

# City of Wilmington Delaware



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## **Annual Budget**

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**James M. Baker**  
Mayor

Prepared by the  
Office of Management and Budget

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**Fiscal Year 2008 • Approved by City Council • May 17, 2007**

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, 2006.

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, 2006**

A handwritten signature in black ink, appearing to read "Thomas J. Moran".

President

A handwritten signature in black ink, appearing to read "Jeffrey R. Egan".

Executive Director

# CITY ADMINISTRATION

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

## THE COUNCIL

**President - Theodore Blunt**

<b>1st District</b> . . . . .	Charles Potter, Jr.	<b>5th District</b> . . . . .	Samuel Prado
<b>2nd District</b> . . . . .	Norman D. Griffiths	<b>6th District</b> . . . . .	Kevin F. Kelley, Sr.
<b>3rd District</b> . . . . .	Stephanie T. Bolden	<b>7th District</b> . . . . .	Paul F. Ignudo, Jr.
<b>4th District</b> . . . . .	Hanifa G.N. Shabazz	<b>8th District</b> . . . . .	R. Campbell Hay
<b>At Large</b> . . . . .	Michael A. Brown, Sr.	<b>At Large</b> . . . . .	Charles M. Freel
<b>At Large</b> . . . . .	Theopalis K. Gregory	<b>At Large</b> . . . . .	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  
Timothy Crawl-Bey  
Joseph DiPinto  
Monica Gonzalez-Gillespie  
Ronald A. Morris  
James N. Mosley  
Willie J. Patrick, Jr.  
John R. Sheridan  
Kash Srinivasan  
Jeffrey J. Starkey  
Michael J. Szczerba

### **Chief of Staff**

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

## OFFICE OF MANAGEMENT & BUDGET

### **Robert S. Greco**

Matthew J. Razze  
Robert G. Winkeler  
Rosalie B. Suber  
Arthur F. Jenkins, Jr.

### **Budget Director**

Senior Analyst/Systems Coordinator  
Senior Analyst  
Budget Analyst II  
Budget Analyst II



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## FISCAL YEAR 2008 BUDGET MESSAGE

### PROGRESS BUILT ON FINANCIAL STRENGTH

One of the top goals of this Administration was to address Wilmington's very serious fiscal problems, which were structural in nature and not easily solved. As reported last year, the hard work and sacrifice over the previous years had finally secured a sense of financial freedom for the City, culminating in the \$22.4 million General Fund surplus for Fiscal Year (FY) 2006. We attained this advantageous position thanks in large part to our successful State lobbying efforts and the creative and collaborative work of the City's fiscal officers and staff to improve the City's revenue streams.

Based on our strategic plan for the future, the City's fiscal outlook can, and will, remain promising. However, if spending decisions become based on pure emotion or a carelessly developed plan for growth, the success will be short-lived. This financial strength must be made to last well into the future, and be available to help overcome new or unexpected challenges. But most important of all, this new wealth must be wisely used to continue to improve the City and help its neighborhoods and citizens to prosper.

Neighborhoods represent the heart and soul of a city. In fact, neighborhoods are where the City puts the vast majority of its resources each year. While the announcement of a large development on the riverfront or the expansion of a business in the Downtown District might generate more media attention, it is in the neighborhoods that Wilmington spends most of its money on programs and services. This is as it should be.

In the past six years or so, two of our most significant achievements involved improvements to the City's neighborhoods and the City's fiscal situation. The central tenet of the FY 2008 Budget is to build upon and expand this progress.

## **OPERATIONAL HIGHLIGHTS**

Through the combined efforts of government, business, and citizens, the transformation of Wilmington to a new type of city is well underway. The City is moving forward with energy, determination, creativity and most importantly, large-scale visible progress. Highlighted below are some of the more significant ways that the City has helped to drive that transformation.

### **Strengthening Community Living**

There is unprecedented housing growth underway throughout the City, thanks to the Department of Real Estate & Housing, the Wilmington Housing Partnership, and dozens of for-profit and non-profit partners. There are many reasons to be hopeful about our continued ability to rebuild entire neighborhoods, strategically restore problem blocks within neighborhoods, and offer new homeownership and rental opportunities to families and individuals who want to contribute to the growth of those communities. More than 1,200 new homeownership or rental opportunities have been created in the City in the past five years.

Community living has been strengthened through programs like Facade Improvement, Lead Paint Abatement, and the CDBG Home Repair Program. Real Estate & Housing staff have partnered with community agencies like the Delaware Center for Horticulture for a tree-planting program for low-income areas; the West End Neighborhood House to move people to more permanent housing; and Lutheran Community Services and similar organizations focused on eliminating homelessness in the City.

### **Protecting the Environment**

The Public Works Department has taken on a number of very important projects in the past year. Wilmington is moving into a true leadership role in curbside recycling, not just in Delaware, but in the Nation. Our 37% trash diversion rate from the landfill into recycling is a true success. We are also proud of our program to reduce one of the most troublesome environmental issues for older cities—Combined Sewer Overflows. Wilmington will lead the nation with the “Real Time Control” (RTC) process of regulating the flow and volume of water in the sewer system, further reducing the instances of sewage flowing into area waterways during storms. By implementing RTC, the City will not only meet, but exceed, Federal standards of compliance much earlier than by other methods, while avoiding millions of dollars in additional infrastructure costs.

### **Serving Constituents**

The Office of Constituent Services has truly emerged as the nerve center of City government. The Office, working continuously to improve the quality of life for all residents in every neighborhood, handled over 15,000 calls for assistance and information last year, the majority of which were resolved in less than 72 hours. They have supplemented Public Safety efforts by identifying and removing over 1,300 instances of graffiti and nearly 200 pairs of shoes from power lines, both of which are often a telltale sign of gang affiliation or other illegal activity. The Office has also identified and, with the assistance of the Police Department, removed over 300 abandoned vehicles that were plaguing the streets and attracting crime, vandalism and rubbish. The removal of these vehicles is also a great help to the Public Works Department in navigating some of the smaller City streets to pick up garbage and recycling and to clear ice and snow. Along those same lines, the office frequently teams up with Public Works in identifying and repairing potholes, over 1,200 this past year alone.



### **Economic Development**

The Office of Economic Development continues to contribute to the growth and expansion of the City. Whether through retaining or attracting corporate employers, facilitating the development process for the private sector, or assisting small and minority-owned businesses, the Office is flexible and responsive enough to assist with the unique challenges associated with urban and community development.

Since its inception in 2002, the City's business incentive program has used property tax abatements, head tax abatements, and targeted strategic fund investments tied to job creation, to retain and expand large employers, such as Blue Cross Blue Shield, ING Direct, and Barclays Bank. It has also assisted medium sized professional firms, such as Sargent & Lundy Engineering, by defraying the costs of expanding their new East Coast headquarters.

Not only do these efforts more than pay for themselves in the form of a strengthened and expanded wage tax base, they validate Wilmington as a regional leader in business development. Over the past few years we have started to see the fruits of some of our earlier investments throughout the City, and we will continue to welcome new workers this year as Blue Cross/Blue Shield takes residency in their new headquarters.

### **Youth & Families**

The City's continuing emphasis on youth, their families, and individual achievement is embodied in the Department of Parks and Recreation. Over the past year, the Department has served thousands of citizens with a variety of programs designed to highlight and promote individual and team achievement.

The City's annual Summer Youth Employment Program is as popular as ever. Over the past six years we have been able to offer summer employment and job skills to more than 2,300 teenagers, supported for the most part with City appropriations of more than \$2.3 million. In addition, more than \$200,000 has been spent in the last several years on scholarships for young people to encourage them to accept and embrace the importance of a higher education.

This Department serves as the focal point for our only programmatic opportunity as a City government to promote early childhood education through the efforts of the Wilmington Early Childhood Education Council. Year after year, the health of our children and families, and the challenges that face our youngest citizens, are highlighted by the department's work with Healthy Wilmington 2010 and with the KIDS COUNT organization to identify and resolve the many obstacles that block a child's path to growth and prosperity.

## **BUDGET DISCUSSION**

### **THE GENERAL FUND**

The Fiscal Year 2008 operating budget expenditures total \$127,737,644 – up \$11,626,617 or 10% from FY 2007. The expansion and diversification of the City’s revenues resulting from the Governor’s Task Force and County Seat Relief packages, along with the Finance Department’s Plan for Change, have greatly improved the City’s financial strength and stability. Building on this momentum, the FY 2008 budget delivers the large-scale level of resources necessary to focus on and expand the fundamental direct City services most important to the citizens. This is especially evident in the Police, Public Works, Parks, Real Estate & Housing, and Licenses & Inspections (L&I) departments. While this year’s budget is an ambitious spending plan designed to result in significant improvements to City services, it has been crafted to allow us to avoid future property tax increases for as long as possible, and as long as it is the fiscally responsible thing to do.

### **General Fund Expenditures**

- More than half of the total increase to the FY 2008 Budget is attributable to a \$5.9 million rise in Salaries and Benefits. A net of 35 new positions, at a total cost of \$2.3 million, were added to staff the expansion of major program initiatives, especially in the area of Public Safety. A projected Cost-of-Living Adjustment (COLA) for employees added \$1.8 million; a 10% rise in Healthcare costs contributed \$525,000; and increases in Pension actuarial targets added another \$500,000.
- With the necessary funding resources now available, the Police Department’s uniformed authorized strength is being expanded with the addition of 18 new Patrol Officers at a first-year cost of about \$1.2 million. Additionally, six officers previously paid through several expiring grants have been transferred into the General Fund. To offset some of these increases, 11 additional officer positions were transferred into the New Castle County Policing Grant. Total Police uniformed authorized strength for FY 2008 will be 340.
- Support operations in the Police Department are also being bolstered. Two new specialized civilian positions have been approved for FY 2008: a Bilingual Victims Case Coordinator and an Information Input Specialist. The cost of these positions is \$75,695 and \$57,957 respectively. As part of the multi-pronged approach to increase enforcement in the neighborhoods, as well as the business district, an additional Parking Regulation Enforcement Officer (PREO) is being added at a cost of \$48,774. Lastly, a new Administrative Clerk I position to perform clerical duties in the Patrol Division added \$52,413 to the Budget.
- Expanding on its original Plan for Change, the Finance Department this year is creating a new program to raise additional revenues from the collection of outstanding taxes and fees, as well as focusing on and greatly improving the Sheriff Sale process. A total of eight new positions, of which 5.4 Full-Time Equivalents (FTEs) are in the General Fund, will be added to implement the program at a cost of \$442,487. The return to the General Fund will be the projected additional collection of \$500,000 in Property Taxes, \$2.1 million in Wage Taxes, \$900,000 in Parking/Booting/Red Light Fines, and \$1 million in Vacant Property Registration Fees.

- With over a full year's experience with the demands of the new shift configuration, the Fire Department is increasing Overtime by \$250,000 to meet the minimum manning requirements of all its fire companies. In addition, a firefighter position, at a cost of \$54,421, has been added in the Fire Marshal's Office to meet the increased workload related to plan reviews and building inspections that have resulted from the sharp rise in building construction.
- Because the expiration of various lease maintenance agreements over the next two years will result in the doubling of the amount of park acreage that the City will be responsible for maintaining, a second Parks Maintenance Supervisor position has been added at a cost of \$74,411. Also in the Parks Department, a new position of Financial Administrator, at a cost of \$77,595, was created to manage the financial and accounting aspects of the Department's numerous programs, purchasing, grants administration, and employee payroll. Offsetting these increases was the elimination of a long-vacant General Laborer position for a savings of \$41,544.
- In the Public Works Department, two positions have been added to primarily handle the maintenance and repair of the ever increasing number of decorative street lamps not covered by Delmarva Power. The cost is \$96,312. In addition, after an absence of over 15 years, the much needed position of Deputy Public Works Commissioner is being reinstated. The total cost of the Deputy position is \$98,339, but will be split-funded 50% General Fund and 50% Water/Sewer Fund.
- Public Works costs related to City-owned buildings have increased \$102,000. Thirty-two thousand dollars of the increase will fund a special armed security post in the City/County building and at the new City Services facility. The remaining \$70,000 is a result of an increase in the maintenance and management fee charged by New Castle County for the City/County building. In the WILDOT Division, the outsourcing of roadway painting and safety markings added \$42,000 and the costs of traffic signs and signals (previously funded out of the Capital Program, but now disallowed there) shifted \$50,700 into the Operating Budget.
- To assist in preserving the quality of life in the City's neighborhoods, \$500,000 has been requested by the Department of L&I to fund an aggressive program to reduce the negative effects of vacant properties. This is an increase of \$250,000 from last year, and includes \$300,000 for demolition and \$200,000 for securely sealing and maintaining problem vacant properties.
- Project funding in the Mayor's Office increased by \$433,650, to a new total of \$865,000. A majority of the funding (\$500,000 from last year's surplus designation) represents the second installment of a three-year commitment to implement the recommendations of the Hope Commission, with funding targeted for youth programming, such as Challenge Grants, as well as economic development activities. Other projects include City beautification, a City promotion and "branding" program, support for the Wilmington Economic Development Corporation, and funding for the City's annual Martin Luther King celebration. In addition, \$250,000 was added to the Youth & Families Division in the Parks Department to fund the Mayor's Youth Initiative that will greatly expand summer youth programs and employment.
- There is \$415,000 budgeted (an increase of \$235,000) for the Rock Manor Golf Course. The majority of the funding (\$360,000) will be used to retire all outstanding debt of the Rock Manor Golf Course corporation. The remaining \$55,000 is budgeted to cover fixed costs, such as utilities, pensions, and maintenance while the course is closed during the renovations being done as part of the larger DELDOT transportation project on Route 202.

- The Mayor's Office has included one-time grant funding to assist New Castle County. \$116,600 (from last year's surplus designation) will be given to assist the County with the costs of maintaining the Alapocas Ballfields, Canby Park West, and Sellers Park. Grants will also be given to support three libraries: Woodlawn (\$94,000), North Wilmington (\$40,000), and La Biblioteca Del Pueblo (\$40,000).
- The City has committed \$75,000 to the Loan Foreclosure Program, a pilot program run by the Delaware State Housing Authority to help certain qualified homeowners who have fallen behind on their mortgage due to circumstances beyond their control, such as illness.
- As part of a continuing focus on human resources development, an increased set-aside of \$60,000 is budgeted in Real Estate & Housing to provide home buying assistance to City employees who purchase homes in the City. Last year's level of funding was \$30,000.
- Total Internal Services increased over \$1.9 million. This was a result of a \$1.1 million increase in Motor Vehicle Costs, due mainly to the addition of new firefighting apparatus to the fleet and rising fuel costs; a \$356,000 rise in Data Processing, reflecting the costs of the ongoing MUNIS system conversion and improvements to the network; almost \$242,000 more in Communications due to the creation of wireless hot spots throughout the City, replacement of communications equipment at the fire stations, and the analog to digital radio conversion; \$100,000 more in Workers' Compensation, reflecting overall employee salary increases; and about \$51,000 more in Postage because of U.S. postage rate increases.
- Debt Service increased a net \$313,354. A projected bond issuance to fund the FY 2006 Capital Program added \$381,774, but was partially offset by an overall small decline in existing debt service costs.
- The Operating Contingency and the Snow & Weather Emergency accounts have been increased to more realistic levels that better reflect past experience. Discounting the special one-time amendment last year by City Council that added \$1,063,920 to cover electricity rate hikes due to deregulation in Delaware and some Council initiatives, the Operating Contingency Fund is up \$200,000 from last year, to a new total of \$500,000. The Snow and Weather Emergency account is budgeted at \$500,000, up from \$100,000 last year.

## General Fund Revenues

General Fund Revenue before transfers from the Wilmington Parking Authority and prior year surplus designations is expected to increase by a net \$10,689,995 or 9.1% over the Fiscal Year 2007 Budget to a new total of \$128,634,166. The net change from Budget to Budget (FY 2008 vs. FY 2007) can be broken down as follows:

<u>REVENUE</u>	<u>CHANGE</u>	<u>TOTAL</u>
• Wage & Net Profits Tax	<i>Up</i> \$5,032,020	\$ 51,306,089
• County Seat Relief Package	<i>Up</i> \$1,264,404	\$ 7,508,211
• Fines	<i>Up</i> \$975,000	\$ 5,200,000
• Licenses, Permits and Fees	<i>Up</i> \$823,500	\$ 4,325,000
• Other Revenues	<i>Up</i> \$650,000	\$ 5,022,533
• Interest	<i>Up</i> \$634,071	\$ 5,000,000
• Other Taxes	<i>Up</i> \$536,000	\$ 8,463,333
• Property Taxes	<i>Up</i> \$500,000	\$ 30,966,500
• Task Force Revenues	<i>Up</i> \$275,000	\$ 4,432,500

The growth in the Wage and Net Profits Tax is tempered by the uncertainty of continued effects of the acquisition of MBNA by Bank of America. The merger has already resulted in a significant reduction in Bank of America's statewide employment. Difficulty in obtaining official information regarding possible further reductions, the transfer of jobs to other locations, and the reduced compensation level of retained employees were all considered when the FY 2007 Second Quarter Wage Tax projection was increased by only a modest \$1.25 million. As a result, this Second Quarter projection was used as the starting point to build the FY 2008 base projection. Then, a 3% growth factor was applied (attributed mainly to expected average salary increases) which expanded the new base by \$1.3 million. Finally, \$2.1 million was added as a result of the Finance Department's initiative to enhance collection efforts by matching tax information from the State to the City's database to identify non-paying resident and non-resident wage earners. The Net Profits revenue part of this projection is expected to increase by about \$350,000 over the FY 2007 Budget, following the latest trend over the last two years.

The County Seat Relief Package is a bundle of escalating revenue enhancements authorized by Governor Minner and approved by the Delaware General Assembly that builds on the work of the 2003 Governor's Task Force (see Task Force Revenues section) which recognized that the City's long-term financial stability required a stronger and more diversified revenue stream. Like the Task Force revenues, the County Seat Relief Package provides diversified revenue support to the three county seats in the State of Delaware. The FY 2008 projections provided by the State Finance Secretary's Office include \$2,345,116 for a payment in lieu of taxes (PILOT) for State-owned properties in the City (which are normally exempt from the City property tax), \$2,863,095 as a part of the local share of the State's Uniform Commercial Code (UCC) filing fees, \$1 million in Statutory Trust Filing Fees and \$1.3 million in New Castle County Corporate Filing Fees.

**FINES consists of Parking Tickets/Booting Fines and Criminal/Traffic Fines**

With additional staffing and a multi-pronged approach to increasing enforcement and collection (as part of the Finance Department's Plan for Change), **Parking Tickets/Booting** revenue is forecast to climb beyond the increase projected for FY 2007. To further enhance scofflaw enforcement and collections, the City contracted last year with a private vendor to implement the PayLock delinquency abatement system. Using mobile licence plate recognition cameras and software, along with self-releasing computerized vehicle boots, the number of scofflaw vehicles found and booted has increased dramatically. With an additional \$600,000 forecast as a result of a more focused approach that includes better enforcement in residential neighborhoods, Parking Ticket/Booting revenue is projected to increase to \$4 million in FY 2008. The use of the PayLock system will also be extended to bolster the payment rate of red-light violations captured on film, increasing **Criminal/Traffic** revenue by \$375,000, to a new total of \$1.2 million.

**Licenses, Permits and Fees** revenue will rise \$823,500, mainly as a result of increases to the FY 2007 Second Quarter projections for Business Licenses, Building Permits and Fees. The current trend of moderate-to-high construction activity, especially along the Riverfront, is expected to continue in FY 2008.

**Other Revenues** will increase by a net of \$650,000. Rental Income has been reduced by \$450,000, as a result of a decision to book income produced by assets owned by the Water/Sewer Fund into that fund to boost its solvency. This decrease is more than offset by an expected rise of \$1.1 million in Vacant Property Registration revenue resulting from the Finance Department's plan to greatly enhance collection efforts through an improved Sheriff Sales process.

**Interest Earnings** are projected to rise over \$634,000, to a total of \$5 million because of realized and expected interest rate hikes, along with the availability of significantly larger cash balances to invest due to recent operating surpluses and capital bond proceeds. Previously, all interest earned on City cash balances, regardless of source, was booked as revenue to the General Fund. To help bolster the Water/Sewer Fund, interest revenue now earned on cash produced by Water/Sewer Fund activities (projected to be \$500,000) will stay in the Water/Sewer Fund.

**OTHER TAXES consists of Real Estate Transfer Tax, Head Tax and Franchise Fees**

**Real Estate Transfer Tax** revenues topped out at more than \$6 million in both Fiscal Years 2004 and 2005, as the frenzied activity in both commercial and residential property sales hit a peak. While FY 2006 declined only moderately to \$5.6 million, FY 2007 is showing greater slowing of transfer activity. The FY 2007 Second Quarter projection of \$4.0 million was used as the basis for FY 2008, and recognizes that activity has permanently expanded as a result of growth in the residential and commercial markets, especially at the Riverfront.

**Head Tax** revenues are projected to decrease by \$404,000 during FY 2007 from the FY 2006 Budget. Anticipated staffing reductions at Bank of America have materialized and the reduced FY 2007 budgeted figure of \$2,114,000 is expected to be realized. However, because of increased economic activity at the Riverfront and Downtown, a net gain of a 300 new jobs is projected in FY 2008. This results in the small increase of \$36,000 in Head Tax revenue, to a total of \$2,150,000.

**Franchise Fees** revenue consists of 2% of the gross revenues from electricity sales in the City and 5% of gross revenues of cable television service sales in the City. In Wilmington, Delmarva Power is the sole provider of electricity and Comcast is currently the only provider of cable TV service. However, after the 59% hike in electricity rates by Delmarva Power last year, another rate increase is not anticipated. In addition, expected competition from Verizon should help keep the price of cable TV services stable. For these reasons, no increase in Franchise Fees is projected for FY 2008.

**Property Taxes** are projected to increase by \$500,000 as a result of a new facet to the Finance Department's enhanced collection efforts. The Department will focus on improving the Sheriff Sales process to bolster the collection of delinquent taxes. There is no change to the property tax rate.

**Task Force Revenues** are the three revenue sources that were created as a result of the 2003 Governor's Task Force, which 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 (LLCs). 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. For FY 2008, three of the four components of the Task Force Revenues are projected to remain steady, while LLC revenue is expected to rise by \$275,000 over the FY 2007 level.

## **THE WATER/SEWER FUND**

The FY 2008 operating budget expenditures total \$50,559,348 – up \$4,946,276 or 10.8% from FY 2007. Over \$4.1 million of this increase (details which follow below) is the result of the creation and expansion of maintenance programs and infrastructure initiatives, including an accelerated Combined Sewer Overflow (CSO) mitigation effort and 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. Another significant portion of the increase is a \$700,000 rise in the contract to operate and maintain capital improvements at the sewage treatment plant.

### **Water/Sewer Fund Expenditures**

- Consulting and Engineering costs for a variety of Water System division projects, including Brandywine and Porter filter plant improvements, water metering initiatives, and Geographical Information System (GIS) enhancements resulted in an increase of \$943,000. Consulting and Engineering costs in the Water Quality division rose \$478,000 because of a number of initiatives related to the recent creation of the Storm-water Utility and the complexity of its related billing system. Additionally, there is an increase of \$283,000 in Consulting and Engineering in the Sewer Maintenance division for storm inlet and sewer line inspections, and sewer reconstruction on Madison street.
- In previous years, the annual cost for the Repairs to Sewers and Appurtenances program had been covered by a portion of the State Municipal Street Aid Grant. The City will not be awarded this grant for FY 2008, resulting in an increase of \$1 million to the Budget to fund the Repair program.
- \$600,000 was added to greatly expand the cleaning, maintenance, and repair program for storm water drain inlets.

- Software licensing and customization to run the state-of-the art computerized system called Real Time Control will cost \$650,000. The Real Time Control system takes the miles of the City's passive underground piping system and converts it to a dynamically controlled system through the use of rain gauges, water level and flow sensors, and regulators. This will maximize the sewage collection system's capacity by controlling the direction, flow, and volume of storm water, much like street signals control the flow of rush hour traffic. Real Time Control will allow the City to not only meet, but to exceed, current Federal standards for CSO.
- In order to maximize the utility and accuracy of the water and sewer GIS, two positions are being added at a cost of \$97,194. These positions will be responsible for continuous field data updating and confirmation, thereby reducing the reliance on consultants. In addition, after an absence of over 15 years, the much needed position of Deputy Public Works Commissioner is being reinstated. The total cost of the Deputy position is \$98,339, but will be split funded 50% General Fund and 50% Water/Sewer Fund.
- In Public Works, three vacant positions have been eliminated, for a total savings to the Water/Sewer Fund of \$128,950. The eliminated positions are an Equipment Operator I, a General Laborer II, and a Stores Clerk.
- Expanding on its original Plan for Change, the Finance Department is creating a new program to raise additional revenues from the collection of delinquent water bills by focusing on and greatly improving the Sheriff Sale process. A total of eight new positions, of which 2.6 FTEs are in the Water /Sewer Fund, will be added to implement the program at a cost of \$202,096. The projected return to the Water/Sewer Fund is the additional collection of \$1.5 million in water and sewer fees.
- Debt Service increased a net \$592,718. A projected bond issuance to fund the FY 2006 Capital Program added \$427,500, with the remainder of the increase attributable to existing debt service costs. As was the case last year, all infrastructure (fixed assets) acquisition will be done solely through the Capital Program.
- The FY 2008 Budget raises water and sewage rates 12.5% as part of the four-year plan of rate increases to prevent further operating deficits in the Water/Sewer fund and to ensure adequate cash flow for infrastructure maintenance and repair. Even with the rate increase, City users will still benefit from prices lower than those offered by surrounding private water utilities and the New Castle County sewage authority.

### **Water Sewer Fund Revenues**

Water/Sewer Direct Users Fees are projected to increase to \$35,655,378 from the \$29,360,336 budgeted last fiscal year. This \$6,295,042 increase in revenue is attributable to the effects of a proposed increase in water and sewer rates (\$3,795,042), better accuracy and substantially fewer estimated bills (\$1 million), and a forecasted \$1.5 million increase in collections due to a new program to be implemented by the Finance Department.

The FY 2008 Budget raises water and sewage rates 12.5% as part of the four-year plan of rate increases to prevent further operating deficits in the Water/Sewer fund and to ensure adequate cash flow for infrastructure investment. Even with the rate increase, City customers will still benefit from prices lower than those offered by surrounding private water utilities and the New Castle County sewage authority. The



Finance Department is creating a new program to collect additional water/sewer revenues by focusing on and greatly improving the Sheriff Sale process.

The City's contract to provide sewage treatment for New Castle County (NCC) will expire at the end of FY 2007. The fee to NCC for FY 2008 and beyond is being negotiated. But, based on forecasted operating costs and the escalation in prices over the last five years that were much greater than the 2.75% annual inflation factor allowed by the previous contract, a new base fee of at least \$18 million for FY 2008 will be requested. This will be an increase of \$2,159,000 over last year's fee. 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.

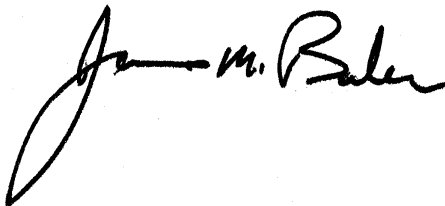
Previously, all interest earned on City cash balances, regardless of source, was booked as revenue to the General Fund. To help bolster the Water/Sewer Fund, interest revenue now earned on cash produced by Water/Sewer Fund activities (projected to be \$500,000) will be booked as revenue to the Water/Sewer Fund. In addition, land and water tank rental fees (projected to be \$450,000) will now also be booked in the Water/Sewer Fund instead of the General Fund.

Water/Sewer revenue is projected to increase \$9.4 million to a new total of just over \$55 million in FY 2008.

#### CONCLUSION

The City of Wilmington is experiencing the greatest period of growth and positive changes to sweep the City since the end of World War II. The successful redesigning, repositioning, and rebuilding of the City should last far into the 21<sup>st</sup> Century, positively impacting the history of future generations. People throughout Wilmington and the State of Delaware are witnessing the step-by-step changes being made in neighborhoods, Downtown, and along the waterfront. This is progress not previously believed possible. But, the job is not finished, for there is always more that can be done. The FY 2008 Budget is an essential part of the collaborative and continuing efforts to make the City of Wilmington an even safer, more entertaining, more functional, and more beautiful place to live and work.

Respectfully,

A handwritten signature in black ink, appearing to read "James M. Baker". The signature is fluid and cursive, with a large loop at the end of the last name.

James M. Baker  
Mayor



**WILMINGTON**

**FACTS & FIGURES**



# 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

<b>PERCENT OF POPULATION BY AGE GROUP</b>	
19 YEARS AND YOUNGER	28.8%
20 TO 24 YEARS	8.2%
25 TO 34 YEARS	18.2%
35 TO 44 YEARS	13.5%
45 TO 54 YEARS	10.2%
55 TO 64 YEARS	9.5%
65 YEARS AND OLDER	11.6%
<b>MEDIAN AGE OF POPULATION (YEARS)</b>	<b>31.7</b>

<b>PERCENT OF HOUSEHOLDS BY ANNUAL INCOME</b>	
\$24,999 AND UNDER	37.9%
\$25,000 TO \$34,999	12.9%
\$35,000 TO \$49,999	15.1%
\$50,000 TO \$74,999	14.3%
\$75,000 TO \$99,999	9.6%
\$100,000 AND OVER	10.2%
<b>MEDIAN HOUSEHOLD INCOME</b>	<b>\$33,240</b>

Source: U.S. Census Bureau, 2005 American Community Survey

## **WILMINGTON EMPLOYMENT TRENDS**

City residents only

<b>Year</b>	<b>Labor Force</b>	<b>Employed</b>	<b>Unemployed</b>	<b>Unemployment Rate</b>
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	34,859	33,009	1,850	5.3%
1991	34,149	31,786	2,363	6.9%
1992	34,204	31,762	2,442	7.1%
1993	34,226	32,171	2,055	6.0%
1994	34,326	32,514	1,812	5.3%
1995	32,963	31,222	1,741	5.3%
1996	32,726	31,174	1,552	4.7%
1997	35,235	33,298	1,937	5.5%
1998	34,993	33,374	1,619	4.6%
1999	34,858	33,275	1,583	4.5%
2000	33,567	32,096	1,471	4.4%
2001	33,471	31,806	1,665	5.0%
2002	33,033	31,083	1,950	5.9%
2003	32,285	30,597	1,688	5.2%
2004	32,284	30,286	1,998	6.2%
2005	32,148	30,257	1,891	5.9%
2006	32,503	30,862	1,641	5.0%

Data from 2006 back to 1990 have been adjusted to incorporate Census population controls.

Source: Delaware Department of Labor, Current Employment Statistics Program, 2006

## WILMINGTON PMSA EMPLOYMENT BY INDUSTRY

	2003		2004		2005		2006		2003-2006
	Number	%	Number	%	Number	%	Number	%	% Change
<b>TOTAL (Non-Agricultural)</b>	<b>340,000</b>	<b>100%</b>	<b>346,100</b>	<b>100%</b>	<b>348,800</b>	<b>100%</b>	<b>352,600</b>	<b>100%</b>	<b>3.7%</b>
<b>Professional &amp; Business Services*</b>	54,300	16.0%	57,300	16.6%	57,300	16.4%	56,500	16.0%	4.1%
<b>Government</b>	45,900	13.5%	46,600	13.5%	48,000	13.8%	48,800	13.8%	6.3%
<b>Education &amp; Health</b>	41,200	12.1%	42,400	12.3%	43,600	12.5%	45,200	12.8%	9.7%
<b>Retail Trade</b>	38,900	11.4%	38,700	11.2%	39,100	11.2%	39,300	11.1%	1.0%
<b>Financial Activities*</b>	39,700	11.7%	38,900	11.2%	39,100	11.2%	37,900	10.7%	-4.5%
<b>Leisure And Hospitality</b>	27,400	8.1%	28,200	8.1%	28,800	8.3%	29,000	8.2%	5.8%
<b>Manufacturing</b>	26,800	7.9%	26,100	7.5%	24,800	7.1%	25,400	7.2%	-5.2%
<b>Construction</b>	19,400	5.7%	20,400	5.9%	20,900	6.0%	22,200	6.3%	14.4%
<b>Other Services</b>	13,900	4.1%	14,600	4.2%	14,900	4.3%	15,500	4.4%	11.5%
<b>Wholesale Trade</b>	12,400	3.6%	13,300	3.8%	13,300	3.8%	13,200	3.7%	6.5%
<b>Transportation &amp; Utilities</b>	13,500	4.0%	13,300	3.8%	13,100	3.8%	13,700	3.9%	1.5%
<b>Information Technology</b>	6,600	1.9%	6,300	1.8%	5,900	1.7%	5,900	1.7%	-10.6%

Source: Delaware Department of Labor Estimates, Current Employment Statistics Program, 2006



## MAJOR AREA EMPLOYERS

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

<b>Employer</b>	<b>Business</b>	<b>Employees</b>
Christiana Care Health Services	Hospital/Healthcare Complex	9,985
Dupont	Chemicals and Energy	8,867
Bank Of America (formerly MBNA)	Banking	5,900
State of Delaware (Non-education)	State Government	7,400
J P Morgan Chase Inc.	Banking	5,900
AstraZeneca Inc.	Pharmaceuticals/Chemicals	5,600
University of Delaware	Higher Education	4,002
A.I. Dupont Institute	Children's Hospital/Healthcare	2,700
Christiana School District	Public Education	2,562
DaimlerChrysler Corp.	Automotive Assembly	2,100
Wilmington Trust Co.	Banking	2,100
New Castle County Government	County Government	2,000
Happy Harry's Inc.	Pharmacy Retail Chain	1,998
Red Clay School District	Public Education	1,860
Brandywine School District	Public Education	1,400
Colonial School District	Public Education	1,400
YMCA	Civic/Social Services	1,400
AIG Marketing, Inc.	Insurance Carrier	1,372
Home Depot	Retail Chain	1,368
Dade Behring, Inc.	Electro-Medical Apparatus	1,367
General Motors Corp.	Automotive Assembly	1,300
COMCAST	Cable Television/Internet Service	1,300
City of Wilmington	Municipal Government	1,200
St. Francis Healthcare Services	Hospital/Healthcare Complex	1,189
Computer Sciences Corp.	Information Technologies	1,100

Source: Delaware Business Ledger, Economic Development Guide, July 2007

## Largest Real Estate Taxpayers in the City of Wilmington

Fiscal Year 2008

<b>Name</b>	<b>Property</b>	<b>Taxable Assessment</b>	<b>% of Total Taxable Assessment</b>
Bank of America	Corporate Headquarters	\$90,931,000	4.0%
Delmarva Power	Electric & Gas Utility	82,024,600	3.6%
Hercules	Corporate Headquarters	58,084,300	2.5%
Dupont	Corporate Headquarters	52,839,800	2.3%
1201 Market Street LLC	Office Building	51,775,000	2.3%
Verizon	Communications	44,576,500	1.9%
HUB Properties Trust	Office Building	36,072,400	1.6%
MacQuarie BDN Christina	Office Building	35,996,800	1.6%
Tatten Partners	Office Building	27,608,600	1.2%
Rodney Square Investors LP	Office Building	27,054,360	1.2%
Brandywine Office Investment	Office Building	24,850,700	1.1%
100 West Street Corporation	Office Building	22,386,600	1.0%
BPG Office Partners VIII LLC	Office Building	21,775,200	0.9%
<b>Total</b>		<b>\$575,975,860</b>	<b>25.0%</b>

Source: City of Wilmington Revenue Division

## New Construction Permits Issued

	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
<b>Single-Family</b>	43	70	131	56	139
<b>Multi-Family</b>	0	0	1	0	1
<b>Non-Residential</b>	12	8	7	23	8
<b>TOTAL</b>	<b>55</b>	<b>78</b>	<b>139</b>	<b>79</b>	<b>148</b>

Source: Department of L&I

## Total Value of New Construction Activity

	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
<b>Residential</b>	\$ 26,881,000	\$ 10,910,016	\$ 16,149,144	\$ 11,520,300	\$ 13,048,613
<b>Non-Residential</b>	\$ 39,805,100	\$ 3,630,220	\$ 55,504,884	\$ 70,313,246	\$ 116,655,011
<b>TOTAL</b>	<b>\$ 66,686,100</b>	<b>\$ 14,540,236</b>	<b>\$ 71,654,028</b>	<b>\$ 81,833,546</b>	<b>\$ 129,703,624</b>

Source: Department of L&I

## Renovation Construction Permits Issued

	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
<b>Residential</b>	3,602	3,307	3,483	3,428	3,400
<b>Non-Residential</b>	1,012	1,518	1,223	1,026	850
<b>TOTAL</b>	<b>4,614</b>	<b>4,825</b>	<b>4,706</b>	<b>4,454</b>	<b>4,250</b>

Source: Department of L&I

## Total Value of Renovation Construction Activity

	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
<b>Residential</b>	\$ 23,854,761	\$ 17,589,049	\$ 20,231,167	\$ 25,941,524	\$ 85,578,457
<b>Non-Residential</b>	\$131,885,291	\$156,171,933	\$112,601,178	\$ 156,171,933	\$ 183,450,255
<b>TOTAL</b>	<b>\$155,740,052</b>	<b>\$173,760,982</b>	<b>\$132,832,345</b>	<b>\$ 182,113,457</b>	<b>\$ 269,028,712</b>

Source: Department of L&I

## **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.

### **Strategic Location**

Wilmington offers some unique advantages because of its proximity to a large skilled workforce, its economies of scale, its access to commercial, legal and governmental centers of operation, and its reputation as a quality environment for raising a family. One of the distinct advantages of the City of Wilmington in attracting financial services operations is its telecommunications capacity. The City sits astride the main north-south fibre optic trunk line along the Atlantic seaboard. 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.

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 national training center to its highspeed locomotive shop and national operations center, all in Wilmington, speaks volumes for the City's strategic location along the Northeast Corridor.

### **Business Incentive Program Brings in New Employers, Jobs, and Wage Taxes**

The City has worked diligently to bring in a host of new jobs over the past several years. Economic development incentives provided by the City used to consist only of property and head tax abatements. More recently, the City adopted a broader business incentive program as a new tactic in pursuit of an expanded employment base. These newer incentives take the form of targeted cash advances, tax abatements, and waivers 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 (The Commerce Fund) that was created from the mortgage proceeds of the 1996 sale of the Port of Wilmington to the State of Delaware.

### **The Riverfront**

Riverfront development along the City's Christina river is expanding at an accelerated pace. Between 1996 and 2006, more than \$850 million has been invested by the State, County, City, and private developers, changing the Riverfront dramatically. Abandoned buildings and brownfields have been replaced by new

commercial and residential properties. Projects such as Christina Landing, One River Place (AAA), the Barclays buildings, Chase Center on the Riverfront, Shipyard Shops, Riverfront Market, Delaware Center for the Contemporary Arts, and the ING buildings have transformed the area into a thriving center of employment, recreation and residential life for the City.

The City has received a growing source of revenue from its \$16.8 million in contributions towards riverfront development. Between 2001 and 2006, property taxes from Riverfront tax parcels totaled \$1.7 million. Riverfront businesses have paid an estimated \$549,000 in head tax and an estimated \$9.7 million in City Wage tax over the same period. The return on the City's investment is estimated to be 35% for 2006, while the City's total return for the 10-year period from 1996-2006 is estimated at \$18.5 million.

The Riverfront is 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 Barclay's Bank have both prospered and expanded dramatically over the past 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. Barclay's Bank now occupies a new 270,000 square foot headquarters across the street from its original Riverfront headquarters that will accommodate an additional 600 new employees over the next four years, bringing their total number of employees to 1,000. For various smaller employers, the conversion and expansion of a former shipbuilding office near Frawley stadium has provided unique space options and flexibility.

One of the most notable and striking developments at the Riverfront is Christina Landing. Barely a concept a few 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 luxury apartment tower was completed and occupied last year. Built adjacent to the apartment building is a 25-story condominium tower, recently completed and scheduled for occupancy by September 2007. The condominium tower is more than 80% pre-sold. The success of Christina Landing spurred the same developer to take on and begin the Justison Landing project, which broke ground in June 2006. It will be a privately developed \$350 million mixed-use community of 700 residential units, 75,000 square feet of retail space, and 300,000 square feet of office space.

Over the last few years, several successful restaurants have opened on the Riverfront: *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, have made Wilmington's Riverfront a dining and attractions hub for an ever-increasing number of people.

### **Downtown Development**

The Riverfront is not the only area of the City experiencing new development. The area of the Central Business District 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 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 completed work on the Renaissance Center project that combined a new 150,000 square foot office tower 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 both federal *and* state historic tax credits have 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.

Two new office buildings in the western gateway of the CBD, near I-95, were completed in May 2007. A new 225,000 square foot office building at Delaware Avenue and Washington Street houses the venerable local banking institution, Wilmington Savings Fund Society (WSFS). The new building allowed WSFS to consolidate hundreds of its employees disbursed throughout the suburbs into a new, much larger headquarters in the City. This new structure also houses a large law firm and the main downtown branch of the United States Post Office. Across 11<sup>th</sup> Street from the WSFS Center, Blue Cross Blue Shield Delaware (BCBSDE) is consolidating its city and suburban operations into a tower built above the Corporate Plaza Garage. The recently completed tower will house 700 BCBSDE employees, of which 465 will be relocated from the suburbs. The relocation of all BCBSDE employees should be complete by the end of 2007.

### **Downtown Living**

A few years ago 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 half of a mile away from the college, the new program is housed in 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.

Three new developments underway downtown that merited special mention in recent years, the two former Dupont Company office buildings and the former Delaware Trust Building, have continued to grow and prosper. The renovation and residential conversion of the 600,000 square foot former Delaware Trust Building 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.

### **Conclusion**

The City's aggressive policy of economic incentives, 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. But the creation of new jobs tells only part of the story. The transformation of the Riverfront and the boom in residential development have sparked a new excitement and sense of pride in Wilmington. For the first time in decades, the City is becoming the desired place to live, work, and play in the State of Delaware.

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

## **The Budget Process**

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

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

The first internal process related to the Budget runs from September through about mid October. Using First Quarter revenue and expenditure results, along with preliminary year-end data from the prior Fiscal Year, the Office of Management and Budget (OMB) and the Finance department evaluate the City's financial position and prepare forecasts for the next Fiscal Year. At this same time, 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 225.**

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**

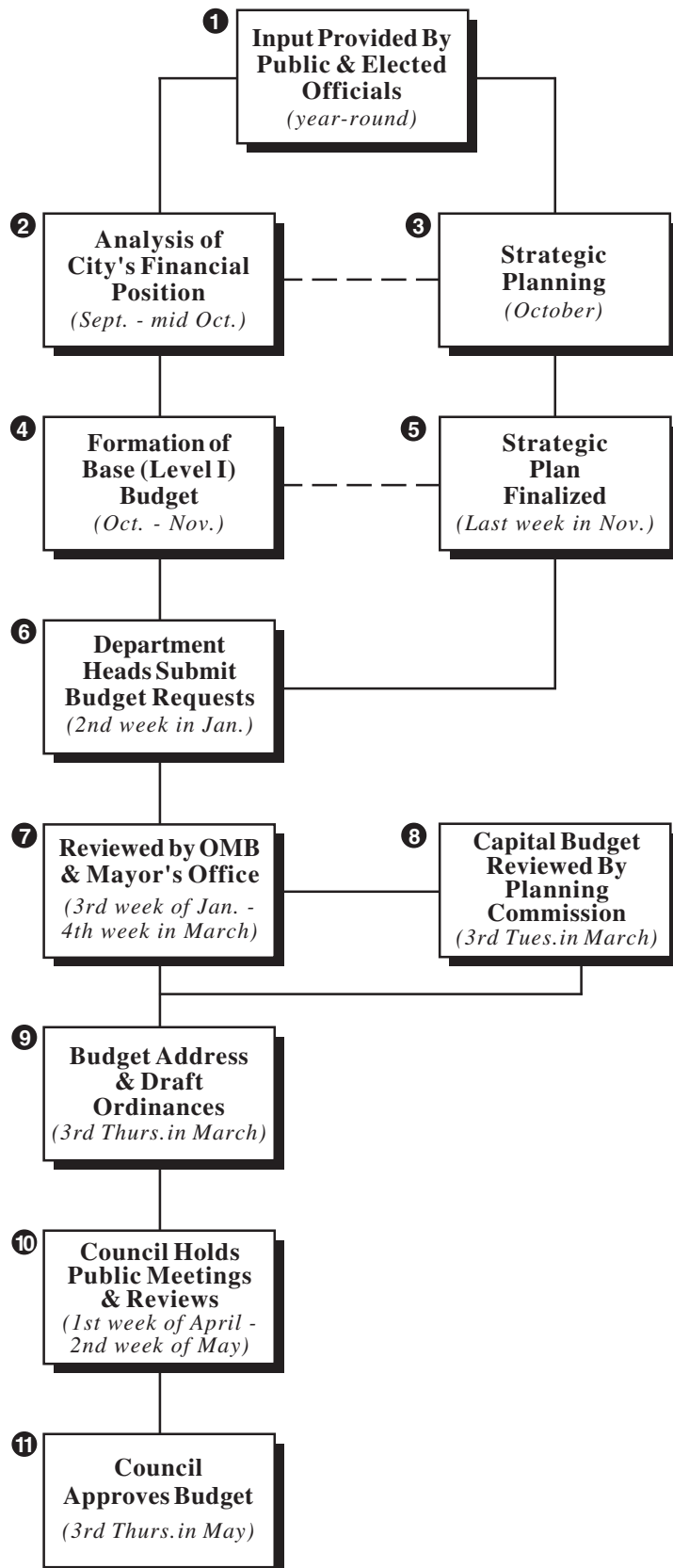
The City's budget is prepared using the same basis of accounting methods and procedures utilized to prepare the Comprehensive Annual Financial Report. The City's Comprehensive Annual Financial Statement for FY 2002 was awarded the Certificate of Achievement in financial reporting by the Government Financial 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 27**). 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-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**

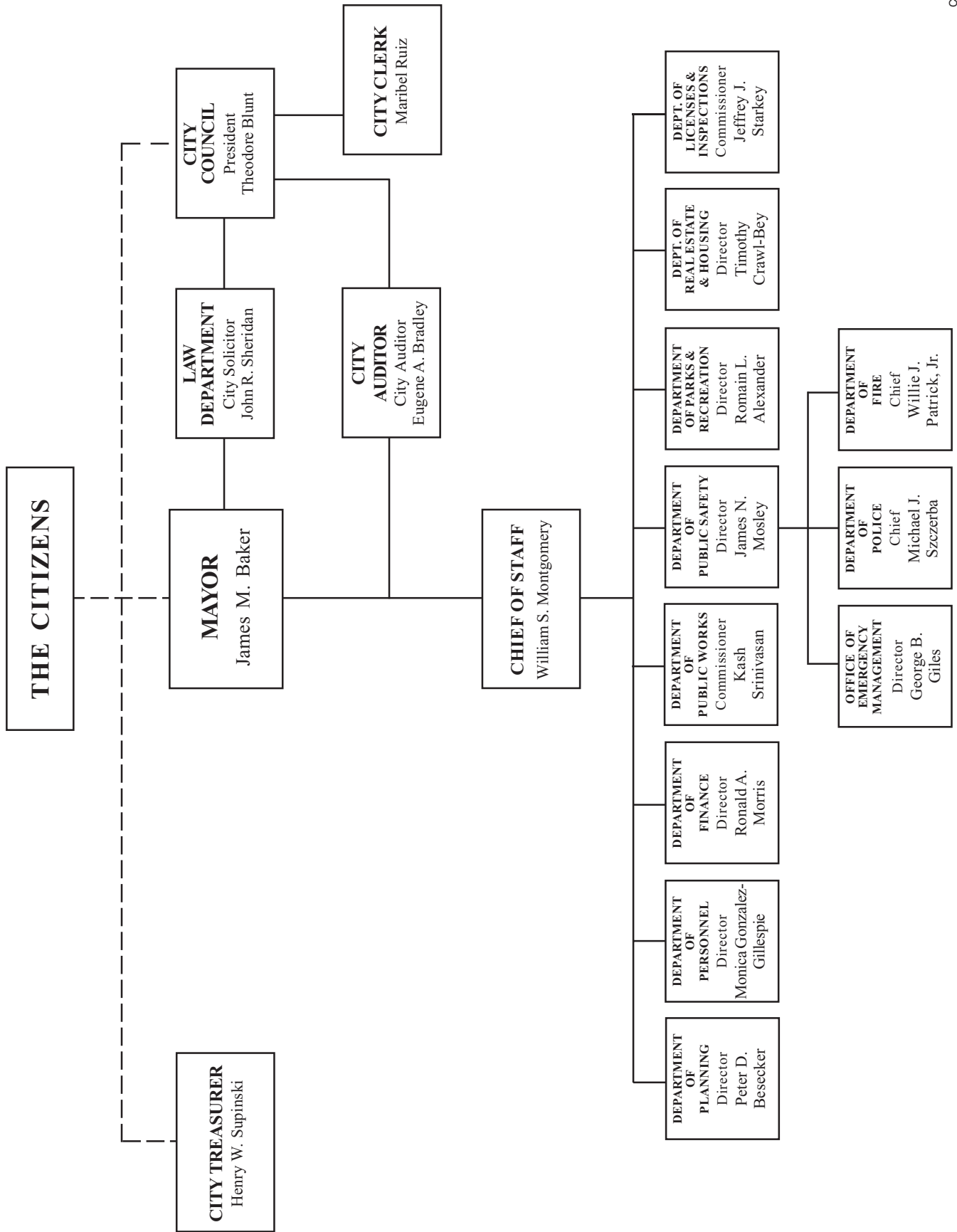
- A. Foster respect for cultural and ethnic diversity.
- B. Increase the presence and use of the arts.

## **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.

# 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. **Please see the section entitled Description of Funds on page 27 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**

**BUDGET HIGHLIGHTS**  
**CITY OF WILMINGTON**  
**FISCAL YEAR 2008**

**The General Fund**

- The Fiscal Year (FY) 2008 operating budget expenditures total **\$127,737,644** – up \$11,626,617 or 10% from FY 2007. The expansion and diversification of the City’s revenues resulting from the Governor’s Task Force and County Seat Relief packages, along with the Finance Department’s Plan for Change, have greatly improved the City’s financial strength and stability. Building on this momentum, the FY 2008 budget delivers the large-scale level of resources necessary to greater focus on and expand the fundamental direct City services most important to the citizens. This is especially evident in the Police, Public Works, Parks, Real Estate & Housing, and Licenses & Inspections (L&I) departments.
- More than half of the total increase to the FY 2008 Budget is attributable to a \$5.9 million rise in Salaries and Benefits. A net of 35 new positions, at a total cost of \$2.3 million, were added to staff the expansion of major program initiatives, especially in the area of Public Safety. A projected Cost-of-Living Adjustment (COLA) for employees added \$1.8 million; a 10% rise in Healthcare costs contributed \$525,000; and increases in Pension actuarial targets added another \$500,000.
- With the necessary funding resources now available, the Police Department’s uniformed authorized strength is being expanded with the addition of 18 new Patrol Officers at a first-year cost of about \$1.2 million. Additionally, six officers previously paid through several expiring grants have been transferred into the General Fund. To offset some of these increases, 11 additional officer positions were transferred into the New Castle County Policing Grant. Total Police uniformed authorized strength for FY 2008 will be 340.
- Support operations in the Police Department are also being bolstered. Two new specialized civilian positions have been approved for FY 2008: a Bilingual Victims Case Coordinator and a Information Input Specialist. The cost of these positions is \$75,695 and \$57,957 respectively. As part of the multi-pronged approach to increase enforcement in the neighborhoods, as well as the business district, an additional Parking Regulation Enforcement Officer (PREO) is being added at a cost of \$48,774. Lastly, a new Administrative Clerk I position to perform clerical duties in the Patrol Division added \$52,413 to the Budget.
- Expanding on its original Plan for Change, the Finance Department this year is creating a new program to raise additional revenues from the collection of outstanding taxes and fees, as well as focusing on and greatly improving the Sheriff Sale process. A total of eight new positions, of which 5.4 Full-Time equivalents (FTEs) are in the General Fund, will be added to implement the program at a cost of \$442,487. The projected return to the General Fund of \$4.5 million consists of the additional collection of \$500,000 in Property Taxes, \$2.1 million in Wage Taxes, \$900,000 in Parking/Booting/Red Light Fines, and \$1 million in Vacant Property Registration Fees.



# **BUDGET HIGHLIGHTS**

## **CITY OF WILMINGTON**

### **FISCAL YEAR 2008**

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

- With now over a full year's experience with the demands of the new shift configuration, the Fire Department is increasing Overtime by \$250,000 to meet the minimum manning requirements of all its fire companies. In addition, a firefighter position, at a cost of \$54,421, has been added in the Fire Marshal's Office to meet the increased workload related to plan reviews and building inspections that have resulted from the sharp rise in building construction.
- Because the expiration of various lease maintenance agreements over the next two years will result in the doubling of the amount of park acreage that the City will be responsible for maintaining, a second Parks Maintenance Supervisor position has been added at a cost of \$74,411. Also in the Parks Department, a new position of Financial Administrator, at a cost of \$77,595, was created to manage the financial and accounting aspects of the Department's numerous programs, purchasing, grants administration, and employee payroll. Offsetting these increases was the elimination of a long-vacant General Laborer position for a savings of \$41,544.
- In the Public Works Department, two positions have been added to mainly handle the maintenance and repair of the ever increasing number of decorative street lamps not covered by Delmarva Power. The cost is \$96,312. In addition, after an absence of over 15 years, the much needed position of Deputy Public Works Commissioner is being reinstated. The total cost of the Deputy position is \$98,339, but will be split-funded 50% General Fund and 50% Water/Sewer Fund.
- Public Works costs related to City-owned buildings have increased \$102,000. \$32,000 of the increase will fund a special armed security post in the City/County building and at the new Public Works Yard. The remainder of the increase is attributable to a \$70,000 rise in the maintenance and management fee charged by New Castle County for the City/County building. In the WILDOT Division, the outsourcing of roadway painting and safety markings added \$42,000 and the costs of traffic signs and signals (previously funded out of the Capital Program, but now disallowed there) shifted \$50,700 into the Operating Budget.
- To assist in preserving the quality of life in the City's neighborhoods, \$500,000 has been requested by the Department of L&I to fund an aggressive program to reduce the negative effects of vacant properties. This is an increase of \$250,000 from last year, and includes \$300,000 for demolition and \$200,000 for securely sealing and maintaining problem vacant properties.
- Project funding in the Mayor's Office increased by \$433,650, to a new total of \$865,000. A majority of the funding (\$500,000 from last year's surplus designation) represents the second installment of a three-year commitment to implement the recommendations of the Hope Commission, with funding targeted for youth programming, such as Challenge Grants, as well as economic development activities. Other projects include City beautification, a City promotion and "branding" program, support for the Wilmington Economic Development Corporation, and funding for the City's annual Martin Luther King celebration. In addition, \$250,000 was added to the Youth & Families Division in the Parks Department to fund the Mayor's Youth Initiative that will greatly expand summer youth programs and employment.

# **BUDGET HIGHLIGHTS**

## **CITY OF WILMINGTON**

### **FISCAL YEAR 2008**

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

- There is \$415,000 budgeted (an increase of \$235,000) for the Rock Manor Golf Course. \$55,000 is budgeted to cover fixed costs, such as utilities, pensions, and maintenance while the course is closed during the renovations being done as part of the larger DELDOT transportation project on Route 202. However, the majority of the funding (\$360,000) will be used to retire all outstanding debt of the Rock Manor Golf Course corporation.
- The Mayor's Office has included one-time grant funding to assist New Castle County. \$116,600 (from last year's surplus designation) will be given to assist the County with the costs of maintaining the Alapocas Ballfields, Canby Park West, and Sellers Park. Grants will also be given to support three libraries: Woodlawn (\$94,000), North Wilmington (\$40,000), and La Biblioteca Del Pueblo (\$40,000).
- The City has committed \$75,000 to the Loan Foreclosure Program, a pilot program run by the Delaware State Housing Authority to help certain qualified homeowners who have fallen behind on their mortgage due to circumstances beyond their control, such as illness.
- As part of a continuing focus on human resources development, an increased set-aside of \$60,000 is budgeted in Real Estate & Housing to provide home buying assistance to City employees who purchase homes in the City. Last year's level of funding was \$30,000.
- Total Internal Services increased over \$1.9 million. This is a result of a \$1.1 million increase in Motor Vehicle Costs, due mainly to the addition of new firefighting apparatus to the fleet and rising fuel costs; a \$356,000 rise in Data Processing, reflecting the costs of the ongoing MUNIS system conversion and improvements to the network; almost \$242,000 more in Communications due to the creation of wireless hot spots throughout the City, replacement of communications equipment at the fire stations, and the analog to digital radio conversion; \$100,000 more in Workers' Compensation, reflecting overall employee salary increases; and about \$51,000 more in Postage because of U.S. postage rate increases.
- Debt Service increased a net \$313,354. An estimated partial borrowing to fund the FY 2006 Capital Program added \$381,774, partially offset by an overall small decline in existing debt service costs.
- The Operating Contingency and the Snow & Weather Emergency accounts have been increased to more realistic levels that better reflect past experience. Discounting the special one-time amendment last year by City Council that added \$1,063,920 to cover electricity rate hikes due to deregulation in Delaware and some Council initiatives, the Operating Contingency Fund is up \$200,000 from last year, to a new total of \$500,000. The Snow and Weather Emergency account is budgeted at \$500,000, up from \$100,000 last year.
- There is no increase in the Property Tax rate.

**BUDGET HIGHLIGHTS**  
**CITY OF WILMINGTON**  
**FISCAL YEAR 2008**

**The Water/Sewer Fund**

- The FY 2008 operating budget expenditures total **\$50,559,348** – up \$4,946,276 or 10.8% from FY 2007. Over \$4.1 million of this increase (details which follow below) is the result of the creation and expansion of maintenance programs and infrastructure initiatives, including an accelerated Combined Sewer Overflow (CSO) mitigation effort and 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. Another significant portion of the increase is a \$700,000 rise in the contract to operate and maintain capital improvements at the sewage treatment plant.
- Consulting and Engineering costs for a variety of Water System division projects, including Brandywine and Porter filter plant improvements, water metering initiatives, and Geographical Information System(GIS) enhancements resulted in an increase of \$943,000. Consulting and Engineering costs in the Water Quality division rose \$478,000 because of a number of initiatives related to the recent creation of the Storm-water Utility and the complexity of its related billing system. Additionally, there is an increase of \$283,000 in Consulting and Engineering in the Sewer Maintenance division for storm inlet and sewer line inspections, and sewer reconstruction on Madison street.
- In previous years, the annual cost for the Repairs to Sewers and Appurtenances program had been covered by a portion of the State Municipal Street Aid Grant. The City will not be awarded this grant for FY 2008, resulting in an increase of \$1 million to the Budget to fund the Repair program.
- \$600,000 was added to greatly expand the cleaning, maintenance, and repair program for storm water drain inlets.
- Software licensing and customization to run the state-of-the art computerized system called Real Time Control will cost \$650,000. The Real Time Control system takes the miles of the City's passive underground piping system and converts it to a dynamically controlled system through the use of rain gauges, water level and flow sensors, and regulators. This will maximize the sewage collection system's capacity by controlling the direction, flow, and volume of storm water, much like street signals control the flow of rush hour traffic. Real Time Control will allow the City to not only meet, but to exceed, current Federal standards for CSO.
- In order to maximize the utility and accuracy of the water and sewer GIS system, two positions are being added at a cost of \$97,194. These positions will be responsible for continuous field data updating and confirmation, thereby reducing the reliance on consultants. In addition, after an absence of over 15 years, the much needed position of Deputy Public Works Commissioner is being reinstated. The total cost of the Deputy position is \$98,339, but will be split funded 50% General Fund and 50% Water/Sewer Fund.

**BUDGET HIGHLIGHTS**  
**CITY OF WILMINGTON**  
**FISCAL YEAR 2008**

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

- In Public Works, three vacant positions have been eliminated, for a total savings to the Water/Sewer Fund of \$128,950. The eliminated positions are an Equipment Operator I, a General Laborer II, and a Stores Clerk.
- Expanding on its original Plan for Change, the Finance Department is creating a new program to raise additional revenues from the collection of delinquent water bills by focusing on and greatly improving the Sheriff Sale process. A total of eight new positions, of which 2.6 FTEs are in the Water /Sewer Fund, will be added to implement the program at a cost of \$202,096. The projected return to the Water/Sewer Fund is the additional collection of \$1.5 million in water and sewer fees.
- Debt Service increased a net \$592,718. A projected bond issuance to fund the FY 2006 Capital Program added \$427,500, with the remainder of the increase attributable to existing debt service costs. As was the case last year, all infrastructure (fixed assets) acquisition will be done solely through the Capital Program.
- The FY 2008 Budget raises water and sewage rates 12.5% as part of the four-year plan of rate increases to prevent further operating deficits in the Water/Sewer fund and to ensure adequate cash flow for infrastructure maintenance and repair. Even with the rate increase, City users will still benefit from prices lower than those offered by surrounding private water utilities and the New Castle County sewage authority.

**BUDGET HIGHLIGHTS**  
**CITY OF WILMINGTON**  
**FISCAL YEAR 2008**

**The Commerce Fund**

- The operating budget expenditures total **\$8,111,249** – up \$1,348,233 or 19.9% from FY 2007.
- As part of a greater effort to foster economic development, especially in the area of healthcare services, the Office of Economic Development (OED) is granting \$500,000 each in assistance to St. Francis Hospital and Christiana Care. There is also \$75,000 budgeted to support the Downtown Visions Main Street Program. These three new grants total \$1,075,000.
- Debt Service increased \$114,144. An estimated partial borrowing to fund the FY 2006 Capital Program added \$19,661, with the remaining \$94,483 resulting from an increase in existing debt service schedules.
- A new position of Economic Development Assistant is being added at a cost of \$71,203. This position will identify emerging businesses seeking moderate-cost start-up sites, assist in the planning for an urban industrial park and high-technology incubator program, maintain regular interaction with real estate investment & development firms, and assist in the preparation of statistical reports and presentations.
- The Small/Minority Business Enterprise Office (SMBEO) is receiving almost \$70,000 more in funding. The budget increase will be used to expand and improve the annual Mega-Biz Fest event, Disadvantage Business Enterprise (DBE) marketing efforts, DBE and micro-business outreach training, and small business incubator support.

