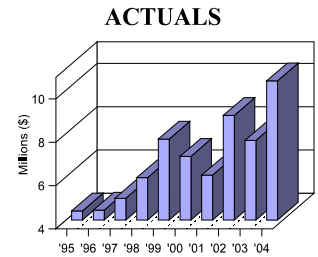
Basis: Assessment Roles

Critical Assumption: The Property Tax rate was increased 6.9% and will result in \$1.97 million of additional revenue. A further \$580,800 increase over the FY 2005 budgeted amount is projected as a result of the FY 2004 year-end audit, and is indicative of more accurate exemption information and better organized revenue files.

FY 2003 Actual	FY 2004 Actual	FY 2005 Budget	FY 2005 Projected	FY 2006 Budget
\$28,594,333	\$29,068,010	\$27,919,200	\$28,500,000	\$30,466,500

REVENUE PROJECTIONS AND CRITICAL ASSUMPTIONS

General Fund Revenues Fiscal Year 2006

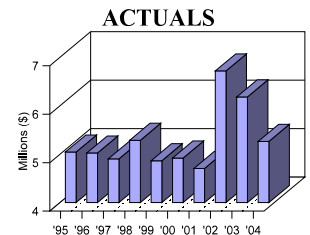


OTHER TAXES

Basis: Contractual/Trend Analysis minus one-time events/Growth of local economy

Critical Assumption: Franchise Fees and Head Tax are projected to grow slightly above the FY 2005 budget. Real Estate Transfer Tax base revenue has been adjusted upward to \$3.3 million for the FY 2005 Second Quarter projection. That base should increase 2.0% or \$66,000 in FY 2006 as a result of growth in both the residential and commercial markets in the downtown and riverfront districts.

FY 2003 Actual	FY 2004 Actual	FY 2005 Budget	FY 2005 Projected	FY 2006 Budget
\$7,676,236	\$10,429,211	\$6,882,000	\$7,582,000	\$7,712,000



LICENSES, PERMITS, FINES, AND FEES

Basis: Trend analysis

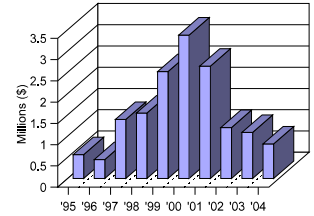
Critical Assumption: Business License revenue is projected to remain at \$1,125,000 for FY 2006, a result of legislation that was passed last year to better monitor rental properties in the City. Building Permits and Fees reflect expected strong continued building activity and renovations in the Downtown Business District, as well as at the Riverfront and in the Ship's Tavern District. The FY 2006 projection mirrors that of the Second Quarter of FY 2005, which is also about \$700,000 higher than the FY 2005 budget. Revenue from Fines is expected to plummet by \$935,000. A high vacancy rate in the Parking Regulations Enforcement Officer (PREO) ranks, coupled with the use of the PREO's by the Police Department to assist in public safety-related tasks other than parking ticket writing, has caused this dramatic drop.

FY 2003 Actual	FY 2004 Actual	FY 2005 Budget	FY 2005 Projected	FY 2006 Budget
\$6,182,017	\$5,263,212	\$5,567,000	\$5,357,000	\$5,403,500

REVENUE PROJECTIONS AND CRITICAL ASSUMPTIONS

General Fund Revenues Fiscal Year 2006

ACTUALS



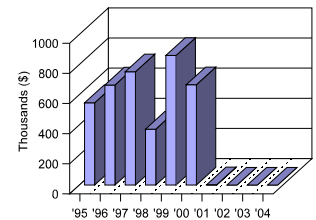
INTEREST

Basis: Trend analysis/Cash flow analysis/Bond Issuance

Critical Assumption: The greatest single effect on Interest Earnings will be the investing of about \$40 million of the Bond proceeds funding the FY 2004 Capital Program, scheduled to take place late in FY 2005. In addition, it is assumed that the interest rate on cash investments will be 25 basis points higher in FY 2006.

FY 2003 Actual	FY 2004 Actual	FY 2005 Budget	FY 2005 Projected	FY 2006 Budget
\$1,083,888	\$813,364	\$1,070,000	\$1,070,000	\$1,300,000

ACTUALS



OTHER GOVERNMENTS

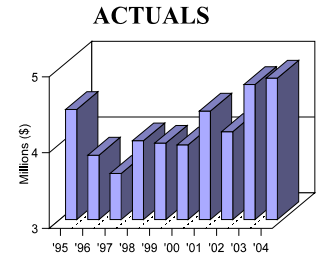
Basis: Contractual

Critical Assumption: Other Government revenues (Pass-through Grants from the State for old school debt and allotments from State legislators' constituent street repair funds) were discontinued in FY 2002.

FY 2003 Actual	FY 2004 Actual	FY 2005 Budget	FY 2005 Projected	FY 2006 Budget
\$0	\$0	\$0	\$0	\$0

REVENUE PROJECTIONS AND CRITICAL ASSUMPTIONS

General Fund Revenues Fiscal Year 2006



OTHER REVENUES

Basis: Trend analysis/Contractual/Agreement with State

Critical Assumption: Other Revenues include Rentals, Concessions, General Government Charges, along with Indirect Costs and Miscellaneous Revenue. The single largest item is the \$2.8 million Indirect Cost revenue from the Water/Sewer fund. The next largest item is General Government Charges. All of these Other Revenues are expected to remain at FY 2005 budgeted levels.

FY 2003 Actual	FY 2004 Actual	FY 2005 Budget	FY 2005 Projected	FY 2006 Budget
\$4,780,725	\$4,864,956	\$3,872,533	\$3,872,533	\$3,872,533

TASK FORCE REVENUES

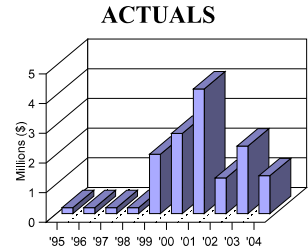
Basis: Governor's Task Force Report analysis/Trend Analysis/Agreement with State

Critical Assumption: Task Force revenues are three new revenue sources that were created in response to the Governor's Task Force in Fiscal Year 2004. As a result, each County Seat (Wilmington is the County Seat of New Castle County) in the State receives the revenue derived by a \$20 State filing fee for Corporations and Limited Liability Companies (LLC). Using partial data from both FY 2004 and FY 2005, in addition to information given to us by the State, we are projecting the filing fees revenue to total over \$2.5 million for FY 2006, up \$300,000 from last year. 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. These two revenue sources are expected to rise by \$185,000 and \$187,500, respectively.

FY 2003 Actual	FY 2004 Actual	FY 2005 Budget	FY 2005 Projected	FY 2006 Budget
\$0	\$2,903,356	\$2,775,000	\$3,425,000	\$3,447,500

REVENUE PROJECTIONS AND CRITICAL ASSUMPTIONS

General Fund Revenues Fiscal Year 2006



TRANSFERS AND PRIOR YEARS' SURPLUS

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

Critical Assumption: FY 2006 features a transfer from the Water/Sewer Fund of \$225,000 million, as well as a \$275,000 transfer from the Wilmington Parking Authority (WPA). The transfer from the Water/Sewer Fund has been lowered to avoid sending that fund into a deficit.

FY 2003 Actual	FY 2004 Actual	FY 2005 Budget	FY 2005 Projected	FY 2006 Budget
\$2,275,000	\$1,275,000	\$2,775,000	\$2,775,000	\$500,000

REVENUE PROJECTIONS AND CRITICAL ASSUMPTIONS

Special Funds Revenues Fiscal Year 2006

MUNICIPAL STREET AID

Basis: State of Delaware grant award letter

Critical Assumption: This State of Delaware grant for FY 2006 is expected to increase significantly from the FY 2005 budgeted level.

FY 2003 Actual	FY 2004 Actual	FY 2005 Budget	FY 2005 Projected	FY 2006 Budget
\$1,866,027	\$1,458,741	\$1,495,113	\$2,005,710	\$2,005,710

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)

Basis: Estimate from Federal Government (HUD)

Critical Assumption: CDBG Federal Funds will decrease by a little more than \$311,000 from FY 2005.

FY 2003 Actual	FY 2004 Actual	FY 2005 Budget	FY 2005 Projected	FY 2006 Budget
\$2,786,475	\$3,260,547	\$3,649,000	\$3,649,000	\$3,337,804

HUD SECTION 8 GRANT

Basis: Estimate from Federal Government (HUD)

Critical Assumption: The amount of the award will decrease due to a reduction in rents from the conversion of Section 8 properties to the "mark-to-market" initiative.

FY 2003 Actual	FY 2004 Actual	FY 2005 Budget	FY 2005 Projected	FY 2006 Budget
\$2,847,957	\$2,716,965	\$2,931,806	\$2,931,806	\$2,431,814

REVENUE PROJECTIONS AND CRITICAL ASSUMPTIONS

Special Funds Revenues Fiscal Year 2006

NEW CASTLE COUNTY POLICE GRANT

Basis: New Castle County (NCC) Award Letter

Critical Assumption: This award is part of a larger, multi-year commitment to provide support for City policing operations.

FY 2003 Actual	FY 2004 Actual	FY 2005 Budget	FY 2005 Projected	FY 2006 Budget
\$0	\$0	\$0	\$3,175,936	\$3,414,892

NEW CASTLE COUNTY FIRE GRANT

Basis: New Castle County (NCC) Award Letter

Critical Assumption: This funding is provided for miscellaneous uses such as supplemental apparatus purchasing and ambulance subsidy payments.

FY 2003 Actual	FY 2004 Actual	FY 2005 Budget	FY 2005 Projected	FY 2006 Budget
\$0	\$586,598	\$0	\$0	\$400,000

PARKS ASSISTANCE

Basis: Estimate from Federal Government

Critical Assumption: These funds are used mainly for the Summer Food Program and are slated to decrease from the FY 2005 level.

FY 2003 Actual	FY 2004 Actual	FY 2005 Budget	FY 2005 Projected	FY 2006 Budget
\$559,822	\$1,167,314	\$568,000	\$568,000	\$489,832

REVENUE PROJECTIONS AND CRITICAL ASSUMPTIONS

Special Funds Revenues Fiscal Year 2006

PARKS TRUST FUND

Basis: Trust Administrator/Trust guidelines

Critical Assumption: Fund revenues are derived from a private trust and are based on qualified expenditures.

FY 2003 Actual	FY 2004 Actual	FY 2005 Budget	FY 2005 Projected	FY 2006 Budget
\$84,573	\$75,045	\$134,065	\$134,065	\$150,429

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

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

Critical Assumption: These grants are expected to remain nearly the same as FY 2005.

FY 2003 Actual	FY 2004 Actual	FY 2005 Budget	FY 2005 Projected	FY 2006 Budget
\$1,322,203	\$913,448	\$637,948	\$637,948	\$645,868

PENSION TRUSTS

Basis: Estimates from Pension Coordinator

Critical Assumption: Funding represents an amount equal to the expected administrative costs of the various pension plans of the City and is derived from the income of the pooled pension assets.

FY 2003 Actual	FY 2004 Actual	FY 2005 Budget	FY 2005 Projected	FY 2006 Budget
\$1,650,570	\$1,515,835	\$1,817,795	\$1,817,795	\$1,801,305

REVENUE PROJECTIONS AND CRITICAL ASSUMPTIONS

Special Funds Revenues Fiscal Year 2006

HOME PARTNERSHIP FUND

Basis: Estimate from Federal Government (HUD)

Critical Assumption: The Home Partnership Program is funded through HUD and is expected to be funded at approximately \$30,000 less in FY 2006.

FY 2003 Actual	FY 2004 Actual	FY 2005 Budget	FY 2005 Projected	FY 2006 Budget
\$1,181,409	\$1,122,302	\$754,092	\$754,092	\$723,736

MISCELLANEOUS GRANTS

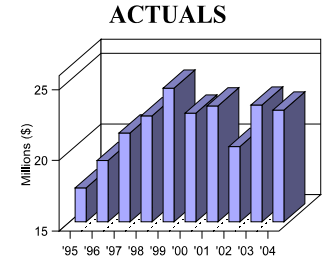
Basis: Federal grant award letters/State of Delaware grant award letter

Critical Assumption: Miscellaneous Grants is a combined total of two larger Federal grants and two smaller State grants. The Federal grants, Housing Opportunities for People With AIDS (HOPWA) and Emergency Shelter, along with the Local Emergency Planning Committee (LEPC) State grant, are expected to remain at nearly the same levels as FY 2005. An additional grant, the Delaware State Fire Grant, is included here for FY 2006 and is anticipated to be \$187,000. The 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.

FY 2003 Actual	FY 2004 Actual	FY 2005 Budget	FY 2005 Projected	FY 2006 Budget
\$1,784,394	\$2,311,838	\$973,915	\$973,915	\$1,042,099

REVENUE PROJECTIONS AND CRITICAL ASSUMPTIONS

Water/Sewer Fund Revenues Fiscal Year 2006

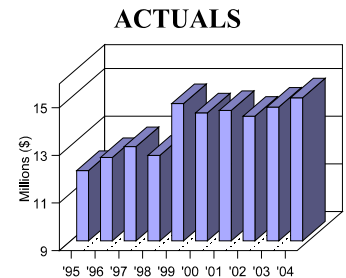


DIRECT USER FEES

Basis: Trend analysis/Management Initiatives/Re-metering program

Critical Assumption: A 15% rate increase for all users has been applied for FY 2006. However, the FY 2005 projection indicates a decline of \$4 million from the budgeted base figure. A combination of system problems, billing errors, and the replacement of meters have all seemed to contribute to the decline. Accordingly, even with the 15% rate hike, total revenue generated will actually be \$726,616 less than the FY 2005 Budget.

FY 2003 Actual	FY 2004 Actual	FY 2005 Budget	FY 2005 Projected	FY 2006 Budget
\$23,276,378	\$22,913,101	\$25,822,560	\$21,822,560	\$25,095,944



NEW CASTLE COUNTY SEWER SERVICES

Basis: Contract with New Castle County

Critical Assumption: The City's contract to provide sewage treatment for New Castle County (NCC) allows for an annual inflation adjustment of 2.75% per year. The fee from NCC for FY 2006 will be \$15,417,000, up \$413,000 from the FY 2005 Budget. The City will also receive \$401,123 in reimbursement from NCC for annual debt service in connection with an aeration basin the City built to accommodate additional NCC flows. This reimbursement is the same as last year.

FY 2003 Actual	FY 2004 Actual	FY 2005 Budget	FY 2005 Projected	FY 2006 Budget
\$14,612,124	\$15,003,123	\$15,405,123	\$15,405,123	\$15,818,123

REVENUE PROJECTIONS AND CRITICAL ASSUMPTIONS

Commerce Fund Revenues Fiscal Year 2006

PORT DEBT REIMBURSEMENT FROM STATE OF DELAWARE

Critical Assumption: See Note Below.

FY 2003 Actual	FY 2004 Actual	FY 2005 Budget	FY 2005 Projected	FY 2006 Budget
\$5,267,136	\$4,866,950	\$5,757,382	\$5,757,382	\$3,986,864

MISCELLANEOUS

Critical Assumption: See Note Below.

FY 2003 Actual	FY 2004 Actual	FY 2005 Budget	FY 2005 Projected	FY 2006 Budget
\$23,729	\$51,259	\$0	\$0	\$0

GAIN ON SALE OF PORT TO STATE OF DELAWARE

Critical Assumption: Recalculated Gain on Sale was fully amortized in FY 2005. FY 2006 goes to zero.

FY 2003 Actual	FY 2004 Actual	FY 2005 Budget	FY 2005 Projected	FY 2006 Budget
\$2,040,000	\$2,040,000	\$2,040,000	\$2,040,000	\$0

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 an annual mortgage payment) and reimbursement of the previously existing Commerce Fund debt 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 did dictate, however, that the remaining equity of the Commerce Fund had to be used exclusively for economic development activities.

As a result, the Commerce Fund is no longer classified as an Enterprise Fund, but as a Special Revenue fund. As such, debt service expense for principal repayment is now charged and depreciation expense is dropped. The reimbursement of Commerce Fund debt service from the State now includes having to book the principal portion of the reimbursement as revenue, whereas in previous years only the interest portion of the debt reimbursement was considered revenue.

CITY OF WILMINGTON
TAX RATES FOR Fiscal Year 2006

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%

NET PROFIT TAX

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

Rate: 1.25%

PROPERTY TAX

Base: 100% of the assessed value of land and buildings within City limits.

Rate: \$1.3969 per one-hundred dollars of assessed value.

HEAD TAX

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

Rate: \$10.00 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 transfer.

Rate: 1.50%

FRANCHISE TAX

Base: Gross receipts from sales within the City of electrical, natural gas and cable television service.

Rate: 2% on electrical service; 2% on natural gas; 5% on cable television service.

CITY OF WILMINGTON
TAX RATES FOR Fiscal Year 2006
(Continued)

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% 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 Public Safety, Community Affairs, Cultural Affairs, Management & Budget, Information Systems, Communications, and Economic Development.

SUMMARY OF FUNDING FOR THE MAYOR'S OFFICE

	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
Personal Services	3,209,565	3,230,398	3,173,853	3,450,562
Materials, Supplies & Equipment	3,346,738	3,361,083	3,472,570	3,253,718
Internal Services	728,884	454,940	572,087	630,666
Debt Service	736,998	641,387	1,091,424	1,274,018
Special Purpose	185,752	77,740	55,000	127,000
Contingent Reserves	0	0	180,000	180,000
Capitalization	(616,242)	(182,763)	(790,000)	(154,220)
Depreciation	195,313	96,489	174,653	174,653
TOTAL	<u>7,787,008</u>	<u>7,679,274</u>	<u>7,929,587</u>	<u>8,936,397</u>
STAFFING LEVELS	33.00	45.00	45.00	46.00

GENERAL FUND MAYOR'S OFFICE	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
Personal Services	1,883,667	1,912,264	1,872,661	2,022,837
Materials, Supplies & Equipment	847,010	807,214	868,868	861,872
Internal Services	628,058	356,899	469,909	532,397
Debt Service	689,251	593,265	891,135	945,874
Special Purpose	55,000	55,000	55,000	127,000
TOTAL	<u>4,102,986</u>	<u>3,724,642</u>	<u>4,157,573</u>	<u>4,489,980</u>
STAFFING LEVELS	22.693	26.543	26.543	26.543

CONTINGENT RESERVES MAYOR'S OFFICE	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
Contingency	0	0	150,000	150,000
Snow & Weather Emergencies	0	0	30,000	30,000
TOTAL	<u>0</u>	<u>0</u>	<u>180,000</u>	<u>180,000</u>
STAFFING LEVELS	0.00	0.00	0.00	0.00

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) FUND MAYOR'S OFFICE	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
Personal Services	62,121	0	0	0
Materials, Supplies & Equipment	7,493	0	0	0
Internal Services	711	0	0	0
Special Purpose	<u>34,931</u>	<u>4,735</u>	<u>0</u>	<u>0</u>
TOTAL	<u>105,256</u>	<u>4,735</u>	<u>0</u>	<u>0</u>
STAFFING LEVELS	0.95	0.00	0.00	0.00

ENTERPRISE COMMUNITY FUND MAYOR'S OFFICE	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
Personal Services	97,077	103,313	24,175	0
Materials, Supplies & Equipment	135,587	7,254	0	0
Special Projects	<u>95,821</u>	<u>18,005</u>	<u>0</u>	<u>0</u>
TOTAL	<u>328,485</u>	<u>128,572</u>	<u>24,175</u>	<u>0</u>
STAFFING LEVELS	1.295	1.00	1.00	0.00

U.S. DEPARTMENT OF COMMERCE FUND MAYOR'S OFFICE	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
Personal Services	31,677	33,695	0	0
Materials, Supplies & Equipment	<u>10,992</u>	<u>103,667</u>	<u>0</u>	<u>0</u>
TOTAL	<u>42,669</u>	<u>137,362</u>	<u>0</u>	<u>0</u>
STAFFING LEVELS	0.50	0.50	0.00	0.00

COMMERCE FUND MAYOR'S OFFICE	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
Personal Services	487,381	545,160	622,391	585,110
Materials, Supplies & Equipment	202,469	210,054	407,684	413,167
Internal Services	18,593	22,445	32,228	21,995
Debt Service	<u>0</u>	<u>0</u>	<u>153,571</u>	<u>173,872</u>
TOTAL	<u>708,443</u>	<u>777,659</u>	<u>1,215,874</u>	<u>1,194,144</u>
STAFFING LEVELS	7.105	7.50	8.00	7.00

LOCAL EMERGENCY PLANNING COMMITTEE (LEPC) FUND MAYOR'S OFFICE	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
Personal Services	68,647	83,369	40,063	42,405
Materials, Supplies & Equipment	246,857	280,468	0	0
Internal Services	<u>373</u>	<u>77</u>	<u>0</u>	<u>0</u>
TOTAL	<u>315,877</u>	<u>363,914</u>	<u>40,063</u>	<u>42,405</u>
STAFFING LEVELS	0.457	0.457	0.457	0.457

INTERNAL SERVICES FUNDS	ACTUAL	ACTUAL	BUDGET	APPROVED
MAYOR'S OFFICE	FY2003	FY2004	FY2005	FY2006
Personal Services	578,995	552,597	614,563	800,210
Materials, Supplies & Equipment	1,896,330	1,952,426	2,196,018	1,978,679
Internal Services	81,149	75,519	69,950	76,274
Debt Service	47,747	48,122	46,718	154,272
Depreciation	195,313	96,489	174,653	174,653
Capitalization	<u>(616,242)</u>	<u>(182,763)</u>	<u>(790,000)</u>	<u>(154,220)</u>
TOTAL	<u>2,183,292</u>	<u>2,542,390</u>	<u>2,311,902</u>	<u>3,029,868</u>
STAFFING LEVELS	0.00	9.00	9.00	12.00

GENERAL FUND MAJOR FUNDING CHANGES FROM PRIOR YEAR

- The cumulative effect of COLA's, higher pension costs, and some minor upgrades were the major contributors to a \$150,176 Personal Services increase. Part of this total increase included an \$8,000 rise in Temporary Salaries to provide funding to continue the Mayor's Internship Fellowship program (\$4,000) and to ensure adequate service levels in Constituent Services during times of vacation and absences (\$4,000).
- Travel decreased \$2,000 in both the Administrative division and the Office of Management & Budget. This translated into a total reduction to Travel of about 10% for the Department.
- Cultural Affairs has assumed the responsibility for the provision of an adequate number of Porta Potties for special events sponsored and supported by the Division. These include Independence Day, The Blues Fest, Wellness Day, The Christmas Parade, The Film Festival, The Jazz Festival, First Night, and Caroling-on-the Square. As a result, Rentals increased \$14,200. An additional \$1,975 increase in Rentals will pay for the City's exhibit space at the Delaware Junior Achievement Enterprise Village, an educational tool for school-age children.
- The \$55,000 cost of the abandoned vehicle contract in the Constituent Services division was transferred totally to the Police department. Constituent Service will no longer share in the administration of the Abandoned Vehicle Program.
- The Office of Emergency Management has requested \$20,000 for easily and quickly accessible City-wide emergency HazMat clean-up funding for departmental contingencies not covered under contract. This is a \$5,000 increase from the \$15,000 requested last year.
- While existing Debt Service was scheduled to decrease by \$91,484, the funding of the FY 2004 Capital Budget added \$146,223 in new debt service costs. The net result is a Debt Service increase of \$54,739.
- The City will pay the fixed costs of the Rock Manor Golf Course for the period of December 1, 2005 through June 30, 2006, while the course is closed for total renovation as part of the State's Blue Ball Transportation project on Route 202. The estimated cost of \$72,000 is budgeted in the Special Purpose category.

COMMERCE FUND MAJOR FUNDING CHANGES FROM PRIOR YEAR

- Staffing decreased by one, to a new total of seven, as a result of the reorganization that took place mid-way through FY 2005. This reorganization helped net a carryover of about \$37,000 in Personal Services savings into FY 2006.
- Advertising increased \$33,360 for wider exposure in various print and radio outlets and to cover the addition of new sponsorship in the State Development magazine.
- \$5,000 was added this year under Temporary Agencies to provide receptionist and secretarial coverage during extended sick leave and vacation.
- Miscellaneous Projects funding of \$9,500 was eliminated. Last year's funding help support the New Majority Summit and program development costs for the Franchise Showcase. These costs are now spread throughout the Division in more properly assigned expense lines, such as, food, building rental, and printing.
- Debt Service increased a net \$20,301, mainly as the result of funding the \$500,000 Economic Development project in the FY 2004 Capital Budget.

INTERNAL SERVICES FUNDS MAJOR FUNDING CHANGES FROM PRIOR YEAR

- A change in accounting treatment, no longer allowing computers and supporting peripherals to be treated as fixed assets and capitalized, caused an increase to the budget of \$296,800.
- \$106,900 was earmarked to support system enhancements and additional needed IT equipment for the Planning, Auditing, L&I, Finance, OMB, Law, and Public Works departments.
- Consultant funding of \$225,000 for the IT help desk function was eliminated, as the function will now be performed by three new City positions, at a cost of \$149,377. The three new positions are: Information Help Desk Engineer (\$50,560) and two Information Desktop Engineers (\$99,042). However, \$40,000 in Consultant funding was added back to perform a station-wide needs assessment in the Fire department, along with providing some basic IT support.
- IT Debt Service increased \$77,882, almost entirely due to funding the \$2 million City mainframe computer system conversion project in the FY 2004 Capital Budget.
- In the Communications Division, Fixed Assets decreased \$85,780, changing from \$240,000, down to \$154,220. However, Debt Service is up \$29,672 as a result of the \$748,000 in capital spending needed to match a \$2.24 million federal grant. The combined federal grant and City capital monies will fund improvements allowing interagency communications. This will result in the upgrade of the 911 Dispatch Center, the communications tower, and the primary 800 MHZ transmitter at Rodney Reservoir. In addition, new handheld radios will be provided to each City department.

SPECIAL FUNDS MAJOR FUNDING CHANGES FROM PRIOR YEAR

- The grant supporting the Enterprise Community Fund was not renewed by the Federal government. Previous award balances were spent down and exhausted by the end of the First Quarter of FY 2005. As a result, the program and the position of Director of Enterprise Communities were eliminated. At its peak, the program had over \$328,000 in annual expenses.

DEPARTMENTAL BUDGET DETAIL BY FUND

DEPARTMENT: OFFICE OF THE MAYOR

FUND: GENERAL

PERSONAL SERVICES	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
Regular Salaries	1,509,337	1,515,890	1,480,064	1,601,735
Temporary Salaries	15,085	2,030	8,000	16,000
Overtime/Special Events	24	628	0	0
Internet Reimbursement	351	213	720	720
Pension Contribution	42,055	67,758	65,717	83,239
Social Security	92,303	93,918	91,839	98,940
Medicare Tax	22,087	22,070	21,588	23,468
Hospitalization	191,781	197,769	222,813	216,821
Life Insurance	3,087	2,864	3,049	3,043
Pension Healthcare	7,557	9,124	13,147	13,147
Personal Services Adjustment	<u>0</u>	<u>0</u>	<u>(34,276)</u>	<u>(34,276)</u>
TOTAL PERSONAL SERVICES	1,883,667	1,912,264	1,872,661	2,022,837
<u>MATERIALS, SUPPLIES & EQUIPMENT</u>				
Printing & Advertising	74,787	62,778	111,700	113,700
Communications & Utilities	1,255	1,058	714	1,214
Transportation	16,200	18,042	40,425	36,425
Rentals	8,805	11,552	9,800	26,875
Contracted Maintenance Repairs	921	330	3,529	3,529
Professional Fees	70,747	153,917	131,000	131,000
Other Fees	157,329	166,074	165,600	170,600
Memberships & Registrations	31,996	29,610	37,405	37,710
Miscellaneous Services	70,990	64,212	117,000	72,000
Office & General Supplies	5,165	3,871	8,195	9,319
Miscellaneous Parts	53,037	58,311	65,500	81,000
Equipment	25,768	31,445	14,500	7,000
Fixed Assets	5,151	4,362	1,500	1,500
Miscellaneous Projects	53,242	50,982	70,000	50,000
Community Activities	<u>271,617</u>	<u>150,670</u>	<u>92,000</u>	<u>120,000</u>
TOTAL M., S. & E.	847,010	807,214	868,868	861,872
<u>INTERNAL SERVICES</u>				
Administrative Services	483,318	439,965	413,972	476,460
Self-Insurance	<u>144,740</u>	<u>(83,066)</u>	<u>55,937</u>	<u>55,937</u>
TOTAL INTERNAL SERVICES	628,058	356,899	469,909	532,397

DEPARTMENT: OFFICE OF THE MAYOR

FUND: GENERAL

DEBT SERVICE	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
Principal Payments	280,670	190,849	460,083	493,253
Interest Payments	<u>408,581</u>	<u>402,416</u>	<u>431,052</u>	<u>452,621</u>
TOTAL DEBT SERVICE	689,251	593,265	891,135	945,874
<u>SPECIAL PURPOSE</u>				
Wilmington Arts Commission	55,000	55,000	55,000	55,000
Rock Manor Golf Course	<u>0</u>	<u>0</u>	<u>0</u>	<u>72,000</u>
TOTAL SPECIAL PURPOSE	55,000	55,000	55,000	127,000

DEPARTMENT: OFFICE OF THE MAYOR

FUND: CONTINGENT RESERVES

CONTINGENT RESERVES	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
Contingency	0	0	150,000	150,000
Snow & Weather Emergencies	<u>0</u>	<u>0</u>	<u>30,000</u>	<u>30,000</u>
CONTINGENT RESERVES TOTAL	0	0	180,000	180,000
GENERAL FUND TOTAL	<u>4,102,986</u>	<u>3,724,642</u>	<u>4,337,573</u>	<u>4,669,980</u>

PERSONAL SERVICES	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
Regular Salaries	48,940	0	0	0
Social Security	3,000	0	0	0
Medicare Tax	702	0	0	0
Hospitalization	9,362	0	0	0
Life Insurance	<u>117</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL PERSONAL SERVICES	62,121	0	0	0
 <u>MATERIALS, SUPPLIES, & EQUIPMENT</u>				
Printing & Advertising	2,600	0	0	0
Transportation	1,253	0	0	0
Fixed Assets	1,920	0	0	0
Memberships & Registrations	1,520	0	0	0
Office & General Supplies	<u>200</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL M.,S.,&E.	7,493	0	0	0
 <u>INTERNAL SERVICES</u>				
Administrative Services	631	0	0	0
Self-Insurance	<u>80</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL INTERNAL SERVICES	711	0	0	0
 <u>SPECIAL PURPOSE</u>				
Miscellaneous Projects	<u>34,931</u>	<u>4,735</u>	<u>0</u>	<u>0</u>
TOTAL SPECIAL PURPOSE	34,931	4,735	0	0
 CDBG FUND TOTAL	 <u>105,256</u>	 <u>4,735</u>	 <u>0</u>	 <u>0</u>

DEPARTMENT: OFFICE OF THE MAYOR

FUND: ENTERPRISE COMMUNITY

PERSONAL SERVICES	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
Regular Salaries	73,587	72,091	18,563	0
Temporary Salaries	5,740	10,122	0	0
Internet Reimbursements	54	27	0	0
Pension Contribution	0	3,101	835	0
Social Security	5,081	5,229	1,151	0
Medicare Tax	1,173	1,223	269	0
Hospitalization	11,296	11,402	3,286	0
Life Insurance	<u>146</u>	<u>118</u>	<u>71</u>	<u>0</u>
TOTAL PERSONAL SERVICES	97,077	103,313	24,175	0
 <u>MATERIALS, SUPPLIES, & EQUIPMENT</u>				
Printing & Advertising	384	0	0	0
Transportation	1,974	330	0	0
Professional Fees	129,997	6,505	0	0
Memberships & Registrations	1,740	0	0	0
Miscellaneous Services	708	419	0	0
Office and General Supplies	315	0	0	0
Food	401	0	0	0
Equipment	<u>68</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL M.,S.,&E.	135,587	7,254	0	0
 <u>SPECIAL PURPOSE</u>				
Community Activities	<u>95,821</u>	<u>18,005</u>	<u>0</u>	<u>0</u>
TOTAL SPECIAL PURPOSE	95,821	18,005	0	0
 ENTERPRISE COMM. FUND TOTAL	 <u>328,485</u>	 <u>128,572</u>	 <u>24,175</u>	 <u>0</u>

DEPARTMENT: OFFICE OF THE MAYOR

FUND: U.S. DEPT COMMERCE

PERSONAL SERVICES	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
Regular Salaries	27,259	27,945	0	0
Pension Contribution	0	1,168	0	0
Social Security	1,690	1,757	0	0
Hospitalization	2,273	2,427	0	0
Medicare Tax	<u>455</u>	<u>398</u>	<u>0</u>	<u>0</u>
TOTAL PERSONAL SERVICES	31,677	33,695	0	0
 <u>MATERIALS, SUPPLIES, & EQUIPMENT</u>				
Transportation	2,624	1,101	0	0
Professional Fees	1,093	97,946	0	0
Memberships & Registrations	78	50	0	0
Fixed Assets	<u>7,197</u>	<u>4,570</u>	<u>0</u>	<u>0</u>
TOTAL M.,S.,&E.	10,992	103,667	0	0
 U.S. DEPT COMMERCE				
FUND TOTAL	<u>42,669</u>	<u>137,362</u>	<u>0</u>	<u>0</u>

DEPARTMENT: OFFICE OF THE MAYOR

FUND: COMMERCE

PERSONAL SERVICES	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
Regular Salaries	376,769	416,952	468,230	444,241
Acting Out of Classification	0	505	0	0
Internet Reimbursements	90	180	0	0
Pension Contribution	15,108	22,544	26,023	27,640
Social Security	22,877	25,802	29,030	27,360
Medicare Tax	5,438	6,043	6,789	6,441
Hospitalization	63,786	68,118	85,345	72,574
Life Insurance	727	815	921	801
Pension Healthcare	<u>2,586</u>	<u>4,201</u>	<u>6,053</u>	<u>6,053</u>
TOTAL PERSONAL SERVICES	487,381	545,160	622,391	585,110
 <u>MATERIALS, SUPPLIES & EQUIPMENT</u>				
Printing & Advertising	11,548	49,644	42,200	76,960
Communications & Utilities	474	425	2,100	2,100
Transportation	1,947	2,276	7,000	7,000
Rentals	0	0	6,000	6,300
Contracted Maintenance Repairs	0	92	384	307
Professional Fees	170,220	110,029	293,000	273,000
Memberships & Registrations	4,434	6,964	10,000	9,000
Miscellaneous Services	5,935	3,230	5,000	5,000
Office & General Supplies	1,255	3,322	4,000	4,000
Miscellaneous Materials	2,155	1,270	5,500	5,500
Equipment	522	276	0	1,000
Fixed Assets	3,979	0	0	0
Miscellaneous Projects	<u>0</u>	<u>32,526</u>	<u>32,500</u>	<u>23,000</u>
TOTAL M., S. & E.	202,469	210,054	407,684	413,167
 <u>INTERNAL SERVICES</u>				
Administrative Services	18,593	21,377	31,164	20,931
Self-Insurance	<u>0</u>	<u>1,068</u>	<u>1,064</u>	<u>1,064</u>
TOTAL INTERNAL SERVICES	18,593	22,445	32,228	21,995
 <u>DEBT SERVICE</u>				
Principal Payments	0	0	68,518	79,121
Interest Payments	<u>0</u>	<u>0</u>	<u>85,053</u>	<u>94,751</u>
TOTAL DEBT SERVICE	0	0	153,571	173,872
 COMMERCE FUND TOTAL				
	<u>708,443</u>	<u>777,659</u>	<u>1,215,874</u>	<u>1,194,144</u>

DEPARTMENT: OFFICE OF THE MAYOR

FUND: EMERGENCY MANAGEMENT& SPC

PERSONAL SERVICES	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
Regular Salaries	57,289	68,353	31,882	34,001
Overtime	1,717	0	0	0
Pension Contribution	0	0	1,435	1,700
Social Security	3,590	3,752	1,977	2,108
Medicare Tax	830	878	462	493
Hospitalization	5,146	10,258	4,253	4,050
Life Insurance	<u>75</u>	<u>128</u>	<u>54</u>	<u>53</u>
TOTAL PERSONAL SERVICES	68,647	83,369	40,063	42,405
 <u>MATERIALS, SUPPLIES & EQUIPMENT</u>				
Printing & Advertising	636	59,886	0	0
Communications & Utilities	10	51	0	0
Transportation	386	0	0	0
Professional Fees	75,313	138,820	0	0
Memberships & Registrations	3,954	0	0	0
Miscellaneous Services	1,488	1,077	0	0
Office & General Supplies	1,243	1,539	0	0
Miscellaneous Materials	2,027	15,933	0	0
Fixed Assets	2,260	29,161	0	0
Miscellaneous Projects	<u>159,540</u>	<u>34,001</u>	<u>0</u>	<u>0</u>
TOTAL M., S. & E.	246,857	280,468	0	0
 <u>INTERNAL SERVICES</u>				
Administrative Services	<u>373</u>	<u>77</u>	<u>0</u>	<u>0</u>
TOTAL INTERNAL SERVICES	373	77	0	0
 EMERGENCY MANAGEMENT				
FUND TOTAL	<u>315,877</u>	<u>363,914</u>	<u>40,063</u>	<u>42,405</u>

DEPARTMENT: OFFICE OF THE MAYOR

FUND: INTERNAL SERVICES

PERSONAL SERVICES	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
Regular Salaries	430,372	441,594	467,206	602,344
Temporary Salaries	9,312	68	0	0
Acting Out of Class	2,070	570	0	0
Sick Leave Bonus	300	200	0	0
Overtime	224	0	0	0
Internet Reimbursements	525	540	500	500
Pension Contribution	24,300	22,755	23,857	34,564
Social Security	27,232	27,452	28,998	37,346
Medicare Tax	6,369	6,421	6,781	8,734
Hospitalization	62,268	57,221	86,184	115,361
Life Insurance	1,120	914	1,037	1,361
Accrued Sick/Vacation	14,903	(5,138)	0	0
TOTAL PERSONAL SERVICES	578,995	552,597	614,563	800,210
 <u>MATERIALS, SUPPLIES & EQUIPMENT</u>				
Printing & Advertising	10,052	11,464	15,280	14,026
Communications & Utilities	627,519	670,259	664,714	664,941
Transportation	1,542	2,450	4,500	4,500
Contracted Maintenance Repairs	201,004	162,444	215,700	199,638
Professional Fees	102,966	203,416	172,000	40,000
Memberships & Registrations	4,035	39,061	41,500	38,500
Miscellaneous Services	210,793	196,789	171,300	250,690
Office & General Supplies	57,049	45,540	46,774	46,196
Miscellaneous Parts	58,425	48,359	70,750	64,568
Equipment	6,703	4,000	3,500	4,600
Fixed Assets	616,242	568,644	790,000	651,020
TOTAL M., S. & E.	1,896,330	1,952,426	2,196,018	1,978,679
 <u>INTERNAL SERVICES</u>				
Administrative Services	78,516	67,164	61,785	68,109
Self-Insurance	2,633	8,355	8,165	8,165
TOTAL INTERNAL SERVICES	81,149	75,519	69,950	76,274

DEPARTMENT: OFFICE OF THE MAYOR

FUND: INTERNAL SERVICES

DEBT SERVICE	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
Interest Payments	<u>47,747</u>	<u>48,122</u>	<u>46,718</u>	<u>154,272</u>
TOTAL DEBT SERVICE	47,747	48,122	46,718	154,272
OTHER				
Capitalized Expenditures	(616,242)	(182,763)	(790,000)	(154,220)
Depreciation	<u>195,313</u>	<u>96,489</u>	<u>174,653</u>	<u>174,653</u>
TOTAL OTHER	(420,929)	(86,274)	(615,347)	20,433
INTERNAL SERVICES FUND TOTAL	<u>2,183,292</u>	<u>2,542,390</u>	<u>2,311,902</u>	<u>3,029,868</u>

CITY COUNCIL

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

Coming under the auspices of City Council, the City Clerk's Office represents the supporting staff of Wilmington's City Council. The City Clerk is the official keeper of the City Seal. In addition, the Office is responsible for the receipt and transmission of all official communications of Council and for maintaining precise records of all laws passed by Council. Furthermore, the City Clerk's Office performs a multitude of other functions and tasks which City Council deems necessary and required for the proper discharge of its duties.

