

# 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 2009 • Approved by City Council • May 15, 2008**

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, 2007.

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, 2007**

Handwritten signature of Charles S. Cox in cursive.

President

Handwritten signature of Jeffrey R. Egan in cursive.

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, III

### **Budget Director**

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



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## **FISCAL YEAR 2009 BUDGET MESSAGE**

### **PROGRESS AND ACHIEVEMENT**

Wilmington today is a vastly different city than it was just a few years ago. We are in a period of growing prosperity and excellent achievement. We have moved into new leadership roles in environmental initiatives such as recycling and Combined Sewer Overflow remediation. Our public and private partnership initiatives have produced residential and business investments totaling more than \$2 billion in just the last few years alone. Programs and services for which Wilmington is leading the way, such as vacant property reduction and advanced enforcement of parking regulations and revenue collection, are receiving awards and being replicated by others.

These achievements have come about largely because we realized what could happen if we all worked together. Although it would be impossible to name every citizen, elected official, organization or business that has contributed to our success, there is no question that Wilmington is where it is today because of the power of collaboration and partnership.

This flourishing period should always remind us that we can never again diminish our efforts, diminish our encouragement of each other, and diminish our creativity and vision. That is why, as was the case last year, the FY 2009 Budget was developed to not only continue, but to build upon and expand on our progress.

### **OPERATIONAL HIGHLIGHTS**

#### **Wilmington As a Model**

One of the greatest honors any City can receive is for other cities to imitate or replicate its programs and services. Wilmington's recent successes are being copied by others, and in many cases our programs have been recognized as among the best in the country.

- L&I's Vacant Property Registration Fee Program is being copied in other cities as one of the nation's most effective programs at reducing the detrimental effects of vacant properties on neighborhoods. The program received a City Livability Award from the U.S. Conference of Mayors and also received an "Innovations in American Government Award" from the Ash Institute at Harvard University. Most importantly, the program recently withstood another constitutional challenge before the Delaware Supreme Court by one of the City's worst offenders and most irresponsible property owners.
- The Police Department's Child Development Community Policing, or CDCP Program, managed in partnership with the Delaware Children's Department, is being hailed by Yale University, which originally developed the program, as the best implementation of the Yale model in the country. This program is helping to break the cycle of negative socio-economic behaviors associated with drugs, guns and crime that are passed along from one generation to the next. The program is also helping to transform the skills, careers and lives of our police officers who recognize the multiple benefits that CDCP has produced for the police and for the community by bringing people together for the common good.
- Wilmington's curbside recycling program with RecycleBank is a tremendous success. In some neighborhoods, we are diverting nearly 45% of the trash stream from the landfill to recycling. It is a tribute to our citizens, our Public Works employees and to our RecycleBank partners that in less than one year Wilmington has become the top city in the region for recycling.
- Wilmington's Combined Sewer Overflow remediation program continues with the development of a Real Time Control (RTC) system to manage the flow of water underground and reduce discharges into area waterways. Wilmington remains one of only three cities in the United States and Canada to implement the cutting-edge RTC technology.
- The U.S. Conference of Mayors honored the City for its lead paint abatement program and the Cities United for Science Progress has recognized Wilmington for its strong commitment to removing this health hazard from City homes.
- The Lower Market Street District, or LOMA, is recognized by the National Trust for Historic Preservation as one of the country's most successful public/private partnerships for historic preservation and the successful use of space.
- The Philly Car Share Program, begun last year as a pilot through City government, has now been expanded throughout Wilmington. The Program's hybrid vehicles reduce emissions and our reliance on foreign oil while providing a convenient way for City employees and citizens to travel within the City or throughout the region.
- For the 15<sup>th</sup> year in a row, Wilmington was named a Tree City USA. To qualify for the Tree City USA designation, a town or city must meet the standards established by The Arbor Day Foundation and the National Association of State Foresters. In addition, the City has been awarded a regional prize by the Association of Magazine Garden Writers for the "greening" of the City. We will keep up this reputation as the Parks and Recreation Department plants more than 1,500 trees for our City's future.



- Wilmington was recognized as one of the top five smaller-cities in the world for current and future residential and business growth and development by the London Times organization.

### **Public Safety**

Public Safety remains our top priority. Even with the ending of the New Castle County Policing Grant, total uniformed authorized strength was maintained at 340 for Fiscal Year 2009, and the \$4.2 million cost of the 54 officers once supported through that grant was transferred to the General Fund. We continue to embrace community policing as a Department-wide mode of operation.

A 30% reduction in gun violence last year was a very encouraging accomplishment of the Wilmington Police Department. But like other collective efforts to keep neighborhoods clean and attractive, effective community policing and crime prevention, along with productive police patrols and quality criminal investigations, require consistent support and attention.

Working together, the Police Department, the City Law Department, the U.S. Attorney for Delaware and the State Attorney General, have removed 76 felons from City streets in the past year and locked them up out-of-state pending their adjudication, as part of the highly successful “FED UP” program. We have funded this program for another year because it has worked to keep dangerous felons, with lengthy criminal records and repeat weapons offenses, from returning to our streets to commit more crime.

We know that a safer city will produce a more prosperous city. A safer city will help encourage and support the millions of dollars in private investment made in our neighborhoods and in the business community. And a safer city will encourage others to join the community-wide efforts underway to increase the City’s population and produce fun and entertaining events and activities for everyone to enjoy.

### **Strengthening Neighborhoods**

The Vacant Property Registration Fee Program has been a key component in the great progress made in recent years to reduce nuisance properties and strengthen neighborhoods. The number of privately-held vacant properties has been reduced by more than 400 in just the past four years. But, it is not our only tool. City Council and the Administration work together on a regular basis to acquire properties that are harming neighborhoods and then partner where possible with for-profit and non-profit entities to create needed housing opportunities. When rehabilitating a property is not feasible, we demolish the structure and try to find some other appropriate use of the land. The work in this area is never-ending, but is so vitally important to creating stronger neighborhoods.

### **Serving Constituents**

Sometimes the best sign of progress in a city is what you do not see, such as graffiti, abandoned vehicles, and potholes. All of these nuisance issues are dealt with swiftly and professionally by the Office of Constituent Services. In addition to handling more than 20,000 phone calls a year relating to concerns or requests for information, Constituent Services coordinated the removal of more than 800 incidents of graffiti, identified more than 1,400 abandoned cars for towing, reported nearly 1,500 potholes for repair, and helped to remove over 200 pairs of shoes from power lines. The Office of Constituent Services also administered our new City Services Fair, a public information session held at various sites around the City and featuring representatives from each City Department.

### **Economic Development**

The Office of Economic Development (OED) has charted a course of responsible growth and development and continues to attract new businesses and help create new jobs. OED has been key in adding over 5,500 new jobs to the City, with close involvement in the success of 12 large-scale development projects, such as the WSFS Headquarters, Blue Cross/Blue Shield Headquarters, Barclays Bank Building, and the new Renaissance Center Building. OED has used incentive packages to attract 23 new businesses, provided technical assistance to over 29 small businesses, and helped place four private-activity bonds. OED also has coordinated the remediation of 13 brownfield parcels, former industrial sites that suffered from environmental contamination.

A massive new expansion project was just approved by the Christiana Care Health Systems for its Wilmington medical office campus. The \$200 million expansion at 14<sup>th</sup> and Washington Streets is a great statement about the state of our City and demonstrates Christiana Care's continuing commitment to Wilmington. Justison Landing, a major new project of homes, condos, and retail development along the Christina Riverfront, is also well underway and will welcome its first residents this summer.

### **Youth & Families**

The City will continue to support the efforts of the Parks and Recreation Department to produce vocational, educational, recreational, social and cultural opportunities for young people and their families. In the past seven years, the Department has provided summer jobs for nearly 3,000 youths, scholarships to nearly 600 young people and more than 450,000 nutritious meals to city youth.

Wilmington City Council is to be commended for funding the Safe Havens Program that enabled community centers to extend their hours and welcome young people in for structured, positive programming. City Council also has a wonderful record of providing District Education Scholarships, which have helped to promote learning and have given young people all over the City a chance to better themselves. With another \$500,000 in aid appropriated in this year's budget, we continue to lend support to the HOPE Commission, as it addresses the multitude of issues that can, and will, change lives forever.

The City will soon publish the final results of the latest KIDS Count Report for Wilmington showing improvements in some of the major categories of concerns that affect a young person's growth and development. In addition, a new Wilmington Children's Council is being created to provide a more coordinated approach to identifying resources that will produce stronger, healthier, and happier children and teens. We must ensure that all of our children can be part of the new prosperity that is taking hold in Wilmington. We cannot allow them to miss the opportunity to further themselves and become part of all that this City will offer to its citizens in the future.

## **BUDGET DISCUSSION**

### **THE GENERAL FUND**

The FY 2009 Budget reflects our continued success in managing the government's finances, generating new revenue, and controlling expenditures, while still addressing important and strategic budgetary needs that will continue to serve well into the future. Most important to the citizens and businesses in Wilmington, for the third year in a row, the budget will be balanced with no increase in the City's property tax rate.

The Fiscal Year (FY) 2009 operating budget expenditures total **\$141,636,372** – up \$13,898,728 or 10.9% from FY 2008. The FY 2009 budget continues to deliver 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, and Parks & Recreation Departments.

### **General Fund Expenditures**

- Over 67% of the total increase to the FY 2009 Budget is attributable to a \$9.38 million rise in Salaries and Benefits. Even with the ending of the New Castle County Policing Grant, total uniformed authorized strength was maintained at 340, and the \$4.2 million cost of the 54 officers once supported through that grant was transferred to the General Fund. Projected Cost-of-Living Adjustments (COLAs) for employees added almost \$3.3 million, while a net of 14.5 new Full-Time Equivalent (FTE) positions, at a cost of \$848,000, were created to staff program initiatives concentrated in the areas of Public Works and Parks & Recreation. Lastly, the reallocation of a number of split-funded (between the General and Water/Sewer Funds) positions in the Public Works and Finance Departments resulted in the shift of about \$64,000 into the General Fund.
- Debt Service increased by a net \$945,000. While the costs of existing debt service declined by \$835,000, an anticipated bond issuance before the end of FY 2008 to fund the FY 2006 Capital Program, and to repay Bond Anticipation Notes, is estimated to add about \$1.8 million.
- The Finance Department continues to expand on its Plan for Change to raise additional revenues from the collection of outstanding taxes and fees. \$250,000 was added to support the audits of large corporations for compliance in paying the City's wage and head taxes. In addition, the Department increased staffing by 1.5 FTE positions, at a cost of \$127,000, to assist in other areas of revenue collection. This expansion will result in a projected return to the General Fund of \$1.8 million, consisting of the additional collection of \$1.25 million in wage taxes, \$300,000 in head taxes, and \$250,000 in property taxes.
- Because of the great success of the Finance Department's Plan for Change in increasing revenue collections, commission costs (charged as a percentage of revenue collected) have risen in tandem. The FY 2008 Budget was amended mid-year to accommodate the increase in collection commissions, which will continue into FY 2009, and grow because of the addition of ten red-light cameras. As a result, compared to the original FY 2008 Budget, commission fees in the Finance Department show a \$990,000 rise in FY 2009.
- Total Internal Services in the General Fund increased by nearly \$2.9 million, almost entirely attributable to Data Processing and Motor Vehicle chargebacks. The costs of those two internal service areas have risen dramatically, reflecting the conversion to the new MUNIS computer system, much higher fuel costs, and revised depreciation. Although these chargeback costs have affected all departments, Police, Fire, Public Works and Finance, being the four largest users, collectively absorbed \$1.6 million (or more than half of the increase).
- The State Pension Contribution, the grant from the State that is now booked as a pass-through in the General Fund to meet the requirements of GASB pronouncement #24, increased by \$913,600. Although there is an equal amount of revenue booked to offset this expense, the effect on the budget was an increase to the Police and Fire Departments of \$574,700 and \$338,900 respectively.

- With contractually required minimum manning of all fire companies and the demands of the 24/72-shift configuration, the Fire Department has increased Overtime by almost \$250,000, to a new total of just under \$1.9 million. To fund the first year of a five-year program upgrading the entire Department's fire and safety gear, \$100,000 has been added in the Suppression Division. Lastly, a civilian Fiscal Administrator position, at a cost of \$65,918, has been budgeted in the Administration Division. In addition to purchasing and budgeting duties, this new person will also assist with time sheets, attendance records, and the TeleStaff computer system.
- To accommodate the expansion of the Neighborhood Camera watch program, funding for six additional camera watch operators (up from just two operators last year) will be provided to Downtown Visions, the group paid as consultants to administer the program. The cost of providing the camera watch operators will increase to a new total of \$272,000, and is paid from the Police Department's budget.
- A change in policy will now allow the Police Department to run a totally autonomous IT function. As a result, the Department has budgeted \$86,400 for the purchase of police vehicle laptops, desktop PCs, and printers. Offsetting these costs is the elimination of the Data Processing chargeback to the Department, which was budgeted at \$75,155 last year.
- Due to the expiration of various lease maintenance agreements that will double the amount of park acreage that the City will be responsible for maintaining, additional maintenance staff is needed. An Assistant Parks Maintenance Supervisor (\$68,362), a Labor Foreman for ball fields (\$47,302), a Labor Foreman II (\$38,318), and two Equipment Operators (\$93,082) have been added to the Parks & Recreation Department. Offsetting these increases was the elimination of a Labor Foreman I (mini-parks) position for a savings of \$37,222.
- In the Public Works Department, three Construction Inspectors have been added at a cost of \$152,952 to administer the City's new street-cut oversight process. This process will ensure that work done by utilities and other companies in the City right-of-way conforms to City standards for roadway-cut restoration and minimizes the disruption to traffic and pedestrians. Also, per Council's request, an Administrative Clerk position (\$50,983) was added to support the growing responsibilities of the Operations Director.
- In the Department of Licenses & Inspections, another Business Compliance Officer has been added, at a cost of \$58,196, to handle the large volume of inspections necessary to ensure that all new and existing businesses have obtained a valid City business license.
- In the Law Department, Council has requested that a permanent position be created to act as a Nuisance Property Administrator, at a cost of \$72,356. Currently, a similar function is being performed by a temporary position that is funded out of the federal Byrne grant. The three-year Byrne grant will be ending in the fall of 2008.
- The Operating Contingency and the Snow & Weather Emergency accounts have been revised downward, reflecting a reduced estimate of future need. The Operating Contingency Fund is down \$200,000 from last year, to a new total of \$300,000. The Snow and Weather Emergency account is budgeted at \$125,000, down from the \$500,000 budgeted 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 \$12,777,008, or 9.9%, over the Fiscal Year (FY) 2008 Budget to a new total of \$141,411,174. The net change from Budget to Budget (FY 2009 vs. FY 2008) can be broken down as follows:

<b>REVENUE</b>	<b>INCREASE/ (DECREASE)</b>	<b>TOTAL</b>
<b>Wage &amp; Net Profits Tax</b>	\$3,971,569	\$55,277,658
<b>Other Taxes</b>	3,280,846	11,744,179
<b>County Seat Relief Package</b>	2,615,218	10,123,429
<b>Property Taxes</b>	1,602,375	32,568,875
<b>Fines</b>	1,125,000	6,325,000
<b>State Pension Contribution</b>	913,600	7,323,600
<b>Task Force Revenue</b>	445,500	4,878,000
<b>Licenses, Permits and Fees</b>	72,900	4,397,900
<b>Other Revenues</b>	(500,000)	4,522,533
<b>Interest</b>	(750,000)	4,250,000
<b>TOTAL</b>	<b>\$12,777,008</b>	<b>\$141,411,174</b>

### Wage and Net Profits Tax

The base for the FY 2009 Wage Tax projection was the FY 2008 Second Quarter projection of \$47.8 million. To that base, a 3.75% growth factor was applied (attributed mainly to expected general average salary increases), yielding an additional \$1.8 million. Additional growth to the base has, and continues to be, greatly assisted by the Finance Department's initiative to enhance collection efforts in this area. A program matching tax information from the State to the City's database was begun in FY 2007, and has proven very successful in identifying non-paying resident and non-resident wage earners. In FY 2009, the Finance Department will add another position and funding for CPA firms to enable additional audits and reviews.

These audits and reviews are projected to result in another \$1.25 million in Wage Tax revenue. Finally, the Justison Landing development project is estimated to add just under \$500,000 next year. In all, Wage Taxes are projected to increase to a new total of \$51.3 million in FY 2009.

Net Profits Tax revenue is projected to increase \$440,000, from a total of \$3.5 million in the FY 2008 Budget, to a new total of \$3.94 million in FY 2009. \$140,000 was added to the FY 2008 Budget base to match the increase seen in the FY 2007 year-end figure, and \$300,000 was added as a result of the use of CPA firms by the Finance Department to do additional audits and reviews (as mentioned above).

### **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 slightly to \$5.6 million, FY 2007 was back up to almost \$6 million. Recognizing that a sharp decline in real estate sales was inevitable, the FY 2008 Budget was projected at \$4 million. That \$4 million base, while acknowledging a slower pace of sales, recognizes that activity has permanently expanded as a result of growth in the City's residential and commercial markets, especially at the Riverfront. For FY 2009, the effects of various large projects were added to the \$4 million base, along with a figure to acknowledge the one or two large commercial transactions that can occur unexpectedly. Estimated transfer taxes in FY 2009 from the Christina Landing, Justison Landing, Speakman Place, and Sienna Hall developments total over \$2.9 million. Adding another \$240,000 to account for any unexpected commercial transaction brings the FY 2009 Transfer Tax projection up to \$7.15 million.

**Head Tax** budgeted revenues are projected to increase by \$150,000 during FY 2008 because of the one-time collection of unpaid accounts. Eliminating the skewing effects of that one-time payment, the FY 2009 starting base was set at \$2,150,000, the same as the FY 2008 Budget. A projection of a modest net increase of 300 new jobs results in a \$36,000 increase to the base for a new FY 2009 projection of \$2,186,000.

**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. For FY 2009, a 4% increase is projected on the FY 2008 budget of \$2.3 million, yielding a new total of \$2.4 million for FY 2009. It should be noted that the City is currently in dispute with Delmarva over the method of calculation of the franchise fee for electricity, but that is projected to be settled before the end of FY 2009.

**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 2009 projections are based primarily on information that had been provided by the State Finance Secretary's Office. The revenues include \$2.5 million for a payment in lieu of taxes (PILOT) for State-owned properties in the City (which are normally exempt from the City property tax), \$5.5 million 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 \$1.15 million in New Castle County Corporate Filing Fees.

As written into the State legislation, beginning in FY 2009, there will no longer be a set-aside reduction made by the State before forwarding UCC filing fees revenue to the City, as had been the case the previous two fiscal years. Therefore, the amount projected to be received (without the set-aside reduction) will increase by over \$2.6 million, to a new total of \$5.5 million in FY 2009. Minor changes to the FY 2009 projections for the New Castle County Corporate Filing Fees (down \$150,000) and the PILOT (up \$141,500) roughly net out.

**Property Taxes** are projected to increase by \$1.6 million. The property tax base has begun to expand, and it appears that this will result in an increase of about \$500,000 by the start of FY 2009. In addition, the Finance Department is projecting an increase of \$250,000 as a result of its continuing Plan for Change, while new housing and retail developments at Justison Landing and Christina Landing are projected to add \$852,375. There is no change to the property tax rate.

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

**Criminal/Traffic** includes revenue from the red-light cameras, other miscellaneous traffic and criminal fines, and the new L&I Instant Ticketing Program. With the addition of ten red-light cameras in FY 2009, along with better collections as a result of the Finance's Department's Plan for Change, red-light camera revenues are expected to rise more than \$1.0 million over the FY 2008 Budget. There is no change expected to the \$425,000 part of the base attributed to the miscellaneous traffic and criminal fines piece of this category. Being new, the L&I Instant Ticketing Program was not included in the FY 2008 Budget. But, based on actuals coming in this year, we are projecting at least \$100,000 from the Instant Ticketing Program next year. As a whole, Criminal/Traffic revenue is projected to total \$2.3 million in FY 2009, up from \$1.2 million in the FY 2008 Budget. **Parking Tickets/Booting** revenue is forecast to stay at the FY 2008 budgeted level. Revenues in this category were pulled down \$500,000 in the FY 2008 First Quarter projection, when a sharp decline in ticket writing and booting was observed. Problems with vacancies and other personnel management issues are expected to be resolved before the end of this fiscal year, giving confidence that the \$4 million level can be reached in FY 2009.

**The State Pension Contribution**, the grant from the State that is now booked as a pass-through in the General Fund to meet the requirements of GASB pronouncement #24, was increased by \$913,600, to new total of \$7,323,600 for FY 2009. This was done to, at a minimum, match the level of actual receipts last year. There is an equal and offsetting increase to the budgets of the Police and Fire Departments of \$574,700 and \$338,900 respectively.

**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 (LLC's). 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 2009, all four of the components of the Task Force Revenues are projected to increase from the FY 2008 Budget as a result of matching the FY 2009 revenues to the FY 2008 Second Quarter projections. The overall rise in the Task Force Revenues category is \$445,500.

**Licenses, Permits and Fees** revenue will rise by a modest \$72,900, which represents a 4% increase to building permits and fire plans review fees. Construction activity, especially downtown and along the Riverfront, is expected to continue in FY 2009.

**Other Revenues** will decrease by \$500,000 because of a return to a previous accounting treatment for the Delaware Solid Waste Authority's (DSWA) annual landfill fee rebate. Usually booked as a reimbursement to the landfill fee expense line, last year the Accounting Division changed the designation of this item to a revenue. Subsequent to the FY 2008 Budget passage, the City's auditors requested that the rebate be returned back to a reimbursement as it was handled in the past. Thus, the \$500,000 credit was removed from the revenue side of the FY 2009 budget, causing a \$500,000 decrease to appear when compared to last year. All other items in this category were held constant.

Because of the recent drastic cuts in interest rates by the Federal Reserve, the Treasurer's Office has substantially reduced its **Interest Earnings** forecast for FY 2009. The benefit of investing the proceeds from an expected bond issuance this Spring, while offsetting the reduction to the base somewhat, is not nearly large enough to prevent the FY 2009 total from dropping \$750,000 from the FY 2008 Budget. The FY 2009 projection for interest earnings is \$4,250,000.

### **THE WATER/SEWER FUND**

The FY 2009 operating budget expenditures total **\$53,368,433** – up \$2,809,085 or 5.6% from FY 2008. Depreciation increased almost \$1.5 million as a result of the expansion of maintenance programs and infrastructure initiatives in recent years. These initiatives include 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.

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

- Consulting costs for a variety of Water Quality division initiatives and projects resulted in an increase of \$600,000. These projects include an update to the City's sewer hydraulic model (\$100,000), detailed flow monitoring (\$150,000), an operating review of metering and billing (\$135,000), treatment costs analysis (\$75,000), bacterial and pollution source tracking in the Brandywine river beyond the City limits and north into Pennsylvania (\$60,000), and the development of an improved public education and outreach program (\$60,000).
- Salaries and Benefits increased almost \$421,000, reflecting projected COLAs for employees and increased overtime in the Finance and Public Works departments. The overtime will support initiatives in revenue collections, water and sewer-main maintenance and repair, and flooding mitigation programs. Also, the reallocation of a number of split-funded (between the General and Water/Sewer Funds) positions in the Public Works and Finance Departments resulted in the shift of about \$64,000 out of the Water/Sewer Fund and into the General Fund.
- Internal Services increased by almost \$700,000, due mostly to Data Processing and Motor Vehicle chargebacks. The costs of these two internal service areas have risen dramatically, reflecting the conversion to the new MUNIS computer system, much higher fuel costs, and revised depreciation.
- The contract to operate and maintain capital improvements at the City's sewage treatment plant increased by \$683,000, reflecting the change in mutually agreed upon inflation proxies, including the Producer Price Index and an electricity cost index. In addition, \$200,000 in legal fees was budgeted as a contingency in the event that New Castle County will not settle with the City on a fairly-priced contract for City-provided sewage treatment services.



- The cost of the chemicals used to purify and treat drinking water, as well as to reduce the levels of pollutants in sewage, continues to rise in price well above the rate of general inflation. This year, chemical costs increased another \$100,000, to a new total of almost \$1 million.
- Debt Service decreased a net \$95,300. A projected bond issuance to fund the FY 2006 Capital Program added over \$1.3 million, while debt service on existing debt dropped by about \$1.4 million. As was the case last year, all infrastructure (fixed assets) acquisition will be done solely through the Capital Program to conserve cash flow in the Fund.
- The FY 2009 Budget does not raise water and sewage rates. City users will continue to benefit from prices lower than those offered by surrounding private water utilities and the New Castle County sewage authority.

### **Water Sewer/Fund Revenues**

Total Water/Sewer Fund revenues are projected to decrease \$1.4 million, from \$55 million last year, to a new total of \$53.6 million in FY 2009. Water/Sewer revenues are a combination of Water/Sewer User Fees, Stormwater Billings, New Castle County (NCC) Sewer, Interest, and Rentals. Each of these categories has different factors affecting it.

#### **Water/Sewer User Fees**

The private water utilities serving the City's suburbs have recently begun to experience a drop in water consumption. Because the City is also beginning to see the same trend, a 5.2% reduction to consumption was projected for FY 2009. As a result, \$1.6 million has been taken out of last year's Water/Sewer User Fees base of \$30.5 million, yielding a new Water/Sewer User Fees revenue base of \$28.9 million for FY 2009.

#### **Stormwater Billings**

In mid-FY 2007, a separate stormwater property fee was enacted and charged to all property owners in the City. The fee is not based on a consumption factor, but on the size of a property and the characteristics of that parcel's land and buildings as they relate to the generation of storm water runoff. The Stormwater Billings base last year was \$5.2 million. However, a number of larger property owners have filed appeals. As a result, the FY 2009 Stormwater Billings revenue base is being reduced by \$800,000, to a new total of \$4.4 million.

#### **New Castle County Sewer**

The City's contract to provide sewage treatment for New Castle County expired at the end of FY 2007. A fairly-priced contractual fee for FY 2008, FY 2009, and beyond has yet to be agreed upon with NCC. Based on higher forecasted operating costs and the escalation history of prices over the last five years (both of which were much greater than the 2.75% annual inflation factor allowed by the previous contract), a new base fee of about \$18.9 million for FY 2009 has been requested. This is up \$900,000 from the request of \$18 million we made to NCC for FY 2008. The City also receives \$401,000 in reimbursement from NCC for annual debt service in connection with an aeration basin the City built to accommodate additional NCC flows. That reimbursement will be the same as last year.

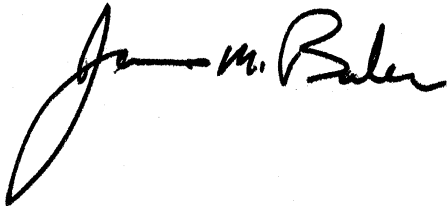
**Interest and Rentals**

Previously, all interest earned on City cash balances, regardless of source, was booked as revenue to the General Fund. Starting last year, to help bolster the Water/Sewer Fund, interest revenue earned on cash produced by Water/Sewer Fund activities was booked as revenue to the Water/Sewer Fund. In FY 2008, interest was budgeted at \$500,000. But because of sharply dropping interest rates, that amount has been reduced to \$250,000 for FY 2009. On the plus side, the water tank rental portion of Rental fees is projected to increase by \$320,000, yielding a new total of \$770,000 for Rentals revenue in FY 2009.

**CONCLUSION**

We can feel very good about the state of Wilmington today. For the first time in the City's modern history, we have achieved much that was once thought to be impossible or certainly improbable, especially concerning neighborhood development and the substantial improvement in the City's fiscal situation. Based on what we have already achieved, if we continue working hard and working together, we can make Wilmington the world class city it has the potential to be, with continuing prosperity that reaches all of our citizens. We have become, and will continue to be, effective stewards of this government and this City's future development, not just because it is our duty, but because it is our moral obligation. The priorities and resource allocations of the FY 2009 Budget are a direct manifestation of that responsibility.

Respectfully,

A handwritten signature in black ink that reads "James M. Baker". The signature is written in a cursive style with a large, sweeping initial "J".

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	24.5%
20 TO 24 YEARS	5.7%
25 TO 34 YEARS	15.6%
35 TO 44 YEARS	14.6%
45 TO 54 YEARS	14.9%
55 TO 64 YEARS	11.4%
65 YEARS AND OLDER	13.4%
<b>MEDIAN AGE OF POPULATION (YEARS)</b>	<b>37.5</b>

<b>PERCENT OF HOUSEHOLDS BY ANNUAL INCOME</b>	
\$24,999 AND UNDER	39.4%
\$25,000 TO \$34,999	8.6%
\$35,000 TO \$49,999	16.8%
\$50,000 TO \$74,999	13.7%
\$75,000 TO \$99,999	8.7%
\$100,000 AND OVER	12.8%
<b>MEDIAN HOUSEHOLD INCOME</b>	<b>\$35,768</b>

Source: U.S. Census Bureau, 2006 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>
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%
2007	32,681	30,976	1,705	5.2%

Data from 2007 back to 1990 have been adjusted to incorporate Census population controls.

Source: Delaware Department of Labor, Current Employment Statistics Program, 2008

## WILMINGTON PMSA EMPLOYMENT BY INDUSTRY

	2004		2005		2006		2007		2004-2007
	Number	%	Number	%	Number	%	Number	%	% Change
<b>TOTAL (Non-Agricultural)</b>	<b>346,100</b>	<b>100%</b>	<b>348,800</b>	<b>100%</b>	<b>352,600</b>	<b>100%</b>	<b>354,300</b>	<b>100%</b>	<b>-2.3%</b>
<b>Professional &amp; Business Services</b>	57,300	16.6%	57,300	16.4%	56,500	16.0%	54,800	15.5%	-4.4%
<b>Government</b>	46,600	13.5%	48,000	13.8%	48,800	13.8%	49,000	13.8%	5.2%
<b>Education &amp; Health</b>	42,400	12.3%	43,600	12.5%	45,200	12.8%	47,400	13.4%	11.8%
<b>Retail Trade</b>	38,700	11.2%	39,100	11.2%	39,300	11.1%	38,700	10.9%	0.0%
<b>Financial Activities</b>	38,900	11.2%	39,100	11.2%	37,900	10.7%	41,000	11.6%	5.4%
<b>Leisure And Hospitality</b>	28,200	8.1%	28,800	8.3%	29,000	8.2%	29,400	8.3%	4.3%
<b>Manufacturing</b>	26,100	7.5%	24,800	7.1%	25,400	7.2%	24,100	6.8%	-7.7%
<b>Construction</b>	20,400	5.9%	20,900	6.0%	22,200	6.3%	21,100	6.0%	3.4%
<b>Other Services</b>	14,600	4.2%	14,900	4.3%	15,500	4.4%	15,400	4.3%	5.5%
<b>Wholesale Trade</b>	13,300	3.8%	13,300	3.8%	13,200	3.7%	13,100	3.7%	-1.5%
<b>Transportation &amp; Utilities</b>	13,300	3.8%	13,100	3.8%	13,700	3.9%	14,200	4.0%	6.8%
<b>Information Technology</b>	6,300	1.8%	5,900	1.7%	5,900	1.7%	6,100	1.7%	-3.2%

Source: Delaware Department of Labor Estimates, Current Employment Statistics Program, 2007



## 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	8,590
State of Delaware (Non-education)	State Government	7,400
Chase Bank USA, N.A.	Banking	5,700
AstraZeneca Inc.	Pharmaceuticals/Chemicals	4,751
University of Delaware	Higher Education	4,002
A.I. Dupont Institute	Children's Hospital/Healthcare	2,700
YMCA	Civic/Social Services	2,500
Christiana School District	Public Education	2,300
Wilmington Trust Co.	Banking	2,162
Citibank Delaware	Banking	2,100
Happy Harry's Inc./ Walgreen's	Retail Pharmacy	1,998
Red Clay School District	Public Education	1,860
PNC Bank	Banking	1,721
New Castle County Government	County Government	1,615
Comcast	Communications	1,600
Brandywine School District	Public Education	1,482
Conectiv/Pepco	Electric & Gas Utility	1,483
Colonial School District	Public Education	1,400
AIG Marketing, Inc.	Insurance Carrier	1,372
Dade Behring, Inc.	Electro-Medical Apparatus	1,367
General Motors Corp.	Automotive Assembly	1,300
AMB - Delaware	Maintenance/Janitorial Contracting	1,250
City of Wilmington	Municipal Government	1,200

Source: Delaware Business Ledger, Book of Lists, July 2008

**Largest Real Estate Taxpayers in the City of Wilmington**  
**Fiscal Year 2009**

Name	Property	Taxable Assessment	% of Total Taxable
BPG Office Partners VIII LLC	Office Building	\$99,034,600	2.8%
Bank of America	Corporate Headquarters	\$90,931,000	2.6%
Delmarva Power	Electric & Gas Utility	82,030,600	2.3%
MacQuarie BDN Christina	Office Building	63,704,500	1.8%
Hercules, Inc.	Corporate Headquarters	58,084,300	1.6%
1201 Market Street LLC	Office Building	51,775,000	1.5%
E.I Dupont de Nemours & Co, Inc.	Corporate Headquarters	50,967,800	1.4%
Verizon	Communications	37,054,400	1.0%
HUB Properties Trust	Office Building	31,119,900	0.9%
222 Delaware Partners, LP	Office Building	27,608,600	0.8%
Rodney Square Investors LP	Office Building	27,054,360	0.8%
100 West Tenth Street Corporation	Office Building	25,747,100	0.7%
<b>Total</b>		<b>\$645,112,160</b>	<b>18.1%</b>

Source: City of Wilmington Revenue Division

## Ten Largest Wage Tax Withholders in the City of Wilmington

Name	Withholdings 2007	% of Total Withholdings
Bank of America (formerly MBNA)	\$6,743,513	14.5%
JP Morgan Chase	3,998,704	8.6%
State of Delaware	3,287,141	7.1%
E.I. du Pont de Nemours & Co.	1,946,264	4.2%
Christiana Care	1,484,200	3.2%
Wilmington Trust Company	1,414,906	3.1%
Richards, Layton & Finger, P.A.	1,105,723	2.4%
Juniper Bank	1,078,443	2.3%
ING Bank	924,799	2.0%
City of Wilmington	777,526	1.7%
<b>Total</b>	<b>\$22,761,219</b>	<b>49.1%</b>

Source: City of Wilmington Revenue Division

## New Construction Permits Issued

	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
<b>Single-Family</b>	70	131	56	139	68
<b>Multi-Family</b>	0	1	0	1	0
<b>Non-Residential</b>	8	7	23	8	10
<b>TOTAL</b>	<b>78</b>	<b>139</b>	<b>79</b>	<b>148</b>	<b>78</b>

Source: Department of L&I

## Total Value of New Construction Activity

	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
<b>Residential</b>	\$ 10,910,016	\$ 16,149,144	\$ 11,520,300	\$ 13,048,613	\$ 9,550,632
<b>Non-Residential</b>	\$ 3,630,220	\$ 55,504,884	\$ 70,313,246	\$ 116,655,011	\$ 12,133,900
<b>TOTAL</b>	<b>\$ 14,540,236</b>	<b>\$ 71,654,028</b>	<b>\$ 81,833,546</b>	<b>\$ 129,703,624</b>	<b>\$ 21,684,532</b>

Source: Department of L&I

## Renovation Construction Permits Issued

	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
<b>Residential</b>	3,307	3,483	3,428	3,400	2,157
<b>Non-Residential</b>	1,518	1,223	1,026	850	419
<b>TOTAL</b>	<b>4,825</b>	<b>4,706</b>	<b>4,454</b>	<b>4,250</b>	<b>2,576</b>

Source: Department of L&I

## Total Value of Renovation Construction Activity

	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
<b>Residential</b>	\$ 17,589,049	\$ 20,231,167	\$ 25,941,524	\$ 85,578,457	\$ 23,940,194
<b>Non-Residential</b>	\$156,171,933	\$112,601,178	\$156,171,933	\$ 183,450,255	\$ 134,242,886
<b>TOTAL</b>	<b>\$173,760,982</b>	<b>\$132,832,345</b>	<b>\$182,113,457</b>	<b>\$ 269,028,712</b>	<b>\$ 158,183,080</b>

Source: Department of L&I

## **ECONOMIC DEVELOPMENT ACTIVITY**

The State's Financial Center Development Act of 1981 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. In the 1980s, conventional wisdom led to the location of such facilities in the suburbs, where land was considerably cheaper. Today, business leaders, including those from banking, law, chemical and financial services companies are continuing a recent trend of moving back to the City.

### **Riverfront Development**

Historically, the Wilmington Riverfront along the Christina River had been the site of heavy industrial activities. As industries shut down over the last four decades, the result was a legacy of blighted and abandoned properties, most suffering from environmental damage. However, as the end of the 20<sup>th</sup> Century came to a close, the Riverfront came to represent a golden opportunity as one of the last large tracts of underutilized land remaining in the City. It became the focus of over \$850 million in investments from the City, State and private sources, beginning a dramatic transformation that started 10 years ago, and that continues with increased energy today. As a result, the Christina Riverfront has become a regional destination for business, tourism, and residential living.

The first major residential project in the Riverfront area, the Christiana Landing project, is an \$180 million townhouse and condominium development consisting of 63 townhouses, a 26-story, 183-unit condominium tower, and a 173-unit apartment tower. The apartment tower is 85% occupied, while 52% of the units have been sold in the recently completed (fall 2007) condo tower.

On the western shore of the Christina River, construction has begun on the Justison Landing Project, a \$500 million development on eleven acres of land along the Christina Riverfront. When completed, Justison Landing will include 705 new residential units, including townhouses, condominiums, loft units and apartments, as well as 50,000 square feet of retail space, 289,000 square feet of office space and twelve levels of on-site structured parking. The first phase of construction is nearing completion, which includes 335 living units and 27,000 sq/ft of retail space. Over 60 residential units have already been closed on and sales are averaging 2-3 units weekly.

### **Downtown Development**

The Christina Riverfront is not the only area of the City experiencing new development. The area of the Central Business District (CBD) formerly known as Ships Tavern, but newly branded "LOMA" (Lower Market Street Area) is continuing a tremendous, though extremely difficult, transformation. The construction of an \$8.6 million, 455-space parking garage on Second Street, between Market and King Streets is complete. Fifteen thousand square feet of retail space occupies the facility's ground level, and this fall it will become the new home of Al's Sporting Goods, a well-known City institution. The new Renaissance Center on King Street opened in May 2007 and provides 147,000 square feet of rentable space (two floors were recently leased to AIG and 85,000 square feet is still available) and provides structured parking for 192 vehicles. It has inspired the restoration of two blocks of historic structures directly adjacent on Market Street. Though developing older structures to qualify for both federal and state historic tax credits has been more difficult than anticipated, at least four new smaller developments within this six-block district are now under way or under contract. Across from the new Renaissance Center is the \$140 million New Castle County State Courthouse which continues to attract law firms and related supporting businesses to the area.

Two new office buildings in the western gateway of the Central Business District, near I-95 were completed in May of 2007. A new \$90 million, 15-story, 370,000 square foot office tower at Delaware Avenue and Washington Street, houses the local banking institution, Wilmington Savings Fund Society (WSFS). This new building allowed WSFS to consolidate hundreds of its employees that were disbursed throughout the suburbs into a new, much larger headquarters in the City. This new structure is 78% occupied and also houses a large law firm, a major engineering firm, and the main downtown branch of the United States Post Office. Across 11th Street from the WSFS Building, Blue Cross/Blue Shield Delaware (BCBSDE) has moved into its new headquarters.

### **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 mile away from the college, the new program is housed in a 102 unit residential apartment complex across the street from the school as well as 12 newly restored living units half a block away, creating the beginnings of a small college campus with creative youth bringing life to the CBD after business hours.

One downtown residential development in recent years that merits special mention is the former Delaware Trust Building, which has continued to grow and prosper. The renovation and residential conversion of the 600,000 square foot former headquarters of the Delaware Trust Company into a 275- unit luxury apartment building known as the Residences at Rodney Square is reminiscent of Philadelphia's Rittenhouse Square, and is currently 85% occupied. Indeed, the increased desire for downtown living that was hoped would emerge has not only occurred, but is far exceeding expectations.

The City has a strong commitment to economic development throughout the City, and not just in the Riverfront or CDB. Speakman Place, located on the site of the former Speakman Company manufacturing plant in the City's Northeast area is a \$14 million mixed-income townhouse project currently under construction, secured with a \$500,000 City grant, which will assure the inclusion of a least 18 affordable housing units. The Cornerstone West Community Development Corporation is overseeing the development of Speakman Place, in conjunction with Ingerman Group, a local for-profit developer. The first buyers took occupancy in the summer 2007, and currently 50 of the 71 homes have been sold.

### **New Employers, Jobs, and Wage Taxes**

The City's Economic Development Office, in conjunction with City Council, the Wilmington Economic Development Corporation ("WEDCO"), and the State's Economic Development Office continues to use incentive programs to create new jobs in the City and retain existing jobs. A newer and expanded incentive package now consists 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 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.

Recent successes of the incentive program include the consolidation of Blue Cross/Blue Shield of DE within the City, the expansion of Barclays Bank to a total of 1,500 jobs, the siting of Phillips and Cohen at the Riverfront, and the attraction of Patria and Regulatory Data Corporation to the downtown area. The latter three companies provide financial services and account for almost 350 new jobs. Blue Cross/Blue Shield is the major tenant of a new 153,000 SF building at 800 Delaware Avenue, and the consolidation resulted in 525 new jobs in the City.

### **Telecommunications Capability and High-Speed train Travel**

Wilmington's modern telecommunications infrastructure provides a competitive advantage when attracting financial services operations. Three telecommunications companies have installed fiber optic distribution cables throughout the City, positioning Wilmington as one of the most competitively networked locations on the East Coast. Fiber optics provide a faster and more secure means of delivering information than conventional copper wiring, and provide disaster recovery that is 99.8% certain. Not only does this technology offer Wilmington's businesses virtually unlimited telecommunications expansion capability, it also reduces overhead costs, making locating an operations center in the City more competitive than anywhere else in the region.

A trip on AMTRAK'S high-speed line from Wilmington to Manhattan takes less than two hours, which is about the same duration of a trip on a commuter train from Princeton to Manhattan. Because of its strategic location midway between New York and Washington DC, AMTRAK's Wilmington station is among the ten most heavily traveled train stations in the country. The station, which is on The National Register of Historic Places, will be under extensive restoration starting in 2008. In 1999, AMTRAK opened its new national training center near the Christina Waterfront, where it serves between 1,500 and 2,500 engineers, mechanics, conductors and customer service personnel annually.

### **Conclusion**

The City's aggressive policy of economic incentives, along with the distinct advantages that come from being the State's largest metropolitan area, have enabled Wilmington 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 19.**

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 I amount is considered Level II and must be fully justified and documented.

All materials and instructions necessary for department heads to craft their budget requests are given to them during the Budget Kick-off meeting, which is held the first week in December. Part of the material they receive includes the Level I Budget developed by OMB. It should be noted that requests for staffing increases or position upgrades go through an additional 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. WEFAC was created in 1994 and is comprised of twelve members appointed by the Mayor. Its membership consists of business and financial leaders from banks and other businesses in the Wilmington area. WEFAC's primary functions are to advise the Mayor on revenue projections and trends, and to provide a sounding board on issues of urban economics. It is important to note that, by law, City Council cannot alter the Mayor's revenue budget projections.

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 224.**

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 2007 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 24**). 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.