**SUMMARY OF COMBINED STATEMENT OF REVENUES  
FY 2004 - FY 2008**

<b>REVENUES</b>	<b>ACTUAL FY2004</b>	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
<b>General Fund</b>					
Taxes	\$83,768,168	\$86,217,457	\$95,364,457	\$84,667,902	\$90,735,922
Fees & Fines	5,263,212	6,919,335	8,100,564	7,726,500	9,525,000
Interest & Other	8,581,676	9,895,191	23,343,127	25,549,769	28,373,244
Transfers In	1,275,000	275,010	275,000	275,000	275,000
Prior Year Surplus	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>811,600</u>
<b>Subtotal</b>	<b>98,888,056</b>	<b>103,306,993</b>	<b>127,083,148</b>	<b>118,219,171</b>	<b>129,720,766</b>
<b>Water/Sewer Fund</b>					
Direct User Charges	22,913,101	23,055,235	25,276,063	29,360,336	35,655,378
New Castle County Charges	15,003,123	15,405,124	15,818,123	16,242,123	18,401,123
Other	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>950,000</u>
<b>Subtotal</b>	<b>37,916,224</b>	<b>38,460,359</b>	<b>41,094,186</b>	<b>45,602,459</b>	<b>55,006,501</b>
<b>Commerce Fund</b>					
Direct User Charges	51,259	0	10,088	0	0
Interest & Other	6,906,950	6,003,505	10,554,839	4,162,832	1,124,961
Transfer from General Fund	<u>2,000,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Subtotal</b>	<b>8,958,209</b>	<b>6,003,505</b>	<b>10,564,927</b>	<b>4,162,832</b>	<b>1,124,961</b>
<b>Special Funds</b>					
Federal/State Grants	13,525,124	18,185,227	14,584,324	14,156,564	10,742,335
Other Sources	<u>1,603,509</u>	<u>2,447,857</u>	<u>2,130,820</u>	<u>2,148,002</u>	<u>2,179,648</u>
<b>Subtotal</b>	<b>15,128,633</b>	<b>20,633,084</b>	<b>16,715,144</b>	<b>16,304,566</b>	<b>12,921,983</b>
<b>Total Revenues</b>	<b>\$ 160,891,122</b>	<b>\$ 168,403,941</b>	<b>\$ 195,457,405</b>	<b>\$ 184,289,028</b>	<b>\$ 198,774,211</b>

**SUMMARY OF COMBINED STATEMENT OF EXPENDITURES  
FY 2004 - FY 2008**

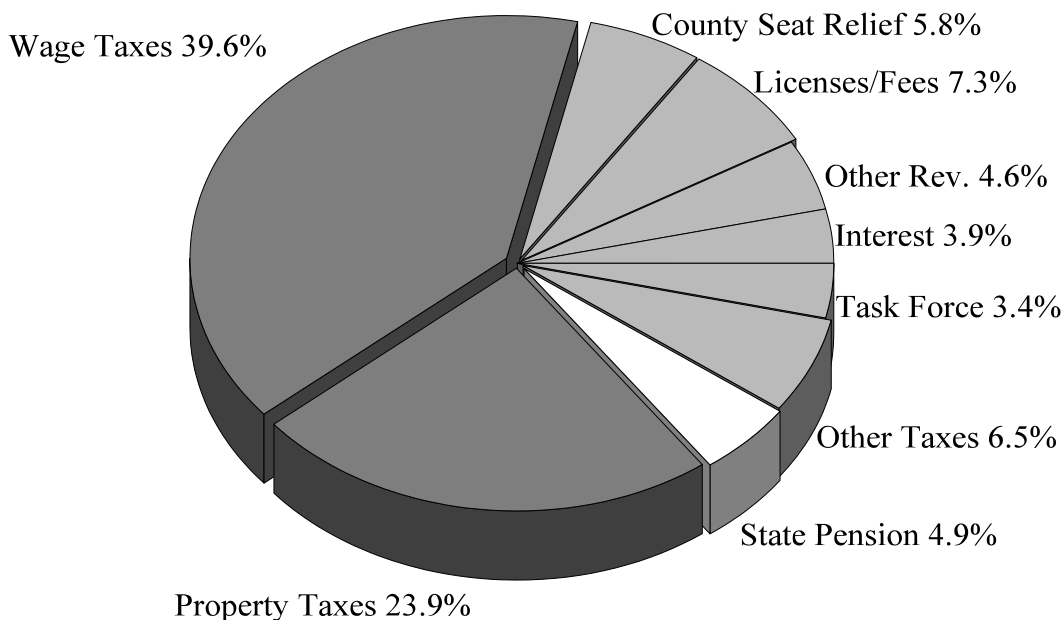
<b>EXPENDITURES</b>	<b>ACTUAL FY2004</b>	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
<b>General Fund</b>					
Personal Services	\$60,680,849	\$65,834,017	\$71,447,176	\$76,092,400	\$82,006,254
M. S. & E.	15,230,053	22,367,613	22,955,694	27,299,386	31,718,903
Debt Service	8,310,949	8,720,317	9,207,313	11,835,246	12,148,600
Other	363,469	373,737	440,594	883,995	1,863,887
Transfer to Commerce Fund	2,000,000	0	645,992	0	0
<b>Subtotal</b>	<b>86,585,320</b>	<b>97,295,684</b>	<b>104,696,769</b>	<b>116,111,027</b>	<b>127,737,644</b>
<b>Water/Sewer Fund</b>					
Personal Services	7,684,331	8,721,499	8,183,657	8,602,124	9,169,865
M. S. & E.	19,166,401	21,165,374	23,526,453	27,850,410	31,636,228
Debt Service	3,307,582	3,064,567	4,765,174	4,491,041	5,083,759
Other	5,070,169	5,437,542	5,090,091	4,669,497	4,669,496
Transfer to General Fund	1,000,000	0	0	0	0
<b>Subtotal</b>	<b>36,228,483</b>	<b>38,388,982</b>	<b>41,565,375</b>	<b>45,613,072</b>	<b>50,559,348</b>
<b>Commerce Fund</b>					
Personal Services	545,160	592,968	569,200	678,175	776,687
M. S. & E.	332,580	566,833	206,016	416,075	1,551,652
Debt Service	5,852,477	5,465,745	7,232,749	5,668,766	5,782,910
<b>Subtotal</b>	<b>6,730,217</b>	<b>6,625,546</b>	<b>8,007,965</b>	<b>6,763,016</b>	<b>8,111,249</b>
<b>Special Funds</b>					
Personal Services	2,906,115	7,632,424	7,038,023	5,867,785	6,173,225
M. S. & E.	6,213,204	6,641,756	4,551,471	4,650,602	3,324,085
Other	6,009,314	6,358,904	5,125,650	5,786,179	3,424,673
<b>Subtotal</b>	<b>15,128,633</b>	<b>20,633,084</b>	<b>16,715,144</b>	<b>16,304,566</b>	<b>12,921,983</b>
<b>Total Expenditures</b>	<b>\$ 144,672,653</b>	<b>\$ 162,943,296</b>	<b>\$ 170,985,253</b>	<b>\$ 184,791,681</b>	<b>\$ 199,330,224</b>
<b>INCOME (LOSS)</b>					
General Fund	12,302,736	6,011,309	22,386,379	2,108,144	1,983,122
Water/Sewer Fund	1,687,741	71,377	(471,189)	(10,613)	4,447,153
Commerce Fund	2,227,992	(622,041)	2,556,962	(2,600,184)	(6,986,288)
Special Funds	0	0	0	0	0
<b>Total Income (Loss)</b>	<b>\$ 16,218,469</b>	<b>\$ 5,460,645</b>	<b>\$ 24,472,152</b>	<b>\$ (502,653)</b>	<b>\$ (556,013)</b>

## SUMMARY OF GENERAL FUND FISCAL YEAR 2008

<u>Revenues</u>	<u>Actual FY 2005</u>	<u>Actual FY 2006</u>	<u>Budget FY 2007</u>	<u>Budget FY 2008</u>	<u>Percent Change FY'08-'07</u>	<u>Page Reference</u>
Wage Tax	\$47,348,120	\$55,077,817	\$46,274,069	\$51,306,089	10.9%	69
Property Tax	28,414,882	30,309,406	30,466,500	30,966,500	1.6%	70
Other Taxes	10,454,455	9,977,234	7,927,333	8,463,333	6.8%	71
Licenses, Permits, Fees & Fines	6,919,335	8,100,564	7,726,500	9,525,000	23.3%	72
Interest	1,538,286	3,858,255	4,365,929	5,000,000	14.5%	73
Other Revenues	4,375,306	4,626,228	4,372,533	5,022,533	14.9%	74
Task Force Revenues	3,981,599	4,481,453	4,157,500	4,432,500	6.6%	75
County Seat Relief	0	3,634,486	6,243,807	7,508,211	20.3%	75
State Pension Contr.	N/A	6,742,705	6,410,000	6,410,000	0.0%	76
Prior Yr. Designation	0	0	0	811,600	N/A	77
Transfers In/(Out)	<u>275,010</u>	<u>275,000</u>	<u>275,000</u>	<u>275,000</u>	<u>0.0%</u>	77
<b>Total Revenues</b>	<b><u>\$103,306,993</u></b>	<b><u>\$127,083,148</u></b>	<b><u>\$118,219,171</u></b>	<b><u>\$129,720,766</u></b>	<b><u>9.7%</u></b>	

Other Taxes include Franchise Fees, Head Tax and Real Estate Transfer Tax. Other Revenues include indirect cost allocations, miscellaneous user charges, rental fees, the DSWA rebate, and concession revenues. Task Force revenues include the State Corporate and LLC filings, Lodging Tax and Natural Gas Franchise Fees. County Seat Relief is a revenue enhancement package from the State that includes a Payment in Lieu of Taxes for state-owned properties and Uniform Commercial Code Filing Fees. State Pension Contr., previously booked directly into pension trust funds, is shown now as a General Fund revenue to comply with GASB pronouncement #24, concerning the treatment of "on-behalf payments".

## General Fund Revenues Fiscal Year 2008



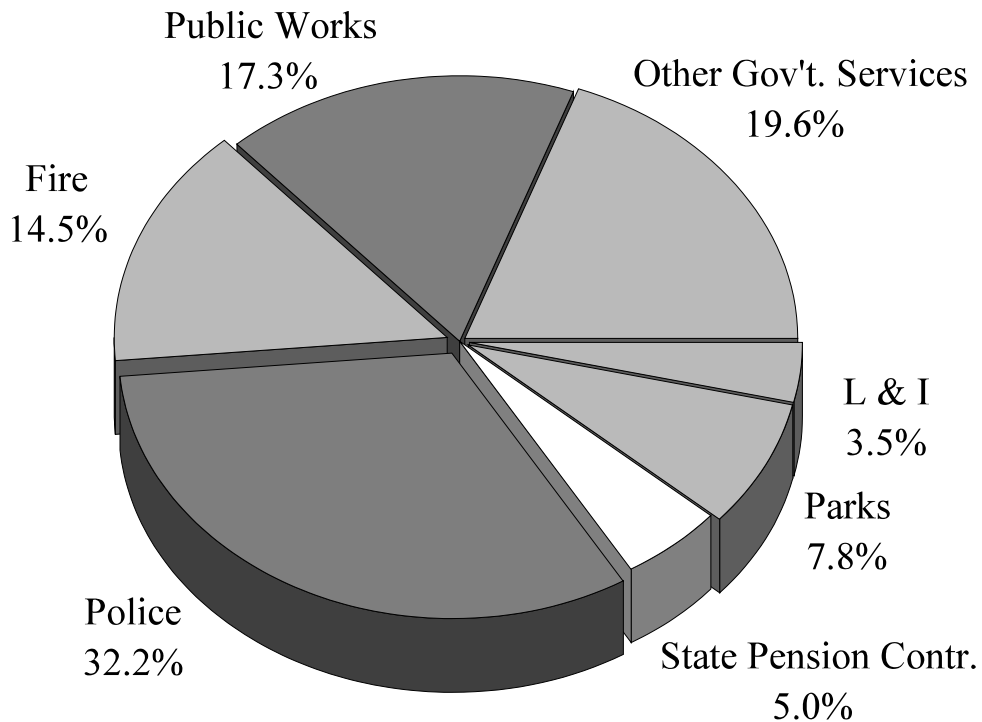


## SUMMARY OF GENERAL FUND FISCAL YEAR 2008

<u>Expenditures</u>	<u>Actual FY 2005</u>	<u>Actual FY 2006</u>	<u>Budget FY 2007</u>	<u>Budget FY 2008</u>	<u>Percent Change FY'08-'07</u>	<u>Page Reference</u>
Mayor's Office	\$4,220,599	\$4,446,525	\$5,560,707	\$6,702,392	20.5%	89
Council	2,061,540	2,251,052	2,422,319	2,655,185	9.6%	103
Treasurer	352,631	391,018	379,005	419,200	10.6%	107
Planning	1,259,588	1,242,117	1,385,889	1,526,207	10.1%	114
Auditing	556,893	583,502	608,350	609,338	0.2%	122
Law	2,080,954	2,216,251	2,832,692	2,880,817	1.7%	127
Finance	3,158,989	3,948,125	4,293,758	5,759,402	34.1%	134
Personnel	1,326,049	1,441,063	1,558,223	1,688,438	8.4%	144
Licenses & Inspections	2,848,401	2,964,975	3,976,236	4,473,021	12.5%	156
Parks & Recreation	7,732,568	7,927,289	8,820,398	10,025,177	13.7%	164
Fire	16,748,812	16,989,911	17,220,079	18,585,214	7.9%	173
Police	37,838,543	35,603,169	37,709,035	41,127,779	9.1%	182
Public Works	15,502,805	15,891,628	19,945,677	22,040,549	10.5%	192
Real Estate & Housing	1,607,312	1,411,446	1,524,739	1,834,925	20.3%	208
State Pension Contr.	N/A	6,742,706	6,410,000	6,410,000	0.0%	174 & 182
Contingent Reserves*	<u>0</u>	<u>0</u>	<u>1,463,920</u>	<u>1,000,000</u>	<u>-31.7%</u>	89
<b>Total Expenditures</b>	<b><u>\$97,295,684</u></b>	<b><u>\$104,050,777</u></b>	<b><u>\$116,111,027</u></b>	<b><u>\$127,737,644</u></b>	<b><u>10.0%</u></b>	

\* FY 2008 includes \$500,000 for operating contingencies and \$500,000 for snow and weather emergencies.

## General Fund Expenditures Fiscal Year 2008

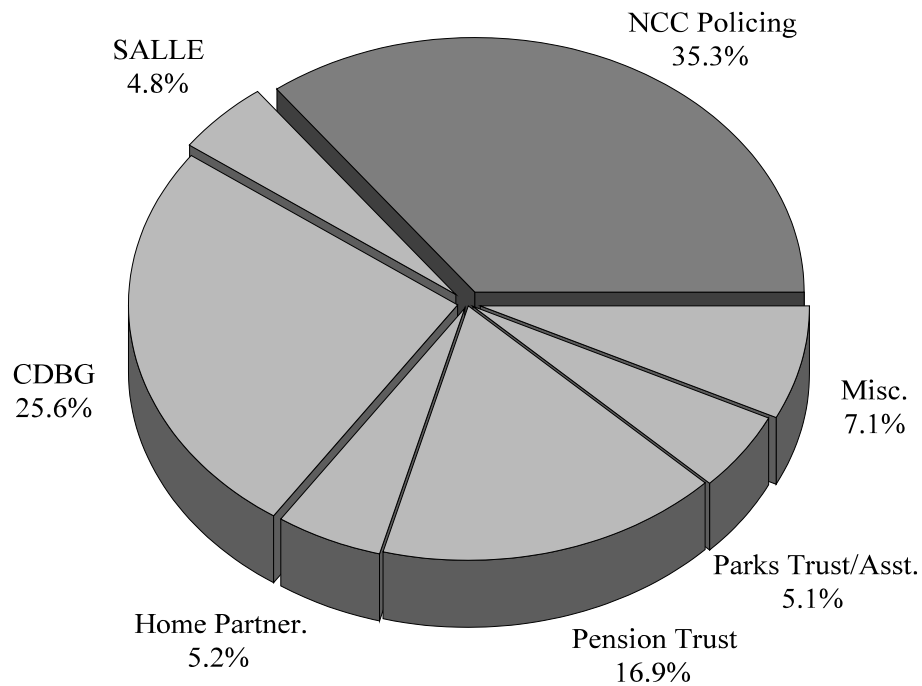


## SUMMARY OF SPECIAL FUNDS FISCAL YEAR 2008

<u>Revenues</u>	<u>Actual FY 2005</u>	<u>Actual FY 2006</u>	<u>Budget FY 2007</u>	<u>Budget FY 2008</u>	<u>Percent Change FY'08-'07</u>	<u>Page Reference</u>
Municipal Street Aid	\$1,827,199	\$1,077,729	\$1,197,182	\$0	-100.0%	78
CDBG	4,110,157	3,480,492	2,834,692	3,307,352	16.7%	78
HUD Section 8	2,636,531	1,994,158	2,760,757	0	-100.0%	78
NCC Police Grant	3,246,550	3,477,456	3,742,750	4,567,301	22.0%	79
NCC Fire Grant	13,408	138,472	225,000	0	-100.0%	79
Parks Assistance	1,198,924	1,112,719	489,832	512,804	4.7%	79
Parks Trust Fund	80,954	76,033	154,319	149,386	-3.2%	80
SALLE/LLEBG	2,136,355	1,398,164	1,038,443	616,883	-40.6%	80
Pension Trusts	2,447,857	2,130,820	2,148,002	2,179,648	1.5%	80
Home Partnership	505,761	482,226	682,135	676,049	-0.9%	81
Miscellaneous Grants	<u>2,429,388</u>	<u>1,346,875</u>	<u>1,031,454</u>	<u>912,560</u>	<u>-11.5%</u>	81
<b>Total Revenues</b>	<b><u>\$20,633,084</u></b>	<b><u>\$16,715,144</u></b>	<b><u>\$16,304,566</u></b>	<b><u>\$12,921,983</u></b>	<b><u>-20.7%</u></b>	

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

### Special Funds Revenues Fiscal Year 2008

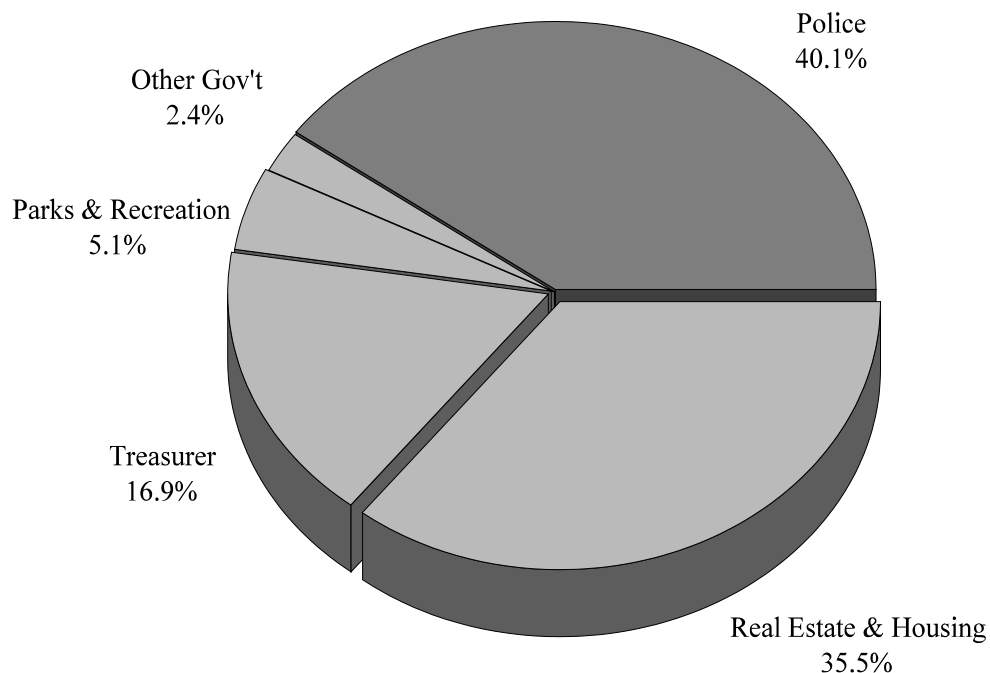


## SUMMARY OF SPECIAL FUNDS FISCAL YEAR 2008

<u>Expenditures</u>	<u>Actual FY 2005</u>	<u>Actual FY 2006</u>	<u>Budget FY 2007</u>	<u>Budget FY 2008</u>	<u>Percent Change FY'08-'07</u>	<u>Page Reference</u>
Mayor's Office	\$251,145	\$123,329	\$48,937	\$51,055	4.3%	90
Treasurer	2,447,857	2,130,820	2,148,002	2,179,648	1.5%	108
Planning	61,633	60,815	47,171	59,368	25.9%	114
Finance	58,249	0	0	0	0.0%	134
Licenses & Inspections	479,812	326,251	0	0	0.0%	156
Parks & Recreation	1,279,878	1,188,752	644,151	662,190	2.8%	164
Fire	944,530	479,664	419,361	200,188	-52.3%	174
Police	5,382,905	4,875,620	4,781,193	5,184,184	8.4%	182
Public Works	1,827,199	1,077,729	1,197,182	0	-100.0%	193
Real Estate & Housing	<u>7,899,876</u>	<u>6,452,164</u>	<u>7,018,569</u>	<u>4,585,350</u>	<u>-34.7%</u>	208
<b>Total Expenditures</b>	<b><u>\$20,633,084</u></b>	<b><u>\$16,715,144</u></b>	<b><u>\$16,304,566</u></b>	<b><u>\$12,921,983</u></b>	<b><u>-20.7%</u></b>	

Total expenditures are equal to total revenues (the grants or trust allocations). Therefore, there is no income, fund balance or change in fund balance for the Special Funds.

## Special Funds Expenditures Fiscal Year 2008

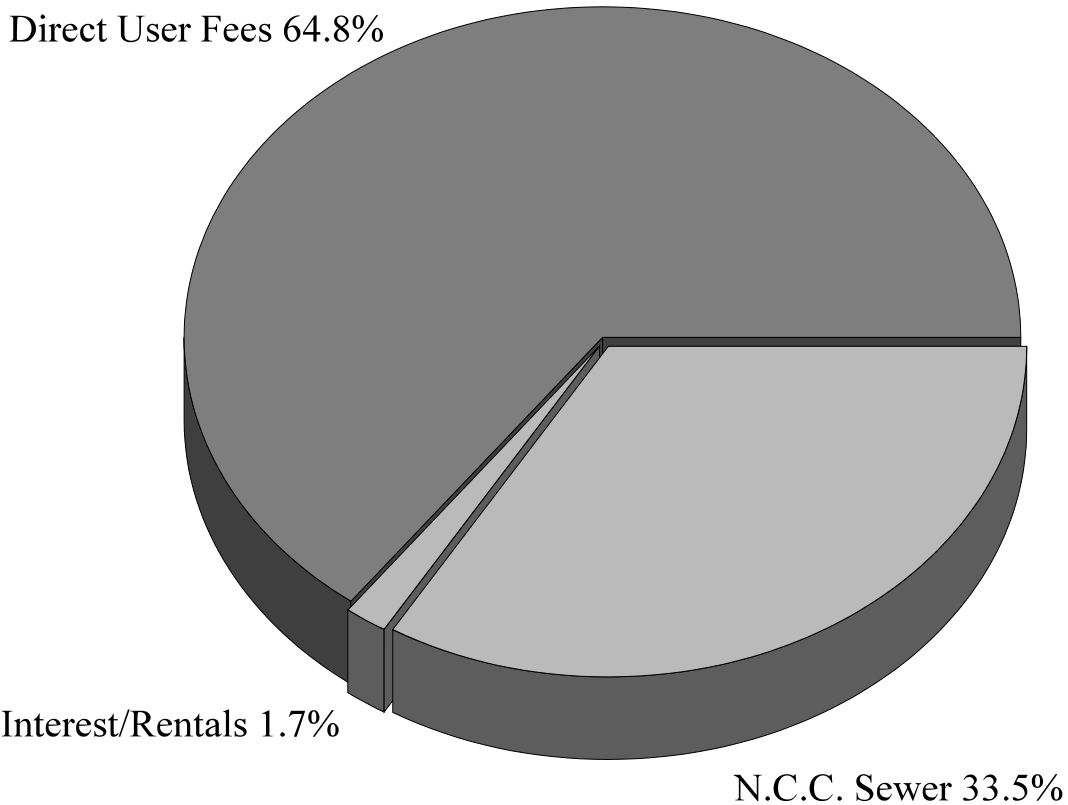


**SUMMARY OF WATER/SEWER FUND  
FISCAL YEAR 2008**

<b><u>Revenues</u></b>	<b><u>Actual FY 2005</u></b>	<b><u>Actual FY 2006</u></b>	<b><u>Budget FY 2007</u></b>	<b><u>Budget FY 2008</u></b>	<b><u>Percent Change FY'08-'07</u></b>	<b><u>Page Reference</u></b>
Direct User Fees New Castle County	\$23,055,235	\$25,276,063	\$29,360,336	\$35,655,378	21.4%	82
Sewer Services	15,405,124	15,818,123	16,242,123	18,401,123	13.3%	83
Interest*	0	0	0	500,000	N/A	84
Rentals*	0	0	0	450,000	N/A	84
<b>Total Revenues</b>	<b><u>\$38,460,359</u></b>	<b><u>\$41,094,186</u></b>	<b><u>\$45,602,459</u></b>	<b><u>\$55,006,501</u></b>	<b><u>20.6%</u></b>	

\* Previously, all interest earned on City cash balances, regardless of source, was booked as revenue to the General Fund. To help bolster the Water/Sewer Fund, interest revenue now earned on cash produced by Water/Sewer Fund activities will stay in the Water/Sewer Fund. In addition, water and sewer related land and water tank rental revenues will also stay in the Fund.

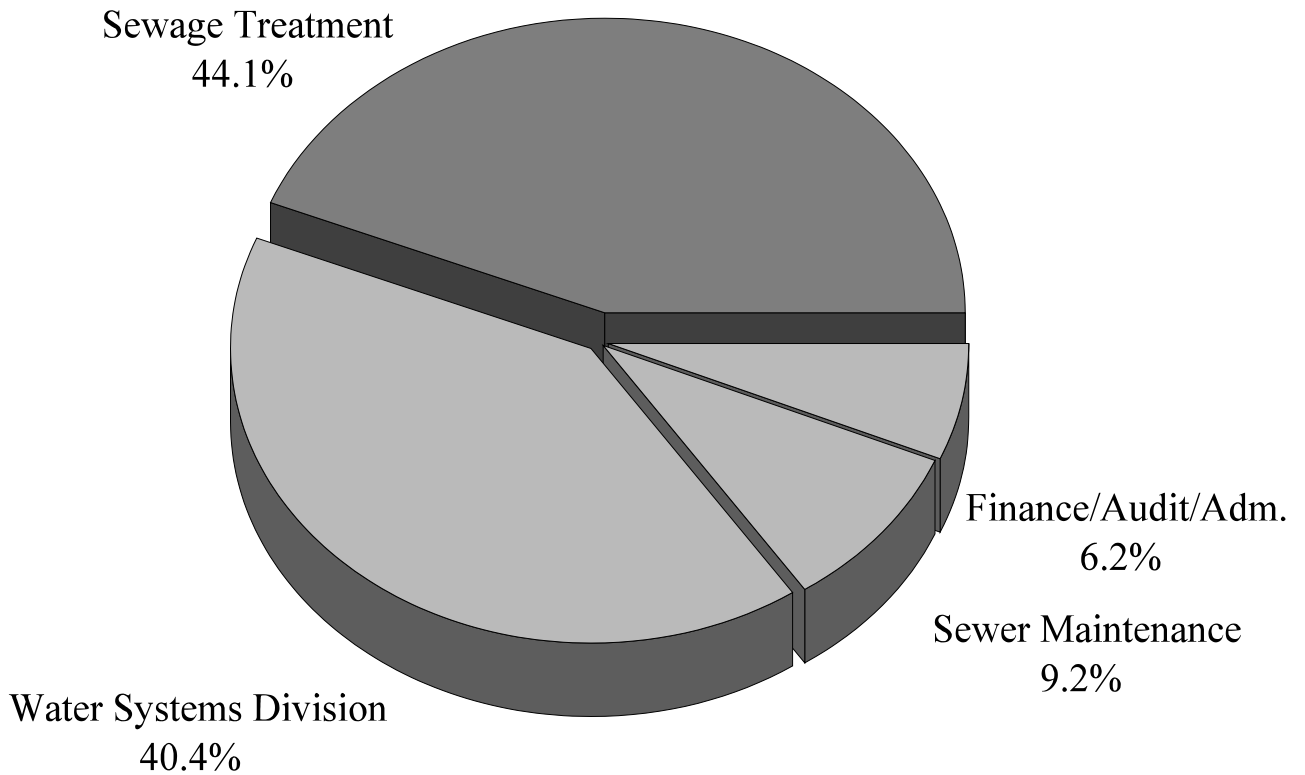
**Water/Sewer Fund Revenues  
Fiscal Year 2008**



**SUMMARY OF WATER/SEWER FUND  
FISCAL YEAR 2008**

<u>Expenditures</u>	<u>Actual FY 2005</u>	<u>Actual FY 2006</u>	<u>Budget FY 2007</u>	<u>Budget FY 2008</u>	<u>Percent Change FY'08-'07</u>	<u>Page Reference</u>
Auditing	\$55,349	\$54,400	\$54,400	\$54,600	0.4%	122
Finance	2,498,549	3,161,603	3,333,423	3,008,456	-9.7%	134
Public Works	<u>35,835,084</u>	<u>38,349,372</u>	<u>42,225,249</u>	<u>47,496,292</u>	<u>12.5%</u>	192
<b>Total Expenditures</b>	<b><u>\$38,388,982</u></b>	<b><u>\$41,565,375</u></b>	<b><u>\$45,613,072</u></b>	<b><u>\$50,559,348</u></b>	<b><u>10.8%</u></b>	

**Water/Sewer Fund Expenditures  
Fiscal Year 2008**



**SUMMARY OF COMMERCE FUND  
FISCAL YEAR 2008**

<b><u>Revenues</u></b>	<b><u>Actual FY 2005</u></b>	<b><u>Actual FY 2006*</u></b>	<b><u>Budget FY 2007</u></b>	<b><u>Budget FY 2008</u></b>	<b><u>Percent Change FY'08-'07</u></b>	<b><u>Page Reference</u></b>
State Debt Reimbursement	\$4,203,505	\$8,987,339	\$4,162,832	\$1,124,961	-73.0%	85
Sale Proceeds - Layton Home	0	1,567,500	0	0	0.0%	85
Miscellaneous	0	10,088	0	0	0.0%	85
Gain on Sale of Port	<u>1,800,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.0%</u>	85
<b>Total Revenues</b>	<b><u>\$6,003,505</u></b>	<b><u>\$10,564,927</u></b>	<b><u>\$4,162,832</u></b>	<b><u>\$1,124,961</u></b>	<b><u>-73.0%</u></b>	

\* In FY 2006, the State prepaid the City the entire FY 2007, and most of the FY 2008, amount owed for Debt Reimbursement.

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 2008**

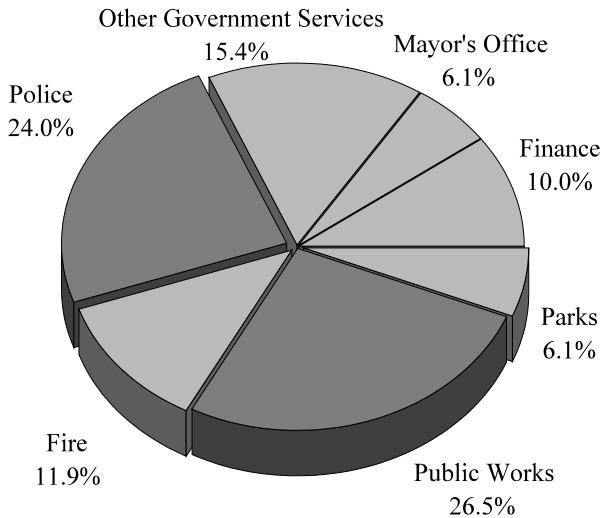
<b><u>Expenditures</u></b>	<b><u>Actual FY 2005</u></b>	<b><u>Actual FY 2006</u></b>	<b><u>Budget FY 2007</u></b>	<b><u>Budget FY 2008</u></b>	<b><u>Percent Change FY'08-'07</u></b>	<b><u>Page Reference</u></b>
Mayor's Office	\$946,166	\$1,150,884	\$1,376,074	\$2,782,652	102.2%	90
Commerce	<u>5,679,380</u>	<u>6,857,081</u>	<u>5,386,942</u>	<u>5,328,597</u>	<u>-1.1%</u>	223
<b>Total Expenditures</b>	<b><u>\$6,625,546</u></b>	<b><u>\$8,007,965</u></b>	<b><u>\$6,763,016</u></b>	<b><u>\$8,111,249</u></b>	<b><u>19.9%</u></b>	

## SUMMARY OF INTERNAL SERVICE FUNDS FISCAL YEAR 2008

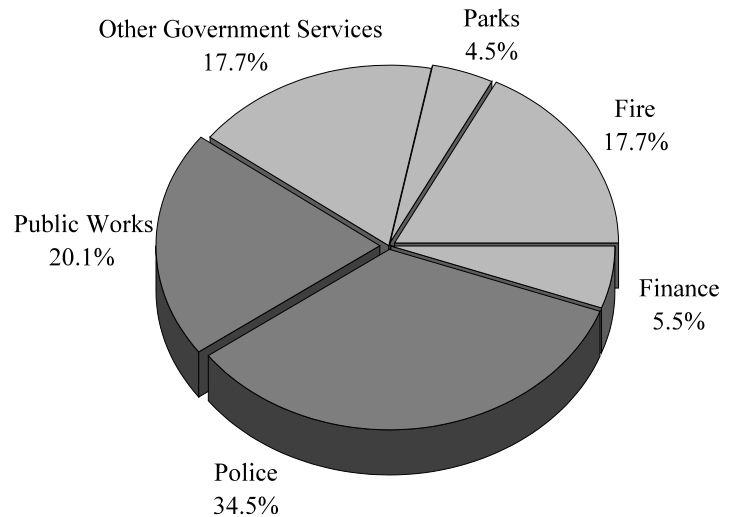
<u>Expenditures*</u>	<u>Actual FY 2005</u>	<u>Actual FY 2006</u>	<u>Budget FY 2007</u>	<u>Budget FY 2008</u>	<u>Percent Change FY'08-'07</u>	<u>Page Reference</u>
Mayor's Office	\$3,952,595	\$4,476,228	\$4,657,628	\$5,395,737	15.8%	91
Finance	0	0	3,174	0	-100.0%	134
Personnel (Risk Mgmt., Work. Comp., Health)	15,592,817	14,190,423	15,031,909	17,066,663	13.5%	144
Public Works (Motor Vehicle)	<u>3,813,882</u>	<u>5,140,048</u>	<u>4,932,871</u>	<u>6,042,567</u>	<u>22.5%</u>	193
<b>Total Expenditures</b>	<b><u>\$23,359,294</u></b>	<b><u>\$23,806,699</u></b>	<b><u>\$24,625,582</u></b>	<b><u>\$28,504,967</u></b>	<b><u>15.8%</u></b>	

\* 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.

### Administrative Services FY '08 Internal Service Charge Allocations



### Self-Insurance Program FY '08 Internal Service Charge Allocations





CAPITAL IMPROVEMENTS PROGRAM  
FISCAL YEARS 2008-2013  
(000 omitted)

SUMMARY: TOTAL FUNDS RECOMMENDED BY FISCAL YEAR AND DEPARTMENT										
NAME OF DEPARTMENT	FUND	FISCAL YEARS						TOTAL CITY FUNDS 6 YEAR PERIOD		TOTAL LOCAL AND MATCHING 6 YEAR PERIOD
		2008	2009	2010	2011	2012	2013	2013	2013	
PARKS AND RECREATION	G	5,507.5	0	2,855	0	2,575	0	10,937.5	10,937.5	
	O	847.5	0	80	0	80	0	0.0	1,007.5	
PUBLIC WORKS	G	8,100	0	6,400	0	6,600	0	21,100	21,100	
	W	53,200	0	31,800	0	21,800	0	106,800	106,800	
FIRE	G	2,700	0	900	0	0	0	3,600	3,600	
POLICE	G	1,500	0	0	0	0	0	1,500	1,500	
FINANCE	G	1,210.5	0	432	0	412	0	2,054.5	2,054.5	
	W	1,655.5	0	954	0	654	0	3,263.5	3,263.5	
	C	15	0	15	0	15	0	45	45	
	I	15	0	0	0	0	0	15	15	
TRANSPORTATION	G	4,100	0	3,550	0	3,550	0	11,200	11,200	
	O	0	0	0	0	0	0	0	0	
OFFICE OF THE MAYOR	C	500	0	500	0	500	0	1,500	1,500	
	I	500	0	0	0	0	0	500	500	
REAL ESTATE & HOUSING	G	300	0	700	0	1,000	0	2,000	2,000	
TOTAL BY FUND	G	23,418	0	14,837	0	14,137	0	52,392	52,392	
	O	847.5	0	80	0	80	0	0	1,007.5	
	W	54,855.5	0	32,754	0	22,454	0	110,063.5	110,063.5	
	C	515	0	515	0	515	0	1,545	1,545	
GRAND TOTAL	I	515	0	0	0	0	0	515	515	
GRAND TOTAL		80,151	0	48,186	0	37,186	0	164,515.5	165,523	

Fund: G - General; W - Water/Sewer; C - Commerce; O - Other Governmental; I - Internal Service

**CAPITAL IMPROVEMENTS PROGRAM**  
**FISCAL YEARS 2008-2013**  
(000 omitted)

**SUMMARY: DEPARTMENTAL FUNDS RECOMMENDED BY EXPENDITURE CATEGORY**

NAME OF DEPARTMENT	EXPENDITURE CATEGORY	FISCAL YEARS						TOTAL CITY FUNDS 6 YEAR PERIOD	TOTAL LOCAL AND MATCHING 6 YEAR PERIOD
		2008	2009	2010	2011	2012	2013		
PARKS AND RECREATION	NS	1,000	0	0	0	0	0	1,000	1,000
	RE	2,325	0	1,395	0	1,115	0	3,977.5	4,835
	UE	3,030	0	1,540	0	1,540	0	5,960	6,110
PUBLIC WORKS	NS	3,000	0	3,200	0	800	0	7,000	7,000
	RE	26,300	0	21,600	0	16,400	0	64,300	64,300
	UE	29,000	0	12,400	0	3,200	0	44,600	44,600
	NR	3,000	0	1,000	0	8,000	0	12,000	12,000
FIRE	RE	2,700	0	900	0	0	0	3,600	3,600
POLICE	RE	1,500	0	0	0	0	0	1,500	1,500
FINANCE	NS	144	0	132	0	69	0	345	345
	RE	1,565	0	716	0	525	0	2,805	2,805
	UE	1,097	0	523	0	247	0	1,868	1,868
	NR	90	0	30	0	240	0	360	360
TRANSPORTATION	UE	4,100	0	3,550	0	3,550	0	11,200	11,200
OFFICE OF THE MAYOR	NS	500	0	500	0	500	0	1,500	1,500
	UE	500	0	0	0	0	0	500	500
REAL ESTATE & HOUSING	NS	300	0	700	0	1,000	0	2,000	2,000
TOTAL BY CATEGORY	New Service	4,944	0	4,532	0	2,369	0	11,845	11,845
	New Replace Existing	3,090	0	1,030	0	8,240	0	12,360	12,360
	Upgrade Existing	37,727	0	18,013	0	8,537	0	64,128	64,278
	Restore Existing	34,390	0	24,611	0	18,040	0	76,183	77,040
<b>GRAND TOTAL</b>		<b>80,151</b>	<b>0</b>	<b>48,186</b>	<b>0</b>	<b>37,186</b>	<b>0</b>	<b>164,515.5</b>	<b>165,523</b>

Expenditure Category: NS - New Service; NR - New Replace Existing; UE - Upgrade Existing; RE - Restore Existing (See pages 228-229)

## SUMMARY OF STAFFING LEVELS FISCAL YEAR 2008

### TOTAL NUMBER OF EMPLOYEES ALL FUNDS

<u>Department</u>	<u>Actual FY2004</u>	<u>Actual FY2005</u>	<u>Actual FY2006</u>	<u>Budget FY2007</u>	<u>Budget FY2008</u>	<u>Net Change FY'08-'07</u>
Mayor's Office	45.00	45.00	46.00	61.00	60.00	(1.00)
Council	25.00	29.00	29.00	29.00	28.00	(1.00)
Treasurer	6.00	6.00	7.00	7.00	7.00	0.00
Planning	10.00	10.00	11.00	11.00	11.00	0.00
Auditing	5.00	5.00	5.00	5.00	5.00	0.00
Law	19.00	20.00	20.00	21.00	22.00	1.00
Finance	68.00	69.00	67.00	60.00	68.00	8.00
Personnel	21.00	21.00	21.00	22.00	22.00	0.00
Licenses & Inspections	36.00	37.00	39.00	44.00	45.00	1.00
Parks & Recreation	52.00	52.00	52.00	53.00	54.00	1.00
Fire	176.00	176.00	176.00	177.00	179.00	2.00
Police	368.00	377.00	386.00	407.00	429.00	22.00
Public Works	212.00	212.00	212.00	228.00	231.00	3.00
Real Estate & Housing	21.00	21.00	20.00	16.00	17.00	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>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
<b>TOTAL</b>	<b><u>1,064</u></b>	<b><u>1,080</u></b>	<b><u>1,091</u></b>	<b><u>1,141</u></b>	<b><u>1,178</u></b>	<b><u>37.00</u></b>

## SUMMARY OF STAFFING LEVELS FISCAL YEAR 2008

### GENERAL FUND NUMBER OF EMPLOYEES

<u>Department</u>	<u>Actual FY2004</u>	<u>Actual FY2005</u>	<u>Actual FY2006</u>	<u>Budget FY2007</u>	<u>Budget FY2008</u>	<u>Net Change FY'08-'07</u>
Mayor's Office	26.54	26.54	26.54	27.50	29.50	2.00
Council	25.00	29.00	29.00	29.00	28.00	(1.00)
Treasurer	2.92	2.92	3.42	3.42	3.42	0.00
Planning	9.60	9.60	10.60	10.60	10.60	0.00
Auditing	5.00	5.00	5.00	5.00	5.00	0.00
Law	19.00	20.00	20.00	21.00	22.00	1.00
Finance	29.30	30.40	30.30	33.70	38.85	5.15
Personnel	14.00	14.00	14.00	15.00	15.00	0.00
Licenses & Inspections	29.20	30.03	34.00	44.00	45.00	1.00
Parks & Recreation	52.00	52.00	52.00	53.00	54.00	1.00
Fire	176.00	176.00	176.00	177.00	179.00	2.00
Police	363.00	365.00	330.00	352.00	369.00	17.00
Public Works	99.50	99.50	99.50	121.50	124.00	2.50
Real Estate & Housing	2.81	2.76	2.80	1.60	2.20	0.60
Municipal Court	0.00	0.00	0.00	0.00	0.00	0.00
Youth & Families	0.00	0.00	0.00	0.00	0.00	0.00
<b>TOTAL</b>	<b><u>853.87</u></b>	<b><u>862.75</u></b>	<b><u>833.16</u></b>	<b><u>894.32</u></b>	<b><u>925.57</u></b>	<b><u>31.25</u></b>

### SPECIAL FUNDS NUMBER OF EMPLOYEES

<u>Department</u>	<u>Actual FY2004</u>	<u>Actual FY2005</u>	<u>Actual FY2006</u>	<u>Budget FY2007</u>	<u>Budget FY2008</u>	<u>Net Change FY'08-'07</u>
Mayor's Office	1.96	1.46	0.46	0.50	0.50	0.00
Treasurer	3.08	3.08	3.58	3.58	3.58	0.00
Planning	0.40	0.40	0.40	0.40	0.40	0.00
Law	0.00	0.00	0.00	0.00	0.00	0.00
Finance	1.00	0.90	0.00	0.00	0.00	0.00
Licenses and Inspections	6.80	6.97	5.00	0.00	0.00	0.00
Real Estate and Housing	18.19	18.24	17.20	14.40	14.80	0.40
Parks and Recreation	0.00	0.00	0.00	0.00	0.00	0.00
Police	5.00	12.00	56.00	55.00	60.00	5.00
<b>TOTAL</b>	<b><u>36.43</u></b>	<b><u>43.05</u></b>	<b><u>82.64</u></b>	<b><u>73.88</u></b>	<b><u>79.28</u></b>	<b><u>5.40</u></b>

**SUMMARY OF STAFFING LEVELS  
FISCAL YEAR 2008**

**WATER/SEWER FUND  
NUMBER OF EMPLOYEES**

<u>Department</u>	<u>Actual FY2004</u>	<u>Actual FY2005</u>	<u>Actual FY2006</u>	<u>Budget FY2007</u>	<u>Budget FY2008</u>	<u>Net Change FY'08-'07</u>
Finance	28.70	28.70	27.70	26.30	29.15	2.85
Public Works	<u>112.50</u>	<u>112.50</u>	<u>112.50</u>	<u>106.50</u>	<u>107.00</u>	<u>0.50</u>
<b>TOTAL</b>	<b><u>141.20</u></b>	<b><u>141.20</u></b>	<b><u>140.20</u></b>	<b><u>132.80</u></b>	<b><u>136.15</u></b>	<b><u>3.35</u></b>

**COMMERCE FUND  
NUMBER OF EMPLOYEES**

<u>Department</u>	<u>Actual FY2004</u>	<u>Actual FY2005</u>	<u>Actual FY2006</u>	<u>Budget FY2007</u>	<u>Budget FY2008</u>	<u>Net Change FY'08-'07</u>
Commerce	0.00	0.00	0.00	0.00	0.00	0.00
Mayor's Office	<u>7.50</u>	<u>8.00</u>	<u>7.00</u>	<u>8.00</u>	<u>9.00</u>	<u>1.00</u>
<b>TOTAL</b>	<b><u>7.50</u></b>	<b><u>8.00</u></b>	<b><u>7.00</u></b>	<b><u>8.00</u></b>	<b><u>9.00</u></b>	<b><u>1.00</u></b>

**INTERNAL SERVICE FUNDS  
NUMBER OF EMPLOYEES**

<u>Department</u>	<u>Actual FY2004</u>	<u>Actual FY2005</u>	<u>Actual FY2006</u>	<u>Budget FY2007</u>	<u>Budget FY2008</u>	<u>Net Change FY'08-'07</u>
Mayor's Office	9.00	9.00	12.00	25.00	21.00	(4.00)
Personnel	7.00	7.00	7.00	7.00	7.00	0.00
Finance	<u>9.00</u>	<u>9.00</u>	<u>9.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
<b>TOTAL</b>	<b><u>25.00</u></b>	<b><u>25.00</u></b>	<b><u>28.00</u></b>	<b><u>32.00</u></b>	<b><u>28.00</u></b>	<b><u>(4.00)</u></b>
<b>TOTAL ALL FUNDS</b>	<b><u>1,064</u></b>	<b><u>1,080</u></b>	<b><u>1,091</u></b>	<b><u>1,141</u></b>	<b><u>1,178</u></b>	<b><u>37.00</u></b>

**FUND BALANCE  
GENERAL FUND  
FISCAL YEAR 2008**

<b>Fund Balance Activity</b>	<b>Actual FY 2006</b>	<b>Estimated FY 2007</b>	<b>Projected FY 2008</b>
Fund Balance as of July 1	\$35,658,037	\$58,044,416	\$46,963,015
Excess of Revenues Over/(Under) Expenditures	22,757,371	3,326,709	896,522
Other Financing Sources/(Uses):			
Transfer from/(to) Water/Sewer Fund *	-	(5,000,000)	-
Transfer from/(to) Wilmington Parking Authority	275,000	275,000	275,000
Transfer from/(to) Special/Other Funds *	-	(6,183,110)	-
Transfer from/(to) Commerce Fund *	<u>(645,992)</u>	<u>(3,500,000)</u>	<u>-</u>
Total Other Financing Sources/(Uses)	(370,992)	(14,408,110)	275,000
<b>Net Change in Fund Balance</b>	<b>22,386,379</b>	<b>(11,081,401)</b>	<b>1,171,522</b>
<b>Total Fund Balance as of June 30</b>	<b><u>\$58,044,416</u></b>	<b><u>\$46,963,015</u></b>	<b><u>\$48,134,537</u></b>
<b>Summary of Fund Balance</b>			
Special Designation Reserves	\$20,378,110	\$5,695,000	\$3,195,000
Permanent Investment Reserves	15,661,377	17,324,732	17,910,493
Budget Reserves	<u>22,004,929</u>	<u>23,943,283</u>	<u>27,029,044</u>
<b>Total Fund Balance as of June 30</b>	<b><u>\$58,044,416</u></b>	<b><u>\$46,963,015</u></b>	<b><u>\$48,134,537</u></b>

\* Because of the substantial surplus at the end of FY 2006, the Administration and Council set aside \$20,378,110 in Fund Balance, designated to be spent for specific purposes of a one-time nature in subsequent years. During FY 2007, \$14,683,110 of the designation was used mostly to reduce liabilities in various Pension funds, to increase the cash balance in the Water/Sewer Fund, to replenish the Economic Strategic Fund, to create a special Housing Opportunities Fund, and to increase the Risk Management Catastrophic Reserve.

**FUND NET ASSETS  
WATER/SEWER FUND  
FISCAL YEAR 2008**

<b>Fund Net Assets Activity</b>	<b>Actual FY 2006</b>	<b>Estimated FY 2007</b>	<b>Projected FY 2008</b>
Net Assets as of July 1	\$74,425,897	\$72,791,885	\$83,751,071
Excess of Revenues Over/(Under) Expenditures	3,018,450	10,425,520	9,530,912
Non-Operating Revenues/(Expenses)			
Interest Expense	(4,525,680)	(4,466,334)	(5,083,759)
Other	<u>(126,782)</u>	<u>-</u>	<u>-</u>
Total Non-Operating Revenues/(Expenses)	(4,652,462)	(4,466,334)	(5,083,759)
Income/(Loss) Before Transfers	(1,634,012)	5,959,186	4,447,153
Transfer from/(to) General Fund	<u>-</u>	<u>5,000,000</u>	<u>-</u>
<b>Change in Net Assets</b>	<b>(1,634,012)</b>	<b>10,959,186</b>	<b>4,447,153</b>
<b>Total Net Assets as of June 30</b>	<b><u>\$72,791,885</u></b>	<b><u>\$83,751,071</u></b>	<b><u>\$88,198,224</u></b>

**Summary of Fund Net Assets**

Invested in Capital Assets, Net of Related Debt	\$95,519,444	\$95,519,444	\$95,519,444
Unrestricted	<u>(22,727,559)</u>	<u>(11,768,373)</u>	<u>(7,321,220)</u>
<b>Total Fund Net Assets as of June 30</b>	<b><u>\$72,791,885</u></b>	<b><u>\$83,751,071</u></b>	<b><u>\$88,198,224</u></b>

**FUND BALANCE  
COMMERCE FUND  
FISCAL YEAR 2008**

<b>Fund Balance Activity</b>	<b>Actual FY 2006</b>	<b>Estimated FY 2007</b>	<b>Projected FY 2008</b>
Fund Balance as of July 1	\$12,786,316	\$10,517,702	\$11,027,020
Excess of Revenues Over/(Under) Expenditures	17,894	(2,990,682)	(6,986,288)
Other Financing Sources/(Uses)			
Proceeds from the Sale of Assets	1,567,500	-	-
Transfer from/(to) General Fund	645,992	3,500,000	-
Net Accounting Adjustments	<u>(4,500,000)</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources	(2,286,508)	3,500,000	0
<b>Net Change in Fund Balance</b>	<b>(2,268,614)</b>	<b>509,318</b>	<b>(6,986,288)</b>
<b>Total Fund Balance of June 30</b>	<b><u>\$10,517,702</u></b>	<b><u>\$11,027,020</u></b>	<b><u>\$4,040,732</u></b>

**Summary of Fund Balance**

Economic Development Reserves	<u>\$10,517,702</u>	<u>\$11,027,020</u>	<u>\$4,040,732</u>
<b>Total Fund Balance as of June 30</b>	<b><u>\$10,517,702</u></b>	<b><u>\$11,027,020</u></b>	<b><u>\$4,040,732</u></b>



**CONSOLIDATED FUND BALANCE & NET ASSETS  
GENERAL, WATER/SEWER & COMMERCE FUNDS  
FISCAL YEAR 2008**

<b>Fund Balance &amp; Net Assets Activity</b>	<b>Actual FY 2006</b>	<b>Estimated FY 2007</b>	<b>Projected FY 2008</b>
Fund Balance & Net Assets as of July 1	\$122,870,250	\$141,354,003	\$141,741,106
Excess of Revenues Over/(Under) Expenditures	25,793,715	10,761,547	3,441,146
Total Other Financing Sources/(Uses)	(2,657,500)	(10,908,110)	275,000
Total Non-Operating Revenues/(Expenses)			
Water Fund	(4,652,462)	(4,466,334)	(5,083,759)
Operating Transfer to Water Fund from General Fund	-	5,000,000	-
<b>Change in Fund Balance &amp; Net Assets</b>	<b>18,483,753</b>	<b>387,103</b>	<b>(1,367,613)</b>
<b>Total Fund Balance &amp; Net Assets as of June 30</b>	<b>\$141,354,003</b>	<b>\$141,741,106</b>	<b>\$140,373,493</b>

**Summary of Fund Balance & Net Assets**

Special Designation Reserves	\$20,378,110	\$5,695,000	\$3,195,000
Permanent Investment Reserves	\$15,661,377	\$17,324,732	\$17,910,493
Budget Reserves	22,004,929	23,943,283	27,029,044
Invested in Capital Assets, Net of Related Debt	95,519,444	95,519,444	95,519,444
Unrestricted	(22,727,559)	(11,768,373)	(7,321,220)
Economic Development Reserves	<u>10,517,702</u>	<u>11,027,020</u>	<u>4,040,732</u>
<b>Total Fund Balance &amp; Net Assets as of June 30</b>	<b>\$141,354,003</b>	<b>\$141,741,106</b>	<b>\$140,373,493</b>

# City of Wilmington General Fund

## ACTUAL & PROJECTED REVENUES AND EXPENDITURES

<u>Revenue Type</u>	<u>Actual FY 2006</u>	<u>Projected FY 2007</u>	<u>Budget FY 2008</u>	<u>Projected FY 2009</u>	<u>Projected FY 2010</u>	<u>Projected FY 2011</u>	<u>Projected FY 2012</u>
Wage & Net Profits Tax	\$55,077,817	\$47,524,069	\$51,306,089	\$54,247,174	\$56,538,312	\$58,879,551	\$61,189,407
Property Tax	30,309,406	30,466,500	30,966,500	32,318,875	32,455,000	32,556,000	32,556,000
Real Estate Transfer Tax	5,663,154	4,000,000	4,000,000	7,152,313	5,980,115	5,227,604	5,527,389
Head Tax	2,239,434	2,114,000	2,150,000	2,186,000	2,222,000	2,258,000	2,294,000
Franchise Tax	2,074,646	2,013,333	2,313,333	2,405,866	2,502,101	2,602,185	2,927,104
Licenses, Permits, Fees & Fines	8,100,564	8,741,000	9,525,000	9,597,900	9,672,987	9,750,327	9,829,986
Interest Income	3,858,255	4,100,000	5,000,000	5,746,392	6,355,005	5,768,764	6,061,045
Indirect Costs	2,784,660	2,784,533	2,784,533	2,784,533	2,784,533	2,784,533	2,784,533
Other Miscellaneous Revenues	1,841,568	1,238,000	2,238,000	2,238,000	2,238,000	2,238,000	2,238,000
Task Force Revenues	4,481,453	4,432,500	4,432,500	4,465,813	4,499,958	4,534,957	4,645,291
County Seat Relief Package	3,634,486	7,243,807	7,508,211	10,123,429	10,317,778	10,556,958	10,803,314
State Pension Contribution	6,742,705	6,410,000	6,410,000	6,410,000	6,410,000	6,410,000	6,410,000
<b>Total Revenues</b>	<b>\$126,808,148</b>	<b>\$121,067,742</b>	<b>\$128,634,166</b>	<b>\$139,676,294</b>	<b>\$141,975,790</b>	<b>\$143,566,879</b>	<b>\$147,266,070</b>

<u>Expenditure Type</u>	<u>Actual FY 2006</u>	<u>Projected FY 2007</u>	<u>Budget FY 2008</u>	<u>Projected FY 2009</u>	<u>Projected FY 2010</u>	<u>Projected FY 2011</u>	<u>Projected FY 2012</u>
Salaries and Wages	\$48,009,858	\$51,816,725	\$54,734,406	\$59,196,657	\$62,153,195	\$64,001,668	\$65,904,684
Health Benefits	7,811,729	8,792,170	9,775,144	10,824,037	11,473,480	12,161,888	12,891,602
Pension and Retirement	6,575,060	7,335,680	8,017,395	8,824,370	9,265,589	9,728,868	10,215,311
Other Employee Benefits	2,307,823	2,850,638	3,069,310	3,266,831	3,430,173	3,533,078	3,639,070
Equipment & Services	11,507,658	17,007,993	19,537,496	18,993,755	18,449,863	18,924,094	19,411,200
General Liability	197,423	1,168,876	1,198,098	1,293,650	1,325,992	1,359,142	1,393,120
Workers' Compensation	3,101,702	2,511,229	2,604,273	2,968,444	3,116,866	3,210,372	3,306,683
Internal Services	8,148,911	7,912,455	9,379,035	10,177,687	10,432,129	10,692,932	10,960,255
Debt Service	9,207,313	11,249,245	12,148,600	13,228,302	13,904,177	14,165,044	10,351,240
Special Purpose	440,595	686,022	863,887	460,109	471,612	483,402	495,487
State Pension Contribution	6,742,705	6,410,000	6,410,000	6,410,000	6,410,000	6,410,000	6,410,000
<b>Total Expenditures</b>	<b>\$104,050,777</b>	<b>\$117,741,033</b>	<b>\$127,737,644</b>	<b>\$135,643,844</b>	<b>\$140,433,075</b>	<b>\$144,670,489</b>	<b>\$144,978,654</b>

<b>Operating Surplus/(Deficit)</b>	<b>\$22,757,371</b>	<b>\$3,326,709</b>	<b>\$896,522</b>	<b>\$4,032,450</b>	<b>\$1,542,715</b>	<b>(\$1,103,610)</b>	<b>\$2,287,417</b>
<b>Net Adj. &amp; Transfers In/(Out)</b>	<b>(370,992)</b>	<b>(14,408,110)</b>	<b>275,000</b>	<b>275,000</b>	<b>275,000</b>	<b>275,000</b>	<b>275,000</b>
<b>Surplus/(Deficit)</b>	<b>\$22,386,379</b>	<b>(\$11,081,401)</b>	<b>\$1,171,522</b>	<b>\$4,307,450</b>	<b>\$1,817,715</b>	<b>(\$828,610)</b>	<b>\$2,562,417</b>

<b>Total Fund Balance</b>	<b>\$58,044,416</b>	<b>\$46,963,015</b>	<b>\$48,134,537</b>	<b>\$52,441,987</b>	<b>\$54,259,702</b>	<b>\$53,431,093</b>	<b>\$55,993,509</b>
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## ASSUMPTIONS USED IN PROJECTIONS

### BASE YEAR

For Fiscal Year (FY) 2008, the Approved Budget is shown and is the base year upon which the FY 2009-2012 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 2007 embodies projected year-end revenues that have been reviewed by the Wilmington Economic & Financial Advisory Council.

### GENERAL INFLATION ASSUMPTIONS

Most national projections for growth in the Consumer Price Index (CPI) are at or below 2.5% for the period 2008 to 2010. The May 14, 2007 release of the Survey of Professional Forecasters projects CPI growth of 2.4% percent in 2008 and 2009, with long-range expectations of 2.45% per year. Conducted by the Federal Reserve Bank of Philadelphia, the Survey of Professional Forecasters is the oldest quarterly survey of macroeconomic forecasts in the United States.

Year	Survey of Professional Forecasters Projected Annual CPI Increase
2007	3.20%
2008	2.40%
2009	2.40%
2010	2.45%

*Federal Reserve Bank of Philadelphia, Survey of Professional Forecasters, May 14 ,2007*

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% 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 2008 Base Year: \$51,306,089 - 39.6% of total revenues)** The projection for Wage and Net Profits Tax is tempered by the uncertainty of continued effects of the acquisition of MBNA by Bank of America. The merger has already resulted in a significant reduction in Bank of America's statewide employment. Difficulty in obtaining official information regarding possible further reductions, the transfer of jobs to other locations, and the reduced compensation level of retained employees were all considered when the FY 2007 Second Quarter Wage Tax projection was increased by only a modest \$1.25 million. As a result, that Second Quarter projection was used as the starting point for the FY 2008 base projection. Then, a 3% growth factor was applied (attributed mainly to expected average salary increases) which expanded the new base by \$1.3 million. Finally, \$2.1 million was added as a result of the Finance Department's initiative to enhance collection efforts by matching tax information from the State to the City's database to identify non-paying resident and non-resident wage earners. The Net Profits revenue part of this projection is expected to increase by about \$350,000 over the FY 2007 Budget, following the latest trend over the last two years.

In their June 2007 report, the Delaware Economic and Financial Advisory Council (DEFAC) projected a 5.3% growth for FY 2008 in the State Personal Income Tax, a tax roughly equivalent to the City Wage 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 somewhat more conservative out-year growth factor is necessary. With a disproportionate density of credit card operations, volatility of the City's single largest revenue source remains high. Given the above, City Wage Tax receipts are projected to grow an annual average of 4.0% starting in FY 2009.

**Property Tax (FY 2008 Base Year: \$30,966,500 - 23.9% of total revenues)** In FY 2002 and FY 2003, the City adopted property tax rate increases of 9.9% per year to help provide financial stability. These were not enough and thus there was another 6.9% increase in the rate for FY 2006. Given this significant upward adjustment for local property owners and the receipt of new on-going State revenues, the City has established a policy goal of maintaining stable rates throughout the plan period (FY 2008-2012). However, there will be growth in the tax base due to specific new construction projects starting in FY 2009. Also, some modest fluctuations can occur due to variances in enforcement and collection rates.