PRIORITIES FOR FISCAL YEAR 2006
<ul style="list-style-type: none"> • As an elective legislature for a home rule city, Wilmington City Council's priorities continually reflect, through its regulatory and budgetary enactments, the aspirations of the Citizens of Wilmington. These priorities are implicit in the programs adopted and set in the annual operating and capital budgets for the City of Wilmington.

SUMMARY OF FUNDING FOR CITY COUNCIL

GENERAL FUND CITY COUNCIL	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
Personal Services	1,285,027	1,219,787	1,351,484	1,463,852
Materials, Supplies & Equipment	399,325	443,575	344,050	385,900
Internal Services	150,062	81,180	112,973	129,032
Debt Service	20,779	23,722	28,116	31,286
Special Purpose	106,980	106,563	116,000	120,000
TOTAL	<u>1,962,173</u>	<u>1,874,827</u>	<u>1,952,623</u>	<u>2,130,070</u>
STAFFING LEVELS	26.00	25.00	29.00	29.00

MAJOR FUNDING CHANGES FROM PRIOR YEAR

- The cumulative effect of COLA's, higher pension costs, and other employee benefits contributed to a \$112,368 Personal Services increase. Part of this total increase included \$5,000 more in Temporary Salaries to provide funding for an intern during the winter holiday season.
- In the City Clerk's Office, \$2,000 was added for printing the newly adopted BOCA Code.
- Repairs to Equipment in the Cable & Communications division jumped \$14,000, from \$6,000, to a total of \$20,000. Most WITN studio equipment is now covered under a preventive maintenance contract costing \$1,250 per month or \$15,000 per year. The remaining \$5,000 in this account is set aside for miscellaneous repairs not covered under contract.
- A priority this year is advanced staff development. As a result, Registration Fees increased \$11,500 across the three divisions. The biggest increase (\$7,000) was in the Cable & Communications division.
- A 20% decrease in the cost of Miscellaneous Supplies & Parts in the Cable & Communications division saved \$4,000. However, in the Legislative division, an increase in the food line of \$550 and a new account for gifts/awards/coasters for dignitaries for \$5,000 more than offset those savings.
- Machinery & Equipment in the Cable and Communication Division totals \$30,000 for the replacement of cameras, camcorders, and playback decks for the WITN studio. This is \$5,000 more than last year.

DEPARTMENTAL BUDGET DETAIL BY FUND

DEPARTMENT: CITY COUNCIL

FUND: GENERAL

PERSONAL SERVICES	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY 2006
Regular Salaries	964,621	958,203	1,086,354	1,163,330
Temporary Salaries	92,510	21,887	15,000	20,000
Overtime	884	0	0	0
Internet Reimbursements	521	900	1,260	2,700
Pension Contribution	18,465	33,803	40,590	52,093
Social Security	64,754	60,214	68,283	73,366
Medicare Tax	15,143	14,083	15,970	17,158
Hospitalization	120,282	121,238	164,906	176,164
Life Insurance	2,751	2,457	2,985	2,905
Pension Healthcare	5,096	7,002	10,090	10,090
Personal Services Adjustment	<u>0</u>	<u>0</u>	<u>(53,954)</u>	<u>(53,954)</u>
TOTAL PERSONAL SERVICES	1,285,027	1,219,787	1,351,484	1,463,852
 <u>MATERIALS, SUPPLIES & EQUIPMENT</u>				
Printing & Advertising	12,388	18,044	18,400	20,400
Communications & Utilities	7	28	1,000	0
Transportation	9,976	8,845	0	0
Rentals	1,200	3,600	2,400	2,400
Contracted Maintenance Repairs	4,858	6,817	7,700	22,500
Professional Fees	81,093	140,112	23,000	23,000
Memberships & Registrations	11,984	22,988	20,800	35,600
Miscellaneous Services	48,230	72,352	108,000	106,000
Office & General Supplies	5,385	5,898	6,600	10,000
Wearing Apparel & Safety	0	0	700	1,500
Miscellaneous Parts	22,110	19,106	34,950	36,500
Equipment	1,026	2,560	500	3,000
Fixed Assets	44,326	6,535	30,000	35,000
Community Activities	156,742	136,690	90,000	90,000
Projects	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL M., S. & E.	399,325	443,575	344,050	385,900
 <u>INTERNAL SERVICES</u>				
Administrative Services	114,733	97,190	97,873	113,932
Self-Insurance	<u>35,329</u>	<u>(16,010)</u>	<u>15,100</u>	<u>15,100</u>
TOTAL INTERNAL SERVICES	150,062	81,180	112,973	129,032

DEPARTMENT: CITY COUNCIL

FUND: GENERAL

DEBT SERVICE	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
Principal Payments	8,315	9,327	16,580	20,575
Interest Payments	<u>12,464</u>	<u>14,395</u>	<u>11,536</u>	<u>10,711</u>
TOTAL DEBT SERVICE	20,779	23,722	28,116	31,286
<u>SPECIAL PURPOSE</u>				
Wilmington Institute Free Library	64,000	64,000	64,000	64,000
Other	<u>42,980</u>	<u>42,563</u>	<u>52,000</u>	<u>56,000</u>
TOTAL SPECIAL PURPOSE	106,980	106,563	116,000	120,000
GENERAL FUND TOTAL	<u>1,962,173</u>	<u>1,874,827</u>	<u>1,952,623</u>	<u>2,130,070</u>

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, it must actively and effectively manage the funds in a prudent manner. This involves the management of the City's cash and 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 2006
<ul style="list-style-type: none"> • To improve the City's overall Debt Management Program and the City's debt position. • To implement Positive Pay to reduce fraud and protect City bank accounts. • To further automate bank reconciliation process to enhance accuracy and timeliness of completed reconciliations with the Finance Department. • To test actuarial assumptions in place since 1979.

SUMMARY OF FUNDING FOR CITY TREASURER

TOTAL ALL FUNDS CITY TREASURER	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
Personal Services	577,691	539,540	480,331	551,029
Materials, Supplies & Equipment	939,263	780,107	1,087,028	1,011,157
Internal Services	439,980	527,170	575,108	600,227
Depreciation	18,271	0	0	0
TOTAL	<u>1,975,205</u>	<u>1,846,817</u>	<u>2,142,467</u>	<u>2,162,413</u>
STAFFING LEVELS	6.00	6.00	6.00	7.00

GENERAL FUND CITY TREASURER	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
Personal Services	239,284	243,231	230,371	265,955
Materials, Supplies & Equipment	20,270	28,714	40,945	22,045
Internal Services	65,081	59,037	53,356	73,108
TOTAL	<u>324,635</u>	<u>330,982</u>	<u>324,672</u>	<u>361,108</u>
STAFFING LEVELS	2.92	2.92	2.92	3.42

PENSION TRUSTS FUNDS	ACTUAL	ACTUAL	BUDGET	APPROVED
CITY TREASURER	FY2003	FY2004	FY2005	FY2006
Personal Services	338,407	296,309	249,960	285,074
Materials, Supplies & Equipment	918,993	751,393	1,046,083	989,112
Internal Services	374,899	468,133	521,752	527,119
Depreciation	<u>18,271</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL	<u>1,650,570</u>	<u>1,515,835</u>	<u>1,817,795</u>	<u>1,801,305</u>
STAFFING LEVELS	3.08	3.08	3.08	3.58

MAJOR FUNDING CHANGES FROM PRIOR YEAR

- A new position, City Treasurer's Office Assistant (grade level D), was added at a total cost of \$40,226 (split 50% General Fund; 50% Pension Funds). In addition, the cumulative effect of COLA's and higher employee benefit costs increased Personal Services \$30,472 (\$15,471 General Fund; \$15,001 Pension Funds).
- As a result of the new position listed above, funding for Temporary Agencies was eliminated, saving \$23,700 (\$18,700 General Fund; \$5,000 Pension Funds).
- A pension valuation is done bi-annually by a consultant at a cost of \$50,000. Since a valuation was completed last year, the Consultants account in the Pension Funds was able to be reduced \$50,000, from \$245,000, down to \$195,000.
- Internal Services increased a total of \$25,119 (\$19,752 General Fund; \$5,367 Pension Funds), mainly due to Data Processing, up \$15,027 (\$13,332 General Fund; \$1,695 Pension Funds) and Telephone, up \$3,627 (\$2,135 General Fund; \$1,492 Pension Funds).

CITY TREASURER PERFORMANCE INDICATORS

Goal #1: Enhanced overall pension administration.

Objective: Provide 10 comprehensive analyses to the Pension Boards, demonstrating asset performance and financial position for each pension fund.

Goal #1 corresponds to the City's Strategic Plan, Policy Statements 1-A and 1-B on page 17.

CRITICAL INDICATOR	FY 2004 PROJECTED	FY2004 ACTUAL	FY 2005 PROJECTED	FY2005 ACTUAL	FY 2006 PROJECTED
Number of Reports Given to Each Pension Board	12	10	12	10	10

Goal #2: Efficient cash management of all the City's funds.

Objective: 85% of bank accounts reconciled within 15 days of receipt of monthly statements.

Goal #2 corresponds to the City's Strategic Plan, Policy Statements 1-A, 1-B, 1-C and 1-E on page 17.

CRITICAL INDICATOR	FY2004 PROJECTED	FY 2004 ACTUAL	FY 2005 PROJECTED	FY 2005 ACTUAL	FY2006 PROJECTED
Percentage of Accounts Reconciled Per Month	85%	80%	85%	85%	90%

Goal #3: To ensure that all pension funds are actuarially sound.

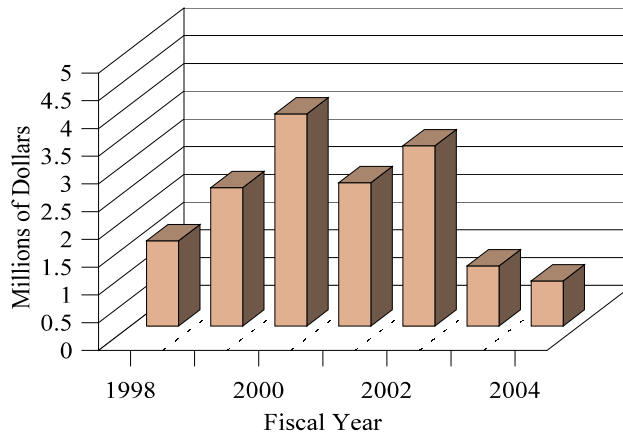
Objective: Decrease unfunded liability.

Goal #3 corresponds to the City's Strategic Plan, Policy Statement 1-A on page 17.

CRITICAL INDICATOR	FY 2004 PROJECTED	FY 2004 ACTUAL	FY 2005 PROJECTED	FY 2005 ACTUAL	FY 2006 PROJECTED
Unfunded Liability (in \$ millions)	\$50	\$76	\$80	\$76	\$80

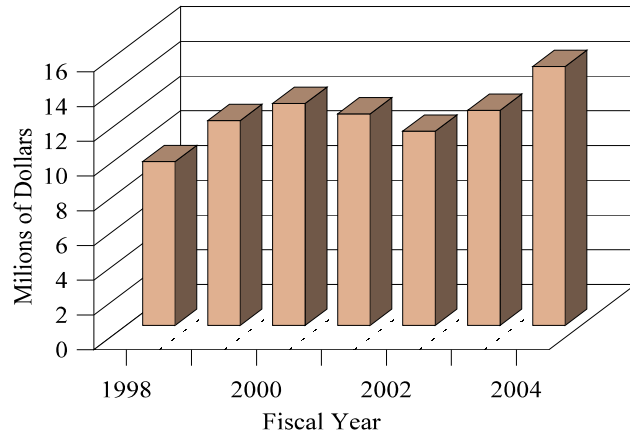
City Treasurer Performance Trends

General Fund Investment Income



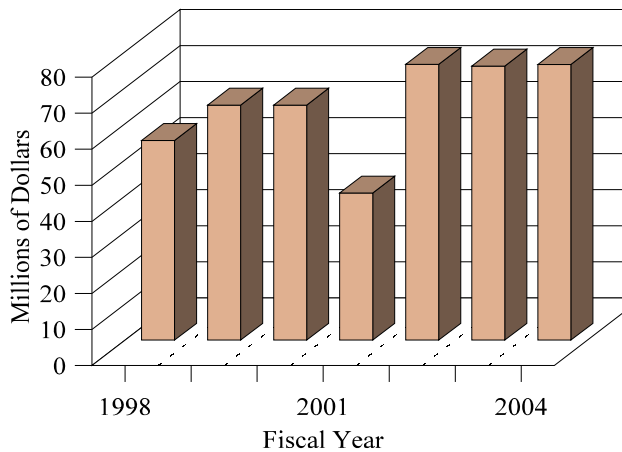
Prudent cash management and investment policies had enabled the City Treasurer to earn an average of just under 2.7 million per year since FY 1999. Much lower interest rates and delayed capital borrowing were responsible for the decline in FY 1993 through 1996, and again in FY 2001 through FY 2004.

Deferred Compensation Fund



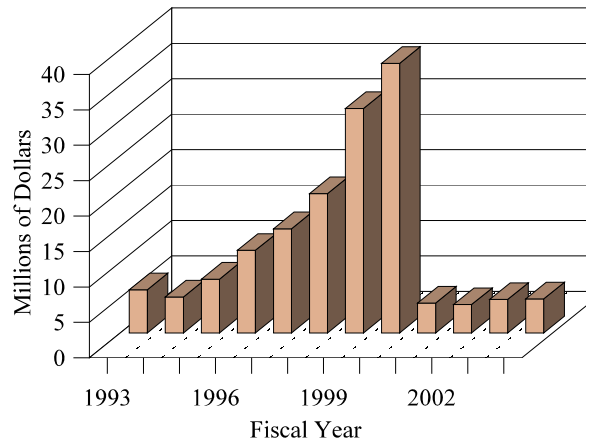
The City's Deferred Compensation plan is available on a voluntary basis to employees who wish to supplement their retirement income by investing a portion of their current earnings on a tax deferred basis. The fund has increased by 27% in the last five years.

Unfunded Pension Liability



The level of Unfunded Pension Liability is one measure of the relative strength or weakness of a particular pension fund. The Unfunded Pension Liability was reduced by 38% in FY 2001, followed by a dramatic increase in FY 2002 through FY 2004, as a result of the poor stock market performance and benefit increases for Public Safety retirees.

Pension Fund Investment Income



Strict adherence to prudent investment guidelines have enabled the City's pension fund to earn high income levels when the stock market is performing well. Also, even with the dramatic fall in stock market prices in 2001 and subsequent market adjustments, the City has been able to minimize losses during these down years.

DEPARTMENTAL BUDGET DETAIL BY FUND

DEPARTMENT: CITY TREASURER

FUND: GENERAL

	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
<u>PERSONAL SERVICES</u>				
Regular Salaries	182,332	189,257	180,986	204,848
Temporary Salaries	4,239	24	0	0
Sick Leave Bonus	300	300	0	0
Internet Reimbursement	330	211	390	390
Pension Contribution	10,161	11,709	11,517	16,769
Social Security	11,049	11,593	11,159	12,483
Medicare Tax	2,689	2,727	2,624	2,970
Hospitalization	26,729	25,561	28,817	33,576
Life Insurance	344	324	336	377
Pension Healthcare	1,111	1,525	2,198	2,198
Personal Services Adjustment	<u>0</u>	<u>0</u>	<u>(7,656)</u>	<u>(7,656)</u>
TOTAL PERSONAL SERVICES	239,284	243,231	230,371	265,955
<u>MATERIALS, SUPPLIES & EQUIPMENT</u>				
Printing & Advertising	498	498	500	500
Professional Fees	0	13,426	18,700	0
Other Fees	17,310	11,439	20,300	20,100
Memberships & Registrations	349	354	945	945
Office & General Supplies	987	500	500	500
Equipment	<u>1,126</u>	<u>2,497</u>	<u>0</u>	<u>0</u>
TOTAL M., S. & E.	20,270	28,714	40,945	22,045
<u>INTERNAL SERVICES</u>				
Administrative Services	56,973	58,647	48,617	68,369
Self-Insurance	<u>8,108</u>	<u>390</u>	<u>4,739</u>	<u>4,739</u>
TOTAL INTERNAL SERVICES	65,081	59,037	53,356	73,108
GENERAL FUND TOTAL	<u>324,635</u>	<u>330,982</u>	<u>324,672</u>	<u>361,108</u>

DEPARTMENT: CITY TREASURER

FUND: PENSION TRUSTS

PERSONAL SERVICES	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
Regular Salaries	239,041	192,762	194,343	219,292
Temporary Salaries	12,425	48	0	0
Acting out of Classification	300	0	0	0
Internet Reimbursement	149	233	330	330
Accrued Vacation Pay	2,421	893	0	0
Pension Contribution	3,355	9,903	10,216	13,903
Social Security	11,483	11,520	11,992	13,377
Medicare Tax	2,759	2,713	2,817	3,180
Hospitalization	24,187	23,578	30,534	35,224
Life Insurance	318	351	356	396
Pension Healthcare	41,969	54,308	1,404	1,404
Personal Services Adjustment	<u>0</u>	<u>0</u>	<u>(2,032)</u>	<u>(2,032)</u>
TOTAL PERSONAL SERVICES	338,407	296,309	249,960	285,074
 <u>MATERIALS, SUPPLIES & EQUIPMENT</u>				
Printing & Advertising	326	0	1,237	989
Transportation	2,668	1,447	2,999	3,000
Rentals	0	0	240	192
Repairs to Equipment	0	0	419	335
Professional Fees	806,125	670,251	1,019,998	965,000
Other Fees	102,254	64,437	11,999	12,500
Memberships & Registrations	2,068	1,816	2,809	2,810
Office & General Supplies	930	707	901	900
Miscellaneous Parts	35	181	482	386
Equipment	5,151	4,005	0	0
Fixed Assets	<u>(564)</u>	<u>8,549</u>	<u>4,999</u>	<u>3,000</u>
TOTAL M., S. & E.	918,993	751,393	1,046,083	989,112
 <u>INTERNAL SERVICES</u>				
Administrative Services	20,943	22,766	20,780	26,147
Self-Insurance	<u>353,956</u>	<u>445,367</u>	<u>500,972</u>	<u>500,972</u>
TOTAL INTERNAL SERVICES	374,899	468,133	521,752	527,119
 <u>OTHER</u>				
Depreciation	<u>18,271</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL OTHER	18,271	0	0	0
 PENSION TRUSTS FUNDS TOTAL				
	<u>1,650,570</u>	<u>1,515,835</u>	<u>1,817,795</u>	<u>1,801,305</u>

DEPARTMENT OF PLANNING AND DEVELOPMENT

The mission of the Department of Planning and Development is to improve the quality of life for City residents by ensuring that physical, social, and economic development in the City occurs in a rational and comprehensive manner that addresses community needs and governmental priorities.

The Department of Planning and Development is responsible for preparing, modifying, and maintaining neighborhood comprehensive development plans, land use regulations, economic development strategies, and demographic and social impact studies. In addition, the Department serves as the principal liaison between City government, community organizations, and planning councils; working in partnership with these groups in the development of neighborhood plans. The department assists in the identification of community needs, the determination of governmental priorities, and the design of programs.

PRIORITIES FOR FISCAL YEAR 2006

- Continue to provide high quality routine planning services such as subdivision reviews, environmental/historical preservation reviews, curb cut reviews, waterfront reviews, parking lot landscaping reviews, demolition reviews, and staff support to various planning related boards and commissions.
- Continue to update the City's thirteen Neighborhood Comprehensive Development Plans.
- Develop a policy statement section to be adopted as part of the Mayor's Vision Plan for Wilmington. These policy statements will serve to guide the growth of the City and address key areas such as residential neighborhoods, the downtown and the riverfront.
- Continue to expand the number of in-house reviews of work being conducted within the City's historic districts by developing standardized policies for the Design Review and Preservation Commission to adopt.
- Address zoning issues through formal amendments to the Zoning Code and/or map, before land use conflicts arise.
- Complete the Neighborhood Plan for the South Bridge Community in cooperation with the State and the community.

SUMMARY OF FUNDING FOR THE DEPARTMENT OF PLANNING

TOTAL ALL FUNDS DEPARTMENT OF PLANNING	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
Personal Services	754,857	762,725	743,945	823,653
Materials, Supplies & Equipment	18,779	56,164	67,095	34,595
Internal Services	343,748	159,821	259,685	307,910
Depreciation	277,325	200,771	204,516	171,651
Special Purpose	<u>3,279</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL	<u>1,397,988</u>	<u>1,179,481</u>	<u>1,275,241</u>	<u>1,337,809</u>
STAFFING LEVELS	10.00	10.00	10.00	11.00

GENERAL FUND DEPARTMENT OF PLANNING	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
Personal Services	574,139	720,402	700,952	779,108
Materials, Supplies & Equipment	18,129	51,891	65,195	32,695
Internal Services	335,970	131,619	222,896	271,121
Debt Service	<u>277,325</u>	<u>200,771</u>	<u>204,516</u>	<u>171,651</u>
TOTAL	<u>1,205,563</u>	<u>1,104,683</u>	<u>1,193,559</u>	<u>1,254,575</u>
STAFFING LEVELS	7.60	9.60	9.60	10.60

COMMUNITY DEVELOPMENT BLOCK GRANT FUND (CDBG) DEPARTMENT OF PLANNING	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
Personal Services	180,718	42,323	42,993	44,545
Materials, Supplies & Equipment	650	4,273	1,900	1,900
Internal Services	7,778	28,202	36,789	36,789
Special Purpose	<u>3,279</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL	<u>192,425</u>	<u>74,798</u>	<u>81,682</u>	<u>83,234</u>
STAFFING LEVELS	2.40	0.40	0.40	0.40

MAJOR FUNDING CHANGES FROM PRIOR YEAR

- A Planner II position has been added, increasing the total number of allocated positions to 11, and adding \$55,210 to the Personal Services Category. The new Planner II will assist with the review and management of building and demolition cases within the City's historic and conservation districts.
- As a result of the new position mentioned above, funding of \$30,000 for Consultants was eliminated.
- Internal Services in the General Fund increased \$48,225 from \$222,896 to \$271,121. This is mainly due to the Data Processing Account.
- Debt Service went down by \$32,865, as a result of the savings from the 1996A bond refunding.

DEPARTMENT OF PLANNING PERFORMANCE INDICATORS

Goal #1: The development, implementation and maintenance of land use and planning policies which address the social, cultural and economic needs of City residents.

Objective: To strengthen planning programs through the development of strategic planning activities and other initiatives. To develop strategies which address historic preservation, waterfront areas, the central business district, neighborhoods, and economic development sectors. To facilitate interdepartmental coordination and cooperation toward this end.

Goal #1 corresponds to the City's Strategic Plan, Policy Statements 1-B, 1-C, 2-F, and 3-C on page 17.

CRITICAL INDICATOR	FY 2004 PROJECTED	FY 2004 ACTUAL	FY 2005 PROJECTED	FY 2005 ACTUAL	FY 2006 PROJECTED
Special Projects	17	18	17	17	17
Neighborhood Notebooks	2	1	2	1	1
Comprehensive Plans	2	2	2	1	1

DEPARTMENT OF PLANNING

PERFORMANCE INDICATORS

Goal #2: To provide high quality routine planning services to further the development, implementation and maintenance of land use and planning policies which address the social, cultural and economic needs of City residents.

Objective: Process all submitted reviews and cases within thirty days of the receipt of all necessary materials.

Goal #2 corresponds to the City's Strategic Plan, Policy Statements 1-B, 1-C, and 2-B on page 17.

CRITICAL INDICATOR	FY 2004 PROJECTED	FY 2004 ACTUAL	FY 2005 PROJECTED	FY 2005 ACTUAL	FY 2006 PROJECTED
Environmental and 106 Reviews	300	410	400	484	500
Planning Commission and Design Review Cases (includes internal reviews)	350	350	350	372	350
Other Site Plan Reviews (Curb Cuts, ETAP, Waterfront, Subdivisions & Demolitions)	60	58	60	119	80

Goal #3: The development, implementation and maintenance of land use and planning policies which address the social, cultural and economic needs of City residents.

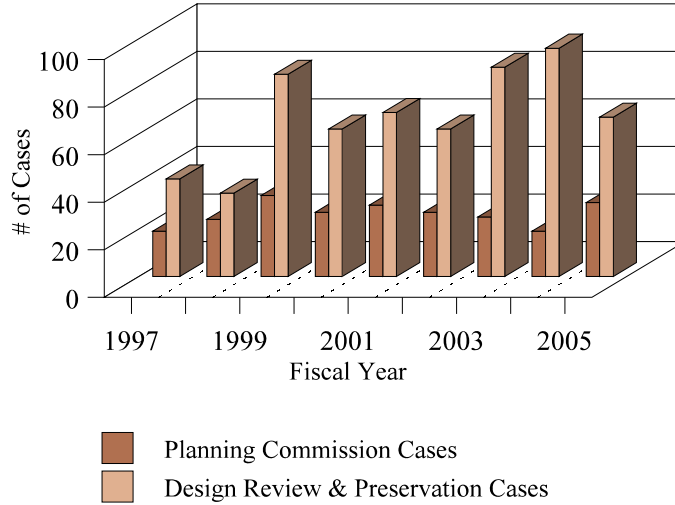
Objective: Complete economic development and special planning projects that will promote development in the City.

Goal #3 corresponds to the City's Strategic Plan, Policy Statements 1-B, 1-C, and 2-F on page 17.

CRITICAL INDICATOR	FY 2004 PROJECTED	FY 2004 ACTUAL	FY 2005 PROJECTED	FY 2005 ACTUAL	FY2006 PROJECTED
Economic Development Projects	4	4	5	5	5
Special Planning Projects	11	11	11	11	12

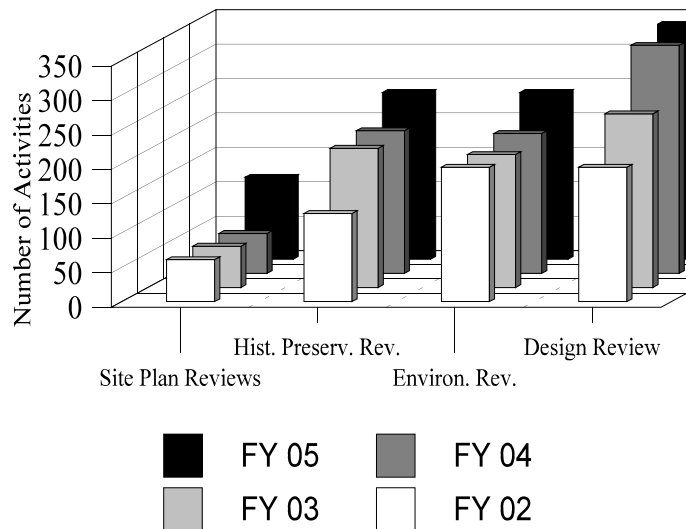
Department of Planning Performance Trends

Commission Activities



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

Planning Activities Fiscal Year 2002-2005



The Planning Department ensures that land-use and planning policies address the social, cultural, and economic needs of City residents.

DEPARTMENTAL BUDGET DETAIL BY FUND

DEPARTMENT: PLANNING

FUND: GENERAL

PERSONAL SERVICES	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
Regular Salaries	423,505	559,178	530,991	590,872
Temporary Salaries	33,722	14,366	20,000	20,000
Pension Contribution	15,108	28,948	28,986	34,269
Social Security	27,994	35,495	34,166	37,874
Medicare Tax	6,616	8,301	7,985	8,858
Hospitalization	63,618	70,470	83,573	91,874
Life Insurance	925	1,007	1,106	1,216
Pension Healthcare	2,651	2,637	3,801	3,801
Personal Services Adjustment	<u>0</u>	<u>0</u>	<u>(9,656)</u>	<u>(9,656)</u>
TOTAL PERSONAL SERVICES	574,139	720,402	700,952	779,108
 <u>MATERIALS, SUPPLIES & EQUIPMENT</u>				
Printing & Advertising	699	1,093	4,000	1,500
Communications & Utilities	57	65	192	192
Transportation	14	1,079	1,500	1,500
Rentals	9	0	0	0
Contracted Maintenance Repairs	0	6	77	77
Professional Fees	0	28,333	30,000	0
Other Fees	6,796	6,796	6,796	6,796
Memberships & Registrations	3,797	5,009	5,930	5,930
Miscellaneous Services	0	0	10,620	10,620
Office & General Supplies	2,068	4,888	5,600	5,600
Miscellaneous Parts	75	283	480	480
Equipment	<u>4,614</u>	<u>4,339</u>	<u>0</u>	<u>0</u>
TOTAL M., S. & E.	18,129	51,891	65,195	32,695
 <u>INTERNAL SERVICES</u>				
Administrative Services	218,247	210,280	180,987	229,211
Self-Insurance	<u>117,723</u>	<u>(78,661)</u>	<u>41,909</u>	<u>41,910</u>
TOTAL INTERNAL SERVICES	335,970	131,619	222,896	271,121
 <u>DEBT SERVICE</u>				
Principal Payments	175,940	110,781	118,812	97,157
Interest Payments	<u>101,385</u>	<u>89,990</u>	<u>85,704</u>	<u>74,494</u>
TOTAL DEBT SERVICE	277,325	200,771	204,516	171,651
 GENERAL FUND TOTAL	 <u>1,205,563</u>	 <u>1,104,683</u>	 <u>1,193,559</u>	 <u>1,254,575</u>

DEPARTMENT: PLANNING

FUND: CDBG

<u>PERSONAL SERVICES</u>	<u>ACTUAL FY2003</u>	<u>ACTUAL FY2004</u>	<u>BUDGET FY2005</u>	<u>APPROVED FY2006</u>
Regular Salaries	132,223	20,787	21,148	21,948
Temporary Salaries	15,315	17,067	17,570	18,095
Clothing Allowance	0	197	0	0
Pension Contribution	0	872	909	1,049
Social Security	9,343	2,438	2,400	2,483
Medicare Tax	1,927	566	562	580
Hospitalization	14,509	353	358	344
Life Insurance	<u>7,401</u>	<u>43</u>	<u>46</u>	<u>46</u>
TOTAL PERSONAL SERVICES	180,718	42,323	42,993	44,545
 <u>MATERIALS, SUPPLIES & EQUIPMENT</u>				
Professional Fees	0	3,000	0	0
Memberships & Registrations	0	248	800	800
Office & General Supplies	<u>650</u>	<u>1,025</u>	<u>1,100</u>	<u>1,100</u>
TOTAL M., S. & E.	650	4,273	1,900	1,900
 <u>INTERNAL SERVICES</u>				
Administrative Services	7,282	28,202	35,300	35,300
Self-Insurance	<u>496</u>	<u>0</u>	<u>1,489</u>	<u>1,489</u>
TOTAL INTERNAL SERVICES	7,778	28,202	36,789	36,789
 <u>SPECIAL PURPOSE</u>				
Grants & Fixed Charges	<u>3,279</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL SPECIAL PURPOSE	3,279	0	0	0
 CDBG FUND TOTAL	 <u>192,425</u>	 <u>74,798</u>	 <u>81,682</u>	 <u>83,234</u>

AUDITING DEPARTMENT

The Auditing Department assists the Mayor and City Council in fulfillment of their fiduciary responsibilities by independently examining the City's internal control systems to ensure adequate controls exist to help ensure the accomplishment of the City's objectives in an effective and efficient manner. Those primary objectives are as follows:

- The City is properly collecting all revenue to which it is entitled and the revenue is adequately safeguarded and accounted for properly.
- City expenditures are properly authorized, made for legitimate purposes, and accounted for properly.
- City assets are adequately safeguarded and are periodically reconciled to an independent source.
- The City is in compliance with relevant laws and regulations.
- To make all City employees aware that internal controls are everyone's responsibility.

The Auditing Department is committed to delivering the highest quality audit services in a timely and cost-effective fashion, and to continue to develop into a knowledgeable and well-respected department. Its work is performed in accordance with the Institute of Internal Auditor's Standards for the Professional Practices of Internal Auditing and relevant governmental auditing standards. The Department is committed to meeting its annual goals and to monitoring its progress towards achieving them.

PRIORITIES FOR FISCAL YEAR 2006

- To complete the 2006 Plan, approved by the Audit Review Committee, and implementing the recommendations from the Deloitte & Touche "City of Wilmington Internal Audit Assessment" issued in March 2003. This includes performing a formal and comprehensive risk assessment of the various City departments and functions, and developing a risk-based internal audit plan for internal audit resource allocation to areas most critical to the City.
- To provide high quality audit services to the executive and legislative branches of the City government and, ultimately, the taxpayers. This includes introducing Risk Control Self-Assessment methodology to City Government.
- To continue the development of the knowledge, skills, and job satisfaction of the departmental staff, and ensure the Department sets an example for all other City Departments to follow as far as professional work ethic, integrity, objectivity, and confidentiality.

SUMMARY OF FUNDING FOR THE AUDITING DEPARTMENT

TOTAL ALL FUNDS AUDITING DEPARTMENT	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
Personal Services	325,970	335,567	329,346	345,421
Materials, Supplies & Equipment	228,218	225,347	201,484	184,220
Internal Services	46,349	39,055	34,968	53,534
Capitalization	<u>0</u>	<u>0</u>	<u>(2,400)</u>	<u>0</u>
TOTAL	<u>600,537</u>	<u>599,969</u>	<u>563,398</u>	<u>583,175</u>
STAFFING LEVELS	5.00	5.00	5.00	5.00

GENERAL FUND AUDITING DEPARTMENT	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
Personal Services	325,970	335,567	329,346	345,421
Materials, Supplies & Equipment	158,218	141,187	139,025	129,820
Internal Services	<u>46,349</u>	<u>39,055</u>	<u>34,968</u>	<u>53,534</u>
TOTAL	<u>530,537</u>	<u>515,809</u>	<u>503,339</u>	<u>528,775</u>
STAFFING LEVELS	5.00	5.00	5.00	5.00

WATER/SEWER FUND AUDITING DEPARTMENT	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
Materials, Supplies & Equipment	70,000	84,160	62,459	54,400
Capitalization	<u>0</u>	<u>0</u>	<u>(2,400)</u>	<u>0</u>
TOTAL	<u>70,000</u>	<u>84,160</u>	<u>60,059</u>	<u>54,400</u>
STAFFING LEVELS	0.00	0.00	0.00	0.00

MAJOR FUNDING CHANGES FROM PRIOR YEAR

- The cumulative effect of COLA's, higher pension costs, and other employee benefits contributed to a \$16,075 Personal Services increase.
- Accounting Fees charged by the City's CPA firm, McBride Shopa, for the annual financial audit increased from \$155,000 to \$170,000. There was a general contract increase of \$5,000 and an additional \$10,000 added specifically to pay for work done to ensure compliance with Statement on Auditing Standards (SAS) 99. The Accounting Fees are split 68% General Fund (\$115,600) and 32% Water/Sewer Fund (\$54,400).
- Computer Software funding of \$7,500 (\$5,100 General Fund; \$2,400 Water Fund) in FY 2005 was used to purchase ACL audit software. With the purchase completed, the account in both Funds has been reduced to zero this year.
- Internal Services in the General Fund increased \$18,566, mainly due to Data Processing, which rose \$16,856. The department was approved for a laptop computer to be used for on-site audit work.

NOTE ON PERFORMANCE INDICATORS

Prior to January 2004, when the Delaware State Legislature amended the City Charter, the Auditing Department had been responsible for reviewing every cash disbursement made by the City. Thus, the Auditing Department spent the majority of its time performing an operations function of reviewing cash disbursements for accuracy, appropriateness, and proper authorization. It is for this reason that several of the Performance Indicators show comparisons of the fiscal years ended June 30, 2004 and 2005. In future presentations the comparison of the Performance Indicators will be between the three most recent fiscal years.

AUDITING DEPARTMENT

PERFORMANCE INDICATORS

Goal #1: Build a strong internal audit function that is in compliance with the Institute of Internal Auditors' (IIAs') Standards for the Professional Practices of Internal Auditing and the National Association of Local Government Auditors (NALGAs') auditing standards.

Objective: Ensure department is in compliance with the IIAs' and NALGAs' Standards.

Goal #1 corresponds to the City's Strategic Plan, Policy Statements 1-A, 1-B, and 1-C on page 17.

CRITICAL INDICATOR	FY 2004 PROJECTED	FY 2004 ACTUAL	FY 2005 PROJECTED	FY 2005 ACTUAL	FY 2006 PROJECTED
Percentage of Professional Auditing Standards Meeting Full Compliance	N/A*	N/A*	90%	90%	100%

Goal #2: Provide ongoing comprehensive review of the controls over City's fiscal and operational management.

Objective: Issue five comprehensive audit reports covering major City functions/transaction cycles to include payroll.

Goal #2 corresponds to the City's Strategic Plan, Policy Statements 1-A, 1-B, 1-D, and 1-E on page 17.

CRITICAL INDICATOR	FY 2004 PROJECTED	FY 2004 ACTUAL	FY 2005 PROJECTED	FY 2005 ACTUAL	FY 2006 PROJECTED
Number of Audit Reports Issued	N/A*	N/A*	1	1	5

Goal #3: To continue the development of a department of highly trained, competent, and professional staff to set example for all other City departments to follow.

Objective: Provide each staff member with at least 40 hours of continuing professional education, and ensure that the training includes A 133 requirements..

Goal #3 corresponds to the City's Strategic Plan, Policy Statements 1-C and 1-E on page 17.

CRITICAL INDICATOR	FY 2004 PROJECTED	FY 2004 ACTUAL	FY 2005 PROJECTED	FY 2005 ACTUAL	FY 2006 PROJECTED
Technical Training Hours	100	53	80	82	40

* See Note on Page 111.

Goal #4: Assist departments/divisions of the City Government in strengthening internal controls to mitigate the chances of misappropriation of assets.

Objective: Audit, on a sample basis, the cash receipts and disbursement process. Provide recommendations to improve the process. Prior to year-end, monitor the process and determine the percentage of recommendations that have been implemented.

Goal #4 corresponds to the City's Strategic Plan, Policy Statements 1-A, 1-B, 1-C, and 1-D on page 17.

CRITICAL INDICATOR	FY 2004 PROJECTED	FY 2004 ACTUAL	FY 2005 PROJECTED	FY 2005 ACTUAL	FY 2006 PROJECTED
Percentage of cash processing departments monitored prior to year-end	N/A*	N/A*	N/A*	N/A*	100%
Percentage of recommendations implemented	N/A*	N/A*	N/A*	N/A*	75%

Goal #5: Ensure all departments understand that risk management is everyone's responsibility and that they should identify the risks applicable to their areas and assist in identifying controls to minimize those risks.

Objective: Provide training to five departments/divisions to assist them with performing a risk control self-assessment

Goal #6 corresponds to the City's Strategic Plan, Policy Statements 1-A, 1-B, 1-C, 1-D and 1-E on page 17.

CRITICAL INDICATOR	FY 2004 PROJECTED	FY 2004 ACTUAL	FY 2005 PROJECTED	FY 2005 ACTUAL	FY 2006 PROJECTED
Number of Departments that received training	N/A*	N/A*	N/A*	N/A*	5

* See Note on Page 111.