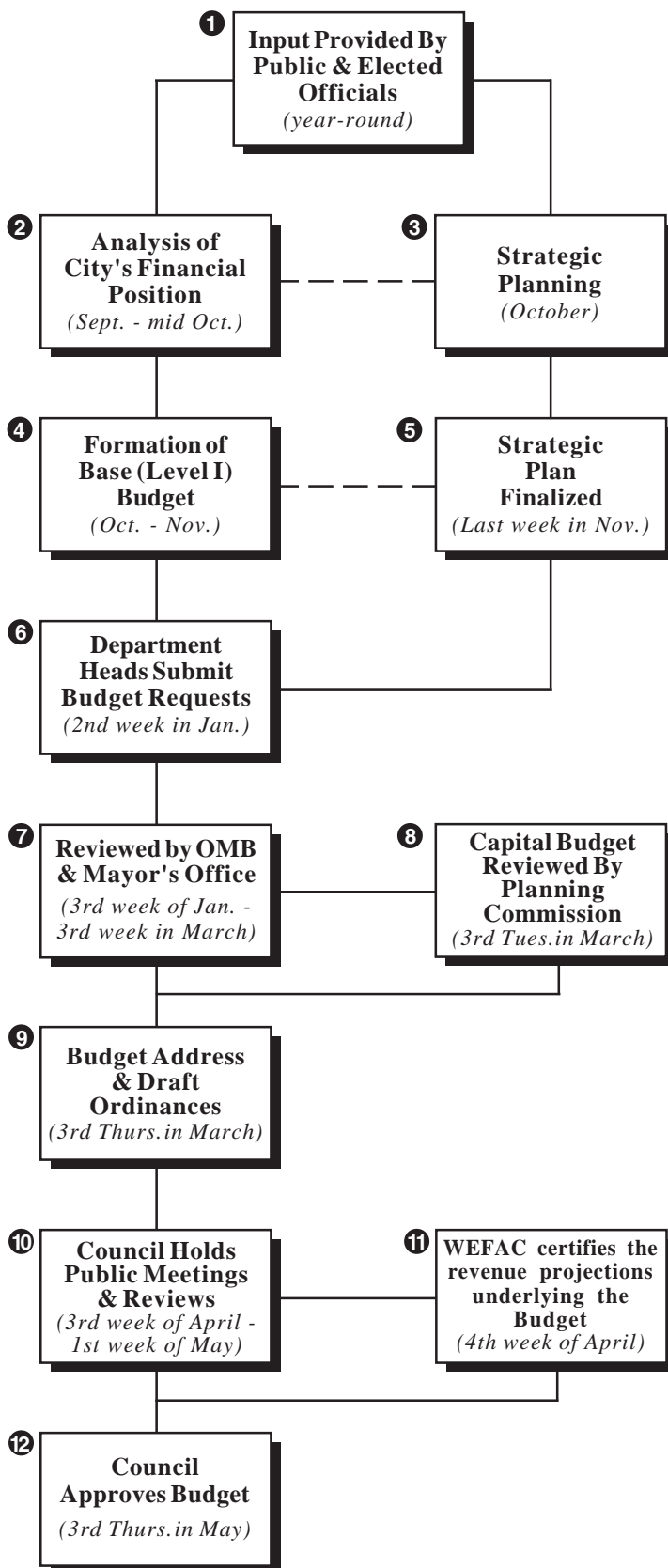
The basis of budgeting for each City fund matches the basis of accounting (the underlying fiscal principles used in the development of the financial statements and for recording financial activity) for that fund. The General, Commerce and Special funds are budgeted and operate under a **modified accrual basis** in which revenues

are recognized when they become measurable and available as net current assets, and all expenses, except those related to fixed asset acquisition, are recorded when incurred (not when cash is paid out). The Water/Sewer and Internal Service funds are budgeted and operate under the **accrual method** (used by most businesses) in which all revenues and expenses are recorded when recognized (i.e. when earned for revenues and when incurred for expenses), rather than when cash is collected or paid out.

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

- Depreciation of fixed assets is budgeted and expensed in the Water/Sewer and Internal Service funds. In the General 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-year strategic plans.
- ④ OMB develops a baseline or Level I budget from historical data, trends, local economy and strategic plans.
- ⑤ Department Heads finalize Strategic Plan.
- ⑥ Based on Strategic Plan results and Level I amounts, departments submit budget requests to OMB.
- ⑦ During departmental meetings, OMB and the Mayor's Office review and evaluate requests, making recommendations as to funding.
- ⑧ The Planning Commission, a board of appointed citizens (5) and City officials (2), reviews and recommends a Capital Budget and Program to City Council.
- ⑨ The Mayor submits budget (operating and capital), revenue projections and tax rates for next fiscal year to City Council.
- ⑩ The Finance Committee of City Council holds public meetings on Mayor's proposed budget for each City Dept.
- ⑪ The Wilmington Economic and Financial Advisory Council (WEFAC) reviews, analyzes and certifies the revenue projections underlying the Budget. WEFAC consists of regional business, financial, and academic leaders appointed by the Mayor.
- ⑫ The City Council must approve a balanced budget by June 1 or 30 days prior to start of fiscal year.

# **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.

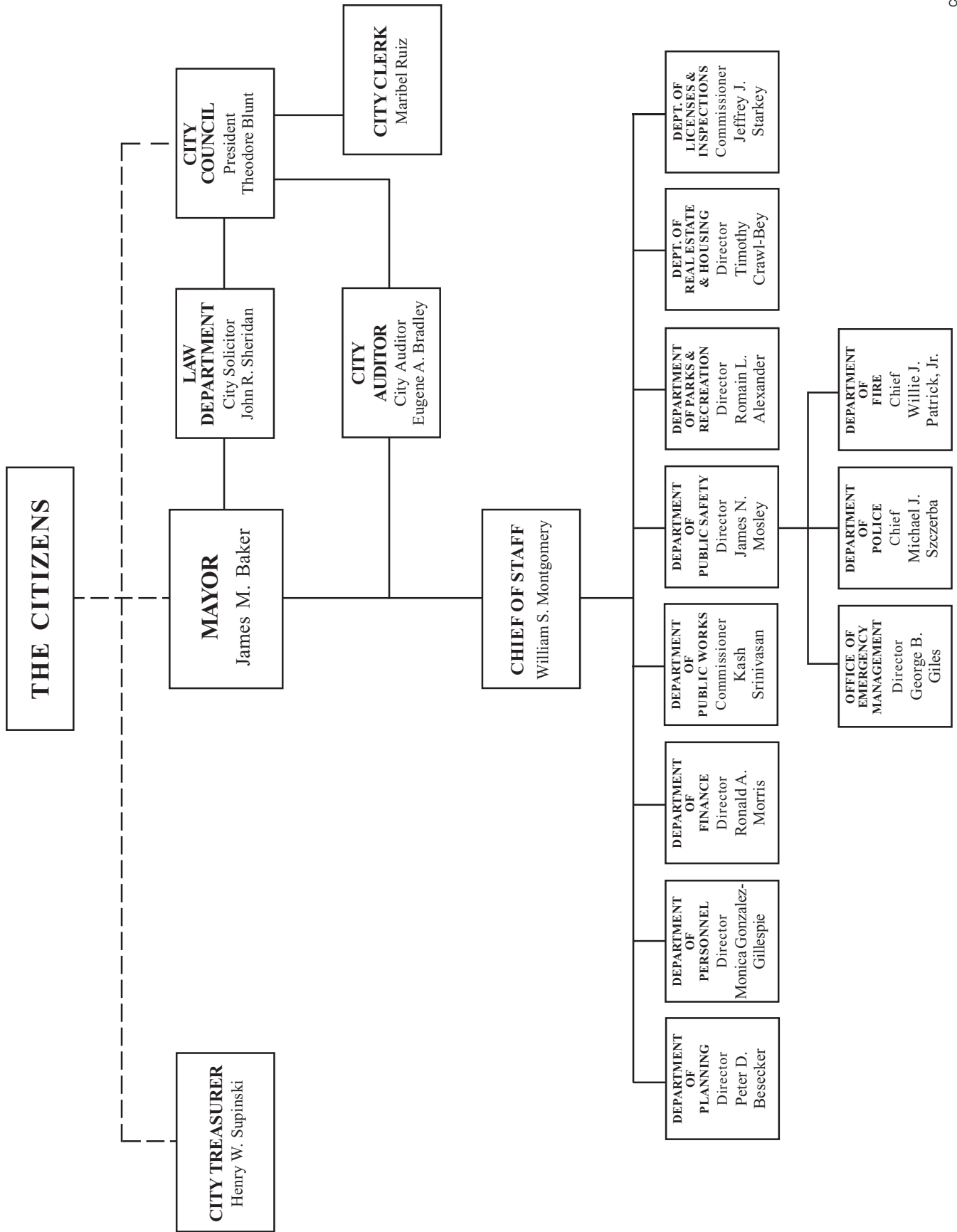
## **STATEMENT OF BUDGET POLICIES**

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 15% of the General Fund Operating Budget. The Budget Reserve is General Fund balance 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 APPROPRIATED FUNDS**

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

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

- **State Aid to Local Law Enforcement (SALLE) Funds** are State of Delaware grants to be used for specific policing programs.
- **Parks Trust Fund** shown in the budget reflects contributions to the City from trusts to be used in the maintenance and improvement of specific City-owned parks. Only the contribution from the trusts to the City are appropriated and shown in the budget.
- **Municipal Street Aid Fund** reflects the fiscal activities regarding a special State of Delaware appropriation for Street maintenance.
- **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.
- **Home Partnership Funds** are federal funds which address a variety of housing assistance programs to benefit low-to-moderate income City residents.
- **Pension Administration Funds** shown in the budget reflect the costs related to the administration of the City's five employee pension plans. The pension fiduciary trust funds themselves (including pension payroll and investment income) are not appropriated by City Council, but are controlled by an independent Board of Pensions.
- **Emergency Shelter Grant** is designed to improve the quality of emergency shelters for the homeless. Funding for this program is awarded through 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 APPROPRIATED 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 fund balance of the Commerce Fund had to be used exclusively for economic development activities. Thus, it was, and continues, to be the mandated policy that the fund balance of the Commerce fund will continue to be drawn down for economic development activities until the fund balance is depleted. Once the fund balance is spent down, as planned, those economic development activities and costs will be moved into the General Fund.

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 principle 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**

The City's Non-Special Funds are appropriated through the Budget Process and approved by City Council through City Ordinance. While most of the City's Special Funds are also appropriated through the budget process, there are notable exceptions, such as the Pension and Parks Trust funds. While a small portion of administrative costs related to these two funds is appropriated and shown in the budget, the large majority of activities, revenues, and costs of these funds are controlled by legally independent boards and trusts, and are not appropriated through the budget process. Only those Funds (or portions of Funds) in which the City Council can appropriate expenditures are included in the budget document.



# **BUDGET**

# **SUMMARY**

**BUDGET HIGHLIGHTS**  
**CITY OF WILMINGTON**  
**FISCAL YEAR 2009**

**The General Fund**

- The Fiscal Year (FY) 2009 operating budget expenditures total **\$141,636,372** – up \$13,898,728 or 10.9% from FY 2008. The FY 2009 budget continues to deliver 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, and Parks & Recreation Departments.
- Over 67% of the total increase to the FY 2009 Budget is attributable to a \$9.38 million rise in Salaries and Benefits. Even with the ending of the New Castle County Policing Grant, total uniformed authorized strength was maintained at 340, and the \$4.2 million cost of the 54 officers once supported through that grant was transferred to the General Fund. Projected Cost-of-Living Adjustments (COLAs) for employees added almost \$3.3 million, while a net of 14.5 new Full-Time equivalent (FTE) positions, at a cost of \$848,000, were created to staff program initiatives concentrated in the areas of Public Works and Parks & Recreation. Lastly, the reallocation of a number of split-funded (between the General and Water/Sewer Funds) positions in the Public Works and Finance Departments resulted in the shift of about \$64,000 into the General Fund.
- Debt Service increased by a net \$945,000. While the costs of existing debt service declined by \$835,000, an anticipated bond issuance before the end of FY 2008 to fund the FY 2006 Capital Program, and to repay Bond Anticipation Notes, is estimated to add about \$1.8 million.
- The Finance Department continues to expand on its Plan for Change to raise additional revenues from the collection of outstanding taxes and fees. \$250,000 was added to support the audits of large corporations for compliance in paying the City's wage and head taxes. In addition, the Department increased staffing by 1.5 FTE positions, at a cost of \$127,000, to assist in other areas of revenue collection. This expansion will result in a projected return to the General Fund of \$1.8 million, consisting of the additional collection of \$1.25 million in wage taxes, \$300,000 in head taxes, and \$250,000 in property taxes.
- Because of the great success of the Finance Department's Plan for Change in increasing revenue collections, commission costs (charged as a percentage of revenue collected) have risen in tandem. The FY 2008 Budget was amended mid-year to accommodate the increase in collection commissions, which will continue into FY 2009, and grow because of the addition of ten red-light cameras. As a result, compared to the original FY 2008 Budget, commission fees in the Finance Department show a \$990,000 rise in FY 2009.
- Total Internal Services in the General Fund increased by nearly \$2.9 million, almost entirely attributable to Data Processing and Motor Vehicle chargebacks. The costs of those two internal service areas have risen dramatically, reflecting the conversion to the new MUNIS computer system, much higher fuel costs, and revised depreciation. Although these chargeback costs have affected all departments, Police, Fire, Public Works and Finance, being the four largest users, collectively absorbed \$1.6 million (or more than half of the increase).

**BUDGET HIGHLIGHTS**  
**CITY OF WILMINGTON**  
**FISCAL YEAR 2009**

**The General Fund** (continued)

- The State Pension Contribution, the grant from the State that is now booked as a pass-through in the General Fund to meet the requirements of GASB pronouncement #24, increased by \$913,600. Although there is an equal amount of revenue booked to offset this expense, the effect on the budget was an increase to the Police and Fire Departments of \$574,700 and \$338,900 respectively.
- With contractually required minimum manning of all fire companies and the demands of the 24/72-shift configuration, the Fire Department has increased Overtime by almost \$250,000, to a new total of just under \$1.9 million. To fund the first year of a five-year program upgrading the entire Department's fire and safety gear, \$100,000 has been added in the Suppression Division. Lastly, a civilian Fiscal Administrator position, at a cost of \$65,918, has been budgeted in the Administration Division. In addition to purchasing and budgeting duties, this new person will also assist with time sheets, attendance records, and the TeleStaff computer system.
- To accommodate the expansion of the Neighborhood Camera watch program, funding for six additional camera watch operators (up from just two operators last year) will be provided to Downtown Visions, the group paid as consultants to administer the program. The cost of providing the camera watch operators will increase to a new total of \$272,000, and is paid from the Police Department's budget.
- A change in policy will now allow the Police Department to run a totally autonomous IT function. As a result, the Department has budgeted \$86,400 for the purchase of police vehicle laptops, desktop PCs, and printers. Offsetting these costs is the elimination of the Data Processing chargeback to the Department, which was budgeted at \$75,155 last year.
- Due to the expiration of various lease maintenance agreements that will double the amount of park acreage that the City will be responsible for maintaining, additional maintenance staff is needed. An Assistant Parks Maintenance Supervisor (\$68,362), a Labor Foreman for ball fields (\$47,302), a Labor Foreman II (\$38,318), and two Equipment Operators (\$93,082) have been added to the Parks & Recreation Department. Offsetting these increases was the elimination of a Labor Foreman I (mini-parks) position for a savings of \$37,222.
- In the Public Works Department, three Construction Inspectors have been added at a cost of \$152,952 to administer the City's new street-cut oversight process. This process will ensure that work done by utilities and other companies in the City right-of-way conforms to City standards for roadway-cut restoration and minimizes the disruption to traffic and pedestrians. Also, per Council's request, an Administrative Clerk position (\$50,983) was added to support the growing responsibilities of the Operations Director.
- In the Department of Licenses & Inspections, another Business Compliance Officer has been added, at a cost of \$58,196, to handle the large volume of inspections necessary to ensure that all new and existing businesses have obtained a valid City business license.

# **BUDGET HIGHLIGHTS**

## **CITY OF WILMINGTON**

**FISCAL YEAR 2009**

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

- In the Law Department, Council has requested that a permanent position be created to act as a Nuisance Property Administrator, at a cost of \$72,356. Currently, a similar function is being performed by a temporary employee that is funded out of the federal Byrne grant. The three-year Byrne grant will ending in the Fall of 2008.
- The Operating Contingency and the Snow & Weather Emergency accounts have been revised downward, reflecting a reduced estimate of future need. The Operating Contingency Fund is down \$200,000 from last year, to a new total of \$300,000. The Snow and Weather Emergency account is budgeted at \$125,000, down from the \$500,000 budgeted last year.
- There is no increase in the Property Tax rate.



**BUDGET HIGHLIGHTS**  
**CITY OF WILMINGTON**  
**FISCAL YEAR 2009**

**The Water/Sewer Fund**

- The FY 2009 operating budget expenditures total **\$53,368,433** – up \$2,809,085 or 5.6% from FY 2008. Depreciation increased almost \$1.5 million as a result of the expansion of maintenance programs and infrastructure initiatives in recent years. These initiatives include 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.
- Consulting costs for a variety of Water Quality division initiatives and projects resulted in an increase of \$600,000. These projects include an update to the City’s sewer hydraulic model (\$100,000), detailed flow monitoring (\$150,000), an operating review of metering and billing (\$135,000), treatment costs analysis (\$75,000), bacterial and pollution source tracking in the Brandywine river beyond the City limits and north into Pennsylvania (\$60,000), and the development of an improved public education and outreach program (\$60,000).
- Salaries and Benefits increased almost \$421,000, reflecting projected COLAs for employees and increased overtime in the Finance and Public Works departments. The overtime will support initiatives in revenue collections, water and sewer-main maintenance and repair, and flooding mitigation programs. Also, the reallocation of a number of split-funded (between the General and Water/Sewer Funds) positions in the Public Works and Finance Departments resulted in the shift of about \$64,000 out of the Water/Sewer Fund and into the General Fund.
- Internal Services increased by almost \$700,000, due mostly to Data Processing and Motor Vehicle chargebacks. The costs of these two internal service areas have risen dramatically, reflecting the conversion to the new MUNIS computer system, much higher fuel costs, and revised depreciation.
- The contract to operate and maintain capital improvements at the City’s sewage treatment plant increased by \$683,000, reflecting the change in mutually agreed upon inflation proxies, including the Producer Price Index and an electricity cost index. In addition, \$200,000 in legal fees was budgeted as a contingency in the event that New Castle County will not settle with the City on a fairly-priced contract for City-provided sewage treatment services.
- The cost of the chemicals used to purify and treat drinking water, as well as to reduce the levels of pollutants in sewage, continues to rise in price well above the rate of general inflation. This year, chemical costs increased another \$100,000, to a new total of almost \$1 million.

**BUDGET HIGHLIGHTS**  
**CITY OF WILMINGTON**  
**FISCAL YEAR 2009**

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

- Debt Service decreased a net \$95,300. A projected bond issuance to fund the FY 2006 Capital Program added over \$1.3 million, while debt service on existing debt dropped by about \$1.4 million. As was the case last year, all infrastructure (fixed assets) acquisition will be done solely through the Capital Program to conserve cash flow in the Fund.
- The FY 2009 Budget does not raise water and sewage rates. City users will continue to 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 2009**

**The Commerce Fund**

- The operating budget expenditures total **\$6,460,094** – down \$1,651,155 or 20.4% from FY 2008. A small increase of \$47,800 in operating costs was more than offset by a \$1.7 million decrease in debt service costs.
- In the final year of its two-year commitment, 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 again support the Downtown Visions Main Street Program.
- The Small/Minority Business Enterprise Office (SMBEO) is receiving \$20,000 to provide access to an internet web portal for use by disadvantaged and small businesses throughout the region. In addition, the increase of \$70,000 in last year's budget for the expansion and improvement of the annual Mega-Biz Fest event, Disadvantage Business Enterprise (DBE) marketing efforts, DBE and micro-business outreach training, and small business incubator support has been maintained in the FY 2009 budget.

**SUMMARY OF COMBINED STATEMENT OF REVENUES  
FY 2005 - FY 2009**

<b>REVENUES</b>	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>ACTUAL FY2007</b>	<b>BUDGET FY2008</b>	<b>APPROVED FY2009</b>
<b>General Fund</b>					
Taxes	\$86,217,457	\$95,364,457	\$92,297,981	\$90,735,922	\$99,590,712
Fees & Fines	6,919,335	8,100,564	9,109,357	9,525,000	10,722,900
Interest & Other	9,895,191	22,801,767	28,724,589	28,373,244	31,097,562
Transfers In	275,010	275,000	275,000	275,000	275,000
Prior Year Surplus	<u>0</u>	<u>0</u>	<u>0</u>	<u>811,600</u>	<u>750,000</u>
<b>Subtotal</b>	<b>103,306,993</b>	<b>126,541,788</b>	<b>130,406,927</b>	<b>129,720,766</b>	<b>142,436,174</b>
<b>Water/Sewer Fund</b>					
Direct User Charges	23,055,235	25,276,063	33,398,882	35,655,378	33,268,413
New Castle County Charges	15,405,124	15,818,123	16,242,123	18,401,123	19,321,940
Other	<u>0</u>	<u>0</u>	<u>6,288,875</u>	<u>950,000</u>	<u>1,020,000</u>
<b>Subtotal</b>	<b>38,460,359</b>	<b>41,094,186</b>	<b>55,929,880</b>	<b>55,006,501</b>	<b>53,610,353</b>
<b>Commerce Fund</b>					
Direct User Charges	0	10,088	0	0	0
Interest & Other	6,003,505	10,554,839	1,598,003	1,124,961	2,832,098
Transfer from General Fund	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Subtotal</b>	<b>6,003,505</b>	<b>10,564,927</b>	<b>1,598,003</b>	<b>1,124,961</b>	<b>2,832,098</b>
<b>Special Funds</b>					
Federal/State Grants	18,185,227	14,584,324	12,989,503	10,742,335	7,707,086
Other Sources	<u>2,447,857</u>	<u>2,130,820</u>	<u>1,976,761</u>	<u>2,179,648</u>	<u>2,477,993</u>
<b>Subtotal</b>	<b>20,633,084</b>	<b>16,715,144</b>	<b>14,966,264</b>	<b>12,921,983</b>	<b>10,185,079</b>
<b>Total Revenues</b>	<b>\$ 168,403,941</b>	<b>\$ 194,916,045</b>	<b>\$ 202,901,074</b>	<b>\$ 198,774,211</b>	<b>\$ 209,063,704</b>

**SUMMARY OF COMBINED STATEMENT OF EXPENDITURES  
FY 2005 - FY 2009**

<b>EXPENDITURES</b>	<b>ACTUAL FY2005</b>	<b>ACTUAL FY2006</b>	<b>ACTUAL FY2007</b>	<b>BUDGET FY2008</b>	<b>APPROVED FY2009</b>
<b>General Fund</b>					
Personal Services	\$65,834,017	\$71,447,176	\$80,401,889	\$82,006,254	\$91,387,155
M. S. & E.	22,367,613	22,955,694	30,814,805	31,718,903	36,083,176
Debt Service	8,720,317	9,207,313	11,590,117	12,148,600	13,093,932
Other	373,737	440,594	688,247	1,863,887	1,072,109
Transfer to Commerce Fund	0	645,992	0	0	0
<b>Subtotal</b>	<b>97,295,684</b>	<b>104,696,769</b>	<b>123,495,058</b>	<b>127,737,644</b>	<b>141,636,372</b>
<b>Water/Sewer Fund</b>					
Personal Services	8,721,499	8,183,657	8,316,531	9,169,865	9,590,532
M. S. & E.	21,165,374	23,526,453	28,149,039	31,636,228	32,629,610
Debt Service	3,064,567	4,765,174	3,893,068	5,083,759	4,988,453
Other	5,437,542	5,090,091	6,307,970	4,669,496	6,159,838
Transfer to General Fund	0	0	0	0	0
<b>Subtotal</b>	<b>38,388,982</b>	<b>41,565,375</b>	<b>46,666,608</b>	<b>50,559,348</b>	<b>53,368,433</b>
<b>Commerce Fund</b>					
Personal Services	592,968	569,200	649,889	776,687	794,272
M. S. & E.	566,833	206,016	207,364	1,551,652	1,581,905
Debt Service	5,465,745	7,232,749	5,782,102	5,782,910	4,083,917
<b>Subtotal</b>	<b>6,625,546</b>	<b>8,007,965</b>	<b>6,639,355</b>	<b>8,111,249</b>	<b>6,460,094</b>
<b>Special Funds</b>					
Personal Services	7,632,424	7,038,023	5,512,817	6,173,225	2,507,918
M. S. & E.	6,641,756	4,551,471	4,626,720	3,324,085	3,370,636
Other	6,358,904	5,125,650	4,826,727	3,424,673	4,306,525
<b>Subtotal</b>	<b>20,633,084</b>	<b>16,715,144</b>	<b>14,966,264</b>	<b>12,921,983</b>	<b>10,185,079</b>
<b>Total Expenditures</b>	<b>\$ 162,943,296</b>	<b>\$ 170,985,253</b>	<b>\$ 191,767,285</b>	<b>\$ 199,330,224</b>	<b>\$ 211,649,978</b>
<b>INCOME (LOSS)</b>					
General Fund	6,011,309	21,845,019	6,911,869	1,983,122	799,802
Water/Sewer Fund	71,377	(471,189)	9,263,272	4,447,153	241,920
Commerce Fund	(622,041)	2,556,962	(5,041,352)	(6,986,288)	(3,627,996)
Special Funds	0	0	0	0	0
<b>Total Income (Loss)</b>	<b>\$ 5,460,645</b>	<b>\$ 23,930,792</b>	<b>\$ 11,133,789</b>	<b>\$ (556,013)</b>	<b>\$ (2,586,274)</b>

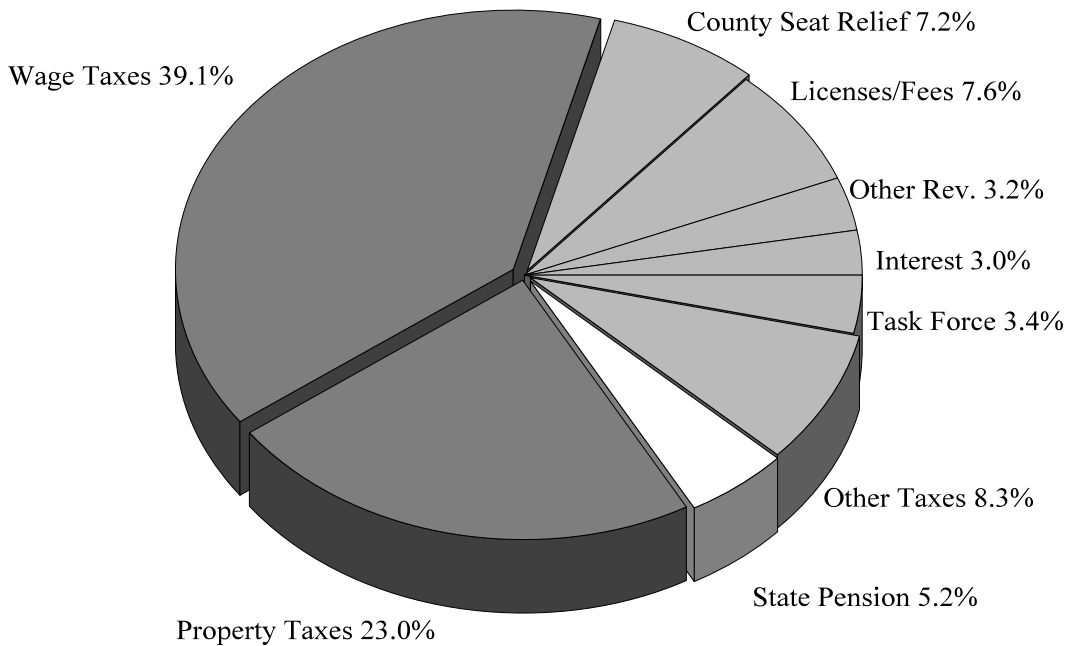
## SUMMARY OF GENERAL FUND FISCAL YEAR 2009

<u>Revenues</u>	<u>Actual FY 2006</u>	<u>Actual FY 2007</u>	<u>Budget FY 2008</u>	<u>Budget FY 2009</u>	<u>Percent Change FY'09-'08</u>	<u>Page Reference*</u>
Wage Tax	\$55,077,817	\$51,930,463	\$51,306,089	\$55,277,658	7.7%	70
Property Tax	30,309,406	30,227,452	30,966,500	32,568,875	5.2%	71
Other Taxes	9,977,234	10,140,066	8,463,333	11,744,179	38.8%	72
Licenses, Permits, Fees & Fines	8,100,564	9,109,357	9,525,000	10,722,900	12.6%	73
Interest	3,858,255	5,234,150	5,000,000	4,250,000	-15.0%	74
Other Revenues	4,084,868	4,630,761	5,022,533	4,522,533	-10.0%	75
Task Force Revenues	4,481,453	4,853,882	4,432,500	4,878,000	10.1%	76
County Seat Relief	3,634,486	6,682,189	7,508,211	10,123,429	34.8%	77
State Pension Contr.	6,742,705	7,323,607	6,410,000	7,323,600	14.3%	78
Prior Yr. Designation	0	0	811,600	750,000	-7.6%	79
Transfers In/(Out)	<u>275,000</u>	<u>275,000</u>	<u>275,000</u>	<u>275,000</u>	<u>0.0%</u>	79
<b>Total Revenues</b>	<b><u>\$126,541,788</u></b>	<b><u>\$130,406,927</u></b>	<b><u>\$129,720,766</u></b>	<b><u>\$142,436,174</u></b>	<b><u>9.8%</u></b>	

\* See page listed for further information and details.

Other Taxes include Franchise Fees, Head Tax and Real Estate Transfer Tax. Other Revenues include indirect cost allocations, miscellaneous user charges, rental fees and concession revenues. Task Force revenues include the State Corporate and LLC filings, Lodging Tax and Natural Gas Franchise Fees. 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 2009



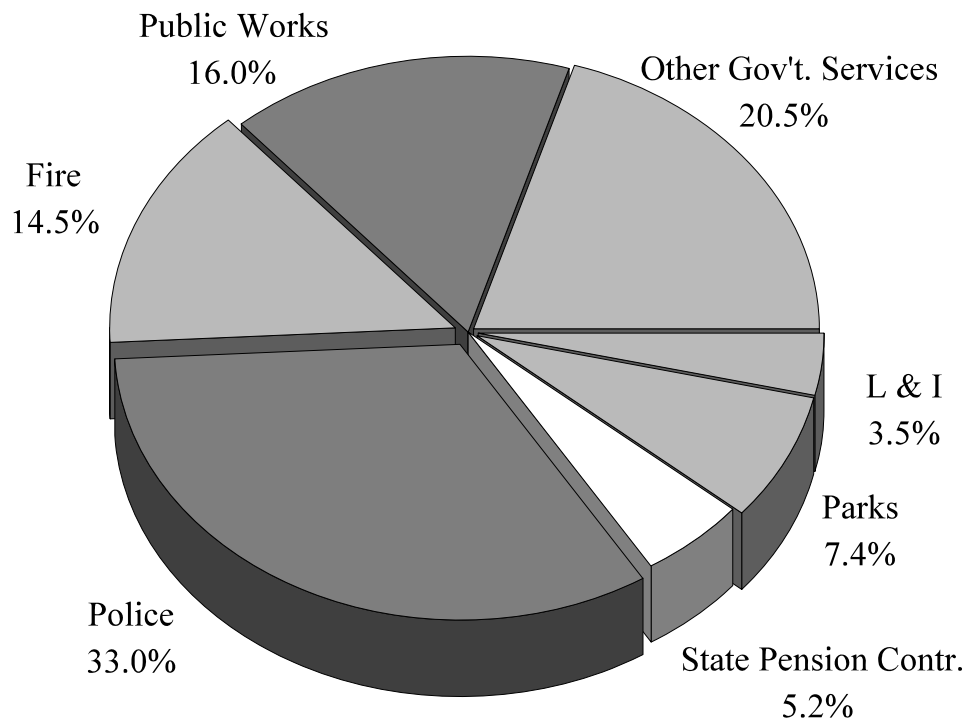
## SUMMARY OF GENERAL FUND FISCAL YEAR 2009

<u>Expenditures</u>	<u>Actual FY 2006</u>	<u>Actual FY 2007</u>	<u>Budget FY 2008</u>	<u>Budget FY 2009</u>	<u>Percent Change FY'09-'08</u>	<u>Page Reference*</u>
Mayor's Office	\$4,446,525	\$5,788,574	\$6,702,392	\$7,361,169	9.8%	93
Council	2,251,052	2,711,086	2,655,185	2,861,689	7.8%	105
Treasurer	391,018	419,533	419,200	461,126	10.0%	109
Planning	1,242,117	1,527,256	1,526,207	1,908,460	25.0%	116
Auditing	583,502	589,033	609,338	673,871	10.6%	124
Law	2,216,251	3,409,363	2,880,817	3,000,181	4.1%	129
Finance	3,948,125	4,592,718	5,759,402	7,386,897	28.3%	136
Personnel	1,441,063	1,617,315	1,688,438	2,000,933	18.5%	146
Licenses & Inspections	2,964,975	3,990,529	4,473,021	4,925,318	10.1%	158
Parks & Recreation	7,927,289	10,270,353	10,025,177	10,488,212	4.6%	166
Fire	16,989,911	19,676,762	18,585,214	20,402,244	9.8%	175
Police	35,603,169	40,416,911	41,127,779	47,117,027	14.6%	184
Public Works	15,891,628	19,643,796	22,040,549	22,614,984	2.6%	194
Real Estate & Housing	1,411,446	1,518,222	1,834,925	2,685,661	46.4%	208
State Pension Contr.	6,742,706	7,323,607	6,410,000	7,323,600	14.3%	176 & 184
Contingent Reserves**	<u>0</u>	<u>0</u>	<u>1,000,000</u>	<u>425,000</u>	<u>-57.5%</u>	93
<b>Total Expenditures</b>	<b><u>\$104,050,777</u></b>	<b><u>\$123,495,058</u></b>	<b><u>\$127,737,644</u></b>	<b><u>\$141,636,372</u></b>	<b><u>10.9%</u></b>	

\* See page listed for further information and details.

\*\* FY 2009 includes \$300,000 for operating contingencies and \$125,000 for snow and weather emergencies.

## General Fund Expenditures Fiscal Year 2009



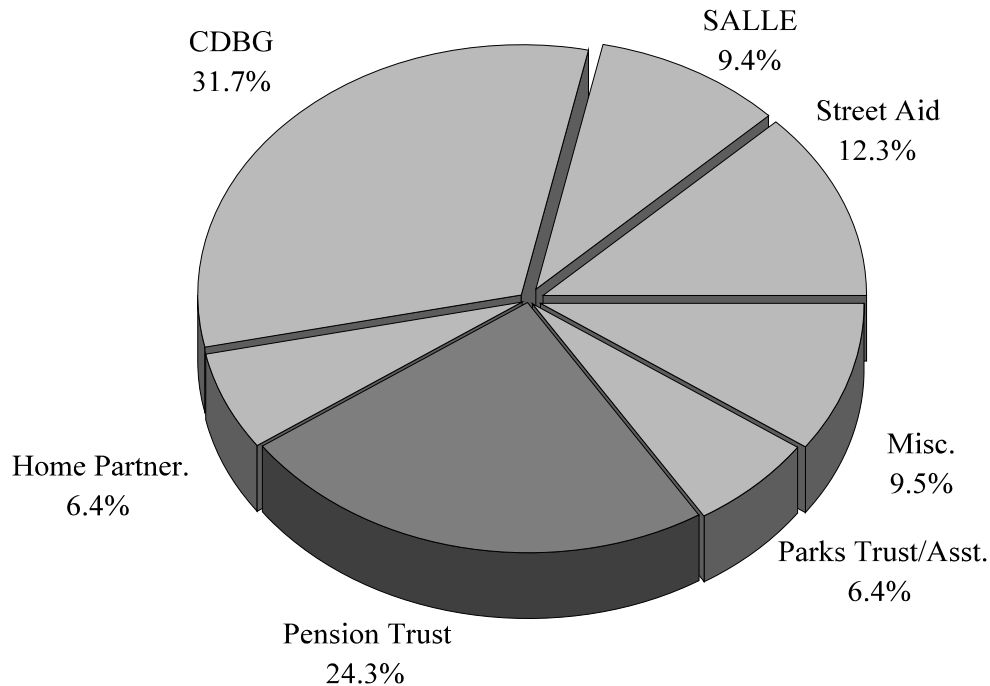
## SUMMARY OF SPECIAL FUNDS FISCAL YEAR 2009

<u>Revenues</u>	<u>Actual FY 2006</u>	<u>Actual FY 2007</u>	<u>Budget FY 2008</u>	<u>Budget FY 2009</u>	<u>Percent Change FY'09-'08</u>	<u>Page Reference*</u>
Municipal Street Aid	\$1,077,729	\$743,057	\$0	\$1,255,250	N/A	80
CDBG	3,480,492	2,250,364	3,307,352	3,227,208	-2.4%	80
HUD Section 8	1,994,158	1,924,446	0	0	N/A	80
NCC Police Grant	3,477,456	3,620,921	4,567,301	0	-100.0%	81
Parks Assistance	1,112,719	1,155,304	512,804	512,804	0.0%	81
Parks Trust Fund	76,033	80,542	149,386	134,121	-10.2%	81
SALLE/LLEBG	1,398,164	1,159,351	616,883	954,842	54.8%	82
Pension Admin.	2,130,820	1,976,761	2,179,648	2,477,993	13.7%	82
Home Partnership	482,226	331,614	676,049	654,769	-3.1%	82
Miscellaneous Grants	<u>1,485,347</u>	<u>1,723,904</u>	<u>912,560</u>	<u>968,092</u>	<u>-11.5%</u>	83
<b>Total Revenues</b>	<b><u>\$16,715,144</u></b>	<b><u>\$14,966,264</u></b>	<b><u>\$12,921,983</u></b>	<b><u>\$10,185,079</u></b>	<b><u>-21.2%</u></b>	

\* See page listed for further information and details.

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

## Special Funds Revenues Fiscal Year 2009





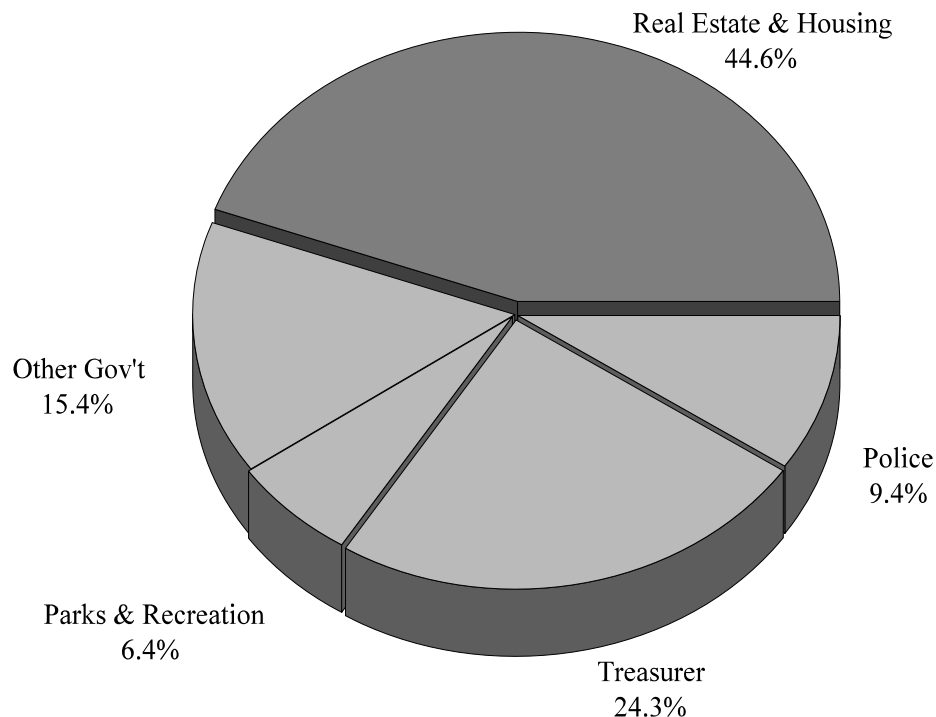
## SUMMARY OF SPECIAL FUNDS FISCAL YEAR 2009

<u>Expenditures</u>	<u>Actual FY 2006</u>	<u>Actual FY 2007</u>	<u>Budget FY 2008</u>	<u>Budget FY 2009</u>	<u>Percent Change FY'09-'08</u>	<u>Page Reference*</u>
Mayor's Office	\$123,329	\$249,516	\$51,055	\$55,031	7.8%	94
Treasurer	2,130,820	1,976,761	2,179,648	2,477,993	13.7%	110
Planning	60,815	64,501	59,368	56,485	-4.9%	116
Licenses & Inspections	326,251	0	0	0	0.0%	158
Parks & Recreation	1,188,752	1,235,846	662,190	646,925	-2.3%	166
Fire	479,664	637,898	200,188	200,188	0.0%	176
Police	4,875,620	4,780,272	5,184,184	954,842	-81.6%	184
Public Works	1,077,729	743,057	0	1,255,250	N/A	195
Real Estate & Housing	<u>6,452,164</u>	<u>5,278,413</u>	<u>4,585,350</u>	<u>4,538,365</u>	<u>-1.0%</u>	208
<b>Total Expenditures</b>	<b><u>\$16,715,144</u></b>	<b><u>\$14,966,264</u></b>	<b><u>\$12,921,983</u></b>	<b><u>\$10,185,079</u></b>	<b><u>-21.2%</u></b>	

\* See page listed for further information and details.

Total expenditures are equal to total revenues for purposes of appropriation. Therefore, there is no income, fund balance or change in fund balance for the Special Funds.

## Special Funds Expenditures Fiscal Year 2009



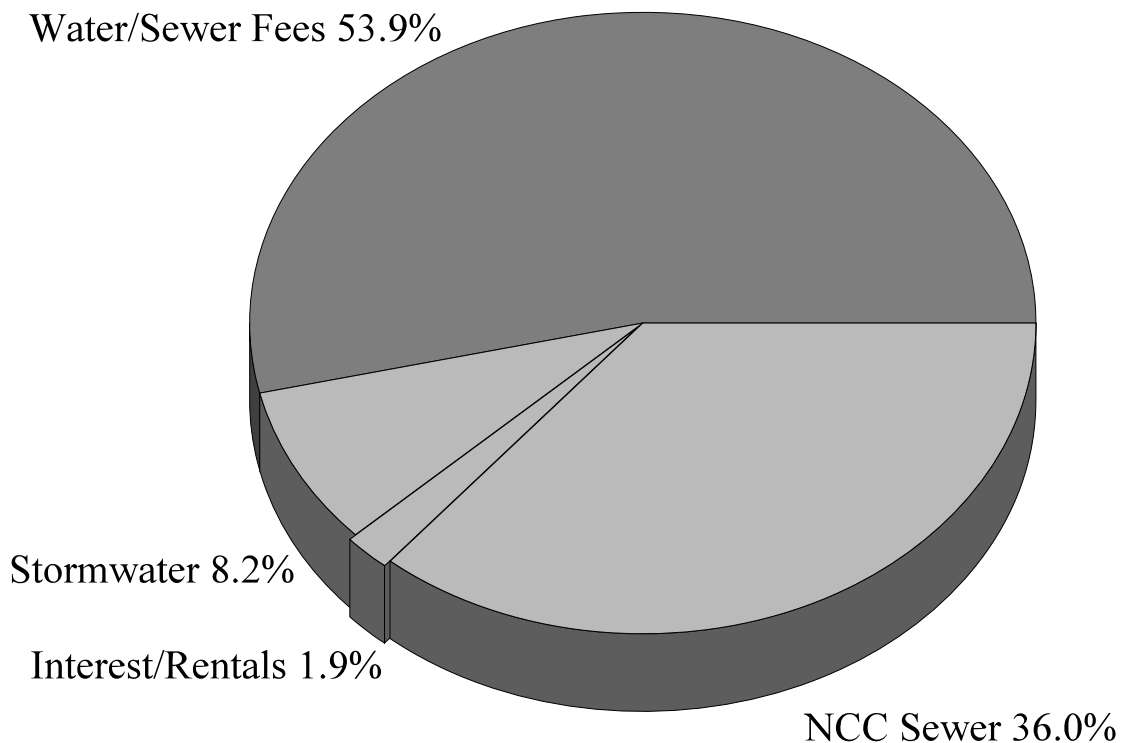
## SUMMARY OF WATER/SEWER FUND FISCAL YEAR 2009

<u>Revenues</u>	<u>Actual FY 2006</u>	<u>Actual FY 2007</u>	<u>Budget FY 2008</u>	<u>Budget FY 2009</u>	<u>Percent Change FY'09-'08</u>	<u>Page Reference*</u>
Water/Sewer						
User Fees	\$25,276,063	\$31,442,712	\$30,474,235	\$28,887,270	-5.2%	84
Stormwater Billings	0	1,956,170	5,181,143	4,381,143	-15.4%	85
New Castle County						
Sewer Services	15,818,123	16,242,123	18,401,123	19,321,940	5.0%	86
Interest**	0	500,000	500,000	250,000	-50.0%	87
Rentals**	0	788,875	450,000	770,000	71.1%	88
Transfer In	<u>0</u>	<u>5,000,000</u>	<u>0</u>	<u>0</u>	<u>N/A</u>	88
<b>Total Revenues</b>	<b><u>\$41,094,186</u></b>	<b><u>\$55,929,880</u></b>	<b><u>\$55,006,501</u></b>	<b><u>\$53,610,353</u></b>	<b><u>-2.5%</u></b>	

\* See page listed for further information and details.