**Real Estate Transfer Tax (FY 2008 Base Year: \$4,000,000 - 3.1% of total revenues)** Given the character of Wilmington's real estate base, changes in City Real Estate Transfer Tax revenues are driven primarily by individual, large commercial transactions. Accordingly, such receipts tend to be highly volatile — swinging from \$1.5 million in FY 1997, up to \$2.4 million in FY 1998, then to 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 revenue rose again to more than \$4.2 million, only to see FY 2003 drop back down to \$3.3 million. Real Estate Transfer Tax revenues hit all-time highs of over \$6 million in both FY 2004 and FY 2005, as the frenzied activity in both commercial and residential property sales hit a peak. Although that level is unsustainable in the long-run (FY 2007 is projected to be down over \$1.6 million from the \$5.7 million level in FY 2006), base activity has expanded as a result of growth in both the residential and commercial markets, especially at the Riverfront.

The FY 2008 net base of \$4.0 million 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 these factors and further concerns about rising interest rates, we have projected annual growth of 6% on the adjusted base through FY 2012. Expansion of the base is shown with the sales of the 183 units of the Christina Landing Phase II condominium tower, new luxury homes in the Sienna Hall development on Kentmere Parkway, and the expansive Justison Landing Project. All are expected to boost the Real Estate Transfer Tax revenue beginning in FY 2009.

**Head Tax (FY 2008 Base Year: \$2,150,000 - 1.7% of total revenues)** As a flat tax of \$10 per month, per employee, Head Tax revenues are driven directly by overall employment levels within the City. It is expected that increased hiring activities by some new businesses locating within the City will be somewhat offset by downsizing at Dupont and Bank of America (formerly MBNA). As a result, Head Tax reflects a net of 300 additional jobs each year beginning in FY 2009.

**Franchise Tax (FY 2008 Base Year: \$2,313,333 - 1.8% of total revenues)** This revenue stream consists of 2% of the gross revenues from electricity sales in the City and 5% of the gross revenues of cable television service sales in the City. In Wilmington, Delmarva Power is the sole provider of electricity and Comcast is the only provider of cable television service. Delmarva Power makes an annual franchise payment in January of each year calculated on the sales for the preceding calendar year. After the 59% hike in electricity rates by Delmarva Power last year, another rate increase is not anticipated. In addition, expected competition from Verizon should help keep the price of cable TV services stable. Growth of both of these sources is projected at 4% beginning in FY 2009.

**Licenses, Permits, Fees, and Fines (FY 2008 Base Year: \$9,525,000 - 7.3% of total revenues)** The current trend of moderate-to-high construction activity, especially along the Riverfront, is expected to continue in FY 2008. With additional staffing and a multi-pronged approach to increasing enforcement and collection (as part of the Finance Department's Plan for Change), Parking Tickets/Booting revenue is forecast to increase above the level projected for FY 2007. To further enhance scofflaw enforcement and collections, the City contracted last year with a private vendor to implement the PayLock delinquency abatement system. Using mobile licence plate recognition cameras and software, along with self-releasing computerized vehicle boots, the number of scofflaw vehicles found and booted has increased dramatically. With an additional \$600,000 forecast as a result of a more focused approach that includes better enforcement in residential neighborhoods, Parking Ticket/Booting revenue is projected to increase to a new total of \$4 million in FY 2008. The use of the PayLock system will also be extended to bolster the payment rate of red-light violations captured on film, increasing Criminal/Traffic Fine revenue by \$375,000, to a new total of \$1.2 million. The Building Permits & Fire Plan Review Fees portion of this revenue source (with a base of \$2.4 million) will grow annually by 3%. Flat revenues are assumed across the rest of the plan period for the remaining categories of Licenses and Fines revenue.

**Interest Income (FY 2008 Base Year: \$5,000,000 - 3.9% of total revenues)** Because of realized and expected interest rate hikes, along with the availability of significantly larger cash balances to invest due to recent operating surpluses and capital bond proceeds, Interest Income is projected to rise over \$634,000, to a total of \$5 million. Previously, all interest earned on City cash balances, regardless of source, was booked as revenue to the General Fund. To help bolster the Water/Sewer Fund, interest revenue earned on cash produced by Water/Sewer Fund activities (projected to be \$500,000) will now stay in the Water/Sewer Fund. For projection purposes, the interest rate of 5.25% in FY 2008 is increased by 12.5 basis points each year and assumes the following additions to the investment base:

- A weighted average of \$10.5 million from the remaining unspent portion of the FY 2008 Capital Borrowing will be invested in FY 2009.
- A weighted average of \$5 million dollars from the remaining unspent portion of the FY 2008 Capital Borrowing, along with a weighted average of \$11 million from the unspent portion of an assumed FY 2010 new Capital Borrowing, will be invested in FY 2010.
- A weighted average of \$5.5 million from the remaining unspent portion of the assumed FY 2010 Capital Borrowing will be invested in FY 2011.
- A weighted average of \$11 million from the unspent portion of an assumed FY 2012 new Capital Borrowing will be invested in FY 2012.

**Indirect Costs (FY 2008 Base Year: \$2,784,533 - 2.1% 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 2008 Base Year: \$2,238,000 - 1.7% of total revenues)** For FY 2008, Other Revenues will increase by a net of \$650,000. Rental income has been reduced by \$450,000, a result of a decision to book income produced by assets owned by the Water/Sewer Fund into that Fund to boost its solvency. This decrease is more than offset by an expected rise of \$1.1 million in Vacant Property Registration revenue resulting from the Finance Department's plan to greatly enhance collection efforts through an improved Sheriff Sales process. No growth is forecasted in these Revenues.

**Task Force Revenues (FY 2008 Base Year: \$4,432,500 - 3.4% of total revenues)** These are the revenue sources that were created as a result of the 2003 Governor's Task Force, which 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 (LLCs). 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. For FY 2008, three of the four components of the Task Force Revenues are projected to remain steady, while LLC revenue is expected to rise by \$275,000 over the FY 2007 level.

For the out-years, Task Force Revenues are projected to increase by 2.5% per year on Lodging Tax (\$512,500 FY 2008 base) and Natural Gas Tax (\$820,000 FY 2008 base) only.

**County Seat Relief Package (FY 2008 Base Year: \$7,508,211 - 5.8% of total revenues)** This is a bundle of escalating revenue enhancements authorized by Governor Minner and approved by the Delaware General Assembly that builds on the work of the 2003 Governor's Task Force (see Task Force Revenues section) which recognized that the City's long-term financial stability required a stronger and more diversified revenue stream. Like the Task Force revenues, the County Seat Relief Package provides diversified revenue support to the three county seats in the State of Delaware. The FY 2008 projections provided by the State Finance Secretary's Office include \$2,345,116 for a payment in lieu of taxes (PILOT) for State-owned properties in the City (which are normally exempt from the City property tax), and \$2,863,095 as a part of the local share of the State's Uniform Commercial Code (UCC) filing fees, \$1 million in Statutory Trust Filing Fees, and \$1.3 million in New Castle County Corporate Filing Fees.

**State Pension Contribution (FY 2008 Base Year: \$6,410,000 - 4.9% of total revenues)** To comply with the City Auditor's recent re-interpretation of GASB pronouncement #24 (concerning on-behalf payments), special pension grants from the State of Delaware that had been booked in previous years as direct revenues into the Police and Fire pension trust funds must now be accounted for in the General Fund. Beginning in FY 2007, the \$6,410,000 in expected State pension grants was budgeted as a General Fund revenue, while on the expenditure side, the \$6,410,000 payment into the pension trust funds was budgeted as a General Fund expense in the Police and Fire departments. FY 2008 contributions will have the same accounting treatment. The payments are forecast to remain the same through the projection period.

**Net Adjustments & Transfers (FY 2008 Base Year: \$1,086,600 - 0.8% of total revenues)** FY 2008 will feature a transfer only from the Wilmington Parking Authority (WPA) in the amount of \$275,000, with no growth projected for the out-years. It should be noted that in FY 2008, a prior year fund balance designation of \$811,600 is budgeted to support special expenditures of a one-time nature. Because this designation is not a true revenue source, it is not listed under the revenue category for the projections on page 58. However, when calculating the percentage that each FY 2008 individual revenue source represents of the total, the designation and the WPA transfer were considered as being part of FY 2008 total revenues, as requested by City Council.

## **EXPENDITURES**

**Salaries and Wages (FY 2008 Base Year: \$54,734,406 - 42.9% of total expenditures)** All of the City's labor contracts with its employee unions will have expired by the beginning of FY 2008. It is these contracts that form the basis for the Salaries and Wages projections. In general, it will be the City's goal to limit annual cost-of-living increases to an average of 4% for FY 2009 and 5% for FY 2010. Subsequent years are projected to grow at an average of 3%.

In addition, the end of the New Castle County Policing Grant in FY 2009 will have a tremendous impact to this expense category (and to Health Benefits and Pensions). At that time, 54 police officers will be transferred back to the General Fund at a cost to Salaries and Wages of almost \$3.2 million. This expense will continue beyond FY 2009 and will grow with the projected cost-of-living increases.

**Health Benefits, Active Employees (FY 2008 Base Year: \$9,775,144 - 7.7% of total expenditures)** The *2007 Segal Health Plan Cost Trend Survey* indicates that growth in health plan costs, while still growing at a rate greater than inflation, have slowed in recent years. Locally, the City's self-insured health benefits program has paralleled national trends, with the City experiencing smaller increases over the last two fiscal years (down sharply from the 12% to 15% per year in past budgets). In addition, to further mitigate costs, the City recently implemented a new 3-Tier Prescription Drug Program with higher co-payments than the previous 2-Tier Program. This change is yielding about \$600,000 in cost savings annually. Considering these factors, the City's Risk Manager has estimated out-year cost growth of 6% per year.

As detailed under Salaries and Wages, the end of the New Castle County Policing Grant will result in the transfer to the General Fund of 54 police officers in FY 2009. The cost of health coverage for these officers will be \$462,000, and is projected to grow at 6% annually.

**Pension and Retirement (FY 2008 Base Year: \$8,017,395 - 6.3% 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 was added to the actuary funding targets in FY 2005 and the long-term actuarial assumptions were recast. The Actuary has incorporated 5% annual growth in the pension funding targets for the foreseeable future.

Again, as detailed above under Salaries and Wages, the end of the New Castle County Policing Grant will have an effect beginning in FY 2009. The \$406,000 pension cost for the transferred police officers is added to the base in FY 2009, increasing 5% in FY 2010 and beyond.

**Other Employee Benefits (FY 2008 Base Year: \$3,069,310 - 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, inflationary factors of 4% in FY 2009 and 5% in FY 2010 have been applied. Subsequent years are projected to grow at an average of 3% annually.

For FY 2008 there is a modest impact to this category of \$92,000 (carrying over to FY 2010 and beyond) due to the end of the New Castle County Policing 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 2008 Base Year: \$19,537,496 - 15.3% of total expenditures)** This is a relatively broad grouping of expenditures that includes cost centers such as professional services contracts, landfill fees, utilities, as well as 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 have increased the base by \$1.45 million, and those new costs are incorporated in the FY 2008 Budget and beyond. These include security for City buildings and facilities, increased shared maintenance costs for the aging City/County building, increased funding for vacant property maintenance and demolition, the traffic safety and pothole repair programs, enhanced revenue collection methods, and a variety of Mayor's Office projects and grants.

For this projection, the contingent reserve and the snow and weather emergencies reserve are included in the Equipment and Services category (they are budgeted separately in the Budget Book summaries). These reserves are projected to be \$250,000 each in the years subsequent to FY 2008.

As a result of deregulation in Delaware, electricity rates for the City rose 59% on May 1, 2006. In conjunction with that rate increase, an annual State grant award used for City street lighting electricity costs was eliminated. To estimate more accurately, electricity was segregated out and analyzed separately, resulting in a FY 2009 General Fund electricity base cost of \$1.6 million. Electricity rates in subsequent years were projected to increase at 4% per year,.

Excluding electricity, reserves, and one-time initiatives of \$505,600, the remaining base of this expenditure grouping is expected to respond to overall inflationary pressures of 2.5% per year.

**General Liability (FY 2008 Base Year: \$1,198,098 - 0.9% of total expenditures)** Being self-insured, the City relies heavily on an actuary to annually review claims experience and rate potential liability. Once an accrued liability figure is determined, it is compared to that of the previous fiscal year. Changes in the liability figure on the balance sheet result in changes to the expenses booked under General Liability in the income statement. As a result, this cost category has experienced extreme volatility in recent years. 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), followed by a decrease of \$981,000 between FY 2005 and 2006. It has been determined that incomplete data given to the actuary was largely to blame for these significant swings. Consequently, an internal audit and various management changes have led to greater accuracy in this area. As a result of these tighter controls, this expense is projected to increase by 2.5% annually.

**Workers' Compensation (FY 2008 Base Year: \$2,604,273 - 2% of total expenditures)** Actual expenditures in this category have been highly volatile from year-to-year. Consequently, a six-year weighted average (FY 2001-2006) 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, with annual growth projected to parallel growth in Salaries and Wages.

**Internal Services (FY2008 Base Year: \$9,379,035 - 7.3% of total expenditures)** This category encompasses various expenditures incurred by operating departments but budgeted centrally. This includes charges for motor vehicles, telephone and radio usage, postage, data processing, word processing, and mapping and graphics. In the Budget Book summaries, Internal Services also includes General Liability and Workers' Compensation; however for this projection they are analyzed separately.

The City is in the midst of a comprehensive Information Technology upgrade and expansion program that will increase Data Processing costs by 14% per year through FY 2009. For the other services making up the rest of the category, it is assumed that average annual inflationary pressures of 2.5% will be present. This results in a weighted average growth of 5% for the Internal Services category as a whole (excluding General Liability and Workers' Compensation) for FY 2009, and 2.5% thereafter.



**Debt Service (FY2008 Base Year: \$12,148,600 - 9.5% of total expenditures)** Debt Service is based on the existing debt schedules as provided by the Finance Department. In subsequent years, new borrowing of \$21 million is assumed to take place in late-year of FY 2008 with a bond interest rate of 4.5%, as well as new borrowing of \$22 million mid-year FY 2010 with a bond interest rate of 4.75%. New debt service is calculated to be level over 20 years, with semiannual payments and no capitalization of interest. It should be noted that there was no additional debt service added in FY 2012 as result of the assumed mid-year FY 2012 borrowing (discussed in the Interest Income section) because the timing of that borrowing would result in the first debt service payment being due in FY 2013.

**Special Purpose (FY2008 Base Year: \$863,887 - 0.7% of total expenditures)** The majority of this relatively small expenditure category routinely 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. The City's commitment to the Rock Manor Golf Course concludes in FY 2008, with \$415,000 allocated to cover both the annual fixed costs and debt retirement while Rock Manor is closed during the renovations being done as part of the larger DELDOT transportation project on Route 202. For subsequent years, Special Purpose assumes 2.5% annual growth on a FY 2008 base, net of the Rock Manor Golf Course commitment.

**State Pension Contribution (FY 2008 Base Year: \$6,410,000 - 5% of total expenditures)** To comply with the City Auditor's recent re-interpretation of GASB pronouncement #24 (concerning on-behalf payments), special pension grants from the State of Delaware that had been booked in previous years as direct revenues into the Police and Fire pension trust funds must be now accounted for in the General Fund. As a result, for FY 2008 the \$6,410,000 in expected State pension grants is budgeted as a General Fund revenue, while a \$6,410,000 payment into the pension trust funds is budgeted as a General Fund expense in the Police and Fire departments. The net change to the General Fund budget bottom line is zero. These payments are forecast to remain the same through the projection period.

**A Special Note Concerning the FY 2007 Transfer**

Because of the substantial surplus at the end of FY 2006, the Administration and Council set aside \$20,378,110 in Fund Balance, designated to be spent for specific purposes of a one-time nature in subsequent years. During FY 2007, \$14,683,110 of the designation was used mostly to reduce liabilities in various Pension funds, to increase the cash balance in the Water/Sewer Fund, to replenish the Economic Strategic Fund, to create a special Housing Opportunities Fund, and to increase the Risk Management Catastrophic Reserve. The \$14,683,110 in total transferred out was slightly offset by a \$275,000 transfer in from the Wilmington Parking Authority.



# FISCAL YEAR 2008 REVENUES

## Overview

### GENERAL FUND

General Fund Revenue before transfers from the Wilmington Parking Authority and prior year surplus designations is expected to increase by a net \$10,689,995 or 9.1% over the Fiscal Year (FY) 2007 Budget to a new total of \$128,634,166. The net change from Budget to Budget (FY 2008 vs. FY 2007) can be broken down as follows:

<u>REVENUE</u>	<u>CHANGE</u>	<u>TOTAL</u>
• Wage & Net Profits Tax	<i>Up</i> \$5,032,020	\$ 51,306,089
• County Seat Relief Package	<i>Up</i> \$1,264,404	\$ 7,508,211
• Fines	<i>Up</i> \$975,000	\$ 5,200,000
• Licenses, Permits and Fees	<i>Up</i> \$823,500	\$ 4,325,000
• Other Revenues	<i>Up</i> \$650,000	\$ 5,022,533
• Interest	<i>Up</i> \$634,071	\$ 5,000,000
• Other Taxes	<i>Up</i> \$536,000	\$ 8,463,333
• Property Taxes	<i>Up</i> \$500,000	\$ 30,966,500
• Task Force Revenues	<i>Up</i> \$275,000	\$ 4,432,500

The growth in the Wage and Net Profits Tax is tempered by the uncertainty of continued effects of the acquisition of MBNA by Bank of America. The merger has already resulted in a significant reduction in Bank of America's statewide employment. Difficulty in obtaining official information regarding possible further reductions, the transfer of jobs to other locations, and the reduced compensation level of retained employees were all considered when the FY 2007 Second Quarter Wage Tax projection was increased by only a modest \$1.25 million. As a result, that Second Quarter projection was used as the starting point for the FY 2008 base projection. Then, a 3% growth factor was applied (attributed mainly to expected average salary increases) which expanded the new base by \$1.3 million. Finally, \$2.1 million was added as a result of the Finance Department's initiative to enhance collection efforts by matching tax information from the State to the City's database to identify non-paying resident and non-resident wage earners. The Net Profits revenue part of this projection is expected to increase by about \$350,000 over the FY 2007 Budget, following the latest trend over the last two years.

The County Seat Relief Package is a bundle of escalating revenue enhancements authorized by Governor Minner and approved by the Delaware General Assembly that builds on the work of the 2003 Governor's Task Force (see Task Force Revenues section) which recognized that the City's long-term financial stability required a stronger and more diversified revenue stream. Like the Task Force revenues, the County Seat Relief Package provides diversified revenue support to the three county seats in the State of Delaware. The FY 2008 projections provided by the State Finance Secretary's Office include \$2,345,116 for a payment in lieu of taxes (PILOT) for State-owned properties in the City (which are normally exempt from the City property tax), \$2,863,095 as a part of the local share of the State's Uniform Commercial Code (UCC) filing fees, \$1 million in Statutory Trust Filing Fees and \$1.3 million in New Castle County Corporate Filing Fees.

# FISCAL YEAR 2008 REVENUES

## Overview

### GENERAL FUND (continued)

#### FINES consists of Parking Tickets/Booting Fines and Criminal/Traffic Fines

With additional staffing and a multi-pronged approach to increasing enforcement and collection (as part of the Finance Department's Plan for Change), **Parking Tickets/Booting** revenue is forecast to climb beyond the increase projected for FY 2007. To further enhance scofflaw enforcement and collections, the City contracted last year with a private vendor to implement the PayLock delinquency abatement system. Using mobile licence plate recognition cameras and software, along with self-releasing computerized vehicle boots, the number of scofflaw vehicles found and booted has increased dramatically. With an additional \$600,000 forecast as a result of a more focused approach that includes better enforcement in residential neighborhoods, Parking Ticket/Booting revenue is projected to increase to \$4 million in FY 2008. The use of the PayLock system will also be extended to bolster the payment rate of red-light violations captured on film, increasing **Criminal/Traffic** revenue by \$375,000, to a new total of \$1.2 million.

**Licenses, Permits and Fees** revenue will rise a total of \$823,500, mainly as a result of increases to the FY 2007 Second Quarter projections for Business Licenses, Building Permits and Fees. The current trend of moderate-to-high construction activity, especially along the Riverfront, is expected to continue in FY 2008.

**Other Revenues** will increase by a net of \$650,000. Rental Income has been reduced by \$450,000, a result of a decision to book income produced by assets owned by the Water/Sewer Fund into that fund to boost its solvency. This decrease is more than offset by an expected rise of \$1.1 million in Vacant Property Registration revenue resulting from the Finance Department's plan to greatly enhance collection efforts through an improved Sheriff Sales process.

**Interest Earnings** are projected to rise over \$634,000, to a total of \$5 million because of realized and expected interest rate hikes, along with the availability of significantly larger cash balances to invest due to recent operating surpluses and capital bond proceeds. Previously, all interest earned on City cash balances, regardless of source, was booked as revenue to the General Fund. To help bolster the Water/Sewer Fund, interest revenue now earned on cash produced by Water/Sewer Fund activities (projected to be \$500,000) will stay in the Water/Sewer Fund.

#### OTHER TAXES consists of Real Estate Transfer Tax, Head Tax and Franchise Fees

**Real Estate Transfer Tax** revenues topped out at more than \$6 million in both Fiscal Years 2004 and 2005, as the frenzied activity in both commercial and residential property sales hit a peak. While FY 2006 declined only moderately to \$5.6 million, FY 2007 is showing greater slowing of transfer activity. The FY 2007 Second Quarter projection of \$4.0 million was used as the basis for FY 2008, and recognizes that activity has permanently expanded as a result of growth in the residential and commercial markets, especially at the Riverfront.

# FISCAL YEAR 2008 REVENUES

## Overview

### GENERAL FUND (continued)

**Head Tax** revenues are projected to decrease by \$404,000 during FY 2007 from the FY 2006 Budget. Anticipated staffing reductions at Bank of America have materialized and the reduced FY 2007 budgeted figure of \$2,114,000 is expected to be realized. However, because of increased economic activity at the Riverfront and Downtown, a net gain of a 300 new jobs is projected in FY 2008. This results in the small increase of \$36,000 in Head Tax revenue, to a total of \$2,150,000.

**Franchise Fees** revenue consists of 2% of the gross revenues from electricity sales in the City and 5% of gross revenues of cable television service sales in the City. In Wilmington, Delmarva Power is the sole provider of electricity and Comcast is currently the only provider of cable TV service. However, after the 59% hike in electricity rates by Delmarva Power last year, another rate increase is not anticipated. In addition, expected competition from Verizon should help keep the price of cable TV services stable. For these reasons, no increase in Franchise Fees is projected for FY 2008.

**Property Taxes** are projected to increase by \$500,000 as a result of a new facet to the Finance Department's enhanced collection efforts. The Department will focus on improving the Sheriff Sales process to bolster the collection of delinquent taxes. There is no change to the property tax rate.

**Task Force Revenues** are the three revenue sources that were created as a result of the 2003 Governor's Task Force, which 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 (LLCs). 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. For FY 2008, three of the four components of the Task Force Revenues are projected to remain steady, while LLC revenue is expected to rise by \$275,000 over the FY 2007 level.

# FISCAL YEAR 2008 REVENUES

## Overview

### WATER/SEWER FUND

Water/Sewer Direct Users Fees are projected to increase to \$35,655,378 from the \$29,360,336 budgeted last fiscal year. This \$6,295,042 increase in revenue is attributable to the effects of a proposed increase in water and sewer rates (\$3,795,042), better accuracy and substantially fewer estimated bills (\$1 million), and a forecasted \$1.5 million increase in collections due to a new program to be implemented by the Finance Department. The FY 2008 Budget raises water and sewage rates 12.5% as part of the four-year plan of rate increases to prevent further operating deficits in the Water/Sewer fund and to ensure adequate cash flow for infrastructure investment. Even with the rate increase, City users will still benefit from prices lower than those offered by surrounding private water utilities and the New Castle County sewage authority. The Finance Department is creating a new program to collect additional water/sewer revenues by focusing on and greatly improving the Sheriff Sale process.

The City's contract to provide sewage treatment for New Castle County (NCC) will expire at the end of FY 2007. The fee to NCC for FY 2008 and beyond is being negotiated. But, based on forecasted operating costs and the escalation in prices over the last five years that were much greater than the 2.75% annual inflation factor allowed by the previous contract, a new base fee of at least \$18 million for FY 2008 will be requested. This will be an increase of \$2,159,000 over last year's fee. 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.

Previously, all interest earned on City cash balances, regardless of source, was booked as revenue to the General Fund. To help bolster the Water/Sewer Fund, interest revenue now earned on cash produced by Water/Sewer Fund activities (projected to be \$500,000) will be booked as revenue to the Water/Sewer Fund. In addition, land and water tank rental fees (projected to be \$450,000) will now also be booked in the Water/Sewer Fund instead of the General Fund.

Water/Sewer revenue is projected to increase \$9.4 million to a new total of just over \$55 million in FY 2008.

# REVENUE PROJECTIONS AND CRITICAL ASSUMPTIONS

## General Fund Revenues Fiscal Year 2008

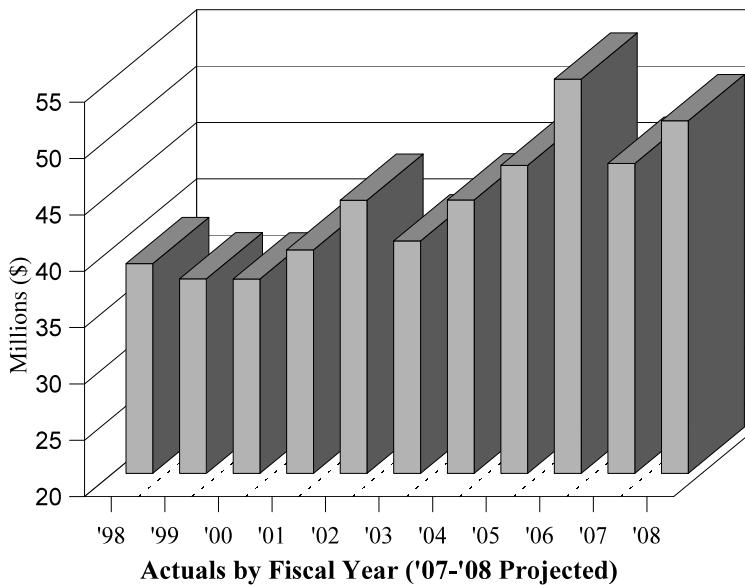
### WAGE & NET PROFITS TAX

**Basis:** Growth of local economy

**Critical Assumption:** The projection for Wage and Net Profits Tax is tempered by the uncertainty of continued effects of the acquisition of MBNA by Bank of America. The merger has already resulted in a significant reduction in Bank of America’s statewide employment. Difficulty in obtaining official information regarding possible further reductions, the transfer of jobs to other locations, and the reduced compensation level of retained employees were all considered when the FY 2007 Second Quarter Wage Tax projection was increased by only a modest \$1.25 million. As a result, that Second Quarter projection was used as the starting point for the FY 2008 base projection. Then, a 3% growth factor was applied (attributed mainly to expected average salary increases) which expanded the new base by \$1.3 million. Finally, \$2.1 million was added as a result of the Finance Department’s initiative to enhance collection efforts by matching tax information from the State to the City’s database to identify non-paying resident and non-resident wage earners. The Net Profits revenue part of this projection is expected to increase by about \$350,000 over the FY 2007 Budget, following the latest trend over the last two years.

FY 2005 Actual	FY 2006 Actual	FY 2007 Budget	FY 2007 Projected	FY 2008 Budget
\$47,348,120	\$55,077,817	\$46,274,069	\$47,524,069	\$51,306,089

### Wage & Net Profits Tax Revenue



# REVENUE PROJECTIONS AND CRITICAL ASSUMPTIONS

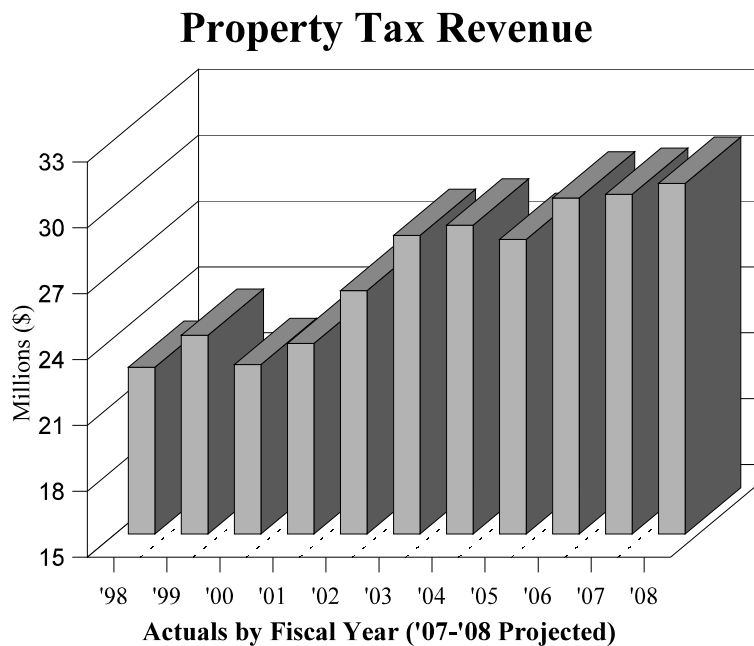
## General Fund Revenues Fiscal Year 2008

### PROPERTY TAX

**Basis:** Assessment Roles

**Critical Assumption:** Property Taxes are projected to increase by \$500,000 as a result of a new facet to the Finance Department's enhanced collection efforts. The Department will focus on improving the Sheriff Sales process to bolster the collection of delinquent taxes. There is no change to the property tax rate.

FY 2005 Actual	FY 2006 Actual	FY 2007 Budget	FY 2007 Projected	FY 2008 Budget
\$28,414,882	\$30,309,406	\$30,466,500	\$30,466,500	\$30,966,500





# REVENUE PROJECTIONS AND CRITICAL ASSUMPTIONS

## General Fund Revenues Fiscal Year 2008

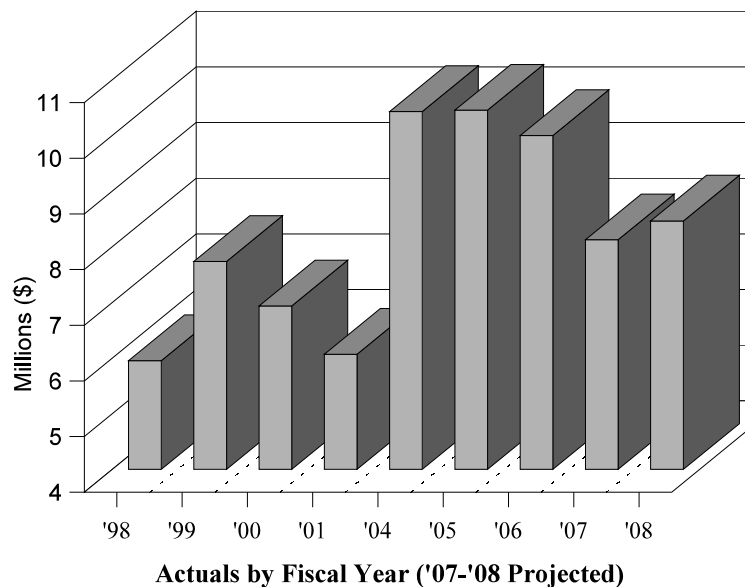
### OTHER TAXES

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

**Critical Assumption:** Real Estate Transfer Tax revenues topped out at more than \$6 million in both Fiscal Years 2004 and 2005, as the frenzied activity in both commercial and residential property sales hit a peak. While FY 2006 declined only moderately to \$5.6 million, FY 2007 is showing greater slowing of transfer activity. The FY 2007 Second Quarter projection of \$4.0 million was used as the basis for FY 2008, and recognizes that activity has permanently expanded as a result of growth in the residential and commercial markets, especially at the Riverfront. Head Tax revenues are projected to decrease by \$404,000 during FY 2007 from the FY 2006 Budget. Anticipated staffing reductions at Bank of America have materialized and the reduced FY 2007 budgeted figure of \$2,114,000 is expected to be realized. However, because of increased economic activity at the Riverfront and Downtown, a net gain of a 300 new jobs is projected in FY 2008. This results in the small increase of \$36,000 in Head Tax revenue, to a total of \$2,150,000. Franchise Fees revenue consists of 2% of the gross revenues from electricity sales in the City and 5% of gross revenues of cable television service sales in the City. In Wilmington, Delmarva Power is the sole provider of electricity and Comcast is currently the only provider of cable TV service. However, after the 59% hike in electricity rates by Delmarva Power last year, another rate increase is not anticipated. In addition, expected competition from Verizon should help keep the price of cable TV services stable. For these reasons, no increase in Franchise Fees is projected for FY 2008.

FY 2005 Actual	FY 2006 Actual	FY 2007 Budget	FY 2007 Projected	FY 2008 Budget
\$10,454,455	\$9,977,234	\$7,927,333	\$8,127,333	\$8,463,333

### Other Taxes



# REVENUE PROJECTIONS AND CRITICAL ASSUMPTIONS

## General Fund Revenues Fiscal Year 2008

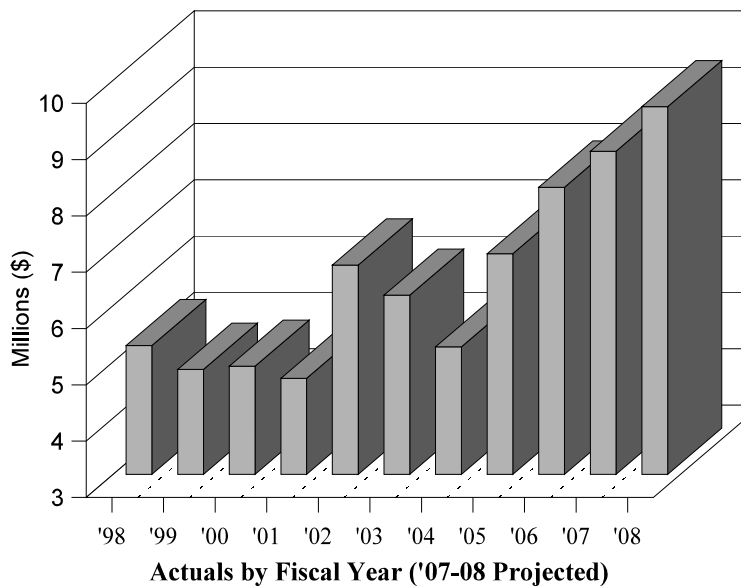
### LICENSES, PERMITS, FEES, AND FINES

**Basis:** Trend analysis

**Critical Assumption:** Licenses, Permits and Fees revenue is expected to rise a total of \$823,500, mainly as a result of increases to the FY 2007 Second Quarter projections for Business Licenses, Building Permits and Fees. The current trend of moderate-to-high construction activity, especially along the Riverfront, is expected to continue in FY 2008. With additional staffing and a multi-pronged approach to increasing enforcement and collection (as part of the Finance Department’s “Plan for Change”), Parking Tickets/Booting revenue is forecast to climb beyond the increase projected for FY 2007. To further enhance scofflaw enforcement and collections, the City contracted last year with a private vendor to implement the PayLock delinquency abatement system. Using mobile licence plate recognition cameras and software, along with self-releasing computerized vehicle boots, the number of scofflaw vehicles found and booted has increased dramatically. With an additional \$600,000 forecast as a result of a more focused approach that includes better enforcement in residential neighborhoods, Parking Ticket/Booting revenue is projected to increase to a new total of \$4 million in FY 2008. The use of the PayLock system will also be extended to bolster the payment rate of red-light violations captured on film, increasing Criminal/Traffic Fine revenue by \$375,000, to a new total of \$1.2 million.

FY 2005 Actual	FY 2006 Actual	FY 2007 Budget	FY 2007 Projected	FY 2008 Budget
\$6,919,335	\$8,100,564	\$7,726,500	\$8,741,000	\$9,525,000

### Licenses, Permits, Fees & Fines



# REVENUE PROJECTIONS AND CRITICAL ASSUMPTIONS

## General Fund Revenues Fiscal Year 2008

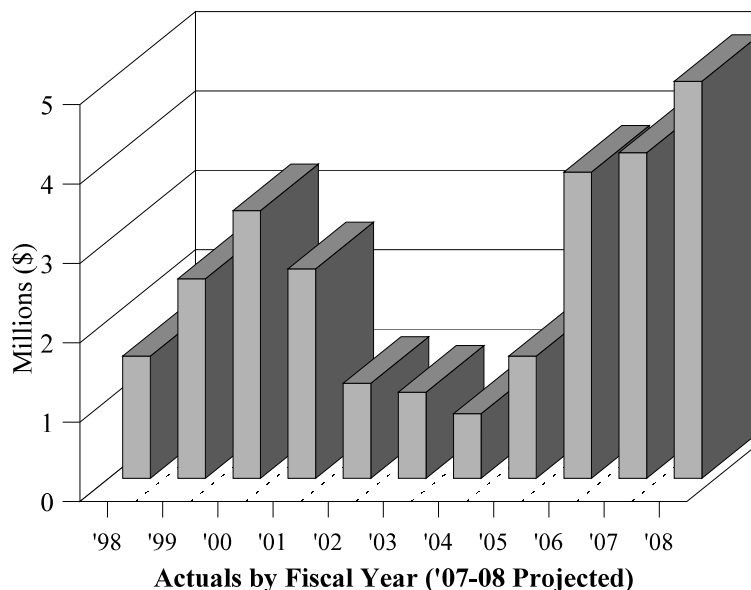
### INTEREST

**Basis:** Trend analysis/Cash flow analysis/Bond Issuance

**Critical Assumption:** Because of realized and expected interest rate hikes, along with the availability of significantly larger cash balances to invest due to recent operating surpluses and capital bond proceeds, Interest Earnings are projected to rise over \$634,000, to a total of \$5 million. Previously, all interest earned on City cash balances, regardless of source, was booked as revenue to the General Fund. To help bolster the Water/Sewer Fund, interest revenue now earned on cash produced by Water/Sewer Fund activities (projected to be \$500,000) will stay in the Water/Sewer Fund.

FY 2005 Actual	FY 2006 Actual	FY 2007 Budget	FY 2007 Projected	FY 2008 Budget
\$1,538,286	\$3,858,255	\$4,365,929	\$4,100,000	\$5,000,000

### Interest Revenue



# REVENUE PROJECTIONS AND CRITICAL ASSUMPTIONS

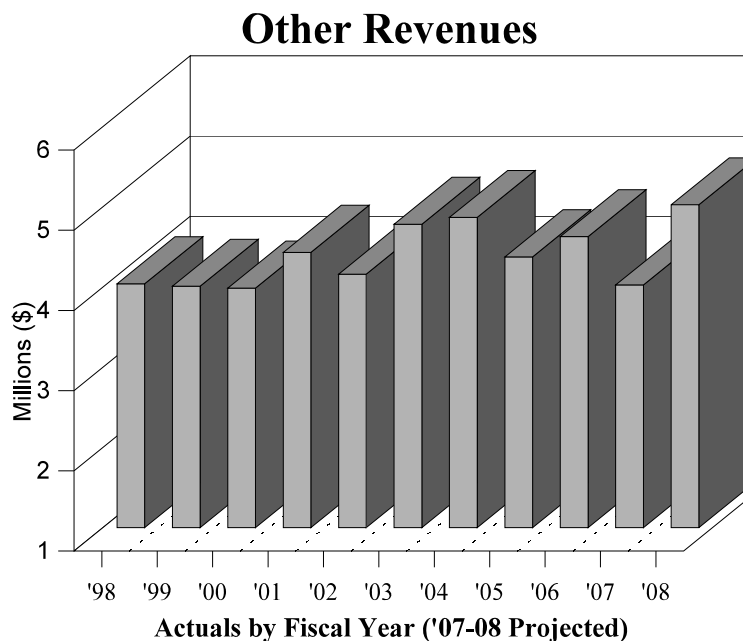
## General Fund Revenues Fiscal Year 2008

### OTHER REVENUES

**Basis:** Trend analysis/Contractual/Agreement with State

**Critical Assumption:** Other Revenues will increase by a net of \$650,000. Rental Income has been reduced by \$450,000, a result of a decision to book income produced by assets owned by the Water/Sewer Fund into that Fund to boost its solvency. This decrease is more than offset by an expected rise of \$1.1 million in Vacant Property Registration revenue resulting from the Finance Department's plan to greatly enhance collection efforts through an improved Sheriff Sales process.

FY 2005 Actual	FY 2006 Actual	FY 2007 Budget	FY 2007 Projected	FY 2008 Budget
\$4,375,306	\$4,626,228	\$4,372,533	\$4,022,533	\$5,022,533



# REVENUE PROJECTIONS AND CRITICAL ASSUMPTIONS

## General Fund Revenues Fiscal Year 2008

### TASK FORCE REVENUES

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

**Critical Assumption:** Task Force Revenues are the three revenue sources that were created as a result of the 2003 Governor’s Task Force, which 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 (LLCs). 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. For FY 2008, three of the four components of the Task Force Revenues are projected to remain steady, while LLC revenue is expected to rise by \$275,000 over the FY 2007 level.

FY 2005 Actual	FY 2006 Actual	FY 2007 Budget	FY 2007 Projected	FY 2008 Budget
\$3,981,599	\$4,481,453	\$4,157,500	\$4,432,500	\$4,432,500

### COUNTY SEAT RELIEF

**Basis:** Estimates from the State Finance Secretary’s Office

**Critical Assumption:** The County Seat Relief Package is a bundle of escalating revenue enhancements authorized by Governor Minner and approved by the Delaware General Assembly that builds on the work of the 2003 Governor’s Task Force (see Task Force Revenues section) which recognized that the City’s long-term financial stability required a stronger and more diversified revenue stream. Like the Task Force revenues, the County Seat Relief Package provides diversified revenue support to the three county seats in the State of Delaware. The FY 2008 projections provided by the State Finance Secretary’s Office include \$2,345,116 for a payment in lieu of taxes (PILOT) for State-owned properties in the City (which are normally exempt from the City property tax), \$2,863,095 as a part of the local share of the State’s Uniform Commercial Code (UCC) filing fees, \$1 million in Statutory Trust Filing Fees and \$1.3 million in New Castle County Corporate Filing Fees.

FY 2005 Actual	FY 2006 Actual	FY 2007 Budget	FY 2007 Projected	FY 2008 Budget
\$0	\$3,634,486	\$6,243,807	\$7,243,807	\$7,508,211

# REVENUE PROJECTIONS AND CRITICAL ASSUMPTIONS

## General Fund Revenues Fiscal Year 2008

### STATE PENSION CONTRIBUTIONS

**Basis:** Estimates from the Delaware State Board of Pension Trustees and the Office of Pensions

**Critical Assumption:** To comply with the City Auditor's interpretation of GASB pronouncement #24 (concerning "on-behalf payments"), special pension grants from the State of Delaware that had been booked in previous years as direct revenues into the Police and Fire pension trust funds are now accounted for in the General Fund. Beginning in FY 2007, the \$6,410,000 in expected State pension grants was budgeted as a General Fund revenue, while on the expenditure side, the \$6,410,000 payment into the pension trust funds was budgeted as a General Fund expense in the Police and Fire departments. FY 2008 contributions will have the same accounting treatment. The net change to the General Fund budget bottom line is zero.

<b>FY 2005 Actual</b>	<b>FY 2006 Actual</b>	<b>FY 2007 Budget</b>	<b>FY 2007 Projected</b>	<b>FY 2008 Budget</b>
\$0	\$6,742,705	\$6,410,000	\$6,410,000	\$6,410,000

# REVENUE PROJECTIONS AND CRITICAL ASSUMPTIONS

## General Fund Revenues Fiscal Year 2008

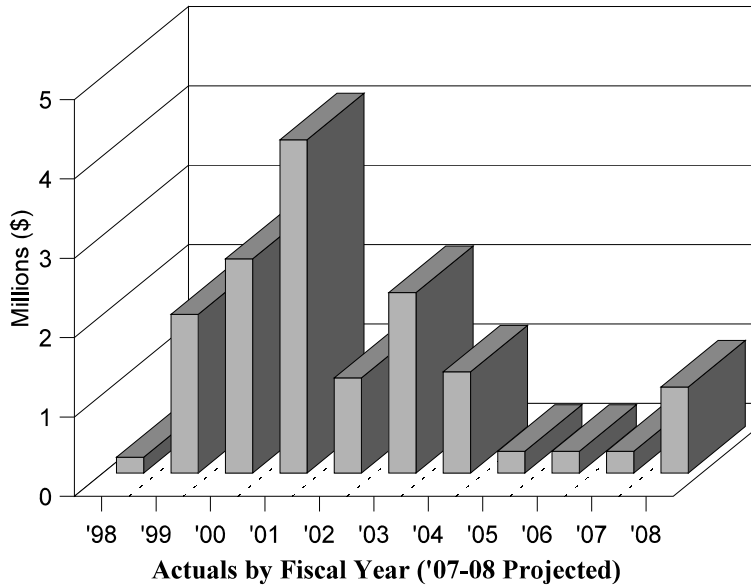
### TRANSFERS AND PRIOR YEARS' SURPLUS

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

**Critical Assumption:** FY 2008 will feature a transfer only from the Wilmington Parking Authority (WPA) in the amount of \$275,000. The transfer from the Water/Sewer Fund has been discontinued to avoid sending that fund into a larger deficit. A prior year surplus designation has also been included in the amount of \$811,600 for specific expenditures of a limited-term nature.

FY 2005 Actual	FY 2006 Actual	FY 2007 Budget	FY 2007 Projected	FY 2008 Budget
\$275,010	\$275,000	\$275,000	\$275,000	\$1,086,600

### Transfers & Prior Years' Surplus



# REVENUE PROJECTIONS AND CRITICAL ASSUMPTIONS

## Special Funds Revenues Fiscal Year 2008

### MUNICIPAL STREET AID

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

**Critical Assumption:** This State of Delaware has discontinued this grant for FY 2008.

FY 2005 Actual	FY 2006 Actual	FY 2007 Budget	FY 2007 Projected	FY 2008 Budget
\$1,827,199	\$1,077,729	\$1,197,182	\$1,197,182	\$0

### COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)

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

**Critical Assumption:** CDBG Federal Funds will increase by more than \$472,000 from FY 2007.

FY 2005 Actual	FY 2006 Actual	FY 2007 Budget	FY 2007 Projected	FY 2008 Budget
\$4,110,157	\$3,480,492	\$2,834,692	\$2,834,692	\$3,307,352

### HUD SECTION 8 GRANT

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

**Critical Assumption:** Funding and the responsibility for monitoring existing Section 8 properties has been transferred to the Delaware State Housing Authority effective July 1, 2007.

FY 2005 Actual	FY 2006 Actual	FY 2007 Budget	FY 2007 Projected	FY 2008 Budget
\$2,636,531	\$1,994,158	\$2,760,757	\$2,760,757	\$0



# REVENUE PROJECTIONS AND CRITICAL ASSUMPTIONS

## Special Funds Revenues Fiscal Year 2008

### 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 and is expected to be exhausted by the end of FY 2008.

FY 2005 Actual	FY 2006 Actual	FY 2007 Budget	FY 2007 Projected	FY 2008 Budget
\$3,246,550	\$3,477,456	\$3,472,750	\$3,472,750	\$4,567,301

### NEW CASTLE COUNTY FIRE GRANT

**Basis:** New Castle County (NCC) Award Letter

**Critical Assumption:** This funding for the City of Wilmington has been discontinued due to NCC's worsened fiscal condition.

FY 2005 Actual	FY 2006 Actual	FY 2007 Budget	FY 2007 Projected	FY 2008 Budget
\$13,408	\$138,472	\$225,000	\$55,000	\$0

### PARKS ASSISTANCE

**Basis:** Estimate from Federal Government

**Critical Assumption:** These funds are used mainly for the Summer Food Program and are slated to increase slightly from the prior year level.

FY 2005 Actual	FY 2006 Actual	FY 2007 Budget	FY 2007 Projected	FY 2008 Budget
\$1,198,924	\$1,112,719	\$489,832	\$489,832	\$512,804

# REVENUE PROJECTIONS AND CRITICAL ASSUMPTIONS

## Special Funds Revenues Fiscal Year 2008

### 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 2005 Actual	FY 2006 Actual	FY 2007 Budget	FY 2007 Projected	FY 2008 Budget
\$80,954	\$76,033	\$154,319	\$154,319	\$149,386

### 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 anticipated to fall by more than \$400,000 for FY 2008.

FY 2005 Actual	FY 2006 Actual	FY 2007 Budget	FY 2007 Projected	FY 2008 Budget
\$2,136,355	\$1,398,164	\$1,038,443	\$1,038,443	\$616,883

### 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 2005 Actual	FY 2006 Actual	FY 2007 Budget	FY 2007 Projected	FY 2008 Budget
\$2,446,502	\$2,130,820	\$2,148,002	\$2,148,002	\$2,179,648

# REVENUE PROJECTIONS AND CRITICAL ASSUMPTIONS

## Special Funds Revenues Fiscal Year 2008

### HOME PARTNERSHIP FUND

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

**Critical Assumption:** The Home Partnership Program is awarded through HUD and is expected to be funded at approximately \$6,000 less in FY 2008.

FY 2005 Actual	FY 2006 Actual	FY 2007 Budget	FY 2007 Projected	FY 2008 Budget
\$505,761	\$482,226	\$682,135	\$682,135	\$676,049

### 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) and State Fire Grants, are all expected to decrease slightly from the FY 2007 levels.

FY 2005 Actual	FY 2006 Actual	FY 2007 Budget	FY 2007 Projected	FY 2008 Budget
\$2,429,388	\$1,346,875	\$1,031,454	\$1,031,454	\$912,560

# REVENUE PROJECTIONS AND CRITICAL ASSUMPTIONS

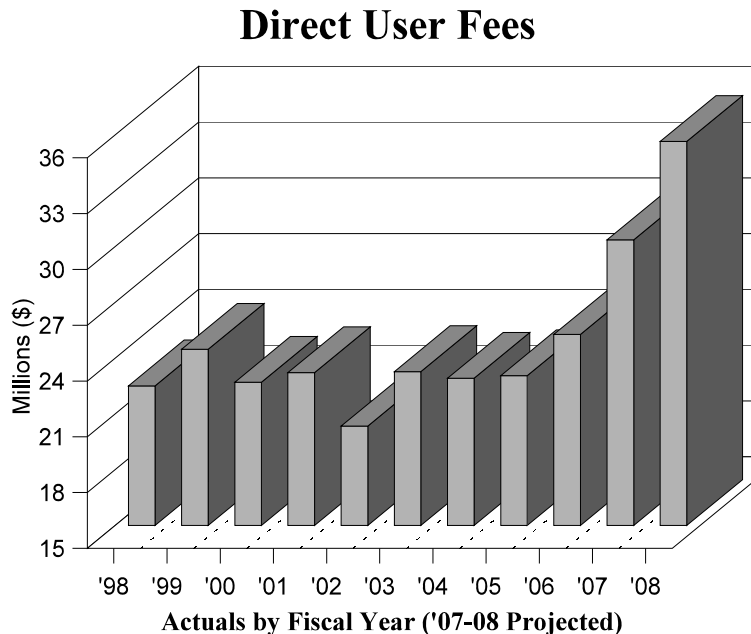
## Water/Sewer Fund Revenues Fiscal Year 2008

### DIRECT USER FEES

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

**Critical Assumption:** Water/Sewer Direct Users Fees are projected to increase to \$35,655,378 from the \$29,360,336 budgeted last fiscal year. This \$6,295,042 increase in revenue is attributable to the effects of a proposed increase in water and sewer rates (\$3,795,042), better accuracy and substantially fewer estimated bills (\$1 million), and a forecasted \$1.5 million increase in collections due to a new program to be implemented by the Finance Department. The FY 2008 Budget raises water and sewage rates 12.5% as part of the four-year plan of rate increases to prevent further operating deficits in the Water/Sewer Fund and to ensure adequate cash flow for infrastructure investment. Even with the rate increase, City users will still benefit from prices lower than those offered by surrounding private water utilities and the New Castle County sewage authority. The Finance Department is creating a new program to collect additional water/sewer revenues by focusing on and greatly improving the Sheriff Sale process.

FY 2005 Actual	FY 2006 Actual	FY 2007 Budget	FY 2007 Projected	FY 2008 Budget
\$23,055,235	\$25,276,063	\$29,360,336	\$30,360,336	\$35,655,378



# REVENUE PROJECTIONS AND CRITICAL ASSUMPTIONS

## Water/Sewer Fund Revenues Fiscal Year 2008

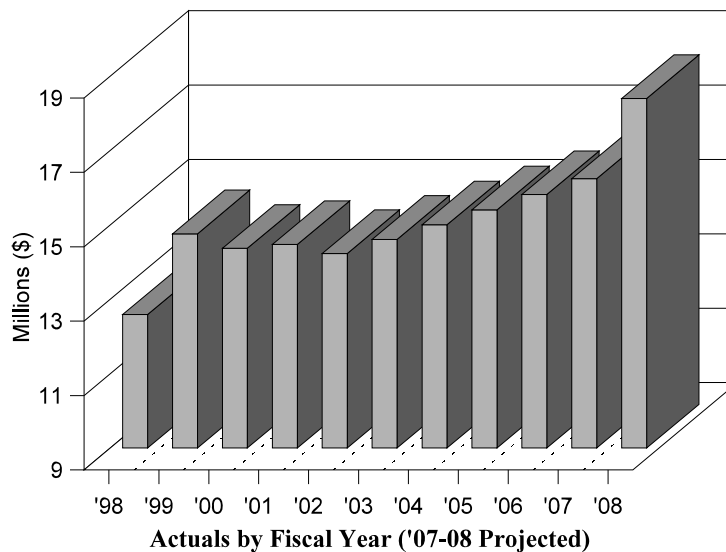
### NEW CASTLE COUNTY SEWER SERVICES

**Basis:** Contract with New Castle County

**Critical Assumption:** The City's contract to provide sewage treatment for New Castle County (NCC) will expire at the end of FY 2007. The fee to NCC for FY 2008 and beyond will have to be negotiated. But, based on forecasted operating costs and the escalation in prices over the last five years that were much greater than the 2.75% annual inflation factor allowed by the previous contract, a new base fee of at least \$18 million for FY 2008 will be requested. This will be an increase of \$2,159,000 over last year's fee. 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 2005 Actual	FY 2006 Actual	FY 2007 Budget	FY 2007 Projected	FY 2008 Budget
\$15,405,124	\$15,818,123	\$16,242,123	\$16,242,123	\$18,401,123

### NCC Sewer Services



# REVENUE PROJECTIONS AND CRITICAL ASSUMPTIONS

## Water/Sewer Fund Revenues Fiscal Year 2008

### INTEREST

**Basis:** Trend analysis/Cash flow analysis

**Critical Assumption:** Previously, all interest earned on City cash balances, regardless of source, was booked as revenue to the General Fund. To help bolster the Water/Sewer Fund, interest revenue now earned on cash produced by Water/Sewer Fund activities (projected to be \$500,000) will be booked as revenue to the Water/Sewer Fund.

FY 2005 Actual	FY 2006 Actual	FY 2007 Budget	FY 2007 Projected	FY 2008 Budget
\$0	\$0	\$0	\$500,000	\$500,000

### RENTALS

**Basis:** Lease/Contracts

**Critical Assumption:** The contract with Veolia for the operation and maintenance of the Wastewater Treatment Plant includes a land rental fee. This, along with water tank rental fees (related to communications transmitters and antennae) will now be booked in the Water/Sewer Fund instead of the General Fund.

FY 2005 Actual	FY 2006 Actual	FY 2007 Budget	FY 2007 Projected	FY 2008 Budget
\$0	\$0	\$0	\$450,000	\$450,000

# REVENUE PROJECTIONS AND CRITICAL ASSUMPTIONS

## Commerce Fund Revenues Fiscal Year 2008

### PORT DEBT REIMBURSEMENT FROM STATE OF DELAWARE

**Critical Assumption:** In FY 2006, the State prepaid the City the entire FY 2007, and most of the FY 2008, amount owed for Debt Reimbursement. Also, see note below.

FY 2005 Actual	FY 2006 Actual	FY 2007 Budget	FY 2007 Projected	FY 2008 Budget
\$4,203,505	\$8,987,339	\$4,162,832	\$0	\$1,124,961

### MISCELLANEOUS

**Critical Assumption:** Gain of \$1,567,500 from sale of Layton Home and other misc. revenue of \$10,088.

FY 2005 Actual	FY 2006 Actual	FY 2007 Budget	FY 2007 Projected	FY 2008 Budget
\$0	\$1,577,588	\$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 and beyond goes to zero.

FY 2005 Actual	FY 2006 Actual	FY 2007 Budget	FY 2007 Projected	FY 2008 Budget
\$1,800,000	\$0	\$0	\$0	\$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 2008**

**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 settlement.

**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 2008**  
(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 and Budget, Integrated Technologies, Communications, and Economic Development.

## SUMMARY OF FUNDING FOR THE MAYOR'S OFFICE

<b>TOTAL ALL FUNDS MAYOR'S OFFICE</b>	<b>ACTUAL FY2005*</b>	<b>ACTUAL FY2006*</b>	<b>BUDGET FY2007*</b>	<b>APPROVED FY2008</b>
Personal Services	3,902,406	3,944,461	4,474,931	4,715,009
Materials, Supplies & Equipment	3,901,163	3,714,031	4,713,685	7,581,144
Internal Services	609,756	682,091	826,157	805,928
Debt Service	873,674	1,315,396	1,338,217	1,591,559
Special Purpose	55,000	124,848	290,000	470,000
Contingent Reserves	0	0	1,463,920	1,000,000
Depreciation	233,000	576,421	181,956	181,956
Capitalization	<u>(204,494)</u>	<u>(160,282)</u>	<u>(181,600)</u>	<u>(413,761)</u>
<b>TOTAL</b>	<b><u>9,370,505</u></b>	<b><u>10,196,966</u></b>	<b><u>13,107,266</u></b>	<b><u>15,931,835</u></b>
<b>STAFFING LEVELS</b>	<b>54.00</b>	<b>55.00</b>	<b>61.00</b>	<b>60.00</b>

<b>GENERAL FUND MAYOR'S OFFICE</b>	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
Personal Services	2,006,261	2,011,611	2,217,879	2,427,694
Materials, Supplies & Equipment	873,733	993,739	1,541,948	2,237,030
Internal Services	458,985	486,189	604,600	577,773
Debt Service	826,620	830,138	906,280	989,894
Special Purpose	<u>55,000</u>	<u>124,848</u>	<u>290,000</u>	<u>470,000</u>
<b>TOTAL</b>	<b><u>4,220,599</u></b>	<b><u>4,446,525</u></b>	<b><u>5,560,707</u></b>	<b><u>6,702,391</u></b>
<b>STAFFING LEVELS</b>	<b>26.543</b>	<b>26.543</b>	<b>27.50</b>	<b>29.50</b>

<b>CONTINGENT RESERVES MAYOR'S OFFICE</b>	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
Contingency	0	0	1,363,920	500,000
Snow & Weather Emergencies	<u>0</u>	<u>0</u>	<u>100,000</u>	<u>500,000</u>
<b>TOTAL</b>	<b><u>0</u></b>	<b><u>0</u></b>	<b><u>1,463,920</u></b>	<b><u>1,000,000</u></b>
<b>STAFFING LEVELS</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

<b>ENTERPRISE COMMUNITY FUND MAYOR'S OFFICE</b>	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
Personal Services	<u>39,118</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>TOTAL</b>	<b><u>39,118</u></b>	<b><u>0</u></b>	<b><u>0</u></b>	<b><u>0</u></b>
<b>STAFFING LEVELS</b>	<b>1.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

<b>U.S. DEPARTMENT OF COMMERCE FUND MAYOR'S OFFICE</b>	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
Personal Services	0	0	0	0
Materials, Supplies & Equipment	<u>57,984</u>	<u>26,225</u>	<u>0</u>	<u>0</u>
<b>TOTAL</b>	<b><u>57,984</u></b>	<b><u>26,225</u></b>	<b><u>0</u></b>	<b><u>0</u></b>
<b>STAFFING LEVELS</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

<b>COMMERCE FUND MAYOR'S OFFICE</b>	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
Personal Services	592,968	569,200	678,175	776,687
Materials, Supplies & Equipment	341,901	191,375	400,261	1,534,277
Internal Services	11,297	14,156	15,814	17,375
Debt Service	<u>0</u>	<u>376,153</u>	<u>281,824</u>	<u>454,313</u>
<b>TOTAL</b>	<b><u>946,166</u></b>	<b><u>1,150,884</u></b>	<b><u>1,376,074</u></b>	<b><u>2,782,652</u></b>
<b>STAFFING LEVELS</b>	<b>8.00</b>	<b>7.00</b>	<b>8.00</b>	<b>9.00</b>

<b>LOCAL EMERGENCY PLANNING COMMITTEE (LEPC) FUND MAYOR'S OFFICE</b>	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
Personal Services	96,318	71,566	48,937	51,055
Materials, Supplies & Equipment	57,725	25,538	0	0
Internal Services	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>TOTAL</b>	<b><u>154,043</u></b>	<b><u>97,104</u></b>	<b><u>48,937</u></b>	<b><u>51,055</u></b>
<b>STAFFING LEVELS</b>	<b>0.457</b>	<b>0.457</b>	<b>0.500</b>	<b>0.500</b>

<b>INTERNAL SERVICES FUNDS MAYOR'S OFFICE</b>	<b>ACTUAL FY2005*</b>	<b>ACTUAL FY2006*</b>	<b>BUDGET FY2007*</b>	<b>APPROVED FY2008</b>
Personal Services	1,167,741	1,292,084	1,529,940	1,459,573
Materials, Supplies & Equipment	2,569,820	2,477,154	2,771,476	3,809,837
Internal Services	139,474	181,746	205,743	210,780
Debt Service	47,054	109,105	150,113	147,352
Depreciation	233,000	576,421	181,956	181,956
Capitalization	<u>(204,494)</u>	<u>(160,282)</u>	<u>(181,600)</u>	<u>(413,761)</u>
<b>TOTAL</b>	<b><u>3,952,595</u></b>	<b><u>4,476,228</u></b>	<b><u>4,657,628</u></b>	<b><u>5,395,737</u></b>
<b>STAFFING LEVELS</b>	<b>18.00</b>	<b>21.00</b>	<b>25.00</b>	<b>21.00</b>

\* In FY 2007, Word Processing, Mail Service, Duplication and Reproduction, and Mapping and Graphics were transferred from Finance to the Mayor's Office. For ease of comparison, the prior years' costs and staffing of the Mayor's Office and Finance Department internal services funds are shown combined (except for Bond Issuance costs). For uncombined staffing levels, see summary of staffing starting on page 49.