DEPARTMENTAL BUDGET DETAIL BY FUND

DEPARTMENT: AUDITING DEPARTMENT

FUND: GENERAL

	ACTUAL	ACTUAL	BUDGET	APPROVED
<u>PERSONAL SERVICES</u>	<u>FY2003</u>	<u>FY2004</u>	<u>FY2005</u>	<u>FY2006</u>
Regular Salaries	256,236	264,695	278,521	293,156
Temporary Salaries	0	0	0	0
Internet Reimbursements	90	503	900	900
Pension Contribution	8,393	12,067	12,176	14,658
Social Security	15,190	16,277	17,268	18,176
Medicare Tax	3,589	3,807	4,039	4,251
Hospitalization	40,255	35,114	46,293	44,131
Life Insurance	587	595	576	576
Pension Healthcare	1,630	2,509	3,616	3,616
Personal Services Adjustment	<u>0</u>	<u>0</u>	<u>(34,043)</u>	<u>(34,043)</u>
TOTAL PERSONAL SERVICES	<u>325,970</u>	<u>335,567</u>	<u>329,346</u>	<u>345,421</u>
<u>MATERIALS, SUPPLIES & EQUIPMENT</u>				
Transportation	2,446	3,571	5,200	5,600
Rentals	0	0	0	0
Professional Fees	150,451	127,590	117,000	115,600
Other Fees	0	0	0	420
Memberships & Registrations	4,405	7,339	8,500	7,500
Office & General Supplies	516	510	700	700
Equipment	400	2,177	2,525	0
Fixed Assets	<u>0</u>	<u>0</u>	<u>5,100</u>	<u>0</u>
TOTAL M., S. & E.	<u>158,218</u>	<u>141,187</u>	<u>139,025</u>	<u>129,820</u>
<u>INTERNAL SERVICES</u>				
Administrative Services	40,710	40,756	32,251	50,817
Self-Insurance	<u>5,639</u>	<u>(1,701)</u>	<u>2,717</u>	<u>2,717</u>
TOTAL INTERNAL SERVICES	<u>46,349</u>	<u>39,055</u>	<u>34,968</u>	<u>53,534</u>
GENERAL FUND TOTAL	<u>530,537</u>	<u>515,809</u>	<u>503,339</u>	<u>528,775</u>

DEPARTMENT: AUDITING DEPARTMENT**FUND: WATER/SEWER**

<u>MATERIALS, SUPPLIES & EQUIPMENT</u>	<u>ACTUAL FY2003</u>	<u>ACTUAL FY2004</u>	<u>BUDGET FY2005</u>	<u>APPROVED FY2006</u>
Professional Fees	70,000	84,160	60,059	54,400
Fixed assets	<u>0</u>	<u>0</u>	<u>2,400</u>	<u>0</u>
TOTAL M., S. & E.	70,000	84,160	62,459	54,400
<u>OTHER</u>				
Capitalization	<u>0</u>	<u>0</u>	<u>(2,400)</u>	<u>0</u>
TOTAL OTHER	0	0	(2,400)	0
<u>WATER/SEWER FUND TOTAL</u>	<u>70,000</u>	<u>84,160</u>	<u>60,059</u>	<u>54,400</u>

LAW DEPARTMENT

The Law Department provides advice, opinions and representation to the Mayor, City Council and City departments, boards and commissions. Its primary responsibilities include representing the City in litigation and employment issues, collecting debts and taxes due the City, preparing and approving all contracts, bonds and other written instruments, preparing legislation, and investigating and prosecuting violations of law occurring within the City.

PRIORITIES FOR FISCAL YEAR 2006
<ul style="list-style-type: none"> • Provide quality legal counsel to all City departments, boards, commissions and to City Council to ensure that all phases of City Government are providing services to the public in all communities throughout the City as mandated by the City Code and to eliminate or minimize potential litigation against the City by providing legal advice on a regular and ongoing basis. • Ensure the enforcement of the ordinances of the City and other laws within the City's jurisdiction, including the Housing, Building and Sanitation Codes, nuisance laws and collection of all debts, taxes and accounts due the City. • Encourage City departments to seek the advice and counsel of the Law Department on an ongoing basis to minimize the cost associated with litigation claims against the City. • Assist all departments in carrying out the City's mandates under state and federal law applicable to municipalities. • Provide legal advice and representation regarding the City's business and economic development and neighborhood planning initiatives, including issues involving environmental impact. • Draft ordinances to revise the City Code to improve the efficient operation of the City.

SUMMARY OF FUNDING FOR THE LAW DEPARTMENT

GENERAL FUND	ACTUAL	ACTUAL	BUDGET	APPROVED
LAW DEPARTMENT	FY2003	FY2004	FY2005	FY2006
Personal Services	1,296,783	1,404,313	1,486,265	1,575,419
Materials, Supplies & Equipment	418,389	401,868	451,408	497,835
Internal Services	141,684	105,804	103,454	155,594
TOTAL	<u>1,856,856</u>	<u>1,911,985</u>	<u>2,041,127</u>	<u>2,228,848</u>
STAFFING LEVELS	18.00	19.00	20.00	20.00

MAJOR FUNDING CHANGES FROM PRIOR YEAR

- The cumulative effect of COLA's and higher employee benefit costs were the major contributors to a \$89,154 Personal Services increase. Part of this total increase included \$6,000 for salary adjustments of \$2,000 each for an Assistant City Solicitor and two support staff. Netted as part of the total Personal Services increase was a \$1,830 reduction in Temporary Salaries.
- Legal Fees increased \$11,284 as part of a more focused effort to control Workers' Compensation costs and abuse, and to more tightly administer payments and subrogation.
- The replacement of office furniture for three attorneys (\$6,000), the purchase of two ergonomic chairs for the support staff (\$900), and the replacement of a typewriter (\$200) increased the Furniture, Fixture and Office Equipment account by \$5,100, to new total of \$7,100.
- The Additions & Improvements to Buildings account totals \$26,475. \$21,000 will be used to replace worn carpeting throughout the department and \$5,475 will help begin needed office renovations.
- Internal Services increased over \$52,000, mainly due to Data Processing (up over \$37,000) and Telephone (up over \$7,100).

LAW DEPARTMENT PERFORMANCE INDICATORS

Goal #1: Minimize court costs relating to monitions and litigation cases.

Objective: Recover 25% of annual appropriation for court cost.

Goal #1 corresponds to the City's Strategic Plan, Policy Statement 1-A on page 17.

CRITICAL INDICATOR	FY 2004 PROJECTED	FY 2004 ACTUAL	FY 2005 PROJECTED	FY 2005 ACTUAL	FY2006 PROJECTED
Court Cost recovered (in percentage)	25%	62%	25%	34%	25%

Goal #2: Continue efforts towards collection of delinquent property taxes and water/sewer fees.

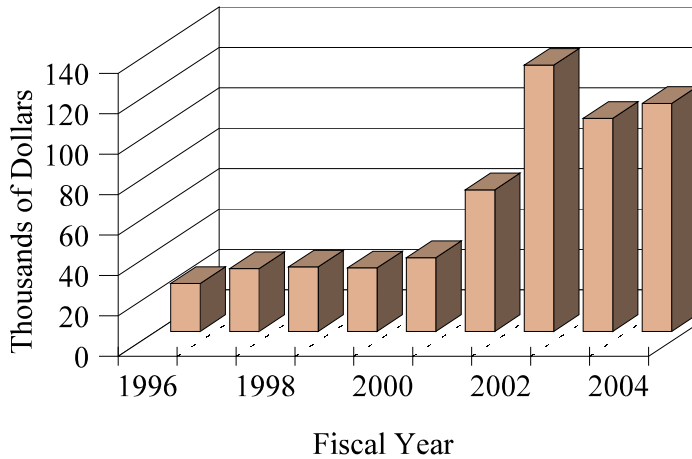
Objective: Maintain filing of writs of monition/vend ex monitions against tax-delinquent property owners at no less than 100 filings.

Goal #2 corresponds to the City's Strategic Plan, Policy Statement 1-A on page 17.

CRITICAL INDICATOR	FY 2004 PROJECTED	FY 2004 ACTUAL	FY 2005 PROJECTED	FY 2005 ACTUAL	FY 2006 PROJECTED
Number of filings	100	196	100	145	100

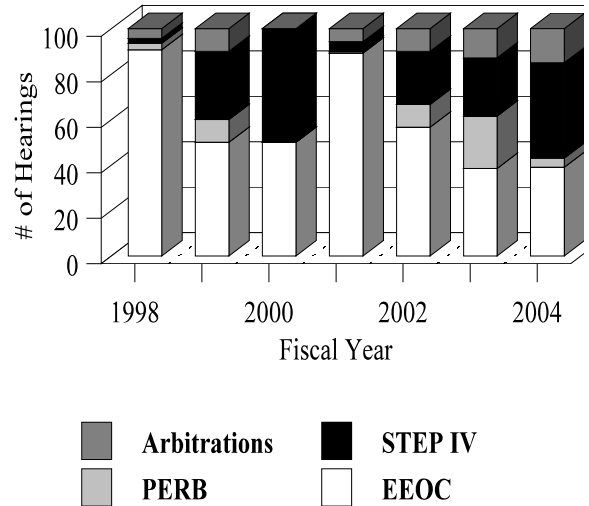
Law Department Performance Trends

Fines Imposed for Housing Code Prosecutions



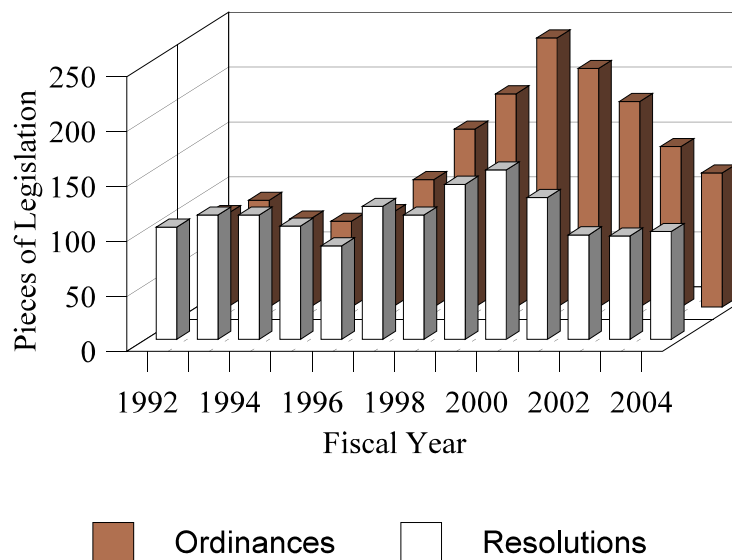
Emphasis continues to be placed on housing code enforcement and prosecution to maintain the quality of existing housing stock and to improve the living conditions of City residents.

Administrative Hearings Employment & Labor



One hundred twenty EEOC filings in 1998 and one hundred thirty EEOC filings in 2001 occurred from a single incident relating to voluntary police overtime. Each police officer involved in the matter elected to file his/her claim separately rather than having all claims consolidated into a single action.

Legislation Drafted



The demand for legislative drafting services is reflected above. Due to Council reorganization allowing greater resolution of issues while still in committee, it is anticipated that the demand for these services will continue to decline.

DEPARTMENTAL BUDGET DETAIL BY FUND

DEPARTMENT: LAW

FUND: GENERAL

PERSONAL SERVICES	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
Regular Salaries	1,028,969	1,133,345	1,182,126	1,253,090
Temporary Salaries	12,945	0	10,150	8,320
Acting Out of Classification	0	0	0	0
Internet Reimbursement	530	780	0	0
Pension Contribution	33,750	51,505	54,783	69,783
Social Security	62,479	69,700	73,858	77,470
Medicare Tax	14,994	16,308	17,288	18,291
Hospitalization	135,016	122,439	152,739	153,151
Life Insurance	2,303	2,201	2,252	2,245
Pension Healthcare	5,797	8,035	11,579	11,579
Personal Services Adjustment	<u>0</u>	<u>0</u>	<u>(18,510)</u>	<u>(18,510)</u>
TOTAL PERSONAL SERVICES	<u>1,296,783</u>	<u>1,404,313</u>	<u>1,486,265</u>	<u>1,575,419</u>
 <u>MATERIALS, SUPPLIES & EQUIPMENT</u>				
Printing & Advertising	905	656	1,050	1,050
Communications & Utilities	50	107	400	400
Transportation	5,747	6,215	5,700	5,700
Contracted Maintenance Repair	758	248	1,712	1,370
Professional Fees	344,430	313,070	349,956	358,470
Other Fees	36,945	45,850	55,090	61,770
Memberships & Registrations	26,390	22,727	32,300	32,300
Office & General Supplies	3,164	2,458	3,200	3,200
Equipment	0	4,314	2,000	7,100
Fixed Assets	<u>0</u>	<u>6,223</u>	<u>0</u>	<u>26,475</u>
TOTAL M., S. & E.	<u>418,389</u>	<u>401,868</u>	<u>451,408</u>	<u>497,835</u>
 <u>INTERNAL SERVICES</u>				
Administrative Services	103,960	115,310	84,484	136,623
Self-Insurance	<u>37,724</u>	<u>(9,506)</u>	<u>18,970</u>	<u>18,971</u>
TOTAL INTERNAL SERVICES	<u>141,684</u>	<u>105,804</u>	<u>103,454</u>	<u>155,594</u>
 GENERAL FUND TOTAL	 <u><u>1,856,856</u></u>	 <u><u>1,911,985</u></u>	 <u><u>2,041,127</u></u>	 <u><u>2,228,848</u></u>

MUNICIPAL COURT

Municipal Court's mission was to assure all cases heard before the court were processed within all statutory guidelines in an unbiased and timely manner, while assuring that the principles found in the Constitution of the United States and the State of Delaware were upheld.

Municipal Court had processed all misdemeanors committed within the limits of the City of Wilmington and conducted all preliminary hearings for felonies and related misdemeanors committed within the City limits.

SUMMARY OF FUNDING FOR MUNICIPAL COURT

GENERAL FUND MUNICIPAL COURT	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
Personal Services	0	5,473	0	0
Materials, Supplies & Equipment	0	0	0	0
Internal Services	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL	<u><u>0</u></u>	<u><u>5,473</u></u>	<u><u>0</u></u>	<u><u>0</u></u>
STAFFING LEVELS	0.00	0.00	0.00	0.00

MAJOR FUNDING CHANGES FROM PRIOR YEAR

- Municipal Court was merged into the State of Delaware Court System in May 1998, at the end of Fiscal Year 1998. Wilmington had been the only local government in the State of Delaware mandated to operate and fund its own court. As part of the agreement with the State, the City (over a four year phase-in period) paid the differences in salaries and benefits for employees that transferred over to the State.
- The \$5,473 listed under FY 2004 is the result of a retroactive parity wage settlement given to former City employees, including those of the now defunct Municipal Court.

DEPARTMENT OF FINANCE

The mission of the Department of Finance is to manage the fiscal activities of the City in order 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 administrative services.

PRIORITIES FOR FISCAL YEAR 2006
<ul style="list-style-type: none"> • Continue to improve the City's collection performance effectiveness and to reduce outstanding receivables. • To achieve the GFOA's Certificate of Achievement For Excellence in Financial Reporting. • Continue to improve upon internal controls to provide timely and accurate financial data.

SUMMARY OF FUNDING FOR THE DEPARTMENT OF FINANCE

TOTAL ALL FUNDS DEPARTMENT OF FINANCE	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
Personal Services	3,893,258	3,837,005	4,031,932	4,087,394
Materials, Supplies & Equipment	1,631,120	1,445,949	1,672,476	1,398,369
Internal Services	1,063,983	755,589	973,695	1,163,787
Debt Service	72,700	57,527	102,458	297,500
Capitalization	(8,526)	(21,206)	0	(6,000)
Depreciation/Amortization	33,512	31,260	29,493	29,493
Contingent Reserves	0	0	0	0
TOTAL	<u>6,686,047</u>	<u>6,106,124</u>	<u>6,810,054</u>	<u>6,970,543</u>
STAFFING LEVELS	101.00	68.00	69.00	67.00

GENERAL FUND DEPARTMENT OF FINANCE	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
Personal Services	1,811,369	1,816,144	1,839,271	1,934,993
Materials, Supplies & Equipment	745,629	526,909	613,158	374,961
Internal Services	685,578	297,151	491,821	519,678
Debt Service	22,006	26,100	46,626	189,368
TOTAL	<u>3,264,582</u>	<u>2,666,304</u>	<u>2,990,876</u>	<u>3,019,000</u>
STAFFING LEVELS	54.30	29.30	30.40	30.30

CONTINGENT RESERVES DEPARTMENT OF FINANCE	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
Contingency	0	0	0	0
Snow & Weather Emergencies	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
STAFFING LEVELS	0.00	0.00	0.00	0.00

WATER/SEWER FUND DEPARTMENT OF FINANCE	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
Personal Services	1,523,443	1,451,619	1,612,007	1,609,745
Materials, Supplies & Equipment	344,809	369,926	439,310	387,299
Internal Services	300,761	368,929	405,476	526,358
Debt Service	50,694	33,275	53,559	104,879
Capitalization	(3,813)	(5,230)	0	0
Depreciation/Amortization	<u>26,756</u>	<u>24,278</u>	<u>22,190</u>	<u>22,190</u>
TOTAL	<u>2,242,650</u>	<u>2,242,797</u>	<u>2,532,542</u>	<u>2,650,471</u>
STAFFING LEVELS	28.70	28.70	28.70	27.70

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) DEPARTMENT OF FINANCE	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
Personal Services	<u>59,486</u>	<u>53,127</u>	<u>53,484</u>	<u>0</u>
TOTAL	<u>59,486</u>	<u>53,127</u>	<u>53,484</u>	<u>0</u>
STAFFING LEVELS	0.00	1.00	0.90	0.00

INTERNAL SERVICES FUND DEPARTMENT OF FINANCE	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
Personal Services	498,960	516,115	527,170	542,656
Materials, Supplies & Equipment	540,682	549,114	620,008	636,109
Internal Services	77,644	89,508	76,398	117,751
Debt Service	0	(1,848)	0	3,253
Capitalization	(4,713)	(15,976)	0	(6,000)
Depreciation	<u>6,756</u>	<u>6,982</u>	<u>7,303</u>	<u>7,303</u>
TOTAL	<u>1,119,329</u>	<u>1,143,895</u>	<u>1,230,879</u>	<u>1,301,072</u>
STAFFING LEVELS	18.00	9.00	9.00	9.00

COMMERCE FUND DEPARTMENT OF FINANCE	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
Debt Service	<u>0</u>	<u>0</u>	<u>2,273</u>	<u>0</u>
TOTAL	<u>0</u>	<u>0</u>	<u>2,273</u>	<u>0</u>
STAFFING LEVELS	0.00	0.00	0.00	0.00

GENERAL FUND MAJOR FUNDING CHANGES FROM PRIOR YEAR

- Regular Salaries increased by \$60,310, which is due to the annual salary step increases and the cumulative cost associated with labor contract settlements.
- Overtime went up by \$20,300, from \$34,700 to \$55,000, primarily as a result of the Earned Income Tax Division increased activities.
- Meal Allowance increased \$4,480. It has a direct relationship with the increased of Overtime in the Earned Income Tax Division.
- Pension Contribution increased \$20,930 as funding target levels have been adjusted upward by the actuarial consultant.
- Travel and Subsistence is budgeted \$7,200 to allow the staff to attend the GFOA Annual Conference, workshops for CAFR preparation, and seminars for self-development.
- Last year, a special appropriation of \$75,000 was budgeted in Accounting Fees for a fixed asset inventory review. That was eliminated in FY 2006.
- There is a reduction of \$195,200 in Data Processing Direct Charges, from \$360,200 down to \$165,000. This reflects recent trends of lower expenditures and the transfer of a portion (\$110,000) of the administrative costs associated with the collection of Parking Citation Revenue to the Police Department.
- Miscellaneous Charges went up \$40,000 to cover the administrative cost of the Lockbox service. Previously, this cost had been booked as a contra-revenue, or had been combined with Data Processing Direct Charges expenses.
- Debt Service increased \$142,740. This change is due to the Principal and Interest Payments on existing debt schedules and the funding of the FY 2004 Capital Budget.

WATER SEWER FUND MAJOR FUNDING CHANGES FROM PRIOR YEAR

- A vacant water meter reader position was eliminated, reducing staffing down to 28 and saving \$41,239.
- Last year a special appropriation of \$50,000 was budgeted in Accounting Fees for a fixed asset inventory review. That was eliminated in FY 2006.
- Furniture, Fixtures and Office Equipment in the amount of \$7,000 is for new tables and chairs for the Revenue conference room.
- The Data Processing Account increased \$137,180 based on recent trends of usage and reflecting the cost of the mainframe system conversion.
- Debt Service increased \$51,320 as per the interest payments on the existing debt schedule and the funding of the FY 2004 Capital Budget.

CDBG FUNDS MAJOR FUNDING CHANGES FROM PRIOR YEAR

- The Senior Program Specialist has been eliminated, saving \$53,480. The responsibilities will be absorbed by the existing staff in the Department of Real Estate and Housing. This was the only CDBG funded position in the Department.

INTERNAL SERVICES FUNDS MAJOR FUNDING CHANGES FROM PRIOR YEAR

- Combined, the Internal Services Funds rose a net 5.7% of \$70,193, changing from \$1,230,879 up to \$1,301,072. The Internal Services Funds are: Word Processing (up \$30,496), Mail Service (up \$17,373), Duplication & Reproduction (down \$14,990), and Mapping & Graphics (up \$34,061).
- Personal Services across all four Funds increased a net total of \$15,486, mainly as a result of the cumulative effect of COLA's and higher pension costs.
- Stationary & Supplies rose a net total of \$11,500, due mostly to increases in the Word Processing and Mapping & Graphics Funds.
- Anticipating an increase in postage of up to 7.5% by USPS, the Postage Direct account in the Mail Service Fund increased \$15,000, to a new total of \$215,000.
- Data Processing chargeback costs increased \$22,633 in the Word Processing Fund and \$12,574 in the Mapping & Graphics Fund. Word Processing and Mapping & Graphics are heavily involved in the developing a City-wide GIS database.

**DEPARTMENT OF FINANCE
PERFORMANCE INDICATORS**

Goal #1: To maximize revenues.

Objective: Increase dollars collected on delinquent earned income tax accounts by \$700,000.

Goal #1 corresponds to the City's Strategic Plan, Policy Statement 1-A on page 17.

CRITICAL INDICATOR	FY 2004 PROJECTED	FY 2004 ACTUAL	FY 2005 PROJECTED	FY 2005 ACTUAL	FY 2006 PROJECTED
Dollars Collected	\$600,000	\$617,592	\$650,000	\$665,000	\$700,000

Goal #2: To maximize the efficient utilization of the available cash processing resources.

Objective: 60% of payments processed automatically by the lockbox service.

Goal #2 corresponds to the City's Strategic Plan, Policy Statement 1-A on page 17.

CRITICAL INDICATOR	FY 2004 PROJECTED	FY 2004 ACTUAL	FY 2005 PROJECTED	FY 2005 ACTUAL	FY 2006 PROJECTED
Numbers of Payments Processed	120,000	104,913	120,000	133,894	140,033
Percentage of Payments Processed	50%	42%	50%	58%	60%

Goal #3: To provide the public with information about the financial condition of the City in a manner that reflects the highest standards of financial reporting.

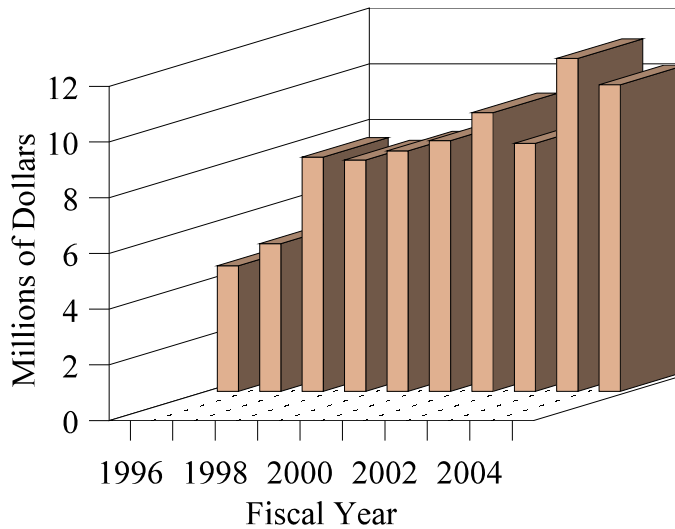
Objective: To receive the GFOA Certificate of Excellence in Financial Reporting.

Goal #3 corresponds to the City's Strategic Plan, Policy Statements 1-A, 1-D and 1-E on page 17.

CRITICAL INDICATOR	FY 2004 PROJECTED	FY 2004 ACTUAL	FY 2005 PROJECTED	FY 2005 ACTUAL	FY 2006 PROJECTED
GFOA Certificate of Excellence in Financial Reporting Recipient	1	Pending	1	Pending	1

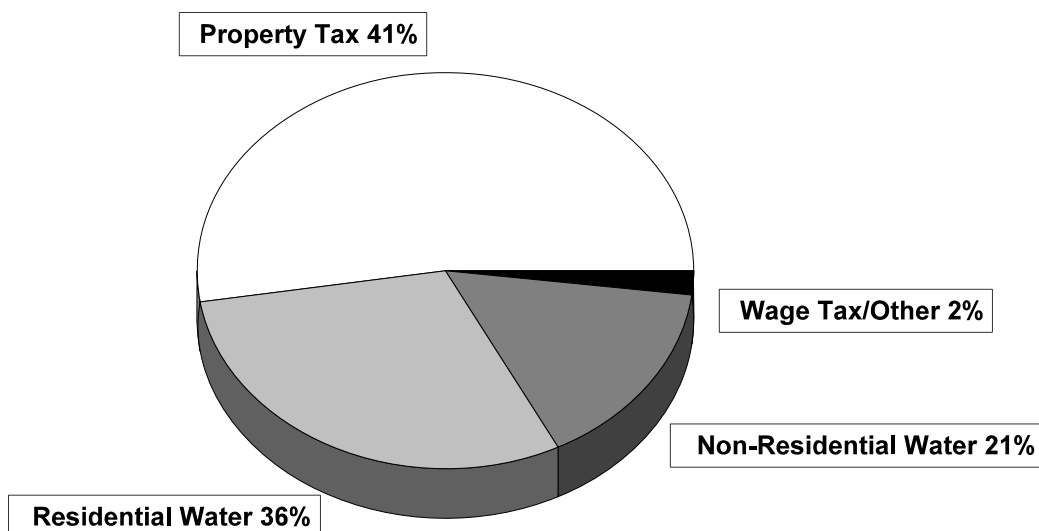
Department of Finance Performance Trends

Delinquent Enforcement Annual Collections



The Delinquent Enforcement Division is responsible for collecting delinquent net profit, property and wage taxes, business licenses fees and water bills for the Finance Department. Since its inception in 1988, over \$82 million has been received as a result of the division's efforts. Over \$11 million in delinquent accounts were collected in FY 2005.

Delinquent Accounts Collections By Revenue Type FY 2005



DEPARTMENTAL BUDGET DETAIL BY FUND

DEPARTMENT: FINANCE

FUND: GENERAL

PERSONAL SERVICES	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
Regular Salaries	1,309,722	1,326,591	1,382,541	1,442,850
Temporary Salaries	16,072	1,263	8,000	5,000
Acting Out of Class	681	452	0	0
Sick Leave Bonus	2,070	1,400	2,530	3,000
Overtime	38,562	50,873	34,700	55,000
Meal Allowance	3,928	5,126	3,570	8,050
Clothing Allowance	0	13	0	0
Internet Reimbursement	1,911	2,388	1,748	3,179
Pension Contribution	69,494	72,105	76,196	97,130
Social Security	84,792	84,839	88,852	94,098
Medicare Tax	19,883	19,841	20,778	22,042
Hospitalization	251,400	239,808	291,790	276,238
Life Insurance	3,404	3,089	3,488	3,328
Pension Healthcare	9,450	8,356	12,041	12,041
Personal Services Adjustment	<u>0</u>	<u>0</u>	<u>(86,963)</u>	<u>(86,963)</u>
TOTAL PERSONAL SERVICES	1,811,369	1,816,144	1,839,271	1,934,993
 <u>MATERIALS, SUPPLIES & EQUIPMENT</u>				
Printing & Advertising	37,338	40,852	48,420	48,290
Communications & Utilities	10,943	10,776	14,202	15,162
Transportation	5,447	5,326	6,450	7,950
Contracted Maintenance Repairs	115	350	976	924
Professional Fees	373,429	24,390	105,000	23,000
Other Fees	0	121	0	0
Memberships & Registrations	6,505	7,656	21,500	17,755
Miscellaneous Services	277,264	408,099	400,700	245,500
Office & General Supplies	6,710	7,936	5,350	7,120
Miscellaneous Parts	60	0	400	400
Equipment	14,815	7,678	6,860	8,360
Fixed Assets	<u>13,003</u>	<u>13,725</u>	<u>3,300</u>	<u>500</u>
TOTAL M., S. & E.	745,629	526,909	613,158	374,961
 <u>INTERNAL SERVICES</u>				
Administrative Services	496,949	405,616	419,760	447,617
Self-Insurance	<u>188,629</u>	<u>(108,465)</u>	<u>72,061</u>	<u>72,061</u>
TOTAL INTERNAL SERVICES	685,578	297,151	491,821	519,678

DEPARTMENT: FINANCE

FUND: GENERAL

	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
DEBT SERVICE				
Principal Payments	7,760	15,070	24,495	88,321
Interest Payments	<u>14,246</u>	<u>11,030</u>	<u>22,131</u>	<u>101,047</u>
TOTAL DEBT SERVICE	22,006	26,100	46,626	189,368
GENERAL FUND TOTAL	<u>3,264,582</u>	<u>2,666,304</u>	<u>2,990,876</u>	<u>3,019,000</u>

DEPARTMENT: FINANCE

FUND: CONTINGENT RESERVES

	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
CONTINGENT RESERVES				
Contingency	0	0	0	0
Snow & Weather Emergencies	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
CONTINGENT RESERVES TOTAL	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

DEPARTMENT: FINANCE

FUND: WATER/SEWER

	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
PERSONAL SERVICES				
Regular Salaries	1,134,924	1,087,609	1,174,708	1,176,633
Temporary Salaries	2,036	1,200	5,500	5,500
Acting Out of Class	349	479	500	500
Sick Leave Bonus	830	600	1,470	1,100
Overtime	22,667	11,366	12,000	13,000
Meal Allowance	2,165	1,333	1,250	2,350
Clothing Allowance	2,000	2,238	2,650	2,650
Internet Reimbursements	1,554	1,392	1,772	2,246
Accrued Sick/Vacation	15,055	(245)	0	0
Pension Contribution	41,206	51,551	56,684	69,301
Social Security	71,035	69,023	81,277	75,120
Medicare Tax	16,714	16,141	17,395	17,576
Hospitalization	208,453	203,977	250,240	237,650
Life Insurance	2,959	2,667	3,263	2,821
Pension Healthcare	<u>1,496</u>	<u>2,288</u>	<u>3,298</u>	<u>3,298</u>
TOTAL PERSONAL SERVICES	1,523,443	1,451,619	1,612,007	1,609,745

DEPARTMENT: FINANCE

FUND: WATER/SEWER

MATERIALS, SUPPLIES & EQUIPMENT	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
Printing & Advertising	3,277	8,886	14,400	14,206
Communications & Utilities	0	0	1,123	1,098
Transportation	1,883	2,006	2,900	2,750
Contracted Maintenance Repairs	98	0	1,684	1,636
Professional Fees	9,742	43,734	76,000	15,000
Memberships & Registrations	859	2,267	6,150	6,650
Miscellaneous Services	21,736	22	40,000	40,000
Office & General Supplies	3,233	2,209	2,940	3,456
Wearing Apparel & Safety Supplies	6,004	4,518	7,030	6,600
Miscellaneous Parts	434	11,914	5,400	5,920
Supporting Services	276,684	276,684	276,683	276,683
Equipment	17,046	12,456	5,000	13,300
Fixed Assets	<u>3,813</u>	<u>5,230</u>	<u>0</u>	<u>0</u>
TOTAL M., S. & E.	344,809	369,926	439,310	387,299
<u>INTERNAL SERVICES</u>				
Administrative Services	208,445	405,807	364,801	485,683
Self-Insurance	<u>92,316</u>	<u>(36,878)</u>	<u>40,675</u>	<u>40,675</u>
TOTAL INTERNAL SERVICE	300,761	368,929	405,476	526,358
<u>DEBT SERVICE</u>				
Interest Payment	50,694	31,289	53,559	104,879
Other Fiscal Charges	<u>0</u>	<u>1,986</u>	<u>0</u>	<u>0</u>
TOTAL DEBT SERVICE	50,694	33,275	53,559	104,879
<u>OTHER</u>				
Capitalization	(3,813)	(5,230)	0	0
Depreciation	<u>26,756</u>	<u>24,278</u>	<u>22,190</u>	<u>22,190</u>
TOTAL OTHER	22,943	19,048	22,190	22,190
WATER/SEWER FUND TOTAL	<u>2,242,650</u>	<u>2,242,797</u>	<u>2,532,542</u>	<u>2,650,471</u>

DEPARTMENT: FINANCE**FUND: CDBG**

PERSONAL SERVICES	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
Regular Salaries	54,097	45,890	45,889	0
Internet Reimbursements	76	155	0	0
Pension Contribution	0	2,786	3,136	0
Social Security	3,358	2,799	2,878	0
Medicare Tax	785	654	671	0
Hospitalization	1,073	751	806	0
Life Insurance	<u>97</u>	<u>92</u>	<u>104</u>	<u>0</u>
TOTAL PERSONAL SERVICES	59,486	53,127	53,484	0
CDBG FUND TOTAL	<u>59,486</u>	<u>53,127</u>	<u>53,484</u>	<u>0</u>

DEPARTMENT: FINANCE

FUND: INTERNAL SERVICES

PERSONAL SERVICES	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
Regular Salaries	373,774	384,786	378,475	384,858
Temporary Salaries	5,846	3,321	5,000	5,000
Acting Out of class	0	0	300	0
Sick Leave Bonus	600	600	600	600
Overtime	263	54	1,500	1,500
Meal Allowance	0	0	50	50
Internet Reimbursements	660	405	800	600
Accrued Vacation	4,053	594	0	0
Pension Contribution	15,630	22,640	22,391	28,378
Social Security	23,523	24,029	23,977	24,342
Medicare Tax	5,502	5,620	5,607	5,693
Hospitalization	68,073	73,101	82,589	85,778
Life Insurance	1,036	965	1,024	1,000
Pension Healthcare	<u>0</u>	<u>0</u>	<u>4,857</u>	<u>4,857</u>
TOTAL PERSONAL SERVICES	498,960	516,115	527,170	542,656
<u>MATERIALS, SUPPLIES & EQUIPMENT</u>				
Printing & Advertising	46,417	76,022	55,000	70,000
Communications & Utilities	183,937	170,577	200,000	215,000
Transportation	0	250	0	200
Rentals	152,660	156,474	180,000	159,892
Contracted Maintenance Repairs	19,751	4,870	10,698	20,798
Other Fees	1,000	0	2,000	2,000
Memberships & Registrations	5,788	3,059	4,100	5,450
Miscellaneous Services	58,081	57,821	64,000	65,500
Office & General Supplies	67,533	59,554	74,247	86,598
Miscellaneous Parts	802	156	3,963	4,671
Equipment	0	4,355	26,000	0
Fixed Assets	<u>4,713</u>	<u>15,976</u>	<u>0</u>	<u>6,000</u>
TOTAL M., S. & E.	540,682	549,114	620,008	636,109
<u>INTERNAL SERVICES</u>				
Administrative Services	76,352	85,719	72,411	113,764
Self-Insurance	<u>1,292</u>	<u>3,789</u>	<u>3,987</u>	<u>3,987</u>
TOTAL INTERNAL SERVICES	77,644	89,508	76,398	117,751

DEPARTMENT: FINANCE

FUND: INTERNAL SERVICES

DEBT SERVICE	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
Interest Payments	<u>0</u>	<u>(1,848)</u>	<u>0</u>	<u>3,253</u>
TOTAL DEBT SERVICE	0	(1,848)	0	3,253
 OTHER				
Capitalized Expenditures	(4,713)	(15,976)	0	(6,000)
Depreciation	<u>6,756</u>	<u>6,982</u>	<u>7,303</u>	<u>7,303</u>
TOTAL OTHER	2,043	(8,994)	7,303	1,303
 INTERNAL SERVICES FUND TOTAL	<u>1,119,329</u>	<u>1,143,895</u>	<u>1,230,879</u>	<u>1,301,072</u>

DEPARTMENT: FINANCE

FUND: COMMERCE

DEBT SERVICE	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
Interest Payments	<u>0</u>	<u>0</u>	<u>2,273</u>	<u>0</u>
TOTAL DEBT SERVICE	0	0	2,273	0
 COMMERCE FUND TOTAL	<u>0</u>	<u>0</u>	<u>2,273</u>	<u>0</u>

DEPARTMENT OF PERSONNEL

The mission of the Department of Personnel is to provide the necessary human resources to City Departments in order to promote the highest quality work force, 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. Additionally, it serves as the focal point for interaction with the City's collective bargaining units.

The Department also administers the City's Risk Management and Employee Benefits Programs.

PRIORITIES FOR FISCAL YEAR 2006
<ul style="list-style-type: none"> • Enhance the delivery of human resources services to City departments through the implementation of revised legislation, policies and procedures, and management information systems. • Promote a harmonious and effective working relationships with all the bargaining units affiliated with the City of Wilmington. • Manage the City's risk exposure by implementing more effective personnel practices, health and safety, and claims management programs. • Provide management and employee training to continue to develop the City's work force and enhance productivity. • Recognize and reward employees for exemplary contributions to the City of Wilmington.

SUMMARY OF FUNDING FOR THE DEPARTMENT OF PERSONNEL

TOTAL ALL FUNDS	ACTUAL	ACTUAL	BUDGET	APPROVED
DEPARTMENT OF PERSONNEL	FY2003	FY2004	FY2005	FY2006
Personal Services	1,313,322	1,380,586	1,367,721	1,442,266
Materials, Supplies & Equipment	1,265,582	1,543,233	1,885,872	1,683,315
Internal Services	275,924	229,027	237,078	276,528
Capitalization	0	0	7,000	0
Depreciation	20,763	18,516	15,166	15,166
Special Purpose	<u>16,258,975</u>	<u>5,831,675</u>	<u>12,715,910</u>	<u>12,504,179</u>
TOTAL	<u>19,134,566</u>	<u>9,003,037</u>	<u>16,228,747</u>	<u>15,921,454</u>
STAFFING LEVELS	21.00	21.00	21.00	21.00

GENERAL FUND DEPARTMENT OF PERSONNEL	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
Personal Services	899,922	951,935	933,884	974,770
Materials, Supplies & Equipment	48,457	87,535	90,126	138,327
Internal Services	<u>261,371</u>	<u>196,506</u>	<u>208,781</u>	<u>240,731</u>
TOTAL	<u>1,209,750</u>	<u>1,235,976</u>	<u>1,232,791</u>	<u>1,353,828</u>
STAFFING LEVELS	14.00	14.00	14.00	14.00

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) DEPARTMENT OF PERSONNEL	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
Special Purpose	<u>11,598</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL	<u>11,598</u>	<u>0</u>	<u>0</u>	<u>0</u>
STAFFING LEVELS	0.00	0.00	0.00	0.00

RISK MANAGEMENT FUND DEPARTMENT OF PERSONNEL	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
Personal Services	86,736	94,284	91,845	98,422
Materials, Supplies & Equipment	978,220	1,162,477	1,466,151	1,184,712
Internal Services	7,306	19,323	17,952	23,000
Depreciation	20,154	18,129	13,102	13,102
Special Purpose	<u>3,568,045</u>	<u>(4,403,375)</u>	<u>0</u>	<u>0</u>
TOTAL	<u>4,660,461</u>	<u>(3,109,162)</u>	<u>1,589,050</u>	<u>1,319,236</u>
STAFFING LEVELS	1.30	1.30	1.30	1.30

WORKERS' COMPENSATION FUND DEPARTMENT OF PERSONNEL	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
Personal Services	260,609	259,854	269,624	293,531
Materials, Supplies & Equipment	238,826	292,741	304,545	360,236
Internal Services	5,309	10,642	9,107	10,445
Capitalization	0	0	7,000	0
Depreciation	94	0	1,549	1,549
Special Purpose	<u>3,609,921</u>	<u>1,316,210</u>	<u>2,297,500</u>	<u>2,230,150</u>
TOTAL	<u>4,114,759</u>	<u>1,879,447</u>	<u>2,889,325</u>	<u>2,895,911</u>
STAFFING LEVELS	4.50	4.50	4.50	4.50

HEALTH & WELFARE FUND DEPARTMENT OF PERSONNEL	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
Personal Services	66,055	74,513	72,368	75,543
Materials, Supplies & Equipment	79	480	25,050	40
Internal Services	1,938	2,556	1,238	2,352
Depreciation	515	387	515	515
Special Purpose	<u>9,069,411</u>	<u>8,918,840</u>	<u>10,418,410</u>	<u>10,274,029</u>
TOTAL	<u>9,137,998</u>	<u>8,996,776</u>	<u>10,517,581</u>	<u>10,352,479</u>
STAFFING LEVELS	1.20	1.20	1.20	1.20

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

- The cumulative effect of COLA's, higher pension costs, and two position upgrades were the major contributors to a \$40,886 Personal Services increase. The Personnel Office Assistant was upgraded from a grade D-3 to a grade G-2, at a cost of \$1,075. The Labor Relations Manager (grade M 05) was upgraded to a Labor Relations Classification Manager (grade M 06), at a cost of \$4,395.
- Consultants increased by \$40,900, to a new total of \$70,900. Specialists will be providing three employment relations training sessions at \$4,200, four effective writing course sessions at \$6,700, and a leadership training seminar at \$10,000. An employee compensation study (costing \$50,000) will be done to evaluate all non-uniformed positions, providing bench-marking, market comparisons, and recommendations for adjustments to the wage scale.
- The Temporary Agencies account was budgeted in the amount of \$2,880 to provide coverage when the Administrative Assistant II and Personnel Office Assistant are on vacation or out sick.
- Miscellaneous Materials Supplies and Parts increased \$5,810 to cover the cost of the Keys-to-Success Luncheons, the Annual Awards Banquet Dinner, and other miscellaneous employee awards.
- Internal Services went from \$208,781 to \$240,731, a net increase of \$31,950, mainly due to a rise of \$46,655 in Data Processing and a decrease in Mapping & Graphics of \$12,888.