\*\* 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 flow 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 2009

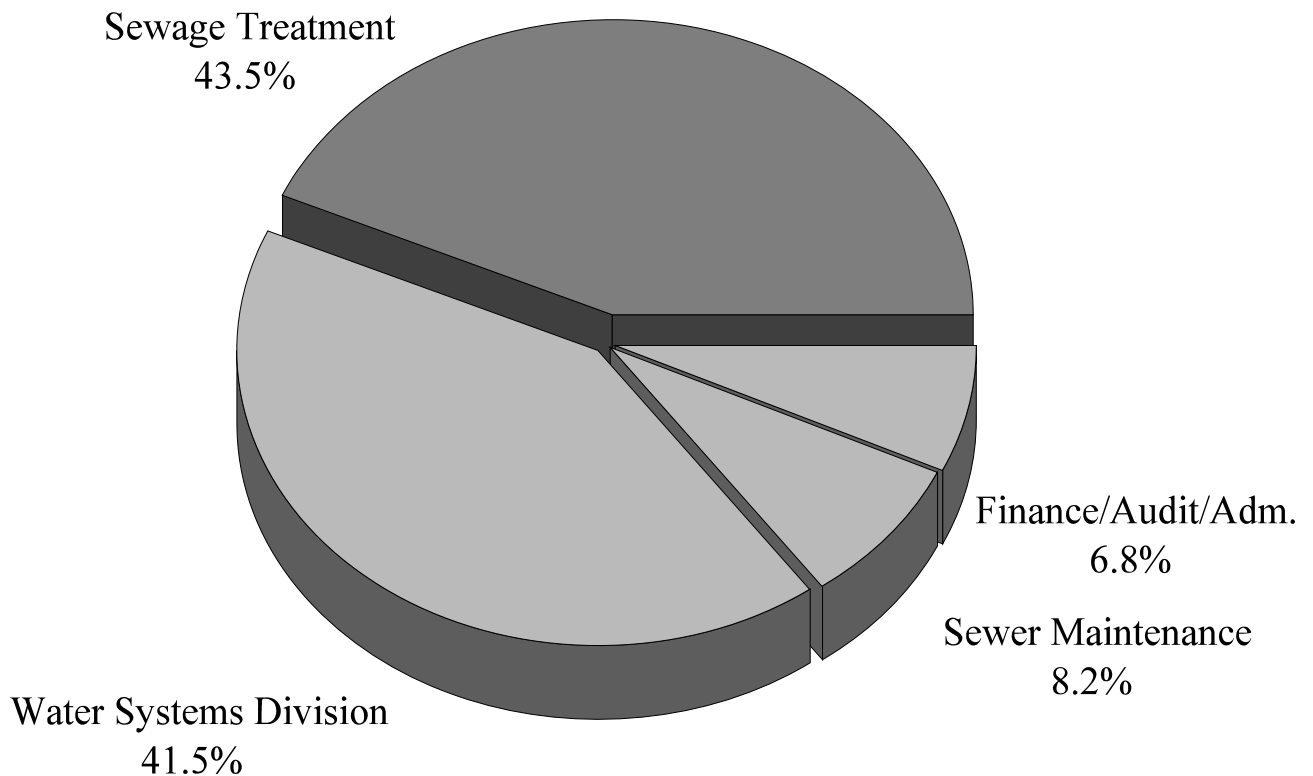


**SUMMARY OF WATER/SEWER FUND  
FISCAL YEAR 2009**

<u>Expenditures</u>	<u>Actual FY 2006</u>	<u>Actual FY 2007</u>	<u>Budget FY 2008</u>	<u>Budget FY 2009</u>	<u>Percent Change FY'09-'08</u>	<u>Page Reference*</u>
Auditing	\$54,400	\$54,220	\$54,600	\$56,200	2.9%	124
Finance	3,161,603	2,574,056	3,008,456	3,482,844	15.8%	136
Public Works	38,349,372	44,038,332	47,496,292	49,829,389	4.9%	194
<b>Total Expenditures</b>	<b><u>\$41,565,375</u></b>	<b><u>\$46,666,608</u></b>	<b><u>\$50,559,348</u></b>	<b><u>\$53,368,433</u></b>	<b><u>5.6%</u></b>	

\* See page listed for further information and details.

**Water/Sewer Fund Expenditures  
Fiscal Year 2009**



**SUMMARY OF COMMERCE FUND  
FISCAL YEAR 2009**

<b>Revenues</b>	<b>Actual FY 2006**</b>	<b>Actual FY 2007</b>	<b>Budget FY 2008</b>	<b>Budget FY 2009</b>	<b>Percent Change FY'09-'08</b>	<b>Page Reference*</b>
State Debt Reimbursement	\$8,987,339	\$1,189,934	\$1,124,961	\$2,832,098	151.8%	89
Sale Proceeds - Layton Home	1,567,500	0	0	0	0.0%	89
Miscellaneous	10,088	0	0	0	0.0%	89
Gain on Sale of Land	<u>0</u>	<u>408,069</u>	<u>0</u>	<u>0</u>	<u>0.0%</u>	89
<b>Total Revenues</b>	<b><u>\$10,564,927</u></b>	<b><u>\$1,598,003</u></b>	<b><u>\$1,124,961</u></b>	<b><u>\$2,832,098</u></b>	<b><u>151.8%</u></b>	

\* See page listed for further information and details.

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

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 dictated, however, that the remaining fund balance of the Commerce Fund had to be used exclusively for economic development activities. Thus, it was, and continues, to be the mandated policy that the fund balance of the Commerce fund will continue to be drawn down for economic development activities until the fund balance is depleted. Once the fund balance is spent down, as planned, those economic development activities and costs will be moved into the General Fund.

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 2009**

<b><u>Expenditures</u></b>	<b><u>Actual FY 2006</u></b>	<b><u>Actual FY 2007</u></b>	<b><u>Budget FY 2008</u></b>	<b><u>Budget FY 2009</u></b>	<b><u>Percent Change FY'09-'08</u></b>	<b><u>Page Reference*</u></b>
Mayor's Office	\$1,150,884	\$1,293,112	\$2,782,652	\$2,765,998	-0.6%	94
Commerce	<u>6,857,081</u>	<u>5,346,243</u>	<u>5,328,597</u>	<u>3,694,096</u>	<u>-30.7%</u>	221
<b>Total Expenditures</b>	<b><u>\$8,007,965</u></b>	<b><u>\$6,639,355</u></b>	<b><u>\$8,111,249</u></b>	<b><u>\$6,460,094</u></b>	<b><u>-20.4%</u></b>	

\* See page listed for further information and details.

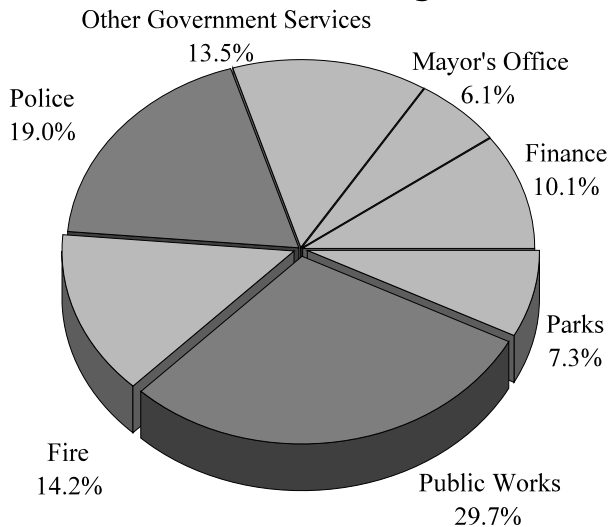
## SUMMARY OF INTERNAL SERVICE FUNDS FISCAL YEAR 2009

<u>Expenditures**</u>	<u>Actual FY 2006</u>	<u>Actual FY 2007</u>	<u>Budget FY 2008</u>	<u>Budget FY 2009</u>	<u>Percent Change FY'09-'08</u>	<u>Page Reference*</u>
Mayor's Office	\$4,476,228	\$4,736,672	\$5,395,737	\$7,003,722	29.8%	94
Personnel (Risk Mgmt., Work. Comp., Health)	14,190,423	18,715,179	17,066,663	18,609,658	9.0%	146
Public Works (Motor Vehicle)	<u>5,140,048</u>	<u>6,066,523</u>	<u>6,042,567</u>	<u>7,323,480</u>	<u>21.2%</u>	195
<b>Total Expenditures</b>	<b><u>\$23,806,699</u></b>	<b><u>\$29,518,374</u></b>	<b><u>\$28,504,967</u></b>	<b><u>\$32,936,860</u></b>	<b><u>15.5%</u></b>	

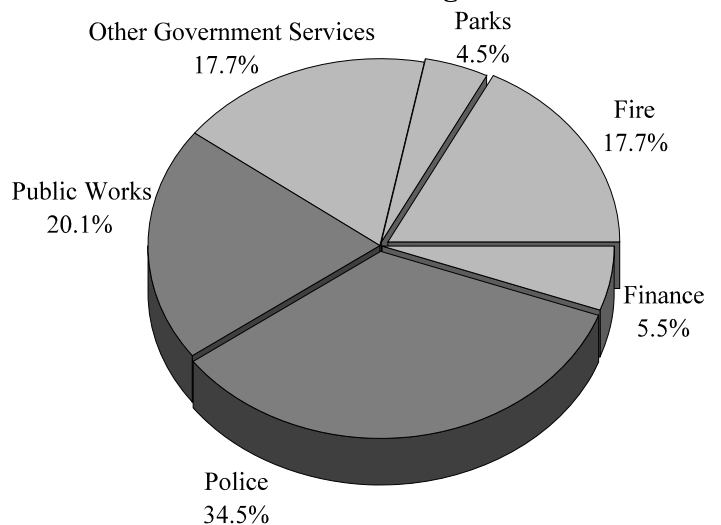
\* See page listed for further information and details.

\*\* 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 '09 Internal Service Charge Allocations



### Self-Insurance Program FY '09 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 LOCAL FUNDS 6 YEAR AND MATCHING PERIOD 6 YEAR PERIOD
		2008	2009	2010	2011	2012	2013	2013	2013	
PARKS AND RECREATION	G	5,757.5	0	2,855	0	2,575	0	11,187.5	0	11,187.5
	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	54,200	0	31,800	0	21,800	0	107,800	0	107,800
FIRE	G	5,700	0	900	0	0	0	6,600	0	6,600
POLICE	G	1,500	0	0	0	0	0	1,500	0	1,500
FINANCE	G	939.5	0	432	0	412	0	1,783.5	0	1,783.5
	W	1,685.5	0	954	0	654	0	3,293.5	0	3,293.5
	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	G	4,521	0	0	0	0	0	4,521	0	4,521
	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	30,918	0	14,837	0	14,137	0	59,892	0	59,892
	O	847.5	0	80	0	80	0	0	0	1,007.5
	W	55,885.5	0	32,754	0	22,454	0	111,093.5	0	111,093.5
	C	515	0	515	0	515	0	1,545	0	1,545
	I	515	0	0	0	0	0	515	0	515
GRAND TOTAL		88,681	0	48,186	0	37,186	0	173,045.5	0	174,053

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	1,250	0	0	0	0	0	1,250	1,250
	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	24,300	0	21,600	0	16,400	0	62,300	62,300
	UE	32,000	0	12,400	0	3,200	0	47,600	47,600
	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
	NR	3,000	0	0	0	0	0	3,000	3,000
POLICE	RE	1,500	0	0	0	0	0	1,500	1,500
FINANCE	NS	197	0	131	0	69	0	397	397
	RE	1,019	0	717	0	525	0	2,260	2,260
	UE	1,199	0	523	0	247	0	1,970	1,970
	NR	240	0	30	0	240	0	510	510
TRANSPORTATION	UE	4,100	0	3,550	0	3,550	0	11,200	11,200
OFFICE OF THE MAYOR	NS	2,210	0	500	0	500	0	3,210	3,210
	UE	1,100	0	0	0	0	0	1,100	1,100
	NR	2,211	0	0	0	0	0	2,211	2,211
REAL ESTATE & HOUSING	NS	300	0	700	0	1,000	0	2,000	2,000
TOTAL BY CATEGORY	New Service	6,957	0	4,531	0	2,369	0	13,857	13,857
	New Replace Existing	8,451	0	1,030	0	8,240	0	17,721	17,721
	Upgrade Existing	41,429	0	18,013	0	8,537	0	67,980	67,980
	Restore Existing	31,844	0	24,612	0	18,040	0	73,638	74,495
GRAND TOTAL		88,681	0	48,186	0	37,186	0	173,045.5	174,053

Expenditure Category: NS - New Service; NR - New Replace Existing; UE - Upgrade Existing; RE - Restore Existing (See pages 226-227)

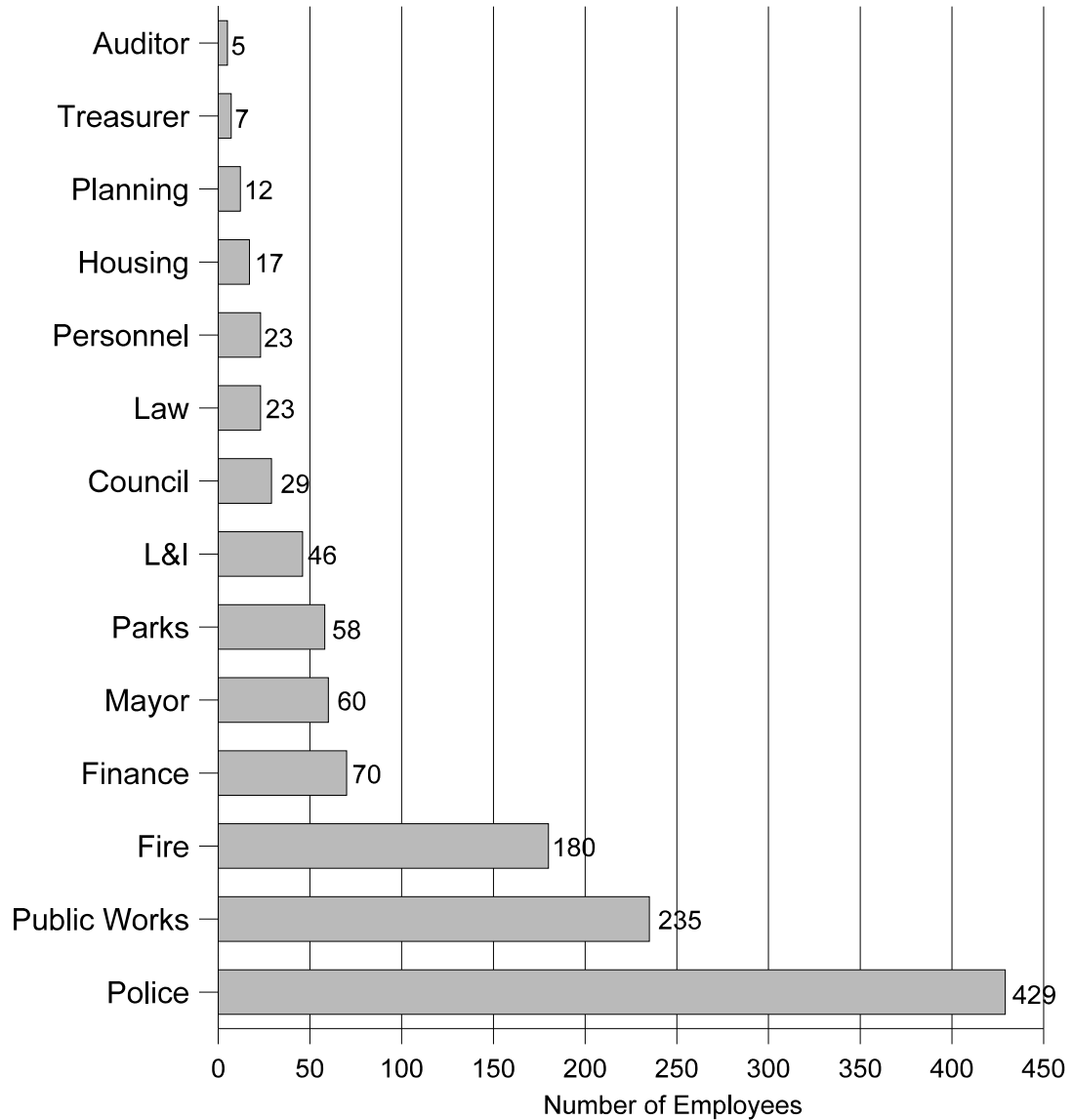


## SUMMARY OF STAFFING LEVELS FISCAL YEAR 2009

### TOTAL NUMBER OF EMPLOYEES ALL FUNDS

<b><u>Department</u></b>	<b><u>Actual FY2005</u></b>	<b><u>Actual FY2006</u></b>	<b><u>Actual FY2007</u></b>	<b><u>Budget FY2008</u></b>	<b><u>Budget FY2009</u></b>	<b><u>Net Change FY'09-'08</u></b>
Mayor's Office	45.00	46.00	61.00	60.00	60.00	0.00
Council	29.00	29.00	29.00	29.00	29.00	0.00
Treasurer	6.00	7.00	7.00	7.00	7.00	0.00
Planning	10.00	11.00	11.00	11.00	12.00	1.00
Auditing	5.00	5.00	5.00	5.00	5.00	0.00
Law	20.00	20.00	21.00	22.00	23.00	1.00
Finance	69.00	67.00	60.00	68.00	70.00	2.00
Personnel	21.00	21.00	22.00	22.00	23.00	1.00
Licenses & Inspections	37.00	39.00	44.00	45.00	46.00	1.00
Parks & Recreation	52.00	52.00	53.00	54.00	58.00	4.00
Fire	176.00	176.00	177.00	179.00	180.00	1.00
Police	377.00	386.00	407.00	429.00	429.00	0.00
Public Works	212.00	212.00	228.00	231.00	235.00	4.00
Real Estate & Housing	21.00	20.00	16.00	17.00	17.00	0.00
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>1,080</u></b>	<b><u>1,091</u></b>	<b><u>1,141</u></b>	<b><u>1,179</u></b>	<b><u>1,194</u></b>	<b><u>15.00</u></b>
<b>Total Employees per every 1,000 Persons in City Population</b>	<b><u>14.83</u></b>	<b><u>14.98</u></b>	<b><u>15.67</u></b>	<b><u>16.19</u></b>	<b><u>16.40</u></b>	

**TOTAL NUMBER OF CITY EMPLOYEES BY DEPT.  
FISCAL YEAR 2009  
(ALL FUNDS)**



Over 70% (or 844) of the City's employees work to provide Public Safety (Police & Fire) and Public Works services.

## SUMMARY OF STAFFING LEVELS FISCAL YEAR 2009

### GENERAL FUND NUMBER OF EMPLOYEES

<u>Department</u>	<u>Actual FY2005</u>	<u>Actual FY2006</u>	<u>Actual FY2007</u>	<u>Budget FY2008</u>	<u>Budget FY2009</u>	<u>Net Change FY'09-'08</u>
Mayor's Office	26.54	26.54	27.50	29.50	29.50	0.00
Council	29.00	29.00	29.00	29.00	29.00	0.00
Treasurer	2.92	3.42	3.42	3.42	3.42	0.00
Planning	9.60	10.60	10.60	10.60	11.60	1.00
Auditing	5.00	5.00	5.00	5.00	5.00	0.00
Law	20.00	20.00	21.00	22.00	23.00	1.00
Finance	30.40	30.30	33.70	38.85	39.75	0.90
Personnel	14.00	14.00	15.00	15.00	16.00	1.00
Licenses & Inspections	30.03	34.00	44.00	45.00	46.00	1.00
Parks & Recreation	52.00	52.00	53.00	54.00	58.00	4.00
Fire	176.00	176.00	177.00	179.00	180.00	1.00
Police	365.00	330.00	352.00	369.00	423.00	54.00
Public Works	99.50	99.50	121.50	124.00	129.25	5.25
Real Estate & Housing	2.76	2.80	1.60	2.20	2.41	0.21
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>862.75</u></b>	<b><u>833.16</u></b>	<b><u>894.32</u></b>	<b><u>926.57</u></b>	<b><u>995.93</u></b>	<b><u>69.36</u></b>

### SPECIAL FUNDS NUMBER OF EMPLOYEES

<u>Department</u>	<u>Actual FY2005</u>	<u>Actual FY2006</u>	<u>Actual FY2007</u>	<u>Budget FY2008</u>	<u>Budget FY2009</u>	<u>Net Change FY'09-'08</u>
Mayor's Office	1.46	0.46	0.50	0.50	0.50	0.00
Treasurer	3.08	3.58	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	0.90	0.00	0.00	0.00	0.00	0.00
Licenses and Inspections	6.97	5.00	0.00	0.00	0.00	0.00
Real Estate and Housing	18.24	17.20	14.40	14.80	14.59	(0.21)
Parks and Recreation	0.00	0.00	0.00	0.00	0.00	0.00
Police	12.00	56.00	55.00	60.00	6.00	(54.00)
<b>TOTAL</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>25.07</u></b>	<b><u>(54.21)</u></b>

**SUMMARY OF STAFFING LEVELS  
FISCAL YEAR 2009**

**WATER/SEWER FUND  
NUMBER OF EMPLOYEES**

<u>Department</u>	<u>Actual FY2005</u>	<u>Actual FY2006</u>	<u>Actual FY2007</u>	<u>Budget FY2008</u>	<u>Budget FY2009</u>	<u>Net Change FY'09-'08</u>
Finance	28.70	27.70	26.30	29.15	30.25	1.10
Public Works	<u>112.50</u>	<u>112.50</u>	<u>106.50</u>	<u>107.00</u>	<u>105.75</u>	<u>(1.25)</u>
<b>TOTAL</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>136.00</u></b>	<b><u>(0.15)</u></b>

**COMMERCE FUND  
NUMBER OF EMPLOYEES**

<u>Department</u>	<u>Actual FY2005</u>	<u>Actual FY2006</u>	<u>Actual FY2007</u>	<u>Budget FY2008</u>	<u>Budget FY2009</u>	<u>Net Change FY'09-'08</u>
Commerce	0.00	0.00	0.00	0.00	0.00	0.00
Mayor's Office	<u>8.00</u>	<u>7.00</u>	<u>8.00</u>	<u>9.00</u>	<u>9.00</u>	<u>0.00</u>
<b>TOTAL</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>9.00</u></b>	<b><u>0.00</u></b>

**INTERNAL SERVICE FUNDS  
NUMBER OF EMPLOYEES**

<u>Department</u>	<u>Actual FY2005</u>	<u>Actual FY2006</u>	<u>Actual FY2007</u>	<u>Budget FY2008</u>	<u>Budget FY2009</u>	<u>Net Change FY'09-'08</u>
Mayor's Office	9.00	12.00	25.00	21.00	21.00	0.00
Personnel	7.00	7.00	7.00	7.00	7.00	0.00
Finance	<u>9.00</u>	<u>9.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
<b>TOTAL</b>	<b><u>25.00</u></b>	<b><u>28.00</u></b>	<b><u>32.00</u></b>	<b><u>28.00</u></b>	<b><u>28.00</u></b>	<b><u>0.00</u></b>
<b>TOTAL ALL FUNDS</b>	<b><u>1,080</u></b>	<b><u>1,091</u></b>	<b><u>1,141</u></b>	<b><u>1,179</u></b>	<b><u>1,194</u></b>	<b><u>15.00</u></b>

# Actual and Projected Fund Balances and Net Assets

**FUND BALANCE  
GENERAL FUND  
FISCAL YEAR 2009**

<b>Fund Balance Activity</b>	<b>Actual FY 2007</b>	<b>Estimated FY 2008</b>	<b>Projected FY 2009</b>
Fund Balance as of July 1	\$58,044,416	\$51,603,947	\$53,107,071
Excess of Revenues Over/(Under) Expenditures	6,636,871	1,228,124	(225,198)
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 *	(4,852,340)	-	-
Transfer from/(to) Commerce Fund *	<u>(3,500,000)</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources/(Uses)	(13,077,340)	275,000	275,000
<b>Net Change in Fund Balance</b>	<b>(6,440,469)</b>	<b>1,503,124</b>	<b>49,802</b>
<b>Total Fund Balance as of June 30</b>	<b><u>\$51,603,947</u></b>	<b><u>\$53,107,071</u></b>	<b><u>\$53,156,873</u></b>
<b>Summary of Fund Balance</b>			
Special Designation Reserves	\$5,500,000	\$4,688,400	\$3,938,400
Permanent Investment Reserves	19,880,198	20,494,260	20,519,161
Budget Reserves	<u>26,223,749</u>	<u>27,924,411</u>	<u>28,699,312</u>
<b>Total Fund Balance as of June 30</b>	<b><u>\$51,603,947</u></b>	<b><u>\$53,107,071</u></b>	<b><u>\$53,156,873</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, \$13,352,350 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 2009**

<b>Fund Net Assets Activity</b>	<b>Actual FY 2007</b>	<b>Estimated FY 2008</b>	<b>Projected FY 2009</b>
Net Assets as of July 1	\$72,791,885	\$82,814,962	\$81,988,387
Excess of Revenues Over/(Under) Expenditures	8,457,100	4,644,284	5,230,373
Non-Operating Revenues/(Expenses)			
Interest Expense	(3,861,912)	(5,470,859)	(4,988,453)
Other	<u>427,889</u>	<u>-</u>	<u>-</u>
Total Non-Operating Revenues/(Expenses)	(3,434,023)	(5,470,859)	(4,988,453)
Income/(Loss) Before Transfers	5,023,077	(826,575)	241,920
Transfer from/(to) General Fund	<u>5,000,000</u>	<u>-</u>	<u>-</u>
<b>Change in Net Assets</b>	<b>10,023,077</b>	<b>(826,575)</b>	<b>241,920</b>
<b>Total Net Assets as of June 30</b>	<b><u>\$82,814,962</u></b>	<b><u>\$81,988,387</u></b>	<b><u>\$82,230,307</u></b>

**Summary of Fund Net Assets**

Invested in Capital Assets, Net of Related Debt	\$112,769,291	\$112,769,291	\$112,769,291
Unrestricted	<u>(29,954,329)</u>	<u>(30,780,904)</u>	<u>(30,538,984)</u>
<b>Total Fund Net Assets as of June 30</b>	<b><u>\$82,814,962</u></b>	<b><u>\$81,988,387</u></b>	<b><u>\$82,230,307</u></b>

**FUND BALANCE  
COMMERCE FUND  
FISCAL YEAR 2009**

<b>Fund Balance Activity</b>	<b>Actual FY 2007</b>	<b>Estimated FY 2008</b>	<b>Projected FY 2009</b>
Fund Balance as of July 1	\$10,517,702	\$8,620,524	\$1,702,745
Excess of Revenues Over/(Under) Expenditures	(6,325,228)	(6,826,177)	(3,627,996)
Other Financing Sources/(Uses)			
Proceeds from the Sale of Assets	408,069	-	-
Transfer from/(to) General Fund	3,500,000	-	-
Net Accounting Adjustments & Other Transfers	<u>519,981</u>	<u>(91,602)</u>	<u>2,000,000</u>
Total Other Financing Sources	4,428,050	(91,602)	2,000,000
<b>Net Change in Fund Balance</b>	<b>(1,897,178)</b>	<b>(6,917,779)</b>	<b>(1,627,996)</b>
<b>Total Fund Balance of June 30</b>	<b><u>\$8,620,524</u></b>	<b><u>\$1,702,745</u></b>	<b><u>\$74,749</u></b>

**Summary of Fund Balance**

Economic Development Reserves	<u>\$8,620,524</u>	<u>\$1,702,745</u>	<u>\$74,749</u>
<b>Total Fund Balance as of June 30</b>	<b><u>\$8,620,524</u></b>	<b><u>\$1,702,745</u></b>	<b><u>\$74,749</u></b>

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 dictated, however, that the remaining fund balance of the Commerce Fund had to be used exclusively for economic development activities. Thus, it was, and continues to be, the mandated policy that the fund balance of the Commerce fund will continue to be drawn down for economic development activities until the fund balance is depleted. Once the fund balance is spent down, as planned, economic development activities and will be moved into the General Fund.



**CONSOLIDATED FUND BALANCE & NET ASSETS  
GENERAL, WATER/SEWER & COMMERCE FUNDS  
FISCAL YEAR 2009**

<b>Fund Balance &amp; Net Assets Activity</b>	<b>Actual FY 2007</b>	<b>Estimated FY 2008</b>	<b>Projected FY 2009</b>
Fund Balance & Net Assets as of July 1	\$141,354,003	\$143,039,433	\$136,798,203
Excess of Revenues Over/(Under) Expenditures	8,768,743	(953,769)	1,377,179
Total Other Financing Sources/(Uses)	(8,649,290)	183,398	2,275,000
Total Non-Operating Revenues/(Expenses)			
Water Fund	(3,434,023)	(5,470,859)	(4,988,453)
Operating Transfer to Water Fund from General Fund	5,000,000	-	-
<b>Change in Fund Balance &amp; Net Assets</b>	<b>1,685,430</b>	<b>(6,241,230)</b>	<b>(1,336,274)</b>
<b>Total Fund Balance &amp; Net Assets as of June 30</b>	<b>\$143,039,433</b>	<b>\$136,798,203</b>	<b>\$135,461,929</b>

**Summary of Fund Balance & Net Assets**

Special Designation Reserves	\$5,500,000	\$4,688,400	\$3,938,400
Permanent Investment Reserves	19,880,198	20,494,260	20,519,161
Budget Reserves	26,223,749	27,924,411	28,699,312
Invested in Capital Assets, Net of Related Debt	112,769,291	112,769,291	112,769,291
Unrestricted	(29,954,329)	(30,780,904)	(30,538,984)
Economic Development Reserves	8,620,524	1,702,745	74,749
<b>Total Fund Balance &amp; Net Assets as of June 30</b>	<b>\$143,039,433</b>	<b>\$136,798,203</b>	<b>\$135,461,929</b>

# City of Wilmington General Fund

## ACTUAL & PROJECTED REVENUES AND EXPENDITURES

<u>Revenue Type</u>	<u>Actual FY 2007</u>	<u>Projected FY 2008</u>	<u>Budget FY 2009</u>	<u>Projected FY 2010</u>	<u>Projected FY 2011</u>	<u>Projected FY 2012</u>	<u>Projected FY 2013</u>
Wage & Net Profits Tax	\$51,930,463	\$51,306,089	\$55,277,658	\$61,417,088	\$62,529,181	\$63,555,255	\$65,041,665
Property Tax	30,227,452	30,966,500	32,568,875	32,704,375	32,806,000	32,812,775	32,819,618
Real Estate Transfer Tax	5,940,697	4,750,000	7,152,313	5,806,359	4,866,190	4,963,514	5,062,784
Head Tax	2,154,655	2,300,000	2,186,000	2,234,000	2,282,000	2,330,000	2,378,000
Franchise Tax	2,044,714	2,063,333	2,405,866	2,502,101	2,602,185	2,927,104	3,014,485
Licenses, Permits, Fees & Fines	9,109,357	9,525,000	10,722,900	10,788,300	10,855,662	10,925,045	10,996,509
Interest Income	5,234,150	5,000,000	4,250,000	4,608,182	5,004,795	5,024,659	5,116,529
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	1,846,101	1,738,000	1,738,000	1,738,000	1,738,000	1,738,000	1,738,000
Task Force Revenues	4,853,882	4,857,500	4,878,000	4,999,950	5,124,949	5,253,072	5,384,399
County Seat Relief Package	6,682,189	7,899,698	10,123,429	9,059,350	9,198,668	9,341,470	9,487,842
State Pension Contribution	7,323,607	6,410,000	7,323,600	7,506,690	7,694,357	7,886,716	8,083,884
<b>Total Revenues</b>	<b>\$130,131,927</b>	<b>\$129,600,653</b>	<b>\$141,411,174</b>	<b>\$146,148,927</b>	<b>\$147,486,520</b>	<b>\$149,542,144</b>	<b>\$151,908,249</b>

<u>Expenditure Type</u>	<u>Actual FY 2007</u>	<u>Projected FY 2008</u>	<u>Budget FY 2009</u>	<u>Projected FY 2010</u>	<u>Projected FY 2011</u>	<u>Projected FY 2012</u>	<u>Projected FY 2013</u>
Salaries and Wages	\$51,684,702	\$54,931,220	\$61,243,232	\$63,166,330	\$64,877,248	\$66,631,336	\$68,429,637
Health Benefits	8,659,124	9,530,476	10,264,559	10,547,633	11,200,458	11,892,454	12,625,969
Pension and Retirement	10,583,857	8,467,763	9,789,577	10,368,476	10,886,900	11,431,245	12,002,807
Other Employee Benefits	2,150,596	2,366,643	2,766,187	2,853,048	2,930,325	3,009,553	3,090,777
Equipment & Services	15,123,272	20,322,083	20,437,936	20,452,017	20,980,000	21,522,274	22,079,242
General Liability	3,723,622	1,198,098	1,258,006	1,289,456	1,321,693	1,354,735	1,388,603
Workers' Compensation	3,042,365	2,604,273	2,734,486	2,820,352	2,896,743	2,975,063	3,055,356
Internal Services	8,925,547	9,379,036	12,077,748	12,255,393	12,636,470	13,034,543	13,450,784
Debt Service	11,590,117	12,193,599	13,093,932	12,514,040	11,897,521	8,847,785	8,201,451
Special Purpose	688,247	969,339	647,109	657,953	669,068	680,460	692,138
State Pension Contribution	7,323,607	6,410,000	7,323,600	7,506,690	7,694,357	7,886,716	8,083,884
<b>Total Expenditures</b>	<b>\$123,495,056</b>	<b>\$128,372,529</b>	<b>\$141,636,372</b>	<b>\$144,431,386</b>	<b>\$147,990,782</b>	<b>\$149,266,164</b>	<b>\$153,100,649</b>
<b>Operating Surplus/(Deficit)</b>	<b>\$6,636,871</b>	<b>\$1,228,124</b>	<b>(\$225,198)</b>	<b>\$1,717,541</b>	<b>(\$504,262)</b>	<b>\$275,980</b>	<b>(\$1,192,400)</b>
<b>Net Adj. &amp; Transfers In/(Out)</b>	<b>(13,077,340)</b>	<b>275,000</b>	<b>275,000</b>	<b>275,000</b>	<b>275,000</b>	<b>275,000</b>	<b>275,000</b>
<b>Surplus/(Deficit)</b>	<b>(\$6,440,469)</b>	<b>\$1,503,124</b>	<b>\$49,802</b>	<b>\$1,992,541</b>	<b>(\$229,262)</b>	<b>\$550,980</b>	<b>(\$917,400)</b>
<b>Total Fund Balance</b>	<b>\$51,603,947</b>	<b>\$53,107,070</b>	<b>\$53,156,873</b>	<b>\$55,149,414</b>	<b>\$54,920,153</b>	<b>\$55,471,132</b>	<b>\$54,553,732</b>

## ASSUMPTIONS USED IN PROJECTIONS

### BASE YEAR

For Fiscal Year (FY) 2009, the Approved Budget is shown and is the base year upon which the FY 2010-2013 projections are built. In general, we have sought to use prudent, conservative assumptions when developing these projections. Of course, with every budget line item, some risks are present. In areas of particular known risk, we have sought to identify these concerns in the detail below. FY 2009 embodies projected year-end revenues that have been reviewed by the Wilmington Economic & Financial Advisory Council.

### GENERAL INFLATION ASSUMPTIONS

The Office of Management and Budget relies on the Survey of Professional Forecasters for its general inflation projections. Conducted by the Federal Reserve Bank of Philadelphia, this survey is the oldest quarterly survey of macroeconomic forecasts in the United States. The May 13, 2008 release projects a decline in CPI growth from over 3% in 2008 to below 2.5% percent in 2009 and 2010. Median long-range expectations for CPI growth are slightly higher, at 2.6% per year.

Year	Survey of Professional Forecasters Projected Annual CPI Increase
2008	3.3%
2009	2.4%
2010	2.3%
2011	2.6%

*Federal Reserve Bank of Philadelphia, Survey of Professional Forecasters, May 13, 2008*

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. Therefore 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 & Net Profit Taxes (FY 2009 Base Year: \$55,277,658 - 38.8% of total revenues)**

The base for the FY 2009 Wage Tax projection was the FY 2008 Second Quarter projection of \$47.8 million. To that base, a 3.75% growth factor was applied (attributed mainly to expected general average salary increases), yielding an additional \$1.8 million. Additional growth to the base has been, and continues to be, greatly assisted by the Finance Department's initiative to enhance collection efforts in this area. A program matching tax information from the State to the City's database was begun in FY 2007, and has proven very successful in identifying non-paying resident and non-resident wage earners. In FY 2009, the Finance Department will add another position and funding for CPA firms to enable additional audits and reviews. These audits and reviews are projected to result in another \$1.25 million in Wage Tax revenue. Finally, the Justison Landing development project is estimated to add just under \$500,000. In all, Wage Taxes are projected to increase to a new total of \$51.3 million in FY 2009.

Net Profits Tax revenue is projected to increase \$440,000, from a total of \$3.5 million in the FY 2008 Budget, to a new total of \$3.94 million in FY 2009. \$140,000 was added to the FY 2008 Budget base to match the increase seen in the FY 2007 year-end figure, and \$300,000 was added as a result of the use of CPA firms by the Finance Department to do additional audits and reviews (as mentioned above).

In their June 2008 report, the Delaware Economic and Financial Advisory Council (DEFAC) projected 4.0% growth for FY 2009 and 5.5% for FY 2010 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, volatility of the City's single largest revenue source remains high. As such, a somewhat more conservative out-year growth factor is necessary. Given the above, City Wage & Net Profit Tax receipts are projected to grow an annual average of 3.75% starting in FY 2010, with additional growth of \$160,000 in FY 2010 and \$130,000 in FY 2011 due to the Justison Landing Project.

Lastly, the Finance Department has projected that as a result of its audit, review and collection programs, significant additional revenues will continue to be realized over the next several years. For FY 2010, more than \$3.9 million is forecasted, with declining, but still sizable amounts of \$2.9 million, \$1.8 million, and \$1 million projected for FY 2011, 2012, and 2013, respectively.

### **Property Tax (FY 2009 Base Year: \$32,568,875 - 22.9% of total revenues)**

For FY 2009, there is no change to the tax rate. Property Taxes are however projected to increase by \$1.6 million. The property tax base has begun to expand, and it appears that this will result in an increase of about \$500,000 by the start of FY 2009. In addition, the Finance Department is projecting an increase of \$250,000 as a result of its continuing Plan for Change, while new housing and retail developments at Justison Landing and Christina Landing are projected to add \$852,375 to the base. There is no increase in the property tax rate for the entire projection period.

### **Real Estate Transfer Tax (FY 2009 Base Year: \$7,152,313 - 5.0% 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. The FY 2009 net base of \$4.0 million factors out the effects of one-time sales of large commercial buildings and the high turnover that was caused by speculative investment activity in the residential market. Added to the \$4.0 million net base for FY 2009 are the effects of various large development projects, including Christina Landing, Justison Landing, Speakman Place, and Sienna Hall, totaling \$2.91 million. Another \$240,000 has been added to account for one or two large commercial transactions. This brings the FY 2009 Transfer Tax projection up to \$7.15 million. Starting in FY 2010, a net base of \$4.2 million is projected to grow 2% annually through FY 2013, with the only other additional revenue projected to come from sales at the continuing Justison Landing Project.

**Head Tax (FY 2009 Base Year: \$2,186,000 - 1.5% 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 some major corporations. As a result, Head Tax reflects a net of 400 additional jobs each year beginning in FY 2010.

**Franchise Tax (FY 2009 Base Year: \$2,405,866 - 1.7% of total revenues)**

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. For FY 2009, a 4% increase is projected on the FY 2008 budget of \$2.3 million, yielding a new total of \$2.4 million. It should be noted that the City is currently in dispute with Delmarva over the method of calculation of the franchise fee for electricity, but that is projected to be settled before the end of FY 2009. Growth of both of these sources is projected at 4% beginning in FY 2010.

**Licenses, Permits, Fees, and Fines (FY 2009 Base Year: \$10,722,900 - 7.5% of total revenues)**

Licenses, Permits and Fees revenue will rise by a modest \$72,900, which represents a 4% increase to building permits and fire plans review fees. Construction activity, especially downtown and along the Riverfront, is expected to continue in FY 2009. Fines include revenue from the red-light cameras, other miscellaneous traffic and criminal fines, and the new L&I Instant Ticketing Program. With the addition of ten red-light cameras in FY 2009, along with better collection as a result of the Finance's Department's Plan for Change, red-light camera revenues are expected to rise more than \$1.0 million over the FY 2008 Budget. There is no change expected to the \$425,000 base attributed to miscellaneous traffic and criminal fines. Being new, the L&I Instant Ticketing Program was not included in the FY 2008 Budget. But, based on actual revenues in FY 2008, we are projecting at least \$100,000 from the Instant Ticketing Program in FY 2009. As a whole, Criminal/Traffic revenue is projected to total \$2.3 million in FY 2009, up from \$1.2 million in the FY 2008 Budget. Parking Tickets/Booting revenue is forecast to stay at the FY 2008 budgeted level. Revenues in this category were pulled down \$500,000 in the FY 2008 First Quarter projection, when a sharp decline in ticket writing and booting was observed. Delays in filling vacancies and other personnel management issues are expected to be resolved, giving confidence that the \$4 million level can be reached in FY 2009. The Building Permits & Fire Plan Review Fees portion of this revenue source (with a base of \$2.18 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 2009 Base Year: \$4,250,000 - 3.0% of total revenues)**

Because of the recent drastic cuts in interest rates by the Federal Reserve, the Treasurer's Office has substantially reduced its interest earnings forecast for FY 2009. The benefit of investing the proceeds from a recent bond issuance, while offsetting the reduction to the base somewhat, is not nearly large enough to prevent the FY 2009 total from dropping \$750,000 from the FY 2008 Budget. The FY 2009 projection for interest earnings is \$4,250,000. For projection purposes, an interest rate of 2.5% in FY 2009 is increased by 12.5 basis points each year and assumes the following additions to the investment base:

1. A weighted average of \$5.5 million dollars from the remaining unspent portion of the FY 2008 Capital Borrowing will be invested in FY 2010.
2. A weighted average of \$11 million from the remaining unspent portion of an assumed FY 2011 Capital Borrowing will be invested in FY 2011.
3. A weighted average of \$5.5 million from the unspent portion of an assumed FY 2011 Capital Borrowing will be invested in FY 2012.

**Indirect Costs (FY 2009 Base Year: \$2,784,533 - 2.0% 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 2009 Base Year: \$1,738,000 - 1.2% of total revenues)**

Other Revenues will decrease by \$500,000 because of a return to a previous accounting treatment for the Delaware Solid Waste Authority's (DSWA) annual landfill fee rebate. Usually booked as a reimbursement to the landfill fee expense line, last year the Accounting Division changed the designation of this item to a revenue. Subsequent to the FY 2008 Budget passage, the City's auditors requested that the rebate be returned back to a reimbursement as it was handled in the past. Thus, the \$500,000 credit was removed from the revenue side of the FY 2009 budget, causing a \$500,000 decrease to appear when compared to last year. All other items in this category were held constant. No growth is forecasted in these Revenues.

**Task Force Revenues (FY 2009 Base Year: \$4,878,000 - 3.4% of total revenues)**

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 (LLC's). The State also passed enabling legislation allowing the City to create a 2% Lodging Tax, and also a 2% Natural Gas Franchise Fee on gross sales of natural gas in the City. For FY 2009, all four of the components of the Task Force Revenues are projected to increase to match the trends of FY 2008 Second Quarter projections. The overall rise in the Task Force Revenues category is \$445,500. For the out-years, Task Force Revenues are projected to increase by 2.5% per year.

**County Seat Relief Package (FY 2009 Base Year: \$10,123,429 - 7.1% of total revenues)**

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 2009 projections are based primarily on information that had been provided by the State Finance Secretary's Office. The revenues include \$2.5 million for a payment in lieu of taxes (PILOT) for State-owned properties in the City (which are normally exempt from the City property tax), \$5.5 million 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 \$1.15 million in New Castle County Corporate Filing Fees.

As written into the original State legislation, beginning in FY 2009, there will no longer be a set-aside reduction made by the State before forwarding UCC filing fees revenue to the City, as had been the case the previous two fiscal years. Therefore, the amount projected to be received will increase by over \$2.6 million, to a new total of \$5.5 million in FY 2009. Minor changes to the FY 2009 projections for the New Castle County Corporate Filing Fees (down \$150,000) and the PILOT (up \$141,500) roughly net out.

However, it should be noted that subsequent to the enactment of the City's operating budget, the State Legislature introduced a bill that eventually could reduce the total percentage share of UCC filing fees forwarded to the City in an attempt to partially counteract the effect of the removal of the set-aside mentioned above. As a result, Fiscal Years 2010 and beyond reflect an estimated reduction of about \$1.2 million to the UCC revenue base. For Fiscal Years 2010 and beyond, only the UCC and New Castle County Filing Fees portion of the total County Seat Relief Package base is projected to grow 2.5% annually.

**State Pension Contribution (FY 2009 Base Year: \$7,323,600 - 5.1% of total revenues)**

The State Pension Contribution, the grant from the State that is now booked as a pass-through in the General Fund to meet the requirements of GASB pronouncement #24, was increased by \$913,600, to new total of \$7,323,600 for FY 2009. This was done to, at a minimum, match the level of actual receipts last year. There is an equal and offsetting increase to the budgets of the Police and Fire Departments of \$574,700 and \$338,900 respectively. The payments are forecast to grow by 2.5% beginning in FY 2010.