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

- Total personal services increased by \$209,815, due to the cumulative effect of COLAs and higher benefit costs, as well as the addition of two new positions. One temporary Mayor's Office Assistant position was converted to a full-time position at a net cost of \$42,706. Additionally, the Webmaster position was moved from City Council into the Mayor's Office at a total cost of \$59,020.
- Project funding in the Mayor's Office increased by \$433,650, to a new total of \$865,000. A majority of the funding (\$500,000) represents the second installment of a three-year commitment to implement the recommendations of the Hope Commission, with funding targeted for youth programming, such as Challenge Grants, as well as economic development activities. Other projects include City beautification, a City promotion and "branding" program, support for the Wilmington Economic Development Corporation, and funding for the City's annual Martin Luther King celebration.
- The Operating Contingency and the Snow & Weather Emergency accounts have been increased to more realistic levels that better reflect past experience. Discounting the special one-time amendment last year by City Council that added \$1,063,920 to cover electricity rate hikes (due to deregulation in Delaware) and some Council initiatives, the Operating Contingency Fund is up \$200,000 from last year, to a new total of \$500,000. The Snow and Weather Emergency account is budgeted at \$500,000, up from \$100,000 last year.
- There is \$415,000 budgeted (an increase of \$180,000) for the Rock Manor Golf Course. \$55,000 is budgeted to cover fixed costs, such as utilities, pensions, and maintenance while the course is closed during the renovations being done as part of the ongoing DELDOT transportation project on Route 202. However, the majority of the funding (\$360,000) will be used to retire all outstanding debt of the Rock Manor Golf Course corporation.
- A total of \$290,600 has been included in one-time grant funding to assist New Castle County. \$116,600 (from last year's surplus designation) will be given to assist the County with the costs of maintaining the Alapocas Ballfields, Canby Park West, and Sellers Park. Grants will also be given to support three libraries, Woodlawn (\$94,000), North Wilmington (\$40,000), and La Biblioteca del Pueblo (\$40,000).
- Miscellaneous Charges in the Office of Emergency Management have been increased by \$10,000 in order to create a contingency fund for use during natural disasters and other emergencies.
- Total General Fund debt service has been increased by \$83,615, due to increases in existing debt service, as well as anticipated new borrowing to fund the FY 2006 Capital Program.

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

- Total personal services increased \$98,512, primarily due to the addition of \$71,203 for a new Economic Development Assistant. This position will identify emerging businesses seeking moderate-cost start-up sites, assist in the planning for an urban industrial park and high-technology incubator program, maintain regular interaction with real estate investment and development firms, and assist in the preparation of statistical reports and presentations.
- Consultant costs have been increased by \$20,164 due to expanded needs in a number of areas, including Mega-Biz Fest, the South Wilmington Redevelopment Authority, and general project management.
- The Small/Minority Business Enterprise Office (SMBEO) is budgeted to receive almost \$70,000 more in funding. The budget increase will be used to expand and improve the annual Mega-Biz Fest event, Disadvantage Business Enterprise (DBE) marketing efforts, DBE and micro-business outreach training, and small business incubator support.
- As part of a greater effort to foster economic development, especially in the area of healthcare services, the Office of Economic Development is granting a total of \$1,000,000 in assistance to St. Francis Hospital and Christiana Care, with each hospital receiving \$500,000. Additionally, \$75,000 has been budgeted to support the Downtown Visions Main Street Program.
- Debt service has been increased by a net \$172,489, due primarily to increases in existing debt service.

**MAJOR FUNDING CHANGES FROM PRIOR YEAR  
INTERNAL SERVICE FUNDS**

- Due to the outsourcing of Data Processing's network management functions, a total of three positions have been eliminated, resulting in a \$242,924 reduction in salaries and benefits. This decrease is partially offset by the effect of COLAs and higher benefit costs, for a net Personal Services decrease of \$70,370. An additional \$426,000 has been added to Consultants in order to outsource network management, resulting in a total net cost increase of \$183,076 for this function.
- Communications has budgeted an additional \$55,087 in Telephone Direct Charge, mainly due to increased costs for cell phones and other wireless devices.
- A net additional \$95,260 for Repairs to Equipment has been added to the Communications division, due to the replacement of radio amplification equipment at seven fire stations (\$56,000), as well as ongoing efforts to convert from analog to digital equipment (\$68,260). Communications has also included an additional \$42,800 in Accessories and Parts for Equipment, largely for the analog to digital conversion.
- Registration Fees in Data Processing has been increased by \$30,000 in order to send staff to a number of technology-related conferences, including the MUNIS conference and Microsoft training.
- The budget for Machinery or Equipment has been increased, on net, by a total of \$252,500. The bulk of this increase, \$145,100, is due to radio purchases for Police and Fire, as well as a digital logging recorder for the Public Safety Dispatch Center. Additionally, Data Processing increased its computer and monitor purchases by \$36,050. Similarly, Other Noncapitalized Equipment in Data Processing increased by \$37,300, due to increases in printer and monitor purchases, as well as the purchase of new training room furniture (\$15,000).



**DEPARTMENTAL BUDGET DETAIL BY FUND**

**DEPARTMENT: OFFICE OF THE MAYOR**

**FUND: GENERAL**

	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
<b><u>PERSONAL SERVICES</u></b>				
Regular Salaries	1,495,444	1,500,234	1,701,553	1,853,193
Temporary Salaries	10,161	13,416	9,000	4,000
Acting Out of Classification	1,992	3,008	0	0
Sick Leave Bonus	150	100	0	0
Overtime/Special Events	130	0	0	0
Internet Reimbursement	765	719	720	1,260
Pension Contribution	164,095	132,180	140,233	155,105
Social Security	91,894	92,949	104,307	113,667
Medicare Tax	21,808	21,758	24,804	26,878
Hospitalization	201,119	231,706	243,605	277,580
Life Insurance	1,539	3,361	8,682	9,637
Pension Healthcare	17,164	12,180	19,251	20,650
Personal Services Adjustment	<u>0</u>	<u>0</u>	<u>(34,276)</u>	<u>(34,276)</u>
<b>TOTAL PERSONAL SERVICES</b>	<b>2,006,261</b>	<b>2,011,611</b>	<b>2,217,879</b>	<b>2,427,694</b>
 <b><u>MATERIALS, SUPPLIES &amp; EQUIPMENT</u></b>				
Printing & Advertising	84,613	92,351	114,238	124,600
Communications & Utilities	1,920	1,145	6,572	6,572
Transportation	21,306	24,031	43,425	41,425
Rentals	3,841	65,813	60,475	48,215
Contracted Maintenance Repairs	2,703	833	3,009	3,009
Professional Fees	120,514	157,084	197,150	145,500
Other Fees	233,717	8,877	20,600	20,600
Memberships & Registrations	23,277	30,011	40,200	41,480
Miscellaneous Services	110,327	91,934	53,250	63,500
Office & General Supplies	6,877	4,631	8,179	8,979
Miscellaneous Parts	73,753	82,289	85,000	103,350
Equipment	12,019	7,967	33,500	14,200
Fixed Assets	448	10,436	0	0
Miscellaneous Projects	46,100	270,662	671,350	1,165,000
Community Activities	<u>132,318</u>	<u>145,675</u>	<u>205,000</u>	<u>450,600</u>
<b>TOTAL M., S. &amp; E.</b>	<b>873,733</b>	<b>993,739</b>	<b>1,541,948</b>	<b>2,237,030</b>
 <b><u>INTERNAL SERVICES</u></b>				
Administrative Services	392,169	462,464	548,294	519,870
Self-Insurance	<u>66,816</u>	<u>23,725</u>	<u>56,306</u>	<u>57,902</u>
<b>TOTAL INTERNAL SERVICES</b>	<b>458,985</b>	<b>486,189</b>	<b>604,600</b>	<b>577,773</b>

## DEPARTMENT: OFFICE OF THE MAYOR

## FUND: GENERAL

<b>DEBT SERVICE</b>	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
Principal Payments	433,276	445,673	446,761	516,231
Interest Payments	<u>393,344</u>	<u>384,465</u>	<u>459,519</u>	<u>473,663</u>
<b>TOTAL DEBT SERVICE</b>	<b>826,620</b>	<b>830,138</b>	<b>906,280</b>	<b>989,894</b>
 <b>SPECIAL PURPOSE</b>				
Wilmington Arts Commission	55,000	52,848	55,000	55,000
Rock Manor Golf Course	<u>0</u>	<u>72,000</u>	<u>235,000</u>	<u>415,000</u>
<b>TOTAL SPECIAL PURPOSE</b>	<b>55,000</b>	<b>124,848</b>	<b>290,000</b>	<b>470,000</b>

## DEPARTMENT: OFFICE OF THE MAYOR

## FUND: CONTINGENT RESERVES

<b>CONTINGENT RESERVES</b>	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
Contingency	0	0	1,363,920	500,000
Snow & Weather Emergencies	<u>0</u>	<u>0</u>	<u>100,000</u>	<u>500,000</u>
<b>CONTINGENT RESERVES TOTAL</b>	<b>0</b>	<b>0</b>	<b>1,463,920</b>	<b>1,000,000</b>
 <b>GENERAL FUND TOTAL</b>				
	<u><b>4,220,599</b></u>	<u><b>4,446,525</b></u>	<u><b>7,024,627</b></u>	<u><b>7,702,391</b></u>

**DEPARTMENT: OFFICE OF THE MAYOR**

**FUND: ENTERPRISE COMMUNITY**

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
Regular Salaries	30,188	0	0	0
Temporary Salaries	0	0	0	0
Internet Reimbursements	0	0	0	0
Pension Contribution	1,377	0	0	0
Social Security	2,205	0	0	0
Medicare Tax	437	0	0	0
Hospitalization	4,911	0	0	0
Life Insurance	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>TOTAL PERSONAL SERVICES</b>	<b>39,118</b>	<b>0</b>	<b>0</b>	<b>0</b>
 <b>ENTERPRISE COMMUNITY FUND</b>				
<b>TOTAL</b>	<u><b>39,118</b></u>	<u><b>0</b></u>	<u><b>0</b></u>	<u><b>0</b></u>

**DEPARTMENT: OFFICE OF THE MAYOR**

**FUND: U.S. DEPT. COMMERCE**

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
Regular Salaries	0	0	0	0
Pension Contribution	0	0	0	0
Social Security	0	0	0	0
Hospitalization	0	0	0	0
Medicare Tax	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>TOTAL PERSONAL SERVICES</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
 <b>MATERIALS, SUPPLIES, &amp; EQUIPMENT</b>				
Printing & Advertising	3,367	0	0	0
Communications and Utilities	68	0	0	0
Transportation	0	1,892	0	0
Professional Fees	54,390	24,333	0	0
Memberships & Registrations	0	0	0	0
Miscellaneous Supplies	159	0	0	0
Fixed Assets	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>TOTAL M., S., &amp; E.</b>	<b>57,984</b>	<b>26,225</b>	<b>0</b>	<b>0</b>
 <b>U.S. DEPT. COMMERCE FUND</b>				
<b>TOTAL</b>	<u><b>57,984</b></u>	<u><b>26,225</b></u>	<u><b>0</b></u>	<u><b>0</b></u>

## DEPARTMENT: OFFICE OF THE MAYOR

## FUND: COMMERCE

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
Regular Salaries	430,162	414,512	503,792	571,377
Acting Out of Classification	1,015	0	0	0
Internet Reimbursements	0	0	0	1,200
Pension Contribution	52,398	41,058	45,196	46,248
Social Security	26,436	25,492	30,944	35,467
Medicare Tax	6,207	5,962	7,306	8,295
Hospitalization	71,035	78,020	82,762	104,829
Life Insurance	764	799	2,574	2,971
Pension Healthcare	<u>4,951</u>	<u>3,357</u>	<u>5,601</u>	<u>6,300</u>
<b>TOTAL PERSONAL SERVICES</b>	<b>592,968</b>	<b>569,200</b>	<b>678,175</b>	<b>776,687</b>
 <b><u>MATERIALS, SUPPLIES &amp; EQUIPMENT</u></b>				
Printing & Advertising	59,495	56,877	87,800	90,500
Communications & Utilities	315	632	2,100	250
Transportation	2,975	3,471	10,000	11,500
Rentals	5,000	0	17,040	15,000
Contracted Maintenance Repairs	13,726	0	246	197
Professional Fees	223,225	84,846	219,836	237,500
Memberships & Registrations	4,766	6,311	11,500	12,950
Miscellaneous Services	535	12,504	14,639	0
Office & General Supplies	1,345	965	4,100	5,780
Miscellaneous Materials	329	2,554	2,000	4,100
Equipment	75	215	1,000	0
Fixed Assets	202	0	0	1,500
Community Activities	23,000	23,000	30,000	1,105,000
Miscellaneous Projects	<u>6,913</u>	<u>0</u>	<u>0</u>	<u>50,000</u>
<b>TOTAL M., S. &amp; E.</b>	<b>341,901</b>	<b>191,375</b>	<b>400,261</b>	<b>1,534,277</b>
 <b><u>INTERNAL SERVICES</u></b>				
Administrative Services	10,229	11,222	14,750	13,080
Self-Insurance	<u>1,068</u>	<u>2,934</u>	<u>1,064</u>	<u>4,295</u>
<b>TOTAL INTERNAL SERVICES</b>	<b>11,297</b>	<b>14,156</b>	<b>15,814</b>	<b>17,375</b>
 <b><u>DEBT SERVICE</u></b>				
Principal Payments	0	271,924	87,570	342,590
Interest Payments	<u>0</u>	<u>104,229</u>	<u>194,254</u>	<u>111,723</u>
<b>TOTAL DEBT SERVICE</b>	<b>0</b>	<b>376,153</b>	<b>281,824</b>	<b>454,313</b>
 <b>COMMERCE FUND TOTAL</b>	 <b><u>946,166</u></b>	 <b><u>1,150,884</u></b>	 <b><u>1,376,074</u></b>	 <b><u>2,782,652</u></b>

**DEPARTMENT: OFFICE OF THE MAYOR**

**FUND: EMERGENCY MANAGEMENT & SPC**

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
Regular Salaries	74,977	59,537	37,695	39,587
Overtime	1,974	0	0	0
Pension Contribution	364	(953)	3,317	3,167
Social Security	4,890	3,538	2,337	2,417
Medicare Tax	1,144	1,036	547	565
Hospitalization	12,786	8,182	4,498	4,763
Life Insurance	129	226	193	206
Pension Healthcare	<u>54</u>	<u>0</u>	<u>350</u>	<u>350</u>
<b>TOTAL PERSONAL SERVICES</b>	<b>96,318</b>	<b>71,566</b>	<b>48,937</b>	<b>51,055</b>
 <b><u>MATERIALS, SUPPLIES &amp; EQUIPMENT</u></b>				
Printing & Advertising	8,024	1,605	0	0
Communications & Utilities	322	92	0	0
Transportation	0	0	0	0
Rentals	0	0	0	0
Contracted Maintenance	0	2,997	0	0
Other Fees	0	0	0	0
Professional Fees	3,525	11,623	0	0
Memberships & Registrations	15,950	0	0	0
Miscellaneous Services	0	0	0	0
Office & General Supplies	5,358	870	0	0
Wearing Apparel and Safety	0	1,074	0	0
Miscellaneous Materials	8,740	7,277	0	0
Fixed Assets	15,806	0	0	0
Equipment	0	0	0	0
Miscellaneous Projects	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>TOTAL M., S. &amp; E.</b>	<b>57,725</b>	<b>25,538</b>	<b>0</b>	<b>0</b>
 <b><u>INTERNAL SERVICES</u></b>				
Administrative Services	0	0	0	0
Self-Insurance	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>TOTAL INTERNAL SERVICES</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
 <b>EMERGENCY MANAGEMENT &amp; SPC FUND TOTAL</b>				
	<b><u>154,043</u></b>	<b><u>97,104</u></b>	<b><u>48,937</u></b>	<b><u>51,055</u></b>

## DEPARTMENT: OFFICE OF THE MAYOR

## FUND: INTERNAL SERVICES

<u>PERSONAL SERVICES</u>	<u>ACTUAL FY2005</u>	<u>ACTUAL FY2006</u>	<u>BUDGET FY2007</u>	<u>APPROVED FY2008</u>
Regular Salaries	861,021	921,168	1,099,643	1,040,318
Temporary Salaries	1,634	2,853	0	0
Acting Out of Class	1,315	0	0	0
Sick Leave Bonus	1,150	1,500	0	0
Overtime	0	952	0	0
Internet Reimbursements	895	855	1,620	0
Pension Contribution	72,077	94,196	114,675	110,922
Social Security	53,531	58,526	68,177	64,376
Medicare Tax	12,534	13,684	15,947	15,056
Hospitalization	159,223	167,502	208,170	208,804
Life Insurance	1,913	2,281	5,607	5,397
Pension Healthcare	1,320	8,789	16,101	14,700
Accrued Sick/Vacation	<u>1,128</u>	<u>19,774</u>	<u>0</u>	<u>0</u>
<b>TOTAL PERSONAL SERVICES</b>	<b>1,167,741</b>	<b>1,292,084</b>	<b>1,529,940</b>	<b>1,459,573</b>
 <b><u>MATERIALS, SUPPLIES &amp; EQUIPMENT</u></b>				
Printing & Advertising	61,534	88,812	163,255	185,810
Communications & Utilities	842,346	733,413	891,817	963,342
Transportation	1,935	4,080	16,615	16,615
Rentals of Office Equipment	124,770	113,953	170,000	148,000
Contracted Maintenance Repairs	132,182	197,089	248,099	380,937
Professional Fees	156,459	143,098	25,000	541,000
Other Fees	360	1,898	2,000	2,000
Memberships & Registrations	38,742	18,549	19,729	49,629
Miscellaneous Services	299,591	274,521	338,412	289,189
Office & General Supplies	109,413	136,352	139,181	157,532
Uniforms & Related Equipment	0	1,810	2,100	2,100
Miscellaneous Parts	47,255	64,270	100,368	136,712
Equipment	28,089	266,009	23,600	64,200
Fixed Assets	<u>727,144</u>	<u>433,300</u>	<u>631,300</u>	<u>872,771</u>
<b>TOTAL M., S. &amp; E.</b>	<b>2,569,820</b>	<b>2,477,154</b>	<b>2,771,476</b>	<b>3,809,837</b>
 <b><u>INTERNAL SERVICES</u></b>				
Administrative Services	127,330	176,686	193,455	198,115
Self-Insurance	<u>12,144</u>	<u>5,060</u>	<u>12,288</u>	<u>12,665</u>
<b>TOTAL INTERNAL SERVICES</b>	<b>139,474</b>	<b>181,746</b>	<b>205,743</b>	<b>210,780</b>

## DEPARTMENT: OFFICE OF THE MAYOR

## FUND: INTERNAL SERVICES

	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
<b>DEBT SERVICE</b>				
Amortization	0	2,320	0	29,773
Interest Payments	<u>47,054</u>	<u>106,785</u>	<u>150,113</u>	<u>117,579</u>
<b>TOTAL DEBT SERVICE</b>	<b>47,054</b>	<b>109,105</b>	<b>150,113</b>	<b>147,352</b>
<b>OTHER</b>				
Capitalized Expenditures	(204,494)	(160,282)	(181,600)	(413,761)
Depreciation	<u>233,000</u>	<u>576,421</u>	<u>181,956</u>	<u>181,956</u>
<b>TOTAL OTHER</b>	<b>28,506</b>	<b>416,139</b>	<b>356</b>	<b>(231,805)</b>
<b>INTERNAL SERVICES FUND TOTAL</b>	<b><u>3,952,595</u></b>	<b><u>4,476,228</u></b>	<b><u>4,657,628</u></b>	<b><u>5,395,737</u></b>





# CITY COUNCIL

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

Coming under the auspices of City Council, 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.

<b>PRIORITIES FOR FISCAL YEAR 2008</b>
<ul style="list-style-type: none"> <li>• 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.</li> </ul>

## SUMMARY OF FUNDING FOR CITY COUNCIL

<b>GENERAL FUND CITY COUNCIL</b>	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
Personal Services	1,477,868	1,557,093	1,560,813	1,556,017
Materials, Supplies & Equipment	339,205	373,097	530,211	696,100
Internal Services	121,851	184,691	157,003	213,828
Debt Service	17,979	19,249	31,292	19,240
Special Purpose	<u>104,637</u>	<u>116,922</u>	<u>143,000</u>	<u>170,000</u>
<b>TOTAL</b>	<b><u>2,061,540</u></b>	<b><u>2,251,052</u></b>	<b><u>2,422,319</u></b>	<b><u>2,655,185</u></b>
<b>STAFFING LEVELS</b>	<b>29.00</b>	<b>29.00</b>	<b>29.00</b>	<b>29.00</b>

## MAJOR FUNDING CHANGES FROM PRIOR YEAR

- Largely due to the cumulative effect of COLA's and higher employee benefit costs, Personal Services increased \$54,224. This includes \$18,905 in salary adjustments based on staff performance.
- The Webmaster position previously under City Council's Cable and Communications Division was transferred to the Mayor's Office. \$59,020 was added to the Division's Consultants account, offsetting savings from the transfer of this position.
- Internal Services rose \$56,824 due primarily to increases in Data Processing costs (\$20,368) associated with the ongoing MUNIS system conversion, Word processing costs (\$7,626), Mapping and Graphics (\$15,822), and Motor Vehicle expenses (\$9,954) due to higher fuel costs.
- Miscellaneous charges rose \$39,092 to include \$66,000 for Council discretionary funds, \$188,500 for Council initiated projects, and \$30,000 for Council supported community activities.
- The grant to the Wilmington Institute Free Library increased \$27,000 to help offset rising operating and maintenance costs.

**DEPARTMENTAL BUDGET DETAIL BY FUND**

**DEPARTMENT: CITY COUNCIL**

**FUND: GENERAL**

	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY 2008</b>
<b><u>PERSONAL SERVICES</u></b>				
Regular Salaries	1,089,540	1,137,088	1,217,059	1,200,198
Temporary Salaries	15,273	34,824	31,578	30,520
Sick Leave Bonus	150	0	0	0
Internet Reimbursements	1,125	720	1,980	2,700
Pension Contribution	120,479	86,407	69,917	70,109
Social Security	67,814	72,019	77,342	73,704
Medicare Tax	15,860	16,844	18,089	17,237
Hospitalization	145,278	192,370	188,617	187,096
Life Insurance	2,396	2,996	6,110	6,129
Pension Healthcare	19,953	13,825	20,302	19,600
Personal Services Adjustment	<u>0</u>	<u>0</u>	<u>(70,181)</u>	<u>(51,276)</u>
<b>TOTAL PERSONAL SERVICES</b>	<b>1,477,868</b>	<b>1,557,093</b>	<b>1,560,813</b>	<b>1,556,017</b>
<b><u>MATERIALS, SUPPLIES &amp; EQUIPMENT</u></b>				
Printing & Advertising	12,424	12,864	21,400	21,400
Transportation	9,065	16,611	18,000	0
Rentals	1,200	1,585	2,400	4,000
Contracted Maintenance Repairs	14,695	16,565	22,500	22,500
Professional Fees	2,300	0	43,000	109,020
Memberships & Registrations	10,521	27,265	37,100	40,100
Miscellaneous Services	73,505	99,416	262,928	20,520
Office & General Supplies	9,671	8,152	10,000	10,000
Wearing Apparel & Safety	2,290	1,457	1,739	1,000
Miscellaneous Parts	16,871	32,424	31,596	32,060
Equipment	2,865	9,227	5,776	2,000
Fixed Assets	39,913	29,625	32,272	35,000
Community Activities	<u>143,885</u>	<u>117,906</u>	<u>41,500</u>	<u>398,500</u>
<b>TOTAL M., S. &amp; E.</b>	<b>339,205</b>	<b>373,097</b>	<b>530,211</b>	<b>696,100</b>
<b><u>INTERNAL SERVICES</u></b>				
Administrative Services	101,667	175,555	141,732	198,086
Self-Insurance	<u>20,184</u>	<u>9,136</u>	<u>15,271</u>	<u>15,742</u>
<b>TOTAL INTERNAL SERVICES</b>	<b>121,851</b>	<b>184,691</b>	<b>157,003</b>	<b>213,828</b>

## DEPARTMENT: CITY COUNCIL

## FUND: GENERAL

<b>DEBT SERVICE</b>	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
Principal Payments	10,281	11,047	21,746	12,069
Interest Payments	<u>7,698</u>	<u>8,202</u>	<u>9,546</u>	<u>7,171</u>
<b>TOTAL DEBT SERVICE</b>	<b>17,979</b>	<b>19,249</b>	<b>31,292</b>	<b>19,240</b>
<b><u>SPECIAL PURPOSE</u></b>				
Wilmington Institute Free Library	64,000	64,000	73,000	100,000
Other	<u>40,637</u>	<u>52,922</u>	<u>70,000</u>	<u>70,000</u>
<b>TOTAL SPECIAL PURPOSE</b>	<b>104,637</b>	<b>116,922</b>	<b>143,000</b>	<b>170,000</b>
<b>GENERAL FUND TOTAL</b>	<b><u>2,061,540</u></b>	<b><u>2,251,052</u></b>	<b><u>2,422,319</u></b>	<b><u>2,655,185</u></b>

# CITY TREASURER

The City Treasurer has been entrusted to serve as the custodian of all City funds on deposit in various operating accounts. To meet these custodial duties the Treasurer must actively and effectively manage the funds in a prudent manner. This involves the management of the City's cash 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.

<b>PRIORITIES FOR FISCAL YEAR 2008</b>
<ul style="list-style-type: none"> <li>To improve the City's overall Debt Management Program and the City's debt position through the use of the new MUNIS system.</li> <li>To further automate bank reconciliation processes in order to enhance the accuracy and timeliness of completed reconciliations.</li> <li>To complete work necessary for compliance with GASB pronouncement #45, which includes requirements on Other Post-Employment Benefits (OPEB).</li> </ul>

## SUMMARY OF FUNDING FOR CITY TREASURER

<b>TOTAL ALL FUNDS CITY TREASURER</b>	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
Personal Services	1,427,182	1,173,034	579,873	607,432
Materials, Supplies & Equipment	856,387	864,196	1,063,091	1,063,356
Internal Services	75,982	122,313	98,293	142,310
Other	<u>440,937</u>	<u>362,295</u>	<u>785,750</u>	<u>785,750</u>
<b>TOTAL</b>	<b><u>2,800,488</u></b>	<b><u>2,521,838</u></b>	<b><u>2,527,007</u></b>	<b><u>2,598,848</u></b>
<b>STAFFING LEVELS</b>	<b>6.00</b>	<b>7.00</b>	<b>7.00</b>	<b>7.00</b>

<b>GENERAL FUND CITY TREASURER</b>	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
Personal Services	266,391	285,323	282,166	296,598
Materials, Supplies & Equipment	28,955	24,305	23,970	29,195
Internal Services	<u>57,285</u>	<u>81,390</u>	<u>72,869</u>	<u>93,407</u>
<b>TOTAL</b>	<b><u>352,631</u></b>	<b><u>391,018</u></b>	<b><u>379,005</u></b>	<b><u>419,200</u></b>
<b>STAFFING LEVELS</b>	<b>2.92</b>	<b>3.42</b>	<b>3.42</b>	<b>3.42</b>

<b>PENSION TRUSTS FUNDS CITY TREASURER</b>	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
Personal Services	1,160,791	887,711	297,707	310,834
Materials, Supplies & Equipment	827,432	839,891	1,039,121	1,034,161
Internal Services	18,697	40,923	25,424	48,903
Other	<u>440,937</u>	<u>362,295</u>	<u>785,750</u>	<u>785,750</u>
<b>TOTAL</b>	<b><u>2,447,857</u></b>	<b><u>2,130,820</u></b>	<b><u>2,148,002</u></b>	<b><u>2,179,648</u></b>
<b>STAFFING LEVELS</b>	<b>3.08</b>	<b>3.58</b>	<b>3.58</b>	<b>3.58</b>

#### MAJOR FUNDING CHANGES FROM PRIOR YEAR

- Largely due to the cumulative effect of COLA's and higher employee benefit costs, Personal Services increased \$27,560 (\$14,433 General Fund, \$13,127 Pension Funds). Additionally, the Department has increased its Personal Services Adjustment to \$4,798 (\$2,176 General Fund, \$2,622 Pension Funds) in order to provide salary adjustments to a number of exempt classified staff.
- Internal Services rose by a total of \$44,018 (\$20,538 General Fund, \$23,480 Pension Funds) primarily due to the rise in Data Processing (reflecting the cost of the ongoing MUNIS system conversion), Postage (due to increases in the U.S. postage rates), and Motor Vehicle Costs (attributable to rising fuel costs).
- Fees N.O.C. increased \$5,405 in the General Fund mainly due to a \$4,000 increase in service fees from Standard and Poor's and an additional \$1,000 for the cost of the City Treasurer Office's participation in public events.
- Professional fees in the Pension Funds decreased by a net \$5,253. This includes a \$68,753 decrease in consultant fees, which combines the actuary, pension statement advisement and valuation, and pension healthcare consultations. These services are rendered on a bi-annual basis, last performed during Fiscal Year 2007. The net decrease also included \$9,000 in Accounting fees for the annual audit and reconciliations. Offsetting increases include \$75,000 in Trustee Fees for commission on well performing Pension Fund investments.

**CITY TREASURER  
PERFORMANCE INDICATORS**

**Goal #1:** Enhanced overall pension administration.

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

*Goal #1 corresponds to the City's Strategic Plan, Policy Statements 1-A and 1-B on page 18.*

CRITICAL INDICATOR	FY 2006 PROJECTED	FY2006 ACTUAL	FY 2007 PROJECTED	FY2007 ACTUAL	FY 2008 PROJECTED
Number of Reports Given to Each Pension Board	10	10	10	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 18.*

CRITICAL INDICATOR	FY2006 PROJECTED	FY 2006 ACTUAL	FY 2007 PROJECTED	FY 2007 ACTUAL	FY2008 PROJECTED
Percentage of Accounts Reconciled Per Month	90%	80%	85%	85%	85%

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

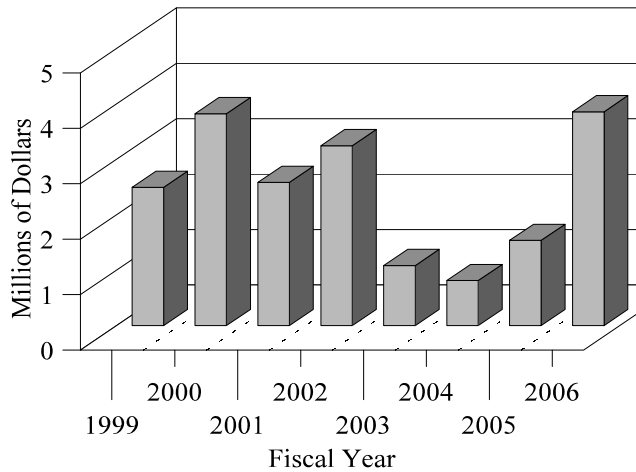
**Objective:** Decrease unfunded liability to \$105 million.

*Goal #3 corresponds to the City's Strategic Plan, Policy Statement 1-A on page 18.*

CRITICAL INDICATOR	FY 2006 PROJECTED	FY 2006 ACTUAL	FY 2007 PROJECTED	FY 2007 ACTUAL	FY 2008 PROJECTED
Unfunded Liability (in \$ millions)	\$80	\$111	\$108	\$108	\$105

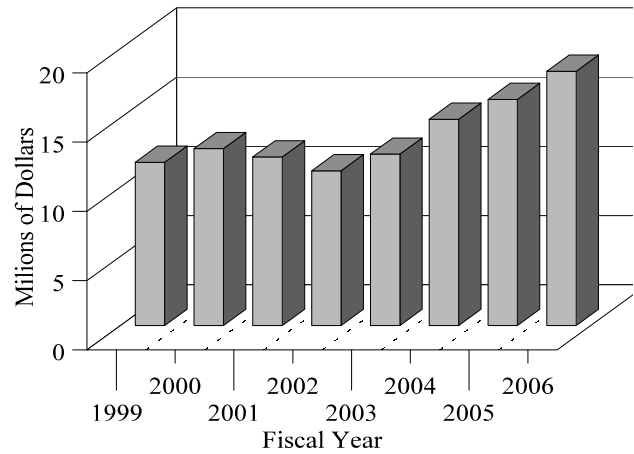
# City Treasurer Performance Trends

## General Fund Investment Income



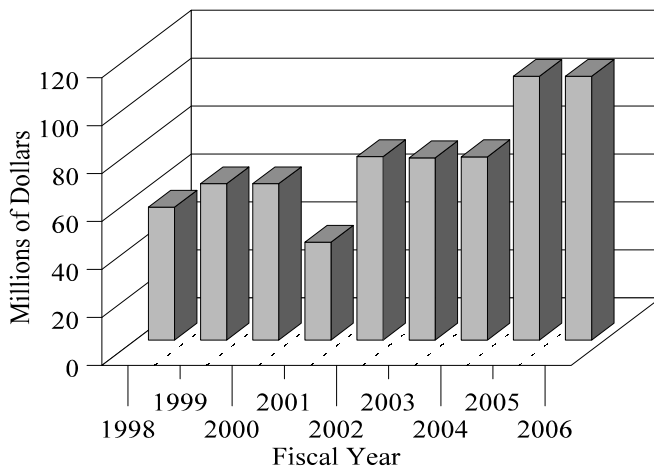
Prudent cash management and investment policies have enabled the City Treasurer to earn an average of just over \$1.8 million per year since FY 2001. Much lower interest rates and delayed capital borrowing were responsible for the declines in FY 2003 and FY 2004, although additional revenues and a return to the bond market for capital borrowing helped increase interest earnings for FY 2005 and FY 2006.

## Deferred Compensation Fund



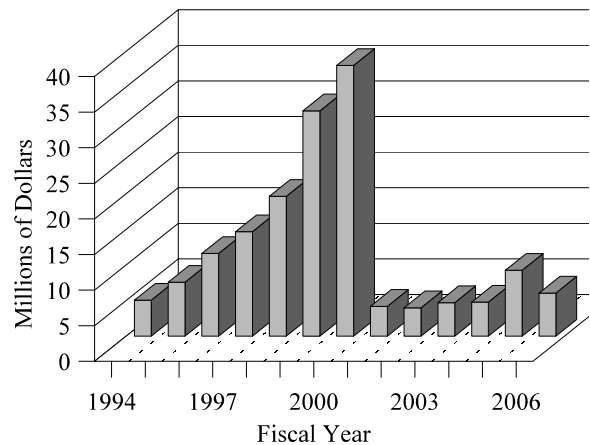
The City's Deferred Compensation plan is available on a voluntary basis to employees who wish to supplement their retirement income by investing a portion of their current earnings on a tax deferred basis. The fund has increased by 51% in the last five years.

## Unfunded Pension Liability



The level of Unfunded Pension Liability and the City's record of paying the actuarially determined Annual Required Contribution (ARC) are two measures of the relative strength or weakness of a particular pension fund. The Unfunded Pension Liability increased dramatically in FY 2005 due to an actuarial study that tested the original 1979 assumptions. While adjustments were made to the assumptions, the City's ability and willingness to fund the ARC remain ongoing.

## 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. Even with the dramatic fall in stock market prices in FY 2001 and subsequent market adjustments, the City has been able to minimize losses during these down years. The market continued to rebound in FY 2006, as reflected in the earnings for that year.



**DEPARTMENTAL BUDGET DETAIL BY FUND**

**DEPARTMENT: CITY TREASURER**

**FUND: GENERAL**

	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
<b><u>PERSONAL SERVICES</u></b>				
Regular Salaries	186,932	206,974	207,612	217,368
Sick Leave Bonus	100	0	0	0
Internet Reimbursement	391	458	390	0
Pension Contribution	35,632	26,876	29,383	32,444
Social Security	11,339	12,658	12,597	13,204
Medicare Tax	2,689	2,997	3,011	3,133
Hospitalization	26,843	33,491	30,577	32,405
Life Insurance	328	427	1,062	1,130
Pension Healthcare	2,137	1,442	2,394	2,394
Personal Services Adjustment	<u>0</u>	<u>0</u>	<u>(4,860)</u>	<u>(5,480)</u>
<b>TOTAL PERSONAL SERVICES</b>	<b>266,391</b>	<b>285,323</b>	<b>282,166</b>	<b>296,598</b>
<b><u>MATERIALS, SUPPLIES &amp; EQUIPMENT</u></b>				
Printing & Advertising	498	498	400	320
Transportation	0	1,710	2,100	2,100
Professional Fees	13,576	367	0	0
Other Fees	13,894	17,403	19,625	25,030
Memberships & Registrations	682	831	1,345	1,345
Office & General Supplies	600	397	500	400
Equipment	(295)	1,090	0	0
Fixed Assets	<u>0</u>	<u>2,009</u>	<u>0</u>	<u>0</u>
<b>TOTAL M., S. &amp; E.</b>	<b>28,955</b>	<b>24,305</b>	<b>23,970</b>	<b>29,195</b>
<b><u>INTERNAL SERVICES</u></b>				
Administrative Services	49,176	77,106	68,016	88,373
Self-Insurance	<u>8,109</u>	<u>4,284</u>	<u>4,853</u>	<u>5,034</u>
<b>TOTAL INTERNAL SERVICES</b>	<b>57,285</b>	<b>81,390</b>	<b>72,869</b>	<b>93,407</b>
<b>GENERAL FUND TOTAL</b>	<b><u>352,631</u></b>	<b><u>391,018</u></b>	<b><u>379,005</u></b>	<b><u>419,200</u></b>

## DEPARTMENT: CITY TREASURER

## FUND: PENSION TRUSTS

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
Regular Salaries	197,989	217,655	223,860	234,384
Temporary Salaries	0	0	0	0
Acting out of Classification	0	0	0	0
Internet Reimbursement	149	337	331	330
Accrued Vacation Pay	1,461	511	0	0
Pension Contribution	13,100	21,750	23,531	23,949
Social Security	12,105	13,369	13,604	14,217
Medicare Tax	2,877	3,163	3,247	3,370
Hospitalization	29,131	31,097	28,546	30,269
Life Insurance	348	437	1,143	1,219
Pension Healthcare	902,276	2,636	2,506	2,506
Pensions	1,355	596,756	0	0
Personal Services Adjustment	<u>0</u>	<u>0</u>	<u>939</u>	<u>590</u>
<b>TOTAL PERSONAL SERVICES</b>	<b>1,160,791</b>	<b>887,711</b>	<b>297,707</b>	<b>310,834</b>
 <b><u>MATERIALS, SUPPLIES &amp; EQUIPMENT</u></b>				
Printing & Advertising	0	242	790	634
Transportation	2,715	2,760	4,000	4,500
Rentals	0	0	153	122
Repairs to Equipment	0	0	335	267
Professional Fees	803,627	794,715	1,017,500	1,012,247
Other Fees	14,311	32,016	12,500	12,500
Memberships & Registrations	1,865	1,451	2,815	2,815
Office & General Supplies	436	502	720	576
Miscellaneous Parts	152	368	308	500
Equipment	<u>4,326</u>	<u>7,837</u>	<u>0</u>	<u>0</u>
<b>TOTAL M.S. &amp; E.</b>	<b>827,432</b>	<b>839,891</b>	<b>1,039,121</b>	<b>1,034,161</b>
 <b><u>INTERNAL SERVICES</u></b>				
Administrative Services	17,100	40,580	24,431	47,875
Self-Insurance	<u>1,597</u>	<u>343</u>	<u>993</u>	<u>1,028</u>
<b>TOTAL INTERNAL SERVICES</b>	<b>18,697</b>	<b>40,923</b>	<b>25,424</b>	<b>48,903</b>
 <b><u>OTHER</u></b>				
Self Insurance Costs	<u>440,937</u>	<u>362,295</u>	<u>785,750</u>	<u>785,750</u>
<b>TOTAL OTHER</b>	<b>440,937</b>	<b>362,295</b>	<b>785,750</b>	<b>785,750</b>
 <b>PENSION TRUSTS FUNDS TOTAL</b>	 <b><u>2,447,857</u></b>	 <b><u>2,130,820</u></b>	 <b><u>2,148,002</u></b>	 <b><u>2,179,648</u></b>

# 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 2008

- 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.
- Update the urban renewal plan for the South Walnut Street Area.
- Update the Comprehensive Development Plans for the Delaware Avenue/Bancroft Parkway and Westside Analysis Areas.
- Implement zoning recommendations as included in the Delaware Avenue/Bancroft Parkway Comprehensive Plan and the South Walnut Street Urban Renewal Plans.
- Implement the recommendations of the Strategic Area Management Plan (SAMP) for the Southbridge community in cooperation with the State and the community.
- Complete a design guideline manual as a reference document for the Department, the Design Review and Preservation Commission, and property owners.
- Address zoning issues through formal amendments to the Zoning Code and/or map, before land use conflicts arise.
- Complete the scope of work for the Historic Preservation Planning Grant.
- Continue timely responses to City Council requests for rezoning analyses, land use studies and other planning related projects.

**SUMMARY OF FUNDING FOR THE DEPARTMENT OF PLANNING**

<b>TOTAL ALL FUNDS DEPARTMENT OF PLANNING</b>	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
Personal Services	802,639	836,346	861,027	947,597
Materials, Supplies & Equipment	62,085	27,569	58,027	98,126
Internal Services	251,962	261,946	325,019	315,663
Debt Service	<u>204,535</u>	<u>177,071</u>	<u>188,987</u>	<u>224,189</u>
<b>TOTAL</b>	<b><u>1,321,221</u></b>	<b><u>1,302,932</u></b>	<b><u>1,433,060</u></b>	<b><u>1,585,575</u></b>
<b>STAFFING LEVELS</b>	<b>10.00</b>	<b>11.00</b>	<b>11.00</b>	<b>11.00</b>

<b>GENERAL FUND DEPARTMENT OF PLANNING</b>	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
Personal Services	755,427	798,340	815,783	888,229
Materials, Supplies & Equipment	60,715	26,219	56,100	98,126
Internal Services	238,911	240,487	325,019	315,663
Debt Service	<u>204,535</u>	<u>177,071</u>	<u>188,987</u>	<u>224,189</u>
<b>TOTAL</b>	<b><u>1,259,588</u></b>	<b><u>1,242,117</u></b>	<b><u>1,385,889</u></b>	<b><u>1,526,207</u></b>
<b>STAFFING LEVELS</b>	<b>9.60</b>	<b>10.60</b>	<b>10.60</b>	<b>10.60</b>

<b>COMMUNITY DEVELOPMENT BLOCK GRANT FUND (CDBG) DEPARTMENT OF PLANNING</b>	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
Personal Services	47,212	38,006	45,244	59,368
Materials, Supplies & Equipment	1,370	1,350	1,927	0
Internal Services	<u>13,051</u>	<u>21,459</u>	<u>0</u>	<u>0</u>
<b>TOTAL</b>	<b><u>61,633</u></b>	<b><u>60,815</u></b>	<b><u>47,171</u></b>	<b><u>59,368</u></b>
<b>STAFFING LEVELS</b>	<b>0.40</b>	<b>0.40</b>	<b>0.40</b>	<b>0.40</b>

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

- Temporary Salaries have been increased by almost \$22,000. This increase will allow for the hiring of a summer intern and will also offset an expected decrease in the State Preservation Planning Grant.
- An almost \$42,000 increase in Professional Fees will be used to hire a consultant to update the guidelines for the Waterfront and Historic Preservation Districts.
- Debt Service costs have risen \$35,000 as a result of the structure of the existing debt service schedules.

### **CDBG FUND MAJOR FUNDING CHANGES FROM PRIOR YEAR**

- Total CDBG Funding includes an additional \$14,000 in Temporary Salaries to offset the loss of other grant funds.
- No CDBG funds have been allocated for M. S. & E. in the Planning Department this year. Costs previously budgeted in CDBG have been re-allocated to the General Fund.

## 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 18.*

CRITICAL INDICATOR	FY 2006 PROJECTED	FY 2006 ACTUAL	FY 2007 PROJECTED	FY 2007 ACTUAL	FY 2008 PROJECTED
Special Projects	17	18	18	17	15
Neighborhood Notebooks	1	1	3	1	2
Comprehensive Plans	1	1	1	0	2

## 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 18.*

CRITICAL INDICATOR	FY 2006 PROJECTED	FY 2006 ACTUAL	FY 2007 PROJECTED	FY 2007 ACTUAL	FY 2008 PROJECTED
Environmental and 106 Reviews	500	517	500	401	450
Planning Commission and Design Review Cases (includes internal reviews)	350	327	325	387	350
Other Site Plan Reviews (Curb Cuts, ETAP, Waterfront, Subdivisions & Demolitions)	80	126	110	102	105

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

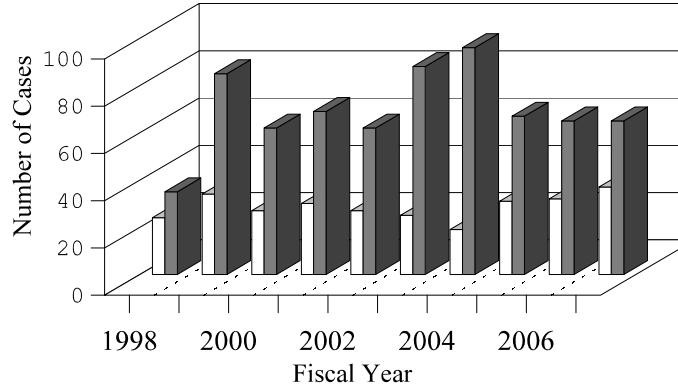
**Objective:** Complete economic development and special planning projects that will promote development in the City.

*Goal #3 corresponds to the City's Strategic Plan, Policy Statements 1-B, 1-C, and 2-F on page 18.*

CRITICAL INDICATOR	FY 2006 PROJECTED	FY 2006 ACTUAL	FY 2007 PROJECTED	FY 2007 ACTUAL	FY2008 PROJECTED
Economic Development Projects	5	5	5	8	5
Special Planning Projects	12	12	12	11	10

# Department of Planning Performance Trends

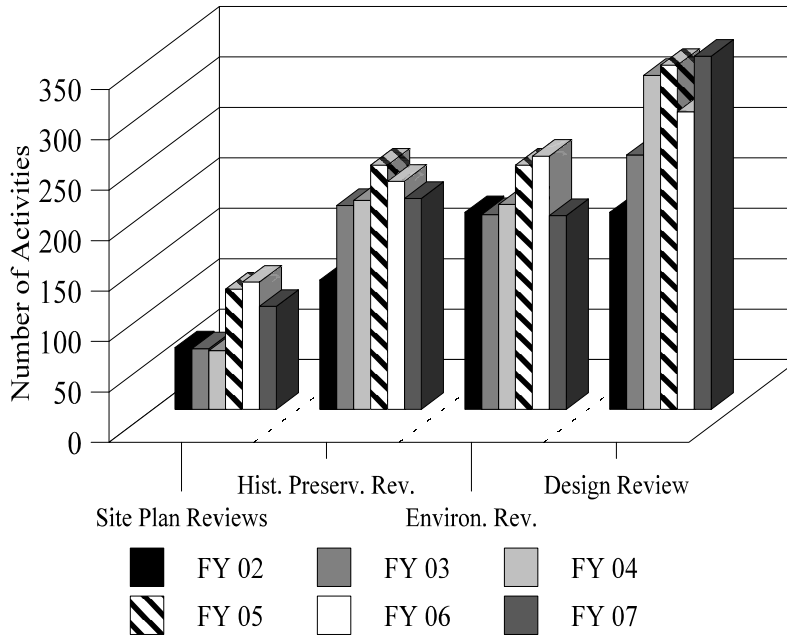
## Commission Activities



- Planning Commission Cases
- Design Review & Preservation Cases

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

## Planning Activities



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**

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
Regular Salaries	542,680	576,211	613,230	642,614
Temporary Salaries	20,621	18,395	20,000	41,854
Acting Out of Class	0	1,030	370	400
Overtime	0	659	0	300
Internet Reimbursements	540	180	540	500
Pension Contribution	69,327	56,787	45,816	53,589
Social Security	34,896	36,903	39,283	39,566
Medicare Tax	8,161	8,631	9,188	9,253
Hospitalization	71,409	93,717	86,457	99,047
Life Insurance	1,024	1,153	3,134	3,342
Pension Healthcare	6,769	4,674	7,421	7,420
Personal Services Adjustment	<u>0</u>	<u>0</u>	<u>(9,656)</u>	<u>(9,656)</u>
<b>TOTAL PERSONAL SERVICES</b>	<b>755,427</b>	<b>798,340</b>	<b>815,783</b>	<b>888,229</b>
 <b><u>MATERIALS, SUPPLIES &amp; EQUIPMENT</u></b>				
Printing & Advertising	2,474	1,127	2,179	2,400
Communications & Utilities	28	12	350	250
Transportation	333	328	(1,700)	2,900
Contracted Maintenance Repairs	0	0	100	1,680
Professional Fees	30,139	5,021	10,100	52,000
Other Fees	6,796	6,796	6,796	6,796
Memberships & Registrations	6,703	6,081	11,725	9,200
Miscellaneous Services	10,000	0	10,600	10,600
Office & General Supplies	3,184	2,612	7,450	7,100
Miscellaneous Parts	0	499	600	600
Equipment	1,058	3,743	5,400	4,600
Fixed Assets	<u>0</u>	<u>0</u>	<u>2,500</u>	<u>0</u>
<b>TOTAL M., S. &amp; E.</b>	<b>60,715</b>	<b>26,219</b>	<b>56,100</b>	<b>98,126</b>
 <b><u>INTERNAL SERVICES</u></b>				
Administrative Services	194,177	229,654	283,013	272,560
Self-Insurance	<u>44,734</u>	<u>10,833</u>	<u>42,006</u>	<u>43,103</u>
<b>TOTAL INTERNAL SERVICES</b>	<b>238,911</b>	<b>240,487</b>	<b>325,019</b>	<b>315,663</b>
 <b><u>DEBT SERVICE</u></b>				
Principal Payments	118,822	100,266	116,188	123,293
Interest Payments	<u>85,713</u>	<u>76,805</u>	<u>72,799</u>	<u>100,896</u>
<b>TOTAL DEBT SERVICE</b>	<b>204,535</b>	<b>177,071</b>	<b>188,987</b>	<b>224,189</b>
 <b>GENERAL FUND TOTAL</b>	 <b><u>1,259,588</u></b>	 <b><u>1,242,117</u></b>	 <b><u>1,385,889</u></b>	 <b><u>1,526,207</u></b>

## DEPARTMENT: PLANNING

FUND: CDBG

<u>PERSONAL SERVICES</u>	<u>ACTUAL FY2005</u>	<u>ACTUAL FY2006</u>	<u>BUDGET FY2007</u>	<u>APPROVED FY2008</u>
Regular Salaries	21,304	16,211	21,776	22,430
Temporary Salaries	17,131	6,026	17,758	25,737
Clothing Allowance	0	9,767	0	0
Pension Contribution	3,090	1,364	1,916	1,794
Social Security	2,382	2,010	2,451	2,983
Medicare Tax	557	470	573	697
Hospitalization	332	2,022	379	5,330
Pension Healthcare	30	31	280	280
Life Insurance	<u>2,386</u>	<u>105</u>	<u>111</u>	<u>117</u>
<b>TOTAL PERSONAL SERVICES</b>	<b>47,212</b>	<b>38,006</b>	<b>45,244</b>	<b>59,368</b>
 <u>MATERIALS, SUPPLIES &amp; EQUIPMENT</u>				
Transportation	118	745	1,172	0
Memberships & Registrations	610	494	455	0
Office & General Supplies	<u>642</u>	<u>111</u>	<u>300</u>	<u>0</u>
<b>TOTAL M., S. &amp; E.</b>	<b>1,370</b>	<b>1,350</b>	<b>1,927</b>	<b>0</b>
 <u>INTERNAL SERVICES</u>				
Administrative Services	11,563	18,935	0	0
Self-Insurance	<u>1,488</u>	<u>2,524</u>	<u>0</u>	<u>0</u>
<b>TOTAL INTERNAL SERVICES</b>	<b>13,051</b>	<b>21,459</b>	<b>0</b>	<b>0</b>
 <b>CDBG FUND TOTAL</b>	 <b><u>61,633</u></b>	 <b><u>60,815</u></b>	 <b><u>47,171</u></b>	 <b><u>59,368</u></b>

# AUDITING DEPARTMENT

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

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

The Auditing Department is committed to providing independent and objective assurance and management advisory services in accordance with the Institute of Internal Auditor's Standards for the Practices of Internal Auditing and relevant governmental auditing standards. It seeks to proactively identify risks, evaluate controls, and make recommendations that will strengthen City operations.

## **PRIORITIES FOR FISCAL YEAR 2008**

- Conduct scheduled Audits to evaluate controls, note commendable practices, and recommend workable improvements; assist the external auditors with the annual audits of the CAFR and Federal Funds.
- Continue to develop an awareness among City employees that the maintenance of good internal controls is the responsibility of all employees.
- Introduce and implement a City employee Fraud Hotline.
- Follow up on prior Audits to assure complete, monitored, and effective implementation of agreed-upon recommendations.
- Advise and consult with City management regarding improvements in operating efficiencies, effectiveness and results.
- Continue the development of the knowledge, skills and job satisfaction of departmental staff and ensure that the Department continues to set an example for all City Departments through its professional work ethic, integrity, objectivity, and confidentiality.

**SUMMARY OF FUNDING FOR THE AUDITING DEPARTMENT**

<b>TOTAL ALL FUNDS AUDITING DEPARTMENT</b>	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
Personal Services	385,739	396,474	310,058	400,884
Materials, Supplies & Equipment	190,724	184,018	302,500	201,300
Internal Services	<u>35,779</u>	<u>57,410</u>	<u>50,192</u>	<u>61,754</u>
<b>TOTAL</b>	<b><u>612,242</u></b>	<b><u>637,902</u></b>	<b><u>662,750</u></b>	<b><u>663,938</u></b>
<b>STAFFING LEVELS</b>	<b>5.00</b>	<b>5.00</b>	<b>5.00</b>	<b>5.00</b>

<b>GENERAL FUND AUDITING DEPARTMENT</b>	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
Personal Services	385,739	396,474	310,058	400,884
Materials, Supplies & Equipment	135,375	129,618	248,100	146,700
Internal Services	<u>35,779</u>	<u>57,410</u>	<u>50,192</u>	<u>61,754</u>
<b>TOTAL</b>	<b><u>556,893</u></b>	<b><u>583,502</u></b>	<b><u>608,350</u></b>	<b><u>609,338</u></b>
<b>STAFFING LEVELS</b>	<b>5.00</b>	<b>5.00</b>	<b>5.00</b>	<b>5.00</b>

<b>WATER/SEWER FUND AUDITING DEPARTMENT</b>	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
Materials, Supplies & Equipment	<u>55,349</u>	<u>54,400</u>	<u>54,400</u>	<u>54,600</u>
<b>TOTAL</b>	<b><u>55,349</u></b>	<b><u>54,400</u></b>	<b><u>54,400</u></b>	<b><u>54,600</u></b>
<b>STAFFING LEVELS</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

**MAJOR FUNDING CHANGES FROM PRIOR YEAR**

- The cumulative effect of COLA's, higher pension costs, and other employee benefits contributed to a \$90,826 Personal Services increase. This increase also includes an upgrade of the Staff Auditor position (Grade P-2) to a Senior Auditor-IT position (Grade S-5) and the upgrade of the Auditing Manager position, which was approved during Fiscal Year 2007, but whose annual costs will be realized for the first time in Fiscal Year 2008.
- Internal Services increased \$11,562 in the General Fund primarily due to the rise in Data Processing costs related to the ongoing MUNIS system conversion.
- The above mentioned staff changes prompted a \$107,700 net decrease in Professional Fees, as these services may now be performed internally.

# AUDITING DEPARTMENT

## PERFORMANCE INDICATORS

**Goal #1:** To continue to develop an internal audit function that is in compliance with the Institute of Internal Auditors' (IIA) Standards for the Professional Practices of Internal Auditing and the Association of Local Government Auditors (ALGA) auditing standards.

**Objective:** Ensure the Auditing department is in 100% compliance with IIA and NALGA Standards.

*Goal #1 corresponds to the City's Strategic Plan, Policy Statements 1-A, 1-B, and 1-C on page 18.*

CRITICAL INDICATOR	FY 2006 PROJECTED	FY 2006 ACTUAL	FY 2007 PROJECTED	FY 2007 ACTUAL	FY 2008 PROJECTED
Percentage of Professional Auditing Standards Met with Full Compliance	100%	100%	90%	100%	100%

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

**Objective:** Issue seven comprehensive audit reports covering major City functions/transaction cycles including Capital Projects and Information Technology.

*Goal #2 corresponds to the City's Strategic Plan, Policy Statements 1-A, 1-B, 1-D, and 1-E on page 18.*

CRITICAL INDICATOR	FY 2006 PROJECTED	FY 2006 ACTUAL	FY 2007 PROJECTED	FY 2007 ACTUAL	FY 2008 PROJECTED
Number of Audit Reports Issued	5	5	4	5	7

**Goal #3:** To continue the development of a department of highly trained, competent, and professional staff who set an 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 18.*

CRITICAL INDICATOR	FY 2006 PROJECTED	FY 2006 ACTUAL	FY 2007 PROJECTED	FY 2007 ACTUAL	FY 2008 PROJECTED
Technical Training Hours	40	40	40	40	40

## AUDITING DEPARTMENT PERFORMANCE INDICATORS

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

**Objective:** Audit, on a sample basis, the cash receipts and disbursement process. Provide recommendations to improve the process. Prior to year-end, monitor 50% of the cash processing departments and determine if 75% of recommendations 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 18.*

CRITICAL INDICATOR	FY 2006 PROJECTED	FY 2006 ACTUAL	FY 2007 PROJECTED	FY 2007 ACTUAL	FY 2008 PROJECTED
Percentage of cash processing departments monitored prior to year-end	100%	50%	50%	50%	50%
Percentage of recommendations implemented	75%	50%	75%	75%	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 three 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 18.*

CRITICAL INDICATOR	FY 2006 PROJECTED	FY 2006 ACTUAL	FY 2007 PROJECTED	FY 2007 ACTUAL	FY 2008 PROJECTED
Number of Departments that received training	5	2	5	1	3

**DEPARTMENTAL BUDGET DETAIL BY FUND**

**DEPARTMENT: AUDITING DEPARTMENT**

**FUND: GENERAL**

	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>APPROVED</b>
<b>PERSONAL SERVICES</b>	<b>FY2005</b>	<b>FY2006</b>	<b>FY2007</b>	<b>FY2008</b>
Regular Salaries	285,089	299,978	250,846	315,727
Internet Reimbursements	420	285	758	900
Pension Contribution	32,749	22,851	22,074	25,258
Social Security	17,343	17,678	15,521	19,456
Medicare Tax	4,056	4,135	3,638	4,550
Hospitalization	42,539	49,374	40,825	62,894
Life Insurance	569	725	1,281	1,643
Pension Healthcare	2,974	1,448	2,948	3,500
Personal Services Adjustment	<u>0</u>	<u>0</u>	<u>(27,833)</u>	<u>(33,044)</u>
<b>TOTAL PERSONAL SERVICES</b>	<b>385,739</b>	<b>396,474</b>	<b>310,058</b>	<b>400,884</b>
<b><u>MATERIALS, SUPPLIES &amp; EQUIPMENT</u></b>				
Transportation	4,420	5,991	4,050	7,100
Professional Fees	114,000	115,600	233,100	125,400
Other Fees	1,188	0	0	12,000
Memberships & Registrations	7,764	6,642	9,050	1,000
Office & General Supplies	535	1,026	700	1,200
Equipment	2,477	359	1,200	0
Fixed Assets	<u>4,991</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>TOTAL M., S. &amp; E.</b>	<b>135,375</b>	<b>129,618</b>	<b>248,100</b>	<b>146,700</b>
<b><u>INTERNAL SERVICES</u></b>				
Administrative Services	31,127	53,996	47,425	58,892
Self-Insurance	<u>4,652</u>	<u>3,414</u>	<u>2,767</u>	<u>2,862</u>
<b>TOTAL INTERNAL SERVICES</b>	<b>35,779</b>	<b>57,410</b>	<b>50,192</b>	<b>61,754</b>
<b>GENERAL FUND TOTAL</b>	<b><u>556,893</u></b>	<b><u>583,502</u></b>	<b><u>608,350</u></b>	<b><u>609,338</u></b>

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

<b>MATERIALS, SUPPLIES &amp; EQUIPMENT</b>	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
Professional Fees	53,000	54,400	54,400	54,600
Fixed assets	<u>2,349</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>TOTAL M., S. &amp; E.</b>	<b>55,349</b>	<b>54,400</b>	<b>54,400</b>	<b>54,600</b>
<b>WATER/SEWER FUND TOTAL</b>	<b><u>55,349</u></b>	<b><u>54,400</u></b>	<b><u>54,400</u></b>	<b><u>54,600</u></b>



# 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 to 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.

<b>PRIORITIES FOR FISCAL YEAR 2008</b>
<ul style="list-style-type: none"> <li>• Provide quality legal counsel to City departments, boards, and commissions and to City Council, ensuring all phases of City Government are providing services to the public as mandated by the City Code.</li> <li>• Eliminate or minimize potential litigation against the City by providing legal advice on an ongoing basis.</li> <li>• Ensure the enforcement of Ordinances and other City laws within the City's jurisdiction, including the Housing, Building and Sanitation Codes and nuisance laws, and ensure collection of all debts, taxes and accounts due the City.</li> <li>• Encourage City departments to seek the advice and counsel of the Law Department on a regular basis to minimize the costs associated with litigation claims against the City.</li> <li>• Assist all departments in carrying out State and Federal law applicable to the City.</li> <li>• Provide legal advice and representation regarding the City's business and economic development, neighborhood planning initiatives, and issues involving environmental impacts.</li> <li>• Draft Ordinances revising the City Code to improve the operational efficiency of the City.</li> </ul>

## SUMMARY OF FUNDING FOR THE LAW DEPARTMENT

GENERAL FUND	ACTUAL	ACTUAL	BUDGET	APPROVED
LAW DEPARTMENT	FY2005	FY2006	FY2007	FY2008
Personal Services	1,582,128	1,655,069	1,674,813	1,989,079
Materials, Supplies & Equipment	378,634	402,813	1,008,127	715,191
Internal Services	120,192	158,369	149,752	176,547
<b>TOTAL</b>	<b><u>2,080,954</u></b>	<b><u>2,216,251</u></b>	<b><u>2,832,692</u></b>	<b><u>2,880,817</u></b>
<b>STAFFING LEVELS</b>	<b>20.00</b>	<b>20.00</b>	<b>21.00</b>	<b>22.00</b>

## MAJOR FUNDING CHANGES FROM PRIOR YEAR

- COLA's and higher employee benefit costs are the major contributors to a \$314,265 Personal Services increase. The Department continues to revise its organizational structure in an effort to provide a more formalized management framework and encourage retention of its professional staff. As such, an Assistant City Solicitor position (Grade E 07) has been upgraded to a Senior Assistant City Solicitor (Grade E 08). There is no salary adjustment attached to this grade and title change. Three Legal Assistant positions (Grade L-7) received upgrades (Grade M-7) and an additional Legal Assistant position (Grade M-1) was added to assist with an increased Sheriff's Sale initiative as part of the Finance Department's Plan for Change. Personal Services also includes \$25,000 for merit increases to recognize individual exemplary job performance and assist with retention.
- A shifting of legal costs to the Risk Management Fund related to personnel, employment, and environmental litigation allowed for a decrease in spending on Legal Fees of \$410,000.
- Changes in the cost structure for paying Sheriff's Sale fees and related costs has mandated additional spending on Court Costs and Notary fees. In addition, the anticipated increase in volume for Sheriff's Sale filings and associated costs by the new Sheriff's Sale initiative as part of the Finance Department's Plan for Change increased spending by a total of \$90,000.
- Temporary Salaries increased \$11,272 for a part-time messenger and Sheriff's Sale Assistant.
- The Department has requested a minor spending increase of \$2,960 for emergency temporary staffing.