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

- The Claims Analyst (grade M-5) was upgraded to a Claims Supervisor (grade P-3), at a cost of \$2,930.
- Insurance decreased by \$296,036, changing from \$1,421,680 to \$1,125,644. Due to the trending down of the last two years, Fire Insurance was decreased \$5,500; Liability Insurance was lowered \$200,000; the Insurance Claims account was reduced \$85,000; Other Insurance decreased \$4,000; and Surety Bonds went down \$1,536.
- \$55,000 was budgeted for Consultants. This will cover the cost of the annual actuary study (\$15,000), software support for the RiskMaster (\$15,000), and to engage a Third Party Administrator (\$25,000).

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

- Medical Fees increased \$75,000, from \$85,000 to \$160,000. The additional amount is to cover the cost of annual physicals for Police Officers and Firefighters, as stipulated in their respective union contracts.
- \$25,000 has been earmarked to provide office equipment to upgrade unsatisfactory working conditions in areas found in need of improvement by the City-wide ergonomics review.
- Workers Comp Costs O.T. increased from \$75,000 to \$106,400, because the State of Delaware self-insurance premium for Workers' Compensation quarterly premiums have risen to \$26,600.
- Self Insurance costs went down a net \$98,750. The Medical account decreased by \$125,000, while W/C Perm Disability increased \$16,250 (due to a 2.5% benefit increase), and W/C Other Costs for attorney fees went up \$10,000.

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

- The Self Insurance Costs in the Health and Welfare Fund decreased \$144,381, mainly due to the reduction of \$10,000 in the Employee Assistance Program, \$72,160 in the Life Insurance Account, and \$61,250 in the Long-term Disability Account.
- \$25,000 for Consultants was eliminated. Funding last year was for a medical claims audit.

DEPARTMENT OF PERSONNEL

PERFORMANCE INDICATORS

Goal #1: Continue to promote a harmonious working relationship with all the bargaining units affiliated with the City of Wilmington.

Objective: Limit the number of labor grievances by administering collective bargaining agreements in a fair and consistent manner.

Goal #1 corresponds to the City's Strategic Plan, Policy Statement 1-E on page 17.

CRITICAL INDICATOR	FY 2004 PROJECTED	FY 2004 ACTUAL	FY 2005 PROJECTED	FY 2005 ACTUAL	FY 2006 PROJECTED
Number of Grievances	25	23	23	19	21

Goal #2: Increase employee skill levels necessary to perform essential class functions.

Objective: Conduct 70 training workshops.

Goal #2 corresponds to the City's Strategic Plan, Policy Statements 1-B, 1-C, and 1-E on page 17.

CRITICAL INDICATOR	FY 2004 PROJECTED	FY 2004 ACTUAL	FY 2005 PROJECTED	FY 2005 ACTUAL	FY 2006 PROJECTED
Number of Training Workshops	90	58	70	66	70

DEPARTMENT OF PERSONNEL
PERFORMANCE INDICATORS

Goal #3: Identify and measure all property, net income, liability and personnel loss exposures.

Objective: Project the claims frequency for workers compensation and property, auto, police, professional and public officials' liability.

Goal #3 corresponds to the City's Strategic Plan, Policy Statement 1-A on page 17.

CRITICAL INDICATOR	FY 2004 PROJECTED	FY 2004 ACTUAL	FY 2005 PROJECTED	FY 2005 ACTUAL	FY 2006 PROJECTED
Claims Frequency	300	306	300	270	244

Goal #4: Recognize and reward employees for exemplary contributions to the City of Wilmington.

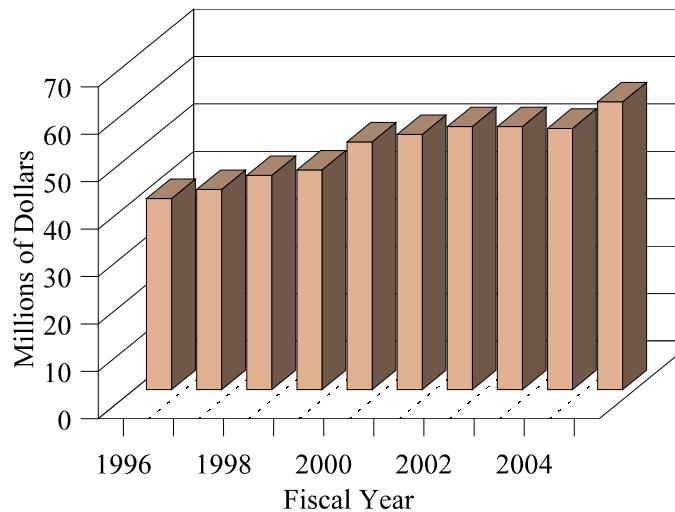
Objective: Reward employees nominated by their peers and for length of service with the City.

Goal #4 corresponds to the City's Strategic Plan, Policy Statements 1-D, and 1-E on page 17.

CRITICAL INDICATOR	FY 2004 PROJECTED	FY 2004 ACTUAL	FY 2005 PROJECTED	FY 2005 ACTUAL	FY 2006 PROJECTED
Number of Employees Awarded	280	243	250	267	260

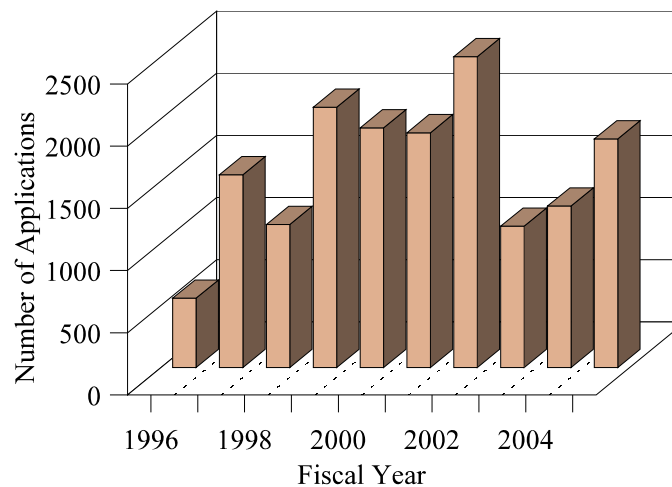
Department of Personnel Performance Trends

Payroll - All Employees



Settlement of parity issues relating to union contracts added to the City's payroll in FY 2002. In FY 2005, after three years of no general wage increases across-the-board, bonuses and salary increases were implemented and paid retroactively back to FY 2002 for all employees.

Employment Applications



Employment applications with the City significantly declined due to the hiring freeze in FY 1996. As the freeze was lifted during FY 1997 and FY 1998, applications for employment increased. This offered a larger and more competitive pool of candidates from which to select employees. The Police recruit class played a large part in the FY 2005 increase.

DEPARTMENTAL BUDGET DETAIL BY FUND

DEPARTMENT: PERSONNEL

FUND: GENERAL

	ACTUAL	ACTUAL	BUDGET	APPROVED
PERSONAL SERVICES	FY2003	FY2004	FY2005	FY2006
Regular Salaries	688,872	739,228	707,537	739,987
Temporary Salaries	15,616	0	0	0
Sick Leave Bonus	704	300	900	900
Overtime	446	0	0	0
Internet Reimbursements	846	1,020	1,260	1,042
Pension Contribution	20,143	33,982	33,607	41,535
Social Security	43,200	45,408	44,001	45,999
Medicare Tax	10,103	10,620	10,395	10,758
Hospitalization	114,867	112,857	132,311	129,699
Life Insurance	1,575	1,482	1,598	1,575
Pension Healthcare	3,550	4,788	6,899	6,899
Personal Services Adjustment	<u>0</u>	<u>2,250</u>	<u>(4,624)</u>	<u>(3,624)</u>
TOTAL PERSONAL SERVICES	899,922	951,935	933,884	974,770
 <u>MATERIALS, SUPPLIES & EQUIPMENT</u>				
Printing & Advertising	1,692	346	2,557	2,046
Transportation	3,750	3,103	1,800	3,000
Contracted Maintenance Repairs	0	735	352	282
Professional Fees	0	36,000	39,000	82,780
Other Fees	10,626	1,086	4,800	4,800
Memberships & Registrations	7,889	12,592	19,072	16,972
Miscellaneous Services	6,299	0	0	0
Office & General Supplies	3,114	2,887	2,864	3,264
Miscellaneous Parts	11,717	19,707	10,844	16,655
Fixed Assets	0	449	0	0
Equipment	<u>3,370</u>	<u>10,630</u>	<u>8,837</u>	<u>8,528</u>
TOTAL M., S. & E.	48,457	87,535	90,126	138,327
 <u>INTERNAL SERVICES</u>				
Administrative Services	250,181	198,659	203,304	235,254
Self-Insurance	<u>11,190</u>	<u>(2,153)</u>	<u>5,477</u>	<u>5,477</u>
TOTAL INTERNAL SERVICES	261,371	196,506	208,781	240,731
 GENERAL FUND TOTAL	 <u>1,209,750</u>	 <u>1,235,976</u>	 <u>1,232,791</u>	 <u>1,353,828</u>

DEPARTMENT: PERSONNEL

FUND: CDBG

GRANTS & FIXED CHARGES DETAIL	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
Summer Intern Program	11,598	0	0	0
GRANTS & FIXED CHARGES DETAIL	11,598	0	0	0
CDBG FUND TOTAL	<u>11,598</u>	<u>0</u>	<u>0</u>	<u>0</u>

DEPARTMENT: PERSONNEL

FUND: RISK MANAGEMENT

PERSONAL SERVICES	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
Regular Salaries	65,571	67,800	65,787	71,401
Overtime	0	532	0	0
Internet Reimbursements	273	75	0	0
Compensated Absences	1,088	1,648	0	0
Pension Contribution	1,672	4,229	4,160	5,491
Social Security	3,667	3,850	4,079	4,427
Medicare Tax	857	900	954	1,035
Hospitalization	13,448	15,107	16,917	16,120
Life Insurance	160	143	150	150
Pension Healthcare	0	0	798	798
Personal Services Adjustment	0	0	(1,000)	(1,000)
TOTAL PERSONAL SERVICES	86,736	94,284	91,845	98,422
<u>MATERIALS, SUPPLIES & EQUIPMENT</u>				
Printing & Advertising	9,513	0	52	41
Transportation	1,307	0	2,500	2,500
Insurance	893,166	1,113,322	1,421,680	1,125,644
Contracted Maintenance Repairs	0	0	581	465
Professional Fees	73,220	48,495	39,000	55,000
Memberships & Registrations	484	288	1,300	200
Miscellaneous Services	405	372	328	262
Office & General Supplies	125	0	410	600
Equipment	0	0	300	0
TOTAL M., S. & E.	978,220	1,162,477	1,466,151	1,184,712

DEPARTMENT: PERSONNEL

FUND: RISK MANAGEMENT

	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
INTERNAL SERVICES				
Administrative Services	7,006	18,411	17,039	22,087
Self-Insurance	300	912	913	913
TOTAL INTERNAL SERVICES	7,306	19,323	17,952	23,000
OTHER				
Depreciation	20,154	18,129	13,102	13,102
TOTAL OTHER	20,154	18,129	13,102	13,102
SPECIAL PURPOSE				
Claims Expense	3,568,045	(4,403,375)	0	0
TOTAL SPECIAL PURPOSE	3,568,045	(4,403,375)	0	0
RISK MANAGEMENT FUND TOTAL	<u>4,660,461</u>	<u>(3,109,162)</u>	<u>1,589,050</u>	<u>1,319,236</u>

DEPARTMENT: PERSONNEL

FUND: WORKERS' COMPENSATION

	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
PERSONAL SERVICES				
Regular Salaries	210,875	204,173	201,199	225,841
Acting Out of Classification	320	131	0	0
Overtime	0	122	0	0
Internet Reimbursements	180	180	0	0
Compensated Absences	(1,672)	1,959	0	0
Pension Contribution	5,462	10,364	10,253	13,125
Social Security	13,047	12,592	12,474	14,002
Medicare Tax	3,051	2,945	2,918	3,275
Hospitalization	28,815	26,956	39,545	34,066
Life Insurance	531	432	518	505
Pension Healthcare	0	0	2,717	2,717
TOTAL PERSONAL SERVICES	260,609	259,854	269,624	293,531

DEPARTMENT: PERSONNEL

FUND: WORKERS' COMPENSATION

<u>MATERIALS, SUPPLIES & EQUIPMENT</u>	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
Printing & Advertising	2,000	982	1,307	1,045
Insurance	164,893	177,541	170,000	150,000
Rentals	0	0	34	28
Contracted Maintenance Repairs	685	434	1,280	1,512
Professional Fees	63,162	102,889	110,000	175,000
Memberships & Registrations	1,015	1,192	2,900	2,700
Office & General Supplies	308	508	1,024	951
Miscellaneous Parts	5,699	4,099	5,000	4,000
Equipment	1,064	5,096	6,000	25,000
Fixed Assets	<u>0</u>	<u>0</u>	<u>7,000</u>	<u>0</u>
TOTAL M., S. & E.	238,826	292,741	304,545	360,236
 <u>INTERNAL SERVICES</u>				
Administrative Services	4,729	8,830	7,288	8,626
Self-Insurance	<u>580</u>	<u>1,812</u>	<u>1,819</u>	<u>1,819</u>
TOTAL INTERNAL SERVICES	5,309	10,642	9,107	10,445
 <u>OTHER</u>				
Capitalization	0	0	7,000	0
Depreciation	<u>94</u>	<u>0</u>	<u>1,549</u>	<u>1,549</u>
TOTAL OTHER	94	0	8,549	1,549
 <u>SPECIAL PURPOSE</u>				
Workers' Compensation	<u>3,609,921</u>	<u>1,316,210</u>	<u>2,297,500</u>	<u>2,230,150</u>
TOTAL SPECIAL PURPOSE	3,609,921	1,316,210	2,297,500	2,230,150
 WORKERS' COMPENSATION				
FUND TOTAL	<u>4,114,759</u>	<u>1,879,447</u>	<u>2,889,325</u>	<u>2,895,911</u>

DEPARTMENT: PERSONNEL

FUND: HEALTH AND WELFARE

PERSONAL SERVICES	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
Regular Salaries	52,823	54,135	52,467	55,064
Internet Reimbursements	387	270	0	0
Compensated Absences	(1,886)	2,254	0	0
Pension Contribution	1,338	3,413	3,384	4,317
Social Security	3,155	3,314	3,253	3,414
Medicare Tax	738	775	761	798
Hospitalization	9,357	10,221	11,701	11,148
Life Insurance	143	131	138	138
Pension Healthcare	0	0	664	664
TOTAL PERSONAL SERVICES	66,055	74,513	72,368	75,543
<u>MATERIALS, SUPPLIES & EQUIPMENT</u>				
Communications & Utilities	0	251	0	0
Miscellaneous Parts	0	229	0	0
Professional Fees	0	0	25,000	0
Office & General Supplies	79	0	50	40
TOTAL M., S. & E.	79	480	25,050	40
<u>INTERNAL SERVICES</u>				
Administrative Services	1,742	1,944	622	1,736
Self-Insurance	196	612	616	616
TOTAL INTERNAL SERVICES	1,938	2,556	1,238	2,352
<u>SPECIAL PURPOSE</u>				
Self-Insurance Costs	9,069,411	8,918,840	10,418,410	10,274,029
TOTAL SPECIAL PURPOSE	9,069,411	8,918,840	10,418,410	10,274,029
<u>OTHER</u>				
Depreciation	515	387	515	515
TOTAL OTHER	515	387	515	515
HEALTH AND WELFARE				
FUND TOTAL	<u>9,137,998</u>	<u>8,996,776</u>	<u>10,517,581</u>	<u>10,352,479</u>

DEPARTMENT OF LICENSES & INSPECTIONS

The Department of Licenses and Inspections 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 mandate compliance with all laws and ordinances this department is empowered to enforce.

The Department performs mandated activities to inspect all rental properties, issues Limitation of Occupancy Notifications and Certificates of Use and Occupancy, registers vacant houses, establishes rent withholding escrow accounts, conducts inspections, and reviews and approves specifications for renovation and new construction. It also performs systematic inspections of the Market Street Mall.

PRIORITIES FOR FISCAL YEAR 2006

- Reduce the number of vacant structures by vigorous enforcement of the Vacant Dwellings Ordinance.
- Establish new fees and sources of revenues in the Mechanical and Housing Divisions.
- Explore ways to improve and increase intra and interdepartmental training.
- Continue technical training for inspectional staff for IBC certification.
- Explore ways to coordinate Lead Paint Enforcement with appropriate State of Delaware agencies.
- Create innovative ways to improve routine inspections, such as possibly new housing violation procedures.
- Develop new violation notices in order to expedite the turn around time for Code Enforcement services.
- Aggressive enforcement in demolishing properties that are a blight to the community.

SUMMARY OF FUNDING FOR THE DEPARTMENT OF LICENSES & INSPECTIONS

TOTAL ALL FUNDS DEPT OF LICENSES & INSPECTIONS	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
Personal Services	1,909,169	2,079,954	2,289,676	2,486,627
Materials, Supplies & Equipment	185,114	175,392	318,001	149,836
Internal Services	421,536	375,801	390,049	444,905
Debt Service	23,194	23,208	29,234	38,825
Special Purpose	<u>195,958</u>	<u>201,906</u>	<u>214,100</u>	<u>216,900</u>
TOTAL	<u>2,734,971</u>	<u>2,856,261</u>	<u>3,241,060</u>	<u>3,337,093</u>
STAFFING LEVELS	35.00	36.00	37.00	39.00

GENERAL FUND DEPT OF LICENSES & INSPECTIONS	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
Personal Services	1,579,912	1,705,494	1,887,183	2,159,532
Materials, Supplies & Equipment	185,114	175,392	318,001	143,101
Internal Services	413,484	373,033	369,254	425,133
Debt Service	23,194	23,208	29,234	38,825
Special Purpose	<u>195,958</u>	<u>201,906</u>	<u>214,100</u>	<u>216,900</u>
TOTAL	<u>2,397,662</u>	<u>2,479,033</u>	<u>2,817,772</u>	<u>2,983,491</u>
STAFFING LEVELS	28.20	29.20	30.03	34.00

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) FUND DEPT OF LICENSES & INSPECTIONS	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
Personal Services	329,257	374,460	402,493	327,095
Materials, Supplies & Equipment	0	0	0	6,735
Internal Services	<u>8,052</u>	<u>2,768</u>	<u>20,795</u>	<u>19,772</u>
TOTAL	<u>337,309</u>	<u>377,228</u>	<u>423,288</u>	<u>353,602</u>
STAFFING LEVELS	6.80	6.80	6.97	5.00

MAJOR FUNDING CHANGES FROM PRIOR YEAR

- Two positions have been added at a cost of \$101,500, increasing staffing to a total of 39. A Code Enforcement Inspector will meet the additional demands of monitoring rental housing violations and enforcing recent legislation pertaining to rental business licenses. The Mechanical Code Inspector is needed due to the growing number of building permits resulting from increased rehabilitation work being performed on properties in the City.
- The Temporary Agencies account has been eliminated, saving \$26,000. The new Mechanical Code Enforcement Inspector will perform the duties of the previous part-time Plumbing Inspector.
- A Code Enforcement Inspector position, which had been funded 70% CDBG Fund and 30% General Fund, was changed to 100% General Fund, adding \$35,526 to the General Fund.
- Two Data Entry Clerk III's and a Clerk Typist II had their job titles changed to Administrative Clerk I. The grade (G) and salaries of the two Data Entry Clerk III's remained the same. The Clerk Typist II was upgraded from a grade B to a grade level G, at a total cost of \$1,730. This was done so that clerical staff in the department are all at the same level, allowing for a more even delegation of tasks.
- \$10,075 was transferred from Repairs to Equipment to Fees N.O.C., more accurately reflecting the cost of the department's lead sample testing program.
- Demolition decreased \$125,000, changing from \$200,000 down to \$75,000. This decrease is in recognition that the City has been actively seeking and receiving reimbursement for certain emergency demolitions. Also, the 2004 Capital Budget was revised, which added project funds that can be utilized by L&I for demolitions related to the development of residential properties in areas not addressed by the Housing Partnership.
- Internal Services in the General Fund increased \$55,880 from \$369,250 to \$425,130. This is mainly due to the usage of the Data Processing Account for processing the new Violations Notices.

DEPARTMENT OF LICENSES AND INSPECTIONS

PERFORMANCE INDICATORS

Goal #1: Reduce lead-based paint hazards in dwelling units.

Objective: Perform 120 Lead-based Paint Residential inspections and testing.

Goal #1 corresponds to the City's Strategic Plan, Policy Statements 1-B, 1-C, and 3-A on page 17.

CRITICAL INDICATOR	FY 2004 PROJECTED	FY 2004 ACTUAL	FY 2005 PROJECTED	FY 2005 ACTUAL	FY 2006 PROJECTED
Number of Lead-based Paint Inspections	100	50	120	55*	120

*Estimated

Goal #2: Improve Housing Stock of the City.

Objective: Perform at least 28,000 building inspections.

Goal #2 corresponds to the City's Strategic Plan, Policy Statements 1-B, 1-C, 3-A and 3-B on page 17.

CRITICAL INDICATOR	FY 2004 PROJECTED	FY 2004 ACTUAL	FY 2005 PROJECTED	FY 2005 ACTUAL	FY 2006 PROJECTED
Number of Building Inspections	22,000	22,855	23,000	26,392*	28,000

*Estimated

Goal #3: Protect the general welfare of the public from vacant buildings and structures.

Objective: Complete at least 8,000 vacant structure inspections.

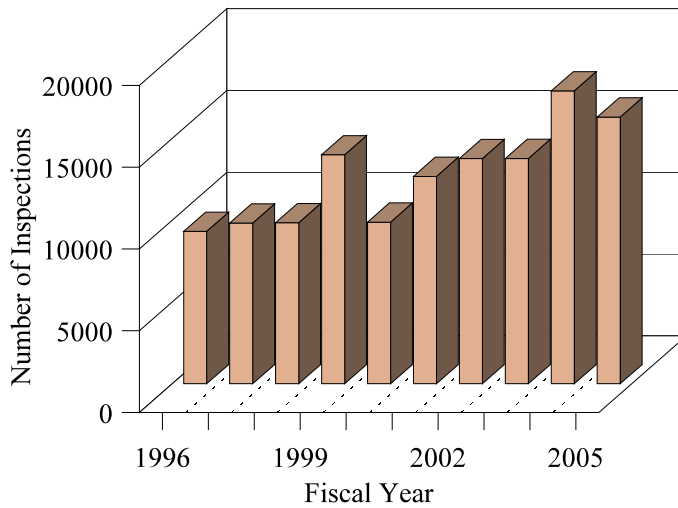
Goal #3 corresponds to the City's Strategic Plan, Policy Statements 1-B, 1-C, and 3-E on page 17.

CRITICAL INDICATOR	FY 2004 PROJECTED	FY 2004 ACTUAL	FY 2005 PROJECTED	FY 2005 ACTUAL	FY 2006 PROJECTED
Vacant Property Inspections	7,000	7,985	8,000	7,765*	8,000

*Estimated

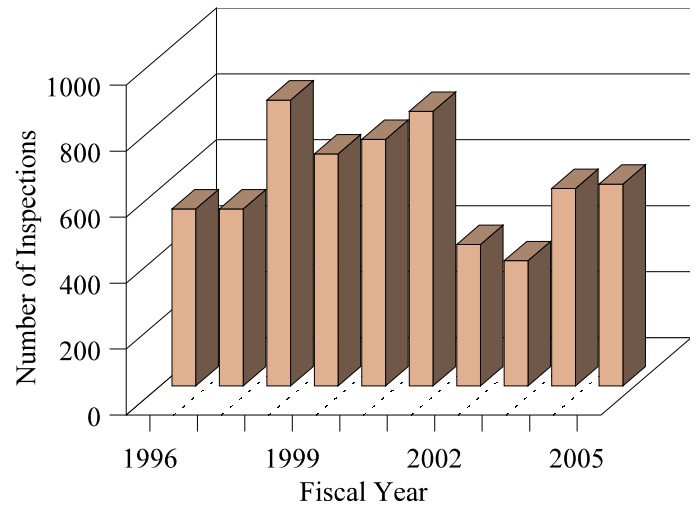
Department of Licenses and Inspections Performance Trends

Housing Inspections



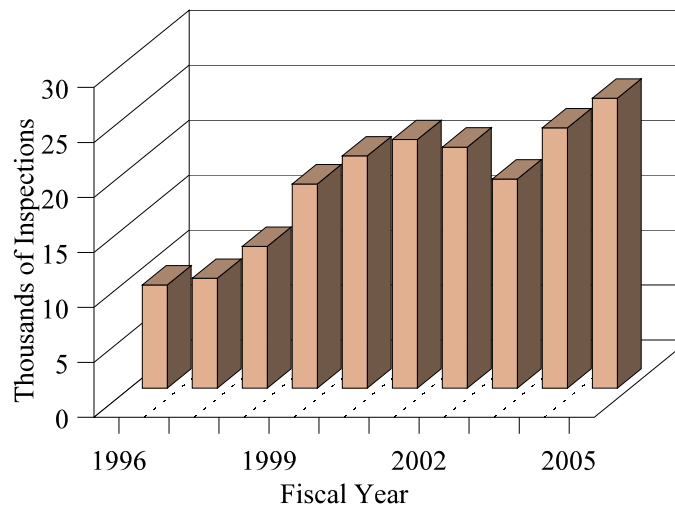
Housing inspections performed include: pre-rentals, lead paint, tenant complaints, sanitation, graffiti, and abandoned vehicles on private property.

Zoning Inspections



This reflects Licenses & Inspections efforts to enforce the zoning codes and regulations. A license must be obtained to operate a business. All businesses must be properly zoned to obtain a license.

Building Inspections



Reorganization of staff and better management of resources has allowed the number of inspections to increase dramatically since FY 1996, back to historically high levels.

DEPARTMENTAL BUDGET DETAIL BY FUND

DEPARTMENT: LICENSES AND INSPECTIONS

FUND: GENERAL

PERSONAL SERVICES	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
Regular Salaries	1,133,366	1,279,733	1,355,691	1,579,226
Temporary Salaries	56,267	2,453	8,400	8,400
Acting Out of Classification	1,299	2,818	2,500	2,500
Sick Leave Bonus	935	963	1,000	1,000
Overtime	31,176	29,260	47,000	21,960
Meal Allowance	980	944	1,000	1,000
Clothing Allowance	3,869	5,138	6,750	6,250
Internet Reimbursements	985	1,174	1,800	720
Pension Contribution	65,733	59,967	63,874	88,358
Social Security	74,220	80,601	88,297	101,479
Medicare Tax	17,462	18,851	20,650	23,742
Hospitalization	183,714	212,077	313,150	347,999
Life Insurance	2,789	3,014	3,422	3,849
Pension Healthcare	7,117	8,501	12,250	12,250
Personal Services Adjustment	<u>0</u>	<u>0</u>	<u>(38,601)</u>	<u>(39,201)</u>
TOTAL PERSONAL SERVICES	1,579,912	1,705,494	1,887,183	2,159,532

MATERIALS, SUPPLIES & EQUIPMENT

Printing & Advertising	7,853	6,097	5,250	5,200
Communications & Utilities	0	0	64	51
Transportation	3,328	228	3,000	3,000
Rentals	0	0	456	365
Contracted Maintenance Repairs	0	0	16,500	0
Professional Fees	1,033	39,683	30,000	4,000
Other Fees	240	2,915	2,000	13,075
Memberships & Registration	23,336	9,924	25,000	16,690
Office & General Supplies	8,264	6,943	7,000	6,500
Wearing Apparel & Safety Supplies	10,526	14,137	16,336	13,103
Miscellaneous Parts	938	3,191	3,895	3,117
Construction & Repairs	103,438	61,921	200,000	75,000
Equipment	7,567	7,557	6,000	3,000
Fixed Assets	9,441	3,471	2,500	0
Towing & Impounding of Vehicles	<u>9,150</u>	<u>19,325</u>	<u>0</u>	<u>0</u>
TOTAL M., S. & E.	185,114	175,392	318,001	143,101

DEPARTMENT: LICENSES AND INSPECTIONS**FUND: GENERAL**

INTERNAL SERVICES	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
Administrative Services	370,246	365,961	342,836	398,715
Self-Insurance	<u>43,238</u>	<u>7,072</u>	<u>26,418</u>	<u>26,418</u>
TOTAL INTERNAL SERVICES	413,484	373,033	369,254	425,133
<u>DEBT SERVICE</u>				
Principal Payments	11,751	12,301	19,041	29,770
Interest Payments	<u>11,443</u>	<u>10,907</u>	<u>10,193</u>	<u>9,055</u>
TOTAL DEBT SERVICE	23,194	23,208	29,234	38,825
<u>SPECIAL PURPOSE</u>				
Delaware SPCA	<u>195,958</u>	<u>201,906</u>	<u>214,100</u>	<u>216,900</u>
TOTAL SPECIAL PURPOSE	195,958	201,906	214,100	216,900
 GENERAL FUND TOTAL	 <u>2,397,662</u>	 <u>2,479,033</u>	 <u>2,817,772</u>	 <u>2,983,491</u>

DEPARTMENT: LICENSES AND INSPECTIONS**FUND: CDBG**

PERSONAL SERVICES	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
Regular Salaries	263,274	276,079	286,181	222,929
Sick Leave Bonus	765	637	0	0
Overtime	(5,799)	1,302	0	9,240
Clothing Allowance	1,401	814	0	1,250
Internet Reimbursement	450	311	0	900
Pension Contribution	181	12,854	13,873	15,067
Social Security	17,188	18,631	17,743	13,822
Medicare Tax	4,020	4,357	4,150	3,232
Hospitalization	47,163	58,807	79,743	58,079
Personal Services Adjustment	0	0	0	2,000
Life Insurance	<u>614</u>	<u>668</u>	<u>803</u>	<u>576</u>
TOTAL PERSONAL SERVICES	329,257	374,460	402,493	327,095
<u>MATERIALS, SUPPLIES & EQUIPMENT</u>				
Memberships and Registration	0	0	0	3,310
Office & General Supplies	0	0	0	500
Wearing Apparel & Supplies	<u>0</u>	<u>0</u>	<u>0</u>	<u>2,925</u>
TOTAL M., S. & E.	0	0	0	6,735

INTERNAL SERVICES	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
Administrative Services	2,104	2,768	2,950	2,950
Self-Insurance	<u>5,948</u>	<u>0</u>	<u>17,845</u>	<u>16,822</u>
TOTAL INTERNAL SERVICES	8,052	2,768	20,795	19,772
CDBG FUND TOTAL	<u>337,309</u>	<u>377,228</u>	<u>423,288</u>	<u>353,602</u>

DEPARTMENT OF PARKS & RECREATION

The Department of Parks and Recreation is responsible for the coordination, planning and operation of a comprehensive recreation/leisure program in the City of Wilmington. It provides a variety of safe and enjoyable recreational areas and programs designed to afford cultural, social, educational and athletic opportunities. The department also maintains the lands and facilities under its jurisdiction to ensure the continuation of attractive park areas through effective management.

PRIORITIES FOR FISCAL YEAR 2006
<ul style="list-style-type: none"> • Establish a long-term facilities-use and program agreement with the Brandywine, Christina, Colonial, and Red Clay School Districts. • Develop and implement a standard unit of measure for all Recreation Division Programs. • Develop long-term maintenance plans for the William “Hicks” Anderson Community Center and Parks Department Headquarters building. • Increase the number of departmental sports administrators certified by the National Sports Alliance. • Begin the process to achieve accreditation with the National Parks and Recreation Association. • Implement a fee schedule in order to generate additional resources. • Begin Phase II of major capital improvements to the Anderson Community Center. • Complete various improvements, including the updating of equipment, at Kruse, Johnston, Cool Springs, Stapler, and Jennie Weaver Playgrounds. • Expand traditional, core recreational programs, both in numbers and participation.

SUMMARY OF FUNDING FOR THE DEPARTMENT OF PARKS AND RECREATION

TOTAL ALL FUNDS	ACTUAL	ACTUAL	BUDGET	APPROVED
DEPT OF PARKS & RECREATION	FY2003	FY2004	FY2005	FY2006
Personal Services	3,731,390	3,754,010	3,785,778	3,942,774
Materials, Supplies & Equipment	1,337,306	2,002,308	1,665,658	1,667,467
Internal Services	1,291,099	544,866	916,437	1,101,121
Debt Service	1,948,302	1,804,525	1,996,046	2,159,523
Special Purpose	<u>25,000</u>	<u>35,000</u>	<u>0</u>	<u>0</u>
TOTAL	<u>8,333,097</u>	<u>8,140,709</u>	<u>8,363,919</u>	<u>8,870,885</u>
STAFFING LEVELS	52.00	52.00	52.00	52.00

GENERAL FUND	ACTUAL	ACTUAL	BUDGET	APPROVED
DEPT OF PARKS & RECREATION	FY2003	FY2004	FY2005	FY2006
Personal Services	3,541,582	3,319,687	3,502,677	3,669,118
Materials, Supplies & Equipment	1,226,580	1,197,476	1,249,893	1,304,295
Internal Services	1,291,099	541,662	913,238	1,097,688
Debt Service	<u>1,948,302</u>	<u>1,804,525</u>	<u>1,996,046</u>	<u>2,159,523</u>
TOTAL	<u>8,007,563</u>	<u>6,863,350</u>	<u>7,661,854</u>	<u>8,230,624</u>
STAFFING LEVELS	52.00	52.00	52.00	52.00

PARKS ASSISTANCE FUND	ACTUAL	ACTUAL	BUDGET	APPROVED
DEPT OF PARKS & RECREATION	FY2003	FY2004	FY2005	FY2006
Personal Services	106,848	364,173	183,300	157,725
Materials, Supplies & Equipment	<u>109,113</u>	<u>803,141</u>	<u>384,700</u>	<u>332,107</u>
TOTAL	<u>215,961</u>	<u>1,167,314</u>	<u>568,000</u>	<u>489,832</u>
STAFFING LEVELS	0.00	0.00	0.00	0.00

PARKS TRUST FUND	ACTUAL	ACTUAL	BUDGET	APPROVED
DEPT OF PARKS & RECREATION	FY2003	FY2004	FY2005	FY2006
Personal Services	82,960	70,150	99,801	115,931
Materials, Supplies & Equipment	1,613	1,691	31,065	31,065
Internal Services	<u>0</u>	<u>3,204</u>	<u>3,199</u>	<u>3,433</u>
TOTAL	<u>84,573</u>	<u>75,045</u>	<u>134,065</u>	<u>150,429</u>
STAFFING LEVELS	0.00	0.00	0.00	0.00

CDBG FUND	ACTUAL	ACTUAL	BUDGET	APPROVED
DEPT OF PARKS & RECREATION	FY2003	FY2004	FY2005	FY2006
Special Purpose	<u>25,000</u>	<u>35,000</u>	<u>0</u>	<u>0</u>
TOTAL	<u>25,000</u>	<u>35,000</u>	<u>0</u>	<u>0</u>
STAFFING LEVELS	0.00	0.00	0.00	0.00

MAJOR FUNDING CHANGES FROM PRIOR YEAR

- Temporary Salaries have been increased by a total of more than \$63,000 in the Recreation, Anderson Community Center, and Youth & Families Divisions, which will allow modest expansion of programs at various sites.
- Pensions increased by \$25,000 across all divisions in the department, attributable to higher contribution targets for the various pension plans, as determined by the actuary.
- Utility expenses for both Electricity and Gas (for heat) were raised by a total of \$6,000 in anticipation of higher usage.
- An increase of nearly \$7,000 in Rentals has been appropriated to offset costs related to the department's outdoor activities.
- Professional Fees have increased by more than \$45,000 to \$371,000, and is utilized to supplement temporary staffing in the department. Recent guidelines limiting the duration of part-time employees on the City's payroll have necessitated increasing costs paid to outside agencies.
- Miscellaneous Parts will rise by \$3,000 to purchase additional X-mas lighting and decorations for Rodney Square.
- Internal Service allocations have grown by more than \$184,000, with significant increases in Telephone, Data Processing, Mapping & Graphics, and Motor Vehicle Costs.
- Debt Service for FY 2006 will increase by more than \$163,000 as a result of funding the FY 2004 Capital Budget, which includes the new Christina Landing Park project.

DEPARTMENT OF PARKS AND RECREATION

PERFORMANCE INDICATORS

Goal #1: Improve the quality of life for seniors through recreational and health programs.

Objective: Expand and increase senior programs.

Goal #1 corresponds to the City's Strategic Plan, Policy Statement 3-D on page 17.

CRITICAL INDICATOR	FY 2004 PROJECTED	FY 2004 ACTUAL	FY 2005 PROJECTED	FY 2005 ACTUAL	FY 2006 PROJECTED
Senior Programs Implemented	12	12	14	14	15

Goal #2: Decrease youth violence/crime rate through alternative activities.

Objective: Provide sufficient recreational and athletic programs to divert youth behavior.

Goal #2 corresponds to the City's Strategic Plan, Policy Statements 3-D and 3-E on page 17.

CRITICAL INDICATOR	FY 2004 PROJECTED	FY 2004 ACTUAL	FY 2005 PROJECTED	FY 2005 ACTUAL	FY 2006 PROJECTED
Park sites Operated	20	20	22	22	24
% Increase in Participation of Departmental Sports Leagues	30%	28%	30%	30%	30%

Goal #3: Increase female participation in recreation programs.

Objective: Implement programs targeted for female participants.

Goal #3 corresponds to the City's Strategic Plan, Policy Statement 3-D on page 17.

CRITICAL INDICATOR	FY 2004 PROJECTED	FY 2004 ACTUAL	FY 2005 PROJECTED	FY 2005 ACTUAL	FY 2006 PROJECTED
# of Female targeted programs Implemented	20	20	25	25	30

Goal #4: To provide programming that prepares and empowers City youths for better citizenship.

Objective: Creation of youth-led projects

Goal #4 corresponds to the City's Strategic Plan, Policy Statements 1-B and 3-D on page 17.

CRITICAL INDICATOR	FY 2004 PROJECTED	FY 2004 ACTUAL	FY 2005 PROJECTED	FY 2005 ACTUAL	FY 2006 PROJECTED
Number of youth-led projects	4	4	6	6	8

Goal #5: To increase diversity in program participation.

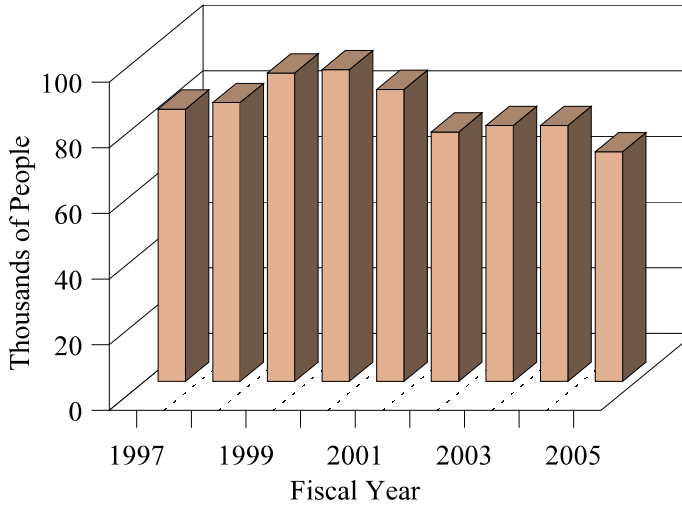
Objective: Provide at least 4 family-oriented information fairs throughout the City.