**Net Adjustments & Transfers (FY 2009 Base Year: \$1,025,000 - 0.7% of total revenues)**

FY 2009 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 \$750,000 for specific expenditures of a limited-term nature. Because this designation is not a true revenue source, it is not listed under the revenue category for the projections on page 56. However, when calculating the percentage that each individual revenue source represents of the total, the designation and the WPA transfer were considered as being part of FY 2009 total revenues, as requested by City Council.

## EXPENDITURES

### **Salaries and Wages (FY 2009 Base Year: \$61,243,232 - 43.2% of total expenditures)**

As of the beginning of FY 2009, the City has reached contract agreements with its labor, trades, and craft workers union, as well as with the Police rank and file. (The City remains in contract negotiations with its remaining unions, as all of their contracts had expired by the beginning of FY 2008.) To assure that the City's salaries and wages are competitive with both other jurisdictions and the private sector, both contracts include pay scale revisions as well as general cost-of-living adjustments, resulting in pay increases above the rate of inflation. Similar salary scale adjustments have been provided to the City's non-union employees. These contracts, as well as estimates of the non-union employee costs, form the basis for the Salaries and Wages projections. Due to the recent pay scale changes, annual cost-of-living increases are projected to be limited to an average of 2.0% for FY 2010-2013.

### **Health Benefits, Active Employees (FY 2009 Base Year: \$10,264,559 - 7.3% of total expenditures)**

The 2008 Segal Health Plan Cost Trend Survey indicates that growth in health plan costs, while still increasing 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 in recent fiscal years (down sharply from the 12% to 15% per year in past budgets). The City's 3-Tier Prescription Drug Program, first implemented in FY 2006, serves to further restrain these costs. With higher co-payments than the previous 2-Tier Program, it has yielded about \$600,000 in cost savings annually. In addition, beginning in FY 2009 the City will implement an employee contribution for health benefits, resulting in a savings of approximately \$330,000 per year. Considering these factors, the City's Risk Manager has estimated out-year annual cost growth of 6%.

### **Pension and Retirement (FY 2009 Base Year: \$9,789,577 - 6.9% 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.

### **Other Employee Benefits (FY 2009 Base Year: \$2,766,187 - 1.9% of total expenditures)**

This category consists primarily of payroll taxes, with additional costs including life insurance and post-retirement medical coverage. These costs in the aggregate are projected to generally track salary increases.

### **Equipment and Services (FY 2009 Base Year: \$20,437,936 - 14.4% of total expenditures)**

This is a relatively broad grouping of expenditures that includes costs such as professional services contracts, landfill fees, and utilities, as well as basic materials, supplies, and equipment. In general, managers have demonstrated an ability to effectively contain aggregate costs across these categories. However, certain initiatives, unfunded mandates, and general inflationary pressures have increased the base by \$1.48 million, and those new costs are incorporated in the FY 2009 Budget and beyond. These include increased maintenance and electricity costs for City-owned buildings, road maintenance and traffic safety improvements, an expanded downtown camera program, enhanced and expanded 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 (although they are budgeted separately in the Budget Book summaries). These reserves are projected to remain at the combined current budget level of \$425,000 in each of the years subsequent to FY 2009. As a result of deregulation in Delaware, electricity rates for the City rose 59% on May 1, 2006. To more accurately estimate future costs, electricity is analyzed separately, resulting in a FY 2009 General Fund electricity base cost of



\$1.75 million. Electricity rates in subsequent years are projected to increase at 4% per year. Excluding electricity and reserves, the remaining base of this expenditure grouping is expected to respond to overall inflationary pressures of 2.5% per year.

**General Liability (FY 2009 Base Year: \$1,258,006 - 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 2009 Base Year: \$2,734,486 - 1.9% of total expenditures)**

Actual Workers' Compensation expenditures, which are actuarially determined, have been highly volatile from year to year. The FY 2009 budget, which is derived from these expenditures, was used as a base for forecasting purposes. Annual growth is projected to parallel growth in Salaries and Wages.

**Internal Services (FY2009 Base Year: \$12,077,748 - 8.5% 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 has resulted in double-digit increases to Data Processing costs in recent years. However, as the core elements of this program have been implemented, ongoing cost increases should be significantly smaller. As such, Data Processing costs are estimated to increase by 2.5% for each year subsequent to FY 2009.

In addition, the City has seen significant cost increases in the Motor Vehicle fund, due to new vehicle purchases, updated depreciation calculations, and most importantly, higher gasoline and diesel fuel prices and consumption. These fuel cost increases are projected to continue at 10% for each year subsequent to FY 2009. All other Motor Vehicle costs are expected to grow by 2.5% annually.

For the other services making up the rest of the category, it is assumed that average annual inflationary pressures of 2.5% will apply. This results in a weighted average growth of approximately 2.7% annually for the Internal Services category as a whole (excluding General Liability and Workers' Compensation) for FY 2010-2013.

**Debt Service (FY2009 Base Year: \$13,093,932 - 9.2% of total expenditures)**

Debt Service is based on the existing debt schedules as provided by the Finance Department. New borrowing of \$20 million is assumed to take place early in FY 2011 with a bond interest rate of 4.5%. New debt service is calculated to be level over 20 years, with semiannual payments and no capitalization of interest. It should be noted that due to the timing of this borrowing, only one half-year of debt service is paid in FY 2011, with full-year debt service payments beginning in the following fiscal year.

**Special Purpose (FY2009 Base Year: \$647,109 - 0.5% of total expenditures)**

This relatively small expenditure category funds services provided by the Delaware SPCA, the Wilmington Institute Free Library, and the Wilmington Arts Commission. Special Purpose also includes the City's ongoing commitment to the now-reopened Rock Manor Golf Course. The costs for Rock Manor are expected to continue at the FY 2009 budgeted level of \$213,000 for the remainder of this projection. All other Special Purpose spending assumes 2.5% annual growth on the FY 2009 base, net of the Rock Manor commitment.

**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, \$13,352,350 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.

# FISCAL YEAR 2009 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 \$12,777,008, or 9.9%, over the Fiscal Year (FY) 2008 Budget to a new total of \$141,411,174. The net change from Budget to Budget (FY 2009 vs. FY 2008) can be broken down as follows:

REVENUE	INCREASE/ (DECREASE)	TOTAL
Wage & Net Profits Tax	\$3,971,569	\$55,277,658
Other Taxes	3,280,846	11,744,179
County Seat Relief Package	2,615,218	10,123,429
Property Taxes	1,602,375	32,568,875
Fines	1,125,000	6,325,000
State Pension Contribution	913,600	7,323,600
Task Force Revenue	445,500	4,878,000
Licenses, Permits and Fees	72,900	4,397,900
Other Revenues	(500,000)	4,522,533
Interest	(750,000)	4,250,000
<b>TOTAL</b>	<b>\$12,777,008</b>	<b>\$141,411,174</b>

### Wage and Net Profits Tax

The base for the FY 2009 Wage Tax projection was the FY 2008 Second Quarter projection of \$47.8 million. To that base, a 3.75% growth factor was applied (attributed mainly to expected general average salary increases), yielding an additional \$1.8 million. Additional growth to the base has been, and continues to be, greatly assisted by the Finance Department's initiative to enhance collection efforts in this area. A program matching tax information from the State to the City's database was begun in FY 2007, and has proven very successful in identifying non-paying resident and non-resident wage earners. In FY 2009, the Finance Department will add another position and funding for CPA firms to enable additional audits and reviews.

# FISCAL YEAR 2009 REVENUES

## Overview

### GENERAL FUND (continued)

These audits and reviews are projected to result in another \$1.25 million in Wage Tax revenue. Finally, the Justison Landing development project is estimated to add just under \$500,000 next year. In all, Wage Taxes are projected to increase to a new total of \$51.3 million in FY 2009.

Net Profits Tax revenue is projected to increase \$440,000, from a total of \$3.5 million in the FY 2008 Budget, to a new total of \$3.94 million in FY 2009. \$140,000 was added to the FY 2008 Budget base to match the increase seen in the FY 2007 year-end figure, and \$300,000 was added as a result of the use of CPA firms by the Finance Department to do additional audits and reviews (as mentioned above).

### 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 slightly to \$5.6 million, FY 2007 was back up to almost \$6 million. Recognizing that a sharp decline in real estate sales was inevitable, the FY 2008 Budget was projected at \$4 million. That \$4 million base, while acknowledging a slower pace of sales, recognizes that activity has permanently expanded as a result of growth in the City's residential and commercial markets, especially at the Riverfront. For FY 2009, the effects of various large projects were added to the \$4 million base, along with a figure to acknowledge the one or two large commercial transactions that can occur unexpectedly. Estimated transfer taxes in FY 2009 from the Christina Landing, Justison Landing, Speakman Place, and Sienna Hall developments total over \$2.9 million. Adding another \$240,000 to account for any unexpected commercial transaction brings the FY 2009 Transfer Tax projection up to \$7.15 million.

Head Tax budgeted revenues are projected to increase by \$150,000 during FY 2008 because of the one-time collection of unpaid accounts. Eliminating the skewing effects of that one-time payment, the FY 2009 starting base was set at \$2,150,000, the same as the FY 2008 Budget. A projection of a modest net increase of 300 new jobs results in a \$36,000 increase to the base for a new FY 2009 projection of \$2,186,000.

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. For FY 2009, a 4% increase is projected on the FY 2008 budget of \$2.3 million, yielding a new total of \$2.4 million for FY 2009. It should be noted that the City is currently in dispute with Delmarva over the method of calculation of the franchise fee for electricity, but that is projected to be settled before the end of FY 2009.

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 2009 projections are based

# FISCAL YEAR 2009 REVENUES

## Overview

### GENERAL FUND (continued)

primarily on information that had been provided by the State Finance Secretary's Office. The revenues include \$2.5 million for a payment in lieu of taxes (PILOT) for State-owned properties in the City (which are normally exempt from the City property tax), \$5.5 million 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 \$1.15 million in New Castle County Corporate Filing Fees.

As written into the State legislation, beginning in FY 2009, there will no longer be a set-aside reduction made by the State before forwarding UCC filing fees revenue to the City, as had been the case the previous two fiscal years. Therefore, the amount projected to be received (without the set-aside reduction) will increase by over \$2.6 million, to a new total of \$5.5 million in FY 2009. Minor changes to the FY 2009 projections for the New Castle County Corporate Filing Fees (down \$150,000) and the PILOT (up \$141,500) roughly net out.

**Property Taxes** are projected to increase by \$1.6 million. The property tax base has begun to expand, and it appears that this will result in an increase of about \$500,000 by the start of FY 2009. In addition, the Finance Department is projecting an increase of \$250,000 as a result of its continuing Plan for Change, while new housing and retail developments at Justison Landing and Christina Landing are projected to add \$852,375. There is no change to the property tax rate.

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

**Criminal/Traffic** includes revenue from the red-light cameras, other miscellaneous traffic and criminal fines, and the new L&I Instant Ticketing Program. With the addition of ten red-light cameras in FY 2009, along with better collections as a result of the Finance's Department's Plan for Change, red-light camera revenues are expected to rise more than \$1.0 million over the FY 2008 Budget. There is no change expected to the \$425,000 part of the base attributed to the miscellaneous traffic and criminal fines piece of this category. Being new, the L&I Instant Ticketing Program was not included in the FY 2008 Budget. But, based on actuals coming in this year, we are projecting at least \$100,000 from the Instant Ticketing Program next year. As a whole, Criminal/Traffic revenue is projected to total \$2.3 million in FY 2009, up from \$1.2 million in the FY 2008 Budget. **Parking Tickets/Booting** revenue is forecast to stay at the FY 2008 budgeted level. Revenues in this category were pulled down \$500,000 in the FY 2008 First Quarter projection, when a sharp decline in ticket writing and booting was observed. Problems with vacancies and other personnel management issues are expected to be resolved before the end of this fiscal year, giving confidence that the \$4 million level can be reached in FY 2009.

**The State Pension Contribution**, the grant from the State that is now booked as a pass-through in the General Fund to meet the requirements of GASB pronouncement #24, was increased by \$913,600, to new total of \$7,323,600 for FY 2009. This was done to, at a minimum, match the level of actual receipts last year. There is an equal and offsetting increase to the budgets of the Police and Fire Departments of \$574,700 and \$338,900 respectively.

# FISCAL YEAR 2009 REVENUES

## Overview

### GENERAL FUND (continued)

**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 (LLC's). 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 2009, all four of the components of the Task Force Revenues are projected to increase from the FY 2008 Budget as a result of matching the FY 2009 revenues to the FY 2008 Second Quarter projections. The overall rise in the Task Force Revenues category is \$445,500.

**Licenses, Permits and Fees** revenue will rise by a modest \$72,900, which represents a 4% increase to building permits and fire plans review fees. Construction activity, especially downtown and along the Riverfront, is expected to continue in FY 2009.

**Other Revenues** will decrease by \$500,000 because of a return to a previous accounting treatment for the Delaware Solid Waste Authority's (DSWA) annual landfill fee rebate. Usually booked as a reimbursement to the landfill fee expense line, last year the Accounting Division changed the designation of this item to a revenue. Subsequent to the FY 2008 Budget passage, the City's auditors requested that the rebate be returned back to a reimbursement as it was handled in the past. Thus, the \$500,000 credit was removed from the revenue side of the FY 2009 budget, causing a \$500,000 decrease to appear when compared to last year. All other items in this category were held constant.

Because of the recent drastic cuts in interest rates by the Federal Reserve, the Treasurer's Office has substantially reduced its **Interest Earnings** forecast for FY 2009. The benefit of investing the proceeds from an expected bond issuance this Spring, while offsetting the reduction to the base somewhat, is not nearly large enough to prevent the FY 2009 total from dropping \$750,000 from the FY 2008 Budget. The FY 2009 projection for interest earnings is \$4,250,000.

# FISCAL YEAR 2009 REVENUES

## Overview

### WATER/SEWER FUND

Total Water/Sewer Fund revenues are projected to decrease \$1.4 million, from \$55 million last year, to a new total of \$53.6 million in FY 2009. Water/Sewer revenues are a combination of Water/Sewer User Fees, Stormwater Billings, New Castle County (NCC) Sewer, Interest, and Rentals. Each of these categories has different factors affecting it.

### Water/Sewer User Fees

The private water utilities serving the City's suburbs have recently begun to experience a drop in water consumption. Because the City is also beginning to see the same trend, a 5.2% reduction to consumption was projected for FY 2009. As a result, \$1.6 million has been taken out of last year's Water/Sewer User Fees base of \$30.5 million, yielding a new Water/Sewer User Fees revenue base of \$28.9 million for FY 2009.

### Stormwater Billings

In mid-FY 2007, a separate stormwater property fee was enacted and charged to all property owners in the City. The fee is not based on a consumption factor, but on the size of a property and the characteristics of that parcel's land and buildings as they relate to the generation of storm runoff. The Stormwater Billings base last year was \$5.2 million. However, a number of larger property owners have filed appeals. As a result, the FY 2009 Stormwater Billings revenue base is being reduced by \$800,000, to a new total of \$4.4 million.

### New Castle County Sewer

The City's contract to provide sewage treatment for New Castle County expired at the end of FY 2007. A fairly-priced contractual fee for FY 2008, FY 2009, and beyond has yet to be agreed upon with NCC. Based on higher forecasted operating costs and the escalation history of prices over the last five years (both of which were much greater than the 2.75% annual inflation factor allowed by the previous contract), a new base fee of about \$18.9 million for FY 2009 has been requested. This is up \$900,000 from the request of \$18 million we made to NCC for FY 2008. The City also receives \$401,000 in reimbursement from NCC for annual debt service in connection with an aeration basin the City built to accommodate additional NCC flows. That reimbursement will be the same as last year.

### Interest and Rentals

Previously, all interest earned on City cash balances, regardless of source, was booked as revenue to the General Fund. Starting last year, to help bolster the Water/Sewer Fund, interest revenue earned on cash produced by Water/Sewer Fund activities was booked as revenue to the Water/Sewer Fund. In FY 2008, interest was budgeted at \$500,000. But because of sharply dropping interest rates, that amount has been reduced to \$250,000 for FY 2009. On the plus side, the water tank rental portion of Rental fees is projected to increase by \$320,000, yielding a new total of \$770,000 for Rentals revenue in FY 2009.

# REVENUE PROJECTIONS AND CRITICAL ASSUMPTIONS

## General Fund Revenues Fiscal Year 2009

### WAGE & NET PROFITS TAX

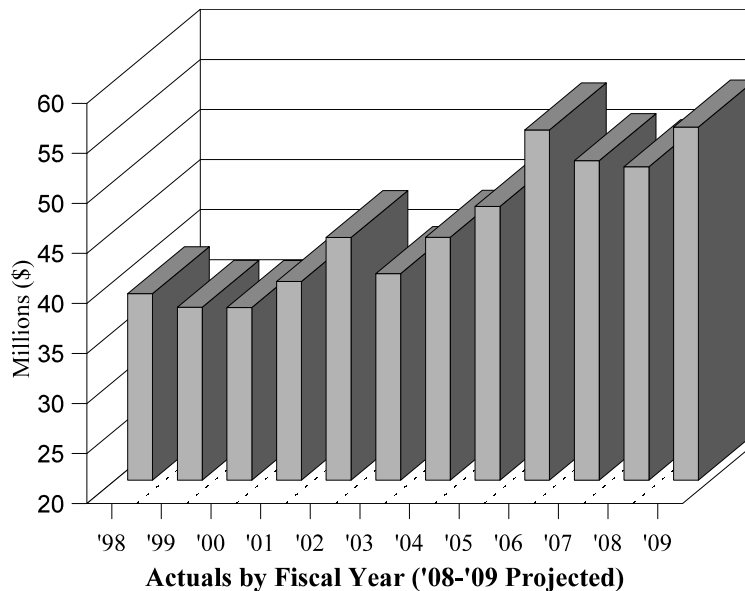
**Basis:** Growth of local economy

**Critical Assumption:** The base for the FY 2009 Wage Tax projection was the FY 2008 Second Quarter projection of \$47.8 million. To that base, a 3.75% growth factor was applied (attributed mainly to expected general average salary increases), yielding an additional \$1.8 million. Additional growth to the base has been, and continues to be, greatly assisted by the Finance Department’s initiative to enhance collection efforts in this area. A program matching tax information from the State to the City’s database was begun in FY 2007, and has proven very successful in identifying non-paying resident and non-resident wage earners. In FY 2009, the Finance Department will add another position and funding for CPA firms to enable additional audits and reviews. These audits and reviews are projected to result in another \$1.25 million in Wage Tax revenue. Finally, the Justison Landing development project is estimated to add just under \$500,000 next year. In all, Wage Taxes are projected to increase to a new total of \$51.3 million in FY 2009.

Net Profits Tax revenue is projected to increase \$440,000, from a total of \$3.5 million in the FY 2008 Budget, to a new total of \$3.94 million in FY 2009. \$140,000 was added to the FY 2008 Budget base to match the increase seen in the FY 2007 year-end figure, and \$300,000 was added as a result of the use of CPA firms by the Finance Department to do additional audits and reviews (as mentioned above).

FY 2006 Actual	FY 2007 Actual	FY 2008 Budget	FY 2008 Projected	FY 2009 Budget
\$55,077,817	\$51,930,463	\$51,306,089	\$51,306,089	\$55,277,658

### Wage & Net Profits Tax Revenue





# REVENUE PROJECTIONS AND CRITICAL ASSUMPTIONS

## General Fund Revenues Fiscal Year 2009

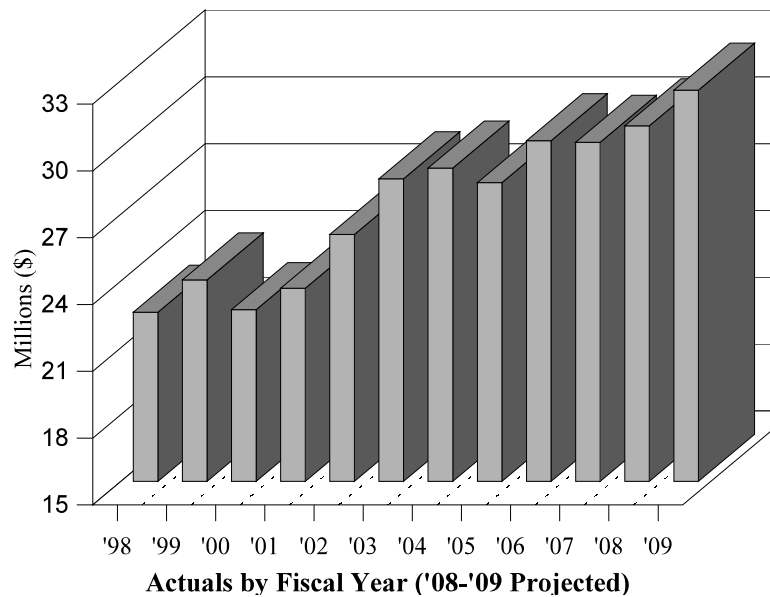
### PROPERTY TAX

**Basis:** Assessment Roles

**Critical Assumption:** Property Taxes are projected to increase by \$1.6 million. The property tax base has begun to expand, and it appears that this will result in an increase of about \$500,000 by the start of FY 2009. In addition, the Finance Department is projecting an increase of \$250,000 as a result of its continuing Plan for Change, while new housing and retail developments at Justison Landing and Christina Landing are projected to add \$852,375. There is no change to the property tax rate.

FY 2006 Actual	FY 2007 Actual	FY 2008 Budget	FY 2008 Projected	FY 2009 Budget
\$30,309,406	\$30,227,452	\$30,966,500	\$30,966,500	\$32,568,875

### Property Tax Revenue



# REVENUE PROJECTIONS AND CRITICAL ASSUMPTIONS

## General Fund Revenues Fiscal Year 2009

### OTHER TAXES

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

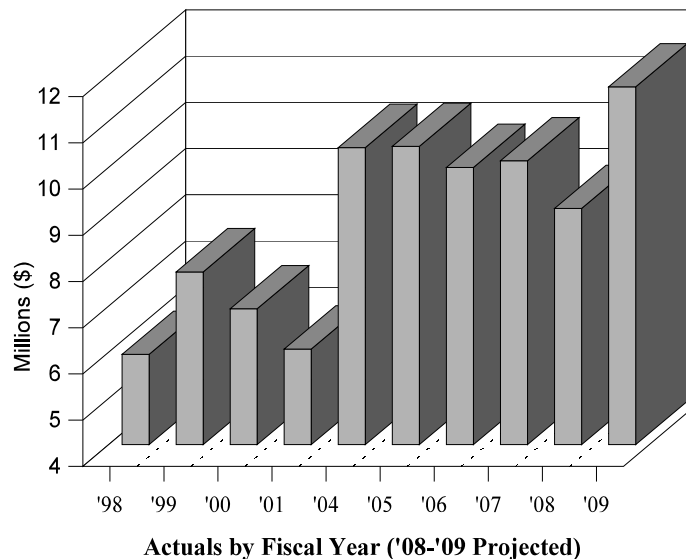
**Critical Assumption:** Real Estate Transfer Tax revenues topped out at more than \$6 million in both Fiscal Years 2004 and 2005. While FY 2006 declined slightly to \$5.6 million, FY 2007 was back up to almost \$6 million. Recognizing that a sharp decline in real estate sales was inevitable, the FY 2008 Budget was projected at \$4 million. Added to the \$4 million base for FY 2009 are the effects of various large projects, including Christina Landing, Justison Landing, Speakman Place, and Sienna Hall, totaling \$2.91 million. Another \$240,000 has been added to account for one or two large commercial transactions. This brings the Transfer Tax projection up to \$7.15 million.

**Head Tax** budgeted revenues are projected to increase by \$150,000 during FY 2008 because of the one-time collection of unpaid accounts. Eliminating the skewing effects of that one-time payment, the FY 2009 starting base was set at \$2,150,000, the same as the FY 2008 Budget. A projection of a modest net increase of 300 new jobs results in a \$36,000 increase to the base for a new FY 2009 projection of \$2,186,000.

**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. For FY 2009, a 4% increase is projected on the FY 2008 budget of \$2.3 million, yielding a new total of \$2.4 million for FY 2009. It should be noted that the City is currently in dispute with Delmarva over the method of calculation of the franchise fee for electricity, but that is projected to be settled before the end of FY 2009.

FY 2006 Actual	FY 2007 Actual	FY 2008 Budget	FY 2008 Projected	FY 2009 Budget
\$9,977,234	\$10,140,066	\$8,463,333	\$9,113,333	\$11,744,179

### Other Taxes



# REVENUE PROJECTIONS AND CRITICAL ASSUMPTIONS

## General Fund Revenues Fiscal Year 2009

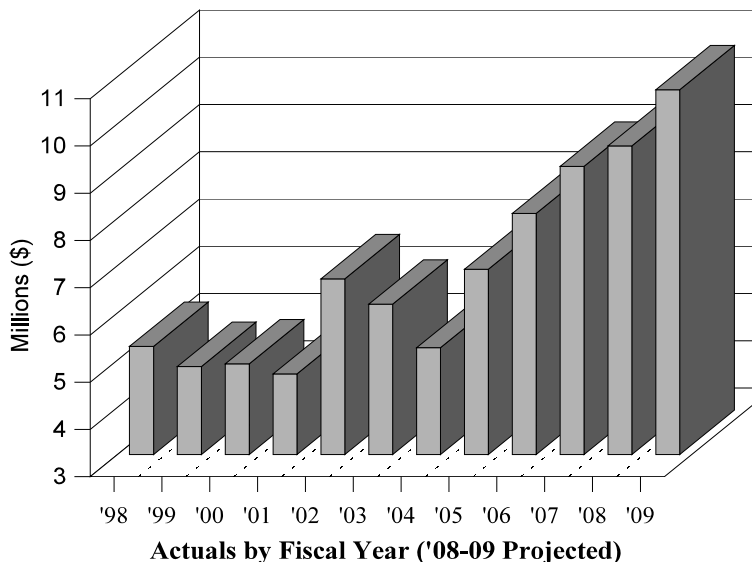
### LICENSES, PERMITS, FEES, AND FINES

**Basis:** Trend analysis

**Critical Assumption:** Licenses, Permits and Fees revenue will rise by a modest \$72,900, which represents a 4% increase to building permits and fire plans review fees. Construction activity, especially downtown and along the Riverfront, is expected to continue in FY 2009. Fines include revenue from the red-light cameras, other miscellaneous traffic and criminal fines, and the new L&I Instant Ticketing Program. With the addition of ten red-light cameras in FY 2009, along with better collection as a result of the Finance’s Department’s Plan for Change, red-light camera revenues are expected to rise more than \$1.0 million over the FY 2008 Budget. There is no change expected to the \$425,000 base attributed to miscellaneous traffic and criminal fines. Being new, the L&I Instant Ticketing Program was not included in the FY 2008 Budget. But, based on actuals coming in this year, we are projecting at least \$100,000 from the Instant Ticketing Program in FY 2009. As a whole, Criminal/Traffic revenue is projected to total \$2.3 million, up from \$1.2 million in the FY 2008 Budget. Parking Tickets/Booting revenue is forecast to stay at the FY 2008 budgeted level. Revenues in this category were pulled down \$500,000 in the FY 2008 First Quarter projection, when a sharp decline in ticket writing and booting was observed. Delays in filling vacancies and other personnel management issues are expected to be resolved, giving confidence that the \$4 million level can be reached in FY 2009.

FY 2006 Actual	FY 2007 Actual	FY 2008 Budget	FY 2008 Projected	FY 2009 Budget
\$8,100,564	\$9,109,357	\$9,525,000	\$9,525,000	\$10,722,900

### Licenses, Permits, Fees & Fines



**REVENUE PROJECTIONS AND CRITICAL ASSUMPTIONS**

**General Fund Revenues  
Fiscal Year 2009**

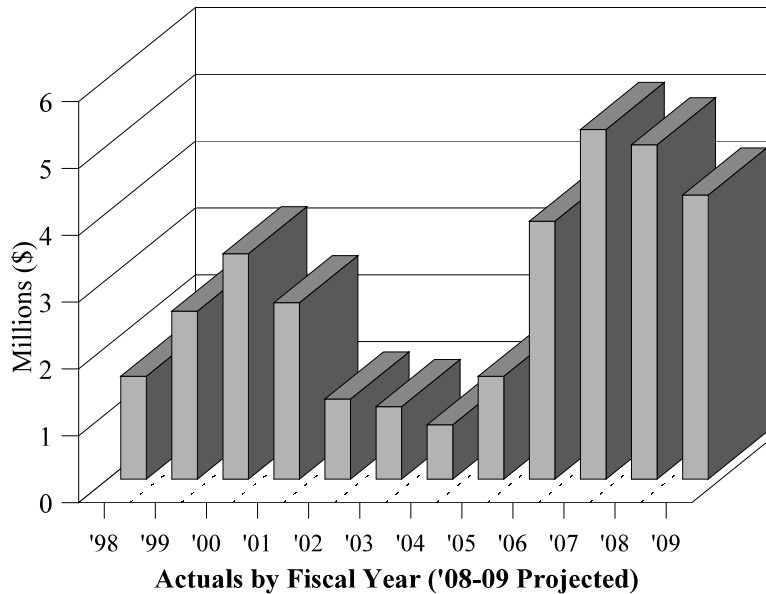
**INTEREST**

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

**Critical Assumption:** Because of the recent drastic cuts in interest rates by the Federal Reserve, the Treasurer’s Office has substantially reduced its Interest earnings forecast for FY 2009. The benefit of investing the proceeds from a recent bond issuance, while offsetting the reduction to the base somewhat, is not nearly large enough to prevent the FY 2009 total from dropping \$750,000 from the FY 2008 Budget. The FY 2009 projection for interest earnings is \$4,250,000.

<b>FY 2006 Actual</b>	<b>FY 2007 Actual</b>	<b>FY 2008 Budget</b>	<b>FY 2008 Projected</b>	<b>FY 2009 Budget</b>
\$3,858,255	\$5,234,150	\$5,000,000	\$5,000,000	\$4,250,000

**Interest Revenue**



# REVENUE PROJECTIONS AND CRITICAL ASSUMPTIONS

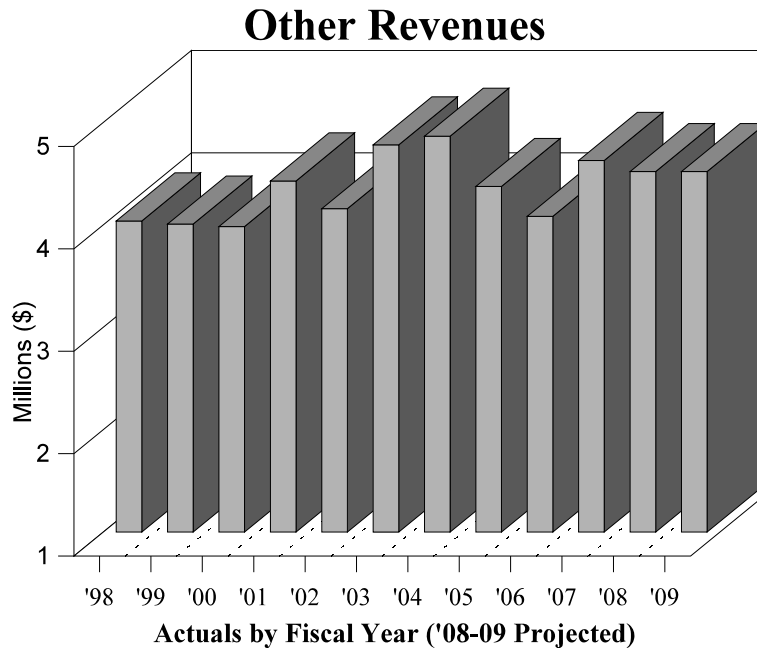
## General Fund Revenues Fiscal Year 2009

### OTHER REVENUES

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

**Critical Assumption:** Other Revenues will decrease by \$500,000 because of a return to a previous accounting treatment for the Delaware Solid Waste Authority's (DSWA) annual landfill fee rebate. Usually booked as a reimbursement to the landfill fee expense line, last year the Accounting Division changed the designation of this item to a revenue. Subsequent to the FY 2008 Budget passage, the City's auditors requested that the rebate be returned back to a reimbursement as it was handled in the past. Thus, the \$500,000 credit was removed from the revenue side of the FY 2009 budget, causing a \$500,000 decrease to appear when compared to last year. All other items in this category were held constant.

FY 2006 Actual	FY 2007 Actual	FY 2008 Budget	FY 2008 Projected	FY 2009 Budget
\$4,084,868	\$4,630,761	\$5,022,533	\$4,522,533	\$4,522,533



# REVENUE PROJECTIONS AND CRITICAL ASSUMPTIONS

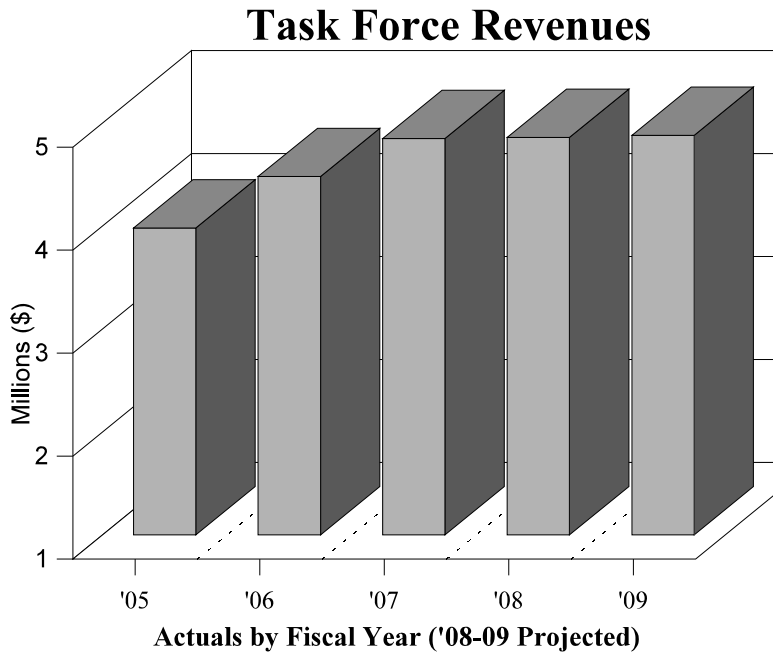
## General Fund Revenues Fiscal Year 2009

### 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 (LLC’s). The State also passed enabling legislation allowing the City to create a 2% Lodging Tax, and also a 2% Natural Gas Franchise Fee on gross sales of natural gas in the City. For FY 2009, all four of the components of the Task Force Revenues are projected to increase to match the trends of FY 2008 Second Quarter projections. The overall rise in the Task Force Revenues category is \$445,500.

FY 2006 Actual	FY 2007 Actual	FY 2008 Budget	FY 2008 Projected	FY 2009 Budget
\$4,481,453	\$4,853,882	\$4,432,500	\$4,857,500	\$4,878,000



# REVENUE PROJECTIONS AND CRITICAL ASSUMPTIONS

## General Fund Revenues Fiscal Year 2009

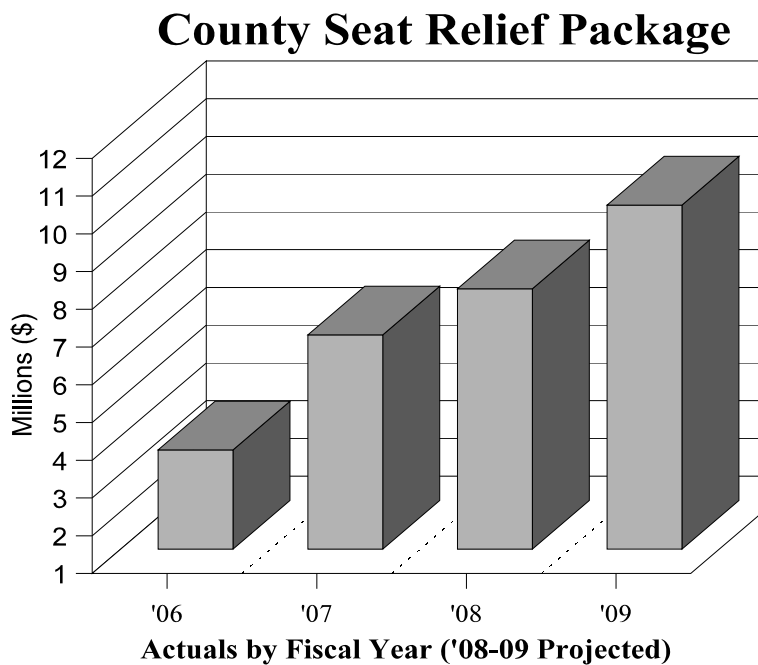
### COUNTY SEAT RELIEF PACKAGE

**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 2009 projections are based primarily on information that had been provided by the State Finance Secretary’s Office. The revenues include \$2.5 million for a payment in lieu of taxes (PILOT) for State-owned properties in the City (which are normally exempt from the City property tax), \$5.5 million 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 \$1.15 million in New Castle County Corporate Filing Fees.

As written into the State legislation, beginning in FY 2009, there will no longer be a set-aside reduction made by the State before forwarding UCC filing fees revenue to the City, as had been the case the previous two fiscal years. Therefore, the amount projected to be received will increase by over \$2.6 million, to a new total of \$5.5 million in FY 2009. Minor changes to the FY 2009 projections for the New Castle County Corporate Filing Fees (down \$150,000) and the PILOT (up \$141,500) roughly net out.

FY 2006 Actual	FY 2007 Actual	FY 2008 Budget	FY 2008 Projected	FY 2009 Budget
\$3,634,486	\$6,682,189	\$7,508,211	\$7,899,698	\$10,123,429



# REVENUE PROJECTIONS AND CRITICAL ASSUMPTIONS

## General Fund Revenues Fiscal Year 2009

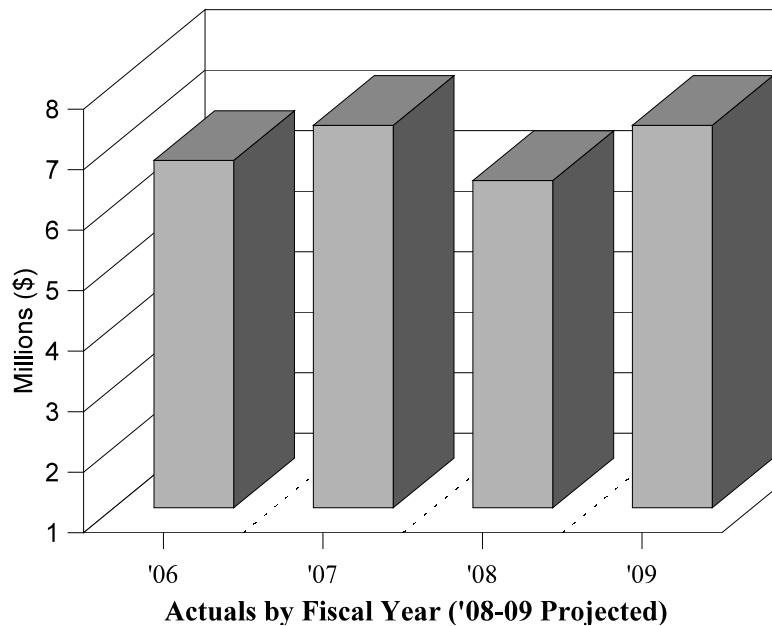
### STATE PENSION CONTRIBUTIONS

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

**Critical Assumption:** The State Pension Contribution, the grant from the State that is now booked as a pass-through in the General Fund to meet the requirements of GASB pronouncement #24, was increased by \$913,600, to new total of \$7,323,600 for FY 2009. This was done to, at a minimum, match the level of actual receipts last year. There is an equal and offsetting increase to the budgets of the Police and Fire Departments of \$574,700 and \$338,900 respectively.

FY 2006 Actual	FY 2007 Actual	FY 2008 Budget	FY 2008 Projected	FY 2009 Budget
\$6,742,705	\$7,323,607	\$6,410,000	\$6,410,000	\$7,323,600

### State Pension Contributions





# REVENUE PROJECTIONS AND CRITICAL ASSUMPTIONS

## General Fund Revenues Fiscal Year 2009

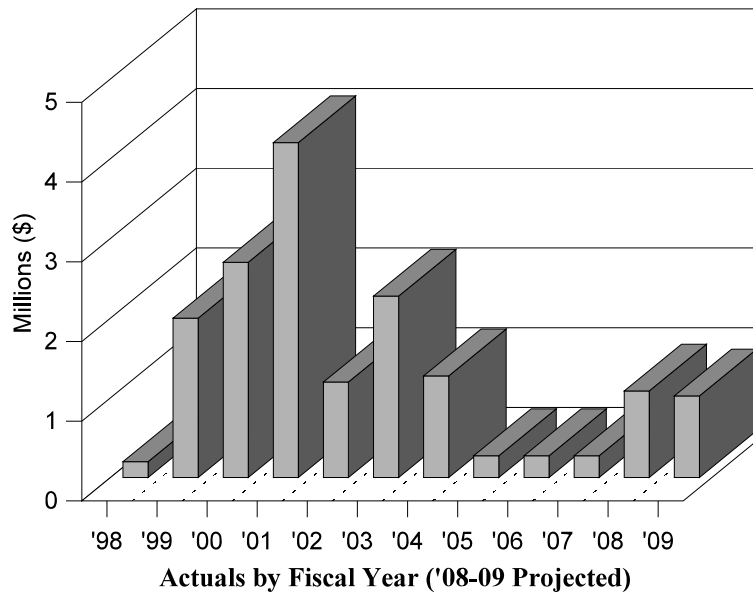
### TRANSFERS AND PRIOR YEARS' SURPLUS

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

**Critical Assumption:** FY 2009 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 \$750,000 for specific expenditures of a limited-term nature (\$500,000 for the Hope Commission, \$150,000 for WHA security provided by City Police, and \$100,000 for youth programs in the Department of Parks and Recreation).

FY 2006 Actual	FY 2007 Actual	FY 2008 Budget	FY 2008 Projected	FY 2009 Budget
\$275,000	\$275,000	\$1,086,600	\$1,086,600	\$1,025,000

### Transfers & Prior Years' Surplus



# REVENUE PROJECTIONS AND CRITICAL ASSUMPTIONS

## Special Funds Revenues Fiscal Year 2009

### MUNICIPAL STREET AID

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

**Critical Assumption:** This State of Delaware has once again funded this grant for FY 2009. The size of the award is based on population and street mileage maintained.

FY 2006 Actual	FY 2007 Actual	FY 2008 Budget	FY 2008 Projected	FY 2009 Budget
\$1,077,729	\$734,057	\$0	\$0	\$1,255,250

### COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)

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

**Critical Assumption:** CDBG Federal Funds will decrease approximately \$80,000 from FY 2008.

FY 2006 Actual	FY 2007 Actual	FY 2008 Budget	FY 2008 Projected	FY 2009 Budget
\$3,480,492	\$2,250,364	\$3,307,352	\$3,307,352	\$3,227,208

### HUD SECTION 8 GRANT

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

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

FY 2006 Actual	FY 2007 Actual	FY 2008 Budget	FY 2008 Projected	FY 2009 Budget
\$1,994,158	\$1,924,446	\$0	\$0	\$0

# REVENUE PROJECTIONS AND CRITICAL ASSUMPTIONS

## Special Funds Revenues Fiscal Year 2009

### 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 2006 Actual	FY 2007 Actual	FY 2008 Budget	FY 2008 Projected	FY 2009 Budget
\$3,477,456	\$3,620,921	\$4,567,301	\$4,567,301	\$0

### PARKS ASSISTANCE

**Basis:** Estimate from Federal Government

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

FY 2006 Actual	FY 2007 Actual	FY 2008 Budget	FY 2008 Projected	FY 2009 Budget
\$1,112,719	\$1,155,304	\$512,804	\$512,804	\$512,804

### 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 2006 Actual	FY 2007 Actual	FY 2008 Budget	FY 2008 Projected	FY 2009 Budget
\$76,033	\$80,542	\$149,386	\$149,386	\$134,121

# REVENUE PROJECTIONS AND CRITICAL ASSUMPTIONS

## Special Funds Revenues Fiscal Year 2009

### 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 increase by more than \$300,000 for FY 2009.

FY 2006 Actual	FY 2007 Actual	FY 2008 Budget	FY 2008 Projected	FY 2009 Budget
\$1,398,164	\$1,159,351	\$616,883	\$616,883	\$954,842

### PENSION ADMIN.

**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 2006 Actual	FY 2007 Actual	FY 2008 Budget	FY 2008 Projected	FY 2009 Budget
\$2,130,820	\$2,396,294	\$2,179,648	\$2,179,648	\$2,477,993

### 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 \$11,000 less than FY 2008.

FY 2006 Actual	FY 2007 Actual	FY 2008 Budget	FY 2008 Projected	FY 2009 Budget
\$482,226	\$331,614	\$676,049	\$676,049	\$654,769

# REVENUE PROJECTIONS AND CRITICAL ASSUMPTIONS

## Special Funds Revenues Fiscal Year 2009

### 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 in total expected to increase slightly from FY 2008 levels.

<b>FY 2006 Actual</b>	<b>FY 2007 Actual</b>	<b>FY 2008 Budget</b>	<b>FY 2008 Projected</b>	<b>FY 2009 Budget</b>
\$1,485,347	\$1,723,904	\$912,560	\$912,560	\$968,092

# REVENUE PROJECTIONS AND CRITICAL ASSUMPTIONS

## Water/Sewer Fund Revenues Fiscal Year 2009

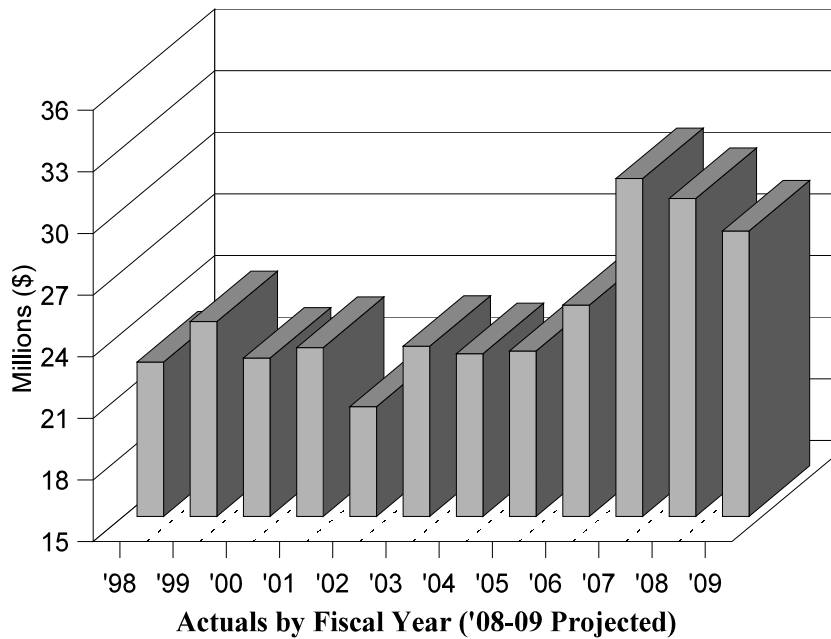
### WATER/SEWER USER FEES

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

**Critical Assumption:** The private water utilities serving the City's suburbs have recently begun to experience a drop in water consumption. Because the City is also beginning to see the same trend, a 5.2% reduction to consumption was projected for FY 2009. As a result, \$1.6 million has been taken out of last year's Water/Sewer User Fees base of \$30.5 million, yielding a new Water/Sewer User Fees revenue base of \$28.9 million for FY 2009.