## 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 18.*

CRITICAL INDICATOR	FY 2006 PROJECTED	FY 2006 ACTUAL	FY 2007 PROJECTED	FY 2007 ACTUAL	FY2008 PROJECTED
Percentage of Court Cost recovered	25%	59%	25%	89%	25%

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

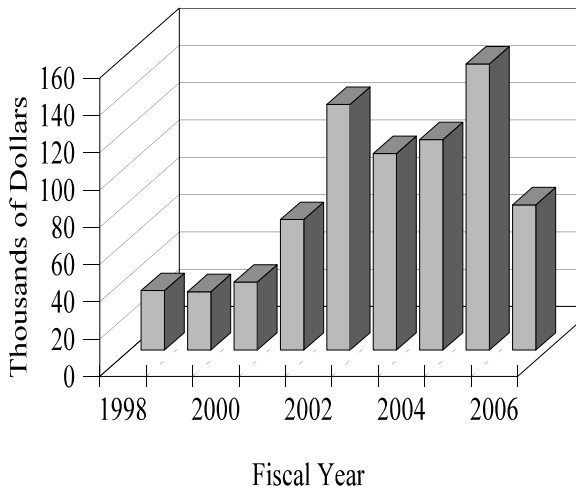
**Objective:** Maintain filing of writs of monition/vend ex monitions against tax-delinquent property owners at no less than 100 filings.

*Goal #2 corresponds to the City's Strategic Plan, Policy Statement 1-A on page 18.*

CRITICAL INDICATOR	FY 2006 PROJECTED	FY 2006 ACTUAL	FY 2007 PROJECTED	FY 2007 ACTUAL	FY 2008 PROJECTED
Number of filings	100	193	100	318	100

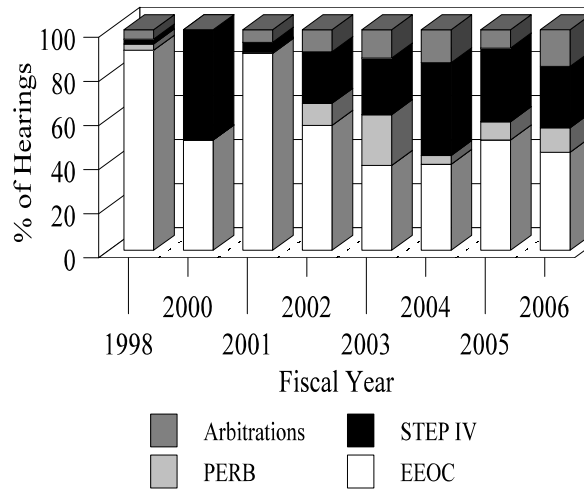
# Law Department Performance Trends

## Fines Imposed for Housing Code Prosecutions



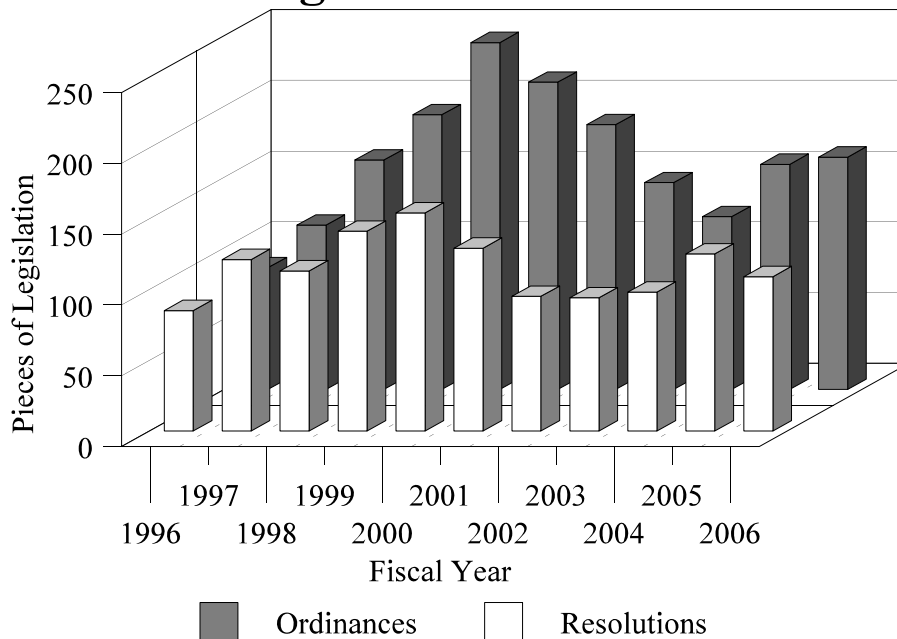
Emphasis continues to be placed on housing code enforcement and prosecution to maintain quality of existing housing stock and to improve the living conditions of City resident.

## Administrative Hearings Employment & Labor



A single incident related to voluntary police overtime resulted in 120 EEOC filings in 1998 and 130 filings in 2001. 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. Although the demand for these services increased in 2005 and 2006, it is anticipated that future demand will decline due to City Council's reorganization, allowing for greater resolution of issues while still in Committee.

**DEPARTMENTAL BUDGET DETAIL BY FUND**

**DEPARTMENT: LAW**

**FUND: GENERAL**

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
Regular Salaries	1,206,177	1,255,327	1,280,146	1,490,566
Temporary Salaries	3,459	4,739	8,320	19,592
Acting Out of Classification	0	351	0	0
Internet Reimbursement	1,750	1,515	0	0
Overtime	0	1,799	0	0
Parking Reimbursement	0	625	0	0
Pension Contribution	127,123	114,646	117,413	143,286
Social Security	74,317	77,903	79,203	91,847
Medicare Tax	17,438	18,272	18,682	21,554
Hospitalization	135,539	167,422	154,040	192,618
Life Insurance	2,136	2,595	6,517	7,726
Pension Healthcare	14,189	9,875	14,002	15,400
Personal Services Adjustment	<u>0</u>	<u>0</u>	<u>(3,510)</u>	<u>6,490</u>
<b>TOTAL PERSONAL SERVICES</b>	<b>1,582,128</b>	<b>1,655,069</b>	<b>1,674,813</b>	<b>1,989,079</b>
 <b><u>MATERIALS, SUPPLIES &amp; EQUIPMENT</u></b>				
Printing & Advertising	422	0	990	990
Communications & Utilities	195	248	400	400
Transportation	3,423	3,520	5,700	5,700
Contracted Maintenance Repair	0	0	1,096	1,000
Professional Fees	280,661	287,900	875,670	488,631
Other Fees	39,065	57,263	83,946	175,320
Memberships & Registrations	26,531	23,920	33,800	35,300
Office & General Supplies	2,937	2,833	3,200	3,200
Equipment	18,517	6,314	3,325	4,650
Fixed Assets	<u>6,883</u>	<u>20,815</u>	<u>0</u>	<u>0</u>
<b>TOTAL M., S. &amp; E.</b>	<b>378,634</b>	<b>402,813</b>	<b>1,008,127</b>	<b>715,191</b>
 <b><u>INTERNAL SERVICES</u></b>				
Administrative Services	87,484	141,341	130,417	156,542
Self-Insurance	<u>32,708</u>	<u>17,028</u>	<u>19,335</u>	<u>20,005</u>
<b>TOTAL INTERNAL SERVICES</b>	<b>120,192</b>	<b>158,369</b>	<b>149,752</b>	<b>176,547</b>
 <b>GENERAL FUND TOTAL</b>	 <b><u>2,080,954</u></b>	 <b><u>2,216,251</u></b>	 <b><u>2,832,692</u></b>	 <b><u>2,880,817</u></b>



# 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 excellent customer service.

<b>PRIORITIES FOR FISCAL YEAR 2008</b>
<ul style="list-style-type: none"> <li>• Increase the City's revenue base by \$6 million through collections.</li> <li>• Expand the role of the Purchasing Division through the use of technology and bid/contract management.</li> <li>• Collaborate with other City Departments, agencies, and external organizations to create and improve working relationships/partnerships; improve timely and accurate financial data/reporting.</li> <li>• Attain the GFOA's Certificate of Achievement For Excellence in Financial Reporting.</li> <li>• Create and implement new strategies/tactics to find and collect outstanding revenues owed to the City.</li> <li>• Develop issues and organizational management strategies.</li> </ul>

## SUMMARY OF FUNDING FOR THE DEPARTMENT OF FINANCE

<b>TOTAL ALL FUNDS</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>APPROVED</b>
<b>DEPARTMENT OF FINANCE</b>	<b>FY2005*</b>	<b>FY2006*</b>	<b>FY2007*</b>	<b>FY2008</b>
Personal Services	3,698,698	3,565,082	3,990,774	4,783,943
Materials, Supplies & Equipment	920,876	2,347,462	2,129,301	2,735,749
Internal Services	1,026,318	1,030,768	1,279,248	1,225,976
Debt Service	57,849	144,189	208,842	0
Capitalization	0	0	0	0
Depreciation/Amortization	12,046	22,227	22,190	22,190
<b>TOTAL</b>	<u><b>5,715,787</b></u>	<u><b>7,109,728</b></u>	<u><b>7,630,355</b></u>	<u><b>8,767,858</b></u>
<b>STAFFING LEVELS</b>	<b>60.00</b>	<b>58.00</b>	<b>60.00</b>	<b>68.00</b>

<b>GENERAL FUND DEPARTMENT OF FINANCE</b>	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
Personal Services	2,058,219	2,056,571	2,238,068	2,799,106
Materials, Supplies & Equipment	514,795	1,172,353	1,219,820	2,268,442
Internal Services	560,734	575,012	727,412	691,854
Debt Service	25,241	144,189	108,458	0
<b>TOTAL</b>	<b><u>3,158,989</u></b>	<b><u>3,948,125</u></b>	<b><u>4,293,758</u></b>	<b><u>5,759,402</u></b>
<b>STAFFING LEVELS</b>	<b>30.40</b>	<b>30.30</b>	<b>33.70</b>	<b>38.85</b>

<b>WATER/SEWER FUND DEPARTMENT OF FINANCE</b>	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
Personal Services	1,582,230	1,508,511	1,752,706	1,984,837
Materials, Supplies & Equipment	406,081	1,175,109	909,481	467,307
Internal Services	465,584	455,756	551,836	534,122
Debt Service	32,608	0	97,210	0
Capitalization	0	0	0	0
Depreciation/Amortization	12,046	22,227	22,190	22,190
<b>TOTAL</b>	<b><u>2,498,549</u></b>	<b><u>3,161,603</u></b>	<b><u>3,333,423</u></b>	<b><u>3,008,456</u></b>
<b>STAFFING LEVELS</b>	<b>28.70</b>	<b>27.70</b>	<b>26.30</b>	<b>29.15</b>

<b>COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) DEPARTMENT OF FINANCE</b>	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
Personal Services	58,249	0	0	0
<b>TOTAL</b>	<b><u>58,249</u></b>	<b><u>0</u></b>	<b><u>0</u></b>	<b><u>0</u></b>
<b>STAFFING LEVELS</b>	<b>0.90</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

<b>INTERNAL SERVICES FUND DEPARTMENT OF FINANCE</b>	<b>ACTUAL FY2005*</b>	<b>ACTUAL FY2006*</b>	<b>BUDGET FY2007*</b>	<b>APPROVED FY2008</b>
Debt Service	0	0	3,174	0
<b>TOTAL</b>	<b><u>0</u></b>	<b><u>0</u></b>	<b><u>3,174</u></b>	<b><u>0</u></b>
<b>STAFFING LEVELS</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

\* In FY 2007, Word Processing, Mail Service, Duplication and Reproduction, and Mapping and Graphics were transferred from Finance to the Mayor's Office. For ease of comparison, the prior years' costs and staffing of the Mayor's Office and Finance Department internal services funds are shown combined (except for Bond Issuance costs). For uncombined staffing levels, see summary of staffing starting on page 49.



## GENERAL FUND MAJOR FUNDING CHANGES FROM PRIOR YEAR

- Expanding on its original Plan for Change, the Finance Department this year is creating a new program to raise additional revenues from the collection of outstanding taxes and fees, as well as greatly improve the Sheriff Sale process. A total of eight new positions will be added to implement this program. These positions are split funded with the Water/Sewer fund, with a total of 5.4 Full Time Equivalents (FTEs) added to the General Fund at a cost of \$442,955. The projected return to the General Fund due to the creation of these positions is the collection of an additional \$500,000 in Property Taxes, \$2.1 million in Wage Taxes, \$900,000 in Parking/Booting/Red Light Fines, and \$1 million in Vacant Property Registration Fees.
- Excluding the expanded Plan for Change, Personal Services have been increased by \$118,083 due to the cumulative effect of COLA's and higher benefit costs. Total FTEs increased by 5.15, with 4.4 FTEs added through the Plan for Change and 0.25 FTEs moved to the Water/Sewer fund in an effort to better link staffing allocations to the work performed.
- Total Consultant funding has been increased by \$54,700. This includes a variety of projects, including assistance on earned income tax, property tax, and capital grants; funding for a University of Delaware graduate student for assistance with revenue-generating projects; and hiring an outside agency to develop strategies for communicating parking enforcement and storm water rates information to constituents.
- Due to a combination of increased collections and contract costs, additional funding has been added for a number of Collection Expenses. These include \$340,200 in additional parking citations and booting costs, \$91,200 for credit card collection fees, and \$332,000 for increases in the red light collection contract.
- Miscellaneous Charges – N.O.C. in Earned Income Tax has been increased by \$279,600 in order to pay commission charges on the State Matching Program. This program involves coordination between State and City records in order to increase local tax compliance and recover delinquent revenues.
- In order to initiate a pilot professional skills development program for managers and supervisors, Finance has budgeted a combined total of \$36,000, with \$27,000 allocated to the General Fund. The program will include a number of on-site symposia and focus specifically on women's leadership and professional development.
- Due to accounting changes, the Property Tax Refund has been converted into a contra-revenue account. Consequently, this item will no longer be budgeted as an expense, resulting in a \$75,000 reduction.
- As a result of a reallocation of existing debt service, all Finance Department debt service in the General Fund has been removed, for a reduction of \$108,458.

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

- Expanding on its original Plan for Change, the Finance Department is creating a new program to raise additional revenues from the collection of delinquent water bills by focusing on and greatly improving the Sheriff Sale process. A total of eight new positions will be added to implement this program. These positions are split funded with the General Fund, with a total of 2.6 FTE's added to the Water/Sewer Fund at a cost of \$206,299. The projected return to the Water/Sewer Fund is the collection of an additional \$1.5 million in water and sewer fees.
- Excluding the expanded Plan for Change, Personal Services have been increased by \$25,832. This is due to the cumulative effect of COLA's and higher benefit costs, as well as the reallocation of 0.25 FTEs from the General Fund to the Water/Sewer Fund in an effort to better link staffing allocations to the work performed.
- Total Consultant funding has been increased by \$24,000. This includes hiring an outside agency to develop strategies for communicating information on vacant fees, earned income tax, and real estate taxes to constituents.
- In order to initiate a pilot professional skills development program for managers and supervisors, Finance has budgeted a combined total of \$36,000, with \$9,000 allocated to the Water/Sewer fund. The program will include a number of on-site symposia and focus specifically on women's leadership and professional development.
- Due to accounting changes, the Utility Billing Refund has been converted into a contra-revenue account. Consequently, this item will no longer be budgeted as an expense, resulting in a \$500,000 reduction.
- As a result of a reallocation of existing debt service, all Finance Department debt service in the Water/Sewer Fund has been removed, for a reduction of \$97,210.

# DEPARTMENT OF FINANCE

## PERFORMANCE INDICATORS

**Goal #1:** To maximize revenues.

**Objective:** Increase dollars collected on delinquent earned income tax accounts to \$3,200,000.

*Goal #1 corresponds to the City's Strategic Plan, Policy Statement 1-A on page 18. The associated objective was revised for FY 2008; previously, the objective for this goal was "Increase dollars collected on delinquent earned income tax accounts to \$1,000,000."*

CRITICAL INDICATOR	FY 2006 PROJECTED	FY 2006 ACTUAL	FY 2007 PROJECTED	FY 2007 ACTUAL	FY 2008 PROJECTED
Dollars Collected	\$700,000	\$624,129	\$1,000,000	\$1,802,999	\$3,200,000

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

**Objective:** 80% of payments processed automatically by the lockbox service and/or remote deposit.

*Goal #2 corresponds to the City's Strategic Plan, Policy Statement 1-A on page 18. The associated objective was revised for FY 2008; previously, the objective for this goal was "59% of payments processed automatically by the lockbox service."*

CRITICAL INDICATOR	FY 2006 PROJECTED	FY 2006 ACTUAL	FY 2007 PROJECTED	FY 2007 ACTUAL	FY 2008 PROJECTED
Numbers of Payments Processed	140,033	141,600	142,000	125,500	192,000
Percentage of Payments Processed	60%	59%	59%	53%	80%

**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.

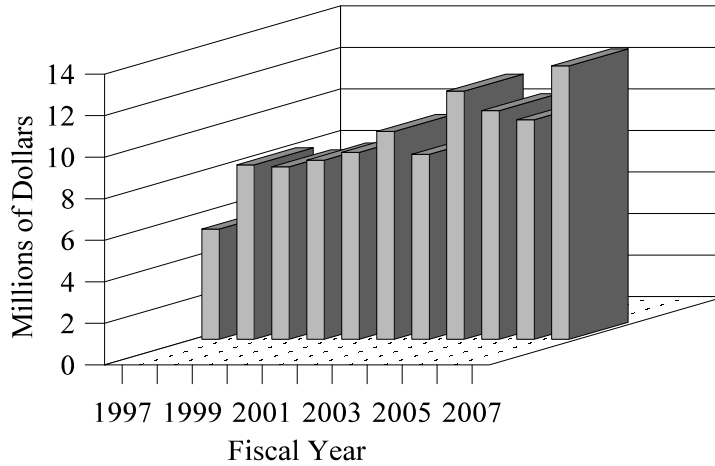
*Goal #3 corresponds to the City's Strategic Plan, Policy Statements 1-A, 1-D and 1-E on page 18.*

CRITICAL INDICATOR	FY 2006 PROJECTED	FY 2006 ACTUAL	FY 2007 PROJECTED	FY 2007 ACTUAL	FY 2008 PROJECTED
GFOA Certificate of Excellence in Financial Reporting Recipient	1	1	1	Pending	1

# Department of Finance

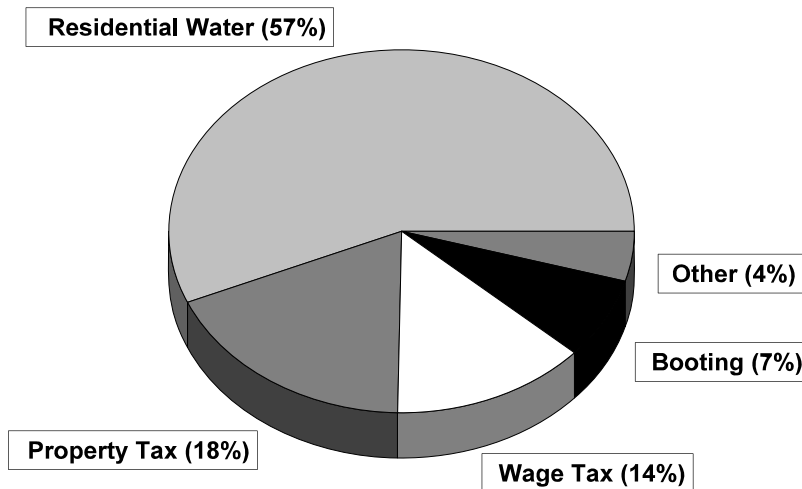
## Performance Trends

### Delinquent Enforcement Annual Collections



The Finance Department is responsible for collecting delinquent net profit, property and wage taxes, business licenses, fees, and water bills. Over \$13 million in delinquent accounts were collected in FY 2007, an increase of almost \$3 million over FY 2006.

### Delinquent Collections by Revenue Type FY 2007



**DEPARTMENTAL BUDGET DETAIL BY FUND**

**DEPARTMENT: FINANCE**

**FUND: GENERAL**

	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
<b><u>PERSONAL SERVICES</u></b>				
Regular Salaries	1,447,349	1,410,488	1,572,824	1,985,000
Temporary Salaries	0	0	39,890	33,503
Acting Out of Class	680	4,796	0	175
Sick Leave Bonus	1,830	1,550	2,400	2,350
Overtime	58,918	64,017	59,200	52,500
Meal Allowance	5,346	5,376	10,000	5,370
Internet Reimbursement	1,817	2,301	2,884	5,229
Parking Reimbursement	0	805	0	0
Pension Contribution	154,983	155,871	161,691	193,838
Social Security	91,192	93,220	105,119	128,339
Medicare Tax	21,363	21,803	24,648	30,023
Hospitalization	249,955	278,869	314,604	412,254
Life Insurance	3,180	3,489	8,179	10,294
Pension Healthcare	21,606	13,986	23,593	27,195
Personal Services Adjustment	<u>0</u>	<u>0</u>	<u>(86,964)</u>	<u>(86,964)</u>
<b>TOTAL PERSONAL SERVICES</b>	<b>2,058,219</b>	<b>2,056,571</b>	<b>2,238,068</b>	<b>2,799,106</b>
<b><u>MATERIALS, SUPPLIES &amp; EQUIPMENT</u></b>				
Printing & Advertising	35,150	41,561	42,727	48,380
Communications & Utilities	10,036	9,663	16,494	16,338
Transportation	9,345	14,599	12,995	21,400
Contracted Maintenance Repairs	0	3,941	1,168	1,078
Professional Fees	64,996	97,537	21,879	60,699
Other Fees	0	0	0	0
Memberships & Registrations	13,223	8,111	19,500	53,105
Miscellaneous Services	336,663	941,045	988,350	2,032,616
Office & General Supplies	7,156	8,621	7,515	8,600
Miscellaneous Parts	1,820	39	320	3,156
Property Tax Refunds	0	20,129	75,000	0
Equipment	30,261	27,107	31,405	13,070
Fixed Assets	<u>6,145</u>	<u>0</u>	<u>2,467</u>	<u>10,000</u>
<b>TOTAL M., S. &amp; E.</b>	<b>514,795</b>	<b>1,172,353</b>	<b>1,219,820</b>	<b>2,268,442</b>
<b><u>INTERNAL SERVICES</u></b>				
Administrative Services	474,573	545,614	654,871	617,253
Self-Insurance	<u>86,161</u>	<u>29,398</u>	<u>72,541</u>	<u>74,601</u>
<b>TOTAL INTERNAL SERVICES</b>	<b>560,734</b>	<b>575,012</b>	<b>727,412</b>	<b>691,854</b>

## DEPARTMENT: FINANCE

## FUND: GENERAL

<b>DEBT SERVICE</b>	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
Principal Payments	14,810	0	13,994	0
Interest Payments	<u>10,431</u>	<u>144,189</u>	<u>94,464</u>	<u>0</u>
<b>TOTAL DEBT SERVICE</b>	<b>25,241</b>	<b>144,189</b>	<b>108,458</b>	<b>0</b>
<b>GENERAL FUND TOTAL</b>	<b><u>3,158,989</u></b>	<b><u>3,948,125</u></b>	<b><u>4,293,758</u></b>	<b><u>5,759,402</u></b>

## DEPARTMENT: FINANCE

## FUND: WATER/SEWER

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
Regular Salaries	1,087,278	1,075,062	1,236,490	1,380,561
Temporary Salaries	0	0	23,158	12,264
Acting Out of Class	365	725	500	1,175
Shift Differential	0	22	0	0
Sick Leave Bonus	720	1,100	3,500	850
Overtime	8,132	15,147	13,000	12,500
Meal Allowance	845	1,057	4,700	1,270
Clothing Allowance	2,000	875	1,250	1,250
Internet Reimbursements	1,319	1,854	2,146	2,877
Accrued Sick/Vacation	2,448	(10,083)	0	0
Pension Contribution	175,718	103,111	124,465	151,951
Social Security	70,440	67,484	79,890	87,320
Medicare Tax	16,492	16,117	18,749	20,398
Hospitalization	195,481	221,508	220,162	284,861
Life Insurance	2,379	2,711	6,284	7,156
Pension Healthcare	<u>18,613</u>	<u>11,821</u>	<u>18,412</u>	<u>20,405</u>
<b>TOTAL PERSONAL SERVICES</b>	<b>1,582,230</b>	<b>1,508,511</b>	<b>1,752,706</b>	<b>1,984,837</b>

## DEPARTMENT: FINANCE

## FUND: WATER/SEWER

<b>MATERIALS, SUPPLIES &amp; EQUIPMENT</b>	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
Printing & Advertising	6,751	6,652	14,820	17,020
Communications & Utilities	277	125	1,100	900
Transportation	2,649	3,423	3,700	4,700
Contracted Maintenance Repairs	2,017	201	1,904	3,835
Professional Fees	46,800	55,036	3,110	33,899
Memberships & Registrations	2,197	640	7,760	26,310
Miscellaneous Services	48,267	0	57,480	59,520
Office & General Supplies	3,148	3,610	6,146	8,400
Wearing Apparel & Safety Supplies	4,516	3,661	5,300	5,340
Miscellaneous Parts	1,414	3,374	4,807	6,100
Supporting Services	279,156	276,684	276,683	276,683
Utility Billing Refunds	0	802,783	500,000	0
Equipment	8,889	18,920	25,042	24,600
Fixed Assets	<u>0</u>	<u>0</u>	<u>1,629</u>	<u>0</u>
<b>TOTAL M., S. &amp; E.</b>	<b>406,081</b>	<b>1,175,109</b>	<b>909,481</b>	<b>467,307</b>
<b><u>INTERNAL SERVICES</u></b>				
Administrative Services	409,808	434,861	510,649	491,641
Self-Insurance	<u>55,776</u>	<u>20,895</u>	<u>41,187</u>	<u>42,481</u>
<b>TOTAL INTERNAL SERVICE</b>	<b>465,584</b>	<b>455,756</b>	<b>551,836</b>	<b>534,122</b>
<b><u>DEBT SERVICE</u></b>				
Interest Payment	<u>32,608</u>	<u>0</u>	<u>97,210</u>	<u>0</u>
<b>TOTAL DEBT SERVICE</b>	<b>32,608</b>	<b>0</b>	<b>97,210</b>	<b>0</b>
<b><u>OTHER</u></b>				
Capitalization	0	0	0	0
Depreciation	<u>12,046</u>	<u>22,227</u>	<u>22,190</u>	<u>22,190</u>
<b>TOTAL OTHER</b>	<b>12,046</b>	<b>22,227</b>	<b>22,190</b>	<b>22,190</b>
<b>WATER/SEWER FUND TOTAL</b>	<b><u>2,498,549</u></b>	<b><u>3,161,603</u></b>	<b><u>3,333,423</u></b>	<b><u>3,008,456</u></b>

**DEPARTMENT: FINANCE****FUND: CDBG**

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
Regular Salaries	41,441	0	0	0
Internet Reimbursements	136	0	0	0
Pension Contribution	12,919	0	0	0
Social Security	2,523	0	0	0
Medicare Tax	591	0	0	0
Hospitalization	574	0	0	0
Life Insurance	<u>65</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>TOTAL PERSONAL SERVICES</b>	<b><u>58,249</u></b>	<b><u>0</u></b>	<b><u>0</u></b>	<b><u>0</u></b>
<b>CDBG FUND TOTAL</b>	<b><u>58,249</u></b>	<b><u>0</u></b>	<b><u>0</u></b>	<b><u>0</u></b>

**DEPARTMENT: FINANCE****FUND: INTERNAL SERVICES**

<b>DEBT SERVICE</b>	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
Interest Payments	<u>0</u>	<u>0</u>	<u>3,174</u>	<u>0</u>
<b>TOTAL DEBT SERVICE</b>	<b><u>0</u></b>	<b><u>0</u></b>	<b><u>3,174</u></b>	<b><u>0</u></b>



# 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.

<b>PRIORITIES FOR FISCAL YEAR 2008</b>
<ul style="list-style-type: none"> <li>• Enhance the delivery of human resources services to City departments through the implementation of revised legislation, policies and procedures, and management information systems.</li> <li>• Promote harmonious and effective working relationships with all the bargaining units affiliated with the City of Wilmington.</li> <li>• Manage the City's risk exposure by implementing more effective personnel practices, health and safety, and claims management programs.</li> <li>• Provide management and employee training to continue to develop the City's work force and enhance productivity.</li> <li>• Recognize and reward employees for exemplary contributions to the City of Wilmington.</li> </ul>

## SUMMARY OF FUNDING FOR THE DEPARTMENT OF PERSONNEL

<b>TOTAL ALL FUNDS</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>APPROVED</b>
<b>DEPARTMENT OF PERSONNEL</b>	<b>FY2005</b>	<b>FY2006</b>	<b>FY2007</b>	<b>FY2008</b>
Personal Services	1,447,748	1,583,213	1,575,404	1,714,474
Materials, Supplies & Equipment	1,153,038	1,111,193	1,506,661	2,338,324
Internal Services	235,265	341,194	316,951	379,971
Debt Service	0	0	0	4,666
Depreciation	13,547	35,169	15,166	15,166
Special Purpose	<u>14,069,264</u>	<u>12,560,718</u>	<u>13,175,950</u>	<u>14,302,500</u>
<b>TOTAL</b>	<b><u>16,918,862</u></b>	<b><u>15,631,487</u></b>	<b><u>16,590,132</u></b>	<b><u>18,755,101</u></b>
<b>STAFFING LEVELS</b>	<b>21.00</b>	<b>21.00</b>	<b>22.00</b>	<b>23.00</b>

<b>GENERAL FUND DEPARTMENT OF PERSONNEL</b>	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
Personal Services	999,052	1,055,525	1,082,121	1,201,798
Materials, Supplies & Equipment	108,185	77,369	179,920	141,525
Internal Services	218,812	308,169	296,182	340,449
Debt Service	<u>0</u>	<u>0</u>	<u>0</u>	<u>4,666</u>
<b>TOTAL</b>	<b><u>1,326,049</u></b>	<b><u>1,441,063</u></b>	<b><u>1,558,223</u></b>	<b><u>1,688,438</u></b>
<b>STAFFING LEVELS</b>	<b>14.00</b>	<b>14.00</b>	<b>15.00</b>	<b>16.00</b>

<b>RISK MANAGEMENT FUND DEPARTMENT OF PERSONNEL</b>	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
Personal Services	96,489	122,490	103,237	106,819
Materials, Supplies & Equipment	793,049	738,542	948,289	1,690,899
Internal Services	7,600	15,865	9,428	17,885
Depreciation	13,032	33,864	13,102	13,102
Special Purpose	<u>(281,024)</u>	<u>(981,800)</u>	<u>0</u>	<u>0</u>
<b>TOTAL</b>	<b><u>629,146</u></b>	<b><u>(71,039)</u></b>	<b><u>1,074,056</u></b>	<b><u>1,828,705</u></b>
<b>STAFFING LEVELS</b>	<b>1.30</b>	<b>1.30</b>	<b>1.30</b>	<b>1.30</b>

<b>WORKERS' COMPENSATION FUND DEPARTMENT OF PERSONNEL</b>	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
Personal Services	281,105	325,016	309,811	324,936
Materials, Supplies & Equipment	230,232	295,267	377,452	471,100
Internal Services	7,498	13,761	9,638	17,261
Depreciation	0	0	1,549	1,549
Special Purpose	<u>4,940,500</u>	<u>3,087,654</u>	<u>2,230,150</u>	<u>2,307,500</u>
<b>TOTAL</b>	<b><u>5,459,335</u></b>	<b><u>3,721,698</u></b>	<b><u>2,928,600</u></b>	<b><u>3,122,346</u></b>
<b>STAFFING LEVELS</b>	<b>4.50</b>	<b>4.50</b>	<b>4.50</b>	<b>4.50</b>

<b>HEALTH &amp; WELFARE FUND DEPARTMENT OF PERSONNEL</b>	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
Personal Services	71,102	80,182	80,235	80,921
Materials, Supplies & Equipment	21,572	15	1,000	34,800
Internal Services	1,355	3,399	1,703	4,376
Depreciation	515	1,305	515	515
Special Purpose	<u>9,409,788</u>	<u>10,454,864</u>	<u>10,945,800</u>	<u>11,995,000</u>
<b>TOTAL</b>	<b><u>9,504,332</u></b>	<b><u>10,539,765</u></b>	<b><u>11,029,253</u></b>	<b><u>12,115,612</u></b>
<b>STAFFING LEVELS</b>	<b>1.20</b>	<b>1.20</b>	<b>1.20</b>	<b>1.20</b>

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

- During Fiscal Year 2007, the Human Resources and Services Division of Personnel added a Payroll Manger at an additional cost of \$94,265 to the General Fund. This position is expected to address staff supervision and audit controls, as well as additional departmental time keeping needs.
- A total of \$34,780 has been budgeted in the Consultants line to provide Diversity and Conversational Spanish training, as well as development training for managers and supervisors.
- Internal Services costs increased by a net \$44,268 to a total of \$340,450. This is mainly due to higher Data Processing costs.

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

- Insurance costs increased \$726,583 to a total of \$1,572,784. This increase is primarily due to the addition of the Prestwych Site Project, which resulted in a \$336,910 increase in Liability Insurance. The Insurance Claims line also includes a \$377,601 increase as a result of the growing number of Police/Auto exposures. Other Insurance increased \$12,072, mainly do to the change in coverage for the four Fire Boats.
- A total of \$105,000 has been budgeted for Consultants, which includes \$20,000 for the annual actuarial study, \$25,000 for a maintenance agreement and software updates for the RiskMaster program, and \$60,000 for a Property Casualty Broker.

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

- In order to fulfill the State self-insurance requirement, the Surety Bonds Account has been funded in the amount of \$17,000.
- Medical fees, which cover the cost of random drug testing, annual physicals for Police Officers and Firefighters, as well as drug screening of new hires, increased \$20,000. The increase is due primarily to the addition of 18 police officers to the Wilmington Police Department.
- As a result of a City-wide ergonomics review, \$20,000 has been earmarked to upgrade office equipment and improve general working conditions. Additionally, \$25,000 has been added for ten new Automated External Defibrillators (AED) stations, one for each floor of the Louis Redding City/County Building. This brings the Furniture, Fixture and Office Equipment Account to a total of \$45,000.

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

- A total of \$28,000 has been budgeted in Consultants in order to perform a health claims audit.
- Self-Insurance rose by a total of \$1,049,199, mainly due to a \$944,965 projected increase in Medical Costs, as well as an additional \$74,234 for Dental Costs, \$25,000 for Life Insurance, and \$5,000 for the Employee Assistance Program.

## 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 to 20 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 18.*

CRITICAL INDICATOR	FY 2006 PROJECTED	FY 2006 ACTUAL	FY 2007 PROJECTED	FY 2007 ACTUAL	FY 2008 PROJECTED
Number of Grievances	21	25	29	15	20

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

**Objective:** Conduct 178 training workshops.

*Goal #2 corresponds to the City's Strategic Plan, Policy Statements 1-B, 1-C, and 1-E on page 18.*

CRITICAL INDICATOR	FY 2006 PROJECTED	FY 2006 ACTUAL	FY 2007 PROJECTED	FY 2007 ACTUAL	FY 2008 PROJECTED
Number of Training Workshops	70	75	90	196	178

## DEPARTMENT OF PERSONNEL

### PERFORMANCE INDICATORS

**Goal #3:** Decrease claims frequencies.

**Objective:** Establish and promote safety and loss prevention programs to reduce motor vehicle claims and work related injuries to 240.

*Goal #3 corresponds to the City's Strategic Plan, Policy Statements 1-A, and 1-E on page 18.*

CRITICAL INDICATOR	FY 2006 PROJECTED	FY 2006 ACTUAL	FY 2007 PROJECTED	FY 2007 ACTUAL	FY 2008 PROJECTED
Auto, Property, Police and Other	0	0	0	44	40
Workers Compensation	244	139	150	220	200
<b>Total Claims Frequency</b>	<b>244</b>	<b>139</b>	<b>150</b>	<b>264</b>	<b>240</b>

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

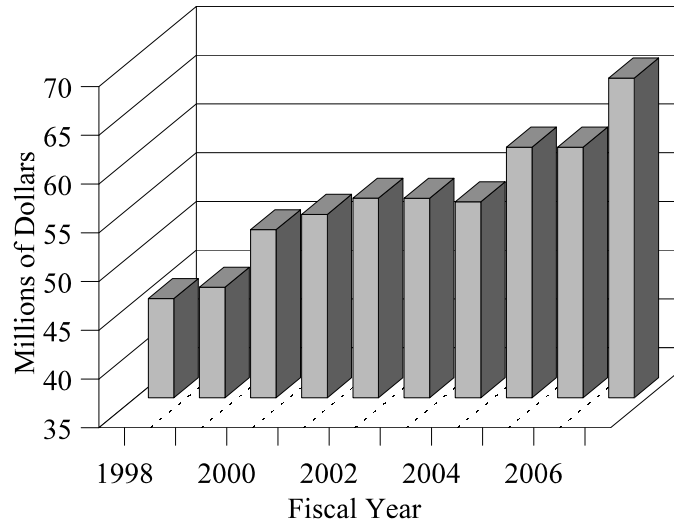
**Objective:** Reward 200 employees nominated by their peers and for length of service with the City.

*Goal #4 corresponds to the City's Strategic Plan, Policy Statements 1-D, and 1-E on page 18.*

CRITICAL INDICATOR	FY 2006 PROJECTED	FY 2006 ACTUAL	FY 2007 PROJECTED	FY 2007 ACTUAL	FY 2008 PROJECTED
Number of Employees Awarded	260	273	250	256	200

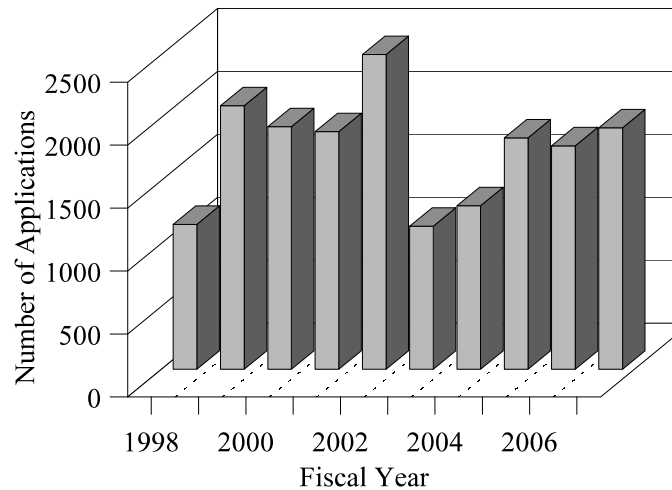
# Department of Personnel Performance Trends

## Payroll - All Employees



Since FY 1998, the City has added a net total of 160 positions (almost all in Police and Fire) to staff critical functions. These additions, along with labor contract settlements are reflected in the significant increase in total payroll costs.

## Employment Applications



The number of employment applications can widely vary and reflects many factors, including economic conditions, the timing of Police and Fire recruitment classes and the use of general hiring freezes.

**DEPARTMENTAL BUDGET DETAIL BY FUND**

**DEPARTMENT: PERSONNEL**

**FUND: GENERAL**

	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>APPROVED</b>
<b>PERSONAL SERVICES</b>	<b>FY2005</b>	<b>FY2006</b>	<b>FY2007</b>	<b>FY2008</b>
Regular Salaries	713,001	750,637	801,402	873,247
Temporary Salaries	0	0	0	8,000
Sick Leave Bonus	400	900	0	0
Overtime	13,994	25,470	11,430	24,902
Internet Reimbursements	825	1,610	1,620	180
Parking Reimbursements	0	883	0	0
Pension Contribution	85,517	70,869	62,722	71,876
Social Security	44,831	49,623	50,327	55,849
Medicare Tax	10,485	11,605	11,787	13,062
Hospitalization	116,237	132,056	134,724	145,779
Life Insurance	1,462	1,710	4,083	4,528
Pension Healthcare	10,050	6,912	10,151	10,500
Personal Services Adjustment	<u>2,250</u>	<u>3,250</u>	<u>(6,125)</u>	<u>(6,125)</u>
<b>TOTAL PERSONAL SERVICES</b>	<b>999,052</b>	<b>1,055,525</b>	<b>1,082,121</b>	<b>1,201,798</b>
 <b><u>MATERIALS, SUPPLIES &amp; EQUIPMENT</u></b>				
Printing & Advertising	3,639	4,636	4,178	4,968
Transportation	6,100	6,055	12,500	15,700
Insurance	0	0	655	655
Contracted Maintenance Repairs	0	0	226	181
Professional Fees	38,942	11,767	103,000	45,260
Other Fees	449	1,426	1,300	4,800
Memberships & Registrations	13,008	13,549	13,320	13,760
Office & General Supplies	7,851	5,852	3,116	2,137
Miscellaneous Parts	15,881	21,060	13,425	21,864
Fixed Assets	5,905	0	21,500	24,200
Equipment	<u>16,410</u>	<u>13,024</u>	<u>6,700</u>	<u>8,000</u>
<b>TOTAL M., S. &amp; E.</b>	<b>108,185</b>	<b>77,369</b>	<b>179,920</b>	<b>141,525</b>
 <b><u>INTERNAL SERVICES</u></b>				
Administrative Services	210,259	303,828	290,599	334,673
Self-Insurance	<u>8,553</u>	<u>4,341</u>	<u>5,583</u>	<u>5,776</u>
<b>TOTAL INTERNAL SERVICES</b>	<b>218,812</b>	<b>308,169</b>	<b>296,182</b>	<b>340,449</b>
 <b><u>DEBT SERVICE</u></b>				
Principal Payments	0	0	0	1,916
Interest Payments	<u>0</u>	<u>0</u>	<u>0</u>	<u>2,750</u>
<b>TOTAL DEBT SERVICE</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4,666</b>
 <b>GENERAL FUND TOTAL</b>	 <b><u>1,326,049</u></b>	 <b><u>1,441,063</u></b>	 <b><u>1,558,223</u></b>	 <b><u>1,688,438</u></b>



## DEPARTMENT: PERSONNEL

## FUND: RISK MANAGEMENT

<u>PERSONAL SERVICES</u>	<u>ACTUAL FY2005</u>	<u>ACTUAL FY2006</u>	<u>BUDGET FY2007</u>	<u>APPROVED FY2008</u>
Regular Salaries	68,767	72,295	74,054	76,825
Overtime	1,746	778	0	0
Internet Reimbursements	99	234	0	0
Parking Reimbursement	0	3,838	0	0
Salary-Claimant	0	15,092	0	0
Compensated Absences	(2,713)	(353)	0	0
Pension Contribution	6,181	9,062	6,836	6,589
Social Security	4,295	3,146	4,591	4,661
Medicare Tax	1,005	736	1,074	1,090
Hospitalization	16,867	16,866	16,393	17,345
Life Insurance	145	154	379	399
Pension Healthcare	97	642	910	910
Personal Services Adjustment	0	0	(1,000)	(1,000)
<b>TOTAL PERSONAL SERVICES</b>	<b>96,489</b>	<b>122,490</b>	<b>103,237</b>	<b>106,819</b>
<b><u>MATERIALS, SUPPLIES &amp; EQUIPMENT</u></b>				
Printing & Advertising	0	0	1,033	33
Transportation	1,352	0	4,800	3,700
Insurance	747,372	694,269	911,474	1,572,784
Contracted Maintenance Repairs	0	0	372	372
Professional Fees	31,784	43,568	26,800	105,000
Memberships & Registrations	2,894	140	1,500	2,800
Miscellaneous Services	(165)	0	210	210
Office & General Supplies	394	565	1,400	2,000
Equipment	9,418	0	700	4,000
<b>TOTAL M., S. &amp; E.</b>	<b>793,049</b>	<b>738,542</b>	<b>948,289</b>	<b>1,690,899</b>
<b><u>INTERNAL SERVICES</u></b>				
Administrative Services	6,688	15,485	8,503	16,930
Self-Insurance	912	380	925	955
<b>TOTAL INTERNAL SERVICES</b>	<b>7,600</b>	<b>15,865</b>	<b>9,428</b>	<b>17,885</b>
<b><u>OTHER</u></b>				
Depreciation	13,032	33,864	13,102	13,102
<b>TOTAL OTHER</b>	<b>13,032</b>	<b>33,864</b>	<b>13,102</b>	<b>13,102</b>
<b><u>SPECIAL PURPOSE</u></b>				
Claims Expense	(281,024)	(981,800)	0	0
<b>TOTAL SPECIAL PURPOSE</b>	<b>(281,024)</b>	<b>(981,800)</b>	<b>0</b>	<b>0</b>
<b><u>RISK MANAGEMENT FUND</u></b>				
<b>TOTAL</b>	<b>629,146</b>	<b>(71,039)</b>	<b>1,074,056</b>	<b>1,828,705</b>

## DEPARTMENT: PERSONNEL

## FUND: WORKERS' COMPENSATION

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
Regular Salaries	223,462	227,655	212,627	240,753
Temporary Salaries	0	0	17,500	5,000
Overtime	497	2,040	2,285	0
Internet Reimbursements	90	270	0	0
Compensated Absences	(5,628)	8,715	0	0
Pension Contribution	9,271	20,777	20,546	19,666
Social Security	13,746	14,195	14,410	14,823
Medicare Tax	3,215	3,320	3,371	3,466
Hospitalization	35,577	45,300	34,746	36,825
Life Insurance	540	522	1,176	1,252
Pension Healthcare	335	2,222	3,150	3,151
<b>TOTAL PERSONAL SERVICES</b>	<b>281,105</b>	<b>325,016</b>	<b>309,811</b>	<b>324,936</b>
<b><u>MATERIALS, SUPPLIES &amp; EQUIPMENT</u></b>				
Printing & Advertising	0	56	1,486	1,250
Transportation	0	0	0	4,800
Insurance	128,354	154,028	160,000	177,000
Rentals	0	0	22	100
Contracted Maintenance Repairs	310	265	560	1,800
Professional Fees	89,072	112,521	180,400	218,000
Memberships & Registrations	2,780	2,019	4,000	7,000
Office & General Supplies	631	322	761	1,150
Miscellaneous Parts	4,062	12,813	12,123	15,000
Equipment	5,023	13,243	18,100	45,000
<b>TOTAL M., S. &amp; E.</b>	<b>230,232</b>	<b>295,267</b>	<b>377,452</b>	<b>471,100</b>
<b><u>INTERNAL SERVICES</u></b>				
Administrative Services	5,685	13,006	7,774	15,327
Self-Insurance	1,813	755	1,864	1,934
<b>TOTAL INTERNAL SERVICES</b>	<b>7,498</b>	<b>13,761</b>	<b>9,638</b>	<b>17,261</b>
<b><u>OTHER</u></b>				
Depreciation	0	0	1,549	1,549
<b>TOTAL OTHER</b>	<b>0</b>	<b>0</b>	<b>1,549</b>	<b>1,549</b>
<b><u>SPECIAL PURPOSE</u></b>				
Workers' Compensation	4,940,500	3,087,654	2,230,150	2,307,500
<b>TOTAL SPECIAL PURPOSE</b>	<b>4,940,500</b>	<b>3,087,654</b>	<b>2,230,150</b>	<b>2,307,500</b>
<b>WORKERS' COMPENSATION</b>				
<b>FUND TOTAL</b>	<b><u>5,459,335</u></b>	<b><u>3,721,698</u></b>	<b><u>2,928,600</u></b>	<b><u>3,122,346</u></b>

## DEPARTMENT: PERSONNEL

## FUND: HEALTH AND WELFARE

<u>PERSONAL SERVICES</u>	<u>ACTUAL FY2005</u>	<u>ACTUAL FY2006</u>	<u>BUDGET FY2007</u>	<u>APPROVED FY2008</u>
Regular Salaries	53,384	55,836	55,889	59,487
Overtime	463	950	2,285	2,285
Internet Reimbursements	216	216	0	0
Compensated Absences	(2,003)	902	0	0
Pension Contribution	3,090	6,849	5,170	5,120
Social Security	3,300	3,528	3,607	3,682
Medicare Tax	772	825	844	861
Hospitalization	11,658	10,342	11,314	8,337
Life Insurance	133	141	286	309
Pension Healthcare	89	593	840	840
<b>TOTAL PERSONAL SERVICES</b>	<b>71,102</b>	<b>80,182</b>	<b>80,235</b>	<b>80,921</b>
 <u>MATERIALS, SUPPLIES &amp; EQUIPMENT</u>				
Communications & Utilities	41	0	0	0
Transportation	0	0	0	1,200
Memberships and Reg	0	0	0	600
Professional Fees	21,531	0	0	28,000
Equipment	0	0	0	3,000
Office & General Supplies	0	15	1,000	2,000
<b>TOTAL M., S. &amp; E.</b>	<b>21,572</b>	<b>15</b>	<b>1,000</b>	<b>34,800</b>
 <u>INTERNAL SERVICES</u>				
Administrative Services	743	3,144	1,075	3,724
Self-Insurance	612	255	628	652
<b>TOTAL INTERNAL SERVICES</b>	<b>1,355</b>	<b>3,399</b>	<b>1,703</b>	<b>4,376</b>
 <u>SPECIAL PURPOSE</u>				
Self-Insurance Costs	9,409,788	10,454,864	10,945,800	11,995,000
<b>TOTAL SPECIAL PURPOSE</b>	<b>9,409,788</b>	<b>10,454,864</b>	<b>10,945,800</b>	<b>11,995,000</b>
 <u>OTHER</u>				
Depreciation	515	1,305	515	515
<b>TOTAL OTHER</b>	<b>515</b>	<b>1,305</b>	<b>515</b>	<b>515</b>
 <b>HEALTH AND WELFARE</b>				
<b>FUND TOTAL</b>	<b><u>9,504,332</u></b>	<b><u>10,539,765</u></b>	<b><u>11,029,253</u></b>	<b><u>12,115,612</u></b>



# DEPARTMENT OF LICENSES & INSPECTIONS

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

## PRIORITIES FOR FISCAL YEAR 2008

- Improve the quality of the City's neighborhoods by enforcing our new instant ticketing program.
- Establishing our initial inspection on rental properties in order to be in compliance with the rental inspection program.
- Continued enhancement of our new code enforcement teams located within the City.
- Streamline departmental processes by providing various departmental forms on the City's website.
- Implementation of new MUNIS permit software which incorporates: issuing permits, status of building inspections and Plan review approval by various departments.
- Reduce the number of vacant structures by vigorous enforcement of the Vacant Property Ordinance.
- Aggressive enforcement in demolishing properties that are a blight to the community.

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

<b>TOTAL ALL FUNDS DEPT OF LICENSES &amp; INSPECTIONS</b>	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
Personal Services	2,410,531	2,544,162	2,935,462	3,103,443
Materials, Supplies & Equipment	293,855	111,369	344,045	688,969
Internal Services	383,769	398,037	438,306	417,993
Debt Service	25,958	38,833	38,773	38,729
Special Purpose	<u>214,100</u>	<u>198,825</u>	<u>219,650</u>	<u>223,887</u>
<b>TOTAL</b>	<b><u>3,328,213</u></b>	<b><u>3,291,226</u></b>	<b><u>3,976,236</u></b>	<b><u>4,473,021</u></b>
<b>STAFFING LEVELS</b>	<b>37.00</b>	<b>39.00</b>	<b>44.00</b>	<b>45.00</b>

<b>GENERAL FUND DEPT OF LICENSES &amp; INSPECTIONS</b>	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
Personal Services	1,950,831	2,244,812	2,935,462	3,103,443
Materials, Supplies & Equipment	293,855	105,304	344,045	688,969
Internal Services	363,657	377,201	438,306	417,993
Debt Service	25,958	38,833	38,773	38,729
Special Purpose	<u>214,100</u>	<u>198,825</u>	<u>219,650</u>	<u>223,887</u>
<b>TOTAL</b>	<b><u>2,848,401</u></b>	<b><u>2,964,975</u></b>	<b><u>3,976,236</u></b>	<b><u>4,473,021</u></b>
<b>STAFFING LEVELS</b>	<b>30.03</b>	<b>34.00</b>	<b>44.00</b>	<b>45.00</b>

<b>COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) FUND DEPT OF LICENSES &amp; INSPECTIONS</b>	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
Personal Services	459,700	299,350	0	0
Materials, Supplies & Equipment	0	6,065	0	0
Internal Services	<u>20,112</u>	<u>20,836</u>	<u>0</u>	<u>0</u>
<b>TOTAL</b>	<b><u>479,812</u></b>	<b><u>326,251</u></b>	<b><u>0</u></b>	<b><u>0</u></b>
<b>STAFFING LEVELS</b>	<b>6.97</b>	<b>5.00</b>	<b>0.00</b>	<b>0.00</b>

## MAJOR FUNDING CHANGES FROM PRIOR YEAR

- In order to support the Instant Ticketing and Rental Inspections programs, the Department has requested additional funding in a number of areas. These include \$52,414 for a new Administrative Clerk I position, which will provide support to these programs, as well as \$12,480 in Temporary Salaries to provide coverage during staff absences and assistance in filing program-related documents. Additionally, \$50,000 has been added to Consultants in order to hire a Hearing Officer who will hear Instant Ticketing cases as well as perform other related responsibilities.
- Overtime increased from \$9,950 to \$56,950. The rise in costs stems from the need for additional coverage for sanitation inspections during the summer months and increased staffing needs for the Instant Ticketing and Rental Inspections programs.
- To assist in preserving the quality of life in the City's neighborhoods, the Department has requested \$500,000 to fund an aggressive program to reduce the negative effects of vacant properties. This is an increase of \$250,000 from last year, and includes \$300,000 for demolition and \$200,000 for securely sealing and maintaining problem vacant properties.
- Registration Fees increased by \$10,000, to a total of \$30,000, so department personnel may attend seminars on current practices, codes, and polices in order to meet International Certification Council certification (I.C.C.) continuing education requirements.
- A total of \$34,000 has been budgeted to Additions and Improvements to Buildings in order to update and renovate the work spaces of 31 employees.

## DEPARTMENT OF LICENSES AND INSPECTIONS PERFORMANCE INDICATORS

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

**Objective:** Perform 50 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 18.*

CRITICAL INDICATOR	FY 2006 PROJECTED	FY 2006 ACTUAL	FY 2007 PROJECTED	FY 2007 ACTUAL	FY 2008 PROJECTED
Number of Lead-based Paint Inspections	120	0	120	0	50

**Goal #2:** Improve Housing Stock of the City.

**Objective:** Perform at least 50,000 building inspections.

*Goal #2 corresponds to the City's Strategic Plan, Policy Statements 1-B, 1-C, 3-A and 3-B on page 18.*

CRITICAL INDICATOR	FY 2006 PROJECTED	FY 2006 ACTUAL	FY 2007 PROJECTED	FY 2007 ACTUAL	FY 2008 PROJECTED
Number of Building Inspections	28,000	28,100	28,000	48,603	50,000

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

**Objective:** Complete at least 4,000 vacant structure inspections.

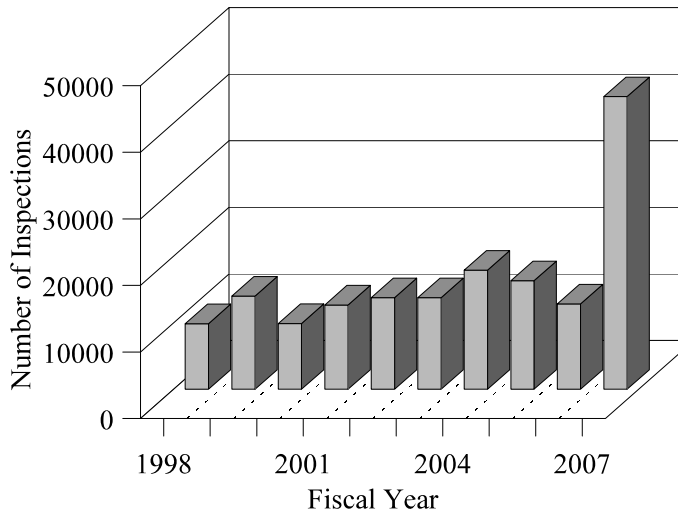
*Goal #3 corresponds to the City's Strategic Plan, Policy Statements 1-B, 1-C, and 3-E on page 18.*

CRITICAL INDICATOR	FY 2006 PROJECTED	FY 2006 ACTUAL	FY 2007 PROJECTED	FY 2007 ACTUAL	FY 2008 PROJECTED
Vacant Property Inspections	8,000	6,426	8,000	3,317	4,000



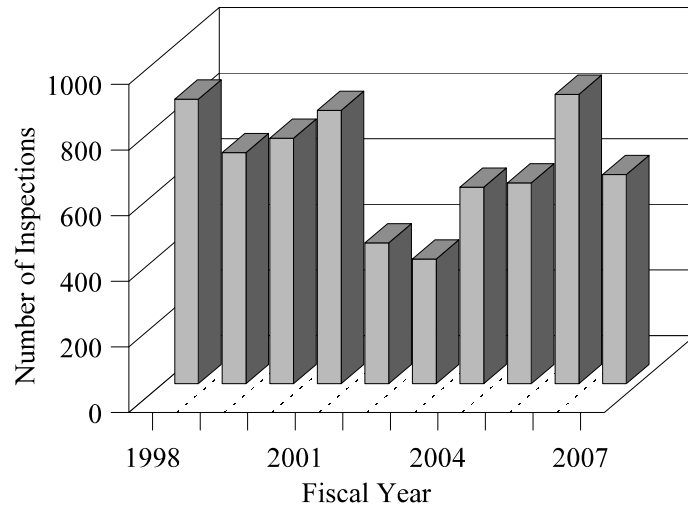
# Department of Licenses and Inspections Performance Trends

## Housing Inspections



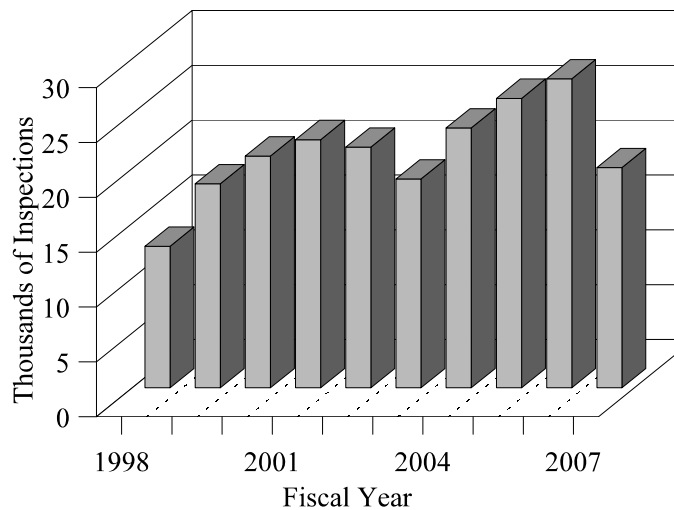
Housing inspections performed include: pre-rentals, lead paint, tenant complaints, sanitation, graffiti, and abandoned vehicles on private property. The inspections spiked due to enforcement of the new instant ticketing program.

## 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 had allowed the number of inspections to increase dramatically, back to historically high levels. The decrease in FY 2007 is a consequence of the new method of reporting inspections.