Goal #5 corresponds to the City's Strategic Plan, Policy Statement 3-D on page 17.

CRITICAL INDICATOR	FY 2004 PROJECTED	FY 2004 ACTUAL	FY 2005 PROJECTED	FY 2005 ACTUAL	FY 2006 PROJECTED
Number of family inclusive information fairs held	6	6	8	10	12

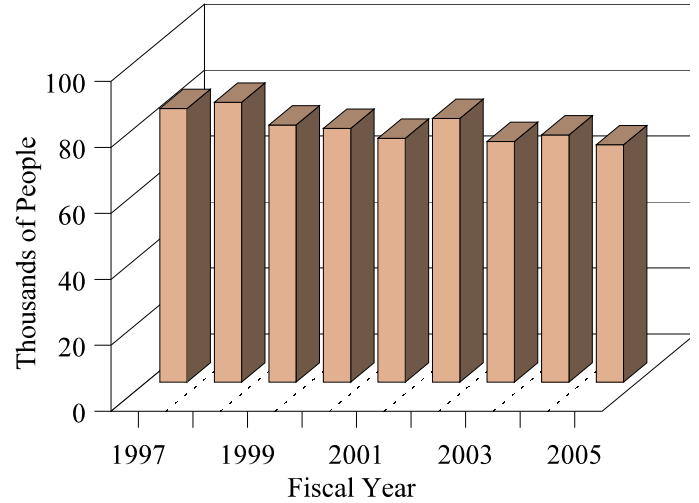
Department of Parks and Recreation Performance Trends

Pool Attendance



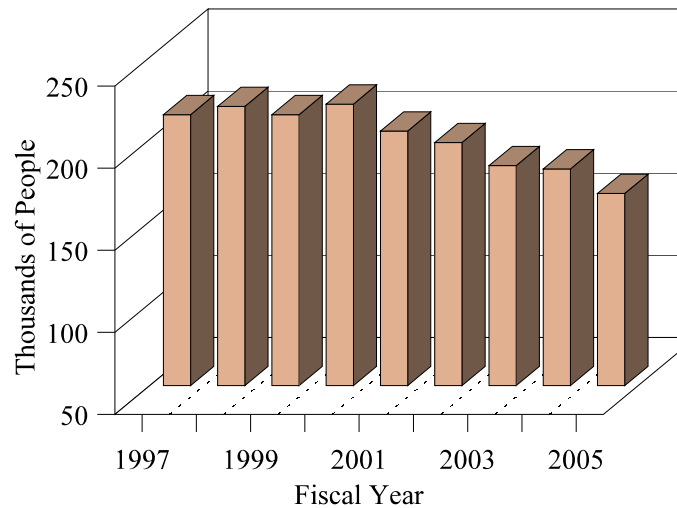
Pool attendance can fluctuate due to factors such as weather and the length of the school year.

Playground Attendance



Figures include both City parks and the William "Hicks" Anderson Community Center.

Recreation Attendance



A variety of programs are offered to afford all citizens recreational opportunities.

DEPARTMENTAL BUDGET DETAIL BY FUND

DEPARTMENT: PARKS & RECREATION

FUND: GENERAL

PERSONAL SERVICES	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
Regular Salaries	1,824,952	1,860,378	1,927,217	2,029,136
Temporary Salaries	874,273	621,733	688,145	751,463
Acting Out of Class	5,142	5,501	3,811	4,000
Sick Leave Bonus	900	900	600	600
Overtime	143,338	145,929	119,000	118,500
Meal Allowance	4,288	4,364	5,000	5,000
Clothing Allowance	0	10,539	0	0
Internet Reimbursements	885	1,020	500	500
Pension Contribution	84,376	88,157	94,738	120,131
Social Security	176,130	163,919	169,650	179,194
Medicare Tax	41,279	39,056	39,653	41,908
Hospitalization	369,415	355,543	508,248	472,875
Life Insurance	5,010	4,518	5,645	5,341
Pension Healthcare	11,594	18,130	26,127	26,127
Personal Services Adjustment	<u>0</u>	<u>0</u>	<u>(85,657)</u>	<u>(85,657)</u>
TOTAL PERSONAL SERVICES	3,541,582	3,319,687	3,502,677	3,669,118

MATERIALS, SUPPLIES & EQUIPMENT

Printing & Advertising	7,132	16,388	18,880	18,880
Communications & Utilities	176,981	181,252	187,504	193,465
Transportation	3,906	10,941	16,725	17,823
Rentals	59,143	67,838	64,892	71,782
Contracted Maintenance	43,271	51,588	102,816	102,455
Professional Fees	17,750	412,512	325,365	370,791
Other Fees	156,742	150,622	135,000	135,000
Memberships & Registrations	8,128	14,887	19,865	19,390
Miscellaneous Services	580,332	71,176	103,721	108,010
Office & General Supplies	20,155	17,601	23,898	23,091
Wearing Apparel & Safety Supplies	36,280	29,777	30,795	32,796
Miscellaneous Parts	82,424	129,337	148,400	142,332
Petroleum & Chemicals	8,886	3,906	17,650	17,650
Construction & Repairs	7,076	17,700	21,200	20,660
Equipment	8,975	10,989	16,870	14,170
Fixed Assets	8,899	10,962	16,312	16,000
Miscellaneous Projects	<u>500</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL M., S. & E.	1,226,580	1,197,476	1,249,893	1,304,295

DEPARTMENT: PARKS & RECREATION

FUND: GENERAL

<u>INTERNAL SERVICES</u>	<u>ACTUAL FY2003</u>	<u>ACTUAL FY2004</u>	<u>BUDGET FY2005</u>	<u>APPROVED FY2006</u>
Administrative Services	597,519	692,952	570,744	755,194
Self-Insurance	<u>693,580</u>	<u>(151,290)</u>	<u>342,494</u>	<u>342,494</u>
TOTAL INTERNAL SERVICES	1,291,099	541,662	913,238	1,097,688
<u>DEBT SERVICE</u>				
Principal Payments	1,199,682	1,119,940	1,246,620	1,430,588
Interest Payments	<u>748,620</u>	<u>684,585</u>	<u>749,426</u>	<u>728,935</u>
TOTAL DEBT SERVICE	1,948,302	1,804,525	1,996,046	2,159,523
GENERAL FUND TOTAL	<u>8,007,563</u>	<u>6,863,350</u>	<u>7,661,854</u>	<u>8,230,624</u>

DEPARTMENT: PARKS & RECREATION

FUND: PARKS ASSISTANCE

<u>PERSONAL SERVICES</u>	<u>ACTUAL FY2003</u>	<u>ACTUAL FY2004</u>	<u>BUDGET FY2005</u>	<u>APPROVED FY2006</u>
Temporary Salaries	98,927	337,942	170,274	146,517
Social Security	6,420	21,837	10,557	9,084
Medicare Tax	<u>1,501</u>	<u>4,394</u>	<u>2,469</u>	<u>2,124</u>
TOTAL PERSONAL SERVICES	106,848	364,173	183,300	157,725
<u>MATERIALS, SUPPLIES & EQUIPMENT</u>				
Transportation	12,443	11,298	2,000	2,000
Communications & Utilities	0	4	2,200	2,200
Rentals	13,488	10,581	10,300	10,300
Other Fees	3,105	10,093	0	0
Miscellaneous Services	38,757	146,465	0	0
Office & General Supplies	839	2,561	4,000	4,000
Wearing Apparel & Safety Supplies	0	401	0	0
Miscellaneous Parts	19,044	569,726	366,200	313,607
Fixed Assets	21,437	4,512	0	0
Miscellaneous Projects	<u>0</u>	<u>47,500</u>	<u>0</u>	<u>0</u>
TOTAL M., S. & E.	109,113	803,141	384,700	332,107
PARKS ASSISTANCE FUND TOTAL	<u>215,961</u>	<u>1,167,314</u>	<u>568,000</u>	<u>489,832</u>

DEPARTMENT: PARKS & RECREATION

FUND: PARKS TRUST

<u>PERSONAL SERVICES</u>	<u>ACTUAL FY2003</u>	<u>ACTUAL FY2004</u>	<u>BUDGET FY2005</u>	<u>APPROVED FY2006</u>
Regular Salaries	56,224	39,629	63,093	66,794
Temporary Salaries	10,201	9,921	2,500	2,500
Overtime	1,576	6,299	4,000	14,000
Internet Reimbursements	0	45	0	0
Social Security	4,091	2,853	4,842	4,389
Medicare Tax	957	667	1,132	1,027
Pensions	0	0	0	3,340
Life Insurance	0	0	0	85
Hospitalization	<u>9,911</u>	<u>10,736</u>	<u>24,234</u>	<u>23,796</u>
TOTAL PERSONAL SERVICES	82,960	70,150	99,801	115,931
 <u>MATERIALS, SUPPLIES & EQUIPMENT</u>				
Communications & Utilities	1,613	1,691	1,750	1,750
Transportation	0	0	700	700
Rentals	0	0	3,800	3,800
Contracted Maintenance Repairs	0	0	3,500	3,500
Memberships & Registrations	0	0	3,150	3,150
Miscellaneous Services	0	0	13,250	13,250
Office & General Supplies	0	0	50	50
Wearing Apparel & Safety Supplies	0	0	150	150
Miscellaneous Parts	0	0	4,315	4,315
Construction & Repairs	0	0	200	200
Equipment	<u>0</u>	<u>0</u>	<u>200</u>	<u>200</u>
TOTAL M., S. & E.	1,613	1,691	31,065	31,065
 <u>INTERNAL SERVICES</u>				
Self-Insurance	<u>0</u>	<u>3,204</u>	<u>3,199</u>	<u>3,433</u>
TOTAL INTERNAL SERVICES	0	3,204	3,199	3,433
 PARKS TRUST FUND TOTAL	 <u>84,573</u>	 <u>75,045</u>	 <u>134,065</u>	 <u>150,429</u>

DEPARTMENT: PARKS & RECREATION

FUND: CDBG

SPECIAL PURPOSE	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
Miscellaneous Projects	<u>25,000</u>	<u>35,000</u>	<u>0</u>	<u>0</u>
TOTAL SPECIAL PURPOSE	<u>25,000</u>	<u>35,000</u>	<u>0</u>	<u>0</u>
CDBG FUND TOTAL	<u>25,000</u>	<u>35,000</u>	<u>0</u>	<u>0</u>

DEPARTMENT: PARKS & RECREATION

FUND: CDBG

PROJECTS	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
Tree Program	25,000	0	0	0
FY 2004 Expenditures	<u>0</u>	<u>35,000</u>	<u>0</u>	<u>0</u>
TOTAL PROJECTS	<u>25,000</u>	<u>35,000</u>	<u>0</u>	<u>0</u>

DEPARTMENT OF FIRE

The mission of the Fire Department is to protect the lives and property of the citizens of Wilmington through fire suppression, emergency medical services, rescue operations, fire prevention activities and education, enforcement of fire codes, safety inspections and arson investigations.

PRIORITIES FOR FISCAL YEAR 2006
<ul style="list-style-type: none"> • Provide additional training for firefighters to meet National Registry Level standards. • Increase firefighter safety through the upgrade of the department's self-contained breathing apparatus. • Minimize expenditures for Acting-Out-Of-Class and Overtime. • Provide continued fire safety education to senior citizens through the free smoke detector program and implementation of a limited, free carbon monoxide detector program for qualifying seniors.

SUMMARY OF FUNDING FOR THE FIRE DEPARTMENT

TOTAL ALL FUNDS FIRE DEPARTMENT	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
Personal Services	13,142,742	12,945,022	13,009,574	13,931,589
Materials, Supplies & Equipment	538,362	1,542,266	483,858	1,100,950
Internal Services	2,160,680	789,431	1,626,445	1,525,991
Debt Service	631,745	618,513	618,338	663,563
Special Projects	<u>15,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL	<u>16,488,529</u>	<u>15,895,232</u>	<u>15,738,215</u>	<u>17,222,093</u>
STAFFING LEVELS	176.00	176.00	176.00	176.00

GENERAL FUND FIRE DEPARTMENT	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
Personal Services	13,142,742	12,823,464	13,009,574	13,931,589
Materials, Supplies & Equipment	360,190	423,764	483,858	513,950
Internal Services	2,160,680	789,431	1,626,445	1,525,991
Debt Service	<u>631,745</u>	<u>618,513</u>	<u>618,338</u>	<u>663,563</u>
TOTAL	<u>16,295,357</u>	<u>14,655,172</u>	<u>15,738,215</u>	<u>16,635,093</u>
STAFFING LEVELS	176.00	176.00	176.00	176.00

CDBG FUND FIRE DEPARTMENT	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
Special Projects	<u>15,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL	<u>15,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
STAFFING LEVELS	0.00	0.00	0.00	0.00

STATE FIRE GRANT FUND FIRE DEPARTMENT	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
Materials, Supplies & Equipment	<u>92,763</u>	<u>96,547</u>	<u>0</u>	<u>187,000</u>
TOTAL	<u>92,763</u>	<u>96,547</u>	<u>0</u>	<u>187,000</u>
STAFFING LEVELS	0.00	0.00	0.00	0.00

NEW CASTLE COUNTY FIRE GRANT FUND FIRE DEPARTMENT	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
Materials, Supplies & Equipment	<u>0</u>	<u>586,598</u>	<u>0</u>	<u>400,000</u>
TOTAL	<u>0</u>	<u>586,598</u>	<u>0</u>	<u>400,000</u>
STAFFING LEVELS	0.00	0.00	0.00	0.00

FEDERAL EMERGENCY MANAGEMENT & OTHER MISCELLANEOUS GRANTS FIRE DEPARTMENT	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
Personal Services	0	121,558	0	0
Materials, Supplies & Equipment	<u>85,409</u>	<u>435,357</u>	<u>0</u>	<u>0</u>
TOTAL	<u>85,409</u>	<u>556,915</u>	<u>0</u>	<u>0</u>
STAFFING LEVELS	0.00	0.00	0.00	0.00

MAJOR FUNDING CHANGES FROM PRIOR YEAR

- Regular Salaries increased by \$388,000 as a result of a new labor contract with Local 1590, reflecting the cumulative effect of retroactive pay increases for Fiscal Years 2003 through 2005.
- Pension Contributions have risen by \$234,000 as the funding targets set by the City's actuary have been adjusted to reflect revisions in assumptions utilized in its various plans.
- Overtime has been increased by \$390,000, mostly as a result of a new firefighter shift configuration set to take effect the second half of the fiscal year. The new schedule, known as "24/72", will reduce a firefighter's weekly hours worked, from an average of 48, down to 42. Conversely, additional Overtime will be required to continue compliance with minimum manning requirements for the department.
- The new shift schedule will also entail changes to the department's staffing, but will not affect the total authorized strength: Nine additional Lieutenants and two Battalion Chiefs will be offset by a decrease of eleven Firefighter positions.
- Utility Costs, for Electricity and Gas (for heating), have been increased by a total of \$18,000 to meet anticipated expenditures.
- Travel appropriations have increased to allow for expenditures related to training in new software used to facilitate staff management issues.
- Professional Fees have fallen by \$39,000, primarily due to the shifting of the cost of the contract for fitness evaluations to a federal grant.
- Memberships and Registrations, which represents a cost facet of staff training, is slated to rise by \$8,300.
- Wearing Apparel & Safety Equipment costs are expected to increase by \$10,000 in order to purchase protective vests for EMT-B certified firefighters.
- \$80,000, which had been appropriated in the Equipment account to purchase additional portable radios for firefighters, has been eliminated in FY 2006. These costs will also be borne by a federal grant.
- \$110,000 has been allocated in the Machinery account to supplement FY 2004 Capital Budget funds earmarked for apparatus replacement. This was made possible by the procurement of the grant funds listed above offsetting Professional Fees and Equipment costs.
- Debt Service will increase by \$45,000 as a result of borrowing included in the FY 2004 Capital Budget.

FIRE DEPARTMENT PERFORMANCE INDICATORS

Goal #1: Limit the extent of damage and injury caused by fire.

Objective: Increase the percentage rate of confinement to room of origin to 97%.

Goal #1 corresponds to the City's Strategic Plan, Policy Statements 1-C, 3-C and 3-E on page 17.

CRITICAL INDICATOR	FY 2004 PROJECTED	FY 2004 ACTUAL	FY 2005 PROJECTED	FY 2005 ACTUAL	FY 2006 PROJECTED
Fires Contained to room of origin	95%	96%	98%	95%	98%

Goal #2: Increase public safety and heighten public awareness.

Objective: Conduct building inspections and instruct citizens through prevention education programs.

Goal #2 corresponds to the City's Strategic Plan, Policy Statements 1-B and 3-E on page 17.

CRITICAL INDICATOR	FY 2004 PROJECTED	FY 2004 ACTUAL	FY 2005 PROJECTED	FY 2005 ACTUAL	FY 2006 PROJECTED
Number of Building Inspections	1,200	1,089	1,000	1,029	1,000
Citizens Educated	60,000	19,831	35,000	40,889	35,000

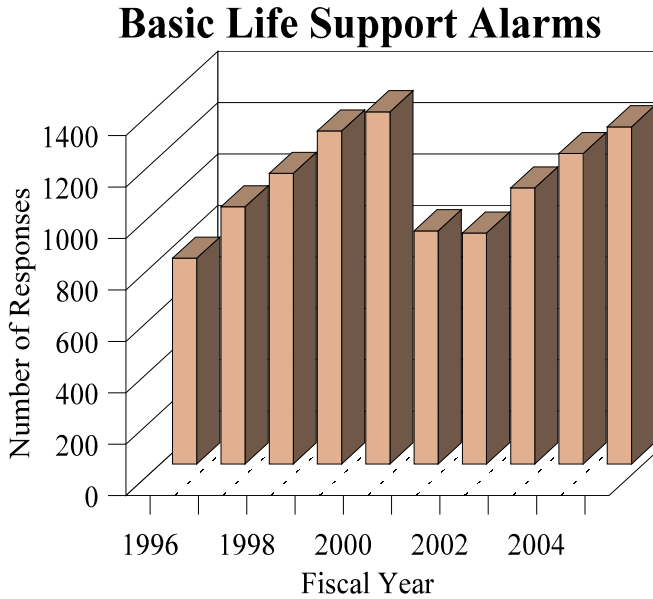
Goal #3: Rapid suppression of fires to minimize associated danger and structural damage.

Objective: Maintain the average response time for fires to two minutes or less.

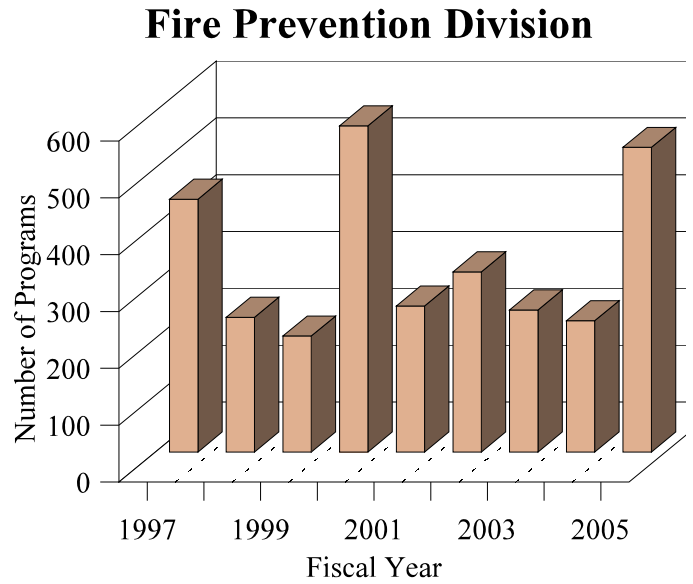
Goal #3 corresponds to the City's Strategic Plan, Policy Statements 1-B, 1-C, 3-C and 3-D on page 17.

CRITICAL INDICATOR	FY 2004 PROJECTED	FY 2004 ACTUAL	FY 2005 PROJECTED	FY 2005 ACTUAL	FY 2006 PROJECTED
Average Fire Response Time	2 minutes	2 minutes & 53 seconds	2 minutes	2 minutes & 29 seconds	2 minutes & 30 seconds

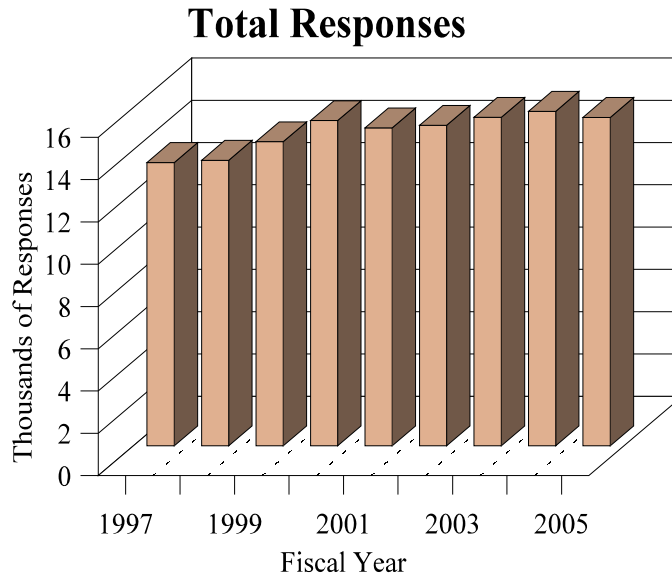
Fire Department Performance Trends



Total Basic Life Support alarms have risen steadily. In 1996, the department contracted with a private vendor in an attempt to reduce its BLS runs. In FY 2001, the vendor supplied a third unit which temporarily reduced the number, but the upward trend continues.



Increased public education through group prevention presentations is one of the department's goals and contributes to fire safety.



Total responses include those for the engine and ladder companies, rescue and ambulance units, as well as the fireboat.

DEPARTMENTAL BUDGET DETAIL BY FUND

DEPARTMENT: FIRE

FUND: GENERAL

PERSONAL SERVICES	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
Regular Salaries	8,944,996	9,064,126	9,118,174	9,506,925
Temporary Salaries	0	19,460	0	0
Acting Out of Class	75,140	67,534	67,000	68,000
Shift Differential	70,581	74,311	67,000	65,000
Sick Leave Bonus	0	200	0	0
Overtime	1,138,514	691,843	635,000	1,025,000
Holiday Pay	0	998	0	0
Meal Allowance	0	30	0	0
Clothing Allowance	0	75	0	0
Internet Reimbursements	5,196	6,390	6,620	7,340
Pension Contribution	700,189	666,219	695,696	844,577
Social Security	11,614	15,667	12,587	12,612
Medicare Tax	86,467	89,553	89,277	97,473
Hospitalization	1,670,844	1,635,850	1,841,821	1,743,584
Life Insurance	21,789	15,471	20,461	20,251
County/Municipal Pension Contribution	367,905	402,930	426,019	510,908
Pension Healthcare	49,507	72,807	104,919	104,919
Personal Services Adjustment	<u>0</u>	<u>0</u>	<u>(75,000)</u>	<u>(75,000)</u>
TOTAL PERSONAL SERVICES	13,142,742	12,823,464	13,009,574	13,931,589

MATERIALS, SUPPLIES & EQUIPMENT

Printing & Advertising	1,600	546	1,331	1,925
Communications & Utilities	87,477	95,830	82,540	100,512
Transportation	4,016	2,422	4,000	9,000
Contracted Maintenance Repairs	26,460	32,374	36,220	36,320
Professional Fees	88,443	79,325	97,000	58,000
Memberships & Registrations	30,669	39,308	39,900	48,200
Miscellaneous Services	16,896	45,054	37,039	33,431
Office & General Supplies	14,307	18,459	15,960	18,268
Wearing Apparel & Safety Supplies	32,125	45,319	40,128	50,102
Miscellaneous Parts	55,019	59,446	44,240	41,792
Construction & Repairs	2,528	2,455	2,500	3,000
Equipment	650	3,226	83,000	3,400
Fixed Assets	<u>0</u>	<u>0</u>	<u>0</u>	<u>110,000</u>
TOTAL M., S. & E.	360,190	423,764	483,858	513,950

DEPARTMENT: FIRE**FUND: GENERAL**

INTERNAL SERVICES	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
Administrative Services	770,092	661,157	806,835	714,074
Self-Insurance	<u>1,390,588</u>	<u>128,274</u>	<u>819,610</u>	<u>811,917</u>
TOTAL INTERNAL SERVICES	2,160,680	789,431	1,626,445	1,525,991
DEBT SERVICE				
Principal Payments	380,970	391,347	379,522	425,965
Interest Payments	<u>250,775</u>	<u>227,166</u>	<u>238,816</u>	<u>237,598</u>
TOTAL DEBT SERVICE	631,745	618,513	618,338	663,563
GENERAL FUND TOTAL	<u>16,295,357</u>	<u>14,655,172</u>	<u>15,738,215</u>	<u>16,635,093</u>

DEPARTMENT: FIRE**FUND: CDBG**

SPECIAL PROJECTS	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
Carbon Monoxide Detector Program	<u>15,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL SPECIAL PROJECTS	15,000	0	0	0
CDBG FUND TOTAL	<u>15,000</u>	<u>0</u>	<u>0</u>	<u>0</u>

DEPARTMENT: FIRE**FUND: STATE FIRE GRANT**

MATERIALS, SUPPLIES & EQUIPMENT	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
Professional Fees	16,803	0	0	40,000
Memberships & Registrations	14,076	2,726	0	30,000
Wearing Apparel & Safety Supplies	15,470	257	0	50,000
Miscellaneous Parts	14,964	2,361	0	67,000
Equipment	0	76,318	0	0
Fixed Assets	<u>31,450</u>	<u>14,885</u>	<u>0</u>	<u>0</u>
TOTAL M., S. & E.	92,763	96,547	0	187,000
STATE FIRE GRANT TOTAL	<u>92,763</u>	<u>96,547</u>	<u>0</u>	<u>187,000</u>

DEPARTMENT: FIRE

FUND: NEW CASTLE COUNTY FIRE GRANT

MATERIALS, SUPPLIES & EQUIPMENT	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
Professional Fees	0	0	0	40,000
Memberships & Registrations	0	0	0	30,000
Wearing Apparel & Safety Supplies	0	81,450	0	150,000
Miscellaneous Parts	0	0	0	167,000
Fixed Assets	0	429,828	0	13,000
Miscellaneous Projects	0	75,320	0	0
TOTAL M., S. & E.	0	586,598	0	400,000
 NEW CASTLE COUNTY FIRE GRANT TOTAL	 <u>0</u>	 <u>586,598</u>	 <u>0</u>	 <u>400,000</u>

DEPARTMENT: FIRE

FUND: FEDERAL EMERGENCY MANAGEMENT & OTHER MISCELLANEOUS GRANTS

PERSONAL SERVICES	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
Overtime	0	121,558	0	0
TOTAL PERSONAL SERVICES	0	121,558	0	0
 <u>MATERIALS, SUPPLIES & EQUIPMENT</u>				
Professional Fees	20,948	19,593	0	0
Miscellaneous Services	0	226,197	0	0
Equipment	0	178,107	0	0
Fixed Assets	64,461	11,460	0	0
TOTAL M. S. & E.	85,409	435,357	0	0
 FEDERAL EMERG. MGT. & OTHER MISC. GRANTS TOTAL	 <u>85,409</u>	 <u>556,915</u>	 <u>0</u>	 <u>0</u>

DEPARTMENT OF POLICE

The vision of the Department of Police is to make Wilmington communities safe and secure through a partnership of the people and those responsible for their public safety. To achieve this vision, 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 2006
<ul style="list-style-type: none"> • Reduce crime. • Reduce illegal drugs. • Reduce street-level drug activity. • Increase Public Safety by reducing traffic accidents. • Establish a Partnership with the community. • Improve professional standards within the department. • Improve performance through personnel training and development. • Maintain a heightened state of awareness and preparedness.

SUMMARY OF FUNDING FOR THE DEPARTMENT OF POLICE

TOTAL ALL FUNDS DEPARTMENT OF POLICE	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
Personal Services	29,095,629	29,330,933	29,814,636	32,740,335
Materials, Supplies & Equipment	2,018,463	1,812,190	1,371,420	1,784,360
Internal Services	4,958,746	1,588,312	3,489,718	3,509,182
Debt Service	<u>1,003,088</u>	<u>937,902</u>	<u>1,004,421</u>	<u>932,569</u>
TOTAL	<u>37,075,926</u>	<u>33,669,337</u>	<u>35,680,195</u>	<u>38,966,446</u>
STAFFING LEVELS	344.00	368.00	377.00	386.00

GENERAL FUND	ACTUAL	ACTUAL	BUDGET	APPROVED
DEPARTMENT OF POLICE	FY2003	FY2004	FY2005	FY2006
Personal Services	28,809,572	29,038,586	29,176,688	29,442,219
Materials, Supplies & Equipment	980,268	1,178,036	1,371,420	1,769,360
Internal Services	4,958,746	1,588,004	3,489,718	3,494,182
Debt Service	<u>1,003,088</u>	<u>937,902</u>	<u>1,004,421</u>	<u>932,569</u>
TOTAL	<u>35,751,674</u>	<u>32,742,528</u>	<u>35,042,247</u>	<u>35,638,330</u>
STAFFING LEVELS	343.00	363.00	365.00	330.00

SALLE & OTHER	ACTUAL	ACTUAL	BUDGET	APPROVED
SPECIAL GRANT FUNDS	FY2003	FY2004	FY2005	FY2006
DEPARTMENT OF POLICE	FY2003	FY2004	FY2005	FY2006
Personal Services	286,057	292,347	637,948	645,868
Materials, Supplies & Equipment	1,036,146	620,793	0	0
Internal Services	<u>0</u>	<u>308</u>	<u>0</u>	<u>0</u>
TOTAL	<u>1,322,203</u>	<u>913,448</u>	<u>637,948</u>	<u>645,868</u>
STAFFING LEVELS	1.00	5.00	12.00	13.00

COMMUNITY POLICING FUND	ACTUAL	ACTUAL	BUDGET	APPROVED
DEPARTMENT OF POLICE	FY2003	FY2004	FY2005	FY2006
Materials, Supplies & Equipment	<u>2,049</u>	<u>13,361</u>	<u>0</u>	<u>0</u>
TOTAL	<u>2,049</u>	<u>13,361</u>	<u>0</u>	<u>0</u>
STAFFING LEVELS	0.00	0.00	0.00	0.00

NCC SPECIAL POLICING FUND	ACTUAL	ACTUAL	BUDGET	APPROVED
DEPARTMENT OF POLICE	FY2003	FY2004	FY2005	FY2006
Personal Services	0	0	0	2,652,248
Materials, Supplies & Equipment	0	0	0	15,000
Internal Services	<u>0</u>	<u>0</u>	<u>0</u>	<u>747,644</u>
TOTAL	<u>0</u>	<u>0</u>	<u>0</u>	<u>3,414,892</u>
STAFFING LEVELS	0.00	0.00	0.00	43.00

MAJOR FUNDING CHANGES FROM PRIOR YEAR

- During FY 2005, New Castle County (NCC) awarded the City a Public Safety Policing grant totaling \$15 million over three years. A large portion (\$10 million) of the grant has been dedicated to fund the cost of the recent six-year labor contracts for police officers. As a result, 37 current Patrol Officers will be transferred into the NCC grant for FY 2006. An additional six newly-created, Patrol Officer positions will be paid from this grant also. Lastly, one new officer position will be funded through a Criminal Justice Council grant. Accordingly, the Department's uniformed authorized strength has been increased by seven to 307.
- Two new Emergency Call Operator positions have been added in the Communications Division at a projected total cost of more than \$84,000.
- Regular Overtime has been increased by \$100,400 to \$1,416,600, and includes a \$372,000 appropriation for weapons and drug enforcement.
- Holiday Pay will fall by \$53,000, as FY 2006 will not feature an Election Day holiday.
- Despite the transfer of 37 Patrol Officers to the NCC grant, Pension costs will rise by almost \$399,000 due to higher contribution targets set forth in the City's biannual actuarial study.
- Utility Costs are slated to rise by nearly \$99,500. Most of this increase is earmarked to pay for mobile air-time costs associated with 16 additional surveillance cameras operated by the Downtown Visions camera-watch system.
- Consultant Costs, included within Professional Fees, will increase by \$80,000 as the biannual promotional process will be occurring in FY 2006. Medical (veterinary) costs associated with the department's K-9 unit will also rise by \$7,000 to \$17,000.
- Other Fees will climb by \$8,000 due to an expected increase in the maintenance contract for the Public Safety Building.
- Miscellaneous Services allocations indicate a net increase of \$145,000, resulting from three factors: the transfer of the funding for the City's towing and impounding contract from the Mayor's Office (\$55,000), the transfer of a portion of the costs associated with the collection of Parking Citation revenue from the Finance Department (\$110,000), and a decrease of \$20,000 in Contracted Maintenance Services.
- The Wearing Apparel & Safety Supplies appropriation has increased by \$40,000 and will fund the purchase of uniforms and Kevlar vests for sworn personnel.
- Debt Service for FY 2006 will decrease by nearly \$72,000.

DEPARTMENT OF POLICE PERFORMANCE INDICATORS

Goal #1: Reduce Crime.

Objective: Reduce Part I Crimes Against Persons by 5%

Goal #1 corresponds with the City's Strategic Plan, Policy Statement 3-E on page 17.

CRITICAL INDICATOR	FY 2004 PROJECTED	FY 2004 ACTUAL	FY 2005 PROJECTED	FY 2005 ACTUAL	FY 2006 PROJECTED
Percentage change in the number of Part I Crimes Against Persons	-5%	+8.0%	-5%	-10%	-5%
Number of Part I Crimes	2,257	2,567	2,439	2,313	2,197

Goal #2: Improve the Quality of Life in Wilmington

Objective: Aggressively Enforce Laws against the Sale and Possession of Illegal Drugs.

Goal #2 corresponds to the City's Strategic Plan, Policy Statement 3-E on page 17.

CRITICAL INDICATOR	FY 2004 PROJECTED	FY 2004 ACTUAL	FY 2005 PROJECTED	FY 2005 ACTUAL	FY 2006 PROJECTED
Percentage change in number of Drug Arrests	+5%	+4.2%	+5%	+29%	+5%
Number of Drug Arrests	1,106	1,152	1,210	1,485	1,559

Goal #3: Improve Traffic Safety

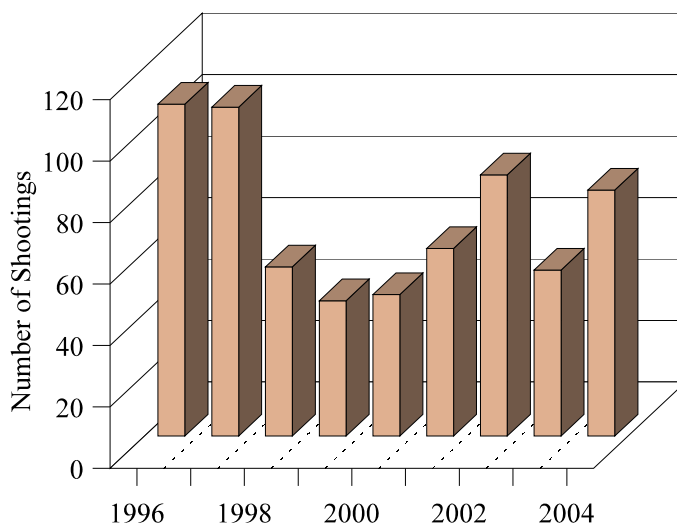
Objective: Reduce Traffic Accidents by 10%

Goal #3 corresponds to the City's Strategic Plan, Policy Statement 3-E on page 17.

CRITICAL INDICATOR	FY 2004 PROJECTED	FY 2004 ACTUAL	FY 2005 PROJECTED	FY 2005 ACTUAL	FY 2006 PROJECTED
Percentage change in the number of traffic accidents	-10%	+17.2%	-10%	-16.3%	-10%
Number of traffic accidents	2,763	3,597	3,237	3,010	2,709

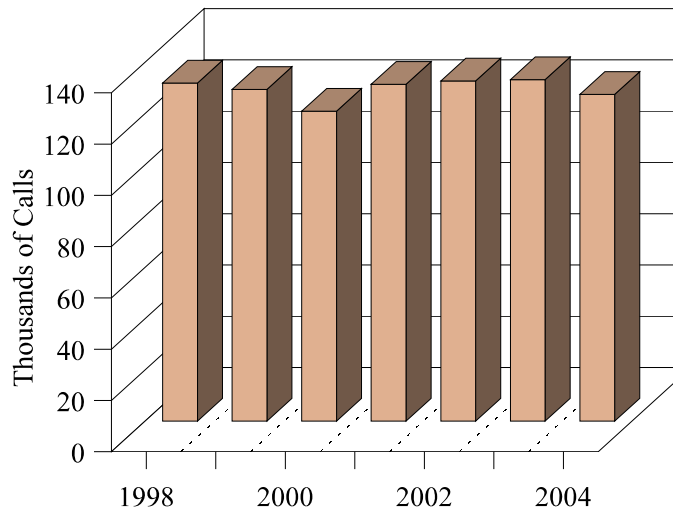
Department of Police Performance Trends

Shootings in Wilmington



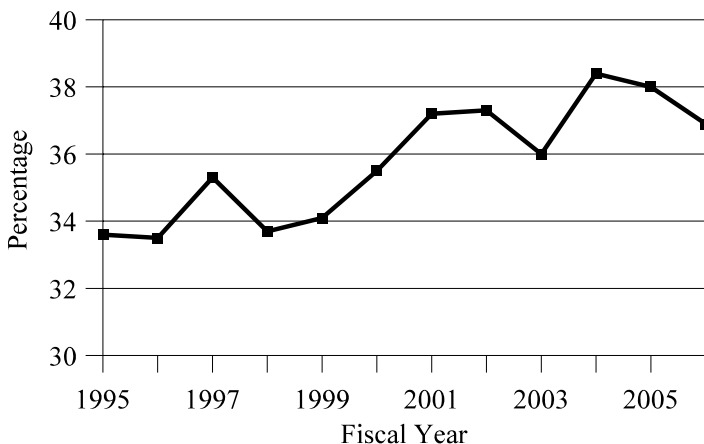
Firearm violence, while spiking in 2004, has decreased significantly from a record high in 1996. The department continues to focus resources toward this area.

911 Calls Resulting in Dispatch



Calls for police services, though declining slightly last year, place significant demands on existing resources. Aggressive enforcement efforts will continue to benefit public safety.

Police Budget as a % of Total General Fund Operating Budget



The Department's General Fund budget has been supplemented with substantial grant funds for FY 2006, but remains the highest among all City departments.