FY 2006 Actual	FY 2007 Actual	FY 2008 Budget	FY 2008 Projected	FY 2009 Budget
\$25,276,063	\$31,442,712	\$30,474,235	\$30,474,235	\$28,887,270

### Water/Sewer User Fees



Beginning in 2007, Sewer User Fees were decreased as a result of the new separate Stormwater Billings Fee.

# REVENUE PROJECTIONS AND CRITICAL ASSUMPTIONS

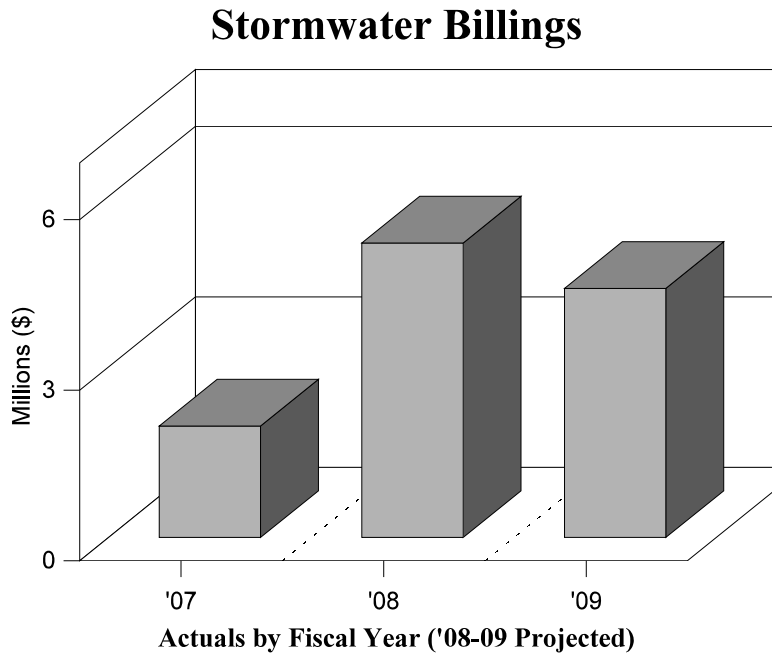
## Water/Sewer Fund Revenues Fiscal Year 2009

### STORMWATER BILLINGS

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

**Critical Assumption:** In mid-FY2007, a separate stormwater property fee was enacted and charged to all property owners in the City. The fee is not based on a consumption factor, but on the size of a property and the characteristics of that parcel's land and buildings as they relate to the generation of storm runoff. The Stormwater Billings base last year was \$5.2 million. However, a number of larger property owners have filed appeals. As a result, the FY 2009 Stormwater Billings revenue base is being reduced by \$800,000, to a new total of \$4.4 million for FY 2009.

FY 2006 Actual	FY 2007 Actual	FY 2008 Budget	FY 2008 Projected	FY 2009 Budget
\$0	\$1,956,170	\$5,181,143	\$5,181,143	\$4,381,143



Prior to FY 2007, the Stormwater Billings Utility did not exist.

# REVENUE PROJECTIONS AND CRITICAL ASSUMPTIONS

## Water/Sewer Fund Revenues Fiscal Year 2009

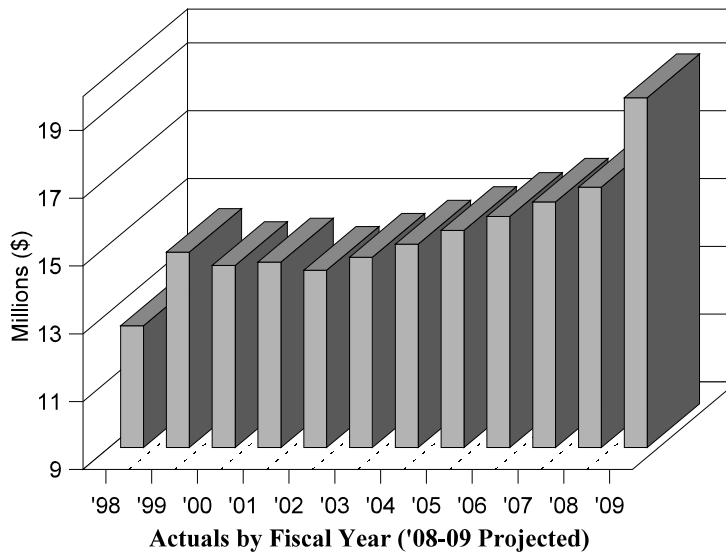
### NEW CASTLE COUNTY SEWER SERVICES

**Basis:** Contract with New Castle County

**Critical Assumption:** The City's contract to provide sewage treatment for New Castle County expired at the end of FY 2007. A fairly-priced contractual fee for FY 2008, FY 2009, and beyond has yet to be agreed upon with NCC. Based on higher forecasted operating costs and the escalation history of prices over the last five years (both of which were much greater than the 2.75% annual inflation factor allowed by the previous contract), a new base fee of about \$18.9 million for FY 2009 has been requested. This is up \$900,000 from the request of \$18 million made to NCC for FY 2008. The City also receives \$401,000 in reimbursement from NCC for annual debt service in connection with an aeration basin the City built to accommodate additional NCC flows. That reimbursement will be the same as last year.

FY 2006 Actual	FY 2007 Actual	FY 2008 Budget	FY 2008 Projected	FY 2009 Budget
\$15,818,123	\$16,242,123	\$18,401,123	\$16,677,750	\$19,321,940

**NCC Sewer Services**





# REVENUE PROJECTIONS AND CRITICAL ASSUMPTIONS

## Water/Sewer Fund Revenues Fiscal Year 2009

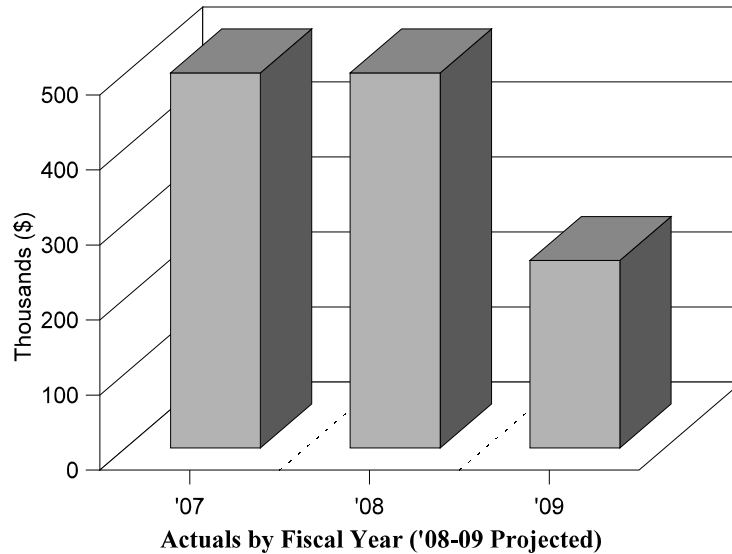
### INTEREST

**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. Starting in FY 2007, to help bolster the Water/Sewer Fund, interest revenue earned on cash produced by Water/Sewer Fund activities is now booked as revenue to the Water/Sewer Fund. But because of sharply dropping interest rates, that amount has been reduced to \$250,000 for FY 2009.

FY 2006 Actual	FY 2007 Actual	FY 2008 Budget	FY 2008 Projected	FY 2009 Budget
\$0	\$500,000	\$500,000	\$500,000	\$250,000

### Interest Income



Prior to FY 2007, all interest earnings from Water/Sewer activities were reported as revenue in the General Fund.

# REVENUE PROJECTIONS AND CRITICAL ASSUMPTIONS

## Water/Sewer Fund Revenues Fiscal Year 2009

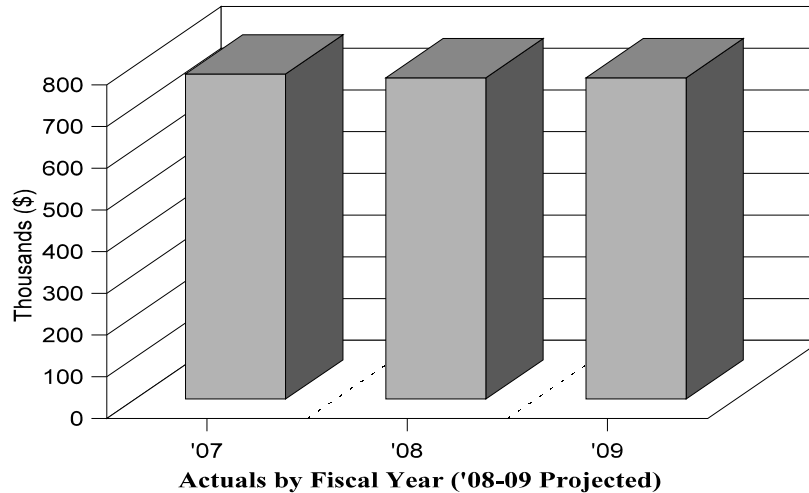
### RENTALS

**Basis:** Lease/Contracts

**Critical Assumption:** The contract with Veolia for the operation and maintenance of the Wastewater Treatment Plant includes a land rental fee. Starting in FY 2007, the land rental fee, along with water tank rental fees (related to communications transmitters and antennae) is now booked in the Water/Sewer Fund instead of the General Fund. The water tank rental portion of Rental fees is projected to increase by \$320,000, yielding a new total of \$770,000 in FY 2009.

FY 2006 Actual	FY 2007 Actual	FY 2008 Budget	FY 2008 Projected	FY 2009 Budget
\$0	\$788,875	\$450,000	\$770,000	\$770,000

### Rentals



Prior to FY 2007, Water/Sewer related rental fees were reported as revenue in the General Fund.

### TRANSFERS IN

**Basis:** Lease/Contracts

**Critical Assumption:** In FY 2007, a one-time transfer from General Fund Equity was authorized to stabilize the cash position of the Water/Sewer Fund. There is no transfer budgeted for FY 2009.

FY 2006 Actual	FY 2007 Actual	FY 2008 Budget	FY 2008 Projected	FY 2009 Budget
\$0	\$5,000,000	\$0	\$0	\$0

# REVENUE PROJECTIONS AND CRITICAL ASSUMPTIONS

## Commerce Fund Revenues Fiscal Year 2009

### 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. The FY 2009 figure represents the amounts agreed to on the original schedule.

FY 2006 Actual	FY 2007 Actual	FY 2008 Budget	FY 2008 Projected	FY 2009 Budget
\$8,987,339	\$1,189,934	\$1,124,961	\$1,124,961	\$2,832,098

### MISCELLANEOUS

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

FY 2006 Actual	FY 2007 Actual	FY 2008 Budget	FY 2008 Projected	FY 2009 Budget
\$1,577,588	\$0	\$0	\$0	\$0

### GAIN ON SALE OF ASSETS

**Critical Assumption:** Recalculated Gain on Sale of the Port was fully amortized in FY 2005. FY 2006 and beyond goes to zero. In FY 2007, a gain was recognized on the sale of 400 N. Walnut St.

FY 2006 Actual	FY 2007 Actual	FY 2008 Budget	FY 2008 Projected	FY 2009 Budget
\$0	\$408,069	\$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 fund balance of the Commerce Fund had to be used exclusively for economic development activities. Once the fund balance is spent down, as planned, those economic development activities and costs will be moved into the General Fund.

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 2009**

**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. Because the last systematic County-wide reassessment was done based on 1983 market value dollars, all present-day assessments are calculated and reported using 1983 dollar values.

**Rate:** \$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%

**CITY OF WILMINGTON**  
**TAX RATES FOR FISCAL YEAR 2009**  
**(Continued)**

**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.

**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 FY2006*</b>	<b>ACTUAL FY2007*</b>	<b>BUDGET FY2008</b>	<b>APPROVED FY2009</b>
Personal Services	3,944,461	4,510,596	4,715,009	5,020,395
Materials, Supplies & Equipment	3,714,032	4,353,596	7,581,144	8,644,880
Internal Services	682,091	910,472	805,928	1,152,622
Debt Service	1,315,396	1,600,457	1,591,559	1,978,829
Special Purpose	124,848	307,768	470,000	274,560
Contingent Reserves	0	0	1,000,000	425,000
Depreciation	576,421	437,925	181,956	583,634
Capitalization	<u>(160,282)</u>	<u>(52,940)</u>	<u>(413,761)</u>	<u>(469,000)</u>
<b>TOTAL</b>	<b><u>10,196,966</u></b>	<b><u>12,067,874</u></b>	<b><u>15,931,835</u></b>	<b><u>17,610,920</u></b>
<b>STAFFING LEVELS</b>	<b>55.00</b>	<b>61.00</b>	<b>60.00</b>	<b>60.00</b>

<b>GENERAL FUND MAYOR'S OFFICE</b>	<b>ACTUAL FY2006</b>	<b>ACTUAL FY2007</b>	<b>BUDGET FY2008</b>	<b>APPROVED FY2009</b>
Personal Services	2,011,611	2,229,557	2,427,694	2,579,818
Materials, Supplies & Equipment	993,740	1,625,125	2,237,030	2,216,012
Internal Services	486,189	684,061	577,773	826,217
Debt Service	830,138	942,062	989,894	1,464,562
Special Purpose	<u>124,848</u>	<u>307,768</u>	<u>470,000</u>	<u>274,560</u>
<b>TOTAL</b>	<b><u>4,446,525</u></b>	<b><u>5,788,574</u></b>	<b><u>6,702,392</u></b>	<b><u>7,361,169</u></b>
<b>STAFFING LEVELS</b>	<b>26.543</b>	<b>27.50</b>	<b>29.50</b>	<b>29.50</b>

<b>CONTINGENT RESERVES MAYOR'S OFFICE</b>	<b>ACTUAL FY2006</b>	<b>ACTUAL FY2007</b>	<b>BUDGET FY2008</b>	<b>APPROVED FY2009</b>
Contingency	0	0	500,000	300,000
Snow & Weather Emergencies	<u>0</u>	<u>0</u>	<u>500,000</u>	<u>125,000</u>
<b>TOTAL</b>	<b><u>0</u></b>	<b><u>0</u></b>	<b><u>1,000,000</u></b>	<b><u>425,000</u></b>
<b>STAFFING LEVELS</b>	<b>0.00</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 FY2006</b>	<b>ACTUAL FY2007</b>	<b>BUDGET FY2008</b>	<b>APPROVED FY2009</b>
Personal Services	0	0	0	0
Materials, Supplies & Equipment	<u>26,225</u>	<u>22,488</u>	<u>0</u>	<u>0</u>
<b>TOTAL</b>	<b><u>26,225</u></b>	<b><u>22,488</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 FY2006</b>	<b>ACTUAL FY2007</b>	<b>BUDGET FY2008</b>	<b>APPROVED FY2009</b>
Personal Services	569,200	649,889	776,687	794,272
Materials, Supplies & Equipment	191,375	181,257	1,534,277	1,548,450
Internal Services	14,156	26,107	17,375	33,455
Debt Service	<u>376,153</u>	<u>435,859</u>	<u>454,313</u>	<u>389,821</u>
<b>TOTAL</b>	<b><u>1,150,884</u></b>	<b><u>1,293,112</u></b>	<b><u>2,782,652</u></b>	<b><u>2,765,998</u></b>
<b>STAFFING LEVELS</b>	<b>7.00</b>	<b>8.00</b>	<b>9.00</b>	<b>9.00</b>

<b>LOCAL EMERGENCY PLANNING COMMITTEE (LEPC) FUND MAYOR'S OFFICE</b>	<b>ACTUAL FY2006</b>	<b>ACTUAL FY2007</b>	<b>BUDGET FY2008</b>	<b>APPROVED FY2009</b>
Personal Services	71,566	93,690	51,055	55,031
Materials, Supplies & Equipment	25,538	133,338	0	0
Internal Services	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>TOTAL</b>	<b><u>97,104</u></b>	<b><u>227,028</u></b>	<b><u>51,055</u></b>	<b><u>55,031</u></b>
<b>STAFFING LEVELS</b>	<b>0.457</b>	<b>0.500</b>	<b>0.500</b>	<b>0.500</b>

<b>INTERNAL SERVICES FUNDS MAYOR'S OFFICE</b>	<b>ACTUAL FY2006*</b>	<b>ACTUAL FY2007*</b>	<b>BUDGET FY2008</b>	<b>APPROVED FY2009</b>
Personal Services	1,292,084	1,537,460	1,459,573	1,591,274
Materials, Supplies & Equipment	2,477,154	2,391,388	3,809,837	4,880,418
Internal Services	181,746	200,304	210,780	292,950
Debt Service	109,105	222,536	147,352	124,446
Depreciation	576,421	437,925	181,956	583,634
Capitalization	<u>(160,282)</u>	<u>(52,940)</u>	<u>(413,761)</u>	<u>(469,000)</u>
<b>TOTAL</b>	<b><u>4,476,228</u></b>	<b><u>4,736,672</u></b>	<b><u>5,395,737</u></b>	<b><u>7,003,722</u></b>
<b>STAFFING LEVELS</b>	<b>21.00</b>	<b>25.00</b>	<b>21.00</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. For uncombined staffing levels, see summary of staffing starting on page 47.



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

- Total Personal Services increased by \$152,124, due to the cumulative effect of COLAs, salary adjustments, upgrades, and higher benefit costs. No new positions were added.
- Total Community Activities have decreased by a net \$200,600, to a new total of \$1,415,000. This change is largely the result of the completion of a number of one-time grants for New Castle County parks and libraries (a decrease of \$290,600), combined with offsetting increases in grants for the Wilmington Early Childhood Education program (\$67,000) and other ongoing programs. In addition, \$10,000 has also been added in order to expand the Mayor's Office scholarship program to graduating seniors and matriculated college students.
- Beginning in January 2008, the Office of Emergency Management and Fire Department have begun using a former Parks and Recreation building as office space and as an Emergency Operations Center. In order to cover the operation of this building, the Office of Emergency Management has added an additional \$116,300 in various costs.
- The Operating Contingency and the Snow & Weather Emergency accounts have decreased to levels that better reflect past experience. The Contingent Reserve has been reduced by \$200,000 to \$300,000, while the Snow and Weather Emergencies reserve has been reduced by \$375,000 to \$125,000.
- There is \$213,400 budgeted (a decrease of \$201,600) for the Rock Manor Golf Course. This includes a variety of costs necessary to support the course following its reopening in spring of 2008. The majority of the funding (\$146,000) will be used to retire outstanding debt of the Rock Manor Golf Course corporation.
- As a result of increases in the existing debt service schedule, combined with the costs of debt issued in FY 2008, overall General Fund debt service has increased by \$474,700.

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

- Total Personal Services increased by \$17,585, due to the cumulative effect of COLAs, salary adjustments, upgrades, and higher benefit costs. No new positions were added.
- In the final year of its two-year commitment, 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 again support the Downtown Visions Main Street Program.
- The Small/Minority Business Enterprise Office (SMBEO) is receiving \$20,000 to provide access to an internet web portal for use by disadvantaged and small businesses throughout the region. In addition, the increase of \$70,000 in last year's budget for the expansion and improvement of the annual Mega-Biz Fest event, Disadvantaged Business Enterprise (DBE) marketing efforts, DBE and micro-business outreach training, and small business incubator support has been maintained in the FY 2009 budget.

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

- Total Personal Services increased by a net \$131,701, due to the cumulative effect of COLAs, salary adjustments, upgrades, and staffing changes. This includes the addition of one Information Help Desk Engineer, at a total cost of \$70,815, as well as the offsetting elimination of the vacant Data Processing Manager position.
- Consultant costs in Data Processing have been increased by \$371,300, to a total of \$897,300. This increase includes \$306,300 for MUNIS operational support which can no longer be included as capital, \$75,000 for a 311 system feasibility study, and \$55,000 for disaster recovery.
- Data Processing has requested an additional \$101,800 in miscellaneous charges. This increase is the result of the \$182,000 Tyler licensing fee, necessary to maintain the licensing on the MUNIS software. This fee is an ongoing cost now that the core MUNIS modules have been implemented.
- Equipment costs in Data Processing have increased by \$78,000 to a total of \$510,900. This includes new and replacement computers and printers for the City's departments, as well as additional servers and network equipment.
- Software costs in Data Processing have increased by \$304,200, to a total of \$380,200. The majority of this increase is due to the City's need to keep its Microsoft Office licenses up to date, at a total cost of \$240,000.
- As a result of an effort to re-inventory and value the City's fixed assets, total depreciation costs in Mayor's Office internal services have increased by \$401,700 to \$583,600.
- Due to an increase in unanticipated mailings, as well as overall postage increases, Mail Service has requested an additional \$53,700 in direct postage charges.
- Total machinery and equipment charges in Communications have increased by \$55,000 to \$469,000, largely due to the purchase of 100 Police radios.

**DEPARTMENTAL BUDGET DETAIL BY FUND**

**DEPARTMENT: OFFICE OF THE MAYOR**

**FUND: GENERAL**

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY2006</b>	<b>ACTUAL FY2007</b>	<b>BUDGET FY2008</b>	<b>APPROVED FY2009</b>
Regular Salaries	1,500,234	1,611,103	1,853,192	1,969,208
Temporary Salaries	13,416	5,374	4,000	5,000
Acting Out of Classification	3,008	192	0	0
Sick Leave Bonus	100	0	0	0
Overtime/Special Events	0	0	0	0
Internet Reimbursement	719	0	1,260	1,470
Pension Contribution	132,180	205,844	155,105	188,041
Social Security	92,949	99,403	113,667	120,617
Medicare Tax	21,758	23,392	26,878	28,583
Hospitalization	231,706	241,255	277,581	261,730
Life Insurance	3,361	8,372	9,637	10,240
Pension Healthcare	12,180	34,622	20,650	25,665
Deferred Comp Contribution	0	0	0	3,540
Personal Services Adjustment	0	0	(34,276)	(34,276)
<b>TOTAL PERSONAL SERVICES</b>	<b>2,011,611</b>	<b>2,229,557</b>	<b>2,427,694</b>	<b>2,579,818</b>
 <b><u>MATERIALS, SUPPLIES &amp; EQUIPMENT</u></b>				
Printing & Advertising	92,351	91,236	124,600	149,100
Communications & Utilities	1,145	3,844	6,572	6,572
Transportation	24,031	26,747	41,425	54,000
Rentals	65,813	77,451	48,215	39,510
Contracted Maintenance Repairs	833	975	3,009	3,009
Professional Fees	157,085	179,757	145,500	165,000
Other Fees	8,877	10,687	20,600	116,900
Memberships & Registrations	30,011	29,517	41,480	56,200
Miscellaneous Services	91,934	44,448	63,500	54,000
Office & General Supplies	4,631	5,873	8,979	11,321
Wearing Apparel and Safety	0	80	0	0
Miscellaneous Parts	82,289	82,302	103,350	119,200
Construction and Repairs	0	0	0	20,000
Equipment	7,967	44,379	14,200	6,200
Fixed Assets	10,436	0	0	0
Miscellaneous Projects	270,662	687,977	1,165,000	1,055,000
Community Activities	145,675	339,852	450,600	360,000
<b>TOTAL M., S. &amp; E.</b>	<b>993,740</b>	<b>1,625,125</b>	<b>2,237,030</b>	<b>2,216,012</b>
 <b><u>INTERNAL SERVICES</u></b>				
Administrative Services	462,464	559,748	519,871	765,420
Self-Insurance	23,725	124,313	57,902	60,797
<b>TOTAL INTERNAL SERVICES</b>	<b>486,189</b>	<b>684,061</b>	<b>577,773</b>	<b>826,217</b>

**DEPARTMENT: OFFICE OF THE MAYOR****FUND: GENERAL**

<b>DEBT SERVICE</b>	<b>ACTUAL FY2006</b>	<b>ACTUAL FY2007</b>	<b>BUDGET FY2008</b>	<b>APPROVED FY2009</b>
Principal Payments	445,673	465,648	516,231	893,191
Interest Payments	<u>384,465</u>	<u>476,414</u>	<u>473,663</u>	<u>571,371</u>
<b>TOTAL DEBT SERVICE</b>	<b>830,138</b>	<b>942,062</b>	<b>989,894</b>	<b>1,464,562</b>

**SPECIAL PURPOSE**

Wilmington Arts Commission	52,848	72,768	55,000	61,200
Rock Manor Golf Course	<u>72,000</u>	<u>235,000</u>	<u>415,000</u>	<u>213,360</u>
<b>TOTAL SPECIAL PURPOSE</b>	<b>124,848</b>	<b>307,768</b>	<b>470,000</b>	<b>274,560</b>

**DEPARTMENT: OFFICE OF THE MAYOR****FUND: CONTINGENT RESERVES**

<b>CONTINGENT RESERVES</b>	<b>ACTUAL FY2006</b>	<b>ACTUAL FY2007</b>	<b>BUDGET FY2008</b>	<b>APPROVED FY2009</b>
Contingency	0	0	500,000	300,000
Snow & Weather Emergencies	<u>0</u>	<u>0</u>	<u>500,000</u>	<u>125,000</u>
<b>CONTINGENT RESERVES TOTAL</b>	<b>0</b>	<b>0</b>	<b>1,000,000</b>	<b>425,000</b>
 <b>GENERAL FUND TOTAL</b>	 <b><u>4,446,525</u></b>	 <b><u>5,788,574</u></b>	 <b><u>7,702,392</u></b>	 <b><u>7,786,169</u></b>

## DEPARTMENT: OFFICE OF THE MAYOR

## FUND: U.S. DEPT. COMMERCE

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY2006</b>	<b>ACTUAL FY2007</b>	<b>BUDGET FY2008</b>	<b>APPROVED FY2009</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><u>MATERIALS, SUPPLIES, &amp; EQUIPMENT</u></b>				
Printing & Advertising	0	0	0	0
Communications and Utilities	0	0	0	0
Transportation	1,892	3,429	0	0
Professional Fees	24,333	19,059	0	0
Memberships & Registrations	0	0	0	0
Miscellaneous Supplies	0	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>26,225</b>	<b>22,488</b>	<b>0</b>	<b>0</b>
 <b>U.S. DEPT. COMMERCE FUND</b>				
<b>TOTAL</b>	<b><u>26,225</u></b>	<b><u>22,488</u></b>	<b><u>0</u></b>	<b><u>0</u></b>

## DEPARTMENT: OFFICE OF THE MAYOR

## FUND: COMMERCE

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY2006</b>	<b>ACTUAL FY2007</b>	<b>BUDGET FY2008</b>	<b>APPROVED FY2009</b>
Regular Salaries	414,512	474,926	571,377	579,112
Acting Out of Classification	0	265	0	0
Internet Reimbursements	0	0	1,200	0
Pension Contribution	41,058	49,197	46,248	55,316
Social Security	25,492	29,781	35,467	35,852
Medicare Tax	5,962	6,914	8,295	8,385
Hospitalization	78,020	80,868	104,829	103,686
Life Insurance	799	2,337	2,971	3,011
Pension Healthcare	3,357	5,601	6,300	7,830
Deferred Comp Contribution	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,080</u>
<b>TOTAL PERSONAL SERVICES</b>	<b>569,200</b>	<b>649,889</b>	<b>776,687</b>	<b>794,272</b>
 <b><u>MATERIALS, SUPPLIES &amp; EQUIPMENT</u></b>				
Printing & Advertising	56,877	61,640	90,500	83,000
Communications & Utilities	632	318	250	150
Transportation	3,471	3,482	11,500	8,600
Rentals	0	21,160	15,000	15,000
Contracted Maintenance Repairs	0	0	197	157
Professional Fees	84,846	149,723	237,500	191,500
Memberships & Registrations	6,311	6,523	12,950	16,500
Miscellaneous Services	12,504	26,506	0	5,996
Office & General Supplies	965	4,036	5,780	9,267
Miscellaneous Materials	2,554	2,314	4,100	3,280
Equipment	215	464	0	1,500
Fixed Assets	0	(131,774)	1,500	5,500
Community Activities	23,000	36,865	1,105,000	1,138,000
Miscellaneous Projects	<u>0</u>	<u>0</u>	<u>50,000</u>	<u>70,000</u>
<b>TOTAL M., S. &amp; E.</b>	<b>191,375</b>	<b>181,257</b>	<b>1,534,277</b>	<b>1,548,450</b>
 <b><u>INTERNAL SERVICES</u></b>				
Administrative Services	11,222	24,348	16,284	32,309
Self-Insurance	<u>2,934</u>	<u>1,759</u>	<u>1,091</u>	<u>1,146</u>
<b>TOTAL INTERNAL SERVICES</b>	<b>14,156</b>	<b>26,107</b>	<b>17,375</b>	<b>33,455</b>
 <b><u>DEBT SERVICE</u></b>				
Principal Payments	271,924	321,069	342,590	189,699
Interest Payments	<u>104,229</u>	<u>114,790</u>	<u>111,723</u>	<u>200,122</u>
<b>TOTAL DEBT SERVICE</b>	<b>376,153</b>	<b>435,859</b>	<b>454,313</b>	<b>389,821</b>
 <b>COMMERCE FUND TOTAL</b>	 <b><u>1,150,884</u></b>	 <b><u>1,293,112</u></b>	 <b><u>2,782,652</u></b>	 <b><u>2,765,998</u></b>

**DEPARTMENT: OFFICE OF THE MAYOR**

**FUND: EMERGENCY MANAGEMENT & SPC**

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY2006</b>	<b>ACTUAL FY2007</b>	<b>BUDGET FY2008</b>	<b>APPROVED FY2009</b>
Regular Salaries	59,537	80,253	39,587	42,198
Overtime	0	0	0	0
Pension Contribution	(953)	0	3,167	3,988
Social Security	3,538	4,935	2,417	2,616
Medicare Tax	1,036	1,154	565	612
Hospitalization	8,182	7,348	4,763	4,903
Life Insurance	226	0	206	219
Deferred Compensation	0	0	0	60
Pension Healthcare	<u>0</u>	<u>0</u>	<u>350</u>	<u>435</u>
<b>TOTAL PERSONAL SERVICES</b>	<b>71,566</b>	<b>93,690</b>	<b>51,055</b>	<b>55,031</b>
 <b><u>MATERIALS, SUPPLIES &amp; EQUIPMENT</u></b>				
Printing & Advertising	1,605	0	0	0
Communications & Utilities	92	773	0	0
Transportation	0	0	0	0
Rentals	0	0	0	0
Contracted Maintenance	2,997	0	0	0
Other Fees	0	0	0	0
Professional Fees	11,623	126,570	0	0
Memberships & Registrations	0	0	0	0
Miscellaneous Services	0	0	0	0
Office & General Supplies	870	1,327	0	0
Wearing Apparel and Safety	1,074	576	0	0
Miscellaneous Materials	7,277	4,092	0	0
Fixed Assets	0	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>25,538</b>	<b>133,338</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>97,104</u></b>	<b><u>227,028</u></b>	<b><u>51,055</u></b>	<b><u>55,031</u></b>

## DEPARTMENT: OFFICE OF THE MAYOR

## FUND: INTERNAL SERVICES

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY2006</b>	<b>ACTUAL FY2007</b>	<b>BUDGET FY2008</b>	<b>APPROVED FY2009</b>
Regular Salaries	921,172	1,088,485	1,040,318	1,116,559
Temporary Salaries	2,853	0	0	20,000
Acting Out of Class	0	0	0	0
Sick Leave Bonus	1,500	0	0	0
Overtime	952	6,853	0	0
Internet Reimbursements	855	135	0	0
Pension Contribution	94,196	135,732	110,922	125,704
Social Security	58,526	69,525	64,376	70,326
Medicare Tax	13,684	16,259	15,056	16,446
Hospitalization	167,502	190,411	208,804	215,642
Life Insurance	2,281	5,331	5,397	5,807
Pension Healthcare	8,789	16,101	14,700	18,270
Deferred Comp Contribution	0	0	0	2,520
Accrued Sick/Vacation	19,774	8,628	0	0
<b>TOTAL PERSONAL SERVICES</b>	<b>1,292,084</b>	<b>1,537,460</b>	<b>1,459,573</b>	<b>1,591,274</b>
 <b><u>MATERIALS, SUPPLIES &amp; EQUIPMENT</u></b>				
Printing & Advertising	88,812	98,624	185,810	185,310
Communications & Utilities	733,413	808,129	963,342	972,760
Transportation	4,080	15,769	16,615	36,680
Rentals of Office Equipment	113,953	106,914	148,000	167,000
Contracted Maintenance Repairs	197,089	207,712	380,937	431,308
Professional Fees	143,098	85,240	541,000	930,280
Other Fees	1,898	200,785	2,000	2,000
Memberships & Registrations	18,549	27,109	49,629	43,160
Miscellaneous Services	274,521	75,482	289,189	389,400
Office & General Supplies	136,352	130,843	157,532	160,912
Uniforms & Related Equipment	1,810	2,029	2,100	2,100
Miscellaneous Parts	64,270	126,446	136,712	142,194
Equipment	266,009	344,123	64,200	487,315
Fixed Assets	433,300	162,183	872,771	929,999
<b>TOTAL M., S. &amp; E.</b>	<b>2,477,154</b>	<b>2,391,388</b>	<b>3,809,837</b>	<b>4,880,418</b>
 <b><u>INTERNAL SERVICES</u></b>				
Administrative Services	176,686	186,724	198,115	279,653
Self-Insurance	5,060	13,580	12,665	13,297
<b>TOTAL INTERNAL SERVICES</b>	<b>181,746</b>	<b>200,304</b>	<b>210,780</b>	<b>292,950</b>



**DEPARTMENT: OFFICE OF THE MAYOR****FUND: INTERNAL SERVICES**

	<b>ACTUAL FY2006</b>	<b>ACTUAL FY2007</b>	<b>BUDGET FY2008</b>	<b>APPROVED FY2009</b>
<b>DEBT SERVICE</b>				
Amortization	2,320	7,300	29,773	30,972
Interest Payments	<u>106,785</u>	<u>215,236</u>	<u>117,579</u>	<u>93,474</u>
<b>TOTAL DEBT SERVICE</b>	<b>109,105</b>	<b>222,536</b>	<b>147,352</b>	<b>124,446</b>
<b>OTHER</b>				
Capitalized Expenditures	(160,282)	(52,940)	(413,761)	(469,000)
Depreciation	<u>576,421</u>	<u>437,925</u>	<u>181,956</u>	<u>583,634</u>
<b>TOTAL OTHER</b>	<b>416,139</b>	<b>384,985</b>	<b>(231,805)</b>	<b>114,634</b>
<b>INTERNAL SERVICES FUND TOTAL</b>	<b><u>4,476,228</u></b>	<b><u>4,736,672</u></b>	<b><u>5,395,737</u></b>	<b><u>7,003,722</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 2009</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 FY2006</b>	<b>ACTUAL FY2007</b>	<b>BUDGET FY2008</b>	<b>APPROVED FY2009</b>
Personal Services	1,557,093	1,650,987	1,556,017	1,712,323
Materials, Supplies & Equipment	373,097	706,621	696,100	750,760
Internal Services	184,691	191,453	213,828	242,339
Debt Service	19,249	19,271	19,240	29,767
Special Purpose	<u>116,922</u>	<u>142,754</u>	<u>170,000</u>	<u>126,500</u>
<b>TOTAL</b>	<b><u>2,251,052</u></b>	<b><u>2,711,086</u></b>	<b><u>2,655,185</u></b>	<b><u>2,861,689</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

- Personal Services increased \$156,306, which includes \$84,112 in Personal Services Adjustments earmarked for COLAs and staff performance bonuses.
- Consultants decreased \$59,020 in the Cable and Communications Division as a direct result of funds transferred during Fiscal Year 2008 to employ a full-time production assistant.
- New expenses in the Cable and Communications Division for virtual television network service agreements and start-up fees increased Miscellaneous Services by \$43,480.
- Funding in the Special Purpose Division was transferred from a multi-purpose account (Other Special Purpose) to new accounts for Community Services (\$23,500), Grants to Agencies (\$8,000), Grants and Scholarship (\$7,000), and Trophies/Awards (\$5,000).
- Internal Services rose \$28,511 due primarily to increases in Data Processing (\$38,700) and Word processing costs (\$1,264). These costs were offset by reductions in Mapping and Graphics (\$5,944), Motor Vehicle (\$6,278), and Telephone service expenses (\$2,440).

**DEPARTMENTAL BUDGET DETAIL BY FUND**

**DEPARTMENT: CITY COUNCIL**

**FUND: GENERAL**

	<b>ACTUAL FY2006</b>	<b>ACTUAL FY2007</b>	<b>BUDGET FY2008</b>	<b>APPROVED FY 2009</b>
<b><u>PERSONAL SERVICES</u></b>				
Regular Salaries	1,137,088	1,196,457	1,200,198	1,237,591
Temporary Salaries	34,824	6,199	30,520	30,520
Internet Reimbursements	720	0	2,700	2,700
Pension Contribution	86,407	106,887	70,109	86,603
Social Security	72,019	73,959	73,704	78,126
Medicare Tax	16,844	17,297	17,237	18,272
Hospitalization	192,370	207,652	187,096	209,552
Life Insurance	2,996	5,994	6,129	6,318
Pension Healthcare	13,825	36,542	19,600	25,230
Deferred Comp Contribution	0	0	0	3,480
Personal Services Adjustment	<u>0</u>	<u>0</u>	<u>(51,276)</u>	<u>13,931</u>
<b>TOTAL PERSONAL SERVICES</b>	<b>1,557,093</b>	<b>1,650,987</b>	<b>1,556,017</b>	<b>1,712,323</b>
<b><u>MATERIALS, SUPPLIES &amp; EQUIPMENT</u></b>				
Printing & Advertising	12,864	18,556	21,400	24,250
Transportation	16,610	20,934	0	10,000
Rentals	1,585	2,230	4,000	4,000
Contracted Maintenance Repairs	16,565	18,962	22,500	22,500
Professional Fees	0	525	109,020	50,000
Memberships & Registrations	27,265	27,128	40,100	39,600
Miscellaneous Services	85,193	15,652	8,520	52,000
Office & General Supplies	8,152	6,117	10,000	11,806
Wearing Apparel & Safety	1,457	1,738	1,000	2,000
Miscellaneous Parts	32,424	30,309	32,060	38,104
Equipment	9,227	5,348	2,000	2,500
Fixed Assets	29,626	22,216	35,000	35,000
Community Activities	<u>132,129</u>	<u>536,906</u>	<u>410,500</u>	<u>459,000</u>
<b>TOTAL M., S. &amp; E.</b>	<b>373,097</b>	<b>706,621</b>	<b>696,100</b>	<b>750,760</b>
<b><u>INTERNAL SERVICES</u></b>				
Administrative Services	175,555	160,388	198,086	225,810
Self-Insurance	<u>9,136</u>	<u>31,065</u>	<u>15,742</u>	<u>16,529</u>
<b>TOTAL INTERNAL SERVICES</b>	<b>184,691</b>	<b>191,453</b>	<b>213,828</b>	<b>242,339</b>

DEPARTMENT: CITY COUNCIL

FUND: GENERAL

<b>DEBT SERVICE</b>	<b>ACTUAL FY2006</b>	<b>ACTUAL FY2007</b>	<b>BUDGET FY2008</b>	<b>APPROVED FY2009</b>
Principal Payments	11,047	11,601	12,069	12,145
Interest Payments	<u>8,202</u>	<u>7,670</u>	<u>7,171</u>	<u>17,622</u>
<b>TOTAL DEBT SERVICE</b>	<b>19,249</b>	<b>19,271</b>	<b>19,240</b>	<b>29,767</b>
<b><u>SPECIAL PURPOSE</u></b>				
Wilmington Institute Free Library	64,000	73,000	100,000	100,000
Other	<u>52,922</u>	<u>69,754</u>	<u>70,000</u>	<u>26,500</u>
<b>TOTAL SPECIAL PURPOSE</b>	<b>116,922</b>	<b>142,754</b>	<b>170,000</b>	<b>126,500</b>
<b>GENERAL FUND TOTAL</b>	<b><u>2,251,052</u></b>	<b><u>2,711,086</u></b>	<b><u>2,655,185</u></b>	<b><u>2,861,689</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 2009</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 FY2006</b>	<b>ACTUAL FY2007</b>	<b>BUDGET FY2008</b>	<b>APPROVED FY2009</b>
Personal Services	1,173,034	639,137	607,432	641,122
Materials, Supplies & Equipment	864,196	1,054,589	1,063,356	1,195,347
Internal Services	122,313	104,572	142,310	152,650
Other	<u>362,295</u>	<u>597,996</u>	<u>785,750</u>	<u>950,000</u>
<b>TOTAL</b>	<b><u>2,521,838</u></b>	<b><u>2,396,294</u></b>	<b><u>2,598,848</u></b>	<b><u>2,939,119</u></b>
<b>STAFFING LEVELS</b>	<b>7.00</b>	<b>7.00</b>	<b>7.00</b>	<b>7.00</b>

<b>GENERAL FUND CITY TREASURER</b>	<b>ACTUAL FY2006</b>	<b>ACTUAL FY2007</b>	<b>BUDGET FY2008</b>	<b>APPROVED FY2009</b>
Personal Services	285,323	313,538	296,598	311,718
Materials, Supplies & Equipment	24,305	25,383	29,195	34,545
Internal Services	<u>81,390</u>	<u>80,612</u>	<u>93,407</u>	<u>114,863</u>
<b>TOTAL</b>	<b><u>391,018</u></b>	<b><u>419,533</u></b>	<b><u>419,200</u></b>	<b><u>461,126</u></b>
<b>STAFFING LEVELS</b>	<b>3.42</b>	<b>3.42</b>	<b>3.42</b>	<b>3.42</b>

<b>PENSION ADMIN. FUNDS CITY TREASURER</b>	<b>ACTUAL FY2006</b>	<b>ACTUAL FY2007</b>	<b>BUDGET FY2008</b>	<b>APPROVED FY2009</b>
Personal Services	887,711	325,599	310,834	329,404
Materials, Supplies & Equipment	839,891	1,029,206	1,034,161	1,160,802
Internal Services	40,923	23,960	48,903	37,787
Other	<u>362,295</u>	<u>597,996</u>	<u>785,750</u>	<u>950,000</u>
<b>TOTAL</b>	<b><u>2,130,820</u></b>	<b><u>1,976,761</u></b>	<b><u>2,179,648</u></b>	<b><u>2,477,993</u></b>
<b>STAFFING LEVELS</b>	<b>3.58</b>	<b>3.58</b>	<b>3.58</b>	<b>3.58</b>

#### MAJOR FUNDING CHANGES FROM PRIOR YEAR

- Total Personal Services have risen by a total of nearly \$34,000 across the Pension and General Funds. Projected Cost of Living Adjustments have added approximately \$23,000, with the balance a result of increased benefit costs.
- General Fund Trustee Fees related to bond issuance, previously budgeted in the Other Fees account group, have been shifted to Professional Fees on the advice of the Accounting Division. In addition, these fees have risen slightly by \$1,400.
- Professional Fees in the Pension Funds have swelled to more than \$1.1 million, an increase of more than \$126,000. Consultant costs have risen by nearly \$60,000 to allow for the bi-annual pension valuations, while Trustee Fees have increased by \$72,000. Trustee Fees costs are estimates based on the value of all pension funds managed.
- Memberships and Registrations have been increased by \$400, and Transportation has risen by \$1,500 to allow for expanded staff development expenses.
- Self-insurance, an estimate of retiree medical costs, has risen to \$950,000, an increase of more than \$164,000.
- Total Internal Services for both the General and Pension Funds have gone up by \$10,000. Data Processing charges are slated to rise by \$35,000, but have been partially offset by decreases in Telephone and Motor Vehicle charges.