**DEPARTMENTAL BUDGET DETAIL BY FUND**

**DEPARTMENT: LICENSES AND INSPECTIONS**

**FUND: GENERAL**

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
Regular Salaries	1,316,719	1,532,165	2,025,768	2,181,295
Temporary Salaries	7,785	203	35,500	12,480
Acting Out of Classification	1,811	1,823	2,000	2,000
Sick Leave Bonus	780	650	0	1,000
Overtime	31,710	95,320	47,000	56,950
Civilian Holiday-Overtime	177	65	0	0
Meal Allowance	490	3,140	4,000	3,110
Clothing Allowance	4,504	5,250	10,000	8,750
Internet Reimbursements	1,710	1,260	1,620	900
Pension Contribution	209,746	133,624	184,948	189,023
Social Security	84,333	99,719	130,937	139,333
Medicare Tax	19,723	23,345	30,644	32,587
Hospitalization	241,273	323,728	457,440	465,399
Life Insurance	2,844	3,673	10,503	11,318
Pension Healthcare	20,126	14,747	30,804	31,500
Personal Services Adjustment	<u>7,100</u>	<u>6,100</u>	<u>(35,702)</u>	<u>(32,202)</u>
<b>TOTAL PERSONAL SERVICES</b>	<b>1,950,831</b>	<b>2,244,812</b>	<b>2,935,462</b>	<b>3,103,443</b>

**MATERIALS, SUPPLIES & EQUIPMENT**

Printing & Advertising	3,656	3,450	7,936	8,000
Communications & Utilities	18	21	1,500	1,200
Transportation	3,467	8,501	3,000	5,000
Rentals	200	0	292	233
Contracted Maintenance Repairs	12,550	0	0	0
Professional Fees	12,433	11,612	4,000	63,200
Other Fees	4,175	3,605	5,000	6,000
Memberships & Registration	23,620	13,292	24,000	36,000
Office & General Supplies	9,530	7,349	9,300	10,300
Wearing Apparel & Safety Supplies	15,291	12,856	21,800	21,000
Miscellaneous Parts	1,855	2,279	3,223	2,736
Construction & Repairs	203,365	36,039	250,000	500,000
Equipment	2,515	6,175	13,000	1,300
Fixed Assets	<u>1,180</u>	<u>125</u>	<u>994</u>	<u>34,000</u>
<b>TOTAL M., S. &amp; E.</b>	<b>293,855</b>	<b>105,304</b>	<b>344,045</b>	<b>688,969</b>

**DEPARTMENT: LICENSES AND INSPECTIONS**

**FUND: GENERAL**

<b>INTERNAL SERVICES</b>	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
Administrative Services	316,986	346,168	411,200	389,855
Self-Insurance	<u>46,671</u>	<u>31,033</u>	<u>27,106</u>	<u>28,138</u>
<b>TOTAL INTERNAL SERVICES</b>	<b><u>363,657</u></b>	<b><u>377,201</u></b>	<b><u>438,306</u></b>	<b><u>417,993</u></b>
<b><u>DEBT SERVICE</u></b>				
Principal Payments	19,041	29,830	31,656	33,170
Interest Payments	<u>6,917</u>	<u>9,003</u>	<u>7,117</u>	<u>5,559</u>
<b>TOTAL DEBT SERVICE</b>	<b><u>25,958</u></b>	<b><u>38,833</u></b>	<b><u>38,773</u></b>	<b><u>38,729</u></b>
<b><u>SPECIAL PURPOSE</u></b>				
Delaware SPCA	<u>214,100</u>	<u>198,825</u>	<u>219,650</u>	<u>223,887</u>
<b>TOTAL SPECIAL PURPOSE</b>	<b><u>214,100</u></b>	<b><u>198,825</u></b>	<b><u>219,650</u></b>	<b><u>223,887</u></b>
<b>GENERAL FUND TOTAL</b>	<b><u>2,848,401</u></b>	<b><u>2,964,975</u></b>	<b><u>3,976,236</u></b>	<b><u>4,473,021</u></b>

**DEPARTMENT: LICENSES AND INSPECTIONS**

**FUND: CDBG**

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
Regular Salaries	327,762	178,881	0	0
Acting Out of Class	103	33	0	0
Sick Leave Bonus	720	0	0	0
Meal Allowance	50	0	0	0
Overtime	1,659	29,601	0	0
Clothing Allowance	1,871	1,125	0	0
Internet Reimbursement	315	315	0	0
Pension Contribution	22,251	21,102	0	0
Social Security	21,476	14,958	0	0
Medicare Tax	5,022	3,462	0	0
Hospitalization	77,175	47,468	0	0
Pension-Healthcare	570	1,909	0	0
Life Insurance	<u>726</u>	<u>496</u>	<u>0</u>	<u>0</u>
<b>TOTAL PERSONAL SERVICES</b>	<b><u>459,700</u></b>	<b><u>299,350</u></b>	<b><u>0</u></b>	<b><u>0</u></b>
<b><u>MATERIALS, SUPPLIES &amp; EQUIPMENT</u></b>				
Memberships and Registration	0	1,678	0	0
Furn., Fix & Office	<u>0</u>	<u>4,387</u>	<u>0</u>	<u>0</u>
<b>TOTAL M., S. &amp; E.</b>	<b><u>0</u></b>	<b><u>6,065</u></b>	<b><u>0</u></b>	<b><u>0</u></b>

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

<b>INTERNAL SERVICES</b>	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
Administrative Services	2,268	2,400	0	0
Self-Insurance	<u>17,844</u>	<u>18,436</u>	<u>0</u>	<u>0</u>
<b>TOTAL INTERNAL SERVICES</b>	<b>20,112</b>	<b>20,836</b>	<b>0</b>	<b>0</b>
<b>CDBG FUND TOTAL</b>	<b><u>479,812</u></b>	<b><u>326,251</u></b>	<b><u>0</u></b>	<b><u>0</u></b>

# 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.

<b>PRIORITIES FOR FISCAL YEAR 2008</b>
<ul style="list-style-type: none"> <li>• Develop and implement a Citywide Youth Sport Standard, to be used by all youth sports agencies and organizations.</li> <li>• Develop a long-term beautification plan for all City Parks and Plazas.</li> <li>• Increase the number of training opportunities for departmental staff.</li> <li>• Expand the number of non-traditional programs and activities being offered by the department.</li> <li>• Expand and increase the number of recreational opportunities for the physically-challenged population.</li> <li>• Expand collaborative programs and activities with outside agencies and organizations.</li> <li>• Seek grant opportunities to continue program initiatives with the assistance of revenue sources outside the General Fund.</li> </ul>

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

<b>TOTAL ALL FUNDS</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>APPROVED</b>
<b>DEPT OF PARKS &amp; RECREATION</b>	<b>FY2005</b>	<b>FY2006</b>	<b>FY2007</b>	<b>FY2008</b>
Personal Services	4,078,684	4,184,692	4,326,391	4,908,370
Materials, Supplies & Equipment	2,089,878	1,822,076	1,645,922	2,048,296
Internal Services	1,082,439	902,953	1,050,249	1,039,651
Debt Service	<u>1,761,445</u>	<u>2,206,320</u>	<u>2,441,987</u>	<u>2,691,050</u>
<b>TOTAL</b>	<b><u>9,012,446</u></b>	<b><u>9,116,041</u></b>	<b><u>9,464,549</u></b>	<b><u>10,687,367</u></b>
<b>STAFFING LEVELS</b>	<b>52.00</b>	<b>52.00</b>	<b>53.00</b>	<b>54.00</b>

<b>GENERAL FUND</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>APPROVED</b>
<b>DEPT OF PARKS &amp; RECREATION</b>	<b>FY2005</b>	<b>FY2006</b>	<b>FY2007</b>	<b>FY2008</b>
Personal Services	3,684,471	3,705,905	4,048,845	4,634,018
Materials, Supplies & Equipment	1,207,417	1,115,357	1,282,750	1,663,891
Internal Services	1,079,235	899,707	1,046,816	1,036,218
Debt Service	<u>1,761,445</u>	<u>2,206,320</u>	<u>2,441,987</u>	<u>2,691,050</u>
<b>TOTAL</b>	<b><u>7,732,568</u></b>	<b><u>7,927,289</u></b>	<b><u>8,820,398</u></b>	<b><u>10,025,177</u></b>
<b>STAFFING LEVELS</b>	<b>52.00</b>	<b>52.00</b>	<b>53.00</b>	<b>54.00</b>

<b>PARKS ASSISTANCE FUND</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>APPROVED</b>
<b>DEPT OF PARKS &amp; RECREATION</b>	<b>FY2005</b>	<b>FY2006</b>	<b>FY2007</b>	<b>FY2008</b>
Personal Services	317,949	407,552	157,725	159,464
Materials, Supplies & Equipment	<u>880,975</u>	<u>705,167</u>	<u>332,107</u>	<u>353,340</u>
<b>TOTAL</b>	<b><u>1,198,924</u></b>	<b><u>1,112,719</u></b>	<b><u>489,832</u></b>	<b><u>512,804</u></b>
<b>STAFFING LEVELS</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

<b>PARKS TRUST FUND</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>APPROVED</b>
<b>DEPT OF PARKS &amp; RECREATION</b>	<b>FY2005</b>	<b>FY2006</b>	<b>FY2007</b>	<b>FY2008</b>
Personal Services	76,264	71,235	119,821	114,888
Materials, Supplies & Equipment	1,486	1,552	31,065	31,065
Internal Services	<u>3,204</u>	<u>3,246</u>	<u>3,433</u>	<u>3,433</u>
<b>TOTAL</b>	<b><u>80,954</u></b>	<b><u>76,033</u></b>	<b><u>154,319</u></b>	<b><u>149,386</u></b>
<b>STAFFING LEVELS</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

## MAJOR FUNDING CHANGES FROM PRIOR YEAR

- One new position has been added in the Maintenance Division to divide the city parkland maintenance supervision between two persons. The new Park Maintenance Supervisor will have a first-year cost of \$74,411.
- A new position, Parks Financial Administrator, was created to oversee the financial and accounting aspects of the Department's programs, purchasing, grants administration and employee payroll. The cost of the position is \$77,575 for the first year.
- One longtime vacant General Laborer I position has been deleted in the department resulting in savings of \$41,544.
- More than \$342,000 (\$278,190 in Youth & Families) was added in Temporary Salaries for FY 2008. This increase will offset the recent raise in the minimum wage and allow for program expansion, particularly in the Summer Youth Program.
- Appropriations for Communications and Utilities have risen by more than \$174,000 due to higher electricity rates. The department incurs electricity costs for the headquarters building, the Anderson Community Center and numerous ballfields.
- An additional \$18,000 has been earmarked in Transportation to fund costs related to staff training.
- Rentals have increased by \$14,000 in the Youth & Families Division in anticipation of costs related to the Talented Tenth Program.
- Miscellaneous Services will rise by \$55,000, and will fund a pilot program for Urban Forest Infrastructure, along with some new and expanded programs in the Youth & Families Division.
- Wearing Apparel appropriations have been increased by \$13,500, and is also related to program expansion.
- Funding for \$20,000 in recreation equipment has again been included for the Anderson Community Center in FY 2008 to replace some aging physical fitness gear.
- Debt Service for FY 2008 will increase by more than \$249,000 per payment schedules of existing debt and the funding of the FY 2006 Capital Budget.

## 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 18.*

CRITICAL INDICATOR	FY 2006 PROJECTED	FY 2006 ACTUAL	FY 2007 PROJECTED	FY 2007 ACTUAL	FY 2008 PROJECTED
Senior Programs Implemented	15	15	16	16	17

**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 18.*

CRITICAL INDICATOR	FY 2006 PROJECTED	FY 2006 ACTUAL	FY 2007 PROJECTED	FY 2007 ACTUAL	FY 2008 PROJECTED
Park Sites Operated	24	24	25	25	25
% Increase in Participation of Departmental Sports Leagues	30%	30%	32%	31%	35%

**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 18.*

CRITICAL INDICATOR	FY 2006 PROJECTED	FY 2006 ACTUAL	FY 2007 PROJECTED	FY 2007 ACTUAL	FY 2008 PROJECTED
# of Female targeted programs Implemented	30	30	31	30	31



## DEPARTMENT OF PARKS AND RECREATION PERFORMANCE INDICATORS

**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 18.*

CRITICAL INDICATOR	FY 2006 PROJECTED	FY 2006 ACTUAL	FY 2007 PROJECTED	FY 2007 ACTUAL	FY 2008 PROJECTED
Number of youth-led projects	8	7	8	8	9

**Goal #5:** To increase diversity in program participation.

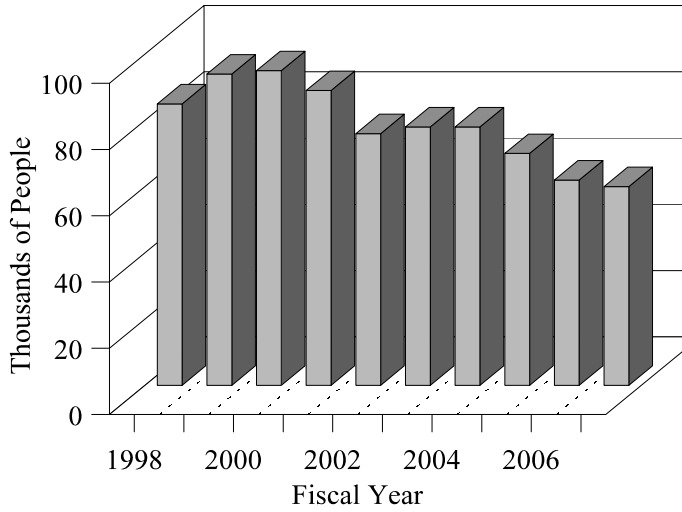
**Objective:** Provide at least 4 family-oriented information fairs throughout the City.

*Goal #5 corresponds to the City's Strategic Plan, Policy Statement 3-D on page 18.*

CRITICAL INDICATOR	FY 2006 PROJECTED	FY 2006 ACTUAL	FY 2007 PROJECTED	FY 2007 ACTUAL	FY 2008 PROJECTED
Number of family inclusive information fairs held	12	10	12	11	12

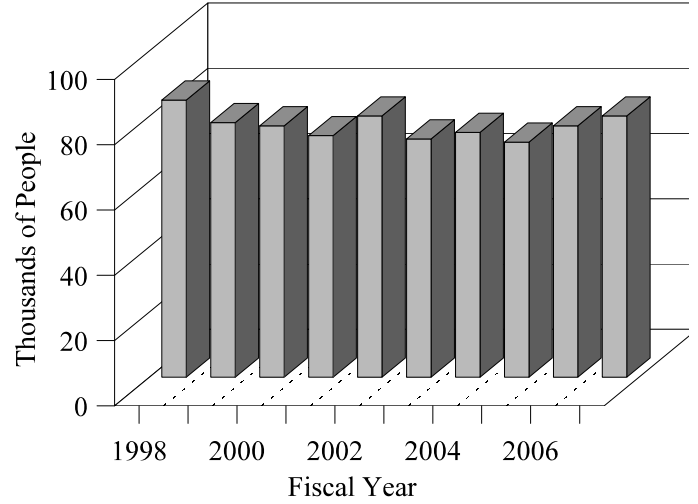
# Department of Parks and Recreation Performance Trends

## Pool Attendance



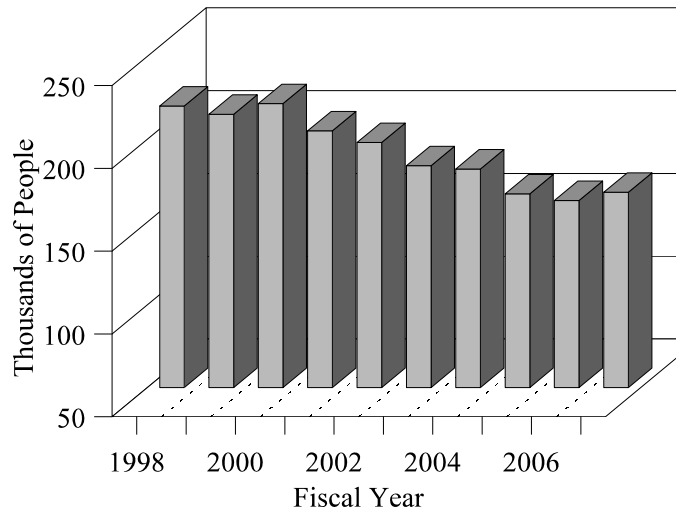
Pool attendance can fluctuate due to factors such as weather and the length of the school year.

## 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**

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
Regular Salaries	1,827,414	1,912,610	2,091,590	2,233,642
Temporary Salaries	785,052	833,119	933,023	1,275,453
Acting Out of Class	12,875	2,040	3,500	3,500
Sick Leave Bonus	900	1,500	600	600
Overtime	134,726	122,293	120,500	120,500
Meal Allowance	3,972	3,498	4,000	4,020
Clothing Allowance	180	50	0	0
Internet Reimbursements	735	315	500	500
Pension Contribution	322,996	180,972	205,551	206,794
Social Security	170,823	178,172	195,929	224,968
Medicare Tax	39,917	41,682	45,843	52,613
Hospitalization	348,949	403,858	485,711	547,709
Life Insurance	4,285	4,927	10,651	11,578
Pension Healthcare	31,647	20,869	37,104	37,798
Personal Services Adjustment	<u>0</u>	<u>0</u>	<u>(85,657)</u>	<u>(85,657)</u>
<b>TOTAL PERSONAL SERVICES</b>	<b>3,684,471</b>	<b>3,705,905</b>	<b>4,048,845</b>	<b>4,634,018</b>

**MATERIALS, SUPPLIES & EQUIPMENT**

Printing & Advertising	14,444	7,580	18,000	18,000
Communications & Utilities	222,963	218,690	194,586	368,800
Transportation	13,302	22,780	27,880	46,250
Rentals	60,385	76,693	78,160	92,044
Contracted Maintenance	85,447	27,233	91,001	114,201
Professional Fees	369,141	252,865	270,975	317,038
Other Fees	120,558	136,482	138,398	152,129
Memberships & Registrations	12,759	18,103	23,185	26,240
Miscellaneous Services	73,853	85,877	105,651	160,956
Office & General Supplies	17,174	15,925	27,151	26,120
Wearing Apparel & Safety Supplies	36,276	34,628	48,038	61,500
Miscellaneous Parts	114,268	150,322	167,271	184,053
Petroleum & Chemicals	14,660	20,201	19,650	20,650
Construction & Repairs	12,383	8,769	18,280	23,460
Equipment	25,049	18,372	42,360	39,450
Fixed Assets	<u>14,755</u>	<u>20,837</u>	<u>12,164</u>	<u>13,000</u>
<b>TOTAL M., S. &amp; E.</b>	<b>1,207,417</b>	<b>1,115,357</b>	<b>1,282,750</b>	<b>1,663,891</b>

## DEPARTMENT: PARKS &amp; RECREATION

## FUND: GENERAL

<u>INTERNAL SERVICES</u>	<u>ACTUAL FY2005</u>	<u>ACTUAL FY2006</u>	<u>BUDGET FY2007</u>	<u>APPROVED FY2008</u>
Administrative Services	552,986	596,741	698,074	675,542
Self-Insurance	<u>526,249</u>	<u>302,966</u>	<u>348,742</u>	<u>360,676</u>
<b>TOTAL INTERNAL SERVICES</b>	<b>1,079,235</b>	<b>899,707</b>	<b>1,046,816</b>	<b>1,036,218</b>
<b><u>DEBT SERVICE</u></b>				
Principal Payments	1,215,911	1,464,960	1,616,265	1,853,441
Interest Payments	<u>545,534</u>	<u>741,360</u>	<u>825,722</u>	<u>837,609</u>
<b>TOTAL DEBT SERVICE</b>	<b>1,761,445</b>	<b>2,206,320</b>	<b>2,441,987</b>	<b>2,691,050</b>
<b>GENERAL FUND TOTAL</b>	<b><u>7,732,568</u></b>	<b><u>7,927,289</u></b>	<b><u>8,820,398</u></b>	<b><u>10,025,177</u></b>

## DEPARTMENT: PARKS &amp; RECREATION

## FUND: PARKS ASSISTANCE

<u>PERSONAL SERVICES</u>	<u>ACTUAL FY2005</u>	<u>ACTUAL FY2006</u>	<u>BUDGET FY2006</u>	<u>APPROVED FY2008</u>
Temporary Salaries	294,075	378,807	146,517	148,133
Social Security	19,413	23,305	9,084	9,184
Medicare Tax	<u>4,461</u>	<u>5,440</u>	<u>2,124</u>	<u>2,147</u>
<b>TOTAL PERSONAL SERVICES</b>	<b>317,949</b>	<b>407,552</b>	<b>157,725</b>	<b>159,464</b>
<b><u>MATERIALS, SUPPLIES &amp; EQUIPMENT</u></b>				
Printing & Advertising	46,526	7,220	0	0
Transportation	27,501	4,892	2,000	4,000
Communications & Utilities	63	0	2,200	2,200
Rentals	10,310	7,811	10,300	10,300
Other Fees	3,508	9,311	0	0
Memberships & Registrations	11,700	32,540	0	0
Miscellaneous Services	212,446	120,063	0	0
Office & General Supplies	1,359	500	4,000	2,000
Wearing Apparel & Safety Supplies	2,488	0	0	0
Miscellaneous Parts	422,471	519,669	313,607	334,840
Fixed Assets	4,074	3,161	0	0
Miscellaneous Projects	<u>138,529</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>TOTAL M., S. &amp; E.</b>	<b>880,975</b>	<b>705,167</b>	<b>332,107</b>	<b>353,340</b>
<b>PARKS ASSISTANCE FUND TOTAL</b>	<b><u>1,198,924</u></b>	<b><u>1,112,719</u></b>	<b><u>489,832</u></b>	<b><u>512,804</u></b>

## DEPARTMENT: PARKS &amp; RECREATION

## FUND: PARKS TRUST

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
Regular Salaries	43,296	41,890	68,946	71,117
Temporary Salaries	12,470	9,751	2,500	2,500
Overtime	2,729	0	14,000	4,000
Internet Reimbursements	45	45	0	0
Social Security	3,288	3,205	5,143	4,657
Medicare Tax	769	749	1,203	1,089
Pensions	1,550	3,258	3,700	5,689
Life Insurance	0	16	221	370
Hospitalization	<u>12,117</u>	<u>12,321</u>	<u>24,108</u>	<u>25,466</u>
<b>TOTAL PERSONAL SERVICES</b>	<b>76,264</b>	<b>71,235</b>	<b>119,821</b>	<b>114,888</b>
 <b><u>MATERIALS, SUPPLIES &amp; EQUIPMENT</u></b>				
Communications & Utilities	1,486	1,552	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>
<b>TOTAL M., S. &amp; E.</b>	<b>1,486</b>	<b>1,552</b>	<b>31,065</b>	<b>31,065</b>
 <b><u>INTERNAL SERVICES</u></b>				
Self-Insurance	<u>3,204</u>	<u>3,246</u>	<u>3,433</u>	<u>3,433</u>
<b>TOTAL INTERNAL SERVICES</b>	<b>3,204</b>	<b>3,246</b>	<b>3,433</b>	<b>3,433</b>
 <b>PARKS TRUST FUND TOTAL</b>	 <b><u>80,954</u></b>	 <b><u>76,033</u></b>	 <b><u>154,319</u></b>	 <b><u>149,386</u></b>



# 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.

<b>PRIORITIES FOR FISCAL YEAR 2008</b>
<ul style="list-style-type: none"> <li>• Provide additional training for firefighters to meet National Registry Level standards.</li> <li>• Increase firefighter safety through the upgrade of the department's self-contained breathing apparatus.</li> <li>• Minimize expenditures for Acting-Out-Of-Class and Overtime.</li> <li>• 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.</li> </ul>

## SUMMARY OF FUNDING FOR THE FIRE DEPARTMENT

<b>TOTAL ALL FUNDS FIRE DEPARTMENT</b>	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
Personal Services	13,740,683	18,399,792	18,850,942	19,535,291
Materials, Supplies & Equipment	1,232,017	749,581	649,072	897,687
Internal Services	2,182,264	2,081,567	1,679,941	2,185,106
Debt Service	<u>538,378</u>	<u>568,601</u>	<u>669,485</u>	<u>377,318</u>
<b>TOTAL</b>	<b><u>17,693,342</u></b>	<b><u>21,799,541</u></b>	<b><u>21,849,440</u></b>	<b><u>22,995,402</u></b>
<b>STAFFING LEVELS</b>	<b>176.00</b>	<b>176.00</b>	<b>177.00</b>	<b>179.00</b>

<b>GENERAL FUND FIRE DEPARTMENT</b>	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
Personal Services	13,543,928	13,908,243	14,415,942	15,325,291
Materials, Supplies & Equipment	484,242	431,500	454,711	697,499
Internal Services	2,182,264	2,081,567	1,679,941	2,185,106
Debt Service	<u>538,378</u>	<u>568,601</u>	<u>669,485</u>	<u>377,318</u>
<b>TOTAL</b>	<b><u>16,748,812</u></b>	<b><u>16,989,911</u></b>	<b><u>17,220,079</u></b>	<b><u>18,585,214</u></b>
<b>STAFFING LEVELS</b>	<b>176.00</b>	<b>176.00</b>	<b>177.00</b>	<b>179.00</b>

<b>STATE PENSION CONTRIBUTIONS FIRE DEPARTMENT</b>	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
Personal Services	<u>0</u>	<u>4,329,966</u>	<u>4,210,000</u>	<u>4,210,000</u>
<b>TOTAL</b>	<b><u>0</u></b>	<b><u>4,329,966</u></b>	<b><u>4,210,000</u></b>	<b><u>4,210,000</u></b>
<b>STAFFING LEVELS</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

<b>STATE FIRE GRANT FUND FIRE DEPARTMENT</b>	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
Materials, Supplies & Equipment	<u>231,194</u>	<u>276,963</u>	<u>194,361</u>	<u>200,188</u>
<b>TOTAL</b>	<b><u>231,194</u></b>	<b><u>276,963</u></b>	<b><u>194,361</u></b>	<b><u>200,188</u></b>
<b>STAFFING LEVELS</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

<b>NEW CASTLE COUNTY FIRE GRANT FUND FIRE DEPARTMENT</b>	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
Personal Services	0	138,472	225,000	0
Materials, Supplies & Equipment	<u>13,408</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>TOTAL</b>	<b><u>13,408</u></b>	<b><u>138,472</u></b>	<b><u>225,000</u></b>	<b><u>0</u></b>
<b>STAFFING LEVELS</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

<b>FEDERAL EMERGENCY MANAGEMENT &amp; OTHER MISCELLANEOUS GRANTS FIRE DEPARTMENT</b>	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
Personal Services	196,755	23,111	0	0
Materials, Supplies & Equipment	<u>503,173</u>	<u>41,118</u>	<u>0</u>	<u>0</u>
<b>TOTAL</b>	<b><u>699,928</u></b>	<b><u>64,229</u></b>	<b><u>0</u></b>	<b><u>0</u></b>
<b>STAFFING LEVELS</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>



## MAJOR FUNDING CHANGES FROM PRIOR YEAR

- Regular Salaries increased by \$417,000 as a result of an anticipated cost of living adjustment with Local 1590, and the cost of the new positions outlined below.
- An additional uniformed Firefighter position has been created to meet the increased demand for Prevention Division services, including fire investigations, building inspections, and plan reviews. The first year cost of the position is \$54,421, and will increase the authorized strength to 173.
- One Information Desktop Engineer, Grade L, previously budgeted in the Integrated Technologies Division of the Mayor's Office, has been transferred into the Fire Department. This position will support the Department's growing IT needs.
- A Captain position was upgraded to Battalion Chief to reflect safety and training responsibilities.
- Overtime appropriations have been increased by \$250,000 to \$1,600,000. Recent trends of spending caused by Military Leave, job-related injuries, and callbacks due to major fires dictated the need for this increase.
- Total Utility Costs have risen by more than \$73,000. Higher gas and electricity rates, along with a new appropriation of \$18,720 for airtime for mobile data terminals, are anticipated.
- Contracted Maintenance has been increased by nearly \$85,000. Funds have been earmarked for additional station repairs, along with all of the department's marine units.
- Travel appropriations have increased \$3,000 to allow for expenditures related to staff training.
- Professional Fees have risen by \$7,000 and will be used to leverage supplemental grant funds.
- Increased Memberships & Registrations in the amount of \$13,250 will fund additional staff training expenses.
- Based on recent actual expenditures, Wearing Apparel & Safety Supplies will rise in total by almost \$10,000.
- Miscellaneous Materials, Supplies and Parts will increase by \$12,700, and is driven by the need for replacement parts for communications equipment.
- An additional \$12,000 has been requested in the Equipment account to purchase some replacement furniture at fire stations.
- Fixed Assets will rise by \$15,000 for software needed to interface the Telestaff and CAD systems.
- Total allocations for Internal Services have increased by \$505,000. There is a substantial increase in Motor Vehicle Costs due to the recent acquisition of five new pieces of apparatus.
- Debt Service expenditures will decrease by more than \$292,000 in FY 2008.

## FIRE DEPARTMENT PERFORMANCE INDICATORS

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

**Objective:** Try to keep all fires contained to room of origin.

*Goal #1 corresponds to the City's Strategic Plan, Policy Statements 1-C, 3-C and 3-E on page 18.*

CRITICAL INDICATOR	FY 2006 PROJECTED	FY 2006 ACTUAL	FY 2007 PROJECTED	FY 2007 ACTUAL	FY 2008 PROJECTED
% of Fires Contained to Room of Origin	98%	94%	98%	95%	95%

**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 18.*

CRITICAL INDICATOR	FY 2006 PROJECTED	FY 2006 ACTUAL	FY 2007 PROJECTED	FY 2007 ACTUAL	FY 2008 PROJECTED
Number of Building Inspections	1,000	945	350	1,018	1,500
Citizens Educated	35,000	19,012	19,000	17,163	30,000

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

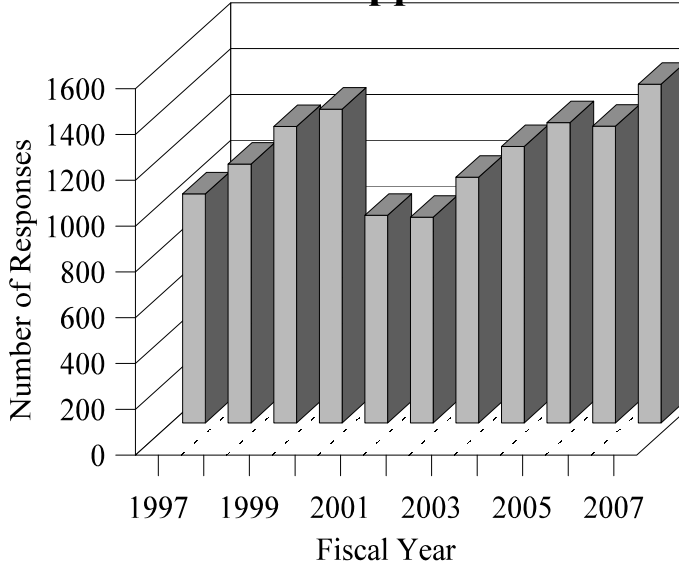
**Objective:** Maintain the average response time for fires to two minutes or less.

*Goal #3 corresponds to the City's Strategic Plan, Policy Statements 1-B, 1-C, 3-C and 3-D on page 18.*

CRITICAL INDICATOR	FY 2006 PROJECTED	FY 2006 ACTUAL	FY 2007 PROJECTED	FY 2007 ACTUAL	FY 2008 PROJECTED
Average Fire Response Time	2 minutes	2 minutes & 49 seconds	2 minutes	2 minutes & 14 seconds	2 minutes & 30 seconds

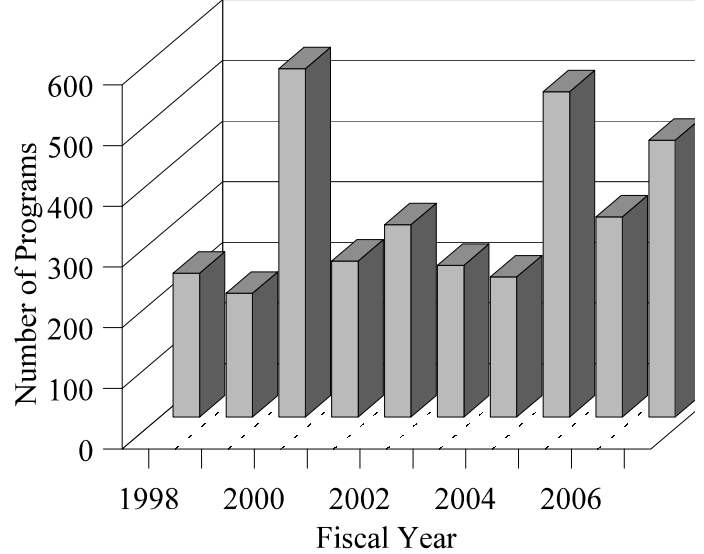
# Fire Department Performance Trends

## Basic Life Support Alarms



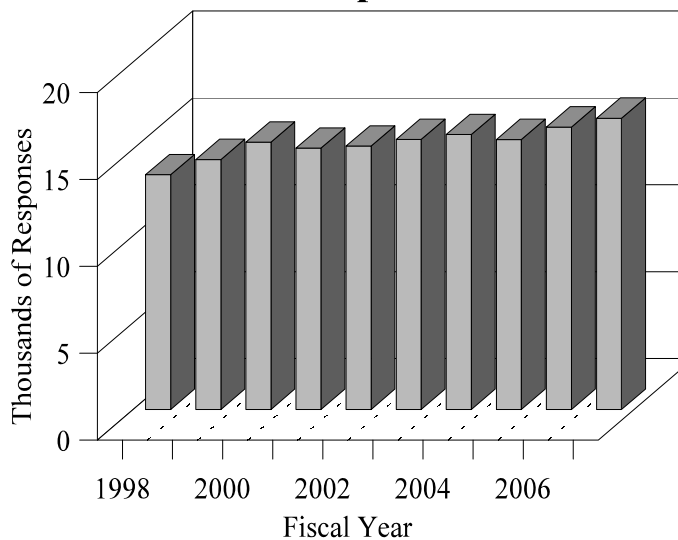
Total Basic Life Support alarms have risen steadily. In 1996, the department contracted with a private vendor in an attempt to reduce its BLS runs. In FY 2001, the vendor supplied a third unit which temporarily reduced the number, but the upward trend continues.

## Fire Prevention Division



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

## Total Responses



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**

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
Regular Salaries	9,681,825	9,681,420	9,917,295	10,334,280
Temporary Salaries	15,680	0	10,000	10,000
Acting Out of Class	75,278	46,856	9,000	8,000
Shift Differential	79,343	75,807	80,750	73,400
Sick Leave Bonus	0	250	0	0
Overtime	668,372	1,093,132	1,350,000	1,600,000
Holiday Pay	0	355	0	0
Internet Reimbursements	5,985	8,115	6,980	8,325
Pension Contribution	600,012	359,830	367,562	350,065
Social Security	11,438	13,889	12,761	17,567
Medicare Tax	96,363	106,923	109,131	121,120
Hospitalization	1,707,495	1,847,648	1,831,500	1,931,347
Life Insurance	1,043	23,268	50,403	53,651
County/Municipal Pension Contribution	472,621	562,369	619,545	713,515
Pension Healthcare	128,473	88,381	126,015	124,600
Personal Services Adjustment	<u>0</u>	<u>0</u>	<u>(75,000)</u>	<u>(20,579)</u>
<b>TOTAL PERSONAL SERVICES</b>	<b>13,543,928</b>	<b>13,908,243</b>	<b>14,415,942</b>	<b>15,325,291</b>

**MATERIALS, SUPPLIES & EQUIPMENT**

Printing & Advertising	960	2,239	1,940	2,867
Communications & Utilities	96,908	98,214	113,410	186,648
Transportation	8,960	9,416	12,000	15,000
Contracted Maintenance Repairs	47,469	30,574	36,256	121,200
Professional Fees	49,928	65,781	88,000	90,000
Memberships & Registrations	58,106	57,434	48,200	69,750
Miscellaneous Services	22,953	30,491	50,996	49,550
Office & General Supplies	19,161	18,487	20,114	23,092
Wearing Apparel & Safety Supplies	39,347	61,038	40,082	50,000
Miscellaneous Parts	43,870	40,874	34,713	52,392
Construction & Repairs	7,749	3,000	5,000	6,000
Equipment	88,831	3,434	4,000	16,000
Fixed Assets	<u>0</u>	<u>10,518</u>	<u>0</u>	<u>15,000</u>
<b>TOTAL M., S. &amp; E.</b>	<b>484,242</b>	<b>431,500</b>	<b>454,711</b>	<b>697,499</b>

## DEPARTMENT: FIRE

## FUND: GENERAL

<b>INTERNAL SERVICES</b>	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
Administrative Services	762,898	1,154,850	847,875	1,321,862
Self-Insurance	<u>1,419,366</u>	<u>926,717</u>	<u>832,066</u>	<u>863,244</u>
<b>TOTAL INTERNAL SERVICES</b>	<b>2,182,264</b>	<b>2,081,567</b>	<b>1,679,941</b>	<b>2,185,106</b>
<b><u>DEBT SERVICE</u></b>				
Principal Payments	355,676	384,227	430,700	314,975
Interest Payments	<u>182,702</u>	<u>184,374</u>	<u>238,785</u>	<u>62,343</u>
<b>TOTAL DEBT SERVICE</b>	<b>538,378</b>	<b>568,601</b>	<b>669,485</b>	<b>377,318</b>

## DEPARTMENT: FIRE

## FUND: STATE PENSION CONTRIBUTIONS

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
State Pension Contributions	<u>0</u>	<u>4,329,966</u>	<u>4,210,000</u>	<u>4,210,000</u>
<b>TOTAL PERSONAL SERVICES</b>	<b>0</b>	<b>4,329,966</b>	<b>4,210,000</b>	<b>4,210,000</b>
<b>GENERAL FUND TOTAL</b>	<b><u>16,748,812</u></b>	<b><u>21,319,877</u></b>	<b><u>21,430,079</u></b>	<b><u>22,795,214</u></b>

## DEPARTMENT: FIRE

## FUND: STATE FIRE GRANT

<b>MATERIALS, SUPPLIES &amp; EQUIPMENT</b>	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
Professional Fees	0	1,903	0	0
Memberships & Registrations	7,227	116	0	0
Wearing Apparel & Safety Supplies	0	23,526	0	0
Miscellaneous Parts	19,097	502	0	0
Equipment	56,316	104,651	0	0
Fixed Assets	<u>148,554</u>	<u>146,265</u>	<u>194,361</u>	<u>200,188</u>
<b>TOTAL M., S. &amp; E.</b>	<b>231,194</b>	<b>276,963</b>	<b>194,361</b>	<b>200,188</b>
<b>STATE FIRE GRANT TOTAL</b>	<b><u>231,194</u></b>	<b><u>276,963</u></b>	<b><u>194,361</u></b>	<b><u>200,188</u></b>

## DEPARTMENT: FIRE

## FUND: NEW CASTLE COUNTY FIRE GRANT

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
Overtime	<u>0</u>	<u>138,472</u>	<u>225,000</u>	<u>0</u>
<b>TOTAL PERSONAL SERVICES</b>	<b>0</b>	<b>138,472</b>	<b>225,000</b>	<b>0</b>
<b>MATERIALS, SUPPLIES &amp; EQUIPMENT</b>	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
Wearing Apparel & Safety Supplies	13,402	0	0	0
Fixed Assets	<u>6</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>TOTAL M., S. &amp; E.</b>	<b>13,408</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>NEW CASTLE COUNTY FIRE GRANT TOTAL</b>	<b><u>13,408</u></b>	<b><u>138,472</u></b>	<b><u>225,000</u></b>	<b><u>0</u></b>

## DEPARTMENT: FIRE

FUND: FEDERAL EMERGENCY MANAGEMENT  
& OTHER MISCELLANEOUS GRANTS

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
Overtime	<u>196,755</u>	<u>23,111</u>	<u>0</u>	<u>0</u>
<b>TOTAL PERSONAL SERVICES</b>	<b>196,755</b>	<b>23,111</b>	<b>0</b>	<b>0</b>
<b>MATERIALS, SUPPLIES &amp; EQUIPMENT</b>				
Professional Fees	17,418	13,516	0	0
Miscellaneous Services	168,198	27,601	0	0
Equipment	266,118	0	0	0
Fixed Assets	<u>51,439</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>TOTAL M. S. &amp; E.</b>	<b>503,173</b>	<b>41,118</b>	<b>0</b>	<b>0</b>
<b>FEDERAL EMERG. MGT. &amp; OTHER MISC. GRANTS TOTAL</b>	<b><u>699,928</u></b>	<b><u>64,229</u></b>	<b><u>0</u></b>	<b><u>0</u></b>

# 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.

<b>PRIORITIES FOR FISCAL YEAR 2008</b>
<ul style="list-style-type: none"> <li>• Reduce crime.</li> <li>• Reduce illegal drugs.</li> <li>• Reduce street-level drug activity.</li> <li>• Increase Public Safety by reducing traffic accidents.</li> <li>• Establish a Partnership with the community.</li> <li>• Improve professional standards within the department.</li> <li>• Improve performance through personnel training and development.</li> <li>• Maintain a heightened state of awareness and preparedness.</li> </ul>

## SUMMARY OF FUNDING FOR THE DEPARTMENT OF POLICE

<b>TOTAL ALL FUNDS DEPARTMENT OF POLICE</b>	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
Personal Services	34,955,250	35,455,119	37,387,374	40,275,570
Materials, Supplies & Equipment	2,796,557	2,426,541	2,035,949	2,445,019
Internal Services	4,547,217	4,069,426	4,307,208	4,831,486
Debt Service	<u>922,424</u>	<u>940,443</u>	<u>959,697</u>	<u>959,888</u>
<b>TOTAL</b>	<b><u>43,221,448</u></b>	<b><u>42,891,529</u></b>	<b><u>44,690,228</u></b>	<b><u>48,511,963</u></b>
<b>STAFFING LEVELS</b>	<b>377.00</b>	<b>386.00</b>	<b>407.00</b>	<b>429.00</b>

<b>GENERAL FUND DEPARTMENT OF POLICE</b>	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
Personal Services	31,021,868	29,339,383	31,274,023	33,669,461
Materials, Supplies & Equipment	1,348,340	1,660,434	1,915,751	2,294,944
Internal Services	4,545,911	3,662,909	3,559,564	4,203,486
Debt Service	<u>922,424</u>	<u>940,443</u>	<u>959,697</u>	<u>959,888</u>
<b>TOTAL</b>	<b><u>37,838,543</u></b>	<b><u>35,603,169</u></b>	<b><u>37,709,035</u></b>	<b><u>41,127,779</u></b>
<b>STAFFING LEVELS</b>	<b>365.00</b>	<b>330.00</b>	<b>352.00</b>	<b>369.00</b>

<b>STATE PENSION CONTRIBUTIONS DEPARTMENT OF POLICE</b>	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
Personal Services	<u>0</u>	<u>2,412,740</u>	<u>2,200,000</u>	<u>2,200,000</u>
<b>TOTAL</b>	<b><u>0</u></b>	<b><u>2,412,740</u></b>	<b><u>2,200,000</u></b>	<b><u>2,200,000</u></b>
<b>STAFFING LEVELS</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

<b>SALLE &amp; OTHER SPECIAL GRANT FUNDS DEPARTMENT OF POLICE</b>	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
Personal Services	721,273	705,842	918,245	466,808
Materials, Supplies & Equipment	1,413,776	692,322	120,198	150,075
Internal Services	<u>1,306</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>TOTAL</b>	<b><u>2,136,355</u></b>	<b><u>1,398,164</u></b>	<b><u>1,038,443</u></b>	<b><u>616,883</u></b>
<b>STAFFING LEVELS</b>	<b>12.00</b>	<b>13.00</b>	<b>12.00</b>	<b>6.00</b>

<b>NCC SPECIAL POLICING FUND DEPARTMENT OF POLICE</b>	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
Personal Services	3,212,109	2,997,154	2,995,106	3,939,301
Materials, Supplies & Equipment	34,441	73,785	0	0
Internal Services	<u>0</u>	<u>406,517</u>	<u>747,644</u>	<u>628,000</u>
<b>TOTAL</b>	<b><u>3,246,550</u></b>	<b><u>3,477,456</u></b>	<b><u>3,742,750</u></b>	<b><u>4,567,301</u></b>
<b>STAFFING LEVELS</b>	<b>0.00</b>	<b>43.00</b>	<b>43.00</b>	<b>54.00</b>



## MAJOR FUNDING CHANGES FROM PRIOR YEAR

- Eighteen new Patrol Officers have been added to the FY 2008 budget at a first-year cost of nearly \$1.2 million. The total uniformed authorized strength will grow to 340. Additionally, six officers previously paid through grant funds have been transferred into the General Fund.
- For FY 2008, the number of officers paid through the New Castle County Policing Grant will climb to 54. This \$15 million grant awarded the City will be exhausted at the end of FY 2008.
- A new Administrative Clerk I position has been added in the department to perform clerical duties in the Patrol Division. The cost of this position has been calculated at \$52,413, including benefits.
- One additional Parking Regulation Enforcement Officer (PREO) has been added to enhance enforcement in neighborhoods at a cost of \$46,285 for the first year.
- Two new civilian positions have been approved for FY 2008: a Bilingual Victims Case Worker and a Information Input Specialist. The cost of these positions is \$75,695 and \$57,957 respectively.
- Regular Overtime has been increased by \$102,550 to \$1,685,520, and includes a \$400,000 appropriation for weapons and drug enforcement.
- Shift Differential and Holiday Pay will rise by \$30,640 and \$54,870 respectively due to higher base salaries and additional officers.
- Special Events Overtime will increase by \$28,000 based on scheduled City events.
- Communications & Utility Costs are slated to increase by more than \$90,000 due to higher Electricity rates, along with additional Mobile Airtime charges.
- Consultants, included within Professional Fees, will increase by \$53,500 and includes the cost of the bi-annual promotional exam.
- Miscellaneous Services will increase by approximately \$75,000 for the purchase of warranties for the department's Mobile Data Terminals, and for the cost of a maintenance contract on 21 cameras used by Downtown Visions.
- The increase of \$20,000 in Office & General Supplies will fund the purchase of thermal paper used in the printers of the Mobile Data Terminals.
- An increase of \$74,000 in the Wearing Apparel & Safety Supplies appropriation will be used to outfit the 18 new Patrol Officers and new P.R.E.O.
- Internal Service Allocations rose by \$644,000, a result of substantially higher Motor Vehicle, Data Processing, Telephone and General Liability costs.

## 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 18.*

CRITICAL INDICATOR	FY 2006 PROJECTED	FY 2006 ACTUAL	FY 2007 PROJECTED	FY 2007 ACTUAL	FY 2008 PROJECTED
Percentage change in the number of Part I Crimes Against Persons	-5%	+5.03%	-5%	+18.5%	-5%
Number of Part I Crimes	1,233	1,295	1,233	1,535	1,462

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 18.*

CRITICAL INDICATOR	FY 2006 PROJECTED	FY 2006 ACTUAL	FY 2007 PROJECTED	FY 2007 ACTUAL	FY 2008 PROJECTED
Percentage change in number of Drug Arrests	+5%	-19%	+5%	+19%	+5%
Number of Drug Arrests	1,559	1,199	1,259	1,428	1,499

Goal #3: Improve Traffic Safety

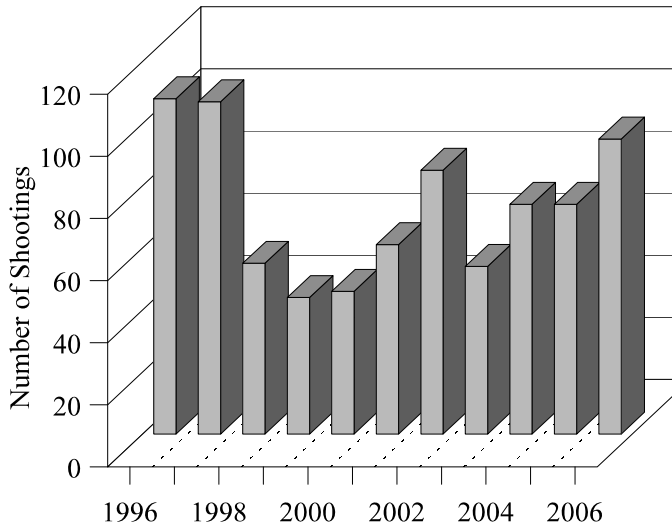
Objective: Reduce Traffic Accidents by 10%

*Goal #3 corresponds to the City's Strategic Plan, Policy Statement 3-E on page 18.*

CRITICAL INDICATOR	FY 2006 PROJECTED	FY 2006 ACTUAL	FY 2007 PROJECTED	FY 2007 ACTUAL	FY 2008 PROJECTED
Percentage change in the number of traffic accidents	-10%	-28%	-10%	-1%	-10%
Number of traffic accidents	2,709	2,156	1,940	2,134	1,921

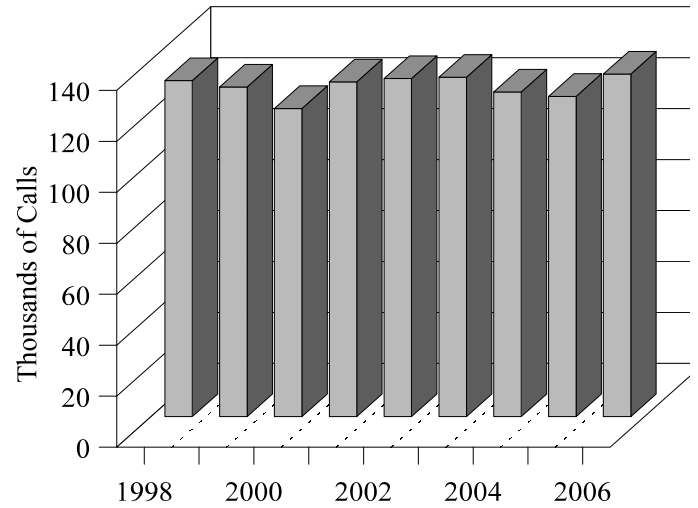
# Department of Police Performance Trends

## Shootings in Wilmington



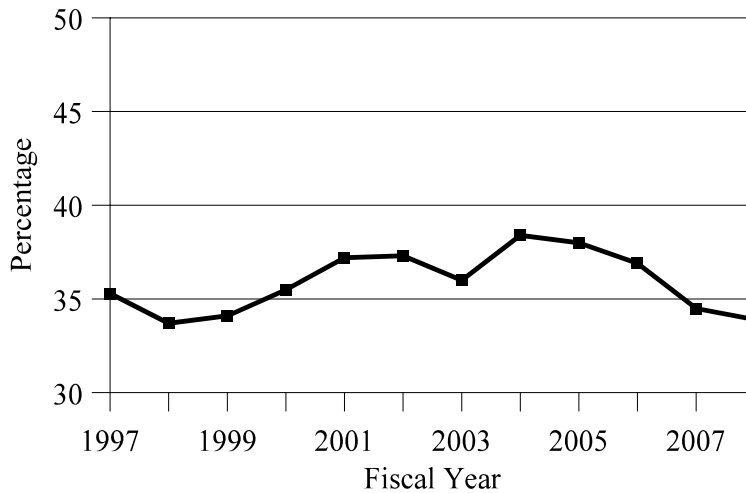
Firearm violence spiked again in 2006. The department continues to focus significant resources toward this area.

## 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 again been supplemented with substantial grant funds for FY 2008, but remains the highest among all City departments.

**DEPARTMENTAL BUDGET DETAIL BY FUND**

**DEPARTMENT: POLICE**

**FUND: GENERAL**

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
Regular Salaries	17,503,171	17,137,799	18,638,753	19,784,622
Temporary Salaries	507,170	436,598	456,000	456,000
Acting Out of Class	5,927	5,097	10,000	10,000
Shift Differential	610,820	633,464	641,000	671,640
Shooting Days	2,089	890	0	0
Sick Leave Bonus	2,713	2,550	3,800	3,800
Overtime	1,750,483	1,714,644	1,538,000	1,685,520
Holiday Pay	885,984	632,272	733,000	787,870
Civilian Holiday-Overtime	81,099	76,514	82,000	85,280
Court Overtime	36,899	46,920	48,400	50,336
Special Events Overtime	210,424	394,241	350,000	378,000
Meal Allowance	12,994	14,569	14,400	15,130
Clothing Allowance	72,907	65,188	3,000	3,000
Internet Reimbursements	9,259	8,039	10,000	10,000
Pension Contribution	4,583,353	3,549,159	3,932,425	4,175,825
Social Security	225,311	221,886	235,300	240,903
Medicare Tax	286,090	254,874	270,539	296,153
Hospitalization	3,117,661	3,128,072	3,589,766	4,054,783
Life Insurance	9,039	45,850	95,230	102,927
County/Municipal Pension Contribution	853,340	803,855	948,079	1,170,069
Pension Healthcare	255,135	166,902	245,027	258,298
Personal Services Adjustment	<u>0</u>	<u>0</u>	<u>(570,696)</u>	<u>(570,695)</u>
<b>TOTAL PERSONAL SERVICES</b>	<b>31,021,868</b>	<b>29,339,383</b>	<b>31,274,023</b>	<b>33,669,461</b>

## DEPARTMENT: POLICE

## FUND: GENERAL

<b>MATERIALS, SUPPLIES &amp; EQUIPMENT</b>	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
Printing & Advertising	31,140	35,992	75,072	79,250
Communications & Utilities	240,189	382,785	342,600	441,200
Transportation	8,608	37,235	20,000	15,000
Rentals	48,941	39,090	54,908	58,804
Contracted Maintenance Repairs	41,769	135,319	113,100	111,780
Professional Fees	52,862	130,947	219,000	357,500
Other Fees	310,193	335,541	279,350	260,350
Memberships & Registrations	10,503	12,220	15,500	15,500
Miscellaneous Services	170,550	224,487	332,740	407,300
Office & General Supplies	61,127	64,493	87,681	108,460
Wearing Apparel & Safety Supplies	123,603	153,604	191,500	265,500
Miscellaneous Parts	71,508	75,480	128,000	139,300
Equipment	27,661	14,112	19,300	35,000
Fixed Assets	<u>149,686</u>	<u>19,129</u>	<u>37,000</u>	<u>0</u>
<b>TOTAL M., S. &amp; E.</b>	<b>1,348,340</b>	<b>1,660,434</b>	<b>1,915,751</b>	<b>2,294,944</b>

**INTERNAL SERVICES**

Administrative Services	1,636,347	2,033,835	1,773,689	2,353,288
Self-Insurance	<u>2,909,564</u>	<u>1,629,074</u>	<u>1,785,875</u>	<u>1,850,198</u>
<b>TOTAL INTERNAL SERVICES</b>	<b>4,545,911</b>	<b>3,662,909</b>	<b>3,559,564</b>	<b>4,203,486</b>

**DEBT SERVICE**

Principal Payments	662,225	672,768	727,215	759,918
Interest Payments	<u>260,199</u>	<u>267,675</u>	<u>232,482</u>	<u>199,970</u>
<b>TOTAL DEBT SERVICE</b>	<b>922,424</b>	<b>940,443</b>	<b>959,697</b>	<b>959,888</b>

**FUND: STATE PENSION CONTRIBUTIONS**

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
State Pension Contributions	<u>0</u>	<u>2,412,740</u>	<u>2,200,000</u>	<u>2,200,000</u>
<b>TOTAL PERSONAL SERVICES</b>	<b>0</b>	<b>2,412,740</b>	<b>2,200,000</b>	<b>2,200,000</b>

<b>GENERAL FUND TOTAL</b>	<b><u>37,838,543</u></b>	<b><u>38,015,909</u></b>	<b><u>39,909,035</u></b>	<b><u>43,327,779</u></b>
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## DEPARTMENT: POLICE

FUND: SALLE

<u>PERSONAL SERVICES</u>	<u>ACTUAL FY2005</u>	<u>ACTUAL FY2006</u>	<u>BUDGET FY2007</u>	<u>APPROVED FY2008</u>
Regular Salaries	287,660	322,116	596,783	279,725
Temporary Salaries	32,580	24,992	0	0
Shift Differential	18,027	4,266	95,000	0
Overtime	280,708	234,541	0	74,925
Holiday Pay	8,359	193	30,000	0
Court Overtime	2,610	454	0	0
Meal Allowance	1,664	(184)	0	0
Pension Contribution	24	0	20,843	0
Social Security	3,562	1,461	0	0
Medicare Tax	5,637	5,586	8,654	4,053
Hospitalization	47,036	77,730	92,986	60,491
Life Insurance	77	323	3,051	1,455
County/Municipal Pension Contribution	32,512	33,901	62,528	41,959
Pension Healthcare	<u>817</u>	<u>463</u>	<u>8,401</u>	<u>4,200</u>
<b>TOTAL PERSONAL SERVICES</b>	<b>721,273</b>	<b>705,842</b>	<b>918,245</b>	<b>466,808</b>
 <b><u>MATERIALS, SUPPLIES &amp; EQUIPMENT</u></b>				
Communications & Utilities	13,742	576	0	0
Transportation	56,467	54,000	0	0
Rentals	10,380	8,476	0	0
Professional Fees	35,247	71,378	0	0
Memberships & Registrations	40,554	57,240	0	0
Miscellaneous Services	32,729	32,067	0	0
Office & General Supplies	2,026	515	0	0
Wearing Apparel & Safety Supplies	135,100	19,132	0	0
Miscellaneous Parts	5,934	1,288	0	0
Equipment	51,242	8,941	120,198	150,075
Fixed Assets	1,030,355	407,135	0	0
Grant Reimbursement	<u>0</u>	<u>31,574</u>	<u>0</u>	<u>0</u>
<b>TOTAL M., S. &amp; E.</b>	<b>1,413,776</b>	<b>692,322</b>	<b>120,198</b>	<b>150,075</b>
 <b><u>INTERNAL SERVICES</u></b>				
Self-Insurance	<u>1,306</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>TOTAL INTERNAL SERVICES</b>	<b>1,306</b>	<b>0</b>	<b>0</b>	<b>0</b>
 <b><u>SALLE FUND TOTAL</u></b>	 <b><u>2,136,355</u></b>	 <b><u>1,398,164</u></b>	 <b><u>1,038,443</u></b>	 <b><u>616,883</u></b>

## DEPARTMENT: POLICE

## FUND: NCC SPECIAL POLICING FUND

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
Regular Salaries	2,570,981	1,874,691	2,104,340	2,585,649
Shift Differential	107,835	115,393	85,000	161,000
Overtime	262,320	317,204	30,000	147,000
Holiday Pay	86,308	73,931	100,000	134,100
Court Overtime	4,948	18,383	5,000	0
Meal Allowance	150	775	0	0
Clothing Allowance	250	6,931	0	0
Internet Reimbursement	405	555	0	0
Medicare Tax	8,978	35,873	30,514	37,366
Hospitalization	101,492	299,788	306,426	436,211
Life Insurance	50	4,666	10,754	13,408
County/Municipal Pension Contribution	66,812	231,156	292,969	386,767
Pension Healthcare	<u>1,580</u>	<u>17,808</u>	<u>30,103</u>	<u>37,800</u>
<b>TOTAL PERSONAL SERVICES</b>	<b>3,212,109</b>	<b>2,997,154</b>	<b>2,995,106</b>	<b>3,939,301</b>
 <b><u>MATERIALS, SUPPLIES &amp; EQUIPMENT</u></b>				
Transportation	6,553	20,320	0	0
Professional Fees	27,888	36,153	0	0
Equipment	<u>0</u>	<u>17,312</u>	<u>0</u>	<u>0</u>
<b>TOTAL M., S. &amp; E.</b>	<b>34,441</b>	<b>73,785</b>	<b>0</b>	<b>0</b>
 <b><u>INTERNAL SERVICES</u></b>				
Administrative Services	0	227,591	522,644	314,000
Self-Insurance	<u>0</u>	<u>178,926</u>	<u>225,000</u>	<u>314,000</u>
<b>TOTAL INTERNAL SERVICES</b>	<b>0</b>	<b>406,517</b>	<b>747,644</b>	<b>628,000</b>
 <b>NCC POLICING FUND TOTAL</b>	 <b><u>3,246,550</u></b>	 <b><u>3,477,456</u></b>	 <b><u>3,742,750</u></b>	 <b><u>4,567,301</u></b>





# 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 2008

- Construction of Rockford Road improvements. Begin implementation 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 deconstruction of Delaware Center for Contemporary Arts (DCCA) Building.
- Complete one-half of the construction of the Market Street Project Phase III.
- Complete construction of Cool Spring Reservoir enclosure.
- Replace 15% of the City Motor Vehicle Fleet, while maintaining fleet availability of 96%.
- Initiate construction phase of a new water-testing laboratory.

**SUMMARY OF FUNDING FOR THE DEPARTMENT OF PUBLIC WORKS**

<b>TOTAL ALL FUNDS DEPARTMENT OF PUBLIC WORKS</b>	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
Personal Services	12,946,473	12,206,881	13,576,631	14,335,594
Materials, Supplies & Equipment	30,126,062	35,038,742	33,660,334	39,115,828
Internal Services	5,637,225	4,504,964	4,879,026	4,305,141
Debt Service	6,399,354	8,113,295	9,883,391	11,214,831
Capitalization	(4,668,156)	(6,287,429)	0	0
Depreciation	<u>6,538,012</u>	<u>6,882,324</u>	<u>6,301,597</u>	<u>6,608,014</u>
<b>TOTAL</b>	<b><u>56,978,970</u></b>	<b><u>60,458,777</u></b>	<b><u>68,300,979</u></b>	<b><u>75,579,408</u></b>
<b>STAFFING LEVELS</b>	<b>212.00</b>	<b>212.00</b>	<b>228.00</b>	<b>231.00</b>

<b>GENERAL FUND DEPARTMENT OF PUBLIC WORKS</b>	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
Personal Services	5,807,204	5,531,734	6,727,214	7,150,567
Materials, Supplies & Equipment	4,403,853	4,907,762	5,795,283	6,573,405
Internal Services	2,026,899	2,255,786	2,107,643	2,669,442
Debt Service	<u>3,264,849</u>	<u>3,196,346</u>	<u>5,315,537</u>	<u>5,647,135</u>
<b>TOTAL</b>	<b><u>15,502,805</u></b>	<b><u>15,891,628</u></b>	<b><u>19,945,677</u></b>	<b><u>22,040,549</u></b>
<b>STAFFING LEVELS</b>	<b>99.50</b>	<b>99.50</b>	<b>121.50</b>	<b>124.00</b>

<b>WATER/SEWER FUND DEPARTMENT OF PUBLIC WORKS</b>	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
Personal Services	7,139,269	6,675,147	6,849,417	7,185,027
Materials, Supplies & Equipment	23,254,583	27,153,478	24,964,145	29,240,645
Internal Services	1,590,823	975,137	1,370,549	1,339,554
Debt Service	3,031,959	4,765,174	4,393,831	5,083,759
Capitalization	(4,607,046)	(6,287,429)	0	0
Depreciation	<u>5,425,496</u>	<u>5,067,865</u>	<u>4,647,307</u>	<u>4,647,307</u>
<b>TOTAL</b>	<b><u>35,835,084</u></b>	<b><u>38,349,372</u></b>	<b><u>42,225,249</u></b>	<b><u>47,496,292</u></b>
<b>STAFFING LEVELS</b>	<b>112.50</b>	<b>112.50</b>	<b>106.50</b>	<b>107.00</b>

<b>MOTOR VEHICLE FUND</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>APPROVED</b>
<b>DEPARTMENT OF PUBLIC WORKS</b>	<b>FY2005</b>	<b>FY2006</b>	<b>FY2007</b>	<b>FY2008</b>
Materials, Supplies & Equipment	2,467,626	2,977,502	2,900,906	3,301,778
Internal Services	192,304	196,312	203,652	296,145
Debt Service	102,546	151,775	174,023	483,937
Capitalization	(61,110)	0	0	0
Depreciation	<u>1,112,516</u>	<u>1,814,459</u>	<u>1,654,290</u>	<u>1,960,707</u>
<b>TOTAL</b>	<b><u>3,813,882</u></b>	<b><u>5,140,048</u></b>	<b><u>4,932,871</u></b>	<b><u>6,042,567</u></b>
<b>STAFFING LEVELS</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

<b>MUNICIPAL STREET AID FUND</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>APPROVED</b>
<b>DEPARTMENT OF PUBLIC WORKS</b>	<b>FY2005</b>	<b>FY2006</b>	<b>FY2007</b>	<b>FY2008</b>
Materials, Supplies & Equipment	<u>1,827,199</u>	<u>1,077,729</u>	<u>1,197,182</u>	<u>0</u>
<b>TOTAL</b>	<b><u>1,827,199</u></b>	<b><u>1,077,729</u></b>	<b><u>1,197,182</u></b>	<b><u>0</u></b>
<b>STAFFING LEVELS</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

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

- Continuing a policy begun in FY 2007, all capital asset acquisition will now be done through the capital program. As such, no capital assets have been included in the General Fund operating budget. Similarly, a number of maintenance programs formerly classified as fixed assets have now been included in the operating budget.
- Personal Services in the General Fund have been increased by a total of \$423,353, which includes 2.5 new FTEs at a cost of \$151,312. Two of these positions have been added to handle the maintenance and repair of the ever increasing number of decorative street lamps not covered by Delmarva Power, as well as to improve the City's ability to maintain its traffic signals. The cost of these positions is \$96,312. In addition, after an absence of over fifteen years, the much needed position of Deputy Public Works Commissioner is being reinstated. The total cost of the Deputy position is \$98,339, which will be split funded equally between the General and Water/Sewer Funds.
- An additional \$48,250 has been budgeted in Printing and Advertising, mainly to cover the costs of printing the holiday refuse collection calendar and Clean Wilmington brochures.
- Public Works costs related to City-owned buildings have increased \$102,000. \$32,000 of the increase will fund a special armed security post in the City/County building and at the new City Services Facility. The remainder of the increase is attributable to a \$70,000 rise in the maintenance and management fee charged by New Castle County for the City/County building.
- Fees for the ongoing and expanded recycling program are budgeted to increase by \$768,000; however, this increase is almost entirely offset by a \$763,425 decrease in landfill fees.
- Miscellaneous Charges – N.O.C. have been increased by \$115,264. This includes signal installation and repairs (\$80,000) which had formerly been a capital item, as well as the maintenance of the Mezzanine (\$30,000), the costs of which were formerly shared with the County but are now fully covered by the City.
- Construction and Repairs have been increased by \$92,000. This is largely due to increases in traffic signs and signals costs, which had formerly been capital items, as well as a \$42,000 project to outsource the painting of roadway markings.
- As a result of increases in the existing debt service schedule, combined with partially offsetting decreases in projected new debt issuance, overall General Fund debt service increased by \$331,598.