DEPARTMENTAL BUDGET DETAIL BY FUND

DEPARTMENT: POLICE

FUND: GENERAL

PERSONAL SERVICES	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
Regular Salaries	17,460,346	17,659,185	17,677,872	17,765,844
Temporary Salaries	390,022	395,251	435,376	448,000
Acting Out of Class	8,768	12,003	11,200	18,000
Shift Differential	596,248	617,279	600,000	596,000
Shooting Days	1,152	0	0	0
Sick Leave Bonus	2,900	3,400	3,500	3,500
Overtime	1,348,368	1,471,522	1,315,200	1,416,600
Holiday Pay	675,395	648,946	751,199	698,100
Civilian Holiday-Overtime	82,947	75,908	64,000	80,000
Court Overtime	54,920	45,745	43,400	43,400
Special Events Overtime	412,849	274,392	270,000	300,000
Meal Allowance	11,619	15,803	17,400	14,400
Clothing Allowance	5,370	47,206	0	1,500
Internet Reimbursements	9,173	10,445	9,000	10,000
Pension Contribution	3,327,172	3,351,699	3,515,860	3,923,884
Social Security	195,151	199,192	205,594	224,748
Medicare Tax	236,407	247,122	247,206	244,727
Hospitalization	3,189,178	3,113,504	3,619,238	3,282,421
Life Insurance	44,688	32,961	42,241	37,417
County/Municipal Pension Contribution	660,855	690,319	736,508	721,784
Pension Healthcare	96,044	126,704	182,589	182,589
Personal Services Adjustment	<u>0</u>	<u>0</u>	<u>(570,695)</u>	<u>(570,695)</u>
TOTAL PERSONAL SERVICES	28,809,572	29,038,586	29,176,688	29,442,219

DEPARTMENT: POLICE

FUND: GENERAL

MATERIALS, SUPPLIES & EQUIPMENT	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
Printing & Advertising	35,812	14,291	55,000	61,000
Communications & Utilities	152,873	185,429	267,000	366,500
Transportation	17,477	5,732	8,500	7,000
Rentals	6,734	30,757	48,380	50,380
Contracted Maintenance Repairs	42,777	52,609	64,640	68,740
Professional Fees	51,009	123,992	75,000	162,000
Other Fees	234,944	231,504	270,350	278,350
Memberships & Registrations	13,258	10,311	17,350	15,350
Miscellaneous Services	148,565	164,675	239,100	384,340
Office & General Supplies	40,852	55,156	72,600	73,100
Wearing Apparel & Safety Supplies	143,179	158,367	151,400	191,500
Miscellaneous Parts	62,891	88,251	89,500	99,500
Equipment	11,418	26,064	11,600	11,600
Fixed Assets	<u>18,479</u>	<u>30,898</u>	<u>1,000</u>	<u>0</u>
TOTAL M., S. & E.	980,268	1,178,036	1,371,420	1,769,360
<u>INTERNAL SERVICES</u>				
Administrative Services	1,678,387	1,681,017	1,716,020	1,720,484
Self-Insurance	<u>3,280,359</u>	<u>(93,013)</u>	<u>1,773,698</u>	<u>1,773,698</u>
TOTAL INTERNAL SERVICES	4,958,746	1,588,004	3,489,718	3,494,182
<u>DEBT SERVICE</u>				
Principal Payments	639,050	605,330	678,785	667,419
Interest Payments	<u>364,038</u>	<u>332,572</u>	<u>325,636</u>	<u>265,150</u>
TOTAL DEBT SERVICE	1,003,088	937,902	1,004,421	932,569
GENERAL FUND TOTAL	<u>35,751,674</u>	<u>32,742,528</u>	<u>35,042,247</u>	<u>35,638,330</u>

DEPARTMENT: POLICE

FUND: SALLE

<u>PERSONAL SERVICES</u>	<u>ACTUAL FY2003</u>	<u>ACTUAL FY2004</u>	<u>BUDGET FY2005</u>	<u>APPROVED FY2006</u>
Regular Salaries	31,709	54,905	432,338	461,864
Temporary Salaries	25,975	28,041	0	0
Shift Differential	0	1,703	0	19,666
Overtime	219,762	186,140	0	0
Holiday Pay	0	0	14,096	21,645
Court Overtime	0	441	0	0
Meal Allowance	0	35	0	0
Pension Contribution	0	0	1,524	1,570
Social Security	3,590	4,075	2,099	1,947
Medicare Tax	839	1,511	6,269	6,915
Hospitalization	4,070	11,490	132,696	77,100
Life Insurance	112	421	1,388	1,139
County/Municipal Pension Contribution	<u>0</u>	<u>3,585</u>	<u>47,538</u>	<u>54,022</u>
TOTAL PERSONAL SERVICES	286,057	292,347	637,948	645,868
 <u>MATERIALS, SUPPLIES & EQUIPMENT</u>				
Communications & Utilities	0	65,394	0	0
Transportation	52,463	39,363	0	0
Rentals	8,000	13,200	0	0
Professional Fees	49,318	57,380	0	0
Memberships & Registrations	60,671	31,679	0	0
Miscellaneous Services	53,122	31,605	0	0
Office & General Supplies	2,803	3,635	0	0
Wearing Apparel & Safety Supplies	173,455	16,239	0	0
Miscellaneous Parts	30,167	7,535	0	0
Equipment	140,353	221,373	0	0
Fixed Assets	<u>465,794</u>	<u>133,390</u>	<u>0</u>	<u>0</u>
TOTAL M., S. & E.	1,036,146	620,793	0	0
 <u>INTERNAL SERVICES</u>				
Self-Insurance	<u>0</u>	<u>308</u>	<u>0</u>	<u>0</u>
TOTAL INTERNAL SERVICES	0	308	0	0
 SALLE FUND TOTAL	 <u>1,322,203</u>	 <u>913,448</u>	 <u>637,948</u>	 <u>645,868</u>

DEPARTMENT: POLICE

FUND: COMMUNITY POLICING

MATERIALS, SUPPLIES & EQUIPMENT	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
Wearing Apparel & Safety Supplies	<u>2,049</u>	<u>13,361</u>	<u>0</u>	<u>0</u>
TOTAL M., S. & E.	2,049	13,361	0	0
 COMMUNITY POLICING FUND				
TOTAL	<u>2,049</u>	<u>13,361</u>	<u>0</u>	<u>0</u>

DEPARTMENT: POLICE

FUND: NCC SPECIAL POLICING FUND

PERSONAL SERVICES	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
Regular Salaries	0	0	0	1,874,691
Shift Differential	0	0	0	82,000
Overtime	0	0	0	28,000
Holiday Pay	0	0	0	93,734
Medicare Tax	0	0	0	26,459
Hospitalization	0	0	0	307,439
Life Insurance	0	0	0	4,954
County/Municipal Pension Contribution	<u>0</u>	<u>0</u>	<u>0</u>	<u>234,971</u>
TOTAL PERSONAL SERVICES	0	0	0	2,652,248
 MATERIALS, SUPPLIES & EQUIPMENT				
Equipment	<u>0</u>	<u>0</u>	<u>0</u>	<u>15,000</u>
TOTAL M., S. & E.	0	0	0	15,000
 INTERNAL SERVICES				
Administrative Services	0	0	0	522,644
Self-Insurance	<u>0</u>	<u>0</u>	<u>0</u>	<u>225,000</u>
TOTAL INTERNAL SERVICES	0	0	0	747,644
 NCC POLICING FUND TOTAL	<u>0</u>	<u>0</u>	<u>0</u>	<u>3,414,892</u>

DEPARTMENT OF PUBLIC WORKS

The mission of the Department of Public Works is to deliver essential services necessary to sustain and protect the health and safety of City residents.

The Department provides a wide array of services, including twice weekly residential solid waste collection, treatment and distribution of high-quality drinking water, sewage treatment, sweeping of all City streets, street repairs, maintenance of traffic signs, signals, line striping, rodent control, snow removal, and maintenance of the City fleet and City properties.

To fulfill this mission, contact is maintained with numerous State, Federal, and regional agencies including DelDOT, DNREC, Delaware Solid Waste Authority, New Castle County Water Resources Agency, Department of Public Health, Delaware River Basin Commission, and the U.S. Environmental Protection Agency.

PRIORITIES FOR FISCAL YEAR 2006

- Construction of Combined Sewer Overflow #27 and Rockford Road improvements. Initiate design of Real Time Control System.
- Resurface 3 miles of City streets, improving the ride comfort rating to satisfactory or above.
- Support neighborhood legislator-initiated Transportation Enhancement projects.
- Complete Phase IV of the Automated Water Meter Reading Program.
- Initiate construction of Phase III of the Market Street Project.
- Initiate construction of Cool Spring Reservoir enclosure.
- Replace 15% of the City Motor Vehicle Fleet, while maintaining fleet availability of 96%.

SUMMARY OF FUNDING FOR THE DEPARTMENT OF PUBLIC WORKS

TOTAL ALL FUNDS DEPARTMENT OF PUBLIC WORKS	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
Personal Services	10,952,384	11,214,645	11,497,191	12,122,819
Materials, Supplies & Equipment	29,675,653	29,031,138	31,284,536	33,959,850
Internal Services	6,578,612	2,712,454	4,992,487	5,557,375
Debt Service	7,410,416	6,754,892	7,433,552	8,883,548
Capitalization	(3,895,601)	(4,537,399)	(4,615,000)	(5,110,000)
Depreciation	<u>6,293,146</u>	<u>6,295,903</u>	<u>6,113,125</u>	<u>6,403,825</u>
TOTAL	<u>57,014,610</u>	<u>51,471,633</u>	<u>56,705,891</u>	<u>61,817,417</u>
STAFFING LEVELS	212.00	212.00	212.00	212.00

GENERAL FUND DEPARTMENT OF PUBLIC WORKS	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
Personal Services	5,081,576	4,981,933	5,161,683	5,382,268
Materials, Supplies & Equipment	5,060,424	4,080,843	4,244,259	4,306,204
Internal Services	2,575,621	1,035,788	2,008,343	2,037,727
Debt Service	<u>3,486,063</u>	<u>3,348,834</u>	<u>3,389,730</u>	<u>4,398,203</u>
TOTAL	<u>16,203,684</u>	<u>13,447,398</u>	<u>14,804,015</u>	<u>16,124,402</u>
STAFFING LEVELS	102.25	99.50	99.50	99.50

WATER/SEWER FUND DEPARTMENT OF PUBLIC WORKS	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
Personal Services	5,870,808	6,232,712	6,335,508	6,740,551
Materials, Supplies & Equipment	22,358,115	22,830,782	24,498,937	27,062,535
Internal Services	2,039,426	17,933	1,304,767	1,309,983
Debt Service	3,683,847	3,274,307	3,893,822	4,282,080
Capitalization	(3,843,256)	(4,500,099)	(4,555,000)	(5,110,000)
Depreciation	<u>5,015,286</u>	<u>5,045,891</u>	<u>4,647,307</u>	<u>4,647,307</u>
TOTAL	<u>35,124,226</u>	<u>32,901,526</u>	<u>36,125,341</u>	<u>38,932,456</u>
STAFFING LEVELS	109.75	112.50	112.50	112.50

MOTOR VEHICLE FUND DEPARTMENT OF PUBLIC WORKS	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
Materials, Supplies & Equipment	2,257,114	2,119,513	2,541,340	2,591,111
Internal Services	97,538	199,992	184,264	203,955
Debt Service	240,506	131,751	150,000	203,265
Capitalization	(52,345)	(37,300)	(60,000)	0
Depreciation	<u>1,277,860</u>	<u>1,250,012</u>	<u>1,465,818</u>	<u>1,756,518</u>
TOTAL	<u>3,820,673</u>	<u>3,663,968</u>	<u>4,281,422</u>	<u>4,754,849</u>
STAFFING LEVELS	0.00	0.00	0.00	0.00

MUNICIPAL STREET AID FUND DEPARTMENT OF PUBLIC WORKS	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
Materials, Supplies & Equipment	<u>1,866,027</u>	<u>1,458,741</u>	<u>1,495,113</u>	<u>2,005,710</u>
TOTAL	<u>1,866,027</u>	<u>1,458,741</u>	<u>1,495,113</u>	<u>2,005,710</u>
STAFFING LEVELS	0.00	0.00	0.00	0.00

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

- As a result of the recent settlements with the various labor unions, Regular Salaries have increased by more than \$181,000 in FY 2006. Likewise, since base salaries have risen, Overtime will increase by \$37,500, along with other peripheral wage costs such as Social Security and Medicare Tax.
- The allocation for Acting Out of Class has dropped by nearly \$20,000, as fewer vacancies are projected in the Rubbish Collection Division.
- Rentals have decreased by almost \$25,000. This cost, associated with the relocation of the Public Works yard facility, has been included in the larger Capital Budget project.
- Temporary Agency expenditures, included within Professional Fees, have increased by \$16,700 to accommodate an expected rise in the cost of seasonal staffing. This was partially offset by a decrease in Engineering Fees.
- Other Fees will climb by more than \$27,000 to fund a \$3.00 per ton increase in Landfill Fees assessed by the Delaware Solid Waste Authority.
- Miscellaneous Services are slated to increase by \$40,000 to allow for an increase in the cost of janitorial service for the City/County Building, and to implement security service at the department's traffic yard and shop.
- Wearing Apparel will increase by \$5,000 to purchase additional safety supplies and equipment in the Rubbish Collection Division.
- Construction & Repairs expenses were increased by \$52,000 to augment the Annual Minor Street repairs project in the Capital Budget.
- Both the Equipment and Fixed Assets appropriations will fall, by \$7,000 and \$30,000 respectively, due to decreased needs in these areas.
- Total Internal Services will increase by almost \$30,000 due to a significant rise in Data Processing charges.
- Debt Service costs have risen by more than \$1 million, almost entirely due to funding the relocation of the Public Works yard in the FY 2004 Capital Budget.

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

- Utility costs for both Electricity and Gas (for heat) have risen by a total of \$15,000.
- Contracted Maintenance is slated to rise by more than \$27,000 to cover body repairs to vehicles.
- Miscellaneous Services, covering motor vehicle repairs, will decrease by \$76,000 due to a lower contract bid by the vendor.
- Petroleum & Chemicals has increased by more than \$143,000, in part due to the addition of 45 new marked police vehicles to the fleet.
- The Fixed Assets account was reduced by \$60,000 to zero, as no equipment purchases are anticipated.
- Internal Services will rise by almost \$20,000, with significant increases to Telephone, Radio, and Data Processing allocations.
- Depreciation and Debt Service have been adjusted upward by \$291,000 and \$53,000, respectively, to reflect the additions to the police fleet listed above.

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

- Regular Salaries will rise by \$221,000 as a result of wage increases negotiated in the recent labor contracts.
- Temporary Salaries have been increased by \$34,000 to allow for the hiring of additional part-time personnel on the City's GIS project.
- Overtime allocations will rise by \$117,000, to \$732,000, to more accurately reflect past actual expenditures.
- Pension Contributions will increase by \$57,000 to meet the targets set by the City's actuarial consultants.
- Utilities have been reduced by a total of \$72,000 as part of the cost of fuel oil has been budgeted in the Motor Vehicle Division.
- Rental Costs have decreased by \$33,420, as most of these costs have been incorporated into the yard relocation project in the capital budget.
- Contracted Maintenance will climb by \$50,000 and includes increases in Repairs to Buildings and to Water Lines.
- Professional Fees, including Engineering and Legal Fees, are slated to increase by nearly \$190,000 to aggressively pursue an accelerated program of Combined Sewer Overflow (CSO) mitigation, along with finished water filtration and supply improvements.
- Miscellaneous Services have been increased by \$1.775 million. While there is a reduction of \$374,000 for the fee paid to Delaware Solid Waste Authority for disposal of the City's sewage sludge, the contract for the operation of the wastewater treatment plant has risen by \$2.25 million.
- Petroleum & Chemicals will rise by \$20,000 to meet the demands of the water treatment process.
- Materials & Supplies appropriations will increase almost \$64,000 to purchase additional quantities of supplies to repair sewers.
- Fixed Asset expenditures will grow by \$555,000 to fund needed water line improvements, valve and hydrant rehabilitation, and to purchase asset management program software.
- Debt Service costs have increased by \$388,000, in large part due to the proration of cost of the relocation of the yard facility in the FY 2004 Capital Budget.

DEPARTMENT OF PUBLIC WORKS PERFORMANCE INDICATORS

Goal #1: Provide a systematic plan for special pick-up services.

Objective: Schedule and coordinate approximately 16,000 requests for special pick-ups.

Goal #1 corresponds to the City's Strategic Plan, Policy Statements 1-B, 1-C, 1-D and 3-C on page 17.

CRITICAL INDICATOR	FY 2004 PROJECTED	FY 2004 ACTUAL	FY 2005 PROJECTED	FY 2005 ACTUAL	FY 2006 PROJECTED
Special Pick-Ups	14,000	14,250	14,000	13,400	16,000

Goal #2: Provide leaf collection as required.

Objective: Collect at least 400 tons of leaves from streets, sidewalks and alleys.

Goal #2 corresponds to the City's Strategic Plan, Policy Statements 1-B, 1-C and 3-C on page 17.

CRITICAL INDICATOR	FY 2004 PROJECTED	FY 2004 ACTUAL	FY 2005 PROJECTED	FY 2005 ACTUAL	FY 2006 PROJECTED
Tons of Leaves	350	420	400	425	400

Goal #3: Assure that City roadways are safe and passable.

Objective: Construct, repair and maintain City streets and alleyways.

Goal #3 corresponds to the City's Strategic Plan, Policy Statements 1-B, 1-C, 2-E and 3-C on page 17.

CRITICAL INDICATOR	FY 2004 PROJECTED	FY 2004 ACTUAL	FY 2005 PROJECTED	FY 2005 ACTUAL	FY 2006 PROJECTED
Street Repairs (tons of "hot mix")	250	481	450	248	400

DEPARTMENT OF PUBLIC WORKS

PERFORMANCE INDICATORS

Goal #4: Minimize flooding problems and sewer backups.

Objective: Inspect and maintain approximately 150 miles of sewers and sewer inlets, thus limiting flooding problems.

Goal #4 corresponds to the City's Strategic Plan, Policy Statements 1-B, 1-C and 3-C on page 17.

CRITICAL INDICATOR	FY 2004 PROJECTED	FY 2004 ACTUAL	FY 2005 PROJECTED	FY 2005 ACTUAL	FY 2006 PROJECTED
Flood Problems	0	3	0	0	0

Goal #5: Generate treated wastewater that is protective of water quality needs in the Delaware River.

Objective: Zero tolerance for violating discharge limits.

Goal #5 corresponds to the City's Strategic Plan, Policy Statements 1-B, 1-C and 3-C on page 17.

CRITICAL INDICATOR	FY 2004 PROJECTED	FY 2004 ACTUAL	FY 2005 PROJECTED	FY 2005 ACTUAL	FY 2006 PROJECTED
Violations of Discharge Limits	0	2	0	0	0

Goal #6: Produce and deliver potable water meeting quality standards protective of human health, and meeting pressure and aesthetic standards engendering a high degree of customer satisfaction.

Objective: No violations of primary drinking water standards anywhere in the system.

Goal #6 corresponds to the City's Strategic Plan, Policy Statements 1-B, 1-C and 3-C on page 17.

CRITICAL INDICATOR	FY 2004 PROJECTED	FY 2004 ACTUAL	FY 2005 PROJECTED	FY 2005 ACTUAL	FY 2006 PROJECTED
Violations of EPA's Safe Drinking Water Act	0	2	0	0	0

DEPARTMENT OF PUBLIC WORKS

PERFORMANCE INDICATORS

Goal #seven: Provide an operable fleet of City-owned vehicles and equipment through an outstanding preventative maintenance program.

Objective: Reduce the number of major and time-consuming breakdowns of equipment and vehicles through at least 1,500 inspections.

Goal #7 corresponds to the City's Strategic Plan, Policy Statements 1-B, 1-C and 1-E on page 17.

CRITICAL INDICATOR	FY 2004 PROJECTED	FY 2004 ACTUAL	FY 2005 PROJECTED	FY 2005 ACTUAL	FY 2006 PROJECTED
Preventative Maintenance Inspections	1,300	1,550	1,400	1,525	1,500

Goal #8: Minimize waste disposal costs.

Objective: Reduce landfill tipping fees by 1.0% through recycling.

Goal #8 corresponds to the City's Strategic Plan, Policy Statement 1-A on page 17.

CRITICAL INDICATOR	FY 2004 PROJECTED	FY 2004 ACTUAL	FY 2005 PROJECTED	FY 2005 ACTUAL	FY 2006 PROJECTED
Percent Tipping Fee Savings	1.0%	0.5%	1.0%	0.5%	1.0%
Tipping Fees Saved	\$24,500	\$12,250	\$24,500	\$12,250	\$24,500

Goal #9: Assure that all City streets are cleaned.

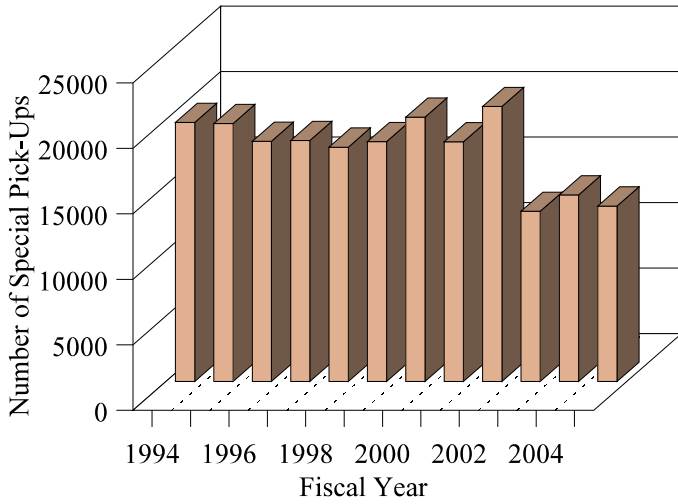
Objective: Provide periodic mechanical and manual sweeping of City streets and special pickups, collecting at least 4,500 tons of debris.

Goal #9 corresponds to the City's Strategic Plan, Policy Statements 1-B, 1-C and 3-C on page 17.

CRITICAL INDICATOR	FY 2004 PROJECTED	FY 2004 ACTUAL	FY 2005 PROJECTED	FY 2005 ACTUAL	FY 2006 PROJECTED
Street Cleaning (tons of debris, trash, etc.)	4,500	4,600	4,500	4,500	4,600

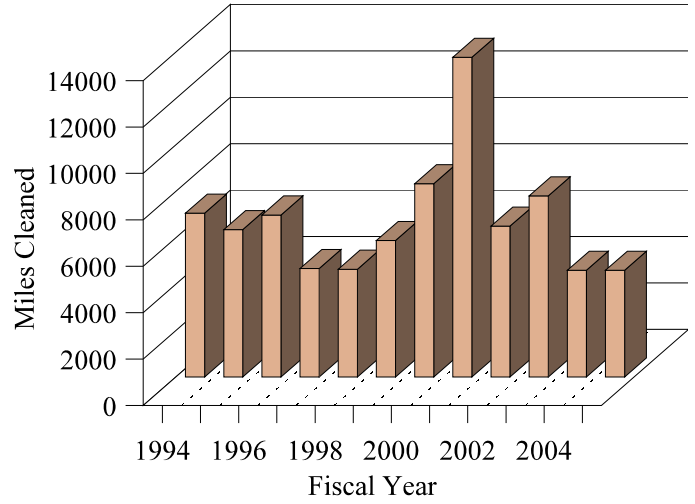
Department of Public Works Performance Trends

Special Pick-Ups



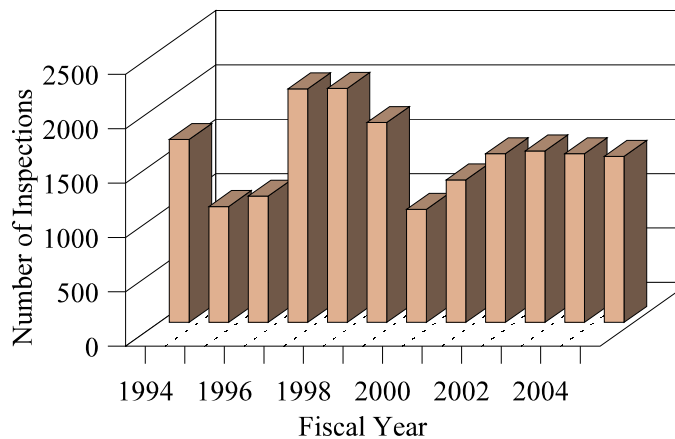
Special pick-ups involve items other than normal household trash, such as refrigerators, tires, and furniture.

Miles of Streets Cleaned



Aggressive management is required to maintain City streets in a litter free condition. FY 2001 reflects an expanded Spring Operation Clean Sweep program.

Preventative Maintenance Inspections



City vehicles are inspected on a regular basis to reduce the number of breakdowns of vehicles and equipment.

DEPARTMENTAL BUDGET DETAIL BY FUND

DEPARTMENT: PUBLIC WORKS

FUND: GENERAL

PERSONAL SERVICES	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
Regular Salaries	3,005,702	3,094,275	3,149,268	3,330,525
Temporary Salaries	23,845	751	7,800	7,800
Acting Out of Class	42,467	24,098	44,900	25,200
Sick Leave Bonus	3,700	6,500	7,700	8,400
Overtime	613,260	541,471	487,500	525,000
Holiday Pay	91,770	87,653	85,000	85,000
Meal Allowance	22,326	25,288	21,700	21,700
Internet Reimbursements	1,193	1,072	680	680
Pension Contribution	189,755	140,795	151,546	198,529
Social Security	229,673	228,575	235,883	246,734
Medicare Tax	54,106	53,725	55,165	57,740
Hospitalization	776,987	742,977	978,234	939,465
Life Insurance	9,889	9,002	10,713	9,901
Pension Healthcare	16,903	25,751	37,109	37,109
Personal Services Adjustment	<u>0</u>	<u>0</u>	<u>(111,515)</u>	<u>(111,515)</u>
TOTAL PERSONAL SERVICES	5,081,576	4,981,933	5,161,683	5,382,268

MATERIALS, SUPPLIES & EQUIPMENT

Printing & Advertising	910	2,795	13,428	12,942
Communications & Utilities	80,566	69,115	77,100	80,080
Transportation	532	2,117	5,500	2,000
Rentals	1,295,875	157,561	91,736	67,089
Contracted Maintenance Repairs	748,305	888,805	975,528	974,342
Professional Fees	116,686	422,495	439,340	443,700
Other Fees	1,868,310	1,842,605	2,492,750	2,520,250
Memberships & Registrations	2,059	1,605	3,600	3,700
Miscellaneous Services	571,632	336,407	339,400	379,400
Office & General Supplies	7,934	5,655	8,640	8,552
Wearing Apparel & Safety Supplies	15,336	11,196	19,189	24,335
Miscellaneous Parts	74,936	90,303	90,548	86,814
Construction & Repairs	193,963	225,222	118,000	170,000
Equipment	6,654	12,772	19,500	12,500
Fixed Assets	76,726	12,190	50,000	20,500
Landfill Fees Rebate	<u>0</u>	<u>0</u>	<u>(500,000)</u>	<u>(500,000)</u>
TOTAL M., S. & E.	5,060,424	4,080,843	4,244,259	4,306,204

DEPARTMENT: PUBLIC WORKS

FUND: GENERAL

INTERNAL SERVICES	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
Administrative Services	1,538,195	(440,087)	1,553,475	1,582,859
Self-Insurance	<u>1,037,426</u>	<u>1,475,875</u>	<u>454,868</u>	<u>454,868</u>
TOTAL INTERNAL SERVICES	2,575,621	1,035,788	2,008,343	2,037,727
<u>DEBT SERVICE</u>				
Principal Payments	2,046,774	2,004,553	2,035,778	2,521,967
Interest Payments	<u>1,439,289</u>	<u>1,344,281</u>	<u>1,353,952</u>	<u>1,876,236</u>
TOTAL DEBT SERVICE	3,486,063	3,348,834	3,389,730	4,398,203
GENERAL FUND TOTAL	<u>16,203,684</u>	<u>13,447,398</u>	<u>14,804,015</u>	<u>16,124,402</u>

DEPARTMENT: PUBLIC WORKS

FUND: WATER/SEWER

PERSONAL SERVICES	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
Regular Salaries	3,716,909	4,046,195	3,987,568	4,209,170
Temporary Salaries	112,375	5,685	15,000	48,000
Acting Out of Class	2,371	7,141	8,000	8,000
Shift Differential	8,613	8,781	10,000	10,000
Sick Leave Bonus	7,500	7,000	8,600	7,900
Overtime	555,826	734,765	614,750	731,994
Holiday Pay	9,033	6,227	9,000	8,000
Meal Allowance	18,588	25,305	19,300	28,398
Internet Reimbursements	2,295	2,710	3,720	3,360
Accrued Vacation Pay	49,559	(916)	0	0
Pension Contribution	223,001	189,920	204,647	261,504
Social Security	277,443	302,441	289,907	311,493
Medicare Tax	65,107	71,151	67,800	72,884
Hospitalization	792,998	784,664	1,041,839	985,283
Life Insurance	11,183	10,572	12,454	11,642
Pension Healthcare	18,007	31,071	44,774	44,774
Personal Services Adjustment	<u>0</u>	<u>0</u>	<u>(1,851)</u>	<u>(1,851)</u>
TOTAL PERSONAL SERVICES	5,870,808	6,232,712	6,335,508	6,740,551

DEPARTMENT: PUBLIC WORKS

FUND: WATER/SEWER

MATERIALS, SUPPLIES & EQUIPMENT	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
Printing & Advertising	5,279	73,570	45,320	39,462
Communications & Utilities	1,057,490	925,666	1,092,430	1,019,996
Transportation	4,082	4,493	7,000	6,400
Rentals	29,373	29,405	68,052	34,632
Contracted Maintenance Repairs	1,254,049	1,728,828	1,908,432	1,958,121
Professional Fees	949,923	1,912,242	1,727,000	1,916,625
Other Fees	208,247	171,728	207,000	216,000
Memberships & Registrations	30,288	21,579	35,189	35,650
Miscellaneous Services	11,743,887	10,251,895	11,560,203	13,335,178
Office & General Supplies	8,726	12,031	15,360	15,528
Wearing Apparel & Safety Supplies	10,593	16,284	14,000	16,000
Miscellaneous Parts	133,311	95,002	142,327	152,869
Petroleum & Chemicals	479,766	462,800	522,400	542,500
Construction & Repairs	71,929	67,680	69,248	133,098
Supporting Services	2,507,849	2,507,976	2,507,976	2,507,976
Equipment	20,067	49,504	22,000	22,500
Fixed Assets	<u>3,843,256</u>	<u>4,500,099</u>	<u>4,555,000</u>	<u>5,110,000</u>
TOTAL M., S. & E.	22,358,115	22,830,782	24,498,937	27,062,535
<u>INTERNAL SERVICES</u>				
Administrative Services	466,542	(529,072)	584,033	584,033
Self-Insurance	<u>1,572,884</u>	<u>547,005</u>	<u>720,734</u>	<u>725,950</u>
TOTAL INTERNAL SERVICES	2,039,426	17,933	1,304,767	1,309,983
<u>DEBT SERVICE</u>				
Amortized Bond Issue & Discount	30,490	30,489	118,736	118,736
Interest Payments	3,434,596	3,053,174	3,504,601	3,892,859
Other Fiscal Charges	<u>218,761</u>	<u>190,644</u>	<u>270,485</u>	<u>270,485</u>
TOTAL DEBT SERVICE	3,683,847	3,274,307	3,893,822	4,282,080
<u>OTHER</u>				
Capitalization	(3,843,256)	(4,500,099)	(4,555,000)	(5,110,000)
Depreciation	<u>5,015,286</u>	<u>5,045,891</u>	<u>4,647,307</u>	<u>4,647,307</u>
TOTAL OTHER	1,172,030	545,792	92,307	(462,693)
WATER/SEWER FUND TOTAL	<u>35,124,226</u>	<u>32,901,526</u>	<u>36,125,341</u>	<u>38,932,456</u>

DEPARTMENT: PUBLIC WORKS

FUND: MOTOR VEHICLE

MATERIALS, SUPPLIES & EQUIPMENT	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
Communications & Utilities	27,528	38,428	25,160	40,168
Transportation	87	1,182	1,500	1,500
Rentals	49,400	62,921	40,000	41,600
Contracted Maintenance Repairs	409,521	433,742	412,800	440,240
Professional Fees	55,644	42,114	80,000	79,000
Memberships & Registrations	1,369	1,519	1,400	1,400
Miscellaneous Services	1,394,265	1,164,411	1,586,000	1,509,567
Office & General Supplies	978	0	640	640
Miscellaneous Parts	264	3,302	3,840	3,872
Petroleum & Chemicals	265,713	300,699	330,000	473,124
Construction & Repairs	0	21,100	0	0
Equipment	0	12,795	0	0
Fixed Assets	<u>52,345</u>	<u>37,300</u>	<u>60,000</u>	<u>0</u>
TOTAL M., S. & E.	2,257,114	2,119,513	2,541,340	2,591,111
<u>INTERNAL SERVICES</u>				
Administrative Services	53,458	67,752	52,021	71,711
Self-Insurance	<u>44,080</u>	<u>132,240</u>	<u>132,243</u>	<u>132,244</u>
TOTAL INTERNAL SERVICES	97,538	199,992	184,264	203,955
<u>DEBT SERVICE</u>				
Interest Payments	<u>240,506</u>	<u>131,751</u>	<u>150,000</u>	<u>203,265</u>
TOTAL DEBT SERVICE	240,506	131,751	150,000	203,265
<u>OTHER</u>				
Capitalized Expenditures	(52,345)	(37,300)	(60,000)	0
Depreciation	<u>1,277,860</u>	<u>1,250,012</u>	<u>1,465,818</u>	<u>1,756,518</u>
TOTAL OTHER	1,225,515	1,212,712	1,405,818	1,756,518
MOTOR VEHICLE FUND TOTAL	<u>3,820,673</u>	<u>3,663,968</u>	<u>4,281,422</u>	<u>4,754,849</u>

DEPARTMENT: PUBLIC WORKS

FUND: MUNICIPAL STREET AID

MATERIALS, SUPPLIES & EQUIPMENT	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
Communications & Utilities	1,866,027	1,272,859	1,495,113	2,005,710
Fixed Assets	<u>0</u>	<u>185,882</u>	<u>0</u>	<u>0</u>
TOTAL M., S. & E.	1,866,027	1,458,741	1,495,113	2,005,710
MUNICIPAL STREET AID FUND TOTAL	<u>1,866,027</u>	<u>1,458,741</u>	<u>1,495,113</u>	<u>2,005,710</u>

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 revitalize neighborhoods.

The Department plans, allocates and prudently 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 will partner with other City departments, government agencies, the private sector and other organizations that share its goals.

PRIORITIES FOR FISCAL YEAR 2006

- Continue administering emergency/critical repair program which prevents homelessness and major deterioration in existing properties.
- Continue to address neglected and vacant properties in the City by working with the Law and Licenses and Inspections Departments to acquire and dispose of such properties.
- Fund and support the Homeless and Transitional Housing Strategy.
- Continue to strengthen monitoring procedures to ensure program compliance.
- Continue RISE (Residential Improvement Stabilization Effort) in targeted revitalization areas.
- Implement the STAR (Strategically Targeted Area Redevelopment) in targeted revitalization areas.
- Implement new grant funded targeted code enforcement strategy with Licenses and Inspections, Law and other City Departments to address vacant properties, rental quality and other code violations.

SUMMARY OF FUNDING FOR THE DEPARTMENT OF REAL ESTATE & HOUSING

TOTAL ALL FUNDS	ACTUAL	ACTUAL	BUDGET	APPROVED
DEPT OF REAL ESTATE & HOUSING	FY2003	FY2004	FY2005	FY2006
Personal Services	1,300,333	1,273,860	1,320,706	1,334,730
Materials, Supplies & Equipment	125,066	492,877	301,474	332,941
Internal Services	153,934	144,831	156,016	175,530
Debt Service	1,136,727	734,109	1,169,464	1,156,660
Special Purpose	<u>5,752,868</u>	<u>5,951,574</u>	<u>6,279,603</u>	<u>5,402,771</u>
TOTAL	<u>8,468,928</u>	<u>8,597,251</u>	<u>9,227,263</u>	<u>8,402,632</u>
STAFFING LEVELS	24.00	21.00	21.00	20.00

GENERAL FUND	ACTUAL	ACTUAL	BUDGET	APPROVED
DEPT OF REAL ESTATE & HOUSING	FY2003	FY2004	FY2005	FY2006
Personal Services	248,996	202,569	180,603	175,854
Materials, Supplies & Equipment	40,809	36,048	146,000	136,000
Internal Services	55,487	54,432	45,075	64,906
Debt Service	<u>1,136,727</u>	<u>734,109</u>	<u>1,169,464</u>	<u>1,156,660</u>
TOTAL	<u>1,482,019</u>	<u>1,027,158</u>	<u>1,541,142</u>	<u>1,533,420</u>
STAFFING LEVELS	3.00	2.81	2.76	2.80

COMMUNITY DEVELOPMENT	ACTUAL	ACTUAL	BUDGET	APPROVED
BLOCK GRANT FUND (CDBG)	FY2003	FY2004	FY2005	FY2006
DEPT OF REAL ESTATE & HOUSING	FY2003	FY2004	FY2005	FY2006
Personal Services	868,086	973,618	1,065,161	1,066,027
Materials, Supplies & Equipment	69,773	113,270	80,830	104,681
Internal Services	94,203	90,399	104,972	104,972
Special Purpose	<u>1,024,428</u>	<u>1,538,372</u>	<u>1,845,597</u>	<u>1,625,288</u>
TOTAL	<u>2,056,490</u>	<u>2,715,659</u>	<u>3,096,560</u>	<u>2,900,968</u>
STAFFING LEVELS	18.50	16.70	16.58	15.87

HOME PARTNERSHIP FUND	ACTUAL	ACTUAL	BUDGET	APPROVED
DEPT OF REAL ESTATE & HOUSING	FY2003	FY2004	FY2005	FY2006
Personal Services	59,111	42,091	45,175	70,169
Materials, Supplies & Equipment	10,535	28,504	27	2,204
Special Purpose	<u>1,109,160</u>	<u>1,051,707</u>	<u>707,110</u>	<u>651,363</u>
TOTAL	<u>1,178,806</u>	<u>1,122,302</u>	<u>752,312</u>	<u>723,736</u>
STAFFING LEVELS	1.00	0.58	0.63	0.96

SECTION 8 FUND	ACTUAL	ACTUAL	BUDGET	APPROVED
DEPT OF REAL ESTATE & HOUSING	FY2003	FY2004	FY2005	FY2006
Personal Services	112,832	38,568	5,380	0
Materials, Supplies & Equipment	3,949	301,019	74,417	86,162
Internal Services	4,244	0	5,969	5,652
Special Purpose	<u>2,726,932</u>	<u>2,377,378</u>	<u>2,846,040</u>	<u>2,340,000</u>
TOTAL	<u>2,847,957</u>	<u>2,716,965</u>	<u>2,931,806</u>	<u>2,431,814</u>
STAFFING LEVELS	1.00	0.63	0.63	0.00

HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS (HOPWA)	ACTUAL	ACTUAL	BUDGET	APPROVED
DEPT OF REAL ESTATE & HOUSING	FY2003	FY2004	FY2005	FY2006
Personal Services	11,243	13,945	20,084	18,267
Materials, Supplies & Equipment	0	12,444	0	2,823
Special Purpose	<u>770,328</u>	<u>884,367</u>	<u>774,356</u>	<u>681,910</u>
TOTAL	<u>781,571</u>	<u>910,756</u>	<u>794,440</u>	<u>703,000</u>
STAFFING LEVELS	0.50	0.23	0.33	0.30

EMERGENCY SHELTER GRANT (ESG)	ACTUAL	ACTUAL	BUDGET	APPROVED
DEPT OF REAL ESTATE & HOUSING	FY2003	FY2004	FY2005	FY2006
Personal Services	65	3,069	4,303	4,413
Materials, Supplies & Equipment	0	1,592	200	1,071
Special Purpose	<u>122,020</u>	<u>99,750</u>	<u>106,500</u>	<u>104,210</u>
TOTAL	<u>122,085</u>	<u>104,411</u>	<u>111,003</u>	<u>109,694</u>
STAFFING LEVELS	0.00	0.05	0.07	0.07

GENERAL FUND MAJOR FUNDING CHANGES FROM PRIOR YEAR

- Miscellaneous Charges of \$6,000 is for Sheriff Sales and Non-CDBG Property Title Searches.
- The Disposition Account is allotted \$110,000 for the maintenance, stabilization, and clean-up of Non-CDBG properties.
- Miscellaneous Projects went down \$5,000, from \$25,000 to \$20,000, in Fiscal Year 2006.
- Debt Service decreased \$12,800, from \$1,169,460, down to \$1,156,660, mostly as a result of the savings from the 1996A bond refunding.

SECTION 8 FUND MAJOR FUNDING CHANGES FROM PRIOR YEAR

- The Consultant Account, in the amount of \$86,160, pays the administrative fees for both Terry and Quaker Hill Apartments (\$41,310 and \$44,850 respectively).
- Housing Assistance Payments (HAP) decreased \$506,040, due to the reduction in rents.

CDBG FUNDS MAJOR FUNDING CHANGES FROM PRIOR YEAR

- An Account Clerk III position was eliminated, reducing total staffing down to 20, and saving \$42,730.
- The Consultants account in the amount of \$72,030 is to allow for the following: A mapping (GIS) function for the Rental Quality and Vacant Property initiatives; designing a new Strategic Targeted Area Redevelopment (STAR) program; and studying local and regional housing market trends.
- The Fixed Asset Account of \$6,000 is to purchase carpeting for four offices and replace the network printer in the reception area.
- The Community Activities reduction of \$280,510 is due to the decrease in the Federal funding allocated to the City for Fiscal Year 2006.