**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 20.*

CRITICAL INDICATOR	FY 2007 PROJECTED	FY2007 ACTUAL	FY 2008 PROJECTED	FY2008 ACTUAL	FY 2009 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:** 90% 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 20.*

CRITICAL INDICATOR	FY 2007 PROJECTED	FY2007 ACTUAL	FY 2008 PROJECTED	FY2008 ACTUAL	FY 2009 PROJECTED
Percentage of Accounts Reconciled Per Month	85%	85%	85%	85%	90%

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

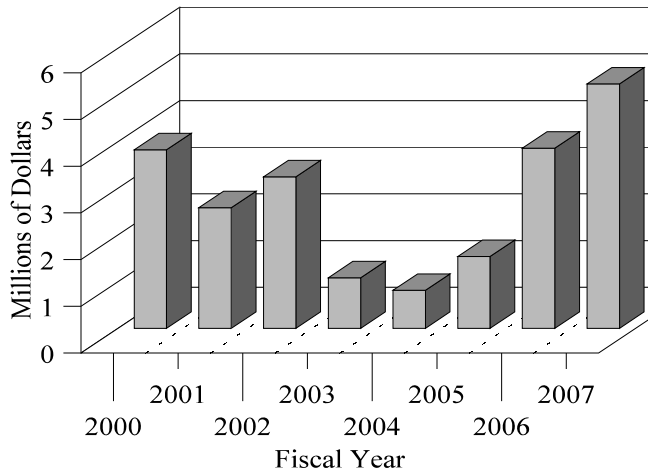
**Objective:** Decrease unfunded liability to \$105 million.

*Goal #3 corresponds to the City's Strategic Plan, Policy Statement 1-A on page 20.*

CRITICAL INDICATOR	FY 2007 PROJECTED	FY2007 ACTUAL	FY 2008 PROJECTED	FY2008 ACTUAL	FY 2009 PROJECTED
Unfunded Liability (in \$ millions)	\$108	\$108	\$105	\$108	\$105

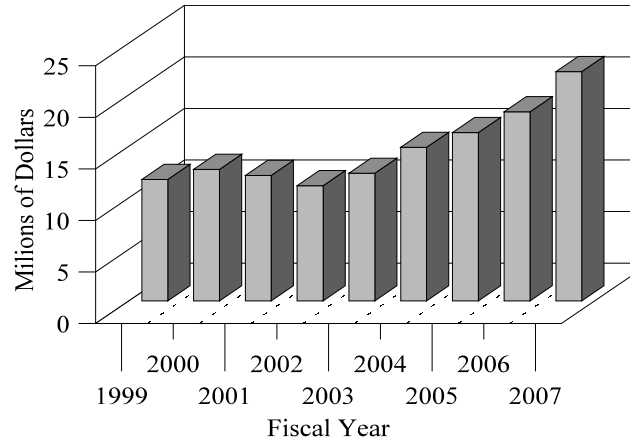
# City Treasurer Performance Trends

## General Fund Investment Income



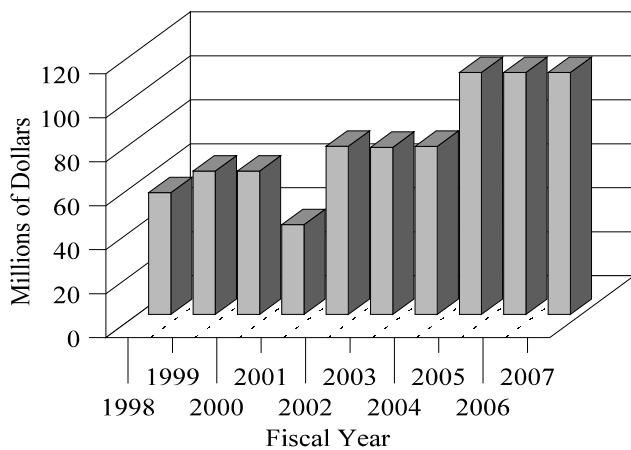
Prudent cash management and investment policies have enabled the City Treasurer to earn an average of just over \$1.9 million per year since FY 2001. Much lower interest rates and delayed capital borrowing were responsible for the declines in FY 2003 and FY 2004, although additional revenues and a return to the bond market for capital borrowing helped increase interest earnings for FY 2006 and FY 2007.

## Deferred Compensation Fund



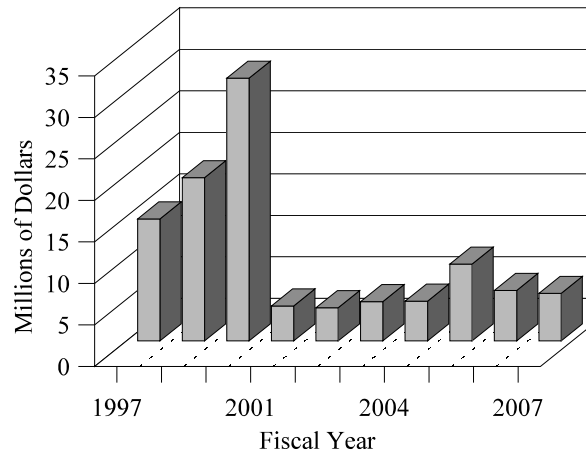
The City's Deferred Compensation plan is available on a voluntary basis to employees who wish to supplement their retirement income by investing a portion of their current earnings on a tax deferred basis. The fund has increased by 53% in the last five years.

## 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.

**DEPARTMENTAL BUDGET DETAIL BY FUND**

**DEPARTMENT: CITY TREASURER**

**FUND: GENERAL**

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY2006</b>	<b>ACTUAL FY2007</b>	<b>BUDGET FY2008</b>	<b>APPROVED FY2009</b>
Regular Salaries	206,974	213,326	217,368	228,864
Internet Reimbursement	458	45	0	390
Pension Contribution	26,876	42,351	32,444	32,923
Social Security	12,658	13,042	13,204	13,852
Medicare Tax	2,997	3,076	3,133	3,262
Hospitalization	33,491	36,297	32,405	33,332
Life Insurance	427	1,093	1,130	1,193
Pension Healthcare	1,442	4,308	2,394	2,972
Deferred Compensation Contribution	0	0	0	410
Personal Services Adjustment	<u>0</u>	<u>0</u>	<u>(5,480)</u>	<u>(5,480)</u>
<b>TOTAL PERSONAL SERVICES</b>	<b>285,323</b>	<b>313,538</b>	<b>296,598</b>	<b>311,718</b>
 <b><u>MATERIALS, SUPPLIES &amp; EQUIPMENT</u></b>				
Printing & Advertising	498	321	320	320
Transportation	1,710	2,021	2,100	3,600
Professional Fees	367	0	0	26,430
Other Fees	17,403	21,623	25,030	0
Memberships & Registrations	831	918	1,345	1,745
Miscellaneous Services	0	0	0	1,000
Office & General Supplies	397	500	400	1,200
Equipment	1,090	0	0	250
Fixed Assets	<u>2,009</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>TOTAL M., S. &amp; E.</b>	<b>24,305</b>	<b>25,383</b>	<b>29,195</b>	<b>34,545</b>
 <b><u>INTERNAL SERVICES</u></b>				
Administrative Services	77,106	73,272	88,373	109,578
Self-Insurance	<u>4,284</u>	<u>7,340</u>	<u>5,034</u>	<u>5,285</u>
<b>TOTAL INTERNAL SERVICES</b>	<b>81,390</b>	<b>80,612</b>	<b>93,407</b>	<b>114,863</b>
 <b>GENERAL FUND TOTAL</b>	 <b><u>391,018</u></b>	 <b><u>419,533</u></b>	 <b><u>419,200</u></b>	 <b><u>461,126</u></b>

## DEPARTMENT: CITY TREASURER

## FUND: PENSION ADMIN.

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY2006</b>	<b>ACTUAL FY2007</b>	<b>BUDGET FY2008</b>	<b>APPROVED FY2009</b>
Regular Salaries	217,655	229,451	234,384	246,690
Internet Reimbursement	337	1,680	330	331
Accrued Vacation Pay	511	(519)	0	0
Pension Contribution	21,750	31,890	23,949	27,255
Social Security	13,369	15,936	14,217	15,046
Medicare Tax	3,163	3,323	3,370	3,536
Hospitalization	31,097	34,041	30,269	31,128
Life Insurance	437	1,178	1,219	1,281
Pension Healthcare	2,636	8,619	2,506	3,118
Pensions	596,756	0	0	429
Personal Services Adjustment	<u>0</u>	<u>0</u>	<u>590</u>	<u>590</u>
<b>TOTAL PERSONAL SERVICES</b>	<b>887,711</b>	<b>325,599</b>	<b>310,834</b>	<b>329,404</b>
 <b><u>MATERIALS, SUPPLIES &amp; EQUIPMENT</u></b>				
Printing & Advertising	242	0	634	507
Transportation	2,760	3,833	4,500	4,500
Rentals	0	153	122	98
Contracted Maintenance	0	0	267	214
Professional Fees	794,715	1,010,446	1,012,247	1,138,500
Other Fees	32,016	11,987	12,500	12,500
Memberships & Registrations	1,451	1,790	2,815	2,720
Office & General Supplies	502	317	576	760
Miscellaneous Parts	368	364	500	751
Equipment	<u>7,837</u>	<u>316</u>	<u>0</u>	<u>252</u>
<b>TOTAL M.S. &amp; E.</b>	<b>839,891</b>	<b>1,029,206</b>	<b>1,034,161</b>	<b>1,160,802</b>
 <b><u>INTERNAL SERVICES</u></b>				
Administrative Services	40,580	22,590	47,875	36,707
Self-Insurance	<u>343</u>	<u>1,370</u>	<u>1,028</u>	<u>1,080</u>
<b>TOTAL INTERNAL SERVICES</b>	<b>40,923</b>	<b>23,960</b>	<b>48,903</b>	<b>37,787</b>
 <b><u>OTHER</u></b>				
Self Insurance Costs	<u>362,295</u>	<u>597,996</u>	<u>785,750</u>	<u>950,000</u>
<b>TOTAL OTHER</b>	<b>362,295</b>	<b>597,996</b>	<b>785,750</b>	<b>950,000</b>
 <b>PENSION ADMIN. FUNDS TOTAL</b>	 <b><u>2,130,820</u></b>	 <b><u>1,976,761</u></b>	 <b><u>2,179,648</u></b>	 <b><u>2,477,993</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 2009

- 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.
- Reinvigorate the Access Wilmington Committee which was recently assigned to Planning.
- Update the comprehensive plans for: Citywide, West Side, Price's Run/Riverside.
- Complete design guidelines for the waterfront.
- Rewrite the City's subdivision regulations.
- Prepare guidelines for archeological investigations.
- Process, in a timely fashion, approximately 400 environmental and historic reviews as required by HUD.
- Expand Planning's capabilities with the GIS system (Geographic Information System).
- Assist the Neighborhood Planning Councils with their capital budget projects.
- Encourage green development projects in the City.
- Continue timely responses to City Council requests for rezoning analyses, land use studies, and other planning related projects.
- Address zoning issues through amendments to the zoning code and/or maps, before land use conflicts arise.

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

<b>TOTAL ALL FUNDS DEPARTMENT OF PLANNING</b>	<b>ACTUAL FY2006</b>	<b>ACTUAL FY2007</b>	<b>BUDGET FY2008</b>	<b>APPROVED FY2009</b>
Personal Services	836,346	933,956	947,597	1,068,167
Materials, Supplies & Equipment	27,569	54,379	98,126	106,602
Internal Services	261,946	374,580	315,663	446,453
Debt Service	<u>177,071</u>	<u>228,842</u>	<u>224,189</u>	<u>343,723</u>
<b>TOTAL</b>	<b><u>1,302,932</u></b>	<b><u>1,591,757</u></b>	<b><u>1,585,575</u></b>	<b><u>1,964,945</u></b>
<b>STAFFING LEVELS</b>	<b>11.00</b>	<b>11.00</b>	<b>11.00</b>	<b>12.00</b>

<b>GENERAL FUND DEPARTMENT OF PLANNING</b>	<b>ACTUAL FY2006</b>	<b>ACTUAL FY2007</b>	<b>BUDGET FY2008</b>	<b>APPROVED FY2009</b>
Personal Services	798,340	871,104	888,229	1,011,682
Materials, Supplies & Equipment	26,219	52,730	98,126	106,602
Internal Services	240,487	374,580	315,663	446,453
Debt Service	<u>177,071</u>	<u>228,842</u>	<u>224,189</u>	<u>343,723</u>
<b>TOTAL</b>	<b><u>1,242,117</u></b>	<b><u>1,527,256</u></b>	<b><u>1,526,207</u></b>	<b><u>1,908,460</u></b>
<b>STAFFING LEVELS</b>	<b>10.60</b>	<b>10.60</b>	<b>10.60</b>	<b>11.60</b>

<b>COMMUNITY DEVELOPMENT BLOCK GRANT FUND (CDBG) DEPARTMENT OF PLANNING</b>	<b>ACTUAL FY2006</b>	<b>ACTUAL FY2007</b>	<b>BUDGET FY2008</b>	<b>APPROVED FY2009</b>
Personal Services	38,006	62,852	59,368	56,485
Materials, Supplies & Equipment	1,350	1,649	0	0
Internal Services	<u>21,459</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>TOTAL</b>	<b><u>60,815</u></b>	<b><u>64,501</u></b>	<b><u>59,368</u></b>	<b><u>56,485</u></b>
<b>STAFFING LEVELS</b>	<b>0.40</b>	<b>0.40</b>	<b>0.40</b>	<b>0.40</b>

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

- A new Planner I position was added to replace the Temporary Planning Intern at a net cost of \$43,545 to Personal Services. This position will be responsible for assisting in the preparation of Comprehensive Plans for the City's 13 neighborhoods, preparing neighborhood notebooks for analysis, expanding the Department's GIS capabilities and conducting land use and zoning surveys.
- Due to the reduction of Federal Funds, the Preservation Planner position's cost will be reallocated from 22% General Fund, 50% CDBG Funds, and 28% State Preservation Grant to 32% General Fund, 40% CDBG Funds, and 28% State Preservation Grant. There will be an additional cost to the General Fund of approximately \$5,000.
- A total of \$7,100 has been budgeted in the Furniture, Fixture and Office Equipment line to purchase ergonomic chairs, conference room and waiting area furniture (\$6,500), and two printers and a memory upgrade for a laptop computer (\$600).
- The Internal Services Account Group increased by a net \$130,790. This is primarily related to higher Data Processing (\$105,891), which reflects the conversion to the MUNIS computer system) and Mapping and Graphics (\$18,860).
- Debt Service went up to \$343,723, mainly due to the modification of the existing debt service.

## 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 20.*

CRITICAL INDICATOR	FY 2007 PROJECTED	FY 2007 ACTUAL	FY 2008 PROJECTED	FY 2008 ACTUAL	FY 2009 PROJECTED
Special Projects	18	17	15	15	16
Neighborhood Notebooks	3	1	2	2	2
Comprehensive Plans	1	0	2	1	3



## 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 20.*

CRITICAL INDICATOR	FY 2007 PROJECTED	FY 2007 ACTUAL	FY 2008 PROJECTED	FY 2008 ACTUAL	FY 2009 PROJECTED
Environmental and 106 Reviews	500	401	450	503	500
Planning Commission and Design Review Cases (includes internal reviews)	325	387	350	339	340
Other Site Plan Reviews (Curb Cuts, Waterfront, Subdivisions, Demolitions & parking lots )	110	102	105	105	100

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

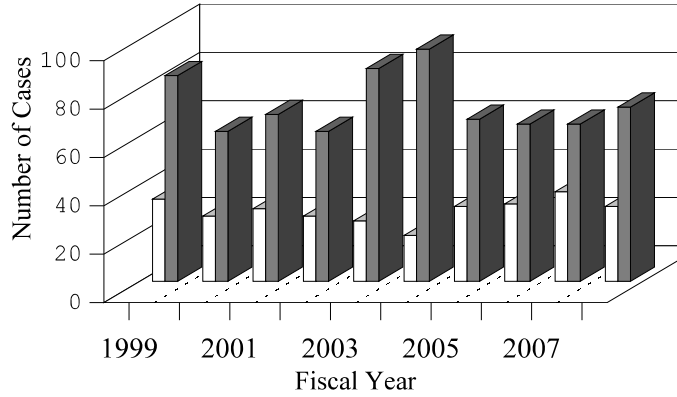
**Objective:** Complete economic development and special planning projects that will promote development in the City.

*Goal #3 corresponds to the City's Strategic Plan, Policy Statements 1-B, 1-C, and 2-F on page 20.*

CRITICAL INDICATOR	FY 2007 PROJECTED	FY 2007 ACTUAL	FY 2008 PROJECTED	FY 2008 ACTUAL	FY2009 PROJECTED
Economic Development Projects	5	8	5	6	6
Special Planning Projects	12	11	10	11	12

# Department of Planning Performance Trends

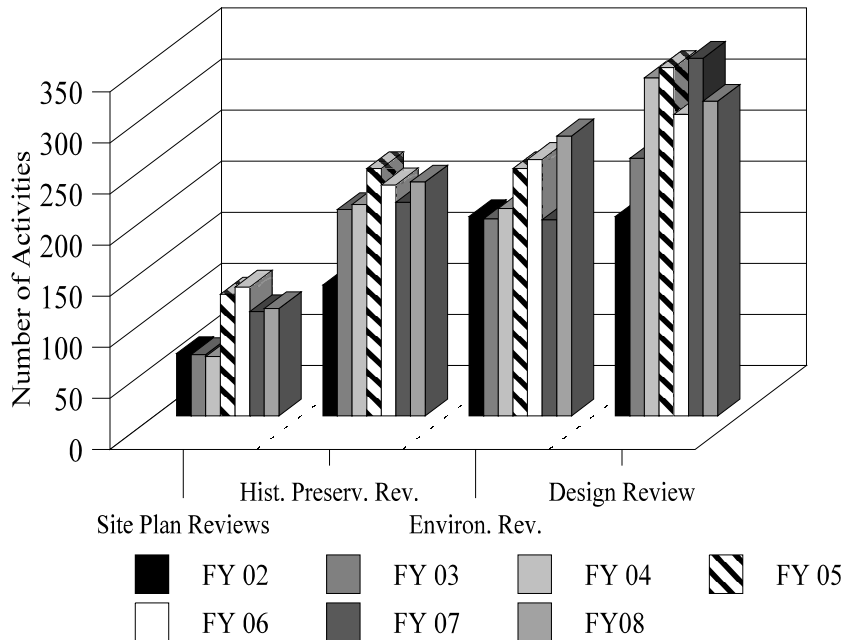
## Commission Activities



- 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 FY2006</b>	<b>ACTUAL FY2007</b>	<b>BUDGET FY2008</b>	<b>APPROVED FY2009</b>
Regular Salaries	576,211	603,847	642,614	733,275
Temporary Salaries	18,395	19,758	41,854	22,778
Acting Out of Class	1,030	0	400	416
Overtime	659	0	300	300
Internet Reimbursements	180	456	500	500
Pension Contribution	56,787	75,521	53,589	71,627
Social Security	36,903	38,625	39,566	46,724
Medicare Tax	8,631	9,035	9,253	10,927
Hospitalization	93,717	107,444	99,047	119,613
Life Insurance	1,153	3,062	3,342	3,814
Pension Healthcare	4,674	13,356	7,420	10,092
Deferred Comp Contribution	0	0	0	1,272
Personal Services Adjustment	<u>0</u>	<u>0</u>	<u>(9,656)</u>	<u>(9,656)</u>
<b>TOTAL PERSONAL SERVICES</b>	<b>798,340</b>	<b>871,104</b>	<b>888,229</b>	<b>1,011,682</b>
<b><u>MATERIALS, SUPPLIES &amp; EQUIPMENT</u></b>				
Printing & Advertising	1,127	10,121	2,400	3,400
Communications & Utilities	12	304	250	250
Transportation	328	366	2,900	4,900
Contracted Maintenance Repairs	0	0	1,680	1,344
Professional Fees	5,021	1,277	52,000	52,000
Other Fees	6,796	6,796	6,796	0
Memberships & Registrations	6,081	10,696	9,200	10,950
Miscellaneous Services	0	10,187	10,600	10,600
Office & General Supplies	2,612	5,000	7,100	7,342
Miscellaneous Parts	499	239	600	1,920
Equipment	3,743	7,744	4,600	7,100
Community Activities	<u>0</u>	<u>0</u>	<u>0</u>	<u>6,796</u>
<b>TOTAL M., S. &amp; E.</b>	<b>26,219</b>	<b>52,730</b>	<b>98,126</b>	<b>106,602</b>
<b><u>INTERNAL SERVICES</u></b>				
Administrative Services	229,654	273,258	272,560	401,193
Self-Insurance	<u>10,833</u>	<u>101,322</u>	<u>43,103</u>	<u>45,260</u>
<b>TOTAL INTERNAL SERVICES</b>	<b>240,487</b>	<b>374,580</b>	<b>315,663</b>	<b>446,453</b>
<b><u>DEBT SERVICE</u></b>				
Principal Payments	100,266	116,910	123,293	251,321
Interest Payments	<u>76,805</u>	<u>111,932</u>	<u>100,896</u>	<u>92,402</u>
<b>TOTAL DEBT SERVICE</b>	<b>177,071</b>	<b>228,842</b>	<b>224,189</b>	<b>343,723</b>
<b>GENERAL FUND TOTAL</b>	<b><u>1,242,117</u></b>	<b><u>1,527,256</u></b>	<b><u>1,526,207</u></b>	<b><u>1,908,460</u></b>

## DEPARTMENT: PLANNING

FUND: CDBG

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY2006</b>	<b>ACTUAL FY2007</b>	<b>BUDGET FY2008</b>	<b>APPROVED FY2009</b>
Regular Salaries	16,211	33,378	22,430	23,679
Temporary Salaries	6,026	16,909	25,737	21,142
Temporary Salaries/Grants	9,767	0	0	0
Pension Contribution	1,364	3,445	1,794	2,238
Social Security	2,010	2,500	2,983	2,774
Medicare Tax	470	585	697	649
Hospitalization	2,022	5,586	5,330	5,484
Pension Healthcare	31	280	280	348
Deferred Comp Contribution	0	0	0	48
Life Insurance	<u>105</u>	<u>169</u>	<u>117</u>	<u>123</u>
<b>TOTAL PERSONAL SERVICES</b>	<b>38,006</b>	<b>62,852</b>	<b>59,368</b>	<b>56,485</b>
 <b><u>MATERIALS, SUPPLIES &amp; EQUIPMENT</u></b>				
Transportation	745	776	0	0
Memberships & Registrations	494	680	0	0
Office & General Supplies	<u>111</u>	<u>193</u>	<u>0</u>	<u>0</u>
<b>TOTAL M., S. &amp; E.</b>	<b>1,350</b>	<b>1,649</b>	<b>0</b>	<b>0</b>
 <b><u>INTERNAL SERVICES</u></b>				
Administrative Services	18,935	0	0	0
Self-Insurance	<u>2,524</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>TOTAL INTERNAL SERVICES</b>	<b>21,459</b>	<b>0</b>	<b>0</b>	<b>0</b>
 <b>CDBG FUND TOTAL</b>	 <b><u>60,815</u></b>	 <b><u>64,501</u></b>	 <b><u>59,368</u></b>	 <b><u>56,485</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 2009**

- 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.
- 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 FY2006</b>	<b>ACTUAL FY2007</b>	<b>BUDGET FY2008</b>	<b>APPROVED FY2009</b>
Personal Services	396,475	235,764	400,884	425,968
Materials, Supplies & Equipment	184,018	344,554	201,300	212,600
Internal Services	<u>57,409</u>	<u>62,935</u>	<u>61,754</u>	<u>91,503</u>
<b>TOTAL</b>	<b><u>637,902</u></b>	<b><u>643,253</u></b>	<b><u>663,938</u></b>	<b><u>730,071</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 FY2006</b>	<b>ACTUAL FY2007</b>	<b>BUDGET FY2008</b>	<b>APPROVED FY2009</b>
Personal Services	396,475	235,764	400,884	425,968
Materials, Supplies & Equipment	129,618	290,334	146,700	156,400
Internal Services	<u>57,409</u>	<u>62,935</u>	<u>61,754</u>	<u>91,503</u>
<b>TOTAL</b>	<b><u>583,502</u></b>	<b><u>589,033</u></b>	<b><u>609,338</u></b>	<b><u>673,871</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 FY2006</b>	<b>ACTUAL FY2007</b>	<b>BUDGET FY2008</b>	<b>APPROVED FY2009</b>
Materials, Supplies & Equipment	<u>54,400</u>	<u>54,220</u>	<u>54,600</u>	<u>56,200</u>
<b>TOTAL</b>	<b><u>54,400</u></b>	<b><u>54,220</u></b>	<b><u>54,600</u></b>	<b><u>56,200</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 and higher employee benefits contributed to a \$25,084 Personal Services increase.
- Accounting Fees increased \$5,000 (\$3,400 in the General Fund, \$1,600 in the Water Fund) due to the annual increase in the Auditing contract with the CPA firm McBride/Shopa.
- Travel and Subsistence increased \$3,000 for Auditing staff to attend training conferences and seminars hosted by various organizations, including the Government Finance Officers Association, the International Association of Audit Professionals, and the annual MUNIS conference.
- Internal Services increased \$29,749 in the General Fund primarily due to the rise in Data Processing costs (\$25,757) related to the ongoing MUNIS system conversion.

# 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 ALGA Standards.

*Goal #1 corresponds to the City's Strategic Plan, Policy Statements 1-A, 1-B, and 1-C on page 20.*

CRITICAL INDICATOR	FY 2007 PROJECTED	FY 2007 ACTUAL	FY 2008 PROJECTED	FY 2008 ACTUAL	FY 2009 PROJECTED
Percentage of Professional Auditing Standards Met with Full Compliance	90%	100%	100%	95%	100%

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

**Objective:** Issue ten 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 20.*

CRITICAL INDICATOR	FY 2007 PROJECTED	FY 2007 ACTUAL	FY 2008 PROJECTED	FY 2008 ACTUAL	FY 2009 PROJECTED
Number of Audit Reports Issued	4	5	7	13	10

**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 30 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 20.*

CRITICAL INDICATOR	FY 2007 PROJECTED	FY 2007 ACTUAL	FY 2008 PROJECTED	FY 2008 ACTUAL	FY 2009 PROJECTED
Technical Training Hours	40	40	40	40	30

## 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 20.*

CRITICAL INDICATOR	FY 2007 PROJECTED	FY 2007 ACTUAL	FY 2008 PROJECTED	FY 2008 ACTUAL	FY 2009 PROJECTED
Percentage of cash processing departments monitored prior to year-end	50%	50%	50%	50%	50%
Percentage of recommendations implemented	75%	75%	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 one department/division 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 20.*

CRITICAL INDICATOR	FY 2007 PROJECTED	FY 2007 ACTUAL	FY 2008 PROJECTED	FY 2008 ACTUAL	FY 2009 PROJECTED
Number of Departments that received training	5	1	3	1	1



**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>FY2006</b>	<b>FY2007</b>	<b>FY2008</b>	<b>FY2009</b>
Regular Salaries	299,978	165,852	315,727	347,583
Internet Reimbursements	285	225	900	900
Pension Contribution	22,851	22,123	25,258	33,164
Social Security	17,678	10,173	19,456	21,339
Medicare Tax	4,135	2,379	4,550	4,989
Hospitalization	49,374	28,325	62,894	44,292
Life Insurance	725	827	1,643	1,795
Pension Healthcare	1,449	5,860	3,500	4,350
Deferred Comp Contribution	0	0	0	600
Personal Services Adjustment	<u>0</u>	<u>0</u>	<u>(33,044)</u>	<u>(33,044)</u>
<b>TOTAL PERSONAL SERVICES</b>	<b>396,475</b>	<b>235,764</b>	<b>400,884</b>	<b>425,968</b>
<b><u>MATERIALS, SUPPLIES &amp; EQUIPMENT</u></b>				
Transportation	5,991	3,731	7,100	10,300
Professional Fees	115,600	275,992	125,400	128,800
Other Fees	0	0	12,000	0
Memberships & Registrations	6,642	9,045	1,000	15,000
Office & General Supplies	1,026	504	1,200	1,100
Equipment	359	1,062	0	1,200
Fixed Assets	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>TOTAL M., S. &amp; E.</b>	<b>129,618</b>	<b>290,334</b>	<b>146,700</b>	<b>156,400</b>
<b><u>INTERNAL SERVICES</u></b>				
Administrative Services	53,995	58,122	58,892	88,497
Self-Insurance	<u>3,414</u>	<u>4,813</u>	<u>2,862</u>	<u>3,006</u>
<b>TOTAL INTERNAL SERVICES</b>	<b>57,409</b>	<b>62,935</b>	<b>61,754</b>	<b>91,503</b>
<b>GENERAL FUND TOTAL</b>	<b><u>583,502</u></b>	<b><u>589,033</u></b>	<b><u>609,338</u></b>	<b><u>673,871</u></b>

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

<b>MATERIALS, SUPPLIES &amp; EQUIPMENT</b>	<b>ACTUAL FY2006</b>	<b>ACTUAL FY2007</b>	<b>BUDGET FY 2008</b>	<b>APPROVED FY2009</b>
Professional Fees	<u>54,400</u>	<u>54,220</u>	<u>54,600</u>	<u>56,200</u>
<b>TOTAL M., S. &amp; E.</b>	<b>54,400</b>	<b>54,220</b>	<b>54,600</b>	<b>56,200</b>
<b>WATER/SEWER FUND TOTAL</b>	<b><u>54,400</u></b>	<b><u>54,220</u></b>	<b><u>54,600</u></b>	<b><u>56,200</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 2009</b>
<ul style="list-style-type: none"> <li>• Provide quality legal counsel to City departments, boards, and commissions and to City Council, ensuring all aspects 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

<b>GENERAL FUND</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>APPROVED</b>
<b>LAW DEPARTMENT</b>	<b>FY2006</b>	<b>FY2007</b>	<b>FY2008</b>	<b>FY2009</b>
Personal Services	1,655,069	1,830,769	1,989,079	2,182,251
Materials, Supplies & Equipment	402,813	1,413,370	715,191	596,412
Internal Services	158,369	165,224	176,547	221,518
<b>TOTAL</b>	<b><u>2,216,251</u></b>	<b><u>3,409,363</u></b>	<b><u>2,880,817</u></b>	<b><u>3,000,181</u></b>
<b>STAFFING LEVELS</b>	<b>20.00</b>	<b>21.00</b>	<b>22.00</b>	<b>23.00</b>

## MAJOR FUNDING CHANGES FROM PRIOR YEAR

- COLA's and higher employee benefit costs are the major contributors to a \$193,172 Personal Services increase. The addition of a Nuisance Property Administrator (Grade N-3) along with upgrades for the Real Estate Legal Assistant (Grade N-7) to the position of Real Estate Legal Coordinator (Grade P-5) and the Litigation Assistant (Grade N-7 to Grade O-7) also contributed to the increase in Personal Services expenses. The Department's Personal Services Adjustment, previously used for merit-based salary increases, decreased \$22,500 as part of the Department's continued Reorganization Plan.
- A shift in costs to the Finance Department for an attorney and related Sheriff Sale expenses (\$100,000), the Public Works Department for Waste Water Treatment Plant negotiations (\$200,000), and the Risk Management Fund for environmental litigation costs (\$30,000) all assisted in decreasing legal fees by a net \$140,000. These decreases were partially offset by increases in telecommunications contract negotiation fees (\$100,000), condemnation expenses related to Economic Development at the Riverfront (\$50,000), planning related expenses (\$40,000), Public School District issues (\$10,000), commitments to "Operation Fed-Up" (\$75,000) and General Legal advice (\$15,000).
- Items formerly budgeted as Fees N.O.C. in FY 2008 increased \$15,985, due to the annual increase in LexisNexis service fees and the purchase of PDF editing software licenses. These expenses now appear as part of the Miscellaneous Services account group.
- Stationary and Supplies increased \$3,000 for the purchase of ink cartridges and related printer supplies formerly supported by the IT Department.
- Internal Services increased \$44,970, largely due to increases in Data Processing (\$49,918), reflecting the conversion to the MUNIS computer software system.

## 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 20.*

CRITICAL INDICATOR	FY 2007 PROJECTED	FY 2007 ACTUAL	FY 2008 PROJECTED	FY 2008 ACTUAL	FY2009 PROJECTED
Percentage of Court Cost recovered	25%	89%	25%	63%	25%

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

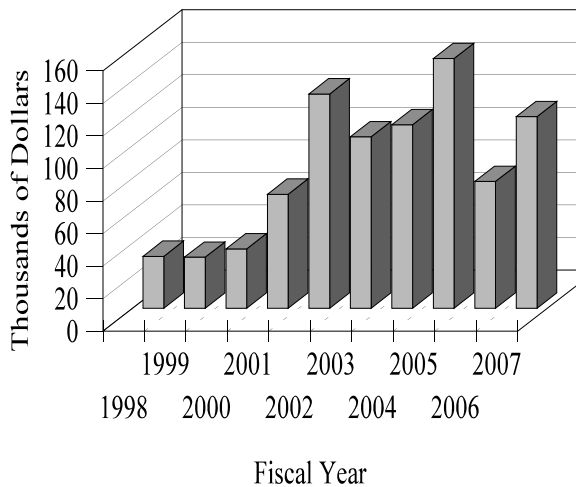
**Objective:** Maintain filing of writs of monition/vend ex monitions against tax-delinquent property owners at no less than 100 filings.

*Goal #2 corresponds to the City's Strategic Plan, Policy Statement 1-A on page 20.*

CRITICAL INDICATOR	FY 2007 PROJECTED	FY 2007 ACTUAL	FY 2008 PROJECTED	FY 2008 ACTUAL	FY 2009 PROJECTED
Number of filings	100	318	100	657	100

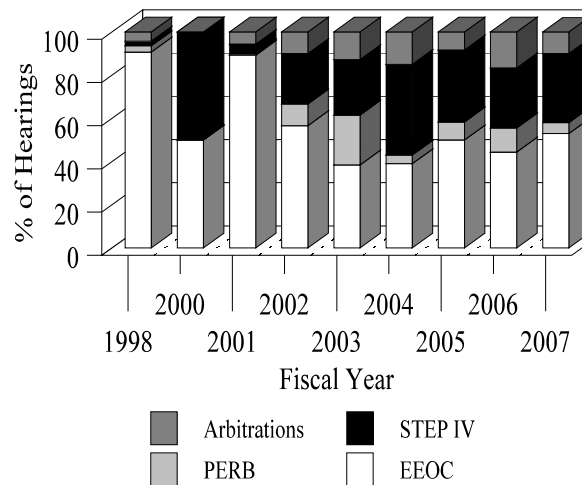
# Law Department Performance Trends

## Fines Imposed for Housing Code Prosecutions



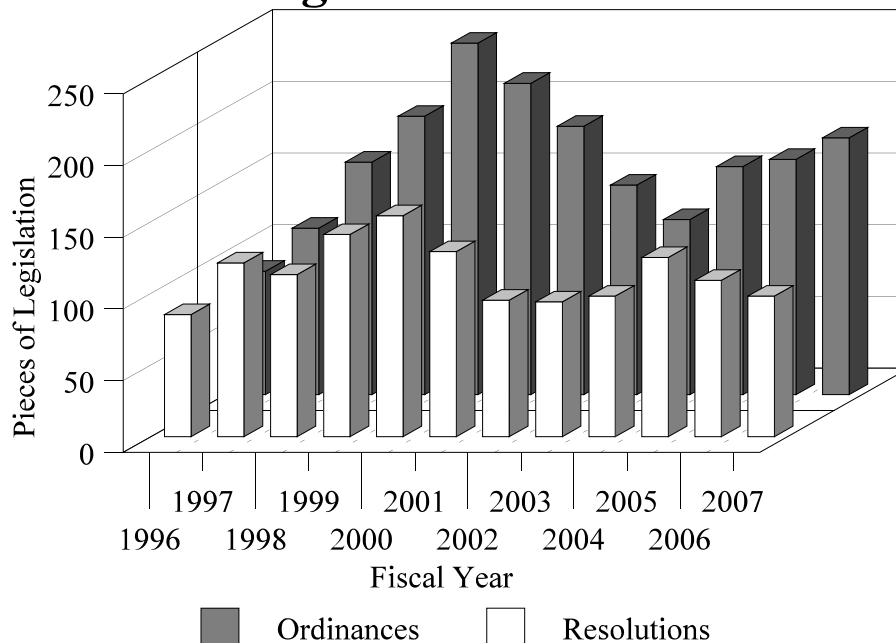
Emphasis continues to be placed on housing code enforcement and prosecution to maintain quality of existing housing stock and to improve the living conditions of City resident.

## 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, 2006, and 2007, 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 FY2006</b>	<b>ACTUAL FY2007</b>	<b>BUDGET FY2008</b>	<b>APPROVED FY2009</b>
Regular Salaries	1,255,327	1,324,198	1,490,566	1,667,189
Temporary Salaries	4,739	3,632	19,592	16,120
Acting Out of Classification	351	0	0	0
Internet Reimbursement	1,515	615	0	0
Overtime	1,799	4,399	0	0
Parking Reimbursement	625	0	0	0
Pension Contribution	114,646	178,826	143,286	169,634
Social Security	77,903	82,135	91,847	102,815
Medicare Tax	18,272	19,243	21,554	24,307
Hospitalization	167,422	185,820	192,618	186,928
Life Insurance	2,595	6,699	7,726	8,618
Pension Healthcare	9,875	25,202	15,400	20,010
Personal Services Adjustment	0	0	6,490	(16,010)
Deferred Compensation Contribution	<u>0</u>	<u>0</u>	<u>0</u>	<u>2,640</u>
<b>TOTAL PERSONAL SERVICES</b>	<b>1,655,069</b>	<b>1,830,769</b>	<b>1,989,079</b>	<b>2,182,251</b>
 <b><u>MATERIALS, SUPPLIES &amp; EQUIPMENT</u></b>				
Printing & Advertising	0	832	990	1,390
Communications & Utilities	248	270	400	400
Transportation	3,520	2,053	5,700	5,700
Contracted Maintenance Repair	0	0	1,000	1,000
Professional Fees	287,900	1,264,772	488,630	348,630
Other Fees	57,263	113,095	175,320	125,000
Memberships & Registrations	23,920	25,271	35,300	38,400
Miscellaneous Services	0	0	0	66,305
Office & General Supplies	2,833	3,248	3,200	6,187
Equipment	6,314	3,829	4,651	3,400
Fixed Assets	<u>20,815</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>TOTAL M., S. &amp; E.</b>	<b>402,813</b>	<b>1,413,370</b>	<b>715,191</b>	<b>596,412</b>
 <b><u>INTERNAL SERVICES</u></b>				
Administrative Services	141,340	132,104	156,541	196,814
Self-Insurance	<u>17,028</u>	<u>33,120</u>	<u>20,006</u>	<u>24,704</u>
<b>TOTAL INTERNAL SERVICES</b>	<b>158,369</b>	<b>165,224</b>	<b>176,547</b>	<b>221,518</b>
 <b>GENERAL FUND TOTAL</b>	 <b><u>2,216,251</u></b>	 <b><u>3,409,363</u></b>	 <b><u>2,880,817</u></b>	 <b><u>3,000,181</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 2009</b>
<ul style="list-style-type: none"> <li>• Grow the City's revenue base, for the fourth consecutive year, by \$2.9 million through audits and collections.</li> <li>• Reassert and reinvent the role of the Purchasing Division by leveraging 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 and similar awards to advance the City's financial reputation locally and nationally.</li> <li>• Increase Citywide revenue collections and opportunities by creating and implementing new strategies, tactics and legislation.</li> <li>• Advance the use of technology to provide additional and broader service levels to our residents and businesses.</li> <li>• Develop policies and organizational management strategies to improve communications to our stakeholders, rate payers and constituents.</li> </ul>

## SUMMARY OF FUNDING FOR THE DEPARTMENT OF FINANCE

<b>TOTAL ALL FUNDS DEPARTMENT OF FINANCE</b>	<b>ACTUAL FY2006*</b>	<b>ACTUAL FY2007*</b>	<b>BUDGET FY2008</b>	<b>APPROVED FY2009</b>
Personal Services	3,565,082	4,072,072	4,783,943	5,229,500
Materials, Supplies & Equipment	2,347,462	1,919,347	2,735,749	4,076,073
Internal Services	1,030,768	1,175,355	1,225,976	1,563,018
Debt Service	144,189	0	0	0
Depreciation/Amortization	<u>22,227</u>	<u>0</u>	<u>22,190</u>	<u>1,150</u>
<b>TOTAL</b>	<b><u>7,109,728</u></b>	<b><u>7,166,774</u></b>	<b><u>8,767,858</u></b>	<b><u>10,869,741</u></b>
<b>STAFFING LEVELS</b>	<b>58.00</b>	<b>60.00</b>	<b>68.00</b>	<b>70.00</b>

<b>GENERAL FUND DEPARTMENT OF FINANCE</b>	<b>ACTUAL FY2006</b>	<b>ACTUAL FY2007</b>	<b>BUDGET FY2008</b>	<b>APPROVED FY2009</b>
Personal Services	2,056,571	2,450,786	2,799,106	3,038,450
Materials, Supplies & Equipment	1,172,353	1,418,749	2,268,442	3,430,712
Internal Services	575,012	723,183	691,854	917,735
Debt Service	<u>144,189</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>TOTAL</b>	<b><u>3,948,125</u></b>	<b><u>4,592,718</u></b>	<b><u>5,759,402</u></b>	<b><u>7,386,897</u></b>
<b>STAFFING LEVELS</b>	<b>30.30</b>	<b>33.70</b>	<b>38.85</b>	<b>40.35</b>

<b>WATER/SEWER FUND DEPARTMENT OF FINANCE</b>	<b>ACTUAL FY2006</b>	<b>ACTUAL FY2007</b>	<b>BUDGET FY2008</b>	<b>APPROVED FY2009</b>
Personal Services	1,508,511	1,621,286	1,984,837	2,191,050
Materials, Supplies & Equipment	1,175,109	500,598	467,307	645,361
Internal Services	455,756	452,172	534,122	645,283
Depreciation/Amortization	<u>22,227</u>	<u>0</u>	<u>22,190</u>	<u>1,150</u>
<b>TOTAL</b>	<b><u>3,161,603</u></b>	<b><u>2,574,056</u></b>	<b><u>3,008,456</u></b>	<b><u>3,482,844</u></b>
<b>STAFFING LEVELS</b>	<b>27.70</b>	<b>26.30</b>	<b>29.15</b>	<b>29.65</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 not shown here, but are shown combined in the Mayor's Office. For uncombined staffing levels, see Budget Summary of staffing starting on page 47.

## GENERAL FUND MAJOR FUNDING CHANGES FROM PRIOR YEAR

- Expanding on the Plan for Change initiative to raise additional revenues from the collection of outstanding taxes and fees and to improve its collection process, a total of two new positions, a Revenue Audit Agent (R-3) and a Senior Accountant (Q-3), will be added to boost these efforts. Because the Senior Accountant position will be split funded with the Water/Sewer Fund, the result will be the net addition of 1.5 FTE positions to the General Fund at a cost of \$127,017. The projected return to the General Fund offsetting the creation of these positions is the collection of \$1.8 million, consisting of the collection \$1.25 million in Wage Taxes, \$300,000 in Head Taxes, and \$250,000 in Property Taxes.
- Excluding the expanded Plan for Change, Personal Services increased \$112,327 due to the cumulative effect of COLA's, higher benefit costs and a number of upgrades to positions. A Senior Financial Analyst (M-05) received an upgrade to a Principal Analyst (M-06), along with the Finance Projects Coordinator (R-4), who also received a grade and step upgrade (S-5). In addition, five Financial Assistants (I grade) and one Financial Specialist (J-7), were all upgraded to Earned Income Tax Agents (L grade).
- \$250,000 was added to the Earned Income Tax Division's Miscellaneous N.O.C. expenses to support the audit of large corporations for compliance in paying the City's Wage and Head taxes.
- Because of the success of the Finance Department's Plan for Change in increasing revenue collections, additional funding has been added for a number of Collection Expenses that directly relate to the revenue collected. These include \$340,000 for increases in the red light collection contract, \$49,750 in additional parking citations and booting costs, and a \$14,000 increase in Credit Card Fees commissions.
- Consultants increased \$31,551, primarily in the Administration Division (\$26,982), to fund financial consultant expertise related to cash disbursement policies and procedures, and to evaluate City Code ambiguity.
- Machinery and Equipment expenses in the Earned Income Tax Division increased \$25,000, primarily to pay for a new telephone system to be used to monitor and improve customer service.
- Temporary Agencies increased \$20,000 in the Earned Income Tax Division to hire temporary staff to assist with the conversion and processing of W-2s.
- The Finance Department's Internal Services increased \$225,881, primarily due to increased Data Processing costs (\$267,115), reflecting the conversion to the MUNIS computer software system. Offsetting Internal Services costs included decreases in Postage (\$39,968), Motor Vehicle (\$10,349), and Mapping and Graphics (\$15,452) expenses.