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

- Continuing a policy begun in FY 2007, all capital asset acquisition will now be done through the capital program. As such, no capital assets have been included in the Water/Sewer Fund operating budget. Similarly, a number of programs formerly classified as fixed assets have now been included in the operating budget.
- Total Personal Services in the Water/Sewer Fund are budgeted to increase by \$335,610, which includes 3.5 new FTEs at a cost of \$198,778. In order to maximize the utility and accuracy of the water and sewer GIS system, two Construction Inspectors and one Administrative Clerk are being added at a cost of \$149,608. These positions will be responsible for continuous field data updating and confirmation, thereby reducing the reliance on consultants. In addition, after an absence of over fifteen years, the much needed position of Deputy Public Works Commissioner is being reinstated. The total cost of the Deputy position is \$98,339, which will be split funded equally between the General and Water/Sewer Funds.
- To offset the cost of the new positions detailed above, three vacancies (an Equipment Operator I, a General Laborer II, and the Stores Clerk) have been eliminated, for a total savings of \$128,950.
- An additional \$943,000 in Consulting and Engineering costs has been added for a variety of Water System division projects, including Brandywine and Porter filter plant improvements, water metering initiatives, and GIS enhancements. Consulting and Engineering costs in the Water Quality division rose \$478,000 because of a number of initiatives related to the recent creation of the storm water utility and the complexity of its related billing system. Additionally, there is an increase of \$283,000 in Consulting and Engineering in the Sewer Maintenance division for storm inlet and sewer line inspections, as well as sewer reconstruction on Madison street.
- In previous years, the annual cost for the Repairs to Sewers and Appurtenances program had been covered by a portion of the State Municipal Street Aid Grant. The City will not be awarded this grant for FY 2008, resulting in an increase of \$1 million in order to fund the Repair program.
- \$600,000 was added to greatly expand the cleaning, maintenance, and repair program for storm water drain inlets.
- Software licensing and customization to run the state-of-the art computerized system called Real Time Control will cost \$650,000. The Real Time Control system takes the miles of the City's passive underground piping system and converts it to a dynamically controlled system through the use of rain gauges, water level and flow sensors, and regulators. This will maximize the sewage collection system's capacity by controlling the direction, flow, and volume of storm water, much like street signals control the flow of rush hour traffic. Real Time Control will allow the City to not only meet, but to exceed, current Federal standards for Combined Sewer Overflows.

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

- The contingency budget for the disposal of sewage sludge has been decreased by \$1,632,450, to a total of \$253,950. Currently, the City has an agreement with the Delaware Solid Waste Authority to use stabilized sludge as cover for the recontouring of the now-closed Pigeon Point landfill. As Pigeon Point may not provide a long-term sludge disposal solution, the City maintains a contingency in the event that other disposal sites are necessary. The decrease to this line reflects a reevaluation of the likelihood of a new site being required in the near future, as well as a desire to fund only a short-term contingency.

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

- Due to significant increases in fuel prices as well as greater gasoline and diesel consumption, Motor Vehicle budgeted an additional \$271,900 in Petroleum, Oil, and Lubricants costs.
- As a result of properly accounting for the purchase of Fire apparatus through Motor Vehicle, Depreciation Expense has increased by \$175,992. Purchases of additional new and replacement vehicles resulted in a total Depreciation increase of \$306,417.
- Motor Vehicle has budgeted \$40,000 in order to partner with PhillyCarShare and introduce a pilot program in Wilmington. The goal of this program is to reduce City motor vehicle costs and minimize fleet size by providing short-term, low-cost shared vehicles as an alternative to the City-owned motor pool.
- Due to scheduled cost increases in the existing vehicle maintenance contract, Contracted Maintenance Services has been increased by a total of \$51,445.
- In total, debt service is budgeted to increase by \$257,523, largely due to interest payments on existing leased vehicles. This total also includes new lease interest payments of \$52,391 for new and replacement vehicles.

# DEPARTMENT OF PUBLIC WORKS

## PERFORMANCE INDICATORS

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

**Objective:** Schedule and coordinate approximately 13,450 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 18.*

CRITICAL INDICATOR	FY 2006 PROJECTED	FY 2006 ACTUAL	FY 2007 PROJECTED	FY 2007 ACTUAL	FY 2008 PROJECTED
Special Pick-Ups	16,000	12,154	13,500	12,100	13,450

**Goal #2:** Provide leaf collection as required.

**Objective:** Collect at least 290 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 18.*

CRITICAL INDICATOR	FY 2006 PROJECTED	FY 2006 ACTUAL	FY 2007 PROJECTED	FY 2007 ACTUAL	FY 2008 PROJECTED
Tons of Leaves	400	162	280	290	310

**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 18.*

CRITICAL INDICATOR	FY 2006 PROJECTED	FY 2006 ACTUAL	FY 2007 PROJECTED	FY 2007 ACTUAL	FY 2008 PROJECTED
Street Repairs (tons of "hot mix")	400	310	350	290	300

# 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 18.*

CRITICAL INDICATOR	FY 2006 PROJECTED	FY 2006 ACTUAL	FY 2007 PROJECTED	FY 2007 ACTUAL	FY 2008 PROJECTED
Flood Problems	0	1	1	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 18.*

CRITICAL INDICATOR	FY 2006 PROJECTED	FY 2006 ACTUAL	FY 2007 PROJECTED	FY 2007 ACTUAL	FY 2008 PROJECTED
Violations of Discharge Limits	0	0	0	3	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 18.*

CRITICAL INDICATOR	FY 2006 PROJECTED	FY 2006 ACTUAL	FY 2007 PROJECTED	FY 2007 ACTUAL	FY 2008 PROJECTED
Violations of EPA's Safe Drinking Water Act	0	0	0	0	0



# DEPARTMENT OF PUBLIC WORKS

## PERFORMANCE INDICATORS

**Goal #7:** 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 2,500 inspections.

*Goal #7 corresponds to the City's Strategic Plan, Policy Statements 1-B, 1-C and 1-E on page 18.*

CRITICAL INDICATOR	FY 2006 PROJECTED	FY 2006 ACTUAL	FY 2007 PROJECTED	FY 2007 ACTUAL	FY 2008 PROJECTED
Preventative Maintenance Inspections	1,500	2,300	2,500	2,450	2,500

**Goal #8:** Minimize waste disposal costs.

**Objective:** Reduce landfill tipping fees through recycling.

*Goal #8 corresponds to the City's Strategic Plan, Policy Statement 1-A on page 18.*

CRITICAL INDICATOR	FY 2006 PROJECTED	FY 2006 ACTUAL	FY 2007 PROJECTED	FY 2007 ACTUAL	FY 2008 PROJECTED
Percent Tipping Fee Savings, Net of Recycling Costs	1.0%	1.0%	10.0%	1.8%	4.5%
Tipping Fees Savings, Net of Recycling Costs	\$24,500	\$22,500	\$250,000	\$47,000	\$115,000

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

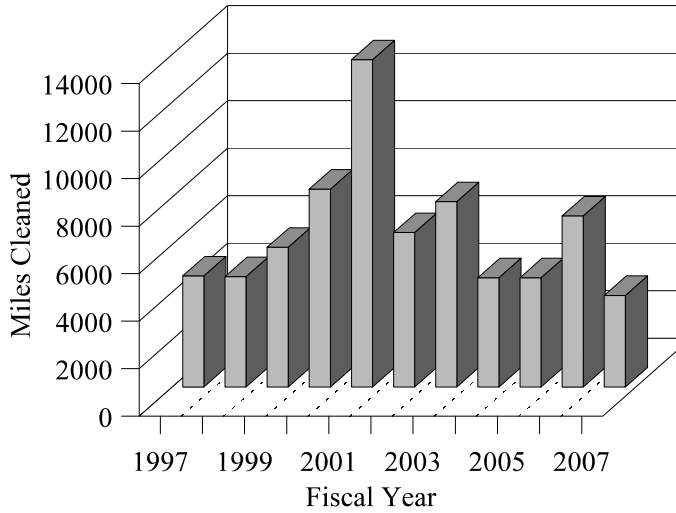
**Objective:** Provide periodic mechanical and manual sweeping of City streets and special pickups, collecting at least 5,850 tons of debris.

*Goal #9 corresponds to the City's Strategic Plan, Policy Statements 1-B, 1-C and 3-C on page 18.*

CRITICAL INDICATOR	FY 2006 PROJECTED	FY 2006 ACTUAL	FY 2007 PROJECTED	FY 2007 ACTUAL	FY 2008 PROJECTED
Street Cleaning (tons of debris, trash, etc.)	4,600	5,100	5,500	5,405	5,850

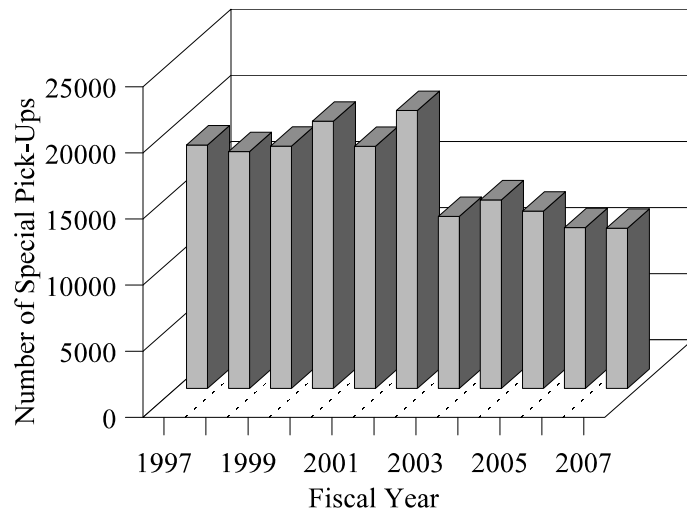
# Department of Public Works Performance Trends

### Miles of Streets Cleaned



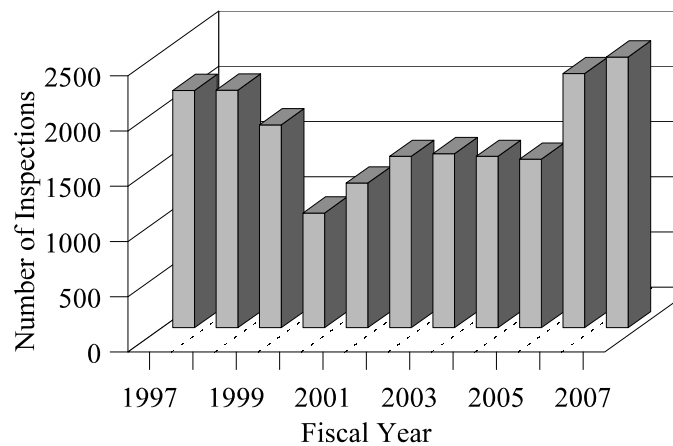
Aggressive management is required to maintain City streets in a litter free condition. FY 2001 reflects an expanded Spring Operation Clean Sweep program.

### Special Pick-Ups



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

### 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**

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
Regular Salaries	3,172,520	3,272,295	4,065,911	4,310,866
Temporary Salaries	14,356	15,773	9,000	9,000
Acting Out of Class	16,183	12,511	25,464	20,500
Sick Leave Bonus	5,263	5,850	8,400	8,400
Overtime	592,368	548,608	506,791	512,862
Holiday Pay	81,836	82,868	85,000	85,000
Meal Allowance	25,143	26,244	25,000	25,000
Internet Reimbursements	1,705	597	2,180	2,180
Pension Contribution	708,771	307,610	421,447	454,184
Social Security	235,766	242,176	293,951	307,813
Medicare Tax	55,356	56,876	68,794	72,009
Hospitalization	825,005	909,826	1,220,970	1,345,073
Life Insurance	8,788	9,240	20,764	22,404
Pension Healthcare	64,144	41,260	85,058	86,792
Personal Services Adjustment	<u>0</u>	<u>0</u>	<u>(111,516)</u>	<u>(111,516)</u>
<b>TOTAL PERSONAL SERVICES</b>	<b>5,807,204</b>	<b>5,531,734</b>	<b>6,727,214</b>	<b>7,150,567</b>

**MATERIALS, SUPPLIES & EQUIPMENT**

Printing & Advertising	9,488	9,404	15,050	63,300
Communications & Utilities	70,854	478,005	505,300	932,300
Transportation	90	16,868	3,500	5,000
Rentals	493,097	106,728	115,100	83,600
Contracted Maintenance Repairs	831,763	729,088	1,277,484	1,374,000
Professional Fees	417,558	512,344	420,685	383,000
Other Fees	1,820,843	2,446,956	2,556,500	2,561,075
Memberships & Registrations	1,337	2,451	5,300	7,100
Miscellaneous Services	331,683	323,257	509,636	662,400
Office & General Supplies	4,769	5,535	9,900	8,700
Wearing Apparel & Safety Supplies	18,093	21,526	40,120	27,920
Miscellaneous Parts	90,724	95,500	120,058	140,310
Construction & Repairs	262,252	131,201	180,000	272,700
Equipment	10,370	12,537	19,150	16,800
Fixed Assets	40,932	16,362	17,500	35,200
Landfill Fees Rebate	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>TOTAL M., S. &amp; E.</b>	<b>4,403,853</b>	<b>4,907,762</b>	<b>5,795,283</b>	<b>6,573,405</b>

## DEPARTMENT: PUBLIC WORKS

## FUND: GENERAL

<b>INTERNAL SERVICES</b>	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
Administrative Services	1,397,594	1,949,111	1,648,837	2,196,152
Self-Insurance	<u>629,305</u>	<u>306,675</u>	<u>458,806</u>	<u>473,290</u>
<b>TOTAL INTERNAL SERVICES</b>	<b>2,026,899</b>	<b>2,255,786</b>	<b>2,107,643</b>	<b>2,669,442</b>
<b><u>DEBT SERVICE</u></b>				
Principal Payments	2,033,077	1,965,558	3,021,755	3,447,127
Interest Payments	<u>1,231,772</u>	<u>1,230,788</u>	<u>2,293,782</u>	<u>2,200,008</u>
<b>TOTAL DEBT SERVICE</b>	<b>3,264,849</b>	<b>3,196,346</b>	<b>5,315,537</b>	<b>5,647,135</b>
<b>GENERAL FUND TOTAL</b>	<b><u>15,502,805</u></b>	<b><u>15,891,628</u></b>	<b><u>19,945,677</u></b>	<b><u>22,040,549</u></b>

## DEPARTMENT: PUBLIC WORKS

## FUND: WATER/SEWER

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
Regular Salaries	4,164,221	4,155,049	4,128,967	4,349,061
Temporary Salaries	6,945	11,293	10,000	5,000
Acting Out of Class	4,817	2,855	8,500	8,000
Shift Differential	9,878	9,636	10,000	10,000
Sick Leave Bonus	7,438	9,300	8,200	8,400
Overtime	736,935	699,149	734,334	725,000
Holiday Pay	5,550	5,013	8,000	7,000
Meal Allowance	25,390	22,423	28,898	26,060
Internet Reimbursements	2,191	1,954	3,560	3,560
Accrued Vacation Pay	9,551	(62,690)	0	0
Pension Contribution	856,531	397,254	466,389	494,565
Social Security	309,270	304,064	308,116	318,785
Medicare Tax	73,038	71,705	72,109	74,576
Hospitalization	843,250	987,234	968,910	1,059,386
Life Insurance	10,532	11,424	21,076	22,590
Pension Healthcare	73,732	49,484	74,209	74,895
Personal Services Adjustment	<u>0</u>	<u>0</u>	<u>(1,851)</u>	<u>(1,851)</u>
<b>TOTAL PERSONAL SERVICES</b>	<b>7,139,269</b>	<b>6,675,147</b>	<b>6,849,417</b>	<b>7,185,027</b>

## DEPARTMENT: PUBLIC WORKS

## FUND: WATER/SEWER

<b>MATERIALS, SUPPLIES &amp; EQUIPMENT</b>	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
Printing & Advertising	31,170	42,609	51,594	59,675
Communications & Utilities	1,038,863	1,151,323	1,808,800	2,077,750
Transportation	6,148	19,492	15,900	17,000
Rentals	54,942	3,947	58,470	23,808
Contracted Maintenance Repairs	1,947,188	2,032,801	2,012,550	3,782,000
Professional Fees	1,264,848	2,270,450	1,818,809	3,565,000
Other Fees	178,832	397,424	283,615	254,700
Memberships & Registrations	54,308	38,154	51,300	50,300
Miscellaneous Services	10,820,234	13,301,792	15,057,391	14,890,066
Office & General Supplies	9,611	9,798	18,422	16,757
Wearing Apparel & Safety Supplies	16,120	11,161	34,500	34,900
Miscellaneous Parts	132,371	137,741	215,743	206,165
Petroleum & Chemicals	490,692	528,945	821,000	871,000
Construction & Repairs	70,929	111,433	173,220	135,048
Supporting Services	2,507,976	2,507,976	2,507,976	2,507,976
Equipment	23,305	154,614	35,000	748,500
Fixed Assets	<u>4,607,046</u>	<u>4,433,818</u>	<u>(145)</u>	<u>0</u>
<b>TOTAL M., S. &amp; E.</b>	<b>23,254,583</b>	<b>27,153,478</b>	<b>24,964,145</b>	<b>29,240,645</b>
<b><u>INTERNAL SERVICES</u></b>				
Administrative Services	552,373	516,445	639,010	584,546
Self-Insurance	<u>1,038,450</u>	<u>458,692</u>	<u>731,539</u>	<u>755,008</u>
<b>TOTAL INTERNAL SERVICES</b>	<b>1,590,823</b>	<b>975,137</b>	<b>1,370,549</b>	<b>1,339,554</b>
<b><u>DEBT SERVICE</u></b>				
Amortized Bond Issue & Discount	2,166	126,782	118,736	678,212
Interest Payments	2,791,428	4,525,684	4,004,610	4,405,547
Other Fiscal Charges	<u>238,365</u>	<u>112,708</u>	<u>270,485</u>	<u>0</u>
<b>TOTAL DEBT SERVICE</b>	<b>3,031,959</b>	<b>4,765,174</b>	<b>4,393,831</b>	<b>5,083,759</b>
<b><u>OTHER</u></b>				
Capitalization	(4,607,046)	(6,287,429)	0	0
Depreciation	<u>5,425,496</u>	<u>5,067,865</u>	<u>4,647,307</u>	<u>4,647,307</u>
<b>TOTAL OTHER</b>	<b>818,450</b>	<b>(1,219,564)</b>	<b>4,647,307</b>	<b>4,647,307</b>
<b>WATER/SEWER FUND TOTAL</b>	<b><u>35,835,084</u></b>	<b><u>38,349,372</u></b>	<b><u>42,225,249</u></b>	<b><u>47,496,292</u></b>

## DEPARTMENT: PUBLIC WORKS

## FUND: MOTOR VEHICLE

<b>MATERIALS, SUPPLIES &amp; EQUIPMENT</b>	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
Communications & Utilities	36,109	40,101	59,176	59,650
Transportation	978	0	1,200	1,200
Rentals	49,736	40,320	49,024	56,000
Contracted Maintenance Repairs	380,944	468,912	518,192	529,554
Professional Fees	90,200	74,863	60,000	100,000
Memberships & Registrations	1,532	1,385	1,245	1,900
Miscellaneous Services	1,328,033	1,553,798	1,555,295	1,616,000
Office & General Supplies	0	0	512	410
Miscellaneous Parts	294	271	3,162	12,064
Petroleum & Chemicals	518,690	790,053	653,100	925,000
Construction & Repairs	0	0	0	0
Equipment	0	7,799	0	0
Fixed Assets	<u>61,110</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>TOTAL M., S. &amp; E.</b>	<b>2,467,626</b>	<b>2,977,502</b>	<b>2,900,906</b>	<b>3,301,778</b>
 <b><u>INTERNAL SERVICES</u></b>				
Administrative Services	60,064	141,212	71,408	160,594
Self-Insurance	<u>132,240</u>	<u>55,100</u>	<u>132,244</u>	<u>135,551</u>
<b>TOTAL INTERNAL SERVICES</b>	<b>192,304</b>	<b>196,312</b>	<b>203,652</b>	<b>296,145</b>
 <b><u>DEBT SERVICE</u></b>				
Interest Payments	<u>102,546</u>	<u>151,775</u>	<u>174,023</u>	<u>483,937</u>
<b>TOTAL DEBT SERVICE</b>	<b>102,546</b>	<b>151,775</b>	<b>174,023</b>	<b>483,937</b>
 <b><u>OTHER</u></b>				
Capitalized Expenditures	(61,110)	0	0	0
Depreciation	<u>1,112,516</u>	<u>1,814,459</u>	<u>1,654,290</u>	<u>1,960,707</u>
<b>TOTAL OTHER</b>	<b>1,051,406</b>	<b>1,814,459</b>	<b>1,654,290</b>	<b>1,960,707</b>
 <b>MOTOR VEHICLE FUND TOTAL</b>	 <b><u>3,813,882</u></b>	 <b><u>5,140,048</u></b>	 <b><u>4,932,871</u></b>	 <b><u>6,042,567</u></b>

**DEPARTMENT: PUBLIC WORKS****FUND: MUNICIPAL STREET AID**

<b>MATERIALS, SUPPLIES &amp; EQUIPMENT</b>	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
Communications & Utilities	1,788,417	1,077,729	1,197,182	0
Fixed Assets	<u>38,782</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>TOTAL M., S. &amp; E.</b>	<b>1,827,199</b>	<b>1,077,729</b>	<b>1,197,182</b>	<b>0</b>
<b>MUNICIPAL STREET AID FUND TOTAL</b>	<b><u>1,827,199</u></b>	<b><u>1,077,729</u></b>	<b><u>1,197,182</u></b>	<b><u>0</u></b>





# DEPARTMENT OF REAL ESTATE & HOUSING

The mission of the Department of Real Estate and Housing is to improve the quality of life for residents in the City of Wilmington by increasing the supply of affordable housing, improving housing markets and the quality of existing housing stock, promoting self-sufficiency, and engaging in activities to 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 2008

- Continue to administer the emergency repair program to prevent major deterioration in existing properties.
- Increase homeownership opportunities in the City through involvement in direct and indirect development projects that meet the City's Housing Revitalization Strategy and Consolidated Plan goals.
- Increase the supply of affordable rental housing in the City.
- Continue to address neglected and vacant properties in the City by working with other departments on the Vacant Property Working Group to acquire, dispose and demolish vacant properties.
- Provide oversight to the Wilmington Housing Partnership (WHP) for housing projects in targeted neighborhood revitalization areas.
- Complete prior year activities in a timely manner and meet all federal expenditure requirements.
- Continue to strengthen monitoring procedures to assure program compliance.

**SUMMARY OF FUNDING FOR THE DEPARTMENT OF REAL ESTATE & HOUSING**

<b>TOTAL ALL FUNDS DEPT OF REAL ESTATE &amp; HOUSING</b>	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
Personal Services	1,591,140	1,279,448	1,159,213	1,225,579
Materials, Supplies & Equipment	285,873	193,200	362,738	375,650
Internal Services	138,383	179,186	60,429	197,885
Debt Service	1,132,888	1,086,126	1,174,749	1,196,488
Special Purpose	<u>6,358,904</u>	<u>5,125,650</u>	<u>5,786,179</u>	<u>3,424,673</u>
<b>TOTAL</b>	<b><u>9,507,188</u></b>	<b><u>7,863,610</u></b>	<b><u>8,543,308</u></b>	<b><u>6,420,275</u></b>
<b>STAFFING LEVELS</b>	<b>21.00</b>	<b>20.00</b>	<b>16.00</b>	<b>17.00</b>

<b>GENERAL FUND DEPT OF REAL ESTATE &amp; HOUSING</b>	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
Personal Services	303,980	158,387	99,213	154,072
Materials, Supplies & Equipment	126,949	87,783	196,000	286,480
Internal Services	43,495	79,150	54,777	197,885
Debt Service	<u>1,132,888</u>	<u>1,086,126</u>	<u>1,174,749</u>	<u>1,196,488</u>
<b>TOTAL</b>	<b><u>1,607,312</u></b>	<b><u>1,411,446</u></b>	<b><u>1,524,739</u></b>	<b><u>1,834,925</u></b>
<b>STAFFING LEVELS</b>	<b>2.76</b>	<b>2.80</b>	<b>1.60</b>	<b>2.20</b>

<b>COMMUNITY DEVELOPMENT BLOCK GRANT FUND (CDBG) DEPT OF REAL ESTATE &amp; HOUSING</b>	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
Personal Services	1,199,080	1,023,998	975,460	983,214
Materials, Supplies & Equipment	87,704	94,070	60,976	89,170
Internal Services	89,323	94,384	0	0
Special Purpose	<u>2,134,356</u>	<u>1,880,974</u>	<u>1,751,085</u>	<u>2,175,600</u>
<b>TOTAL</b>	<b><u>3,510,463</u></b>	<b><u>3,093,426</u></b>	<b><u>2,787,521</u></b>	<b><u>3,247,984</u></b>
<b>STAFFING LEVELS</b>	<b>16.58</b>	<b>15.87</b>	<b>13.28</b>	<b>14.28</b>

<b>HOME PARTNERSHIP FUND DEPT OF REAL ESTATE &amp; HOUSING</b>	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
Personal Services	45,444	73,412	59,409	66,952
Materials, Supplies & Equipment	26,161	4,204	8,805	0
Special Purpose	<u>434,156</u>	<u>404,610</u>	<u>613,921</u>	<u>609,097</u>
<b>TOTAL</b>	<b><u>505,761</u></b>	<b><u>482,226</u></b>	<b><u>682,135</u></b>	<b><u>676,049</u></b>
<b>STAFFING LEVELS</b>	<b>0.63</b>	<b>0.96</b>	<b>0.76</b>	<b>0.16</b>

<b>SECTION 8 FUND DEPT OF REAL ESTATE &amp; HOUSING</b>	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
Personal Services	20,325	0	0	0
Materials, Supplies & Equipment	42,260	3,000	96,133	0
Internal Services	5,565	5,652	5,652	0
Special Purpose	<u>2,568,381</u>	<u>1,985,506</u>	<u>2,658,972</u>	<u>0</u>
<b>TOTAL</b>	<b><u>2,636,531</u></b>	<b><u>1,994,158</u></b>	<b><u>2,760,757</u></b>	<b><u>0</u></b>
<b>STAFFING LEVELS</b>	<b>0.63</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

<b>HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS (HOPWA) DEPT OF REAL ESTATE &amp; HOUSING</b>	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
Personal Services	18,334	19,211	19,546	18,897
Materials, Supplies & Equipment	2,784	2,673	824	0
Special Purpose	<u>1,115,511</u>	<u>750,350</u>	<u>658,630</u>	<u>533,103</u>
<b>TOTAL</b>	<b><u>1,136,629</u></b>	<b><u>772,234</u></b>	<b><u>679,000</u></b>	<b><u>552,000</u></b>
<b>STAFFING LEVELS</b>	<b>0.33</b>	<b>0.30</b>	<b>0.28</b>	<b>0.28</b>

<b>EMERGENCY SHELTER GRANT (ESG) DEPT OF REAL ESTATE &amp; HOUSING</b>	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
Personal Services	3,977	4,440	5,585	2,444
Materials, Supplies & Equipment	15	1,470	0	0
Special Purpose	<u>106,500</u>	<u>104,210</u>	<u>103,571</u>	<u>106,873</u>
<b>TOTAL</b>	<b><u>110,492</u></b>	<b><u>110,120</u></b>	<b><u>109,156</u></b>	<b><u>109,317</u></b>
<b>STAFFING LEVELS</b>	<b>0.07</b>	<b>0.07</b>	<b>0.08</b>	<b>0.08</b>

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

- Due to a change in the duties of the Development Specialist, the funding allocation for this position has been changed from 60% HOME / 40% CDBG to 60% General Fund / 40% CDBG, creating \$49,630 in additional costs to the General Fund.
- The City has committed \$75,000 to the Loan Foreclosure Program, a pilot program run by the Delaware State Housing Authority to help certain qualified homeowners who have fallen behind on their mortgage due to circumstances beyond their control.
- As part of a continuing focus on human resources development, an increased set-aside of \$60,000 has been budgeted to provide home buying assistance to City employees who purchase their primary home in the City. Last year's level of funding was \$30,000.
- Internal Services increased by \$143,109 to a total of \$197,886. Due to a reduction in Federal funds, these costs will now be absorbed by the General Fund.

### **SECTION 8 FUND MAJOR FUNDING CHANGES FROM PRIOR YEAR**

- As of June 30, 2007, the City's contract with HUD will be terminated transferring the responsibilities for administering the contract to the Delaware State Housing Authority. This will eliminate the Section 8 budget.

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

- Personal Services includes the addition of an Administration Clerk I, at the cost of \$52,414. This position's responsibilities include acting as a receptionist and informing the general public, staff, and other city employees about programs in the Department of Real Estate and Housing.
- Due to the addition of the Administrative Clerk I position, Temporary Salaries was reduced by \$25,480. This line also includes \$4,520 in funding for a Student Clerk.
- Consulting Fees increased to a total of \$44,580, in order to prepare the Five Year Consolidated Plan and perform a Fair Housing Analysis.

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

- Collectively, the HOME, HOPWA and ESG funds decreased \$132,925 to a total of \$1,337,366. This is mainly due to the reduction in Housing Opportunities for Persons With AIDS (HOPWA) grant contributions.

# DEPARTMENT OF REAL ESTATE AND HOUSING

## PERFORMANCE INDICATORS

**Goal #1:** Administer or fund housing programs to preserve existing occupied housing (including neighboring commercial facades); increase availability of affordable homeownership units through acquisition, rehab and new construction and increase availability of affordable rental housing.

**Objective:** Preserve, Rehabilitate or Construct 440 housing units throughout the City.\*

*Goal #1 corresponds to the City's Strategic Plan, Policy Statement 3-A on page 18.*

CRITICAL INDICATOR	FY 2006 PROJECTED	FY 2006 ACTUAL	FY 2007 PROJECTED	FY 2007 ACTUAL	FY 2008 PROJECTED
Emergency/Critical Repair Program (CDBG)	60	48	45	29	40
Housing Rehabilitation (State: HRLP)	8	25	15	1	40
Acquisition and Rehabilitation (HOME) for Homeownership	15	31	51	5	0
Acquisition and Rehabilitation (CDBG) for Homeownership	15	58	30	0	17
New Construction Home Ownership (HOME)	0	0	0	1	36
Acquisition for New Construction (CDBG)	0	0	0	0	2
Special HUD Vacant Grant (EDI)	0	9	0	0	0
Rental Housing (CDBG)	0	0	0	9	23
Tax Credit Projects (HOME/CDBG Rental)	16	0	0	0	18
Tenant-Based Rental Assisted Units (HOME)	0	0	0	0	10
De-Lead Delaware	17	2	48	44	52
Facade-Residential	177	94	125	55	47
Facade-Commercial	0	0	0	0	5
Section 8 Acquisition Rehab	0	8	0	0	0
HOPWA Rehab	0	16	0	0	0
Corner Vacant Program	8	7	3	1	0
Risk Assessments and Clearances	0	0	0	180	150
<b>Total Occupied Rehabs</b>	<b>316</b>	<b>298</b>	<b>317</b>	<b>324</b>	<b>440</b>

\* Includes 5 proposed commercial facade units

## DEPARTMENT OF REAL ESTATE AND HOUSING PERFORMANCE INDICATORS

**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 76.

*Goal #2 corresponds to the City's Strategic Plan, Policy Statement 3-A on page 18.*

CRITICAL INDICATOR	FY 2006 PROJECTED	FY 2006 ACTUAL	FY 2007 PROJECTED	FY 2007 ACTUAL	FY 2008 PROJECTED
Vacant Properties Acquired	25	22	12	9	24
Vacant Properties Disposed	15	22	37	5	47
<b>Total Structures/Lots in Property Inventory</b>	<b>124</b>	<b>114</b>	<b>99</b>	<b>118</b>	<b>76</b>

**Goal #3:** Administer Grants to meet Human Service needs.

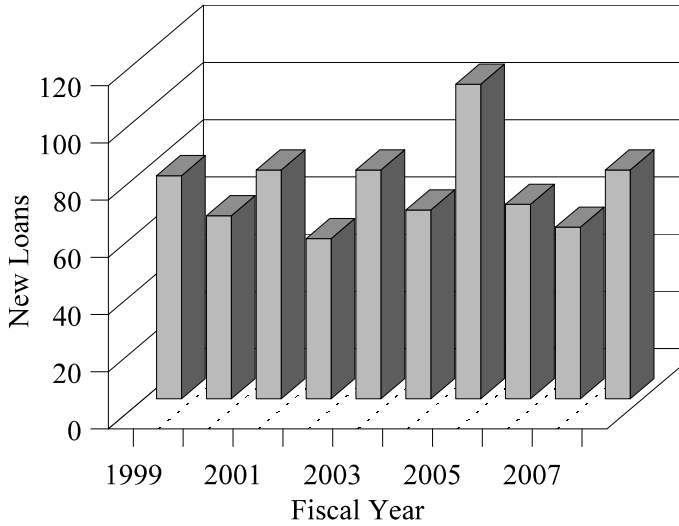
**Objective:** Administer funding for 19 human services programs and three Fair Housing Grants

*Goal #3 corresponds to the City's Strategic Plan, Policy Statement 3-A on page 18.*

CRITICAL INDICATOR	FY 2006 PROJECTED	FY 2006 ACTUAL	FY 2007 PROJECTED	FY 2007 ACTUAL	FY 2008 PROJECTED
Homeless/Transitional Housing Grant (CDBG, ESG & HOPWA)	18	18	18	18	19
Fair Housing Grants (CDBG)	3	3	3	3	3
<b>Total Number of Contracts</b>	<b>21</b>	<b>21</b>	<b>21</b>	<b>21</b>	<b>22</b>

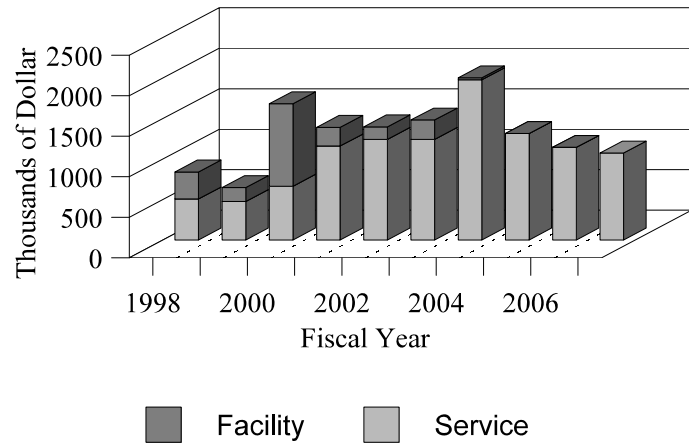
# Department of Real Estate and Housing Performance Trends

## Housing Rehabilitation Loans



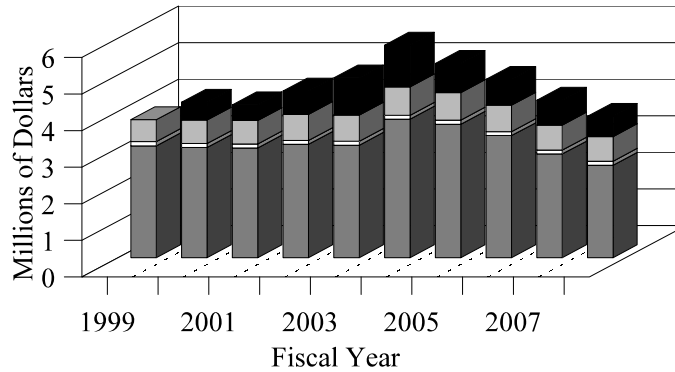
Housing Rehabilitation Loans are made to owner-occupants and investors. Funding is from CDBG, HOME and State HRLP.

## Public Service/Public Facility Grants



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

## Federal Funding Levels



HOPWA was first funded in FY 2000. FY 2008 CDBG and HOME funds were reduced by less than 1%, ESG funds increased slightly, while HOPWA funds were reduced more than 17%.



**DEPARTMENTAL BUDGET DETAIL BY FUND**

**DEPARTMENT: REAL ESTATE & HOUSING**

**FUND: GENERAL**

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
Regular Salaries	152,300	118,058	79,889	117,592
Acting out of Class	0	58	0	0
Sick Leave Bonus	0	90	0	0
Internet Reimbursements	46	63	0	0
Pension Contribution	100,185	11,153	7,298	12,416
Social Security	22,965	6,568	4,953	7,145
Medicare Tax	2,138	1,536	1,158	1,671
Hospitalization	24,062	19,593	12,449	21,159
Life Insurance	307	240	408	611
Pension Healthcare	1,977	1,028	1,120	1,540
Personal Services Adjustment	<u>0</u>	<u>0</u>	<u>(8,062)</u>	<u>(8,062)</u>
<b>TOTAL PERSONAL SERVICES</b>	<b>303,980</b>	<b>158,387</b>	<b>99,213</b>	<b>154,072</b>
<b><u>MATERIALS, SUPPLIES &amp; EQUIPMENT</u></b>				
Communications & Utilities	217	144	600	480
Printing and Advertising	2,500	0	0	0
Transportation	0	135	0	0
Miscellaneous Services	4,864	3,122	5,400	6,000
Equipment	500	1,182	0	0
Fixed Assets	3,415	0	0	0
Community Activities	<u>115,453</u>	<u>83,200</u>	<u>190,000</u>	<u>280,000</u>
<b>TOTAL M., S. &amp; E.</b>	<b>126,949</b>	<b>87,783</b>	<b>196,000</b>	<b>286,480</b>
<b><u>INTERNAL SERVICES</u></b>				
Administrative Services	41,069	78,652	53,039	196,092
Self-Insurance	<u>2,426</u>	<u>498</u>	<u>1,738</u>	<u>1,793</u>
<b>TOTAL INTERNAL SERVICES</b>	<b>43,495</b>	<b>79,150</b>	<b>54,777</b>	<b>197,885</b>
<b><u>DEBT SERVICE</u></b>				
Principal Payments	631,523	614,907	650,648	699,912
Interest Payments	<u>501,365</u>	<u>471,219</u>	<u>524,101</u>	<u>496,576</u>
<b>TOTAL DEBT SERVICE</b>	<b>1,132,888</b>	<b>1,086,126</b>	<b>1,174,749</b>	<b>1,196,488</b>
<b>GENERAL FUND TOTAL</b>	<b><u>1,607,312</u></b>	<b><u>1,411,446</u></b>	<b><u>1,524,739</u></b>	<b><u>1,834,925</u></b>

## DEPARTMENT: REAL ESTATE &amp; HOUSING

FUND: CDBG

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
Regular Salaries	775,359	728,553	709,727	706,631
Temporary Salaries	22,092	22,293	30,000	4,520
Acting out of Classification	0	6,410	0	0
Sick Leave Bonus	0	210	0	0
Internet Reimbursements	781	907	0	0
Pension Contribution	200,048	80,297	64,124	68,469
Social Security	49,592	47,323	45,864	43,569
Medicare Tax	11,598	11,068	10,727	10,190
Hospitalization	136,621	117,976	102,107	136,699
Pension-Healthcare	1,198	1,755	9,296	3,672
Life Insurance	<u>1,791</u>	<u>7,206</u>	<u>3,615</u>	<u>9,464</u>
<b>TOTAL PERSONAL SERVICES</b>	<b>1,199,080</b>	<b>1,023,998</b>	<b>975,460</b>	<b>983,214</b>
<b><u>MATERIALS, SUPPLIES &amp; EQUIPMENT</u></b>				
Printing & Advertising	2,165	3,611	2,000	3,000
Communications & Utilities	989	0	500	0
Transportation	2,201	2,437	4,000	6,250
Rentals	237	375	400	200
Contracted Maintenance Repairs	14	0	0	0
Professional Fees	56,500	77,418	34,076	59,580
Other Fees	2,191	0	3,000	3,000
Memberships & Registrations	7,385	3,065	6,500	8,500
Miscellaneous Services	3,633	1,695	3,500	2,240
Office & General Supplies	3,613	1,696	3,000	2,400
Wearing Apparel & Safety	2,808	2,990	3,000	3,000
Equipment	4,012	148	1,000	1,000
Fixed Assets	<u>1,956</u>	<u>635</u>	<u>0</u>	<u>0</u>
<b>TOTAL M., S. &amp; E.</b>	<b>87,704</b>	<b>94,070</b>	<b>60,976</b>	<b>89,170</b>
<b><u>INTERNAL SERVICES</u></b>				
Administrative Services	84,055	88,380	0	0
Self-Insurance	<u>5,268</u>	<u>6,004</u>	<u>0</u>	<u>0</u>
<b>TOTAL INTERNAL SERVICES</b>	<b>89,323</b>	<b>94,384</b>	<b>0</b>	<b>0</b>
<b><u>SPECIAL PURPOSE</u></b>				
Grants & Fixed Charges	<u>2,134,356</u>	<u>1,880,974</u>	<u>1,751,085</u>	<u>2,175,600</u>
<b>TOTAL SPECIAL PURPOSE</b>	<b>2,134,356</b>	<b>1,880,974</b>	<b>1,751,085</b>	<b>2,175,600</b>
<b>CDBG FUND TOTAL</b>	<b><u>3,510,463</u></b>	<b><u>3,093,426</u></b>	<b><u>2,787,521</u></b>	<b><u>3,247,984</u></b>

<b>GRANTS &amp; FIXED CHARGES DETAIL</b>	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
Brandywine Council Outreach			36,577	34,748
Catholic Charities Homeless			0	29,627
Challenge Program			0	50,000
Clearance			380,000	313,054
DE Center for Justice Short-Term Housing			27,433	26,061
DE Center for Horticulture			60,000	60,000
Disposition & Property Management			33,845	80,000
Eastlawn Human Services Emergency Shelter			13,716	13,030
Facade Commercial and Residential Program			0	525,000
Fair Housing (to be determined by RFP)			30,000	30,000
Homeless Planning Council			18,800	17,860
Lutheran Community Services for the Homeless			22,861	21,718
Ministry of Caring/Hope House I			22,769	21,631
Ministry of Caring/Hope II and III			30,287	28,773
Ministry of Caring/House of Joseph I			17,017	16,166
Property Repair Fund			300,000	365,000
Rental Quality Initiative (CLASI)			50,000	0
Salvation Army "Code Purple" Cold Weather			8,904	0
Shipley Lofts			0	400,000
WEDCO (fee for loan collections)			30,000	30,000
West End Neighborhood House Lifelines Transit			32,005	30,405
Wilmington Housing Partnership			550,000	0
YWCA Home Life Mngt. Transitional Housing			86,871	82,527
FY 2005 Expenditures	2,134,356		0	0
FY 2006 Expenditures	<u>0</u>	<u>1,880,974</u>	<u>0</u>	<u>0</u>
<b>GRANTS &amp; FIXED CHARGES TOTAL</b>	<b><u>2,134,356</u></b>	<b><u>1,880,974</u></b>	<b><u>1,751,085</u></b>	<b><u>2,175,600</u></b>

## DEPARTMENT: REAL ESTATE &amp; HOUSING

## FUND: HOME PARTNERSHIP

<u>PERSONAL SERVICES</u>	<u>ACTUAL FY2005</u>	<u>ACTUAL FY2006</u>	<u>BUDGET FY2007</u>	<u>APPROVED FY2008</u>
Regular Salaries	33,636	50,336	43,095	54,441
Acting out of Classification	0	200	0	0
Internet Reimbursements	95	149	0	0
Pension Contribution	2,238	6,820	4,013	4,226
Social Security	1,999	3,124	2,672	3,299
Medicare Tax	467	730	624	771
Hospitalization	6,893	11,482	8,253	3,269
Pension-Healthcare	47	112	532	274
Life Insurance	<u>69</u>	<u>459</u>	<u>220</u>	<u>672</u>
<b>TOTAL PERSONAL SERVICES</b>	<b><u>45,444</u></b>	<b><u>73,412</u></b>	<b><u>59,409</u></b>	<b><u>66,952</u></b>
<b><u>MATERIALS, SUPPLIES &amp; EQUIPMENT</u></b>				
Professional Fees	<u>26,161</u>	<u>4,204</u>	<u>8,805</u>	<u>0</u>
<b>TOTAL M., S. &amp; E.</b>	<b><u>26,161</u></b>	<b><u>4,204</u></b>	<b><u>8,805</u></b>	<b><u>0</u></b>
<b><u>SPECIAL PURPOSE</u></b>				
Grants & Fixed Charges	<u>434,156</u>	<u>404,610</u>	<u>613,921</u>	<u>609,097</u>
<b>TOTAL SPECIAL PURPOSE</b>	<b><u>434,156</u></b>	<b><u>404,610</u></b>	<b><u>613,921</u></b>	<b><u>609,097</u></b>
<b>HOME PARTNERSHIP FUND TOTAL</b>	<b><u>505,761</u></b>	<b><u>482,226</u></b>	<b><u>682,135</u></b>	<b><u>676,049</u></b>

<u>GRANTS &amp; FIXED CHARGES DETAIL</u>	<u>ACTUAL FY2005</u>	<u>ACTUAL FY2006</u>	<u>BUDGET FY2007</u>	<u>APPROVED FY2008</u>
CHDO Set-aside			102,320	101,407
HOME Eligible Housing Activities			511,601	0
HOME Voucher Program			0	80,074
Prestwyck-Construction-Construction			0	227,616
Prestwyck-Homeless			0	200,000
FY 2005 Expenditures	434,156		0	0
FY 2006 Expenditures	<u>0</u>	<u>404,610</u>	<u>0</u>	<u>0</u>
<b>GRANTS &amp; FIXED CHARGES TOTAL</b>	<b><u>434,156</u></b>	<b><u>404,610</u></b>	<b><u>613,921</u></b>	<b><u>609,097</u></b>

DEPARTMENT: REAL ESTATE & HOUSING

FUND: SECTION 8

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
Regular Salaries	7,327	0	0	0
Internet Reimbursements	6	0	0	0
Pension Contribution	12,363	0	0	0
Social Security	250	0	0	0
Medicare Tax	58	0	0	0
Hospitalization	305	0	0	0
Pension-Healthcare	7	0	0	0
Life Insurance	<u>9</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>TOTAL PERSONAL SERVICES</b>	<b>20,325</b>	<b>0</b>	<b>0</b>	<b>0</b>
 <b><u>MATERIALS, SUPPLIES &amp; EQUIPMENT</u></b>				
Fixed Assets	0	3,000	0	0
Professional Fees	<u>42,260</u>	<u>0</u>	<u>96,133</u>	<u>0</u>
<b>TOTAL M., S. &amp; E.</b>	<b>42,260</b>	<b>3,000</b>	<b>96,133</b>	<b>0</b>
 <b><u>INTERNAL SERVICES</u></b>				
Self-Insurance	227	0	0	0
Administrative Services	<u>5,338</u>	<u>5,652</u>	<u>5,652</u>	<u>0</u>
<b>TOTAL INTERNAL SERVICES</b>	<b>5,565</b>	<b>5,652</b>	<b>5,652</b>	<b>0</b>
 <b><u>SPECIAL PURPOSE</u></b>				
Miscellaneous Projects	<u>2,568,381</u>	<u>1,985,506</u>	<u>2,658,972</u>	<u>0</u>
<b>TOTAL SPECIAL PURPOSE</b>	<b>2,568,381</b>	<b>1,985,506</b>	<b>2,658,972</b>	<b>0</b>
 <b>SECTION 8 FUND TOTAL</b>	 <b><u>2,636,531</u></b>	 <b><u>1,994,158</u></b>	 <b><u>2,760,757</u></b>	 <b><u>0</u></b>

DEPARTMENT: REAL ESTATE & HOUSING

FUND: HOPWA

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
Regular Salaries	15,021	14,886	15,501	14,091
Internet Reimbursements	26	36	0	0
Pension Contribution	868	1,713	1,391	1,140
Social Security	954	923	961	866
Medicare Tax	223	216	225	203
Hospitalization	1,183	1,252	1,194	2,329
Pension-Healthcare	34	148	196	196
Life Insurance	<u>25</u>	<u>37</u>	<u>78</u>	<u>72</u>
<b>TOTAL PERSONAL SERVICES</b>	<b>18,334</b>	<b>19,211</b>	<b>19,546</b>	<b>18,897</b>
<b><u>MATERIALS, SUPPLIES &amp; EQUIPMENT</u></b>				
Professional Fees	<u>2,784</u>	<u>2,673</u>	<u>824</u>	<u>0</u>
<b>TOTAL M. S. &amp; E.</b>	<b>2,784</b>	<b>2,673</b>	<b>824</b>	<b>0</b>
<b><u>SPECIAL PURPOSE</u></b>				
Grants & Fixed Charges	<u>1,115,511</u>	<u>750,350</u>	<u>658,630</u>	<u>533,103</u>
<b>TOTAL SPECIAL PURPOSE</b>	<b>1,115,511</b>	<b>750,350</b>	<b>658,630</b>	<b>533,103</b>
<b>HOPWA FUND TOTAL</b>	<b><u>1,136,629</u></b>	<b><u>772,234</u></b>	<b><u>679,000</u></b>	<b><u>552,000</u></b>

<b>GRANTS &amp; FIXED CHARGES DETAIL</b>	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
Catholic Charities Homeless Prevention			36,577	0
Cecil County Emergency Assistance			24,036	21,469
DE HIV Consortium Housing Assistance			534,006	453,786
Ministry of Caring-House of Joseph II			50,294	45,738
SBA Housing Supportive Services			13,717	12,110
FY 2005 Expenditures	1,115,511		0	0
FY 2006 Expenditures	<u>0</u>	<u>750,350</u>	<u>0</u>	<u>0</u>
<b>GRANTS &amp; FIXED CHARGES TOTAL</b>	<b><u>1,115,511</u></b>	<b><u>750,350</u></b>	<b><u>658,630</u></b>	<b><u>533,103</u></b>

**DEPARTMENT: REAL ESTATE & HOUSING**

**FUND: EMERGENCY SHELTER GRANT**

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
Regular Salaries	3,260	3,403	4,429	1,748
Acting out of Classification	0	9	0	0
Internet Reimbursements	6	0	0	0
Pension Contribution	185	409	398	147
Social Security	207	229	275	108
Medicare Tax	48	54	64	26
Hospitalization	259	325	341	378
Pension Healthcare	5	2	56	28
Life Insurance	7	9	22	9
<b>TOTAL PERSONAL SERVICES</b>	<b>3,977</b>	<b>4,440</b>	<b>5,585</b>	<b>2,444</b>
<b><u>MATERIALS, SUPPLIES &amp; EQUIPMENT</u></b>				
Professional Fees	15	1,470	0	0
<b>TOTAL M. S. &amp; E</b>	<b>15</b>	<b>1,470</b>	<b>0</b>	<b>0</b>
<b><u>SPECIAL PURPOSE</u></b>				
Miscellaneous Projects	106,500	104,210	103,571	106,873
<b>TOTAL SPECIAL PURPOSE</b>	<b>106,500</b>	<b>104,210</b>	<b>103,571</b>	<b>106,873</b>
<b>EMERGENCY SHELTER GRANT</b>				
<b>FUND TOTAL</b>	<b><u>110,492</u></b>	<b><u>110,120</u></b>	<b><u>109,156</u></b>	<b><u>109,317</u></b>

<b>GRANTS &amp; FIXED CHARGES DETAIL</b>	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
Salvation Army Emergency Housing			63,209	59,950
Salvation Army Code Purple			5,614	13,913
Sojourners Place Transitional Housing			34,748	33,010
FY 2005 Expenditures	106,500		0	0
FY 2006 Expenditures	0	104,210	0	0
<b>GRANTS &amp; FIXED CHARGES TOTAL</b>	<b><u>106,500</u></b>	<b><u>104,210</u></b>	<b><u>103,571</u></b>	<b><u>106,873</u></b>





# DEPARTMENT OF COMMERCE

Prior to its restructuring in 1995, the Department of Commerce promoted and developed new commerce and industry within the City of Wilmington while working to retain existing businesses. It also managed and marketed the Port of Wilmington as a self-sufficient business entity. Although the Port was profitable, the City could no longer afford the infrastructure improvements necessary to maintain its competitiveness and profitability. Consequently, the City successfully negotiated a sale of the Port which placed it under the auspices of the State of Delaware, effective September 1, 1995. 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 DEPARTMENT OF COMMERCE	ACTUAL FY2005	ACTUAL FY2006	BUDGET FY2007	APPROVED FY2008
Materials, Supplies & Equipment	213,635	485	0	0
Debt Service	<u>5,465,745</u>	<u>6,856,596</u>	<u>5,386,942</u>	<u>5,328,597</u>
<b>TOTAL</b>	<b><u>5,679,380</u></b>	<b><u>6,857,081</u></b>	<b><u>5,386,942</u></b>	<b><u>5,328,597</u></b>
<b>STAFFING LEVELS</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

**DEPARTMENTAL BUDGET DETAIL BY FUND**

**DEPARTMENT: COMMERCE**

**FUND: COMMERCE**

<b>MATERIALS, SUPPLIES, &amp; EQUIPMENT</b>	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>BUDGET FY2007</b>	<b>APPROVED FY2008</b>
Communications & Utilities	10,270	382	0	0
Contracted Maintenance	177,599	103	0	0
Fixed Assets/Add. & Imp. to Bldg.	<u>25,766</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>TOTAL M., S. &amp; E.</b>	<b>213,635</b>	<b>485</b>	<b>0</b>	<b>0</b>
<b><u>DEBT SERVICE</u></b>				
Amortized Bond Issue & Discount	0	0	0	0
Principal Payments	4,080,206	5,529,464	4,382,363	4,432,334
Interest Payments	1,385,539	1,327,132	1,004,579	896,263
Other Fiscal Charges	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>TOTAL DEBT SERVICE</b>	<b>5,465,745</b>	<b>6,856,596</b>	<b>5,386,942</b>	<b>5,328,597</b>
<b>COMMERCE FUND TOTAL</b>	<b><u>5,679,380</u></b>	<b><u>6,857,081</u></b>	<b><u>5,386,942</u></b>	<b><u>5,328,597</u></b>

**CAPITAL IMPROVEMENTS PROGRAM**

**AND**

**CAPITAL BUDGET**

**FOR**

**FISCAL YEARS 2008 - 2013**

# **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 2008 - FY 2013 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 2008 - 2013**

The proposed six year Capital Budget and Capital Improvements Program, as presented in Resolution 11-07, totals \$165,523,000, with the FY 2008 Capital Budget representing \$80,151,000 and the five year program adding \$85,372,000. A breakdown of these costs and the project descriptions are provided in the following pages.

## **G. Impact of Capital Spending on the Operating Budget**

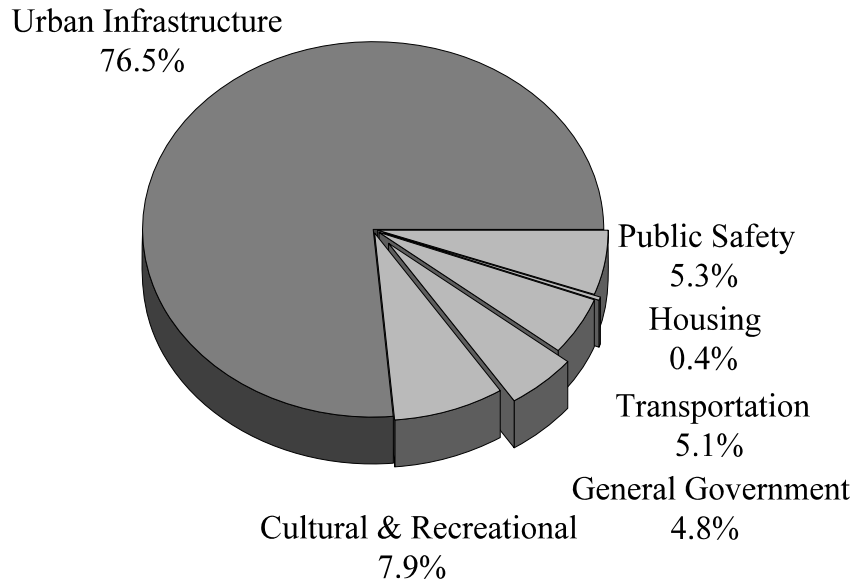
Because the majority of the projects in the Capital Budget are funded through the issuance of General Obligation Bonds, the payment of debt service has the greatest overall effect on the Operating Budget. The annual debt service cost that would result from bonds issued to fund the Capital Budget would be \$4,158,333.