HOME PARTNERSHIP, HOPWA & ESG FUNDS MAJOR FUNDING CHANGES FROM PRIOR YEAR

- Collectively, the HOME, HOPWA & ESG Funds decreased \$121,320, from a total of \$1,657,750, down to \$1,536,430. The funding of these Programs has been cut by the Federal government.

DEPARTMENT OF REAL ESTATE AND HOUSING PERFORMANCE INDICATORS

Goal #1: Housing Rehabilitation Program: Preservation of Existing Occupied Housing

Objective: Rehabilitate 300 occupied housing units through the City.

Goal #1 corresponds to the City's Strategic Plan, Policy Statement 3-A on page 17.

CRITICAL INDICATOR	FY 2004 PROJECTED	FY 2004 ACTUAL	FY 2005 PROJECTED	FY 2005 ACTUAL	FY 2006 PROJECTED
Emergency/Critical Repair Program (CDBG)	50	53	50	42	60
Christmas in April Repair Program (CDBG)*	2	0	4	4	0
Housing Rehabilitation (State: HRLP)	15	8	24	7	8
Housing Rehabilitation (HOME)*	1	5	36	27	0
Tax Credit Projects (HOME)**	185	0	50	18	0
CDBG Housing Rehab*	0	0	10	12	0
Facade	0	6	147	141	177
STAR (CDBG, HOME)	0	0	0	0	30
De-lead Delaware	0	0	0	0	17
Corner Vacants	10	2	8	6	8
Total Occupied Rehabs	263	74	329	257	300

*included in STAR in FY 2006

**Program ended in FY 2005

Goal #2: Eliminate slums and blighted properties that lead to substandard living conditions.

Objective: Reduce the number of properties in RE&H property inventory to 124.

Goal #2 corresponds to the City's Strategic Plan, Policy Statement 3-A on page 17.

CRITICAL INDICATOR	FY 2004 PROJECTED	FY 2004 ACTUAL	FY 2005 PROJECTED	FY 2005 ACTUAL	FY 2006 PROJECTED
Vacant Properties Acquired	10	0	15	21	25
Vacant Properties Disposed	39	59	30	49	15
Structures/Lots in Property Inventory	131	142	127	114	124

DEPARTMENT OF REAL ESTATE AND HOUSING PERFORMANCE INDICATORS

Goal #3: Administer Grant to meet Human Service and Facilities Needs.

Objective: Administer funding for 25 human service projects

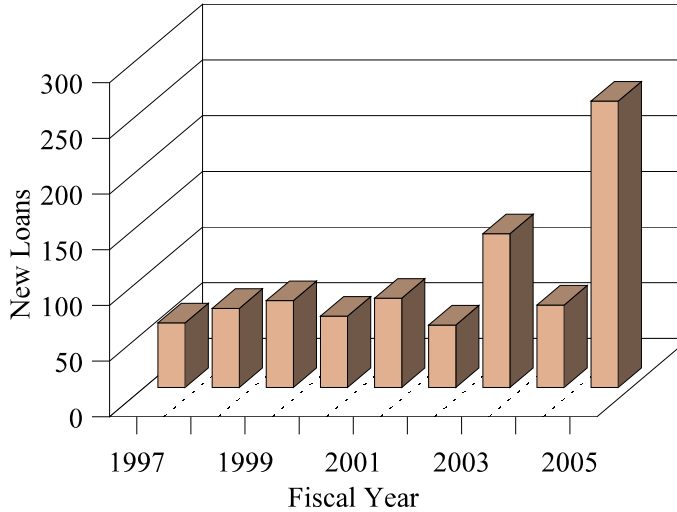
Goal #3 corresponds to the City's Strategic Plan, Policy Statement 3-A on page 17

CRITICAL INDICATOR	FY 2004 PROJECTED	FY 2004 ACTUAL	FY 2005 PROJECTED	FY 2005 ACTUAL	FY 2006 PROJECTED
Homeless/Transitional Housing Grant (CDBG, ESG & HOPWA)	22	21	21	21	18
Youth and Family Grants (CDBG)*	18	17	10	10	0
Fair Housing Grants (CDBG)	8	5	2	3	3
Capital Facility Projects	6	4	0	4	4
Total Number Contracts	54	47	33	38	25

*Program ended in FY 2005

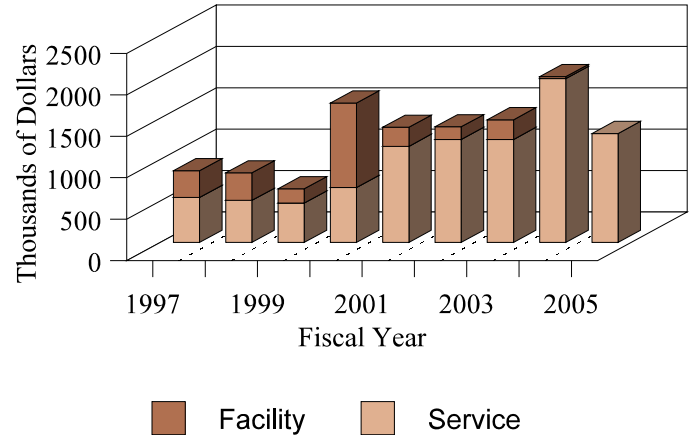
Department of Real Estate and Housing Performance Trends

Housing Rehabilitation Loans



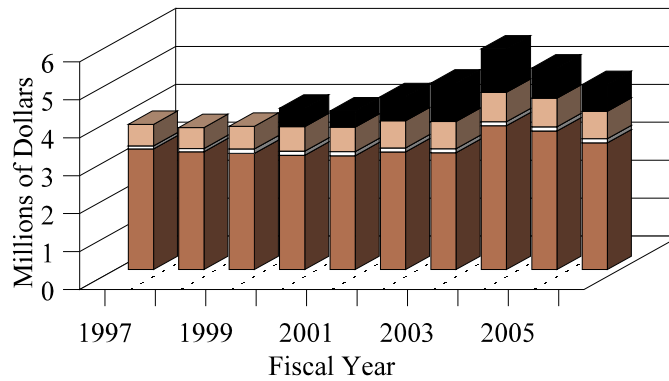
Housing Rehabilitation Loans are made to owner-occupants and investors. Funding is from CDBG, HOME, Federal Lead Paint Reduction Grant and State HRLP. The increase in FY 2005 is due to the Facade Program Project, where an entire city block is done at one time, averaging \$2,500 per unit.

Public Service/Public Facility Grants



This chart represents federally funded projects. Public Facilities Grants were phased out in FY 2004 and Public Services Grants were discontinued in FY 2006.

Federal Funding Levels



HOPWA was first funded in FY 2000. From FY 2005 to FY 2006 the total funding from four federal fund sources had declined \$288,525 or 6.2%.

DEPARTMENTAL BUDGET DETAIL BY FUND

DEPARTMENT: REAL ESTATE & HOUSING

FUND: GENERAL

PERSONAL SERVICES	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
Regular Salaries	165,911	160,856	144,493	137,928
Acting Out of Classification	92	0	0	0
Sick Leave Bonus	150	15	0	0
Internet Reimbursements	9	88	0	0
Pension Contribution	40,465	5,611	5,521	7,398
Social Security	9,956	9,364	8,958	8,551
Medicare Tax	2,401	2,192	2,095	2,000
Hospitalization	28,546	23,164	25,878	26,316
Life Insurance	354	306	318	321
Pension Healthcare	1,112	973	1,402	1,402
Personal Services Adjustment	<u>0</u>	<u>0</u>	<u>(8,062)</u>	<u>(8,062)</u>
TOTAL PERSONAL SERVICES	248,996	202,569	180,603	175,854
<u>MATERIALS, SUPPLIES & EQUIPMENT</u>				
Communications & Utilities	675	0	0	0
Rentals	0	358	0	0
Professional Fees	14,600	0	0	0
Memberships & Registrations	120	0	0	0
Miscellaneous Services	3,293	2,211	11,000	6,000
Wearing App & Safety	0	266	0	0
Miscellaneous Services	0	690	0	0
Equipment	0	5,851	0	0
Fixed Assets	3,967	647	0	0
Community Activities	<u>18,154</u>	<u>26,025</u>	<u>135,000</u>	<u>130,000</u>
TOTAL M., S. & E.	40,809	36,048	146,000	136,000
<u>INTERNAL SERVICES</u>				
Administrative Services	51,531	55,921	43,361	63,192
Self-Insurance	<u>3,956</u>	<u>(1,489)</u>	<u>1,714</u>	<u>1,714</u>
TOTAL INTERNAL SERVICES	55,487	54,432	45,075	64,906
<u>DEBT SERVICE</u>				
Principal Payments	599,713	223,812	648,090	646,697
Interest Payments	<u>537,014</u>	<u>510,297</u>	<u>521,374</u>	<u>509,963</u>
TOTAL DEBT SERVICE	1,136,727	734,109	1,169,464	1,156,660
GENERAL FUND TOTAL	<u>1,482,019</u>	<u>1,027,158</u>	<u>1,541,142</u>	<u>1,533,420</u>

DEPARTMENT: REAL ESTATE & HOUSING

FUND: CDBG

PERSONAL SERVICES	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
Regular Salaries	687,979	732,178	783,782	798,739
Temporary Salaries	14,647	20,634	25,000	25,000
Acting Out of Classification	196	0	0	0
Sick Leave Bonus	150	285	0	0
Civilian Holiday-Overtime	35	0	0	0
Internet Reimbursements	759	861	1,580	0
Parking Reimbursements	(24)	0	0	0
Pension Contribution	290	37,144	42,323	51,563
Social Security	43,426	46,841	50,147	51,072
Medicare Tax	10,154	15,147	11,727	11,941
Hospitalization	108,570	118,767	148,630	125,882
Life Insurance	<u>1,904</u>	<u>1,761</u>	<u>1,972</u>	<u>1,830</u>
TOTAL PERSONAL SERVICES	868,086	973,618	1,065,161	1,066,027
<u>MATERIALS, SUPPLIES & EQUIPMENT</u>				
Printing & Advertising	1,355	2,711	2,400	2,000
Communications & Utilities	311	364	0	500
Transportation	1,429	2,670	4,050	4,000
Rentals	35	0	300	150
Contracted Maintenance Repairs	68	0	80	0
Professional Fees	28,495	62,181	45,000	72,031
Other Fees	897	364	2,000	3,000
Memberships & Registrations	6,288	6,162	6,500	6,500
Miscellaneous Services	5,457	3,313	3,500	3,500
Office & General Supplies	3,330	3,145	3,000	3,000
Wearing Apparel & Safety	3,275	2,221	3,000	3,000
Equipment	5,623	12,283	1,000	1,000
Fixed Assets	<u>13,210</u>	<u>17,856</u>	<u>10,000</u>	<u>6,000</u>
TOTAL M., S. & E.	69,773	113,270	80,830	104,681
<u>INTERNAL SERVICES</u>				
Administrative Services	93,074	90,399	99,700	99,700
Self-Insurance	<u>1,129</u>	<u>0</u>	<u>5,272</u>	<u>5,272</u>
TOTAL INTERNAL SERVICES	94,203	90,399	104,972	104,972
<u>SPECIAL PURPOSE</u>				
Grants & Fixed Charges	<u>1,024,428</u>	<u>1,538,372</u>	<u>1,845,597</u>	<u>1,625,288</u>
TOTAL SPECIAL PURPOSE	1,024,428	1,538,372	1,845,597	1,625,288
CDBG FUND TOTAL	<u>2,056,490</u>	<u>2,715,659</u>	<u>3,096,560</u>	<u>2,900,968</u>

GRANTS & FIXED CHARGES DETAIL	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
Addictions Coalition			11,250	0
Brandywine Council Outreach				38,912
CDBG Eligible Housing			0	400,000
Children and Families First La Officina			7,500	0
Christmas in April Rehab Program			10,000	0
Clearance			0	388,839
DCRAC Fair Lending			5,000	0
Delaware Adolescent Program, Inc			5,250	0
DE Center for Justice Short-Term Housing			0	29,184
Disposition & Property Management			15,000	0
Eastlawn Human Services Emergency Shelter			15,000	14,592
Emergency/Critical Repairs Program			300,000	300,000
Facade Program			0	60,000
Facade Program: Eastside			100,000	0
Facade Program: Northeast			100,000	0
Facade Program: Southbridge			100,000	0
Fair Housing (to be determined by RFP)			7,500	30,000
Greater Wilmington Youth Athletic Association			21,000	0
Hilltop Lutheran Neighborhood Center Tutoring			22,500	0
Homeless Planning Council			10,000	20,000
Housing Rehabilitation Grant (including Lead)			260,000	0
Ingleside Home Assisted Living Facility			100,000	0
LPGA Urban Golf Program			7,500	0
Latin American Community Center Dev Corp			10,000	0
Lutheran Community Services for the Homeless			25,000	24,320
Martin Luther King Center			15,000	0
Ministry of Caring/Hope House I			24,900	24,222
Ministry of Caring/Hope II and III			33,120	32,220
Ministry of Caring/House of Joseph I			18,610	18,103
Prestwyk Apartments Lead Abatement			100,000	0
Rental Quality Initiative (CLASI)			15,784	0
SBM Housing Supportive Services			15,000	0
St. Patrick's Center Grocery Distribution Program			7,500	0
Salvation Army "Code Purple" Cold Weather			13,820	13,840
SBM Housing Supportive Services			0	14,592
Trees and Landscaping (DCH)			50,000	60,000
Urban League Education			7,500	0
Vacant Property Management			274,363	0
WEDCO (fee for loan collections)			0	30,000
West End Neighborhood House Lifelines Transit			35,000	34,048
Wilmington Senior Center Grandparents			7,500	0
YWCA Home Life Mngt. Transitional Housing			95,000	92,416
FY 2003 Expenditures	1,024,428		0	0
FY 2004 Expenditures	<u>0</u>	<u>1,538,372</u>	<u>0</u>	<u>0</u>
GRANTS & FIXED CHARGES TOTAL	<u>1,024,428</u>	<u>1,538,372</u>	<u>1,845,597</u>	<u>1,625,288</u>

DEPARTMENT: REAL ESTATE & HOUSING

FUND: HOME PARTNERSHIP

PERSONAL SERVICES	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
Regular Salaries	47,295	31,985	33,026	51,401
Parking Reimbursements	24	5	0	0
Pension Contribution	0	1,903	2,176	4,343
Social Security	2,731	1,729	2,047	3,187
Medicare Tax	638	405	480	745
Hospitalization	8,327	6,001	7,373	10,386
Life Insurance	<u>96</u>	<u>63</u>	<u>73</u>	<u>107</u>
TOTAL PERSONAL SERVICES	59,111	42,091	45,175	70,169
<u>MATERIALS, SUPPLIES & EQUIPMENT</u>				
Professional Fees	<u>10,535</u>	<u>28,504</u>	<u>27</u>	<u>2,204</u>
TOTAL M., S. & E.	10,535	28,504	27	2,204
<u>SPECIAL PURPOSE</u>				
Miscellaneous Projects	<u>1,109,160</u>	<u>1,051,707</u>	<u>707,110</u>	<u>651,363</u>
TOTAL SPECIAL PURPOSE	1,109,160	1,051,707	707,110	651,363
HOME PARTNERSHIP FUND TOTAL	<u>1,178,806</u>	<u>1,122,302</u>	<u>752,312</u>	<u>723,736</u>

GRANTS & FIXED CHARGES DETAIL	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
CHDO Set-aside			113,114	108,561
Delmar Associates Rental Tax Credit			325,000	0
Fair Housing (To Be Determined)			22,500	0
HOME Eligible Housing Activities			0	542,802
Housing Opportunities of Northern DE			5,000	0
Wilmington Senior Center Apartments			241,496	0
FY 2003 Expenditures	1,109,160		0	0
FY 2004 Expenditures	<u>0</u>	<u>1,051,707</u>	<u>0</u>	<u>0</u>
GRANTS & FIXED CHARGES TOTAL	<u>1,109,160</u>	<u>1,051,707</u>	<u>707,110</u>	<u>651,363</u>

DEPARTMENT: REAL ESTATE & HOUSING

FUND: SECTION 8

	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
PERSONAL SERVICES				
Regular Salaries	93,701	31,020	4,238	0
Temporary Salaries	340	0	0	0
Acting Out Of Classification	28	0	0	0
Civilian Holiday-Overtime	142	0	0	0
Internet Reimbursements	90	4	0	0
Pension Contribution	4	1,364	227	0
Social Security	5,843	2,006	263	0
Medicare Tax	1,366	469	61	0
Hospitalization	11,066	3,640	581	0
Life Insurance	<u>252</u>	<u>65</u>	<u>10</u>	<u>0</u>
TOTAL PERSONAL SERVICES	112,832	38,568	5,380	0
<u>MATERIALS, SUPPLIES & EQUIPMENT</u>				
Printing and Advertising	64	0	0	0
Acquisition	0	300,000	0	0
Communications and Utilities	12	0	0	0
Transportation	4	0	0	0
Rentals	4	0	0	0
Professional Fees	2,012	1,019	74,417	86,162
Memberships & Registrations	380	0	0	0
Office & General Supplies	69	0	0	0
Equipment	128	0	0	0
Fixed Assets	<u>1,276</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL M., S. & E.	3,949	301,019	74,417	86,162
<u>INTERNAL SERVICES</u>				
Administrative Services	<u>4,244</u>	<u>0</u>	<u>5,969</u>	<u>5,652</u>
TOTAL INTERNAL SERVICES	4,244	0	5,969	5,652
<u>SPECIAL PURPOSE</u>				
Miscellaneous Projects	<u>2,726,932</u>	<u>2,377,378</u>	<u>2,846,040</u>	<u>2,340,000</u>
TOTAL SPECIAL PURPOSE	2,726,932	2,377,378	2,846,040	2,340,000
SECTION 8 FUND TOTAL	<u>2,847,957</u>	<u>2,716,965</u>	<u>2,931,806</u>	<u>2,431,814</u>

DEPARTMENT: REAL ESTATE & HOUSING

FUND: HOPWA

<u>PERSONAL SERVICES</u>	<u>ACTUAL FY2003</u>	<u>ACTUAL FY2004</u>	<u>BUDGET FY2005</u>	<u>APPROVED FY2006</u>
Regular Salaries	9,690	11,635	15,890	14,872
Internet Reimbursements	0	19	0	0
Pension Contribution	0	617	837	1,091
Social Security	601	756	985	922
Medicare Tax	141	177	231	216
Hospitalization	779	716	2,102	1,131
Life Insurance	<u>32</u>	<u>25</u>	<u>39</u>	<u>35</u>
TOTAL PERSONAL SERVICES	11,243	13,945	20,084	18,267
 <u>MATERIALS, SUPPLIES & EQUIPMENT</u>				
Professional Fees	<u>0</u>	<u>12,444</u>	<u>0</u>	<u>2,823</u>
TOTAL M. S. & E.	0	12,444	0	2,823
 <u>SPECIAL PURPOSE</u>				
Miscellaneous Projects	<u>770,328</u>	<u>884,367</u>	<u>774,356</u>	<u>681,910</u>
TOTAL SPECIAL PURPOSE	770,328	884,367	774,356	681,910
 HOPWA FUND TOTAL	 <u>781,571</u>	 <u>910,756</u>	 <u>794,440</u>	 <u>703,000</u>

<u>GRANTS & FIXED CHARGES DETAIL</u>	<u>ACTUAL FY2003</u>	<u>ACTUAL FY2004</u>	<u>BUDGET FY2005</u>	<u>APPROVED FY2006</u>
Brandywine Counseling Outreach			40,000	0
Catholic Charities Homeless Prevention			40,000	38,912
Cecil County Emergency Assistance			22,000	21,402
DE Center for Justice Short-Term Housing			30,000	0
DE HIV Consortium Housing Assistance			587,356	568,092
Ministry of Caring-House of Joseph II			55,000	53,504
FY 2003 Expenditures	770,328		0	0
FY 2004 Expenditures	<u>0</u>	<u>884,367</u>	<u>0</u>	<u>0</u>
 GRANTS & FIXED CHARGES TOTAL	 <u>770,328</u>	 <u>884,367</u>	 <u>774,356</u>	 <u>681,910</u>

PERSONAL SERVICES	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
Regular Salaries	60	2,558	3,413	3,601
Internet Reimbursements	0	5	0	0
Pension Contribution	0	133	178	250
Social Security	4	166	211	223
Medicare Tax	1	39	50	52
Hospitalization	0	163	443	279
Life Insurance	<u>0</u>	<u>5</u>	<u>8</u>	<u>8</u>
TOTAL PERSONAL SERVICES	65	3,069	4,303	4,413
<u>MATERIALS, SUPPLIES & EQUIPMENT</u>				
Professional Fees	<u>0</u>	<u>1,592</u>	<u>200</u>	<u>1071</u>
TOTAL M. S. & E	0	1,592	200	1071
<u>SPECIAL PURPOSE</u>				
Miscellaneous Projects	<u>122,020</u>	<u>99,750</u>	<u>106,500</u>	<u>104,210</u>
TOTAL SPECIAL PURPOSE	122,020	99,750	106,500	104,210
EMERGENCY SHELTER GRANT				
FUND TOTAL	<u>122,085</u>	<u>104,411</u>	<u>111,003</u>	<u>109,694</u>

GRANTS & FIXED CHARGES DETAIL	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
Salvation Army Emergency Housing			68,500	67,244
Sojourners Place Transitional Housing			38,000	36,966
FY 2003 Expenditures	122,020		0	0
FY 2004 Expenditures	<u>0</u>	<u>99,750</u>	<u>0</u>	<u>0</u>
GRANTS & FIXED CHARGES TOTAL	<u>122,020</u>	<u>99,750</u>	<u>106,500</u>	<u>104,210</u>

DEPARTMENT OF COMMERCE

The Department of Commerce promoted and developed new commerce and industry within the City of Wilmington while retaining existing businesses. The Department also managed and marketed the Port of Wilmington as a self-sufficient business entity. Then the Department of Commerce and the Port of Wilmington were restructured and sold, respectively. Negotiations to sell the Port to the State of Delaware were successful, and effective September 1, 1995, the Port came under the auspices of the State. Although the Port was a profitable business entity, the City could no longer afford the infrastructure improvements necessary to maintain its competitiveness and profitability. By agreement, the City retained the debt of the previous existing Commerce Fund, but it was reimbursed for both principal and interest by the State along with a "mortgage" payment based on a 30-year amortization of the sale price.

Then, in February of 2002, the Port and City entered into another agreement, whereby a lump sum payment of \$8 million was provided by the State Transportation Fund and given to the City as final consideration and in lieu of all future outstanding payments that were obligated by the Port to be made to the City as a result of the Fiscal Year 1996 Sale. As a result, all future annual mortgage payments by the Port were wiped out and all future annual amortized gain figures were recalculated and then re-amortized from Fiscal Year 2002 to Fiscal Year 2005. However, the reimbursement of debt was not affected by this new agreement.

As a result of reclassifying the Commerce Fund from an Enterprise Fund to a Special Revenue Fund, principal payments will now be expensed, whereas when it was an Enterprise Fund, only interest payments were expensed. Therefore, both interest and principal payments are budgeted.

SUMMARY OF FUNDING FOR THE COMMERCE FUND

COMMERCE FUND	ACTUAL	ACTUAL	BUDGET	APPROVED
DEPARTMENT OF COMMERCE	FY2003	FY2004	FY2005	FY2006
Materials, Supplies & Equipment	123,431	100,081	240,000	32,000
Debt Service	5,738,341	5,852,477	6,004,371	5,751,402
Other	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL	<u>5,861,772</u>	<u>5,952,558</u>	<u>6,244,371</u>	<u>5,783,402</u>
STAFFING LEVELS	0.00	0.00	0.00	0.00

DEPARTMENTAL BUDGET DETAIL BY FUND

DEPARTMENT: COMMERCE

FUND: COMMERCE

MATERIALS, SUPPLIES, & EQUIPMENT	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
Professional Fees	64,521	0	0	0
Communications & Utilities	6,320	19,130	20,000	16,000
Insurance	0	0	0	0
Contracted Maintenance	0	1,637	20,000	16,000
Other Fees	0	0	0	0
Miscellaneous Services	7,565	8,543	0	0
Fixed Assets/Add. & Imp. to Bldg.	22,025	70,771	200,000	0
Community Activities	<u>23,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL M., S. & E.	123,431	100,081	240,000	32,000
<u>DEBT SERVICE</u>				
Amortized Bond Issue & Discount	0	0	132,598	0
Principal Payments	3,805,992	3,978,072	3,944,966	4,064,033
Interest Payments	1,932,349	1,874,405	1,656,562	1,417,124
Other Fiscal Charges	<u>0</u>	<u>0</u>	<u>270,245</u>	<u>270,245</u>
TOTAL DEBT SERVICE	5,738,341	5,852,477	6,004,371	5,751,402
<u>OTHER</u>				
Depreciation	0	0	0	0
Capitalization	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL OTHER	0	0	0	0
COMMERCE FUND TOTAL	<u>5,861,772</u>	<u>5,952,558</u>	<u>6,244,371</u>	<u>5,783,402</u>

DEPARTMENT OF YOUTH & FAMILIES

The Department of Youth and Families provided leadership and coordination in the areas of direct services, advocacy, policy and program development, monitoring and evaluation, and research and resource development. The department worked collaboratively with existing organizations to maximize resources and minimize duplication. Most of these functions will continue to be performed through a division in the Department of Parks & Recreation.

SUMMARY OF FUNDING FOR THE DEPARTMENT OF YOUTH AND FAMILIES

PARKS ASSISTANCE FUND DEPT OF YOUTH & FAMILIES	ACTUAL FY2003	ACTUAL FY2004	BUDGET FY2005	APPROVED FY2006
Personal Services	84,079	0	0	0
Materials, Supplies & Equipment	<u>259,782</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL	<u>343,861</u>	<u>0</u>	<u>0</u>	<u>0</u>
STAFFING LEVELS	0.00	0.00	0.00	0.00

MAJOR FUNDING CHANGES FROM PRIOR YEAR

- The Department of Youth & Families was eliminated in Fiscal Year 2003 and some functions and funding were transferred to the Department of Parks and Recreation, division of Youth & Families.

DEPARTMENTAL BUDGET DETAIL BY FUND

DEPARTMENT: YOUTH & FAMILIES

FUND: PARKS ASSISTANCE

	ACTUAL	ACTUAL	BUDGET	APPROVED
PERSONAL SERVICES	FY2003	FY2004	FY2005	FY2006
Regular Salaries	50	0	0	0
Temporary Salaries	77,961	0	0	0
Social Security	4,918	0	0	0
Medicare Tax	<u>1,150</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL PERSONAL SERVICES	84,079	0	0	0
 <u>MATERIALS, SUPPLIES & EQUIPMENT</u>				
Transportation	438	0	0	0
Rentals	(7,863)	0	0	0
Miscellaneous Parts	<u>267,207</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL M., S. & E.	259,782	0	0	0
 PARKS ASSISTANCE FUND TOTAL	 <u>343,861</u>	 <u>0</u>	 <u>0</u>	 <u>0</u>

CAPITAL IMPROVEMENTS PROGRAM

AND

CAPITAL BUDGET

FOR

FISCAL YEARS 2006 - 2011

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 2006 - FY 2011 period.

II. A Guide to the Capital Improvements Program

A. The 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 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. Improvement of City-owned property, including new construction, site improvements, additions and rehabilitation of existing structures. However, only rehabilitation projects exceeding \$2,000 are considered capital projects.
3. Major replacement facilities, such as roofs, heating, plumbing, and electrical systems.
4. Preliminary studies and surveys pursuant to acquisition, construction or rehabilitation of City-owned property.
5. Purchase of specialized equipment and furniture for public improvements when first erected or acquired.
6. Cash contributions when necessary to fulfill the City's obligation in federally-assisted programs of a capital nature.
7. Improvements to City-owned public utilities, such as sewers, water mains, fire hydrants, streets, and catch basins.
8. 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 in 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 its borrowing to 25 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 improvement 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 2006 - 2011

The proposed six year Capital Budget and Capital Improvements Program totals \$148,825,000, with the FY 2006 Capital Budget representing \$62,773,000 and the five year Program adding \$86,052,000. A breakdown of these costs and the project descriptions are provided in the following pages.

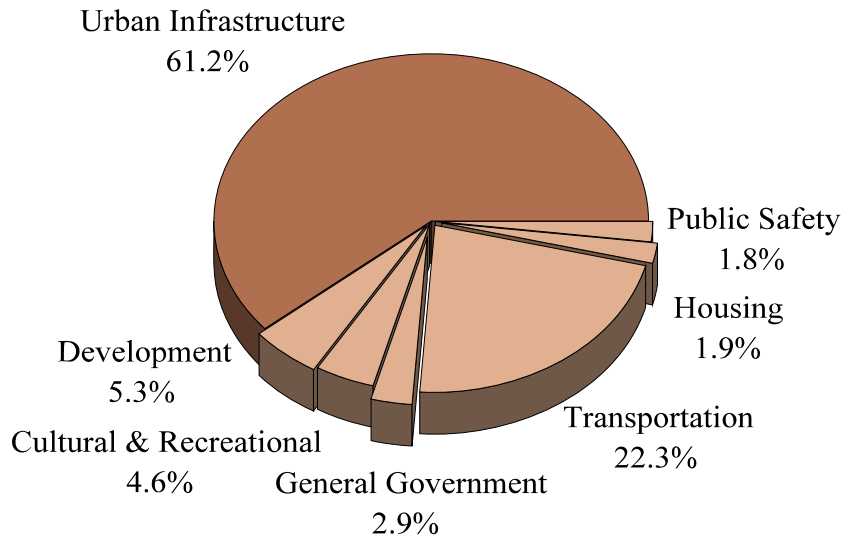
G. Impact of Capital Spending on the Operating Budget

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 cost that would result from bonds issued to fund the Capital Budget would be \$6,813,333.

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 M. S. & E (Materials, Supplies and Equipment).

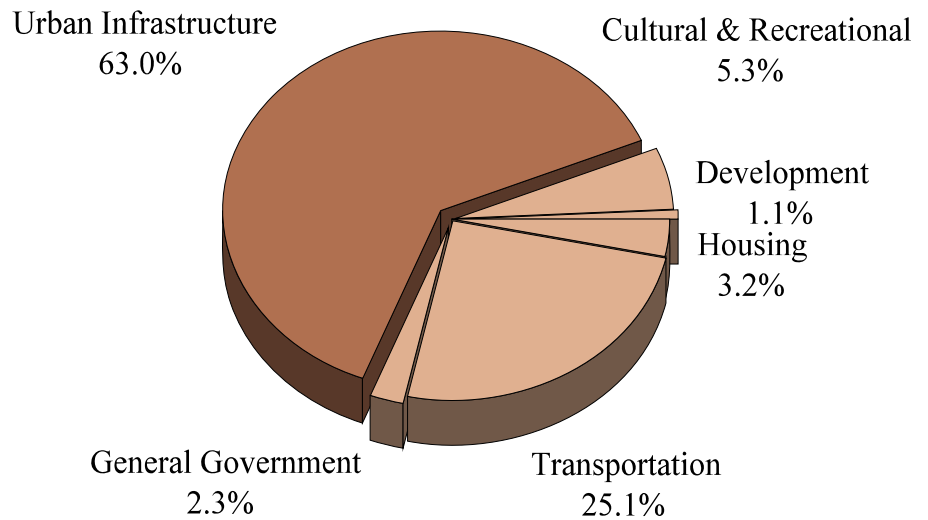
Capital Budget Allocations

Fiscal Years 2006-2007



Capital Program Allocations

Fiscal Years 2008-2011



CAPITAL IMPROVEMENTS PROGRAM
FISCAL YEARS 2006-2011
(000 omitted)

SUMMARY: TOTAL FUNDS RECOMMENDED BY FISCAL YEAR AND DEPARTMENT

NAME OF DEPARTMENT	TYPE OF FUNDING	FISCAL YEARS						TOTAL CITY FUNDS 6 YEAR PERIOD	TOTAL LOCAL AND MATCHING 6 YEAR PERIOD
		2006	2007	2008	2009	2010	2011		
PARKS AND RECREATION	G	2,877.5	0	1,980	0	1,810	0	6,667.5	6,667.5
	O	17.5	0	750	0	0	0	0	767.5
PUBLIC WORKS	G	8,010	0	5,205	0	5,560	0	18,775	18,775
	W	30,395	0	22,460	0	20,985	0	73,840	73,840
FIRE	G	1,120	0	0	0	0	0	1,120	1,120
FINANCE	G	876	0	304	0	314	0	1,494	1,494
	W	912	0	674	0	630	0	2,216	2,216
	C	15	0	15	0	15	0	45	45
TRANSPORTATION	G	1,850	0	1,700	0	1,600	0	5,150	5,150
	O	12,150	0	9,900	0	8,400	0	0	30,450
OFFICE OF THE MAYOR	G	2,850	0	0	0	0	0	2,850	2,850
	C	500	0	500	0	500	0	1,500	1,500
REAL ESTATE & HOUSING	G	1,200	0	1,250	0	1,500	0	3,950	3,950
TOTAL BY FUND	G	18,783.5	0	10,439	0	10,784	0	40,006.5	40,006.5
	O	12,167.5	0	10,650	0	8,400	0	0	31,217.5
	W	31,307	0	23,134	0	21,615	0	76,056	76,056
	C	515	0	515	0	515	0	1,545	1,545
GRAND TOTAL		62,773	0	44,738	0	41,314	0	117,607.5	148,825

* G - General; W - Water/Sewer; C - Commerce; O - Other Governmental

CAPITAL IMPROVEMENTS PROGRAM
FISCAL YEARS 2006-2011
(000 omitted)

PARKS & RECREATION DEPARTMENT: PROGRAM RECOMMENDATION BY FISCAL YEAR

	TYPE OF FUNDING	<u>FISCAL YEARS</u>						TOTAL CITY FUNDS 6 YEAR PERIOD	TOTAL LOCAL AND MATCHING 6 YEAR PERIOD
		2006	2007	2008	2009	2010	2011		
General Park Improvements	G	380	0	410	0	440	0	1,230	1,230
Spencer Plaza Renovations	G	495	0	0	0	0	0	495	495
Plaza, Fountains, & Site Renovations	G	390	0	0	0	0	0	390	390
Anderson Center Renov. - Phases III & IV	G	380	0	380	0	430	0	1,190	1,190
Swimming Pool & Boathouse Renovations	G	230	0	230	0	230	0	690	690
Ballfield & Swimming Pool Fencing	G	275	0	275	0	275	0	825	825
Monument Restorations	G	275	0	0	0	0	0	275	275
City Squares & Beautification	G	405	0	405	0	405	0	1,215	1,215
East 7th St. Boat Ramp Engineering & Repair	G	17.5	0	250	0	0	0	267.5	267.5
	O	17.5	0	750	0	0	0	0	767.5
Parks Identification/Signage Project	G	30	0	30	0	30	0	90	90
TOTAL BY FUND	G	2,877.5	0	1,980	0	1,810	0	6,667.5	6,667.5
	O	17.5	0	750	0	0	0	0	767.5
TOTAL PARKS AND RECREATION FUNDS		2,895	0	2,730	0	1,810	0	6,667.5	7,435

CAPITAL IMPROVEMENTS PROGRAM
FISCAL YEARS 2006-2011
(000 omitted)

PUBLIC WORKS DEPARTMENT: PROGRAM RECOMMENDATION BY FISCAL YEAR

	TYPE OF FUNDING	FISCAL YEARS						TOTAL CITY FUNDS 6 YEAR PERIOD	TOTAL LOCAL AND MATCHING 6 YEAR PERIOD
		2006	2007	2008	2009	2010	2011		
Street Paving & Reconstruction	G	5,610	0	4,405	0	4,760	0	14,775	14,775
City/County Building Renovations	G	2,100	0	500	0	500	0	3,100	3,100
Traffic Signs, Signals & Equipment	G	300	0	300	0	300	0	900	900
Annual Water Improvements	W	2,500	0	3,000	0	3,000	0	8,500	8,500
Large Transmission Main Projects	W	1,000	0	1,500	0	1,000	0	3,500	3,500
Pumping Improvements	W	2,000	0	1,000	0	1,000	0	4,000	4,000
Porter Filter Plant Improvements	W	3,000	0	1,500	0	1,500	0	6,000	6,000
Hoopes Dam	W	3,500	0	2,000	0	500	0	6,000	6,000
Brandywine Filter Plant Improvements	W	1,000	0	4,000	0	4,000	0	9,000	9,000
Cool Springs Reservoir	W	8,000	0	0	0	0	0	8,000	8,000
Architectural Rehabilitation	W	1,000	0	1,000	0	1,500	0	3,500	3,500
Brandywine Raceway Rehabilitation	W	1,000	0	1,000	0	1,000	0	3,000	3,000
CSO # 27 & Rockford Rd. Construction	W	2,000	0	2,000	0	2,000	0	6,000	6,000
Annual Minor Sewage Construction & Drainage	W	2,595	0	2,600	0	2,625	0	7,820	7,820
City Sewer Construction	W	800	0	800	0	800	0	2,400	2,400
Sewer Improvements	W	2,000	0	2,060	0	2,060	0	6,120	6,120
TOTAL BY FUND	G	8,010	0	5,205	0	5,560	0	18,775	18,775
	W	30,395	0	22,460	0	20,985	0	73,840	73,840
TOTAL PUBLIC WORKS FUNDS		38,405	0	27,665	0	26,545	0	92,615	92,615

**CAPITAL IMPROVEMENTS PROGRAM
FISCAL YEARS 2006-2011
(000 omitted)**

FIRE DEPARTMENT: PROGRAM RECOMMENDATION BY FISCAL YEAR

	TYPE OF FUNDING	<u>FISCAL YEARS</u>						TOTAL CITY FUNDS 6 YEAR PERIOD	TOTAL LOCAL AND MATCHING 6 YEAR PERIOD
		2006	2007	2008	2009	2010	2011		
Fire Station Renovations	G	1,000	0	0	0	0	0	1,000	1,000
Fire Station Painting	G	120	0	0	0	0	0	120	120
TOTAL BY FUND	G	1,120	0	0	0	0	0	1,120	1,120
TOTAL FIRE FUNDS		1,120	0	0	0	0	0	1,120	1,120

CAPITAL IMPROVEMENTS PROGRAM
FISCAL YEARS 2006-2011
(000 omitted)

FINANCE DEPARTMENT: PROGRAM RECOMMENDATION BY FISCAL YEAR

	TYPE OF FUNDING	<u>FISCAL YEARS</u>						TOTAL CITY FUNDS 6 YEAR PERIOD	TOTAL LOCAL AND MATCHING 6 YEAR PERIOD
		2006	2007	2008	2009	2010	2011		
Five Percent For Art	G	339	0	0	0	0	0	339	339
Cost of Bond Issue (General Fund)	G	537	0	304	0	314	0	1,155	1,155
Cost of Bond Issue (Water/Sewer Fund)	W	912	0	674	0	630	0	2,216	2,216
Cost of Bond Issue (Commerce Fund)	C	15	0	15	0	15	0	45	45
TOTAL BY FUND	G	876	0	304	0	314	0	1,494	1,494
	W	912	0	674	0	630	0	2,216	2,216
	C	15	0	15	0	15	0	45	45
TOTAL FINANCE FUNDS		1,803	0	993	0	959	0	3,755	3,755

CAPITAL IMPROVEMENTS PROGRAM
FISCAL YEARS 2006-2011
(000 omitted)

DIVISION OF TRANSPORTATION: PROGRAM RECOMMENDATION BY FISCAL YEAR

	TYPE OF FUNDING	<u>FISCAL YEARS</u>						TOTAL CITY FUNDS 6 YEAR PERIOD	TOTAL LOCAL AND MATCHING 6 YEAR PERIOD
		2006	2007	2008	2009	2010	2011		
Wilmington Signal Improvements - Phase II	G	250	0	100	0	0	0	350	350
	O	3,750	0	1,500	0	0	0	0	5,250
Neighborhood Transportation Enhancements	G	400	0	400	0	400	0	1,200	1,200
	O	3,600	0	3,600	0	3,600	0	0	10,800
Wilmington Transportation Initiatives	G	1,200	0	1,200	0	1,200	0	3,600	3,600
	O	4,800	0	4,800	0	4,800	0	0	14,400
TOTAL BY FUND	G	1,850	0	1,700	0	1,600	0	5,150	5,150
	O	12,150	0	9,900	0	8,400	0	0	30,450
TOTAL TRANSPORTATION FUNDS		14,000	0	11,600	0	10,000	0	5,150	35,600

CAPITAL IMPROVEMENTS PROGRAM
FISCAL YEARS 2006-2011
(000 omitted)

OFFICE OF THE MAYOR: PROGRAM RECOMMENDATION BY FISCAL YEAR

	TYPE OF FUNDING	<u>FISCAL YEARS</u>						TOTAL CITY FUNDS 6 YEAR PERIOD	TOTAL LOCAL AND MATCHING 6 YEAR PERIOD
		2006	2007	2008	2009	2010	2011		
N.P.C.'s Infrastructure Support	G	600	0	0	0	0	0	600	600
Grand Opera House	G	750	0	0	0	0	0	750	750
Diamond State Sports & Learning (Community) Center	G	1,500	0	0	0	0	0	1,500	1,500
Economic Development Project Fund	C	500	0	500	0	500	0	1,500	1,500
TOTAL BY FUND	G	2,850	0	0	0	0	0	2,850	2,850
	C	500	0	500	0	500	0	1,500	1,500
TOTAL MAYOR'S OFFICE FUNDS		3,350	0	500	0	500	0	4,350	4,350

**CAPITAL IMPROVEMENTS PROGRAM
FISCAL YEARS 2006-2011
(000 omitted)**

REAL ESTATE & HOUSING DEPARTMENT: PROGRAM RECOMMENDATION BY FISCAL YEAR

	TYPE OF FUNDING	<u>FISCAL YEARS</u>						TOTAL CITY FUNDS 6 YEAR PERIOD	TOTAL LOCAL AND MATCHING 6 YEAR PERIOD
		2006	2007	2008	2009	2010	2011		
Housing Partnership	G	250	0	500	0	500	0	1,250	1,250
Acquisition & Demolition	G	950	0	750	0	1,000	0	2,700	2,700
TOTAL BY FUND	G	1,200	0	1,250	0	1,500	0	3,950	3,950
TOTAL REAL ESTATE & HOUSING FUNDS		1,200	0	1,250	0	1,500	0	3,950	3,950

III. CAPITAL PROJECT DESCRIPTIONS - FISCAL YEARS 2006 - 2011

A. PARKS AND RECREATION

1. General Park Improvements

Budget Request: \$380,000.
Program Request: \$850,000.