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

- Expanding on the original Plan for Change, the Finance Department is continuing its program to raise additional revenues from the collection of delinquent water bills by maintaining focus on, and improving, its reconciliation process. As such, a Senior Accountant position will be added to boost this effort. Because the position is split funded with the General Fund, a net 0.5 FTE will be added to the Water/Sewer Fund at a cost of \$41,016. Excluding the continued expansion of the Plan for Change, Personal Services increased \$165,197, due to the cumulative effect of COLA's and higher benefit costs.
- Consultant funding increased by an aggregate \$81,851. This increase includes the hiring of outside agencies: (1) to develop strategies for communicating information on vacant fees, earned income, and real estate taxes to constituents; (2) for financial advisory expertise related to Utility Billing and evaluations of City Code ambiguity, and; (3) to cover the cost of an Attorney's legal services related to delinquent water/sewer fees, real estate tax, and sheriff sales (expenses previously budgeted in the Law Department).
- Contracted Maintenance Services increased \$15,000 to maintain new telephone headsets in the Meter Readers Division. Machinery and Equipment expenses also increased by \$13,500 to purchase a telephone recording system in the Delinquent Accounts Division.
- Temporary Agencies increased \$16,000 in the Utility Billing Division to hire temporary staff to assist in updating the storm water database and provide settlement help.
- Lastly, Internal Services increased Department wide by \$111,161, primarily due to increased Postage (\$82,064), Data Processing (\$34,008), and Motor Vehicle costs (\$27,619). These internal service increases were offset by reduced Telephone (\$26,361) and Radio Usage (\$8,294) charge backs.

# DEPARTMENT OF FINANCE

## PERFORMANCE INDICATORS

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

**Objective:** Increase dollars collected on delinquent earned income tax accounts to \$4,500,000.

*Goal #1 corresponds to the City's Strategic Plan, Policy Statement 1-A on page 20. 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 2007 PROJECTED	FY 2007 ACTUAL	FY 2008 PROJECTED	FY 2008 ACTUAL	FY 2009 PROJECTED
Dollars Collected	\$1,000,000	\$1,802,999	\$3,200,000	\$3,250,000	\$4,500,000

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

**Objective:** 48% of payments processed automatically by remote deposit.

*Goal #2 corresponds to the City's Strategic Plan, Policy Statement 1-A on page 20. The associated objective was revised for FY 2009; previously, the objective for this goal was "80% of payments processed automatically by the lockbox service and/or remote deposit."*

CRITICAL INDICATOR	FY 2007 PROJECTED	FY 2007 ACTUAL	FY 2008 PROJECTED	FY 2008 ACTUAL	FY 2009 PROJECTED
Numbers of Payments Processed	142,000	125,500	192,000	105,785	180,000
Percentage of Payments Processed	59%	53%	80%	29%	48%

**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.

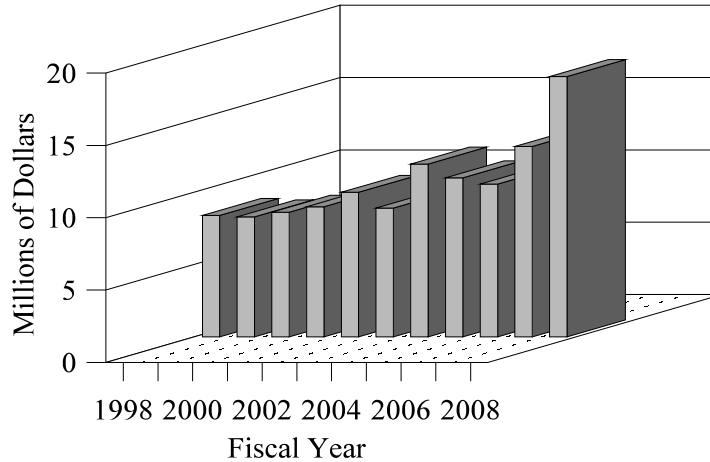
*Goal #3 corresponds to the City's Strategic Plan, Policy Statements 1-A, 1-D and 1-E on page 20.*

CRITICAL INDICATOR	FY 2007 PROJECTED	FY 2007 ACTUAL	FY 2008 PROJECTED	FY 2008 ACTUAL	FY 2009 PROJECTED
GFOA Certificate of Excellence in Financial Reporting Recipient	Yes	Yes	Yes	Pending	Yes

# Department of Finance

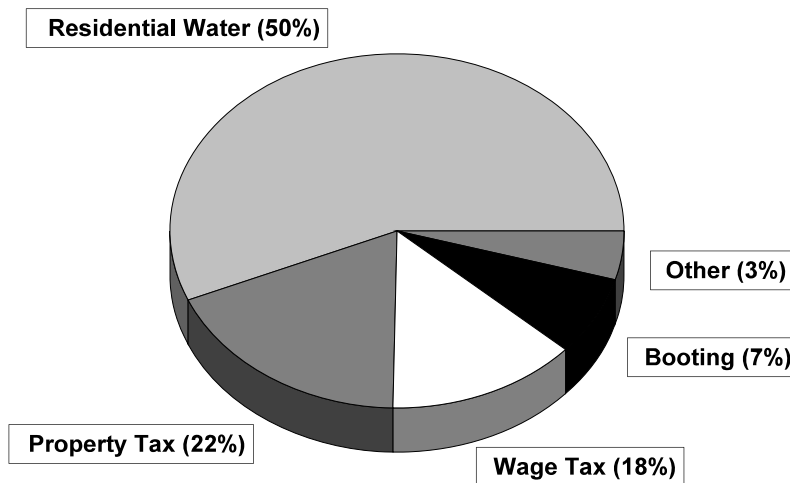
## Performance Trends

### 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 \$10 million in delinquent accounts were collected in FY 2008, an increase of almost \$5 million over FY 2007.

### Delinquent Collections by Revenue Type FY 2008



**DEPARTMENTAL BUDGET DETAIL BY FUND**

**DEPARTMENT: FINANCE**

**FUND: GENERAL**

	<b>ACTUAL FY2006</b>	<b>ACTUAL FY2007</b>	<b>BUDGET FY2008</b>	<b>APPROVAL FY2009</b>
<b><u>PERSONAL SERVICES</u></b>				
Regular Salaries	1,410,488	1,606,219	1,985,000	2,127,398
Temporary Salaries	0	29,000	33,503	34,272
Acting Out of Class	4,796	119	175	0
Sick Leave Bonus	1,550	115	2,350	3,210
Overtime	64,017	100,399	52,500	83,700
Meal Allowance	5,376	5,086	5,370	7,550
Internet Reimbursement	2,301	1,384	5,229	5,572
Parking Reimbursement	805	0	0	0
Pension Contribution	155,871	228,593	193,838	226,353
Social Security	93,220	105,283	128,339	140,161
Medicare Tax	21,803	25,150	30,023	32,826
Hospitalization	278,869	299,027	412,254	414,104
Life Insurance	3,489	7,948	10,294	11,026
Pension Healthcare	13,986	42,463	27,195	34,580
Personal Services Adjustment	0	0	(86,964)	(86,964)
Deferred Compensation	<u>0</u>	<u>0</u>	<u>0</u>	<u>4,662</u>
<b>TOTAL PERSONAL SERVICES</b>	<b>2,056,571</b>	<b>2,450,786</b>	<b>2,799,106</b>	<b>3,038,450</b>
 <b><u>MATERIALS, SUPPLIES &amp; EQUIPMENT</u></b>				
Printing & Advertising	41,561	40,696	48,380	63,664
Communications & Utilities	9,663	11,131	16,338	16,413
Transportation	14,599	9,697	21,400	28,320
Contracted Maintenance Repairs	3,941	372	1,078	15,882
Professional Fees	97,537	49,606	60,699	120,250
Memberships & Registrations	8,111	12,346	53,105	73,230
Miscellaneous Services	941,045	1,250,012	2,032,616	3,022,000
Office & General Supplies	8,621	8,366	8,600	17,109
Miscellaneous Parts	39	0	3,156	3,804
Property Tax Refunds	20,129	22,209	0	0
Equipment	27,107	12,432	13,070	26,740
Fixed Assets	<u>0</u>	<u>1,882</u>	<u>10,000</u>	<u>43,300</u>
<b>TOTAL M., S. &amp; E.</b>	<b>1,172,353</b>	<b>1,418,749</b>	<b>2,268,442</b>	<b>3,430,712</b>
 <b><u>INTERNAL SERVICES</u></b>				
Administrative Services	545,614	561,461	617,253	839,400
Self-Insurance	<u>29,398</u>	<u>161,722</u>	<u>74,601</u>	<u>78,335</u>
<b>TOTAL INTERNAL SERVICES</b>	<b>575,012</b>	<b>723,183</b>	<b>691,854</b>	<b>917,735</b>

## DEPARTMENT: FINANCE

## FUND: GENERAL

	ACTUAL FY2006	ACTUAL FY2007	BUDGET FY2008	APPROVED FY2009
<b>DEBT SERVICE</b>				
Principal Payments	0	0	0	0
Interest Payments	144,189	0	0	0
<b>TOTAL DEBT SERVICE</b>	<b>144,189</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>GENERAL FUND TOTAL</b>	<b><u>3,948,125</u></b>	<b><u>4,592,718</u></b>	<b><u>5,759,402</u></b>	<b><u>7,386,897</u></b>

## DEPARTMENT: FINANCE

## FUND: WATER/SEWER

	ACTUAL FY2006	ACTUAL FY2007	BUDGET FY2008	APPROVED FY2009
<b>PERSONAL SERVICES</b>				
Regular Salaries	1,075,062	1,123,635	1,380,561	1,474,683
Temporary Salaries	0	1,549	12,264	28,920
Acting Out of Class	725	81	1,175	0
Shift Differential	22	0	0	0
Sick Leave Bonus	1,100	405	850	690
Overtime	15,147	48,722	12,500	51,500
Meal Allowance	1,057	4,195	1,270	4,150
Clothing Allowance	875	1,125	1,250	1,250
Internet Reimbursements	1,854	889	2,877	2,808
Accrued Sick/Vacation	(10,083)	(29,482)	0	0
Pension Contribution	103,111	149,493	151,951	169,444
Social Security	67,484	75,172	87,320	96,167
Medicare Tax	16,117	17,134	20,398	22,543
Hospitalization	221,508	204,505	284,861	301,426
Life Insurance	2,711	5,451	7,156	7,652
Pension Healthcare	11,821	18,412	20,404	26,320
Deferred Compensation	0	0	0	3,497
<b>TOTAL PERSONAL SERVICES</b>	<b>1,508,511</b>	<b>1,621,286</b>	<b>1,984,837</b>	<b>2,191,050</b>



## DEPARTMENT: FINANCE

## FUND: WATER/SEWER

<b>MATERIALS, SUPPLIES &amp; EQUIPMENT</b>	<b>ACTUAL FY2006</b>	<b>ACTUAL FY2007</b>	<b>BUDGET FY2008</b>	<b>APPROVED FY2009</b>
Printing & Advertising	6,652	6,727	17,020	17,052
Communications & Utilities	125	29	900	1,149
Transportation	3,423	2,169	4,700	11,680
Contracted Maintenance Repairs	201	3,159	3,835	3,088
Professional Fees	55,036	15,541	33,899	130,750
Memberships & Registrations	640	1,186	26,310	44,315
Miscellaneous Services	0	47,864	59,520	82,500
Office & General Supplies	3,610	5,537	8,400	14,044
Wearing Apparel & Safety Supplies	3,660	1,611	5,340	5,340
Miscellaneous Parts	3,374	2,087	6,100	6,800
Supporting Services	276,684	276,684	276,683	276,683
Utility Billing Refunds	802,783	123,601	0	0
Equipment	18,921	14,403	24,600	33,960
Fixed Assets	<u>0</u>	<u>0</u>	<u>0</u>	<u>18,000</u>
<b>TOTAL M., S. &amp; E.</b>	<b>1,175,109</b>	<b>500,598</b>	<b>467,307</b>	<b>645,361</b>
<b><u>INTERNAL SERVICES</u></b>				
Administrative Services	434,861	390,683	491,640	600,677
Self-Insurance	<u>20,895</u>	<u>61,489</u>	<u>42,482</u>	<u>44,606</u>
<b>TOTAL INTERNAL SERVICE</b>	<b>455,756</b>	<b>452,172</b>	<b>534,122</b>	<b>645,283</b>
<b><u>OTHER</u></b>				
Depreciation	<u>22,227</u>	<u>0</u>	<u>22,190</u>	<u>1,150</u>
<b>TOTAL OTHER</b>	<b>22,227</b>	<b>0</b>	<b>22,190</b>	<b>1,150</b>
<b>WATER/SEWER FUND TOTAL</b>	<b><u>3,161,603</u></b>	<b><u>2,574,056</u></b>	<b><u>3,008,456</u></b>	<b><u>3,482,844</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 2009</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>FY2006</b>	<b>FY2007</b>	<b>FY2008</b>	<b>FY2009</b>
Personal Services	1,583,213	2,033,696	1,714,474	1,901,410
Materials, Supplies & Equipment	1,111,193	2,794,065	2,338,324	3,918,491
Internal Services	341,193	325,388	379,971	436,540
Debt Service	0	0	4,666	31,458
Depreciation	35,169	128	15,166	2,192
Special Purpose	<u>12,560,718</u>	<u>15,179,218</u>	<u>14,302,500</u>	<u>14,320,500</u>
<b>TOTAL</b>	<b><u>15,631,486</u></b>	<b><u>20,332,494</u></b>	<b><u>18,755,101</u></b>	<b><u>20,610,591</u></b>
<b>STAFFING LEVELS</b>	<b>21.00</b>	<b>22.00</b>	<b>22.00</b>	<b>23.00</b>

<b>GENERAL FUND DEPARTMENT OF PERSONNEL</b>	<b>ACTUAL FY2006</b>	<b>ACTUAL FY2007</b>	<b>BUDGET FY2008</b>	<b>APPROVED FY2009</b>
Personal Services	1,055,525	1,147,503	1,201,798	1,338,610
Materials, Supplies & Equipment	77,369	165,401	141,525	220,226
Internal Services	308,169	304,411	340,449	410,639
Debt Service	0	0	4,666	31,458
<b>TOTAL</b>	<b><u>1,441,063</u></b>	<b><u>1,617,315</u></b>	<b><u>1,688,438</u></b>	<b><u>2,000,933</u></b>
<b>STAFFING LEVELS</b>	<b>14.00</b>	<b>15.00</b>	<b>15.00</b>	<b>16.00</b>

<b>RISK MANAGEMENT FUND DEPARTMENT OF PERSONNEL</b>	<b>ACTUAL FY2006</b>	<b>ACTUAL FY2007</b>	<b>BUDGET FY2008</b>	<b>APPROVED FY2009</b>
Personal Services	122,490	487,649	106,819	117,165
Materials, Supplies & Equipment	738,542	2,222,898	1,690,899	2,717,115
Internal Services	15,865	7,664	17,885	10,032
Depreciation	33,864	128	13,102	128
Special Purpose	<u>(981,800)</u>	<u>900,000</u>	<u>0</u>	<u>0</u>
<b>TOTAL</b>	<b><u>(71,039)</u></b>	<b><u>3,618,338</u></b>	<b><u>1,828,705</u></b>	<b><u>2,844,440</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 FY2006</b>	<b>ACTUAL FY2007</b>	<b>BUDGET FY2008</b>	<b>APPROVED FY2009</b>
Personal Services	325,016	333,808	324,936	360,226
Materials, Supplies & Equipment	295,267	405,710	471,100	835,600
Internal Services	13,760	11,993	17,261	14,483
Depreciation	0	0	1,549	1,549
Special Purpose	<u>3,087,654</u>	<u>2,975,668</u>	<u>2,307,500</u>	<u>2,217,500</u>
<b>TOTAL</b>	<b><u>3,721,697</u></b>	<b><u>3,727,180</u></b>	<b><u>3,122,346</u></b>	<b><u>3,429,358</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 FY2006</b>	<b>ACTUAL FY2007</b>	<b>BUDGET FY2008</b>	<b>APPROVED FY2009</b>
Personal Services	80,182	64,736	80,921	85,409
Materials, Supplies & Equipment	15	56	34,800	145,550
Internal Services	3,399	1,320	4,376	1,386
Depreciation	1,305	0	515	515
Special Purpose	<u>10,454,864</u>	<u>11,303,550</u>	<u>11,995,000</u>	<u>12,103,000</u>
<b>TOTAL</b>	<b><u>10,539,765</u></b>	<b><u>11,369,661</u></b>	<b><u>12,115,612</u></b>	<b><u>12,335,860</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**

- Total personal services increased by \$136,813, due to the cumulative effect of COLAs, salary adjustments, higher benefit costs, and staffing changes. This increase includes two new positions: an HR Compensation and Research Technician, at a total cost of \$73,295, and a Personnel Information and Systems Analyst, at a total cost of \$77,840. These additions were offset by the elimination of one Payroll Specialist position, for a savings of \$62,276.
- In order to provide new personnel and policy manuals to the City's uniformed employees, the Department has requested an additional \$10,000 for printing.
- An additional \$15,200 has been added to consulting costs in order to offer additional Microsoft Office and Excel training to City personnel, as well as to continue diversity, bi-lingual, and managerial training.
- The Department has requested \$17,750 in order to replace its non-functional employee badging system.

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

- Due to a number of outstanding cases, as well as potential exposures in other areas, the Insurance Claims - Legal Defense line in the Risk Management Fund has been increased by \$870,000.
- Because of the transfer of the responsibility for handling vehicle accidents from the Motor Vehicle Fund to Risk Management, an additional \$75,000 has been budgeted in the Other Insurance line. This increase is offset by a \$75,000 decrease in the Motor Vehicle Fund.
- Total liability costs increased by a net \$121,000. This includes \$31,730 in additional special events coverages, as well as \$100,000 in police professional liability insurance.

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

- Consultant costs in the Workers' Compensation Fund increased by \$133,800, to a new total of \$233,800. This is due to a number of items, including \$110,000 for the City Physician fee, as well as increases in ergonomic evaluations and safety consultants.
- \$150,000 has been moved from the Law Department to the Workers' Compensation Fund in order to pay for the services of an outside law firm which handles all workers' compensation litigation.
- Due to increased hiring of both full-time employees and summer youth program staff, Medical Fees have been increased by \$75,000 to \$175,000. This includes increased random drug testing, pre-employment exams, and annual physicals for police officers and firefighters.

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

- Consultant costs in the Health and Welfare Fund increased by \$109,000 to \$137,000. This includes \$40,000 for an audit of dependents insured through the City, and \$97,000 for the administration of FLEX spending, COBRA, and medical claims.
- Total medical costs in the Fund have increased by \$108,000, or 1%, over fiscal year 2008. This continues the City's trend of slowed growth in health plan costs.

## 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 15 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 20.*

CRITICAL INDICATOR	FY 2007 PROJECTED	FY 2007 ACTUAL	FY 2008 PROJECTED	FY 2008 ACTUAL	FY 2009 PROJECTED
Number of Grievances	29	15	20	13	15

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

**Objective:** Conduct 380 training workshops.

*Goal #2 corresponds to the City's Strategic Plan, Policy Statements 1-B, 1-C, and 1-E on page 20.*

CRITICAL INDICATOR	FY 2007 PROJECTED	FY 2007 ACTUAL	FY 2008 PROJECTED	FY 2008 ACTUAL	FY 2009 PROJECTED
Number of Training Workshops	90	196	178	181	380

**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 325.

*Goal #3 corresponds to the City's Strategic Plan, Policy Statements 1-A, and 1-E on page 20.*

CRITICAL INDICATOR	FY 2007 PROJECTED	FY 2007 ACTUAL	FY 2008 PROJECTED	FY 2008 ACTUAL	FY 2009 PROJECTED
Auto, Property, Police and Other	0	44	40	79	85
Workers Compensation	150	220	200	236	240
<b>Total Claims Frequency</b>	<b>150</b>	<b>264</b>	<b>240</b>	<b>315</b>	<b>325</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.

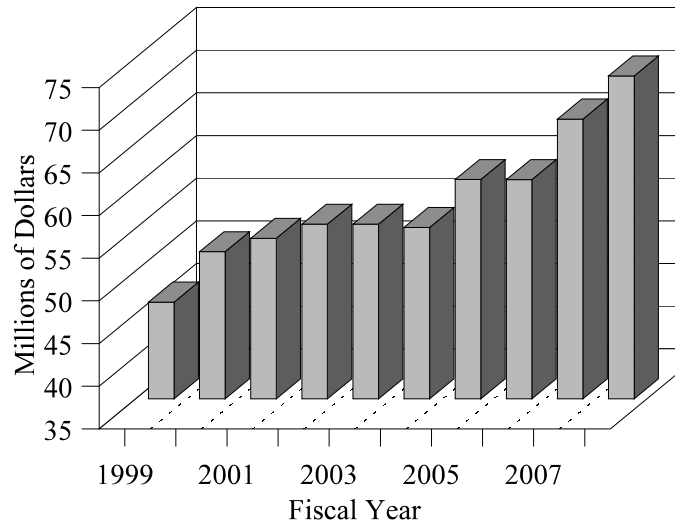
*Goal #4 corresponds to the City's Strategic Plan, Policy Statements 1-D, and 1-E on page 20.*

CRITICAL INDICATOR	FY 2007 PROJECTED	FY 2007 ACTUAL	FY 2008 PROJECTED	FY 2008 ACTUAL	FY 2009 PROJECTED
Number of Employees Awarded	250	256	200	255	200



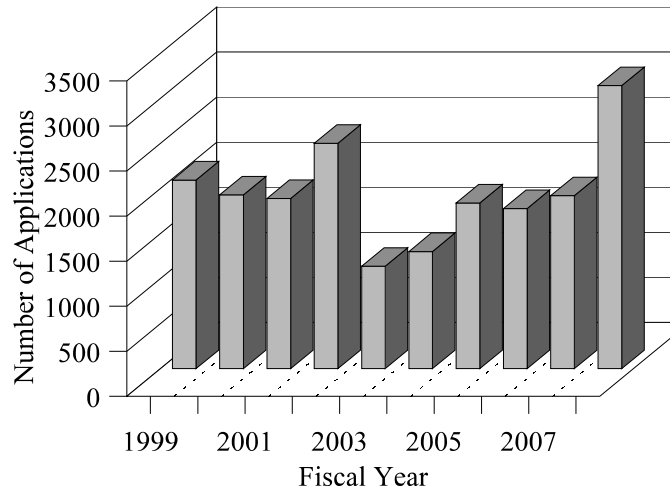
# Department of Personnel Performance Trends

## Payroll - All Employees



Since FY 1999, the City has added a net total of 153 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>PERSONAL SERVICES</b>	<b>ACTUAL FY2006</b>	<b>ACTUAL FY2007</b>	<b>BUDGET FY2008</b>	<b>APPROVED FY2009</b>
Regular Salaries	750,637	787,161	873,246	967,173
Temporary Salaries	0	6,900	8,000	10,000
Sick Leave Bonus	900	0	0	0
Overtime	25,470	29,244	24,902	10,000
Internet Reimbursements	1,610	590	180	500
Parking Reimbursements	883	0	0	0
Pension Contribution	70,869	97,168	71,876	93,142
Social Security	49,623	50,892	55,849	60,597
Medicare Tax	11,605	11,902	13,062	14,169
Hospitalization	132,056	141,776	145,779	168,417
Life Insurance	1,710	3,948	4,528	5,017
Pension Healthcare	6,912	17,921	10,500	13,920
Deferred Comp Contribution	0	0	0	1,800
Personal Services Adjustment	<u>3,250</u>	<u>0</u>	<u>(6,125)</u>	<u>(6,125)</u>
<b>TOTAL PERSONAL SERVICES</b>	<b>1,055,525</b>	<b>1,147,503</b>	<b>1,201,798</b>	<b>1,338,610</b>
<b><u>MATERIALS, SUPPLIES &amp; EQUIPMENT</u></b>				
Printing & Advertising	4,636	5,402	4,968	17,400
Communications and Utilities	0	0	0	200
Transportation	6,055	14,451	15,700	16,000
Insurance	0	0	655	0
Contracted Maintenance Repairs	0	0	181	1,500
Professional Fees	11,767	97,116	45,260	73,895
Other Fees	1,426	3,114	4,800	7,700
Memberships & Registrations	13,549	17,264	13,760	23,800
Office & General Supplies	5,852	2,815	2,137	3,826
Miscellaneous Parts	21,060	21,992	21,864	35,072
Fixed Assets	0	0	24,200	16,000
Equipment	<u>13,024</u>	<u>3,248</u>	<u>8,000</u>	<u>24,833</u>
<b>TOTAL M., S. &amp; E.</b>	<b>77,369</b>	<b>165,401</b>	<b>141,525</b>	<b>220,226</b>
<b><u>INTERNAL SERVICES</u></b>				
Administrative Services	303,828	294,851	334,673	404,574
Self-Insurance	<u>4,341</u>	<u>9,560</u>	<u>5,776</u>	<u>6,065</u>
<b>TOTAL INTERNAL SERVICES</b>	<b>308,169</b>	<b>304,411</b>	<b>340,449</b>	<b>410,639</b>
<b><u>DEBT SERVICE</u></b>				
Principal Payments	0	0	1,916	13,063
Interest Payments	<u>0</u>	<u>0</u>	<u>2,750</u>	<u>18,395</u>
<b>TOTAL DEBT SERVICE</b>	<b>0</b>	<b>0</b>	<b>4,666</b>	<b>31,458</b>
<b>GENERAL FUND TOTAL</b>	<b><u>1,441,063</u></b>	<b><u>1,617,315</u></b>	<b><u>1,688,438</u></b>	<b><u>2,000,933</u></b>

## DEPARTMENT: PERSONNEL

## FUND: RISK MANAGEMENT

<u>PERSONAL SERVICES</u>	<u>ACTUAL FY2006</u>	<u>ACTUAL FY2007</u>	<u>BUDGET FY2008</u>	<u>APPROVED FY2009</u>
Regular Salaries	72,295	55,638	76,825	83,885
Overtime	778	1,580	0	0
Internet Reimbursements	234	0	0	0
Parking Reimbursement	3,838	0	0	0
Salary-Claimant	15,092	382,552	0	0
Compensated Absences	(353)	1,423	0	0
Pension Contribution	9,062	15,400	6,589	8,401
Social Security	3,146	10,848	4,661	5,099
Medicare Tax	736	6,356	1,090	1,192
Hospitalization	16,866	12,717	17,345	17,864
Life Insurance	154	225	399	437
Pension Healthcare	642	910	910	1,131
Deferred Comp Contribution	0	0	0	156
Personal Services Adjustment	<u>0</u>	<u>0</u>	<u>(1,000)</u>	<u>(1,000)</u>
<b>TOTAL PERSONAL SERVICES</b>	<b>122,490</b>	<b>487,649</b>	<b>106,819</b>	<b>117,165</b>
<b><u>MATERIALS, SUPPLIES &amp; EQUIPMENT</u></b>				
Printing & Advertising	0	0	33	33
Transportation	0	3,938	3,700	4,700
Insurance	694,268	2,132,322	1,572,784	2,630,000
Contracted Maintenance Repairs	0	0	372	372
Professional Fees	43,568	78,397	105,000	73,000
Memberships & Registrations	140	1,415	2,800	2,800
Miscellaneous Services	0	400	210	210
Office & General Supplies	565	977	2,000	2,000
Equipment	<u>0</u>	<u>5,449</u>	<u>4,000</u>	<u>4,000</u>
<b>TOTAL M., S. &amp; E.</b>	<b>738,542</b>	<b>2,222,898</b>	<b>1,690,899</b>	<b>2,717,115</b>
<b><u>INTERNAL SERVICES</u></b>				
Administrative Services	15,485	6,624	16,930	9,030
Self-Insurance	<u>380</u>	<u>1,040</u>	<u>955</u>	<u>1,002</u>
<b>TOTAL INTERNAL SERVICES</b>	<b>15,865</b>	<b>7,664</b>	<b>17,885</b>	<b>10,032</b>
<b><u>OTHER</u></b>				
Depreciation	<u>33,864</u>	<u>128</u>	<u>13,102</u>	<u>128</u>
<b>TOTAL OTHER</b>	<b>33,864</b>	<b>128</b>	<b>13,102</b>	<b>128</b>
<b><u>SPECIAL PURPOSE</u></b>				
Claims Expense	<u>(981,800)</u>	<u>900,000</u>	<u>0</u>	<u>0</u>
<b>TOTAL SPECIAL PURPOSE</b>	<b>(981,800)</b>	<b>900,000</b>	<b>0</b>	<b>0</b>
<b>RISK MANAGEMENT FUND</b>				
<b>TOTAL</b>	<b><u>(71,039)</u></b>	<b><u>3,618,339</u></b>	<b><u>1,828,705</u></b>	<b><u>2,844,440</u></b>

## DEPARTMENT: PERSONNEL

## FUND: WORKERS' COMPENSATION

	ACTUAL FY2006	ACTUAL FY2007	BUDGET FY2008	APPROVED FY2009
<b>PERSONAL SERVICES</b>				
Regular Salaries	227,655	216,926	240,753	256,487
Temporary Salaries	0	16,497	5,000	5,000
Acting Out of Classification	0	95	0	0
Overtime	2,040	3,623	0	2,500
Internet Reimbursements	270	0	0	0
Compensated Absences	8,715	(3,321)	0	0
Pension Contribution	20,777	22,107	19,666	24,666
Social Security	14,195	14,602	14,823	16,263
Medicare Tax	3,320	3,415	3,466	3,803
Hospitalization	45,300	55,656	36,825	45,719
Life Insurance	522	1,058	1,252	1,333
Deferred Comp Contribution	0	0	0	540
Pension Healthcare	<u>2,222</u>	<u>3,150</u>	<u>3,151</u>	<u>3,915</u>
<b>TOTAL PERSONAL SERVICES</b>	<b>325,016</b>	<b>333,808</b>	<b>324,936</b>	<b>360,226</b>
<b>MATERIALS, SUPPLIES &amp; EQUIPMENT</b>				
Printing & Advertising	56	739	1,250	3,750
Transportation	0	0	4,800	6,000
Insurance	154,028	177,086	177,000	329,000
Rentals	0	20	100	100
Contracted Maintenance Repairs	265	325	1,800	1,800
Professional Fees	112,521	204,531	218,000	426,800
Memberships & Registrations	2,019	1,627	7,000	7,000
Miscellaneous Services	0	1,214	0	0
Office & General Supplies	322	403	1,150	1,150
Miscellaneous Parts	12,813	6,807	15,000	15,000
Equipment	<u>13,243</u>	<u>12,958</u>	<u>45,000</u>	<u>45,000</u>
<b>TOTAL M., S. &amp; E.</b>	<b>295,267</b>	<b>405,710</b>	<b>471,100</b>	<b>835,600</b>
<b>INTERNAL SERVICES</b>				
Administrative Services	13,005	9,704	15,327	12,453
Self-Insurance	<u>755</u>	<u>2,289</u>	<u>1,934</u>	<u>2,030</u>
<b>TOTAL INTERNAL SERVICES</b>	<b>13,760</b>	<b>11,993</b>	<b>17,261</b>	<b>14,483</b>
<b>OTHER</b>				
Depreciation	<u>0</u>	<u>0</u>	<u>1,549</u>	<u>1,549</u>
<b>TOTAL OTHER</b>	<b>0</b>	<b>0</b>	<b>1,549</b>	<b>1,549</b>
<b>SPECIAL PURPOSE</b>				
Workers' Compensation	<u>3,087,654</u>	<u>2,975,668</u>	<u>2,307,500</u>	<u>2,217,500</u>
<b>TOTAL SPECIAL PURPOSE</b>	<b>3,087,654</b>	<b>2,975,668</b>	<b>2,307,500</b>	<b>2,217,500</b>
<b>WORKERS' COMPENSATION</b>				
<b>FUND TOTAL</b>	<b><u>3,721,697</u></b>	<b><u>3,727,179</u></b>	<b><u>3,122,346</u></b>	<b><u>3,429,358</u></b>

## DEPARTMENT: PERSONNEL

## FUND: HEALTH AND WELFARE

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY2006</b>	<b>ACTUAL FY2007</b>	<b>BUDGET FY2008</b>	<b>APPROVED FY2009</b>
Regular Salaries	55,836	46,851	59,487	64,098
Overtime	950	2,299	2,285	0
Internet Reimbursements	216	0	0	0
Compensated Absences	902	(2,206)	0	0
Pension Contribution	6,849	4,996	5,120	6,439
Social Security	3,528	3,463	3,682	3,870
Medicare Tax	825	810	861	905
Hospitalization	10,342	7,459	8,337	8,576
Life Insurance	141	224	309	333
Deferred Comp Contribution	0	0	0	144
Pension Healthcare	<u>593</u>	<u>840</u>	<u>840</u>	<u>1,044</u>
<b>TOTAL PERSONAL SERVICES</b>	<b>80,182</b>	<b>64,736</b>	<b>80,921</b>	<b>85,409</b>
<b><u>MATERIALS, SUPPLIES &amp; EQUIPMENT</u></b>				
Communications & Utilities	0	25	0	300
Transportation	0	0	1,200	1,500
Memberships and Reg	0	0	600	137,000
Professional Fees	0	0	28,000	750
Equipment	0	0	3,000	3,000
Office & General Supplies	<u>15</u>	<u>31</u>	<u>2,000</u>	<u>3,000</u>
<b>TOTAL M., S. &amp; E.</b>	<b>15</b>	<b>56</b>	<b>34,800</b>	<b>145,550</b>
<b><u>INTERNAL SERVICES</u></b>				
Administrative Services	3,144	562	3,724	701
Self-Insurance	<u>255</u>	<u>758</u>	<u>652</u>	<u>685</u>
<b>TOTAL INTERNAL SERVICES</b>	<b>3,399</b>	<b>1,320</b>	<b>4,376</b>	<b>1,386</b>
<b><u>SPECIAL PURPOSE</u></b>				
Self-Insurance Costs	<u>10,454,864</u>	<u>11,303,550</u>	<u>11,995,000</u>	<u>12,103,000</u>
<b>TOTAL SPECIAL PURPOSE</b>	<b>10,454,864</b>	<b>11,303,550</b>	<b>11,995,000</b>	<b>12,103,000</b>
<b><u>OTHER</u></b>				
Depreciation	<u>1,305</u>	<u>0</u>	<u>515</u>	<u>515</u>
<b>TOTAL OTHER</b>	<b>1,305</b>	<b>0</b>	<b>515</b>	<b>515</b>
<b>HEALTH AND WELFARE</b>				
<b>FUND TOTAL</b>	<b><u>10,539,765</u></b>	<b><u>11,369,661</u></b>	<b><u>12,115,612</u></b>	<b><u>12,335,860</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 2009

- Improve the quality of the City's neighborhoods by enforcing our new instant ticketing program and to establish hot-spots that continue to plague our neighborhoods.
- Review rental inspection program to determine its effectiveness.
- Continued enhancement of our new code enforcement teams.
- Streamline departmental processes by providing various departmental forms on the City's website.
- Implementation of new MUNIS permit software which incorporates: Vacant Properties, Business Licenses, LON (Limitation of Occupancy Notification), Signs, Elevators, Public Assembly, and Mechanical Certificates.
- Reduce the number of vacant properties through a new program that will publicly advertise the owner's information both on the City's website and by posting it on the property with a poster. The status of the property will be updated as it changes.
- 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 FY2006</b>	<b>ACTUAL FY2007</b>	<b>BUDGET FY2008</b>	<b>APPROVED FY2009</b>
Personal Services	2,544,162	2,844,615	3,103,443	3,346,609
Materials, Supplies & Equipment	111,369	412,412	688,969	688,033
Internal Services	398,037	457,002	417,993	616,434
Debt Service	38,833	38,775	38,729	28,193
Special Purpose	<u>198,825</u>	<u>237,725</u>	<u>223,887</u>	<u>246,049</u>
<b>TOTAL</b>	<b><u>3,291,226</u></b>	<b><u>3,990,529</u></b>	<b><u>4,473,021</u></b>	<b><u>4,925,318</u></b>
<b>STAFFING LEVELS</b>	<b>39.00</b>	<b>44.00</b>	<b>45.00</b>	<b>46.00</b>

<b>GENERAL FUND DEPT OF LICENSES &amp; INSPECTIONS</b>	<b>ACTUAL FY2006</b>	<b>ACTUAL FY2007</b>	<b>BUDGET FY2008</b>	<b>APPROVED FY2009</b>
Personal Services	2,244,812	2,844,615	3,103,443	3,346,609
Materials, Supplies & Equipment	105,304	412,412	688,969	688,033
Internal Services	377,201	457,002	417,993	616,434
Debt Service	38,833	38,775	38,729	28,193
Special Purpose	<u>198,825</u>	<u>237,725</u>	<u>223,887</u>	<u>246,049</u>
<b>TOTAL</b>	<b><u>2,964,975</u></b>	<b><u>3,990,529</u></b>	<b><u>4,473,021</u></b>	<b><u>4,925,318</u></b>
<b>STAFFING LEVELS</b>	<b>34.00</b>	<b>44.00</b>	<b>45.00</b>	<b>46.00</b>

<b>COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) FUND DEPT OF LICENSES &amp; INSPECTIONS</b>	<b>ACTUAL FY2006</b>	<b>ACTUAL FY2007</b>	<b>BUDGET FY2008</b>	<b>APPROVED FY2009</b>
Personal Services	299,350	0	0	0
Materials, Supplies & Equipment	6,065	0	0	0
Internal Services	<u>20,836</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>TOTAL</b>	<b><u>326,251</u></b>	<b><u>0</u></b>	<b><u>0</u></b>	<b><u>0</u></b>
<b>STAFFING LEVELS</b>	<b>5.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>



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

- An additional Business Compliance Inspector has been added at the cost of \$58,196. This position will handle the large volume of inspections necessary to ensure that all existing businesses have obtained a valid City Business License, ensure compliance with various City Codes, and review zoning, signs, and other related Licenses and Inspections issues.
- \$45,000 is budgeted in the Consultants line to hire a Hearing Officer (\$35,000) who will adjudicate Instant Ticketing cases, as well as perform other related responsibilities, and for a Structural Engineer (\$10,000) to do field surveys of damaged properties.
- Due to the number of International Certification Council (I.C.C.) classes being held in-house, Registration Fees have been reduced from \$30,000, down to \$20,000.
- A new account has been set up in the amount of \$15,000 for Hazardous Cleanup, to cover the cost of environmental cleanup of housing projects. These expenditures had previously been charged to the Demolition line.
- A total of \$9,900 has been budgeted in the Furniture, Fixture and Office Equipment line to help in the reorganization of the Plumbing/Mechanic and Building Areas.
- The Internal Services category increased by a net of \$198,441. This is directly related to higher Data Processing Costs (\$127,445, which reflects the conversion to the MUNIS computer system), Word Processing Cost (\$15,594), Motor Vehicle Costs (\$34,454, which is due to the significant increase in the cost of fuel and revised depreciation), and Mapping and Graphics Costs (\$19,262).

## DEPARTMENT OF LICENSES AND INSPECTIONS

### PERFORMANCE INDICATORS

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

**Objective:** Perform 100 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 20.*

CRITICAL INDICATOR	FY 2007 PROJECTED	FY 2007 ACTUAL	FY 2008 PROJECTED	FY 2008 ACTUAL	FY 2009 PROJECTED
Number of Lead-based Paint Inspections	120	0	120	50	100

**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 20.*

CRITICAL INDICATOR	FY 2007 PROJECTED	FY 2007 ACTUAL	FY 2008 PROJECTED	FY 2008 ACTUAL	FY 2009 PROJECTED
Number of Building Inspections	28,000	48,603	50,000	74,766	50,000

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

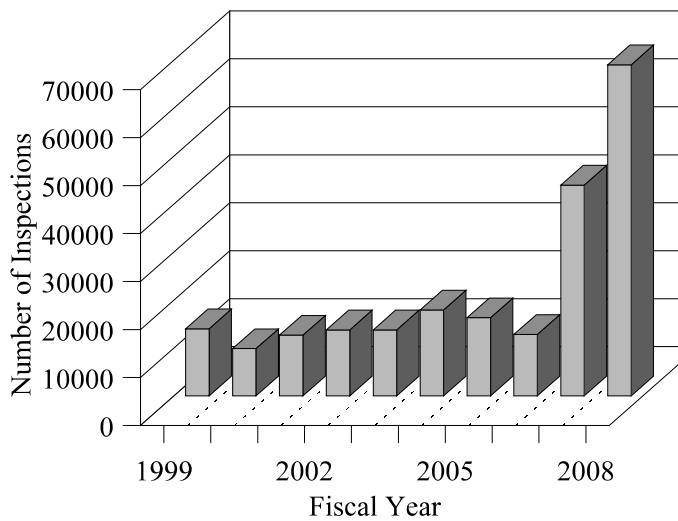
**Objective:** Complete at least 4,000 vacant structure inspections.

*Goal #3 corresponds to the City's Strategic Plan, Policy Statements 1-B, 1-C, and 3-E on page 20.*

CRITICAL INDICATOR	FY 2007 PROJECTED	FY 2007 ACTUAL	FY 2008 PROJECTED	FY 2008 ACTUAL	FY 2009 PROJECTED
Vacant Property Inspections	8,000	3,317	4,000	3,784	4,000

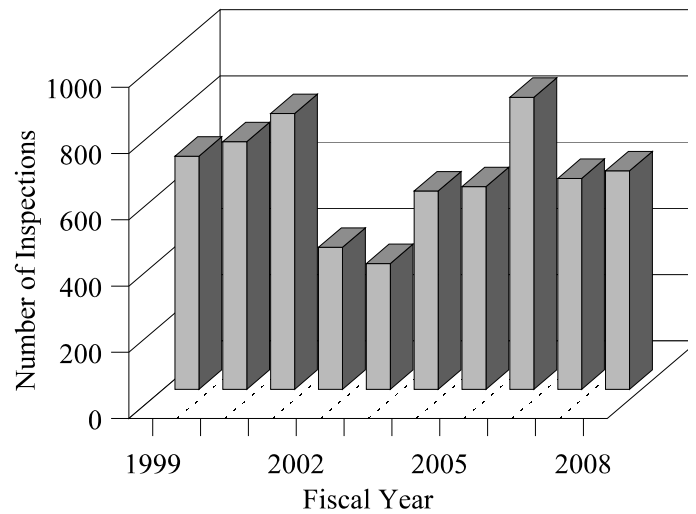
# Department of Licenses and Inspections Performance Trends

## Housing Inspections



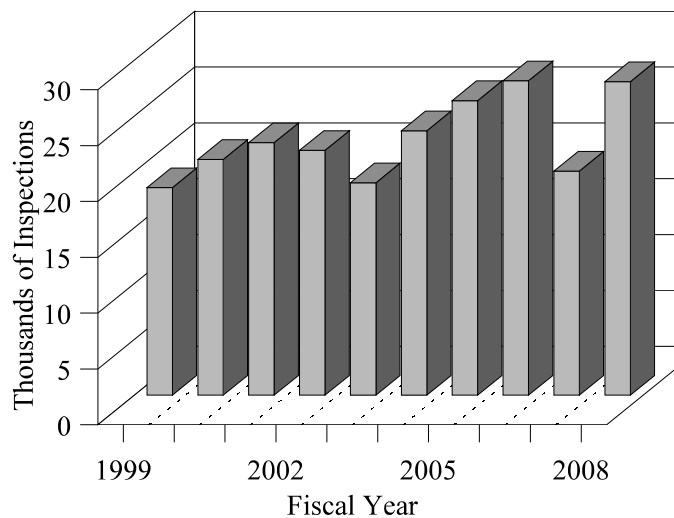
Housing inspections performed include: pre-rentals, lead paint, tenant complaints, sanitation, graffiti, and abandoned vehicles on private property. The inspections spiked due to enforcement of the new instant ticketing program.