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



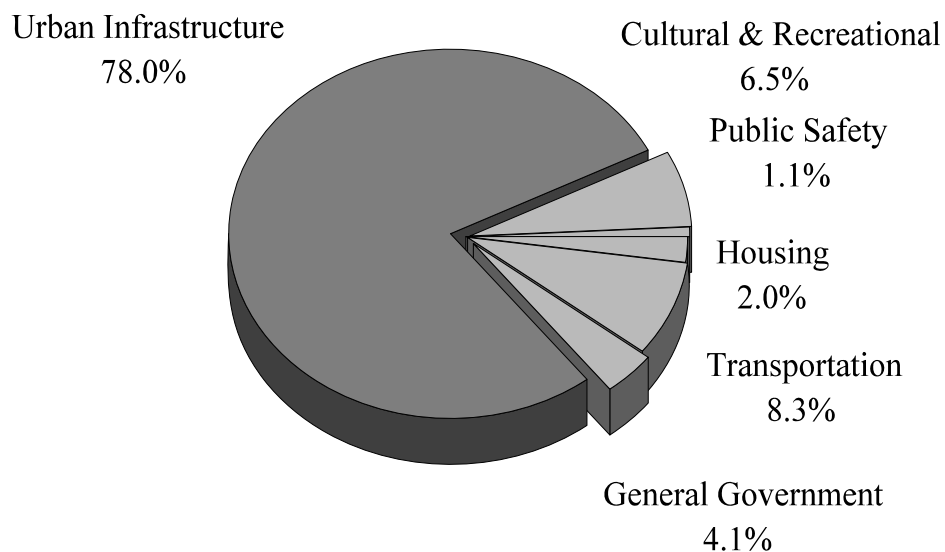
# Capital Budget Allocations

Fiscal Years 2008-2009



# Capital Program Allocations

Fiscal Years 2010-2013



CAPITAL IMPROVEMENTS PROGRAM  
FISCAL YEARS 2008-2013  
(000 omitted)

SUMMARY: TOTAL FUNDS RECOMMENDED BY FISCAL YEAR AND DEPARTMENT										
NAME OF DEPARTMENT	FUND	FISCAL YEARS						TOTAL CITY FUNDS 6 YEAR PERIOD		TOTAL LOCAL AND MATCHING 6 YEAR PERIOD
		2008	2009	2010	2011	2012	2013	2013	2013	2013
PARKS AND RECREATION	G	5,507.5	0	2,855	0	2,575	0	10,937.5	0	10,937.5
	O	847.5	0	80	0	80	0	0.0	0	1,007.5
PUBLIC WORKS	G	8,100	0	6,400	0	6,600	0	21,100	0	21,100
	W	53,200	0	31,800	0	21,800	0	106,800	0	106,800
FIRE	G	2,700	0	900	0	0	0	3,600	0	3,600
POLICE	G	1,500	0	0	0	0	0	1,500	0	1,500
FINANCE	G	1,210.5	0	432	0	412	0	2,054.5	0	2,054.5
	W	1,655.5	0	954	0	654	0	3,263.5	0	3,263.5
	C	15	0	15	0	15	0	45	0	45
	I	15	0	0	0	0	0	15	0	15
TRANSPORTATION	G	4,100	0	3,550	0	3,550	0	11,200	0	11,200
	O	0	0	0	0	0	0	0	0	0
OFFICE OF THE MAYOR	C	500	0	500	0	500	0	1,500	0	1,500
	I	500	0	0	0	0	0	500	0	500
REAL ESTATE & HOUSING	G	300	0	700	0	1,000	0	2,000	0	2,000
TOTAL BY FUND	G	23,418	0	14,837	0	14,137	0	52,392	0	52,392
	O	847.5	0	80	0	80	0	0	0	1,007.5
	W	54,855.5	0	32,754	0	22,454	0	110,063.5	0	110,063.5
	C	515	0	515	0	515	0	1,545	0	1,545
	I	515	0	0	0	0	0	515	0	515
GRAND TOTAL		80,151	0	48,186	0	37,186	0	164,515.5	0	165,523

Fund: G - General; W - Water/Sewer; C - Commerce; O - Other Governmental; I - Internal Service

CAPITAL IMPROVEMENTS PROGRAM  
FISCAL YEARS 2008-2013  
(000 omitted)

SUMMARY: DEPARTMENTAL FUNDS RECOMMENDED BY EXPENDITURE CATEGORY

NAME OF DEPARTMENT	EXPENDITURE CATEGORY	FISCAL YEARS						TOTAL CITY FUNDS 6 YEAR PERIOD	TOTAL LOCAL AND MATCHING 6 YEAR PERIOD
		2008	2009	2010	2011	2012	2013		
PARKS AND RECREATION	NS	1,000	0	0	0	0	0	1,000	1,000
	RE	2,325	0	1,395	0	1,115	0	3,977.5	4,835
	UE	3,030	0	1,540	0	1,540	0	5,960	6,110
PUBLIC WORKS	NS	3,000	0	3,200	0	800	0	7,000	7,000
	RE	26,300	0	21,600	0	16,400	0	64,300	64,300
	UE	29,000	0	12,400	0	3,200	0	44,600	44,600
	NR	3,000	0	1,000	0	8,000	0	12,000	12,000
FIRE	RE	2,700	0	900	0	0	0	3,600	3,600
POLICE	RE	1,500	0	0	0	0	0	1,500	1,500
FINANCE	NS	144	0	132	0	69	0	345	345
	RE	1,565	0	716	0	525	0	2,805	2,805
	UE	1,097	0	523	0	247	0	1,868	1,868
	NR	90	0	30	0	240	0	360	360
TRANSPORTATION	UE	4,100	0	3,550	0	3,550	0	11,200	11,200
OFFICE OF THE MAYOR	NS	500	0	500	0	500	0	1,500	1,500
	UE	500	0	0	0	0	0	500	500
REAL ESTATE & HOUSING	NS	300	0	700	0	1,000	0	2,000	2,000
TOTAL BY CATEGORY	New Service	4,944	0	4,532	0	2,369	0	11,845	11,845
	New Replace Existing	3,090	0	1,030	0	8,240	0	12,360	12,360
	Upgrade Existing	37,727	0	18,013	0	8,537	0	64,128	64,278
	Restore Existing	34,390	0	24,611	0	18,040	0	76,183	77,040
GRAND TOTAL		80,151	0	48,186	0	37,186	0	164,515.5	165,523

Expenditure Category: NS - New Service; NR - New Replace Existing; UE - Upgrade Existing; RE - Restore Existing (See pages 228-229)

CAPITAL IMPROVEMENTS PROGRAM  
FISCAL YEARS 2008-2013  
(000 omitted)

PARKS & RECREATION DEPARTMENT: PROGRAM RECOMMENDATION BY FISCAL YEAR										
FUND	EXPENDITURE CATEGORY	FISCAL YEARS						2013	TOTAL CITY FUNDS 6 YEAR PERIOD	TOTAL LOCAL AND MATCHING 6 YEAR PERIOD
		2008	2009	2010	2011	2012	2013			
G	UE	440	0	440	0	440	0	0	1,320	1,320
O		50	0	50	0	50	0	0	0	150
G	UE	1,600	0	0	0	0	0	0	1,600	1,600
G	UE	405	0	405	0	405	0	0	1,215	1,215
G	RE	300	0	300	0	300	0	0	900	900
O		30	0	30	0	30	0	0	0	90
G	RE	275	0	330	0	0	0	0	605	605
G	UE	30	0	30	0	30	0	0	90	90
G	RE	380	0	430	0	480	0	0	1,290	1,290
G	RE	305	0	305	0	305	0	0	915	915
G	UE	275	0	385	0	385	0	0	1,045	1,045
G	RE	267.5	0	0	0	0	0	0	267.5	267.5
O		767.5	0	0	0	0	0	0	0	767.5
G	UE	230	0	230	0	230	0	0	690	690
G	NS	1,000	0	0	0	0	0	0	1,000	1,000
G		5,507.5	0	2,855	0	2,575	0	0	10,937.5	10,937.5
O		847.5	0	80	0	80	0	0	0	1,007.5
<b>TOTAL PARKS AND RECREATION FUNDS</b>		<b>6,355</b>	<b>0</b>	<b>2,935</b>	<b>0</b>	<b>2,655</b>	<b>0</b>	<b>0</b>	<b>10,937.5</b>	<b>11,945</b>

Fund: G - General; W - Water/Sewer; C - Commerce; O - Other Governmental; I - Internal Service  
Expenditure Category: NS - New Service; NR - New Replace Existing; UE - Upgrade Existing; RE - Restore Existing (See pages 228-229)

CAPITAL IMPROVEMENTS PROGRAM  
FISCAL YEARS 2008-2013  
(000 omitted)

PUBLIC WORKS DEPARTMENT: PROGRAM RECOMMENDATION BY FISCAL YEAR

	FUND	EXPENDITURE CATEGORY	FISCAL YEARS						TOTAL CITY FUNDS 6 YEAR PERIOD	TOTAL LOCAL AND MATCHING 6 YEAR PERIOD
			2008	2009	2010	2011	2012	2013		
Street Paving & Reconstruction	G	RE	6,100	0	6,400	0	6,600	0	19,100	19,100
City/County Building Renovations	G	RE	2,000	0	0	0	0	0	2,000	2,000
Annual Water Improvements	W	RE	5,500	0	4,500	0	4,500	0	14,500	14,500
48" Water Main	W	NR	3,000	0	1,000	0	8,000	0	12,000	12,000
Pumping Improvements	W	RE	1,000	0	1,000	0	1,000	0	3,000	3,000
Porter Filter Plant Improvements	W	UE	2,000	0	1,000	0	1,000	0	4,000	4,000
Hoopes Dam	W	UE	4,000	0	1,000	0	1,000	0	6,000	6,000
Brandywine Filter Plant Improvements	W	UE	19,000	0	1,000	0	1,000	0	21,000	21,000
Architectural Rehabilitation	W	RE	2,000	0	1,000	0	1,000	0	4,000	4,000
Brandywine Raceway Rehabilitation	W	RE	2,000	0	1,000	0	1,000	0	4,000	4,000
Cool Spring Reservoir	W	UE	3,000	0	200	0	200	0	3,400	3,400
Kentmere & Union CSO	W	NS	1,200	0	0	0	0	0	1,200	1,200
River Siphons/RTC	W	RE	3,000	0	0	0	0	0	3,000	3,000
CSO # 31 Shellpot Creek	W	NS	1,000	0	0	0	0	0	1,000	1,000
Head Works, Wastewater Treatment Plant	W	UE	1,000	0	0	0	0	0	1,000	1,000
TMDL - Little Mill Creek	W	UE	0	0	1,200	0	0	0	1,200	1,200
Mitigate CSO at Locations 23 & 24	W	NS	0	0	2,400	0	0	0	2,400	2,400
11th Street Pumping Station Upgrade	W	UE	0	0	8,000	0	0	0	8,000	8,000

*Continued*

CAPITAL IMPROVEMENTS PROGRAM  
FISCAL YEARS 2008-2013  
(000 omitted)

PUBLIC WORKS DEPARTMENT: PROGRAM RECOMMENDATION BY FISCAL YEAR

	FUND	EXPENDITURE CATEGORY	FISCAL YEARS						TOTAL LOCAL FUNDS 6 YEAR PERIOD	TOTAL LOCAL AND MATCHING 6 YEAR PERIOD	
			2008	2009	2010	2011	2012	2013			
Annual Minor Sewer Construction & Drainage	W	RE	2,600	0	5,400	0	0	0	0	8,000	8,000
Sewer Improvements	W	RE	2,100	0	2,300	0	2,300	0	0	6,700	6,700
City Sewer Construction	W	NS	800	0	800	0	800	0	0	2,400	2,400
<b>TOTAL BY FUND</b>			<b>8,100</b>	<b>0</b>	<b>6,400</b>	<b>0</b>	<b>6,600</b>	<b>0</b>	<b>0</b>	<b>21,100</b>	<b>21,100</b>
	W		<b>53,200</b>	<b>0</b>	<b>31,800</b>	<b>0</b>	<b>21,800</b>	<b>0</b>	<b>0</b>	<b>106,800</b>	<b>106,800</b>
<b>TOTAL PUBLIC WORKS FUNDS</b>			<b>61,300</b>	<b>0</b>	<b>38,200</b>	<b>0</b>	<b>28,400</b>	<b>0</b>	<b>0</b>	<b>127,900</b>	<b>127,900</b>

Fund: G - General; W - Water/Sewer; C - Commerce; O - Other Governmental; I - Internal Service  
Expenditure Category: NS - New Service; NR - New Replace Existing; UE - Upgrade Existing; RE - Restore Existing (See pages 228-229)

CAPITAL IMPROVEMENTS PROGRAM  
FISCAL YEARS 2008-2013  
(000 omitted)

FIRE DEPARTMENT: PROGRAM RECOMMENDATION BY FISCAL YEAR											
	FUND	EXPENDITURE CATEGORY	<u>FISCAL YEARS</u>						TOTAL CITY FUNDS 6 YEAR PERIOD	TOTAL LOCAL AND MATCHING 6 YEAR PERIOD	
			2008	2009	2010	2011	2012	2013			
Fire Station Renovations	G	RE	1,000	0	0	0	0	0	0	1,000	1,000
Apparatus Replacement	G	RE	1,700	0	900	0	0	0	0	2,600	2,600
<b>TOTAL BY FUND</b>	<b>G</b>		<b>2,700</b>	<b>0</b>	<b>900</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,600</b>	<b>3,600</b>
<b>TOTAL FIRE FUNDS</b>			<b>2,700</b>	<b>0</b>	<b>900</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,600</b>	<b>3,600</b>

Fund: G - General; W - Water/Sewer; C - Commerce; O - Other Governmental; I - Internal Service  
Expenditure Category: NS - New Service; NR - New Replace Existing; UE - Upgrade Existing; RE - Restore Existing (See pages 228-229)

CAPITAL IMPROVEMENTS PROGRAM  
FISCAL YEARS 2008-2013  
(000 omitted)

POLICE DEPARTMENT: PROGRAM RECOMMENDATION BY FISCAL YEAR

FUND	EXPENDITURE CATEGORY	FISCAL YEARS						TOTAL CITY FUNDS 6 YEAR PERIOD	TOTAL LOCAL AND MATCHING 6 YEAR PERIOD
		2008	2009	2010	2011	2012	2013		
G	RE	1,500	0	0	0	0	0	1,500	1,500
G		1,500	0	0	0	0	0	1,500	1,500
<b>TOTAL POLICE FUNDS</b>		1,500	0	0	0	0	0	1,500	1,500

Fund: G - General; W - Water/Sewer; C - Commerce; O - Other Governmental; I - Internal Service  
Expenditure Category: NS - New Service; NR - New Replace Existing; UE - Upgrade Existing; RE - Restore Existing (See pages 228-229)



CAPITAL IMPROVEMENTS PROGRAM  
FISCAL YEARS 2008-2013  
(000 omitted)

FINANCE DEPARTMENT: PROGRAM RECOMMENDATION BY FISCAL YEAR

	FUND	EXPENDITURE CATEGORY	FISCAL YEARS						TOTAL CITY FUNDS 6 YEAR PERIOD	TOTAL LOCAL AND MATCHING 6 YEAR PERIOD
			2007	2008	2009	2010	2011	2013		
Office Renovations	G	RE	57.5	0	0	0	0	0	57.5	57.5
	W		57.5	0	0	0	0	0	57.5	57.5
Five Percent For Art	G		471	0	0	0	0	0	471	471
Cost of Bond Issue (General Fund)	G		682	0	432	0	412	0	1,526	1,526
Cost of Bond Issue (Water/Sewer Fund)	W		1,598	0	954	0	654	0	3,206	3,206
Cost of Bond Issue (Commerce Fund)	C		15	0	15	0	15	0	45	45
Cost of Bond Issue (Internal Service Fund)	I		15	0	0	0	0	0	15	15
<b>TOTAL BY FUND</b>			<b>1,210.5</b>	<b>0</b>	<b>432</b>	<b>0</b>	<b>412</b>	<b>0</b>	<b>2,054.5</b>	<b>2,054.5</b>
	W		<b>1,655.5</b>	<b>0</b>	<b>954</b>	<b>0</b>	<b>654</b>	<b>0</b>	<b>3,263.5</b>	<b>3,263.5</b>
	C		<b>15</b>	<b>0</b>	<b>15</b>	<b>0</b>	<b>15</b>	<b>0</b>	<b>45</b>	<b>45</b>
	I		<b>15</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>15</b>	<b>15</b>
<b>TOTAL FINANCE FUNDS</b>			<b>2,896</b>	<b>0</b>	<b>1,401</b>	<b>0</b>	<b>1,081</b>	<b>0</b>	<b>5,378</b>	<b>5,378</b>

Fund: G - General; W - Water/Sewer; C - Commerce; O - Other Governmental; I - Internal Service  
Expenditure Category: NS - New Service; NR - New Replace Existing; UE - Upgrade Existing; RE - Restore Existing (See pages 228-229)

CAPITAL IMPROVEMENTS PROGRAM  
FISCAL YEARS 2008-2013  
(000 omitted)

DIVISION OF TRANSPORTATION: PROGRAM RECOMMENDATION BY FISCAL YEAR

	FUND	EXPENDITURE CATEGORY	FISCAL YEARS						TOTAL CITY FUNDS 6 YEAR PERIOD	TOTAL LOCAL AND MATCHING 6 YEAR PERIOD
			2008	2009	2010	2011	2012	2013		
Traffic System Infrastructure	G	UE	600	0	550	0	550	0	1,700	1,700
Wilmington Transportation Initiatives	G	UE	3,500	0	3,000	0	3,000	0	9,500	9,500
	O		0	0	0	0	0	0	0	0
<b>TOTAL BY FUND</b>	G		4,100	0	3,550	0	3,550	0	11,200	11,200
	O		0	0	0	0	0	0	0	0
<b>TOTAL TRANSPORTATION FUNDS</b>			4,100	0	3,550	0	3,550	0	11,200	11,200

Fund: G - General; W - Water/Sewer; C - Commerce; O - Other Governmental; I - Internal Service  
Expenditure Category: NS - New Service; NR - New Replace Existing; UE - Upgrade Existing; RE - Restore Existing (See pages 228-229)

CAPITAL IMPROVEMENTS PROGRAM  
FISCAL YEARS 2008-2013  
(000 omitted)

OFFICE OF THE MAYOR: PROGRAM RECOMMENDATION BY FISCAL YEAR

	FUND	EXPENDITURE CATEGORY	FISCAL YEARS						TOTAL CITY FUNDS 6 YEAR PERIOD	TOTAL LOCAL AND MATCHING 6 YEAR PERIOD
			2008	2009	2010	2011	2012	2013		
Computer System Conversion	I	UE	500	0	0	0	0	0	500	500
Economic Development Project Fund	C	NS	500	0	500	0	500	0	1,500	1,500
<b>TOTAL BY FUND</b>	<b>I</b>		<b>500</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>500</b>	<b>500</b>
	<b>C</b>		<b>500</b>	<b>0</b>	<b>500</b>	<b>0</b>	<b>500</b>	<b>0</b>	<b>1,500</b>	<b>1,500</b>
<b>TOTAL MAYOR'S OFFICE FUNDS</b>			<b>1,000</b>	<b>0</b>	<b>500</b>	<b>0</b>	<b>500</b>	<b>0</b>	<b>2,000</b>	<b>2,000</b>

Fund: G - General; W - Water/Sewer; C - Commerce; O - Other Governmental; I - Internal Service  
Expenditure Category: NS - New Service; NR - New Replace Existing; UE - Upgrade Existing; RE - Restore Existing (See pages 228-229)

CAPITAL IMPROVEMENTS PROGRAM  
FISCAL YEARS 2008-2013  
(000 omitted)

REAL ESTATE & HOUSING DEPARTMENT: PROGRAM RECOMMENDATION BY FISCAL YEAR

	FUND	EXPENDITURE CATEGORY	FISCAL YEARS						TOTAL CITY FUNDS 6 YEAR PERIOD	TOTAL LOCAL AND MATCHING 6 YEAR PERIOD
			2008	2009	2010	2011	2012	2013		
Acquisition & Demolition	G	NS	300	0	700	0	1,000	0	2,000	2,000
<b>TOTAL BY FUND</b>	<b>G</b>		<b>300</b>	<b>0</b>	<b>700</b>	<b>0</b>	<b>1,000</b>	<b>0</b>	<b>2,000</b>	<b>2,000</b>
<b>TOTAL REAL ESTATE &amp; HOUSING FUNDS</b>			<b>300</b>	<b>0</b>	<b>700</b>	<b>0</b>	<b>1,000</b>	<b>0</b>	<b>2,000</b>	<b>2,000</b>

Fund: G - General; W - Water/Sewer; C - Commerce; O - Other Governmental; I - Internal Service  
Expenditure Category: NS - New Service; NR - New Replace Existing; UE - Upgrade Existing; RE - Restore Existing (See pages 228-229)

### III. CAPITAL PROJECT DESCRIPTIONS - FISCAL YEARS 2008 - 2013

#### A. PARKS AND RECREATION

##### 1. General Park Improvements

Budget Request: \$440,000. (Other Funds: \$50,000)  
Program Request: \$880,000. (Other Funds: \$100,000)

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

Program: Ongoing.

<i>Annual Debt Service Impact</i>	\$33,616
<i>Annual Operational Impact Personal Services</i>	\$0
<i>Annual Operational Impact M. S. &amp; E.</i>	\$0

##### 2. Spencer Plaza Renovations

Budget Request: \$1,600,000.  
Program Request: \$0.

Budget: Complete renovation of the site, including paving, drainage, landscaping and seating, based on the conceptual plan developed under the recently completed engineering study.

Program: None.

<i>Annual Debt Service Impact</i>	\$122,240
<i>Annual Operational Impact Personal Services</i>	\$0
<i>Annual Operational Impact M. S. &amp; E.</i>	\$0

##### 3. Wilmington Beautification

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

Budget: Planning and installation of various design and landscape elements at parks and plazas, and 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>	\$30,942
<i>Annual Operational Impact Personal Services</i>	\$5,000
<i>Annual Operational Impact M. S. &amp; E.</i>	\$1,000

4. **Courts Renovations/Reconstruction**

Budget Request: \$300,000. (Other Funds: \$30,000)  
Program Request: \$600,000. (Other Funds: \$60,000)

Budget: Reconstruction of damaged basketball and tennis courts throughout the city.

Program: Ongoing.

<i>Annual Debt Service Impact</i>	\$22,920
<i>Annual Operational Impact Personal Services</i>	\$0
<i>Annual Operational Impact M. S. &amp; E.</i>	\$0

5. **Monument Restoration**

Budget Request: \$275,000.  
Program Request: \$330,000.

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

Program: Ongoing.

<i>Annual Debt Service Impact</i>	\$21,010
<i>Annual Operational Impact Personal Services</i>	\$5,000
<i>Annual Operational Impact M. S. &amp; E.</i>	\$1,000

6. **Parks Identification / Signage Project**

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

Budget: Standardization of identification signage for City-wide parks.

Program: Ongoing.

<i>Annual Debt Service Impact</i>	\$2,292
<i>Annual Operational Impact Personal Services</i>	\$0
<i>Annual Operational Impact M. S. &amp; E.</i>	\$0

7. **Anderson Center Renovation Phase IV**

Budget Request: \$380,000.  
Program Request: \$910,000.

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>	\$29,032
<i>Annual Operational Impact Personal Services</i>	\$0
<i>Annual Operational Impact M. S. &amp; E.</i>	(\$2,000)

8. **Ballfield and Swimming Pool Fencing**

Budget Request: \$305,000.  
Program Request: \$610,000.

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

Program: Ongoing.

<i>Annual Debt Service Impact</i>	\$23,302
<i>Annual Operational Impact Personal Services</i>	\$0
<i>Annual Operational Impact M. S. &amp; E.</i>	\$0

9. **County Parks**

Budget Request: \$275,000.  
Program Request: \$770,000.

Budget: Funding for upgrades to county-maintained City parks and ball fields which are being returned to the City inventory over the next few years. Upgrades to include lighting, paving, backstops, dugouts and outfield fencing.

Program: Ongoing.

<i>Annual Debt Service Impact</i>	\$21,010
<i>Annual Operational Impact Personal Services</i>	\$50,000
<i>Annual Operational Impact M. S. &amp; E.</i>	\$5,000

10. **East 7<sup>th</sup> Street Boat Ramp Engineering and Repair**

Budget Request: \$267,500. (Other Funds: \$767,500)  
Program Request: \$0.

Budget: Replacement of the damaged concrete boat ramp and security gate at the facility on the East 7<sup>th</sup> Street Peninsula.

Program: None.

<i>Annual Debt Service Impact</i>	\$20,437
<i>Annual Operational Impact Personal Services</i>	\$0
<i>Annual Operational Impact M. S. &amp; E.</i>	\$0

11. **Swimming Pool and Bathhouse Renovations**

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

Budget: Various upgrades to modernize City pools, including pool filtering systems, interior renovations, plumbing and electrical work.

Program: Ongoing.

<i>Annual Debt Service Impact</i>	\$17,572
<i>Annual Operational Impact Personal Services</i>	(\$6,000)
<i>Annual Operational Impact M. S. &amp; E.</i>	(\$2,000)

12. **Spray Park**

Budget Request: \$1,000,000.  
Program Request: \$0.

Budget: Convert Eden Pool to a spray shower park.

Program: None.

<i>Annual Debt Service Impact</i>	\$76,400
<i>Annual Operational Impact Personal Services</i>	(\$40,000)
<i>Annual Operational Impact M. S. &amp; E.</i>	(\$6,000)



**B. PUBLIC WORKS DEPARTMENT**

1. **Street Paving and Reconstruction**

Budget Request: \$6,100,000.  
Program Request: \$13,000,000.

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>	\$466,040
<i>Annual Operational Impact Personal Services</i>	\$0
<i>Annual Operational Impact M. S. &amp; E.</i>	\$0

2. **City/County Building Renovations**

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

Budget: To provide for the City's share of costs associated with renovations being made to the City/County Building.

Program: Ongoing.

<i>Annual Debt Service Impact</i>	\$152,800
<i>Annual Operational Impact Personal Services</i>	\$0
<i>Annual Operational Impact M. S. &amp; E.</i>	\$0

3. **Annual Water System Improvements**

Budget Request: \$5,500,000.  
Program Request: \$9,000,000.

Budget: To provide for the annual cleaning and lining of water mains, new and replacement mains, service line renewal, the 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>	\$247,500
<i>Annual Operational Impact Personal Services</i>	\$0
<i>Annual Operational Impact M. S. &amp; E.</i>	\$0

4. **Large Transmission Main Projects (48" Water Main)**

Budget Request: \$3,000,000.  
Program Request: \$9,000,000.

Budget: Replacement of the 48" finished water transmission main, the I-95 Bore Phase, and the Brandywine Creek / I-95 Phase (along Baynard Boulevard).

Program: Ongoing.

<i>Annual Debt Service Impact</i>	\$135,000
<i>Annual Operational Impact Personal Services</i>	\$0
<i>Annual Operational Impact M. S. &amp; E.</i>	\$0

5. **Pumping Improvements**

Budget Request: \$1,000,000.  
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>	\$45,000
<i>Annual Operational Impact Personal Services</i>	\$0
<i>Annual Operational Impact M. S. &amp; E.</i>	\$0

6. **Porter Filter Plant Improvements**

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

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>	\$90,000
<i>Annual Operational Impact Personal Services</i>	\$0
<i>Annual Operational Impact M. S. &amp; E.</i>	\$0

7. **Hoopes Dam**

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

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 water storage.

Program: Ongoing.

<i>Annual Debt Service Impact</i>	<i>\$180,000</i>
<i>Annual Operational Impact Personal Services</i>	<i>\$0</i>
<i>Annual Operational Impact M. S. &amp; E.</i>	<i>\$0</i>

8. **Brandywine Filter Plant Improvements**

Budget Request: \$19,000,000.  
Program Request: \$2,000,000.

Budget: To upgrade the Brandywine Filter Plant by implementing ultra-filtration membranes as the treatment process.

Program: Ongoing.

<i>Annual Debt Service Impact</i>	<i>\$855,000</i>
<i>Annual Operational Impact Personal Services</i>	<i>\$0</i>
<i>Annual Operational Impact M. S. &amp; E.</i>	<i>\$0</i>

9. **Architectural Rehabilitation**

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

Budget: Architectural repairs and restoration of historical structures in the water system.

Program: Ongoing.

<i>Annual Debt Service Impact</i>	<i>\$90,000</i>
<i>Annual Operational Impact Personal Services</i>	<i>\$0</i>
<i>Annual Operational Impact M. S. &amp; E.</i>	<i>\$0</i>

10. **Brandywine Raceway Rehabilitation**

Budget Request: \$2,000,000.  
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>\$90,000</i>
<i>Annual Operational Impact Personal Services</i>	<i>\$0</i>
<i>Annual Operational Impact M. S. &amp; E.</i>	<i>(\$5,000)</i>

11. **Cool Spring Reservoir**

Budget Request: \$3,000,000.  
Program Request: \$400,000.

Budget: Additional funding for the necessary site improvements to the Cool Spring Reservoir and adjacent lot.

Program: Ongoing.

<i>Annual Debt Service Impact</i>	<i>\$135,000</i>
<i>Annual Operational Impact Personal Services</i>	<i>\$0</i>
<i>Annual Operational Impact M. S. &amp; E.</i>	<i>\$0</i>

12. **Kentmere & Union CSO**

Budget Request: \$1,200,000.  
Program Request: \$0.

Budget: To eliminate the combined sewer overflow in this area, which is above the water intake area.

Program: None.

<i>Annual Debt Service Impact</i>	<i>\$54,000</i>
<i>Annual Operational Impact Personal Services</i>	<i>\$4,000</i>
<i>Annual Operational Impact M. S. &amp; E.</i>	<i>\$0</i>

13. **River Siphons/RTC**

Budget Request: \$3,000,000.  
Program Request: \$0.

Budget: Reconstruction of the flushing mechanism for the sewer siphons at the 11<sup>th</sup> Street Pumping Station and 3<sup>rd</sup> Street Bridge to prevent combined sewer overflows.

Program: None.

<i>Annual Debt Service Impact</i>	<i>\$135,000</i>
<i>Annual Operational Impact Personal Services</i>	<i>\$0</i>
<i>Annual Operational Impact M. S. &amp; E.</i>	<i>\$0</i>

14. **CSO #31 Shellpot Creek**

Budget Request: \$1,000,000.  
Program Request: \$0.

Budget: Minimize combined sewer overflows into the Shellpot Creek at CSO #31.

Program: None.

<i>Annual Debt Service Impact</i>	<i>\$45,000</i>
<i>Annual Operational Impact Personal Services</i>	<i>\$5,000</i>
<i>Annual Operational Impact M. S. &amp; E.</i>	<i>\$0</i>

15. **Head Works, Wastewater Treatment Plant**

Budget Request: \$1,000,000.  
Program Request: \$0.

Budget: Modify head works to permit heavy storm flow to divert to lagoons at the waste water treatment plant.

Program: None.

<i>Annual Debt Service Impact</i>	<i>\$45,000</i>
<i>Annual Operational Impact Personal Services</i>	<i>\$0</i>
<i>Annual Operational Impact M. S. &amp; E.</i>	<i>\$0</i>

16. **TMDL - Little Mill Creek**

Budget Request: \$0.  
Program Request: \$1,200,000.

Budget: None.

Program: Addresses level of pollutants (Total Maximum Daily Load) in Little Mill Creek.

<i>Annual Debt Service Impact</i>	\$0
<i>Annual Operational Impact Personal Services</i>	\$0
<i>Annual Operational Impact M. S. &amp; E.</i>	\$0

17. **Mitigate CSO at Locations 23 and 24**

Budget Request: \$0.  
Program Request: \$2,400,000.

Budget: None.

Program: Mitigation of combined sewer overflows along the Brandywine Creek in the vicinity of CSO 23 and CSO 24.

<i>Annual Debt Service Impact</i>	\$0
<i>Annual Operational Impact Personal Services</i>	\$0
<i>Annual Operational Impact M. S. &amp; E.</i>	\$0

18. **11<sup>th</sup> Street Pumping Station Upgrade**

Budget Request: \$0.  
Program Request: \$8,000,000.

Budget: None.

Program: Replacement of pumps and controls at the 11<sup>th</sup> Street Pumping Station as part of the CSO mitigation program.

<i>Annual Debt Service Impact</i>	\$0
<i>Annual Operational Impact Personal Services</i>	\$0
<i>Annual Operational Impact M. S. &amp; E.</i>	\$0

19. **Annual Minor Sewer Construction and Drainage**

Budget Request: \$2,600,000.  
Program Request: \$5,400,000.

Budget: 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>\$117,000</i>
<i>Annual Operational Impact Personal Services</i>	<i>\$2,000</i>
<i>Annual Operational Impact M. S. &amp; E.</i>	<i>\$3,000</i>

20. **Sewer Improvements**

Budget Request: \$2,100,000.  
Program Request: \$4,600,000.

Budget: Rehabilitate and replace deteriorated sewer infrastructure as part of an ongoing maintenance program.

Program: Ongoing.

<i>Annual Debt Service Impact</i>	<i>\$94,500</i>
<i>Annual Operational Impact Personal Services</i>	<i>\$0</i>
<i>Annual Operational Impact M. S. &amp; E.</i>	<i>\$0</i>

21. **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>	<i>\$36,000</i>
<i>Annual Operational Impact Personal Services</i>	<i>\$0</i>
<i>Annual Operational Impact M. S. &amp; E.</i>	<i>\$0</i>

## C. FIRE DEPARTMENT

### 1. Fire Station Renovations

Budget Request: \$1,000,000.  
Program Request: \$0.

Budget: Planned building renovations to five fire stations, to include upgrades to the HVAC systems, living areas, apparatus areas and restrooms.

Program: None.

<i>Annual Debt Service Impact</i>	<i>\$76,400</i>
<i>Annual Operational Impact Personal Services</i>	<i>\$0</i>
<i>Annual Operational Impact M. S. &amp; E.</i>	<i>(\$4,000)</i>

### 2. Apparatus Replacement

Budget Request: \$1,700,000.  
Program Request: \$900,000.

Budget: Replacement of various fire apparatus, including rescue, pumper and aerial ladder trucks, because of age, wear and tear, and continued maintenance issues.

Program: To maintain the ongoing equipment replacement schedule as necessary.

<i>Annual Debt Service Impact</i>	<i>\$129,880</i>
<i>Annual Operational Impact Personal Services</i>	<i>\$0</i>
<i>Annual Operational Impact M. S. &amp; E.</i>	<i>\$0</i>

## D. POLICE DEPARTMENT

### 1. Public Safety Building Improvements

Budget Request: \$1,500,000.  
Program Request: \$0.

Budget: Improvements to the Public Safety Building, including exterior maintenance (brick work, painting, window sill caulk and expansion joint replacement, roof drain support hangers, main entrance improvements), interior upgrades (restroom modernization, energy lighting system, lower level carpet and paint), along with building system improvements (HVAC, heat pump replacement, cooling tower upgrade). Completion of an environmental mold assessment, electrical system assessment, and signage and evacuation manual.

Program: None.

<i>Annual Debt Service Impact</i>	<i>\$114,600</i>
<i>Annual Operational Impact Personal Services</i>	<i>\$0</i>
<i>Annual Operational Impact M. S. &amp; E.</i>	<i>(\$6,000)</i>



## E. DEPARTMENT OF FINANCE

The figures provided in the budget and program summary sheets for Five Percent for Art, Cost of Bond Issue/General Fund, Cost of Bond Issue/Water/Sewer Fund, and Cost of Bond Issue/Commerce 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).

### 1. Office Renovations

Budget Request: \$57,500. (Water Funds: \$57,500)  
Program Request: \$0.

Budget: Renovations to the first floor of the City County Building to include replacement of the carpeting and the creation of a meter reader office.

Program: None.

<i>Annual Debt Service Impact</i>	\$6,980
<i>Annual Operational Impact Personal Services</i>	\$0
<i>Annual Operational Impact M. S. &amp; E.</i>	\$0

## F. DIVISION OF TRANSPORTATION

### 1. Traffic System Infrastructure

Budget Request: \$600,000.  
Program Request: \$1,100,000.

Budget: Implementation of Improved Readability of Street Name Signs program and to provide for the purchase of traffic controllers, traffic-signals, pedestrian-signals, and decorative street lighting infrastructure to maintain the existing traffic control system.

Program: Ongoing.

<i>Annual Debt Service Impact</i>	\$45,840
<i>Annual Operational Impact Personal Services</i>	\$0
<i>Annual Operational Impact M. S. &amp; E.</i>	\$3,000

2. **Wilmington Transportation Initiatives**

Budget Request: \$3,500,000.  
Program Request: \$6,000,000.

Budget: Provides local matching funds for Wilmapco TIP, Transportation Enhancement, and legislator-sponsored projects, as well as city wide lighting improvements and the installation of pedestrian ADA curb ramps. Implementation of “smart” street light technology.

Program: Ongoing.

<i>Annual Debt Service Impact</i>	\$267,400
<i>Annual Operational Impact Personal Services</i>	\$0
<i>Annual Operational Impact M. S. &amp; E.</i>	(\$10,000)

**G. OFFICE OF THE MAYOR**

1. **Computer System Conversion**

Budget Request: \$500,000.  
Program Request: \$0.

Budget: Additional financial software upgrades and installation, to finalize the city-wide conversion process.

Program: None.

<i>Annual Debt Service Impact</i>	\$22,500
<i>Annual Operational Impact Personal Services</i>	\$0
<i>Annual Operational Impact M. S. &amp; E.</i>	\$0

2. **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>	\$38,200
<i>Annual Operational Impact Personal Services</i>	\$0
<i>Annual Operational Impact M. S. &amp; E.</i>	\$0

## H. REAL ESTATE AND HOUSING

### 1. Acquisition and Demolition

Budget Request: \$300,000.

Program Request: \$1,700,000.

Budget: Funding to enable the purchase of vacant land and/or structures, including demolition costs, to develop residential properties in areas not being addressed by the Wilmington Housing Partnership.

Program: Ongoing.

<i>Annual Debt Service Impact</i>	\$22,920
<i>Annual Operational Impact Personal Services</i>	\$0
<i>Annual Operational Impact M. S. &amp; E.</i>	\$0



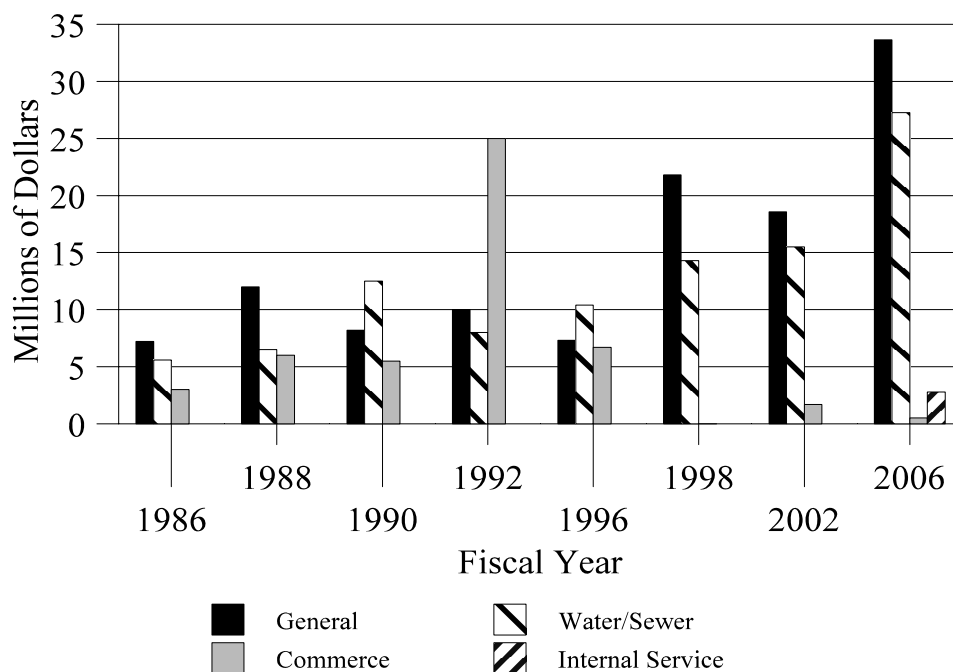
## CAPITAL BORROWING & DEBT MANAGEMENT

The graph below illustrates the City's actual bond market participation for the fiscal years beginning with 1986 and ending in 2006. Amounts shown were expended on capital projects within the stated fund. In fiscal years 1989, 1994, 2002, 2005, and 2007, the City issued bonds solely to refinance past obligations (at lower interest rates). These refinancings are not included in the graph. In fiscal years 1987, 1991, 1993, 1995, 1997, 1999, 2000, 2001, 2003 and 2004, the City did not have any bond issuances.

Specific initiatives have contributed to the fluctuations both in the aggregate debt and within specific 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 resulted, in large part, from an accelerated infrastructure maintenance schedule that attempted to reverse previous years of funding neglect for streets, parks, water facilities, water mains and sewer lines. The growth in borrowing during 2006 reflects similar goals, with increases in the General and Water/Sewer Funds resulting from a variety of capital improvements including Christina Landing development and the construction of the new City Services Facility.

Before its sale to the State of Delaware, the City recognized the importance of its port facilities (Commerce Fund) to Wilmington's economy, and therefore made concerted efforts to expand and improve these facilities. In 1988 the City purchased and installed a new crane. Two years later the City added a berth, purchased eighteen adjacent acres, and renovated space occupied by Volkswagen of America (a major lessee). In 1992, \$18.8 million was borrowed for warehousing improvements in order to maintain the Port's competitiveness. Realizing that the continued maintenance, upgrading and expansion of Port operations were beyond what it could provide, in 1996 the City sold the Port to the State of Delaware. The debt service for the Port, however, remains on the City's books and is reimbursed by the State.

### 20 Year Historical Borrowing



## **CAPITAL BORROWING & DEBT MANAGEMENT** **(Continued)**

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 the State of Delaware. (This State limit applies only to General Fund debt, not debt found in the Water/Sewer, Commerce, or Internal Service Funds.) With the Fiscal Year 2008 General Fund Operating Budget totaling \$127,737,644, the budgeted debt service of \$12,148,600 is well below the 17.5% legal debt limit of \$22,354,088.

The City takes a conservative approach to debt management, which is exemplified by its requirements that debt be structured so as to create roughly level debt service (in other words, the combined principal and interest payments total the same amount for the life of the borrowing), borrowing be opportunistic in regard to market conditions and special issues, and refinancing opportunities be exploited when available. 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 (e.g. Bond Anticipation Notes, Capital Leases, etc.) to bridge the time gap between initiation of a project/purchase and the anticipated bond issuance when the nature of a purchase precludes the issuance of long-term debt, or when it is fiscally responsible to do so. 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 SCHEDULES BY FUND  
AND AS A PERCENTAGE OF TOTAL BUDGET**

The four tables below depict past and future debt service payments broken out by principal and interest. Principal and interest are also combined as total debt service, and that total debt service is shown as a percentage of the annual budget. Fiscal Years 2000 through 2006 figures are actual payments. Fiscal Years 2007 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 August 1, 2007 is 4.09% for the General Fund, 4.09% for the Water/Sewer Fund, 4.66% for the Commerce Fund, and 3.80% for the Internal Service Funds.

<b>GENERAL FUND</b>	<b>Principal</b>	<b>Interest</b>	<b>Total Debt Service</b>	<b>% of Total Budget</b>
<b>FY 2000</b>	\$5,320,342	\$3,909,908	\$9,230,250	10.9%
<b>FY 2001</b>	4,730,062	3,732,656	8,462,718	10.0%
<b>FY 2002</b>	4,400,837	3,315,055	7,715,892	8.5%
<b>FY 2003</b>	5,350,625	3,887,855	9,238,480	9.8%
<b>FY 2004</b>	4,683,310	3,627,639	8,310,949	9.8%
<b>FY 2005</b>	5,494,642	3,225,673	8,720,315	9.0%
<b>FY 2006</b>	5,689,234	3,518,079	9,207,314	8.8%
<b>FY 2007</b>	7,076,928	4,758,317	11,835,245	10.2%
<b>FY 2008</b>	7,762,053	4,386,548	12,148,600	9.5%
<b>FY 2009</b>	7,748,135	3,876,717	11,624,852	8.5%
<b>FY 2010</b>	8,813,659	3,487,068	12,300,727	8.6%
<b>FY 2011</b>	7,815,010	3,030,488	10,845,498	7.4%
<b>FY 2012</b>	4,273,217	2,758,476	7,031,693	4.8%
<b>FY 2013</b>	3,814,282	2,581,139	6,395,421	4.3%
<b>FY 2014</b>	3,985,237	2,405,298	6,390,535	4.3%
<b>FY 2015</b>	4,793,125	2,727,541	7,520,665	5.0%
<b>FY 2016</b>	4,784,277	2,491,777	7,276,054	4.8%
<b>FY 2017</b>	5,023,350	2,249,867	7,273,217	4.7%
<b>FY 2018</b>	5,839,034	2,017,580	7,856,614	5.0%
<b>FY 2019</b>	4,307,761	1,724,230	6,031,990	3.8%
<b>FY 2020</b>	4,506,631	1,522,844	6,029,475	3.8%
<b>FY 2021</b>	4,719,540	1,310,191	6,029,730	3.7%
<b>FY 2022</b>	4,944,755	1,086,404	6,031,158	3.7%
<b>FY 2023</b>	5,177,431	851,546	6,028,977	3.7%
<b>FY 2024</b>	4,275,000	562,810	4,837,810	2.9%
<b>FY 2025</b>	4,500,000	342,690	4,842,690	2.9%
<b>FY 2026</b>	4,730,000	111,069	4,841,069	2.9%
<b>FY 2027</b>	0	0	0	0.0%
<b>TOTAL</b>	<b>\$144,558,474</b>	<b>\$69,499,464</b>	<b>\$214,057,937</b>	

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

<b>WATER/SEWER FUND</b>	<b>Principal</b>	<b>Interest</b>	<b>Total Debt Service</b>	<b>% of Total Budget</b>
<b>FY 2000</b>	\$4,997,030	\$3,906,135	\$8,903,165	27.8%
<b>FY 2001</b>	5,495,232	3,748,951	9,244,183	28.4%
<b>FY 2002</b>	3,421,565	3,201,175	6,622,740	18.8%
<b>FY 2003</b>	5,352,362	3,734,541	9,086,903	24.3%
<b>FY 2004</b>	5,730,750	3,307,582	9,038,332	25.6%
<b>FY 2005</b>	4,498,287	3,064,567	7,562,854	19.5%
<b>FY 2006</b>	4,441,282	4,765,174	8,828,241	21.2%
<b>FY 2007</b>	4,974,390	4,491,041	9,465,431	20.8%
<b>FY 2008</b>	7,004,085	5,083,759	12,087,844	23.9%
<b>FY 2009</b>	6,385,593	3,514,522	9,900,115	18.2%
<b>FY 2010</b>	7,136,888	3,223,317	10,360,205	17.7%
<b>FY 2011</b>	4,632,575	2,947,039	7,579,614	12.0%
<b>FY 2012</b>	4,811,830	2,763,967	7,575,796	11.2%
<b>FY 2013</b>	4,227,603	2,590,310	6,817,912	9.3%
<b>FY 2014</b>	4,383,916	2,421,154	6,805,069	8.6%
<b>FY 2015</b>	5,265,708	2,688,807	7,954,515	9.4%
<b>FY 2016</b>	5,335,041	2,462,228	7,797,269	8.5%
<b>FY 2017</b>	4,903,840	2,228,780	7,132,620	7.3%
<b>FY 2018</b>	4,592,996	2,030,162	6,623,158	6.3%
<b>FY 2019</b>	4,569,845	1,795,651	6,365,496	5.6%
<b>FY 2020</b>	4,675,974	1,580,623	6,256,597	5.1%
<b>FY 2021</b>	5,262,122	1,354,117	6,616,239	5.0%
<b>FY 2022</b>	5,499,646	1,116,117	6,615,764	4.7%
<b>FY 2023</b>	5,749,940	866,644	6,616,584	4.3%
<b>FY 2024</b>	4,802,790	573,076	5,375,867	3.3%
<b>FY 2025</b>	5,035,238	342,710	5,377,948	3.0%
<b>FY 2026</b>	4,475,000	106,809	4,581,809	2.4%
<b>FY 2027</b>	0	0	0	0.0%
<b>TOTAL</b>	<b>\$137,661,529</b>	<b>\$69,908,957</b>	<b>\$207,192,271</b>	



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

<b>COMMERCE FUND</b>	<b>Principal</b>	<b>Interest</b>	<b>Total Debt Service</b>	<b>% of Total Budget</b>
<b>FY 2000</b>	\$3,413,451	\$3,108,850	\$6,522,301	157.1%
<b>FY 2001</b>	3,775,933	2,785,052	6,560,985	178.0%
<b>FY 2002</b>	3,562,574	2,439,593	6,002,167	180.6%
<b>FY 2003</b>	3,805,992	1,932,349	5,738,341	87.3%
<b>FY 2004</b>	3,978,072	1,874,405	5,852,477	87.0%
<b>FY 2005</b>	4,080,206	1,385,539	5,465,745	82.5%
<b>FY 2006</b>	5,801,389	1,431,361	7,232,749	90.3%
<b>FY 2007</b>	4,469,932	1,198,833	5,668,765	83.8%
<b>FY 2008</b>	4,774,924	1,007,986	5,782,910	71.3%
<b>FY 2009</b>	3,081,428	805,875	3,887,303	47.4%
<b>FY 2010</b>	3,217,847	654,624	3,872,470	46.8%
<b>FY 2011</b>	2,057,449	528,393	2,585,842	30.9%
<b>FY 2012</b>	2,139,549	437,746	2,577,295	30.5%
<b>FY 2013</b>	1,094,162	368,998	1,463,160	17.1%
<b>FY 2014</b>	1,105,154	315,348	1,420,501	16.5%
<b>FY 2015</b>	1,212,383	310,232	1,522,614	17.5%
<b>FY 2016</b>	1,204,042	250,001	1,454,043	16.5%
<b>FY 2017</b>	1,204,547	189,038	1,393,586	15.7%
<b>FY 2018</b>	547,376	146,540	693,917	7.7%
<b>FY 2019</b>	569,263	123,312	692,575	7.6%
<b>FY 2020</b>	592,576	99,648	692,224	7.6%
<b>FY 2021</b>	617,554	74,609	692,163	7.5%
<b>FY 2022</b>	643,722	48,227	691,949	7.4%
<b>FY 2023</b>	670,127	20,331	690,458	7.3%
<b>FY 2024</b>	0	0	0	0.0%
<b>TOTAL</b>	<b>\$57,619,650</b>	<b>\$21,536,891</b>	<b>\$79,156,540</b>	

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

<b>INTERNAL SERVICE FUNDS</b>	<b>Principal</b>	<b>Interest</b>	<b>Total Debt Service</b>	<b>% of Total Budget</b>
<b>FY 2007</b>	\$220,000	\$150,113	\$370,113	7.9%
<b>FY 2008</b>	289,355	147,352	436,707	8.3%
<b>FY 2009</b>	256,445	114,011	370,456	6.7%
<b>FY 2010</b>	288,839	105,172	394,011	6.8%
<b>FY 2011</b>	317,100	94,827	411,927	6.8%
<b>FY 2012</b>	329,268	83,198	412,466	6.5%
<b>FY 2013</b>	346,435	70,994	417,429	6.2%
<b>FY 2014</b>	358,747	58,236	416,983	5.9%
<b>FY 2015</b>	424,227	74,636	498,863	6.8%
<b>FY 2016</b>	444,862	57,080	501,941	6.5%
<b>FY 2017</b>	120,785	44,941	165,726	2.0%
<b>FY 2018</b>	126,709	38,682	165,391	1.9%
<b>FY 2019</b>	133,066	32,604	165,671	1.8%
<b>FY 2020</b>	139,134	26,713	165,847	1.8%
<b>FY 2021</b>	145,058	20,466	165,523	1.7%
<b>FY 2022</b>	151,704	13,948	165,652	1.6%
<b>FY 2023</b>	158,495	7,129	165,623	1.5%
<b>FY 2024</b>	0	0	0	0.0%
<b>TOTAL</b>	<b>\$4,250,228</b>	<b>\$1,140,101</b>	<b>\$5,390,330</b>	

Note: Prior to FY 2007, there were no major bond-funded Internal Service projects.

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

<b>FUNDS COMBINED</b>	<b>Principal</b>	<b>Interest</b>	<b>Total Debt Service</b>	<b>% of Total Budget</b>
<b>FY 2000</b>	13,730,823	10,924,893	24,655,716	20.4%
<b>FY 2001</b>	14,001,227	10,266,659	24,267,886	20.0%
<b>FY 2002</b>	11,384,976	8,955,823	20,340,799	15.7%
<b>FY 2003</b>	14,508,979	9,554,745	24,063,724	17.4%
<b>FY 2004</b>	14,392,132	8,809,626	23,201,758	18.3%
<b>FY 2005</b>	14,073,135	7,675,779	21,748,914	15.8%
<b>FY 2006</b>	15,931,905	9,714,614	25,268,303	17.3%
<b>FY 2007</b>	16,741,250	10,598,304	27,339,554	15.8%
<b>FY 2008</b>	19,830,418	10,625,645	30,456,062	15.9%
<b>FY 2009</b>	17,471,601	8,311,125	25,782,725	12.6%
<b>FY 2010</b>	19,457,234	7,470,180	26,927,414	12.5%
<b>FY 2011</b>	14,822,135	6,600,746	21,422,881	9.6%
<b>FY 2012</b>	11,553,863	6,043,388	17,597,250	7.7%
<b>FY 2013</b>	9,482,481	5,611,441	15,093,922	6.4%
<b>FY 2014</b>	9,833,052	5,200,036	15,033,088	6.2%
<b>FY 2015</b>	11,695,442	5,801,215	17,496,657	6.9%
<b>FY 2016</b>	11,768,221	5,261,086	17,029,307	6.5%
<b>FY 2017</b>	11,252,523	4,712,626	15,965,149	5.9%
<b>FY 2018</b>	11,106,115	4,232,964	15,339,080	5.5%
<b>FY 2019</b>	9,579,934	3,675,797	13,255,732	4.6%
<b>FY 2020</b>	9,914,315	3,229,829	13,144,143	4.4%
<b>FY 2021</b>	10,744,273	2,759,382	13,503,655	4.3%
<b>FY 2022</b>	11,239,827	2,264,696	13,504,523	4.2%
<b>FY 2023</b>	11,755,993	1,745,650	13,501,643	4.0%
<b>FY 2024</b>	9,077,790	1,135,886	10,213,677	2.9%
<b>FY 2025</b>	9,535,238	685,400	10,220,638	3.0%
<b>FY 2026</b>	9,205,000	217,878	9,422,878	2.6%
<b>FY 2027</b>	0	0	0	0.0%
<b>TOTAL</b>	<b>\$344,089,881</b>	<b>\$162,085,414</b>	<b>\$505,797,078</b>	

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

**GENERAL FUND**

<b>DEPARTMENT</b>	<b>ACTUAL FY 2004</b>	<b>ACTUAL FY 2005</b>	<b>ACTUAL FY 2006</b>	<b>BUDGET FY 2007</b>	<b>BUDGET FY 2008</b>
<b>CITY COUNCIL</b>	\$23,721	\$17,978	\$19,249	\$31,292	\$19,240
<b>% Departmental Expenses</b>	1.3%	0.9%	0.9%	1.3%	0.7%
<b>FINANCE</b>	26,100	25,241	144,189	108,458	0
<b>% Departmental Expenses</b>	1.0%	0.8%	3.7%	2.5%	0.0%
<b>MAYOR'S OFFICE</b>	593,265	826,620	830,138	906,280	989,894
<b>% Departmental Expenses</b>	15.9%	19.6%	18.7%	16.3%	14.8%
<b>PARKS &amp; RECREATION</b>	1,804,525	1,761,445	2,206,320	2,441,987	2,691,050
<b>% Departmental Expenses</b>	26.3%	22.8%	27.8%	27.7%	26.8%
<b>PERSONNEL</b>	0	0	0	0	4,666
<b>% Departmental Expenses</b>	0.0%	0.0%	0.0%	0.0%	0.3%
<b>FIRE</b>	618,513	538,378	568,601	669,485	377,318
<b>% Departmental Expenses</b>	4.2%	3.2%	3.3%	3.9%	2.0%
<b>POLICE</b>	937,902	922,424	940,443	959,697	959,888
<b>% Departmental Expenses</b>	2.9%	2.4%	2.6%	2.5%	2.3%
<b>PUBLIC WORKS</b>	3,348,834	3,264,849	3,196,346	5,315,537	5,647,135
<b>% Departmental Expenses</b>	24.9%	21.1%	20.1%	26.7%	7.5%
<b>REAL ESTATE &amp; HOUSING</b>	734,109	1,132,888	1,086,126	1,174,749	1,196,488
<b>% Departmental Expenses</b>	71.5%	70.5%	77.0%	77.0%	64.6%
<b>LICENSES &amp; INSPECTIONS</b>	23,208	25,958	38,833	38,773	38,729
<b>% Departmental Expenses</b>	0.9%	0.9%	1.3%	1.0%	0.9%
<b>PLANNING</b>	200,772	204,535	177,071	188,987	224,189
<b>% Departmental Expenses</b>	18.2%	16.2%	14.3%	13.6%	14.7%
<b>TOTAL DEBT SERVICE</b>	<b>\$8,310,949</b>	<b>\$8,720,315</b>	<b>\$9,207,314</b>	<b>\$11,835,245</b>	<b>\$12,148,600</b>
<b>% General Fund</b>	<b>9.8%</b>	<b>9.0%</b>	<b>8.8%</b>	<b>10.2%</b>	<b>9.5%</b>
<b>LEGAL DEBT SERVICE LIMIT (17.5%)</b>	<b>\$14,802,431</b>	<b>\$17,026,743</b>	<b>\$18,208,649</b>	<b>\$20,319,430</b>	<b>\$22,354,088</b>

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

**WATER/SEWER FUND**

<b>DEPARTMENT</b>	<b>ACTUAL FY 2004</b>	<b>ACTUAL FY 2005</b>	<b>ACTUAL FY 2006</b>	<b>BUDGET FY 2007</b>	<b>BUDGET FY 2008</b>
<b>FINANCE</b>	\$33,275	\$32,608	\$0	\$97,210	\$0
<b>% of Department Expenses</b>	1.5%	1.3%	0.0%	2.9%	0.0%
<b>PUBLIC WORKS</b>	3,274,307	3,031,959	4,765,174	4,393,831	5,083,759
<b>% of Department Expenses</b>	10.0%	8.5%	12.4%	10.4%	10.7%
<b>TOTAL DEBT SERVICE</b>	<b>\$3,307,582</b>	<b>\$3,064,567</b>	<b>\$4,765,174</b>	<b>\$4,491,041</b>	<b>\$5,083,759</b>
<b>% of Water/Sewer Fund</b>	<b>9.4%</b>	<b>8.0%</b>	<b>11.5%</b>	<b>9.8%</b>	<b>10.1%</b>

**COMMERCE FUND**

<b>DEPARTMENT</b>	<b>ACTUAL FY 2004</b>	<b>ACTUAL FY 2005</b>	<b>ACTUAL FY 2006</b>	<b>BUDGET FY 2007</b>	<b>BUDGET FY 2008</b>
<b>MAYOR'S OFFICE</b>	\$0	\$0	\$376,153	\$281,824	\$454,313
<b>% of Department Expenses</b>	<b>0.0%</b>	<b>0.0%</b>	<b>32.7%</b>	<b>20.5%</b>	<b>16.3%</b>
<b>COMMERCE DEPARTMENT</b>	5,852,477	5,465,745	6,856,596	5,386,942	5,328,597
<b>% of Department Expenses</b>	<b>98.3%</b>	<b>96.2%</b>	<b>99.9%</b>	<b>100.0%</b>	<b>100.0%</b>
<b>TOTAL DEBT SERVICE</b>	<b>\$5,852,477</b>	<b>\$5,465,745</b>	<b>\$7,232,749</b>	<b>\$5,668,765</b>	<b>\$5,782,910</b>
<b>% of Commerce Fund</b>	<b>87.0%</b>	<b>82.5%</b>	<b>90.3%</b>	<b>83.8%</b>	<b>71.3%</b>

Note: Legal Debt Service limit of 17.5% exists only for the General Fund. Only the interest portion of debt service is booked (and budgeted) as an expense in the Water/Sewer Fund and Internal Service Funds.

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

**INTERNAL SERVICE (IS) FUNDS\***

<b>DEPARTMENT</b>	<b>ACTUAL FY 2004</b>	<b>ACTUAL FY 2005</b>	<b>ACTUAL FY 2006</b>	<b>BUDGET FY 2007</b>	<b>BUDGET FY 2008</b>
<b>TOTAL DEBT SERVICE</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$150,113</b>	<b>\$147,352</b>
<b>% of IS Funds</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>3.2%</b>	<b>2.7%</b>

**ALL FUNDS**

<b>ALL DEPARTMENTS</b>	<b>ACTUAL FY 2004</b>	<b>ACTUAL FY 2005</b>	<b>ACTUAL FY 2006</b>	<b>BUDGET FY 2007</b>	<b>BUDGET FY 2008</b>
<b>TOTAL DEBT SERVICE</b>	<b>\$17,471,008</b>	<b>\$17,250,627</b>	<b>\$21,205,237</b>	<b>\$22,145,164</b>	<b>\$23,162,621</b>
<b>% of All Funds</b>	<b>13.8%</b>	<b>12.5%</b>	<b>14.5%</b>	<b>12.8%</b>	<b>12.1%</b>

\* Includes Integrated Technologies and Communications.

Note: Legal Debt Service limit of 17.5% exists only for the General Fund. Only the interest portion of debt service is booked (and budgeted) as an expense in the Water/Sewer Fund and Internal Service Funds.

**RATIO OF NET GENERAL BONDED DEBT TO ASSESSED VALUE  
AND NET BONDED DEBT PER CAPITA  
FISCAL YEARS 1992-2007**

<b>Fiscal Year</b>	<b>Taxable Assessed Value</b>	<b>Gross Bonded Debt</b>	<b>Gross Debt Payable from Enterprise, Internal Service, and State Funds</b>	<b>Net General Bonded Debt</b>	<b>Ratio of Net Bonded Debt to Assessed Value</b>	<b>Net Bonded Debt per Capita</b>
<b>1992</b>	\$1,923,457,356	\$174,599,488	\$110,721,089	\$63,878,399	3.30%	\$893
<b>1993</b>	1,952,025,133	166,307,896	111,424,476	54,883,420	2.80%	767
<b>1994</b>	1,988,610,076	181,062,413	119,239,454	61,822,959	3.10%	864
<b>1995</b>	1,977,292,100	184,312,883	122,194,848	62,118,035	3.10%	863
<b>1996</b>	1,968,023,897	193,705,913	130,306,742	63,399,171	3.20%	873
<b>1997</b>	2,177,955,491	187,255,451	129,983,103	57,272,348	2.60%	789
<b>1998</b>	2,085,292,700	182,689,920	126,997,807	55,692,113	2.70%	767
<b>1999</b>	2,102,649,126	212,644,705	134,215,478	78,429,227	3.70%	1,080
<b>2000</b>	2,110,113,191	201,850,206	126,725,369	75,124,837	3.60%	1,034
<b>2001</b>	2,136,221,597	193,200,403	119,525,333	73,675,070	3.40%	1,014
<b>2002</b>	2,115,498,937	210,494,211	129,219,543	81,274,668	3.80%	1,119
<b>2003</b>	2,114,078,568	193,818,399	115,330,004	78,488,395	3.71%	1,068
<b>2004</b>	2,182,337,973	184,549,800	111,306,574	73,243,226	3.36%	1,010
<b>2005</b>	2,134,545,304	178,806,711	105,737,075	73,069,636	3.42%	1,006
<b>2006</b>	2,213,839,948	227,706,776	123,183,846	104,522,930	4.72%	1,439
<b>2007</b>	2,300,886,160	229,325,454	127,512,959	101,812,494	4.42%	1,398

**TOTAL DEBT BALANCES BY YEAR**  
**On the City's Outstanding General Obligation Bond Issues**

<b>Fiscal Year</b>	<b>General Fund Debt</b>	<b>Water/Sewer Fund Debt</b>	<b>Commerce Fund Debt</b>	<b>Internal Service Funds Debt</b>	<b>Total Debt</b>
<b>2008</b>	\$101,655,720	\$98,750,631	\$24,724,027	\$4,080,601	\$229,210,978
<b>2009</b>	94,050,441	91,746,545	19,957,177	3,740,873	209,495,036
<b>2010</b>	86,302,306	85,360,952	16,875,749	3,484,428	192,023,435
<b>2011</b>	77,488,646	78,224,064	13,657,902	3,195,589	172,566,201
<b>2012</b>	69,673,637	73,591,489	11,600,453	2,878,489	157,744,067
<b>2013</b>	65,400,420	68,779,659	9,460,904	2,549,221	146,190,204
<b>2014</b>	61,586,138	64,552,056	8,366,743	2,202,786	136,707,723
<b>2015</b>	57,600,901	60,168,141	7,261,589	1,844,039	126,874,671
<b>2016</b>	52,807,777	54,902,433	6,049,206	1,419,813	115,179,229
<b>2017</b>	48,023,500	49,567,392	4,845,165	974,951	103,411,008
<b>2018</b>	43,000,150	44,663,552	3,640,617	854,166	92,158,485
<b>2019</b>	37,161,116	40,070,556	3,093,241	727,457	81,052,370
<b>2020</b>	32,853,356	35,500,711	2,523,978	594,391	71,472,435
<b>2021</b>	28,346,725	30,824,737	1,931,403	455,256	61,558,121
<b>2022</b>	23,627,185	25,562,615	1,313,849	310,199	50,813,848
<b>2023</b>	18,682,431	20,062,969	670,127	158,495	39,574,021
<b>2024</b>	13,505,000	14,313,028	0	0	27,818,028
<b>2025</b>	9,230,000	9,510,238	0	0	18,740,238
<b>2026</b>	4,730,000	4,475,000	0	0	9,205,000
<b>2027</b>	0	0	0	0	0