Budget: Ongoing City-wide facility improvements to include playground equipment renewals, additions and improvements, and infrastructure improvements (paving, court resurfacing and miscellaneous projects), to meet the necessary safety standards.

Program: Ongoing.

<i>Annual Debt Service Impact</i>	\$27,778
<i>Annual Operational Impact Personal Services</i>	\$0
<i>Annual Operational Impact M. S. & E.</i>	\$0

2. Spencer Plaza Renovations

Budget Request: \$495,000.
Program Request: \$0.

Budget: Funds to address the complete renovation of the site, including paving, drainage, landscaping, seating and design. Engineering study is underway to develop a conceptual plan for the site.

Program: None.

<i>Annual Debt Service Impact</i>	\$36,185
<i>Annual Operational Impact Personal Services</i>	\$0
<i>Annual Operational Impact M. S. & E.</i>	\$0

3. Plaza, Fountains and Site Renovations

Budget Request: \$390,000.
Program Request: \$0.

Budget: Repairs and upgrades, including electrical lighting tile work, pumps and copings for decorative downtown fountains.

Program: None.

<i>Annual Debt Service Impact</i>	\$28,509
<i>Annual Operational Impact Personal Services</i>	\$0
<i>Annual Operational Impact M. S. & E.</i>	\$0

4. **Anderson Center Renovation Phase III and IV**

Budget Request: \$380,000.
Program Request: \$810,000.

Budget: Continued renovation work to all building systems for the William Hicks Anderson Center, including HVAC, roofing, security, fire suppression and fencing.

Program: Ongoing.

<i>Annual Debt Service Impact</i>	\$27,778
<i>Annual Operational Impact Personal Services</i>	\$0
<i>Annual Operational Impact M. S. & E.</i>	(\$5,000)

5. **Swimming Pool and Bathhouse Renovations**

Budget Request: \$230,000.
Program Request: \$460,000.

Budget: Various upgrades (plumbing, electrical, etc.) to City pools. Installation of toddler wading pool with separate filtering system at Price's Run Pool.

Program: Ongoing.

<i>Annual Debt Service Impact</i>	\$16,813
<i>Annual Operational Impact Personal Services</i>	(\$3,000)
<i>Annual Operational Impact M. S. & E.</i>	(\$4,000)

6. **Ballfield and Swimming Pool Fencing**

Budget Request: \$275,000.
Program Request: \$550,000.

Budget: Replacement of aging fences, backstops and dugouts at athletic and swimming facilities to address safety and security issues.

Program: Replacement of deteriorating tile pavers and steps in the Spencer Plaza to address safety and ADA accessibility issues. Replace trees and pavement along French Street as needed.

<i>Annual Debt Service Impact</i>	\$20,102
<i>Annual Operational Impact Personal Services</i>	\$0
<i>Annual Operational Impact M. S. & E.</i>	\$0

7. **Monument Restoration**

Budget Request: \$275,000.
Program Request: \$0.

Budget: Cleaning and restoration of various monuments, including site work, landscaping, lighting and paving improvements.

Program: None.

<i>Annual Debt Service Impact</i>	\$20,102
<i>Annual Operational Impact Personal Services</i>	\$0
<i>Annual Operational Impact M. S. & E.</i>	\$500

8. **City Squares and Beautification**

Budget Request: \$405,000.
Program Request: \$810,000.

Budget: Planning and installation of various design and landscape elements at parks, along medians and in community squares throughout the City, at the recommendation of the City's Beautification Commission.

Program: Ongoing.

<i>Annual Debt Service Impact</i>	\$29,606
<i>Annual Operational Impact Personal Services</i>	\$6,000
<i>Annual Operational Impact M. S. & E.</i>	\$3,000

9. **East 7th Street Boat Ramp Engineering and Repair**

Budget Request: \$17,500.
Program Request: \$250,000.

Budget: Funds for engineering study and repairs to address the existing damage to the concrete boat ramp on the East 7th Street Peninsula.

Program: Replacement and/or repairs to the boat ramp and security gate.

<i>Annual Debt Service Impact</i>	\$1,279
<i>Annual Operational Impact Personal Services</i>	\$0
<i>Annual Operational Impact M. S. & E.</i>	\$0

10. **Parks Identification / Signage Project**

Budget Request: \$30,000.
Program Request: \$60,000.

Budget: Replacement and standardization of park identification signage for City-wide park locations.

Program: Ongoing

<i>Annual Debt Service Impact</i>	\$2,193
<i>Annual Operational Impact Personal Services</i>	\$0
<i>Annual Operational Impact M. S. & E.</i>	\$0

B. PUBLIC WORKS DEPARTMENT

1. **Street Paving and Reconstruction**

Budget Request: \$5,610,000.
Program Request: \$9,165,000.

Budget: To provide funds for routine street paving and reconstruction of deteriorated roadways throughout the City to maintain infrastructure.

Program: Ongoing.

<i>Annual Debt Service Impact</i>	\$410,091
<i>Annual Operational Impact Personal Services</i>	\$0
<i>Annual Operational Impact M. S. & E.</i>	\$0

2. **City/County Building Renovations**

Budget Request: \$2,100,000.
Program Request: \$1,000,000.

Budget: To provide for the City's share of costs associated with the renovation to the City/County Building, including Council Chambers and Lobby, security and systems upgrades.

Program: Ongoing.

<i>Annual Debt Service Impact</i>	\$153,510
<i>Annual Operational Impact Personal Services</i>	\$0
<i>Annual Operational Impact M. S. & E.</i>	(\$3,000)

3. **Traffic Signs, Signals and Equipment**

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

Budget: To provide for the purchase of traffic controllers, traffic signals, traffic poles and street light poles to maintain the existing traffic control system.

Program: Ongoing.

<i>Annual Debt Service Impact</i>	\$21,930
<i>Annual Operational Impact Personal Services</i>	\$0
<i>Annual Operational Impact M. S. & E.</i>	\$0

4. **Annual Water System Improvements**

Budget Request: \$2,500,000.
Program Request: \$6,000,000.

Budget: To provide for the annual cleaning and lining of water mains, new and replacement mains, service line renewal, valve/hydrant maintenance program, and the purchase of all appurtenances (i.e., hydrants, valves, etc.) necessary to maintain the distribution system.

Program: Ongoing.

<i>Annual Debt Service Impact</i>	\$100,000
<i>Annual Operational Impact Personal Services</i>	\$0
<i>Annual Operational Impact M. S. & E.</i>	\$20,000

5. **Large Transmission Main Projects (48" Water Main)**

Budget Request: \$1,000,000.
Program Request: \$2,500,000.

Budget: Replacement of the 48" finished water transmission main to assure reliability.

Program: Ongoing.

<i>Annual Debt Service Impact</i>	\$40,000
<i>Annual Operational Impact Personal Services</i>	\$0
<i>Annual Operational Impact M. S. & E.</i>	\$0

6. **Pumping Improvements**

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

Budget: To rehabilitate existing finished water and raw water pumps and electrical systems within the water system.

Program: Ongoing.

<i>Annual Debt Service Impact</i>	<i>\$80,000</i>
<i>Annual Operational Impact Personal Services</i>	<i>\$0</i>
<i>Annual Operational Impact M. S. & E.</i>	<i>\$0</i>

7. **Porter Filter Plant Improvements**

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

Budget: Treatment improvements necessary to meet the new Safe Drinking Water Act regulations for water quality and to improve operational efficiency. Continuous monitoring of real time data through the SCADA system.

Program: Ongoing.

<i>Annual Debt Service Impact</i>	<i>\$120,000</i>
<i>Annual Operational Impact Personal Services</i>	<i>\$0</i>
<i>Annual Operational Impact M. S. & E.</i>	<i>\$0</i>

8. **Hoopes Dam**

Budget Request: \$3,500,000.
Program Request: \$2,500,000.

Budget: To provide for improvements such as reinforcing dam stability, modifying overflow and spillway, and reconfiguring the outlet works to insure properly functioning operation and safe storage.

Program: Ongoing.

<i>Annual Debt Service Impact</i>	<i>\$140,000</i>
<i>Annual Operational Impact Personal Services</i>	<i>\$0</i>
<i>Annual Operational Impact M. S. & E.</i>	<i>\$0</i>

9. **Brandywine Filter Plant Improvements**

Budget Request: \$1,000,000.
Program Request: \$8,000,000.

Budget: To upgrade the Brandywine Filter Plant by implementing ultra-filtration membranes as the treatment process using SRF monies.

Program: Ongoing.

<i>Annual Debt Service Impact</i>	<i>\$40,000</i>
<i>Annual Operational Impact Personal Services</i>	<i>\$0</i>
<i>Annual Operational Impact M. S. & E.</i>	<i>\$0</i>

10. **Cool Spring Reservoir**

Budget Request: \$8,000,000.
Program Request: \$0.

Budget: Additional funding for the necessary improvements to the Cool Spring Reservoir which address aging infrastructure and public security concerns.

Program: None.

<i>Annual Debt Service Impact</i>	<i>\$320,000</i>
<i>Annual Operational Impact Personal Services</i>	<i>\$0</i>
<i>Annual Operational Impact M. S. & E.</i>	<i>\$0</i>

11. **Architectural Rehabilitation**

Budget Request: \$1,000,000.
Program Request: \$2,500,000.

Budget: Architectural repairs and restoration of historical structures in the water system.

Program: Ongoing.

<i>Annual Debt Service Impact</i>	<i>\$40,000</i>
<i>Annual Operational Impact Personal Services</i>	<i>\$0</i>
<i>Annual Operational Impact M. S. & E.</i>	<i>\$0</i>

12. **Brandywine Raceway Rehabilitation**

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

Budget: Structural, hydraulic and architectural repairs to the 200 year old raceway which connects the Brandywine Filter Plant and Pumping Station to the Brandywine Creek.

Program: Ongoing.

<i>Annual Debt Service Impact</i>	<i>\$40,000</i>
<i>Annual Operational Impact Personal Services</i>	<i>\$0</i>
<i>Annual Operational Impact M. S. & E.</i>	<i>(\$5,000)</i>

13. **CSO #27 & Rockford Road Construction**

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

Budget: Funding for the partial separation and storage of CSO #27; and the Rockford Road sewer separation project.

Program: Ongoing.

<i>Annual Debt Service Impact</i>	<i>\$80,000</i>
<i>Annual Operational Impact Personal Services</i>	<i>\$0</i>
<i>Annual Operational Impact M. S. & E.</i>	<i>\$0</i>

14. **Annual Minor Sewer Construction and Drainage**

Budget Request: \$2,595,000.
Program Request: \$5,225,000.

Budget: To provide for repairs to sewer laterals, sewer mains, castings (i.e., manholes, storm drains, lampholes and monument boxes), and main extensions where needed, in order to maintain the sewer infrastructure for wastewater and storm water throughout the City, and to provide for new sewer connections for residences and businesses.

Program: Ongoing.

<i>Annual Debt Service Impact</i>	<i>\$103,800</i>
<i>Annual Operational Impact Personal Services</i>	<i>\$1,500</i>
<i>Annual Operational Impact M. S. & E.</i>	<i>\$3,000</i>

15. **City Sewer Construction**

Budget Request: \$800,000.
Program Request: \$1,600,000.

Budget: Funding of the City’s contribution towards public housing projects, including the mitigation of flooding.

Program: Ongoing.

<i>Annual Debt Service Impact</i>	\$32,000
<i>Annual Operational Impact Personal Services</i>	\$0
<i>Annual Operational Impact M. S. & E.</i>	\$0

16. **Sewer Improvements**

Budget Request: \$2,000,000.
Program Request: \$4,120,000.

Budget: Rehabilitate and replace deteriorated sewer infrastructure, mitigate exfiltration and prevent collapse of streets above deteriorated sewers.

Program: Ongoing.

<i>Annual Debt Service Impact</i>	\$80,000
<i>Annual Operational Impact Personal Services</i>	\$0
<i>Annual Operational Impact M. S. & E.</i>	\$0

C. FIRE DEPARTMENT

1. **Fire Station Renovation/Refurbishing**

Budget Request: \$1,000,000.
Program Request: \$0.

Budget: Planned building renovations to fire stations at 400 West 2nd Street, 400 New Castle Avenue, 333 East 30th Street, 2200 N. Tatnall Street, and 224 N. Union Street to include HVAC systems, living areas, apparatus areas and restrooms.

Program: None.

<i>Annual Debt Service Impact</i>	\$73,100
<i>Annual Operational Impact Personal Services</i>	\$0
<i>Annual Operational Impact M. S. & E.</i>	(\$2,000)

2. **Fire Station Painting**

Budget Request: \$120,000.
Program Request: \$0.

Budget: Paint interior and exterior of City Fire Stations #1, #2, #3, #4, #5 and #6.

Program: Ongoing.

<i>Annual Debt Service Impact</i>	\$8,772
<i>Annual Operational Impact Personal Services</i>	\$0
<i>Annual Operational Impact M. S. & E.</i>	\$0

D. DEPARTMENT OF FINANCE

The figures provided in the budget and program summary sheets for Five Percent for Art, Cost of Bond Issue/General Fund, and Cost of Bond Issue/Water/Sewer Fund, are not related to specific capital projects and as such are not identified in this chapter; rather, they represent the costs associated with fund borrowing (bond counsel and other related fees).

E. DIVISION OF TRANSPORTATION

1. **Wilmington Signal Improvements - Phase II**

Budget Request:	\$250,000.	(Other Funds: \$3,750,000)
Program Request:	\$100,000.	(Other Funds: \$1,500,000)

Budget: To provide for the City's twenty percent local matching funds for enhancements related to the Intelligent Transportation/Traffic Management Systems (ITMS).

Program: Ongoing.

<i>Annual Debt Service Impact</i>	\$18,275
<i>Annual Operational Impact Personal Services</i>	\$0
<i>Annual Operational Impact M. S. & E.</i>	\$0

2. **Neighborhood Transportation Enhancements (TE)**

Budget Request: \$400,000. (Other Funds: \$3,600,000)
Program Request: \$800,000. (Other Funds: \$7,200,000)

Budget: To provide City funds towards the local match to leverage projects being co-sponsored by legislators and DelDOT in various neighborhoods throughout the City.

Program: Ongoing.

Annual Debt Service Impact \$29,240
Annual Operational Impact Personal Services \$0
Annual Operational Impact M. S. & E. \$0

3. **Wilmington Transportation Initiatives**

Budget Request: \$1,200,000. (Other Funds: \$4,800,000)
Program Request: \$2,400,000. (Other Funds: \$9,600,000)

Budget: To provide twenty percent local matching funds to leverage projects generated through the Wilmington Initiatives, a partnership of the City, DelDOT and Wilmapco. Projects are located in the Central Business District and along various arterial corridors.

Program: Ongoing.

Annual Debt Service Impact \$87,720
Annual Operational Impact Personal Services \$0
Annual Operational Impact M. S. & E. \$0

F. OFFICE OF THE MAYOR

1. **Neighborhood Planning Councils Infrastructure Support**

Budget Request: \$600,000.
Program Request: \$0.

Budget: Funds to be allocated for the development of neighborhood improvement projects by the City's Neighborhood Planning Councils.

Program: None.

Annual Debt Service Impact \$43,860
Annual Operational Impact Personal Services \$0
Annual Operational Impact M. S. & E. \$0

2. **Grand Opera House**

Budget Request: \$750,000.
Program Request: \$0.

Budget: Funding to assist in the building expansion of the Grand Opera House.

Program: None.

<i>Annual Debt Service Impact</i>	\$54,825
<i>Annual Operational Impact Personal Services</i>	\$0
<i>Annual Operational Impact M. S. & E.</i>	\$0

3. **Diamond State Sports and Learning (Community) Center**

Budget Request: \$1,500,000.
Program Request: \$0.

Budget: Acquisition of land, design and construction of a sports complex, training and community facility.

Program: None.

<i>Annual Debt Service Impact</i>	\$109,650
<i>Annual Operational Impact Personal Services</i>	\$0
<i>Annual Operational Impact M. S. & E.</i>	\$0

4. **Economic Development Project Fund**

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

Budget: Provide for a strategic fund to be used to attract new businesses to the City and retain existing businesses that will employ large numbers of people in targeted sectors.

Program: Ongoing.

<i>Annual Debt Service Impact</i>	\$36,550
<i>Annual Operational Impact Personal Services</i>	\$0
<i>Annual Operational Impact M. S. & E.</i>	\$0

G. REAL ESTATE AND HOUSING

1. Housing Partnership

Budget Request: \$250,000.
Program Request: \$1,000,000.

Budget: Funds enabling acquisition, demolition, and renovation of vacant property or new construction on vacant or cleared parcels for residential use.

Program: Ongoing.

<i>Annual Debt Service Impact</i>	\$18,275
<i>Annual Operational Impact Personal Services</i>	\$0
<i>Annual Operational Impact M. S. & E.</i>	\$0

2. Acquisition and Demolition

Budget Request: \$950,000.
Program Request: \$1,750,000.

Budget: Funding to enable the purchase of land and/or structures, including demolition costs, to develop residential properties in areas not being addressed by the Housing Partnership.

Program: Ongoing.

<i>Annual Debt Service Impact</i>	\$69,445
<i>Annual Operational Impact Personal Services</i>	\$0
<i>Annual Operational Impact M. S. & E.</i>	\$0

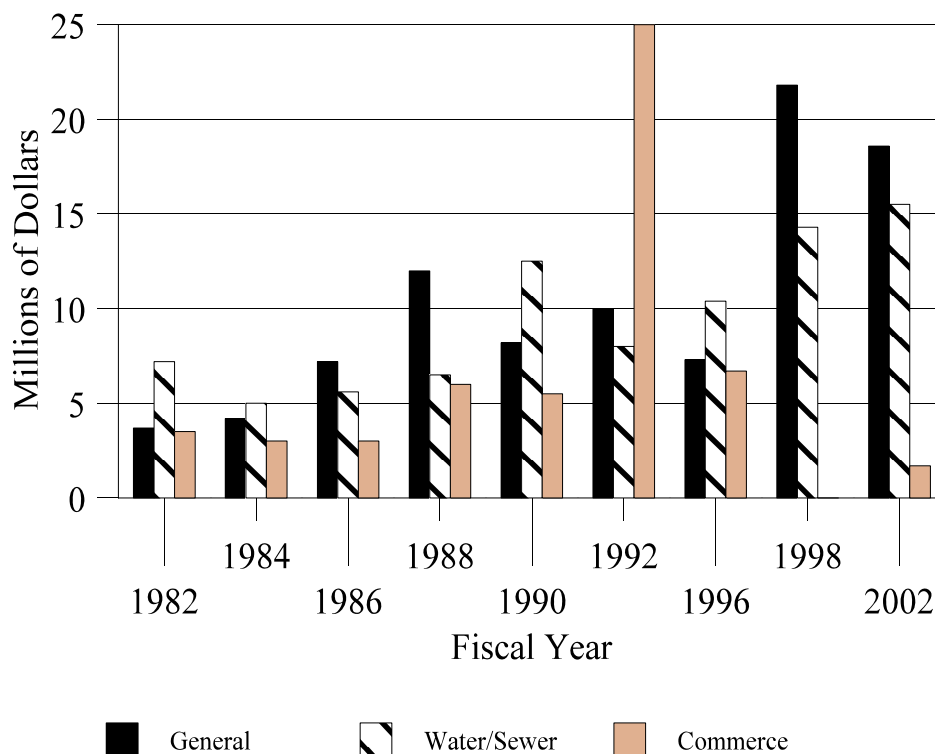
CAPITAL BORROWING & DEBT MANAGEMENT

The graph below illustrates the City's actual bond market participation for the fiscal years beginning with 1982 and ending in 2002. Amounts shown were expended on capital projects within the stated fund. In fiscal years 1983, 1989, 1994, 2002 and 2005, the City issued bonds solely to refinance (at a lower interest rates) past obligations. These refinancings are not included in the graph. In fiscal years 1985, 1987, 1991, 1993, 1995, 1997, 1999, 2000, 2001, 2003 and 2004, the City did not have any bond issuances.

From 1982 to 1986, the aggregate amount borrowed for all funds remained relatively the same when adjusted for inflation. Specific initiatives contributed to fluctuations within funds. For instance, the increase in funding allotted to the General Fund, from 1986 to 1988, was primarily due to the construction of the City's Public Safety Building. From 1988 to 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 is a result, in large part, to an accelerated infrastructure maintenance schedule that attempts to reverse previous years of funding neglect for streets, parks, water facilities, water mains and sewer lines.

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 toward expansion and modification. These improvements included the purchase and installation of a new crane in 1988. The addition of a berth, purchase of eighteen adjacent acres and renovation of space occupied by Volkswagen of America, a major lessee, were all done in 1990. In 1992, \$18.8 million was borrowed for improvements to the Port's warehousing to remain competitive. 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. However, debt service for the Port remains on the City's books and is reimbursed by the State.

20 Year Historical Borrowing



**DEBT SERVICE SCHEDULES BY FUND
AND AS A PERCENTAGE OF TOTAL BUDGET
FISCAL YEARS 2000-2024**

The four tables below depict past and future amounts of debt service payments broken out by principal and interest. Also, principal and interest are combined as total debt service, and that total debt service is shown as a percentage of the annual budget. Fiscal Years 2000 through 2005 figures are actual payments. Fiscal Years 2006 and beyond are figures based on the current structure of debt outstanding with no calculation added for assumed new borrowing. The average interest rate on balances outstanding as of June 30, 2005, is 4.10% for the General Fund, 4.10% for the Water/Sewer Fund and 4.15% for the Commerce Fund.

GENERAL FUND	Principal	Interest	Total Debt Service	% of Total Budget
FY 2000	\$5,320,342	\$3,909,908	\$9,230,250	10.88%
FY 2001	4,730,062	3,732,656	8,462,718	9.96%
FY 2002	4,400,837	3,315,055	7,715,892	8.47%
FY 2003	5,350,625	3,887,855	9,238,480	9.77%
FY 2004	4,683,310	3,627,639	8,310,949	9.83%
FY 2005	5,495,828	3,146,154	8,641,982	9.37%
FY 2006	5,828,167	3,340,630	9,168,797	9.48%
FY 2007	6,377,442	3,059,414	9,436,856	9.34%
FY 2008	6,656,871	2,775,064	9,431,935	8.76%
FY 2009	7,725,012	2,506,248	10,231,260	9.08%
FY 2010	8,107,795	2,118,395	10,226,190	8.81%
FY 2011	3,753,106	1,740,457	5,493,563	4.59%
FY 2012	3,896,947	1,580,435	5,477,382	4.45%
FY 2013	3,416,902	1,425,040	4,841,942	3.82%
FY 2014	3,567,324	1,263,781	4,831,105	3.70%
FY 2015	3,477,211	1,090,424	4,567,635	3.39%
FY 2016	3,177,674	926,781	4,104,455	2.96%
FY 2017	3,337,205	766,146	4,103,351	2.87%
FY 2018	4,308,011	616,661	4,924,672	3.35%
FY 2019	1,557,078	406,713	1,963,791	1.30%
FY 2020	1,630,209	333,255	1,963,464	1.26%
FY 2021	1,707,686	254,441	1,962,127	1.22%
FY 2022	1,790,857	171,646	1,962,503	1.19%
FY 2023	1,876,874	84,491	1,961,365	1.15%
FY 2024	0	0	0	0
TOTAL	\$77,688,199	\$27,606,176	\$105,294,375	

**DEBT SERVICE SCHEDULES BY FUND
AND AS A PERCENTAGE OF TOTAL BUDGET
FISCAL YEARS 2000-2024
(Continued)**

WATER/SEWER FUND	Principal	Interest	Total Debt Service	% of Total Budget
FY 2000	\$4,997,030	\$3,906,135	\$8,903,165	27.76%
FY 2001	5,495,232	3,748,951	9,244,183	28.44%
FY 2002	3,421,565	3,201,175	6,622,740	18.77%
FY 2003	5,352,362	3,734,541	9,086,903	24.27%
FY 2004	5,730,750	3,307,582	9,038,332	25.64%
FY 2005	4,489,206	2,252,117	6,741,323	17.41%
FY 2006	4,441,282	2,326,446	6,767,728	16.25%
FY 2007	4,974,390	2,093,854	7,068,244	16.48%
FY 2008	5,203,371	1,870,299	7,073,670	16.01%
FY 2009	5,125,727	1,660,226	6,785,953	14.91%
FY 2010	5,371,550	1,408,739	6,780,289	14.47%
FY 2011	2,606,130	1,180,345	3,786,475	7.84%
FY 2012	2,717,378	1,070,575	3,787,953	7.62%
FY 2013	1,984,283	974,424	2,958,707	5.78%
FY 2014	2,105,373	882,150	2,987,523	5.66%
FY 2015	2,213,515	777,052	2,990,567	5.50%
FY 2016	2,323,693	666,299	2,989,992	5.34%
FY 2017	2,440,289	549,470	2,989,759	5.19%
FY 2018	2,493,273	446,292	2,939,565	4.95%
FY 2019	1,262,788	324,537	1,587,325	2.60%
FY 2020	1,321,338	265,583	1,586,921	2.52%
FY 2021	1,383,637	202,387	1,586,024	2.44%
FY 2022	1,450,243	135,963	1,586,206	2.37%
FY 2023	1,519,002	65,992	1,584,994	2.30%
FY 2024	0	0	0	0.00%
TOTAL	\$55,426,468	\$19,152,750	\$74,579,218	

**DEBT SERVICE SCHEDULES BY FUND
AND AS A PERCENTAGE OF TOTAL BUDGET
FISCAL YEARS 2000-2024
(Continued)**

COMMERCE FUND	Principal	Interest	Total Debt Service	% of Total Budget
FY 2000	\$3,413,451	\$3,108,850	\$6,522,301	157.06%
FY 2001	3,775,933	2,785,052	6,560,985	178.01%
FY 2002	3,562,574	2,439,593	6,002,167	180.58%
FY 2003	3,805,992	1,932,349	5,738,341	87.34%
FY 2004	3,978,072	1,874,405	5,852,477	86.96%
FY 2005	3,944,966	1,134,974	5,079,940	68.07%
FY 2006	4,005,551	1,335,232	5,340,783	76.54%
FY 2007	4,353,168	1,109,525	5,462,693	76.42%
FY 2008	4,544,758	909,519	5,454,277	75.85%
FY 2009	3,039,261	732,727	3,771,988	67.84%
FY 2010	3,185,656	582,018	3,767,674	67.16%
FY 2011	1,890,764	458,998	2,349,762	55.32%
FY 2012	1,970,675	375,029	2,345,704	54.55%
FY 2013	913,814	313,605	1,227,419	37.88%
FY 2014	922,304	267,597	1,189,901	36.46%
FY 2015	974,274	220,307	1,194,581	35.87%
FY 2016	1,018,633	170,005	1,188,638	35.08%
FY 2017	1,072,506	116,703	1,189,209	34.42%
FY 2018	338,716	82,840	421,556	15.30%
FY 2019	350,134	69,620	419,754	14.87%
FY 2020	363,454	55,658	419,112	14.48%
FY 2021	378,677	40,907	419,584	14.13%
FY 2022	393,900	25,258	419,158	13.76%
FY 2023	409,124	8,592	417,716	13.38%
FY 2024	0	0	0	0.00%
TOTAL	\$34,070,335	\$8,009,114	\$42,079,449	

**DEBT SERVICE SCHEDULES BY FUND
AND AS A PERCENTAGE OF TOTAL BUDGET
FISCAL YEARS 2000-2024
(Continued)**

FUNDS COMBINED	Principal	Interest	Total Debt Service	% of Total Budget
FY 2000	\$13,730,823	\$10,266,659	\$23,997,482	19.83%
FY 2001	14,001,227	10,266,659	24,267,886	20.03%
FY 2002	11,384,976	8,955,823	20,340,799	15.68%
FY 2003	14,508,979	9,554,745	24,063,724	17.36%
FY 2004	14,392,132	8,809,626	23,201,758	18.33%
FY 2005	13,930,000	6,533,245	20,463,245	14.79%
FY 2006	14,275,000	7,002,308	21,277,308	14.64%
FY 2007	15,705,000	6,262,793	21,967,793	14.55%
FY 2008	16,405,000	5,554,882	21,959,882	13.80%
FY 2009	15,890,000	4,899,201	20,789,201	12.70%
FY 2010	16,665,001	4,109,152	20,774,153	12.33%
FY 2011	8,250,000	3,379,800	11,629,800	6.76%
FY 2012	8,585,000	3,026,039	11,611,039	6.55%
FY 2013	6,314,999	2,713,069	9,028,068	4.98%
FY 2014	6,595,001	2,413,528	9,008,529	4.83%
FY 2015	6,665,000	2,087,783	8,752,783	4.55%
FY 2016	6,520,000	1,763,085	8,283,085	4.18%
FY 2017	6,850,000	1,432,319	8,282,319	4.06%
FY 2018	7,140,000	1,145,793	8,285,793	3.96%
FY 2019	3,170,000	800,870	3,970,870	1.84%
FY 2020	3,315,001	654,496	3,969,497	1.79%
FY 2021	3,470,000	497,735	3,967,735	1.74%
FY 2022	3,635,000	332,867	3,967,867	1.69%
FY 2023	3,805,000	159,075	3,964,075	1.64%
FY 2024	0	0	0	0.00%
TOTAL	\$235,203,139	\$102,621,552	\$337,824,691	

Debt Management

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 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 State of Delaware. This State limit applies only to General Fund debt, not revenue supported debt found in the Water/Sewer and Commerce Funds. With the Fiscal Year 2006 General Fund Operating Budget totaling \$96,691,544, the budgeted debt service of \$10,687,522 is well below the 17.5% legal debt limit of \$16,921,020.

The requirement that debt be structured to attempt to create roughly level debt service (that is principal plus interest payments totals the same amount for the life of the borrowing), be opportunistic in regard to market conditions and special issues, and take advantage of refinancing opportunities is indicative of the City's conservative approach in its policy on debt management. An aggressive position is employed for special issues that generate fee income, or serve as economic development incentives.

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 the support from outside financial and legal specialists that form the City's Bond Council.

The City sometimes uses short-term obligations (i.e. Bond Anticipation Notes, Capital Lease, 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. For fixed asset purchases, infrastructure maintenance, and capital improvement projects, general obligation bonds are issued. Prior to the issuance of any short or long-term obligations, the City considers the effect on the financial position, the ability to repay, and the State of Delaware imposed legal debt limit.

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

GENERAL FUND

DEPARTMENT	ACTUAL FY 2002	ACTUAL FY 2003	ACTUAL FY 2004	BUDGET FY 2005	BUDGET FY2006
CITY COUNCIL	14,383	20,779	23,722	28,116	31,286
% Department Budget	0.7%	1.1%	1.3%	1.4%	1.5%
FINANCE	5,552	22,006	26,100	46,626	189,368
% Department Budget	0.1%	0.7%	1.0%	1.6%	6.3%
MAYOR'S OFFICE	323,165	689,251	593,265	891,135	945,874
% Department Budget	11.1%	16.8%	15.9%	20.5%	20.3%
PARKS & RECREATION	1,790,718	1,948,302	1,804,525	1,996,046	2,159,523
% Department Budget	27.8%	24.3%	26.3%	26.1%	26.2%
FIRE	613,729	631,745	618,513	618,338	663,563
% Department Budget	3.6%	3.9%	4.2%	3.9%	4.0%
POLICE	1,051,909	1,003,088	937,902	1,004,421	932,569
% Department Budget	3.1%	2.8%	2.9%	2.9%	2.6%
PUBLIC WORKS	3,001,320	3,486,063	3,348,834	3,389,730	4,398,203
% Department Budget	20.1%	21.5%	24.9%	22.9%	27.3%
REAL ESTATE & HOUSING	677,696	1,136,727	734,109	1,169,464	1,156,660
% Department Budget	65.5%	76.7%	71.5%	75.9%	75.4%
LICENSES & INSPECTIONS	26,186	23,194	23,208	29,234	38,825
% Department Budget	1.2%	1.0%	0.9%	1.0%	1.3%
PLANNING	211,234	277,325	200,771	204,516	171,651
% Department Budget	18.0%	23.0%	18.2%	17.1%	13.7%
TOTAL DEBT SERVICE	7,715,892	9,238,480	8,310,949	9,377,626	10,687,522
% General Fund Budget	8.5%	9.8%	9.8%	10.2%	11.1%
LEGAL DEBT SERVICE LIMIT	15,939,995	16,554,132	14,802,431	16,131,816	16,921,020
% General Fund Budget	17.5%	17.5%	17.5%	17.5%	17.5%

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

WATER/SEWER FUND

DEPARTMENT	ACTUAL FY 2002	ACTUAL FY 2003	ACTUAL FY 2004	BUDGET FY 2005	BUDGET FY 2006
FINANCE	37,530	50,694	33,275	53,559	104,879
% of Department Budget	1.7%	2.3%	1.5%	2.1%	4.0%
PUBLIC WORKS	3,163,645	3,683,847	3,274,307	3,893,822	4,282,080
% of Department Budget	9.7%	10.5%	10.0%	10.8%	11.0%
TOTAL DEBT SERVICE	3,201,175	3,734,541	3,307,582	3,947,381	4,386,959
% of Water/Sewer Budget	9.2%	10.0%	9.4%	10.2%	10.5%

COMMERCE FUND

COMMERCE DEPT.	ACTUAL FY 2002	ACTUAL FY 2003	ACTUAL FY 2004	BUDGET FY 2005	BUDGET FY 2006
TOTAL DEBT SERVICE	2,439,593	5,738,341	5,852,477	6,160,215	5,925,274
% of Commerce Fund	69.3%	87.3%	4.5%	4.4%	4.6%

ALL FUNDS

ALL DEPARTMENTS	ACTUAL FY 2002	ACTUAL FY 2003	ACTUAL FY 2004	BUDGET FY 2005	BUDGET FY 2006
TOTAL DEBT SERVICE	13,356,660	18,711,362	17,471,008	19,485,222	20,999,755
% of Total All Funds	10.3%	13.5%	13.8%	14.1%	14.5%

Note: Legal Debt Service limit of 17.5% exists only for the General Fund. Just the interest portion of debt service is booked (and budgeted) as an expense in the Water/Sewer Fund.

**RATIO OF NET GENERAL BONDED DEBT TO ASSESSED VALUE
AND
NET BONDED DEBT PER CAPITA
FISCAL YEARS 1990-2005**

Fiscal Year	Taxable Assessed Value	Gross Bonded Debt	Gross Debt Payable from Enterprise/ Internal Service Funds	Net Bonded Debt	Ratio of Net Bonded Debt to Assessed Value	Net Bonded Debt Per Capita
1990	\$1,692,237,225	\$146,150,287	\$91,680,544	\$54,469,743	3.2%	\$ 762
1991	1,781,645,838	145,030,530	90,167,826	54,862,704	3.1%	767
1992	1,923,457,356	174,599,488	110,721,089	63,878,399	3.3%	893
1993	1,952,025,133	166,307,896	111,424,476	54,883,420	2.8%	767
1994	1,988,610,076	181,062,413	119,239,454	61,822,959	3.1%	864
1995	1,977,292,100	184,312,883	122,194,848	62,118,035	3.1%	863
1996	1,968,023,897	193,705,913	130,306,742	63,399,171	3.2%	873
1997	2,177,955,491	187,255,451	129,983,103	57,272,348	2.6%	789
1998	2,085,292,700	182,689,920	126,997,807	55,692,113	2.7%	767
1999	2,102,649,126	212,644,705	134,215,478	78,429,227	3.7%	1,080
2000	2,110,113,191	201,850,206	126,725,369	75,124,837	3.6%	1,034
2001	2,136,221,597	193,200,403	119,525,333	73,675,070	3.4%	1,014
2002	2,115,498,937	210,494,211	129,219,543	81,274,668	3.8%	1,119
2003	2,114,078,568	203,138,615	120,481,101	82,657,514	3.9%	1,138
2004	2,182,337,973	189,561,244	112,254,817	77,306,427	3.5%	1,064
2005	2,134,545,304	167,185,002	89,496,803	77,688,199	3.6%	1,069

**TOTAL DEBT BALANCES
BY YEAR**
On the City's Outstanding General Obligation Bond Issues

Fiscal Year	General Fund Debt Outstanding	Water/Sewer Fund Debt Outstanding	Commerce Fund Debt Outstanding	Total Debt Outstanding
2006	\$72,192,371	\$50,937,262	\$30,125,369	\$153,255,002
2007	\$66,364,204	\$46,495,980	\$26,119,818	\$138,980,002
2008	\$59,986,762	\$41,521,590	\$21,766,650	\$123,275,002
2009	\$53,329,891	\$36,318,219	\$17,221,892	\$106,870,002
2010	\$45,604,879	\$31,192,492	\$14,182,631	\$90,980,002
2011	\$37,497,084	\$25,820,942	\$10,996,975	\$74,315,001
2012	\$33,743,978	\$23,214,812	\$9,106,211	\$66,065,001
2013	\$29,847,031	\$20,497,434	\$7,135,536	\$57,480,001
2014	\$26,430,129	\$18,513,151	\$6,221,722	\$51,165,002
2015	\$22,862,805	\$16,407,778	\$5,299,418	\$44,570,001
2016	\$19,385,594	\$14,194,263	\$4,325,144	\$37,905,001
2017	\$16,207,920	\$11,870,570	\$3,306,511	\$31,385,001
2018	\$12,870,715	\$9,430,281	\$2,234,005	\$24,535,001
2019	\$8,562,704	\$6,937,008	\$1,895,289	\$17,395,001
2020	\$7,005,626	\$5,674,220	\$1,545,155	\$14,225,001
2021	\$5,375,417	\$4,352,882	\$1,181,701	\$10,910,000
2022	\$3,667,731	\$2,969,245	\$803,024	\$7,440,000
2023	\$1,876,874	\$1,519,002	\$409,124	\$3,805,000
2024	\$0	\$0	\$0	\$0