## 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 FY2006</b>	<b>ACTUAL FY2007</b>	<b>BUDGET FY2008</b>	<b>APPROVED FY2009</b>
Regular Salaries	1,532,165	1,918,435	2,181,295	2,338,798
Temporary Salaries	203	34,569	12,480	3,200
Acting Out of Classification	1,823	174	2,000	2,000
Sick Leave Bonus	650	0	1,000	3,000
Overtime	95,320	64,820	56,950	67,720
Civilian Holiday-Overtime	65	0	0	0
Meal Allowance	3,140	2,600	3,110	2,000
Clothing Allowance	5,250	125	8,750	10,000
Internet Reimbursements	1,260	615	900	900
Pension Contribution	133,624	243,834	189,023	232,406
Social Security	99,719	118,332	139,333	150,117
Medicare Tax	23,345	27,917	32,587	35,106
Hospitalization	323,728	368,924	465,399	475,809
Life Insurance	3,673	8,830	11,318	12,135
Pension Healthcare	14,747	55,440	31,500	40,020
Deferred Comp Contribution	0	0	0	5,400
Personal Services Adjustment	<u>6,100</u>	<u>0</u>	<u>(32,202)</u>	<u>(32,002)</u>
<b>TOTAL PERSONAL SERVICES</b>	<b>2,244,812</b>	<b>2,844,615</b>	<b>3,103,443</b>	<b>3,346,609</b>

**MATERIALS, SUPPLIES & EQUIPMENT**

Printing & Advertising	3,450	12,049	8,000	8,400
Communications & Utilities	21	1,123	1,200	960
Transportation	8,501	2,197	5,000	5,000
Rentals	0	0	233	187
Contracted Maintenance Repairs	0	103	0	200,000
Professional Fees	11,612	3,483	63,200	45,000
Other Fees	3,605	4,065	6,000	3,000
Memberships & Registration	13,292	22,588	36,000	24,000
Office & General Supplies	7,349	7,867	10,300	11,107
Wearing Apparel & Safety Supplies	12,856	23,272	21,000	23,300
Miscellaneous Parts	2,279	1,506	2,736	7,089
Construction & Repairs	36,039	240,917	500,000	315,000
Equipment	6,175	11,641	1,300	9,990
Fixed Assets	<u>125</u>	<u>81,601</u>	<u>34,000</u>	<u>35,000</u>
<b>TOTAL M., S. &amp; E.</b>	<b>105,304</b>	<b>412,412</b>	<b>688,969</b>	<b>688,033</b>

## DEPARTMENT: LICENSES AND INSPECTIONS

FUND: GENERAL

<u>INTERNAL SERVICES</u>	<u>ACTUAL FY2006</u>	<u>ACTUAL FY2007</u>	<u>BUDGET FY2008</u>	<u>APPROVED FY2009</u>
Administrative Services	346,168	412,432	389,855	586,889
Self-Insurance	<u>31,033</u>	<u>44,570</u>	<u>28,138</u>	<u>29,545</u>
<b>TOTAL INTERNAL SERVICES</b>	<b>377,201</b>	<b>457,002</b>	<b>417,993</b>	<b>616,434</b>
 <b><u>DEBT SERVICE</u></b>				
Principal Payments	29,830	31,657	33,170	24,033
Interest Payments	<u>9,003</u>	<u>7,118</u>	<u>5,559</u>	<u>4,160</u>
<b>TOTAL DEBT SERVICE</b>	<b>38,833</b>	<b>38,775</b>	<b>38,729</b>	<b>28,193</b>
 <b><u>SPECIAL PURPOSE</u></b>				
Delaware SPCA	<u>198,825</u>	<u>237,725</u>	<u>223,887</u>	<u>246,049</u>
<b>TOTAL SPECIAL PURPOSE</b>	<b>198,825</b>	<b>237,725</b>	<b>223,887</b>	<b>246,049</b>
 <b>GENERAL FUND TOTAL</b>	 <b><u>2,964,975</u></b>	 <b><u>3,990,529</u></b>	 <b><u>4,473,021</u></b>	 <b><u>4,925,318</u></b>

## DEPARTMENT: LICENSES AND INSPECTIONS

FUND: CDBG

<u>PERSONAL SERVICES</u>	<u>ACTUAL FY2006</u>	<u>ACTUAL FY2007</u>	<u>BUDGET FY2008</u>	<u>APPROVED FY2009</u>
Regular Salaries	178,881	0	0	0
Acting Out of Class	33	0	0	0
Overtime	29,601	0	0	0
Clothing Allowance	1,125	0	0	0
Internet Reimbursement	315	0	0	0
Pension Contribution	21,102	0	0	0
Social Security	14,958	0	0	0
Medicare Tax	3,462	0	0	0
Hospitalization	47,468	0	0	0
Pension-Healthcare	1,909	0	0	0
Life Insurance	<u>496</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>TOTAL PERSONAL SERVICES</b>	<b>299,350</b>	<b>0</b>	<b>0</b>	<b>0</b>
 <b><u>MATERIALS, SUPPLIES &amp; EQUIPMENT</u></b>				
Memberships and Registration	1,678	0	0	0
Equipment	<u>4,387</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>TOTAL M., S. &amp; E.</b>	<b>6,065</b>	<b>0</b>	<b>0</b>	<b>0</b>

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

<b>INTERNAL SERVICES</b>	<b>ACTUAL FY2006</b>	<b>ACTUAL FY2007</b>	<b>BUDGET FY2008</b>	<b>APPROVED FY2009</b>
Administrative Services	2,400	0	0	0
Self-Insurance	<u>18,436</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>TOTAL INTERNAL SERVICES</b>	<b>20,836</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>CDBG FUND TOTAL</b>	<b><u>326,251</u></b>	<b><u>0</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 2009</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>FY2006</b>	<b>FY2007</b>	<b>FY2008</b>	<b>FY2009</b>
Personal Services	4,184,692	4,461,342	4,908,370	5,010,216
Materials, Supplies & Equipment	1,822,076	2,107,554	2,048,296	2,047,650
Internal Services	902,953	2,272,310	1,039,651	1,422,564
Debt Service	<u>2,206,320</u>	<u>2,664,993</u>	<u>2,691,050</u>	<u>2,654,707</u>
<b>TOTAL</b>	<b><u>9,116,041</u></b>	<b><u>11,506,199</u></b>	<b><u>10,687,367</u></b>	<b><u>11,135,137</u></b>
<b>STAFFING LEVELS</b>	<b>52.00</b>	<b>53.00</b>	<b>54.00</b>	<b>58.00</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>FY2006</b>	<b>FY2007</b>	<b>FY2008</b>	<b>FY2009</b>
Personal Services	3,705,905	3,951,181	4,634,018	4,751,129
Materials, Supplies & Equipment	1,115,357	1,385,302	1,663,891	1,663,245
Internal Services	899,707	2,268,877	1,036,218	1,419,131
Debt Service	<u>2,206,320</u>	<u>2,664,993</u>	<u>2,691,050</u>	<u>2,654,707</u>
<b>TOTAL</b>	<b><u>7,927,289</u></b>	<b><u>10,270,353</u></b>	<b><u>10,025,177</u></b>	<b><u>10,488,212</u></b>
<b>STAFFING LEVELS</b>	<b>52.00</b>	<b>53.00</b>	<b>54.00</b>	<b>58.00</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>FY2006</b>	<b>FY2007</b>	<b>FY2008</b>	<b>FY2009</b>
Personal Services	407,552	435,666	159,464	159,464
Materials, Supplies & Equipment	<u>705,167</u>	<u>719,638</u>	<u>353,340</u>	<u>353,340</u>
<b>TOTAL</b>	<b><u>1,112,719</u></b>	<b><u>1,155,304</u></b>	<b><u>512,804</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>FY2006</b>	<b>FY2007</b>	<b>FY2008</b>	<b>FY2009</b>
Personal Services	71,235	74,495	114,888	99,623
Materials, Supplies & Equipment	1,552	2,614	31,065	31,065
Internal Services	<u>3,246</u>	<u>3,433</u>	<u>3,433</u>	<u>3,433</u>
<b>TOTAL</b>	<b><u>76,033</u></b>	<b><u>80,542</u></b>	<b><u>149,386</u></b>	<b><u>134,121</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

- Four new positions have been added in the Maintenance Division in anticipation of the return of parkland from New Castle County to the City that will nearly double the acreage the Department is charged with maintaining. An Assistant Parks Maintenance Supervisor, two Equipment Operator II's, and a Labor Foreman I add a total of \$208,746 to the Department's budget for FY 2009.
- In addition to the positions listed above, one Labor Foreman I has been eliminated and replaced with a Labor Foreman II. This change adds approximately \$1,100 to total Personal Services costs.
- Temporary Salaries in the Youth and Families Division have decreased by \$207,000, a result of the elimination of the one-time, supplemental appropriation in FY 2008.
- Overtime has been increased by \$15,000 to meet the growing demands of weekend park cleanup.
- Though the department will no longer be responsible for Utility Costs for their prior headquarters building, appropriations have increased by \$4,300 as a result of anticipated additional ballfield lighting of transferred parklands.
- Rental costs associated with delivery of the Department's programs have risen by almost \$7,000.
- Contracted Maintenance has decreased by \$5,000, as expected Repairs to Buildings have fallen.
- Professional Fees now include, for the first time, an appropriation of \$10,000 in Accounting Fees for the partial expense of an outside audit of the Department's grant funds.
- Other Fees have decreased by approximately \$30,000. These funds have now been moved to the Community Activities account group.
- Miscellaneous Services have fallen by more than \$19,000, as several one-time appropriations have been eliminated.
- Funding for \$20,000 in recreation equipment has again been included for the Anderson Community Center in FY 2009 to replace aging physical fitness gear.
- Total Internal Service charges are up by almost \$383,000 due to significantly higher Data Processing, Motor Vehicle and Telephone costs.
- Debt Service for FY 2009 indicates a net decrease of more than \$36,000. The increase due to the FY 2006 borrowing costs is more than offset by a decrease in existing debt schedules.

## 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 20.*

CRITICAL INDICATOR	FY 2007 PROJECTED	FY 2007 ACTUAL	FY 2008 PROJECTED	FY 2008 ACTUAL	FY 2009 PROJECTED
Senior Programs Implemented	16	16	17	17	18

**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 20.*

CRITICAL INDICATOR	FY 2007 PROJECTED	FY 2007 ACTUAL	FY 2008 PROJECTED	FY 2008 ACTUAL	FY 2009 PROJECTED
Park Sites Operated	25	25	25	25	25
% Increase in Participation of Departmental Sports Leagues	32%	31%	35%	35%	40%

**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 Statements 3-D and 4-A on page 20.*

CRITICAL INDICATOR	FY 2007 PROJECTED	FY 2007 ACTUAL	FY 2008 PROJECTED	FY 2008 ACTUAL	FY 2009 PROJECTED
# of Female targeted programs Implemented	31	30	31	31	32

**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 20.*

CRITICAL INDICATOR	FY 2007 PROJECTED	FY 2007 ACTUAL	FY 2008 PROJECTED	FY 2008 ACTUAL	FY 2009 PROJECTED
Number of youth-led projects	8	8	9	9	10

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

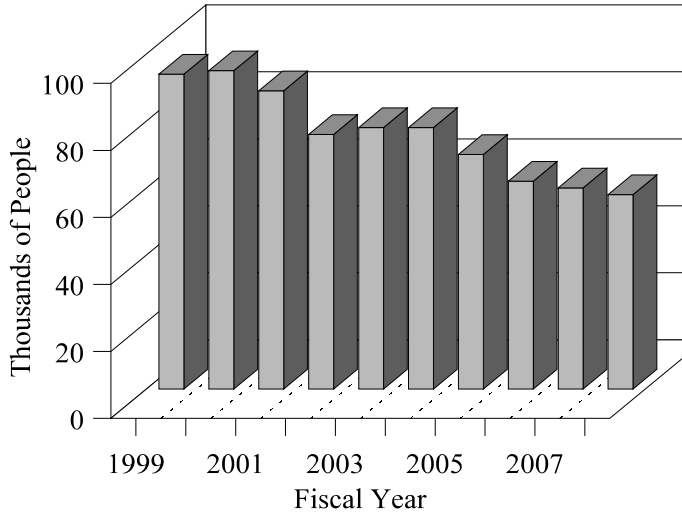
**Objective:** Provide family-oriented information fairs throughout the City.

*Goal #5 corresponds to the City's Strategic Plan, Policy Statements 3-D and 4-A on page 20.*

CRITICAL INDICATOR	FY 2007 PROJECTED	FY 2007 ACTUAL	FY 2008 PROJECTED	FY 2008 ACTUAL	FY 2009 PROJECTED
Number of family inclusive information fairs held	12	11	12	12	14

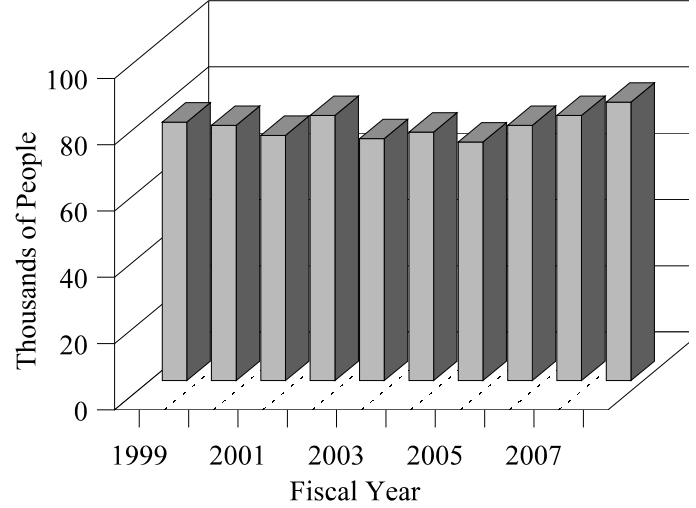
# Department of Parks and Recreation Performance Trends

## Pool Attendance



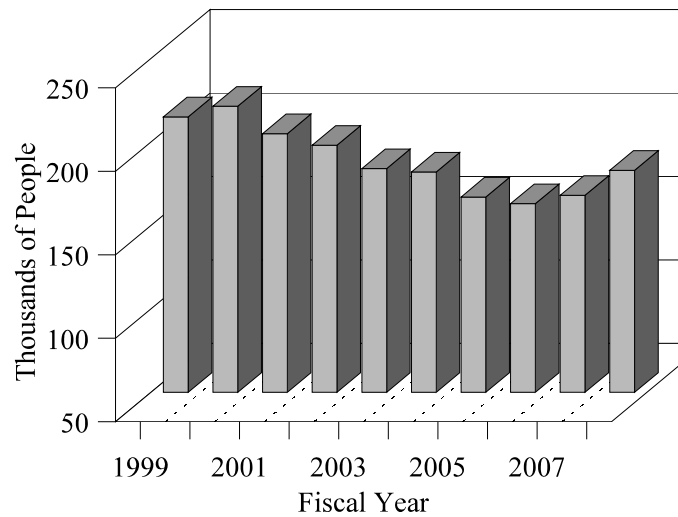
Pool attendance can fluctuate due to factors such as weather and the length of the school year.

## 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 FY2006</b>	<b>ACTUAL FY2007</b>	<b>BUDGET FY2008</b>	<b>APPROVED FY2009</b>
Regular Salaries	1,912,610	1,899,779	2,233,642	2,470,356
Temporary Salaries	833,119	947,433	1,275,453	1,059,548
Acting Out of Class	2,040	118	3,500	2,000
Sick Leave Bonus	1,500	0	600	600
Overtime	122,293	131,069	120,500	135,987
Meal Allowance	3,498	2,622	4,020	3,020
Clothing Allowance	50	0	0	0
Internet Reimbursements	315	540	500	500
Pension Contribution	180,972	265,118	206,794	250,225
Social Security	178,172	183,927	224,968	227,372
Medicare Tax	41,682	42,317	52,613	53,137
Hospitalization	403,858	402,135	547,709	564,313
Life Insurance	4,927	9,343	11,578	12,789
Pension Healthcare	20,869	66,780	37,798	50,460
Deferred Compensation Contribution	0	0	0	6,480
Personal Services Adjustment	0	0	(85,657)	(85,658)
<b>TOTAL PERSONAL SERVICES</b>	<b>3,705,905</b>	<b>3,951,181</b>	<b>4,634,018</b>	<b>4,751,129</b>

**MATERIALS, SUPPLIES & EQUIPMENT**

Printing & Advertising	7,580	14,168	18,000	18,000
Communications & Utilities	218,690	313,238	368,800	373,100
Transportation	22,780	23,045	46,250	43,745
Rentals	76,693	73,206	92,044	99,028
Contracted Maintenance	27,233	76,413	114,201	109,541
Professional Fees	252,865	324,213	317,038	323,550
Other Fees	136,482	158,238	152,129	122,000
Memberships & Registrations	18,103	22,494	26,240	25,262
Miscellaneous Services	85,877	73,508	160,956	141,588
Office & General Supplies	15,925	19,301	26,120	29,320
Wearing Apparel & Safety Supplies	34,628	50,122	61,500	61,500
Miscellaneous Parts	150,322	163,643	184,053	193,673
Petroleum & Chemicals	20,201	18,394	20,650	20,520
Construction & Repairs	8,769	10,950	23,460	22,468
Equipment	18,372	34,906	39,450	36,950
Fixed Assets	20,837	7,263	13,000	13,000
Community Activities	0	2,200	0	30,000
<b>TOTAL M., S. &amp; E.</b>	<b>1,115,357</b>	<b>1,385,302</b>	<b>1,663,891</b>	<b>1,663,245</b>

## DEPARTMENT: PARKS &amp; RECREATION

## FUND: GENERAL

<u>INTERNAL SERVICES</u>	<u>ACTUAL FY2006</u>	<u>ACTUAL FY2007</u>	<u>BUDGET FY2008</u>	<u>APPROVED FY2009</u>
Administrative Services	596,741	757,605	675,542	1,040,421
Self-Insurance	<u>302,966</u>	<u>1,511,272</u>	<u>360,676</u>	<u>378,710</u>
<b>TOTAL INTERNAL SERVICES</b>	<b>899,707</b>	<b>2,268,877</b>	<b>1,036,218</b>	<b>1,419,131</b>
<b><u>DEBT SERVICE</u></b>				
Principal Payments	1,464,960	1,757,325	1,853,441	1,758,466
Interest Payments	<u>741,360</u>	<u>907,668</u>	<u>837,609</u>	<u>896,241</u>
<b>TOTAL DEBT SERVICE</b>	<b>2,206,320</b>	<b>2,664,993</b>	<b>2,691,050</b>	<b>2,654,707</b>
<b>GENERAL FUND TOTAL</b>	<b><u>7,927,289</u></b>	<b><u>10,270,353</u></b>	<b><u>10,025,177</u></b>	<b><u>10,488,212</u></b>

## DEPARTMENT: PARKS &amp; RECREATION

## FUND: PARKS ASSISTANCE

<u>PERSONAL SERVICES</u>	<u>ACTUAL FY2006</u>	<u>ACTUAL FY2007</u>	<u>BUDGET FY2008</u>	<u>APPROVED FY2009</u>
Temporary Salaries	378,807	404,162	148,133	148,133
Social Security	23,305	24,963	9,184	9,184
Medicare Tax	<u>5,440</u>	<u>6,541</u>	<u>2,147</u>	<u>2,147</u>
<b>TOTAL PERSONAL SERVICES</b>	<b>407,552</b>	<b>435,666</b>	<b>159,464</b>	<b>159,464</b>
<b><u>MATERIALS, SUPPLIES &amp; EQUIPMENT</u></b>				
Printing & Advertising	7,220	0	0	0
Transportation	4,892	0	4,000	4,000
Communications & Utilities	0	1,497	2,200	2,200
Rentals	7,811	4,219	10,300	10,300
Other Fees	9,311	11,997	0	0
Memberships & Registrations	32,540	4,222	0	0
Miscellaneous Services	120,063	65,795	0	0
Office & General Supplies	500	272	2,000	2,000
Miscellaneous Parts	519,669	605,693	334,840	334,840
Fixed Assets	3,161	6,709	0	0
Miscellaneous Projects	<u>0</u>	<u>19,234</u>	<u>0</u>	<u>0</u>
<b>TOTAL M., S. &amp; E.</b>	<b>705,167</b>	<b>719,638</b>	<b>353,340</b>	<b>353,340</b>
<b>PARKS ASSISTANCE FUND TOTAL</b>	<b><u>1,112,719</u></b>	<b><u>1,155,304</u></b>	<b><u>512,804</u></b>	<b><u>512,804</u></b>

## DEPARTMENT: PARKS &amp; RECREATION

## FUND: PARKS TRUST

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY2006</b>	<b>ACTUAL FY2007</b>	<b>BUDGET FY2008</b>	<b>APPROVED FY2009</b>
Regular Salaries	41,890	53,961	71,117	73,705
Temporary Salaries	9,751	0	2,500	2,500
Overtime	0	0	4,000	4,000
Internet Reimbursements	45	0	0	0
Social Security	3,205	3,346	4,657	4,818
Medicare Tax	749	782	1,089	1,127
Pensions	3,258	4,468	5,689	6,965
Life Insurance	16	222	370	241
Hospitalization	<u>12,321</u>	<u>11,716</u>	<u>25,466</u>	<u>6,267</u>
<b>TOTAL PERSONAL SERVICES</b>	<b>71,235</b>	<b>74,495</b>	<b>114,888</b>	<b>99,623</b>
 <b><u>MATERIALS, SUPPLIES &amp; EQUIPMENT</u></b>				
Communications & Utilities	1,552	2,614	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>1,552</b>	<b>2,614</b>	<b>31,065</b>	<b>31,065</b>
 <b><u>INTERNAL SERVICES</u></b>				
Self-Insurance	<u>3,246</u>	<u>3,433</u>	<u>3,433</u>	<u>3,433</u>
<b>TOTAL INTERNAL SERVICES</b>	<b>3,246</b>	<b>3,433</b>	<b>3,433</b>	<b>3,433</b>
 <b>PARKS TRUST FUND TOTAL</b>	 <b><u>76,033</u></b>	 <b><u>80,542</u></b>	 <b><u>149,386</u></b>	 <b><u>134,121</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 2009</b>
<ul style="list-style-type: none"> <li>• Renovate Fire Station #1 as part of an ongoing project to renovate and modernize five fire stations, while conducting a search for a suitable site for the relocation of Fire Station #5.</li> <li>• Implement and conduct a driver qualification course and special operations training for department members.</li> <li>• Replace structural firefighting personal protective equipment for all members.</li> <li>• Continue the free smoke and carbon monoxide alarm programs for seniors and need citizens.</li> <li>• Increase public education programs, targeting senior citizens and children.</li> </ul>

## SUMMARY OF FUNDING FOR THE FIRE DEPARTMENT

<b>TOTAL ALL FUNDS FIRE DEPARTMENT</b>	<b>ACTUAL FY2006</b>	<b>ACTUAL FY2007</b>	<b>BUDGET FY2008</b>	<b>APPROVED FY2009</b>
Personal Services	18,399,792	20,803,756	19,535,291	20,666,947
Materials, Supplies & Equipment	749,581	1,004,085	897,687	1,075,317
Internal Services	2,081,567	2,701,600	2,185,106	2,860,472
Debt Service	568,601	354,123	377,318	548,596
<b>TOTAL</b>	<b><u>21,799,541</u></b>	<b><u>24,863,564</u></b>	<b><u>22,995,402</u></b>	<b><u>25,151,332</u></b>
<b>STAFFING LEVELS</b>	<b>176.00</b>	<b>177.00</b>	<b>179.00</b>	<b>180.00</b>

<b>GENERAL FUND FIRE DEPARTMENT</b>	<b>ACTUAL FY2006</b>	<b>ACTUAL FY2007</b>	<b>BUDGET FY2008</b>	<b>APPROVED FY2009</b>
Personal Services	13,908,243	16,183,835	15,325,291	16,118,047
Materials, Supplies & Equipment	431,500	437,204	697,499	875,129
Internal Services	2,081,567	2,701,600	2,185,106	2,860,472
Debt Service	568,601	354,123	377,318	548,596
<b>TOTAL</b>	<b><u>16,989,911</u></b>	<b><u>19,676,762</u></b>	<b><u>18,585,214</u></b>	<b><u>20,402,244</u></b>
<b>STAFFING LEVELS</b>	<b>176.00</b>	<b>177.00</b>	<b>179.00</b>	<b>180.00</b>

<b>STATE PENSION CONTRIBUTIONS FIRE DEPARTMENT</b>	<b>ACTUAL FY2006</b>	<b>ACTUAL FY2007</b>	<b>BUDGET FY2008</b>	<b>APPROVED FY2009</b>
Personal Services	<u>4,329,966</u>	<u>4,548,904</u>	<u>4,210,000</u>	<u>4,548,900</u>
<b>TOTAL</b>	<b><u>4,329,966</u></b>	<b><u>4,548,904</u></b>	<b><u>4,210,000</u></b>	<b><u>4,548,900</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 FY2006</b>	<b>ACTUAL FY2007</b>	<b>BUDGET FY2008</b>	<b>APPROVED FY2009</b>
Materials, Supplies & Equipment	<u>276,963</u>	<u>315,290</u>	<u>200,188</u>	<u>200,188</u>
<b>TOTAL</b>	<b><u>276,963</u></b>	<b><u>315,290</u></b>	<b><u>200,188</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 FY2006</b>	<b>ACTUAL FY2007</b>	<b>BUDGET FY2008</b>	<b>APPROVED FY2009</b>
Personal Services	138,472	64,915	0	0
Materials, Supplies & Equipment	<u>0</u>	<u>168,000</u>	<u>0</u>	<u>0</u>
<b>TOTAL</b>	<b><u>138,472</u></b>	<b><u>232,915</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>FEDERAL EMERGENCY MANAGEMENT &amp; OTHER MISCELLANEOUS GRANTS FIRE DEPARTMENT</b>	<b>ACTUAL FY2006</b>	<b>ACTUAL FY2007</b>	<b>BUDGET FY2008</b>	<b>APPROVED FY2009</b>
Personal Services	23,111	6,102	0	0
Materials, Supplies & Equipment	<u>41,118</u>	<u>83,591</u>	<u>0</u>	<u>0</u>
<b>TOTAL</b>	<b><u>64,229</u></b>	<b><u>89,693</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 \$475,000 as a result of an anticipated cost of living adjustment for both non-union personnel and Local 1590, along with the cost of the new position outlined below.
- A new civilian position of Fiscal Administrator has been added in the Department to alleviate the demands on uniformed personnel of purchasing, budgeting and data management in the Telestaff computer system. The first year cost of the position is anticipated to be \$65,918.
- Overtime appropriations have been increased by \$246,000 to \$1,846,000. Recent trends of spending caused by military leave, job-related injuries, and callbacks due to major fires dictated the need for this increase.
- Based on the actual amount received in FY 2007, the State Pension Contribution has been hiked to \$4,548,900, an increase of \$338,900. This same amount is forecasted in revenue to the General Fund.
- Contracted Maintenance, buoyed by anticipated fireboat repairs in FY 2008, has been reduced by \$11,200.
- Consultants, within the Professional Fees account group, has risen by \$13,000 to provide assistance with staff development.
- Increased Memberships & Registrations in the amount of \$46,575 will fund staff training in HAZMAT awareness and emergency vehicle operation safety.
- Office & General Supplies have been increased by \$10,400 due to the rising cost of maintaining stations, and for the purchase of desktop printer supplies previously furnished by the City's Data Processing Division.
- Wearing Apparel & Safety Supplies will rise in total by almost \$124,000 and includes the first installment of an agreement to replace the turn-out gear for all of the Department's members.
- Miscellaneous Materials, Supplies and Parts will increase to \$61,714, and features an appropriation to replace the aging thermal-imaging cameras used by the Department.
- An additional \$8,000 has been requested in the Equipment account to purchase accessories for the Telestaff and CAD systems, along with some replacement office furniture.
- Fixed Assets will fall by \$12,000 due to the elimination of one-time expenditures in FY 2008.
- Total allocations for Internal Services have increased by \$675,000. Motor Vehicle and Data Processing costs have risen dramatically due to the recent acquisition of five new pieces of apparatus and expanded data processing technology usage.
- Debt Service expenditures will increase by more than \$171,000 in FY 2009 based on the FY 2006 Capital Budget funding.

## 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 20.*

CRITICAL INDICATOR	FY 2007 PROJECTED	FY 2007 ACTUAL	FY 2008 PROJECTED	FY 2008 ACTUAL	FY 2009 PROJECTED
% of Fires Contained to Room of Origin	98%	95%	95%	93%	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 20.*

CRITICAL INDICATOR	FY 2007 PROJECTED	FY 2007 ACTUAL	FY 2008 PROJECTED	FY 2008 ACTUAL	FY 2009 PROJECTED
Number of Building Inspections	350	1,018	1,500	1,710	1,800
Citizens Educated	19,000	17,163	30,000	10,540	15,000

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

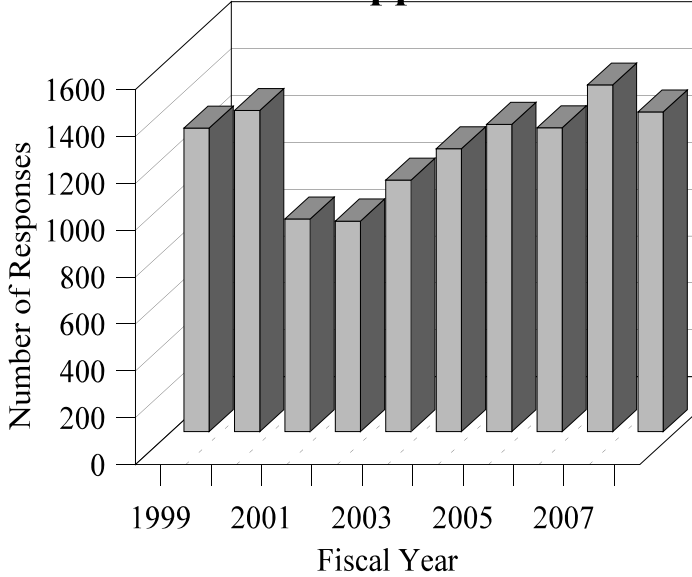
**Objective:** Maintain the average response time for fires to two minutes or less.

*Goal #3 corresponds to the City's Strategic Plan, Policy Statements 1-B, 1-C, 3-C and 3-D on page 20.*

CRITICAL INDICATOR	FY 2007 PROJECTED	FY 2007 ACTUAL	FY 2008 PROJECTED	FY 2008 ACTUAL	FY 2009 PROJECTED
Average Fire Response Time	2 minutes	2 minutes & 14 seconds	2 minutes & 30 seconds	2 minutes & 17 seconds	2 minutes & 20 seconds

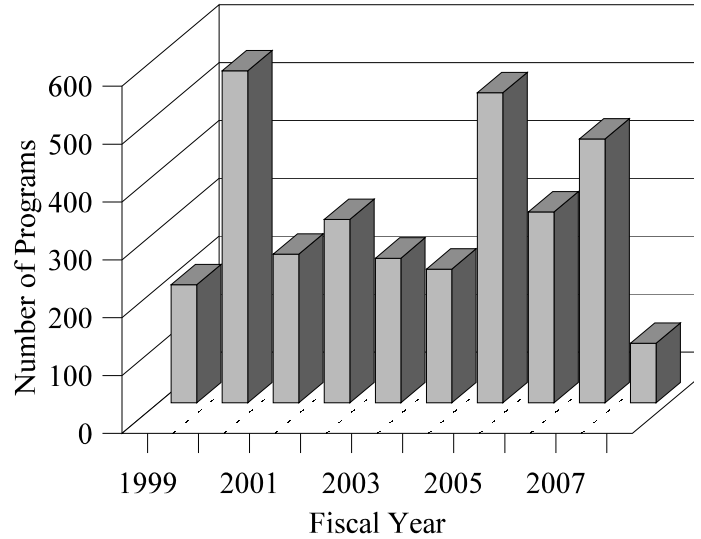
# Fire Department Performance Trends

## Basic Life Support Alarms



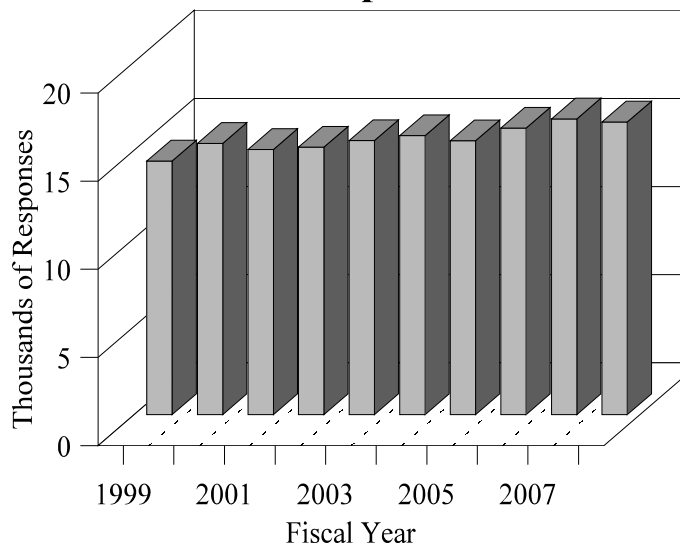
Basic Life Support alarms have been reduced. In 1996, the department contracted with a private vendor in an attempt to reduce its BLS runs. In FY 2008, the vendor supplied a fourth unit which further reduced the number of alarms.

## Fire Prevention Division



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 FY2006</b>	<b>ACTUAL FY2007</b>	<b>BUDGET FY2008</b>	<b>APPROVED FY2009</b>
Regular Salaries	9,681,420	9,957,052	10,334,280	10,809,624
Temporary Salaries	0	8,774	10,000	18,400
Acting Out of Class	46,856	66	8,000	7,000
Shift Differential	75,807	74,087	73,400	77,500
Sick Leave Bonus	250	0	0	0
Overtime	1,093,132	1,902,642	1,600,000	1,846,000
Holiday Pay	355	18,755	0	0
Internet Reimbursements	8,115	1,440	8,325	7,800
Pension Contribution	359,830	1,087,291	350,065	357,940
Social Security	13,889	27,980	17,567	21,305
Medicare Tax	106,923	123,054	121,120	134,997
Hospitalization	1,847,648	2,077,903	1,931,347	2,005,541
Life Insurance	23,268	49,160	53,651	56,146
County/Municipal Pension Contribution	562,369	626,882	713,515	747,714
Pension Healthcare	88,381	228,749	124,600	156,600
Deferred Compensation Contribution	0	0	0	21,480
Personal Services Adjustment	<u>0</u>	<u>0</u>	<u>(20,579)</u>	<u>(150,000)</u>
<b>TOTAL PERSONAL SERVICES</b>	<b>13,908,243</b>	<b>16,183,835</b>	<b>15,325,291</b>	<b>16,118,047</b>

**MATERIALS, SUPPLIES & EQUIPMENT**

Printing & Advertising	2,239	899	2,867	2,994
Communications & Utilities	98,214	130,608	186,648	178,542
Transportation	9,416	9,949	15,000	15,000
Contracted Maintenance Repairs	30,574	37,684	121,200	110,000
Professional Fees	65,781	51,680	90,000	103,000
Memberships & Registrations	57,434	58,839	69,750	116,325
Miscellaneous Services	30,491	40,707	49,550	48,510
Office & General Supplies	18,487	17,861	23,092	33,494
Wearing Apparel & Safety Supplies	61,038	40,820	50,000	173,750
Miscellaneous Parts	40,874	38,815	52,392	61,714
Construction & Repairs	3,000	4,791	6,000	4,800
Equipment	3,434	4,551	16,000	24,000
Fixed Assets	<u>10,518</u>	<u>0</u>	<u>15,000</u>	<u>3,000</u>
<b>TOTAL M., S. &amp; E.</b>	<b>431,500</b>	<b>437,204</b>	<b>697,499</b>	<b>875,129</b>

## DEPARTMENT: FIRE

## FUND: GENERAL

<b>INTERNAL SERVICES</b>	<b>ACTUAL FY2006</b>	<b>ACTUAL FY2007</b>	<b>BUDGET FY2008</b>	<b>APPROVED FY2009</b>
Administrative Services	1,154,850	1,464,678	1,321,862	1,954,065
Self-Insurance	<u>926,717</u>	<u>1,236,922</u>	<u>863,244</u>	<u>906,407</u>
<b>TOTAL INTERNAL SERVICES</b>	<b>2,081,567</b>	<b>2,701,600</b>	<b>2,185,106</b>	<b>2,860,472</b>
<b><u>DEBT SERVICE</u></b>				
Principal Payments	384,227	291,815	314,975	334,549
Interest Payments	<u>184,374</u>	<u>62,308</u>	<u>62,343</u>	<u>214,047</u>
<b>TOTAL DEBT SERVICE</b>	<b>568,601</b>	<b>354,123</b>	<b>377,318</b>	<b>548,596</b>

## DEPARTMENT: FIRE

## FUND: STATE PENSION CONTRIBUTIONS

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY2006</b>	<b>ACTUAL FY2007</b>	<b>BUDGET FY2008</b>	<b>APPROVED FY2009</b>
State Pension Contributions	<u>4,329,966</u>	<u>4,548,904</u>	<u>4,210,000</u>	<u>4,548,900</u>
<b>TOTAL PERSONAL SERVICES</b>	<b>4,329,966</b>	<b>4,548,904</b>	<b>4,210,000</b>	<b>4,548,900</b>
<b>GENERAL FUND TOTAL</b>	<b><u>21,319,877</u></b>	<b><u>24,225,666</u></b>	<b><u>22,795,214</u></b>	<b><u>24,951,144</u></b>

## DEPARTMENT: FIRE

## FUND: STATE FIRE GRANT

<b>MATERIALS, SUPPLIES &amp; EQUIPMENT</b>	<b>ACTUAL FY2006</b>	<b>ACTUAL FY2007</b>	<b>BUDGET FY2008</b>	<b>APPROVED FY2009</b>
Professional Fees	1,903	0	0	0
Memberships & Registrations	116	10,993	0	0
Wearing Apparel & Safety Supplies	23,526	0	0	0
Miscellaneous Parts	502	12,556	0	0
Equipment	104,651	0	0	0
Fixed Assets	<u>146,265</u>	<u>291,741</u>	<u>200,188</u>	<u>200,188</u>
<b>TOTAL M., S. &amp; E.</b>	<b>276,963</b>	<b>315,290</b>	<b>200,188</b>	<b>200,188</b>
<b>STATE FIRE GRANT TOTAL</b>	<b><u>276,963</u></b>	<b><u>315,290</u></b>	<b><u>200,188</u></b>	<b><u>200,188</u></b>

## DEPARTMENT: FIRE

## FUND: NEW CASTLE COUNTY FIRE GRANT

<u>PERSONAL SERVICES</u>	<u>ACTUAL FY2006</u>	<u>ACTUAL FY2007</u>	<u>BUDGET FY2008</u>	<u>APPROVED FY2009</u>
Overtime	<u>138,472</u>	<u>64,915</u>	<u>0</u>	<u>0</u>
<b>TOTAL PERSONAL SERVICES</b>	<b>138,472</b>	<b>64,915</b>	<b>0</b>	<b>0</b>
<u>MATERIALS, SUPPLIES &amp; EQUIPMENT</u>	<u>ACTUAL FY2006</u>	<u>ACTUAL FY2007</u>	<u>BUDGET FY2008</u>	<u>APPROVED FY2009</u>
Fixed Assets	<u>0</u>	<u>168,000</u>	<u>0</u>	<u>0</u>
<b>TOTAL M., S. &amp; E.</b>	<b>0</b>	<b>168,000</b>	<b>0</b>	<b>0</b>
<b>NEW CASTLE COUNTY FIRE GRANT TOTAL</b>	<b><u>138,472</u></b>	<b><u>232,915</u></b>	<b><u>0</u></b>	<b><u>0</u></b>

## DEPARTMENT: FIRE

FUND: FEDERAL EMERGENCY MANAGEMENT  
& OTHER MISCELLANEOUS GRANTS

<u>PERSONAL SERVICES</u>	<u>ACTUAL FY2006</u>	<u>ACTUAL FY2007</u>	<u>BUDGET FY2008</u>	<u>APPROVED FY2009</u>
Overtime	<u>23,111</u>	<u>6,102</u>	<u>0</u>	<u>0</u>
<b>TOTAL PERSONAL SERVICES</b>	<b>23,111</b>	<b>6,102</b>	<b>0</b>	<b>0</b>
<u>MATERIALS, SUPPLIES &amp; EQUIPMENT</u>				
Professional Fees	13,516	22,366	0	0
Miscellaneous Services	27,601	29,547	0	0
Equipment	0	6,440	0	0
Fixed Assets	<u>0</u>	<u>25,238</u>	<u>0</u>	<u>0</u>
<b>TOTAL M. S. &amp; E.</b>	<b>41,118</b>	<b>83,591</b>	<b>0</b>	<b>0</b>
<b>FEDERAL EMERG. MGT. &amp; OTHER MISC. GRANTS TOTAL</b>	<b><u>64,229</u></b>	<b><u>89,693</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 2009</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 FY2006</b>	<b>ACTUAL FY2007</b>	<b>BUDGET FY2008</b>	<b>APPROVED FY2009</b>
Personal Services	35,455,119	39,335,987	40,275,570	42,499,234
Materials, Supplies & Equipment	2,426,541	2,466,313	2,445,019	2,965,961
Internal Services	4,069,426	5,211,369	4,831,486	4,552,004
Debt Service	<u>940,443</u>	<u>958,217</u>	<u>959,888</u>	<u>829,370</u>
<b>TOTAL</b>	<b><u>42,891,529</u></b>	<b><u>47,971,886</u></b>	<b><u>48,511,963</u></b>	<b><u>50,846,569</u></b>
<b>STAFFING LEVELS</b>	<b>386.00</b>	<b>407.00</b>	<b>429.00</b>	<b>429.00</b>

<b>GENERAL FUND DEPARTMENT OF POLICE</b>	<b>ACTUAL FY2006</b>	<b>ACTUAL FY2007</b>	<b>BUDGET FY2008</b>	<b>APPROVED FY2009</b>
Personal Services	29,339,383	33,067,965	33,669,461	39,209,692
Materials, Supplies & Equipment	1,660,434	1,751,641	2,294,944	2,525,961
Internal Services	3,662,909	4,639,088	4,203,486	4,552,004
Debt Service	<u>940,443</u>	<u>958,217</u>	<u>959,888</u>	<u>829,370</u>
<b>TOTAL</b>	<b><u>35,603,169</u></b>	<b><u>40,416,911</u></b>	<b><u>41,127,779</u></b>	<b><u>47,117,027</u></b>
<b>STAFFING LEVELS</b>	<b>330.00</b>	<b>352.00</b>	<b>369.00</b>	<b>423.00</b>

<b>STATE PENSION CONTRIBUTIONS DEPARTMENT OF POLICE</b>	<b>ACTUAL FY2006</b>	<b>ACTUAL FY2007</b>	<b>BUDGET FY2008</b>	<b>APPROVED FY2009</b>
Personal Services	<u>2,412,740</u>	<u>2,774,703</u>	<u>2,200,000</u>	<u>2,774,700</u>
<b>TOTAL</b>	<b><u>2,412,740</u></b>	<b><u>2,774,703</u></b>	<b><u>2,200,000</u></b>	<b><u>2,774,700</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 FY2006</b>	<b>ACTUAL FY2007</b>	<b>BUDGET FY2008</b>	<b>APPROVED FY2009</b>
Personal Services	705,842	466,674	466,808	514,842
Materials, Supplies & Equipment	692,322	691,591	150,075	440,000
Internal Services	<u>0</u>	<u>1,086</u>	<u>0</u>	<u>0</u>
<b>TOTAL</b>	<b><u>1,398,164</u></b>	<b><u>1,159,351</u></b>	<b><u>616,883</u></b>	<b><u>954,842</u></b>
<b>STAFFING LEVELS</b>	<b>13.00</b>	<b>12.00</b>	<b>6.00</b>	<b>6.00</b>

<b>NCC SPECIAL POLICING FUND DEPARTMENT OF POLICE</b>	<b>ACTUAL FY2006</b>	<b>ACTUAL FY2007</b>	<b>BUDGET FY2008</b>	<b>APPROVED FY2009</b>
Personal Services	2,997,154	3,026,645	3,939,301	0
Materials, Supplies & Equipment	73,785	23,081	0	0
Internal Services	<u>406,517</u>	<u>571,195</u>	<u>628,000</u>	<u>0</u>
<b>TOTAL</b>	<b><u>3,477,456</u></b>	<b><u>3,620,921</u></b>	<b><u>4,567,301</u></b>	<b><u>0</u></b>
<b>STAFFING LEVELS</b>	<b>43.00</b>	<b>43.00</b>	<b>54.00</b>	<b>0.00</b>

## MAJOR FUNDING CHANGES FROM PRIOR YEAR

- The total uniformed authorized strength remains at 340 sworn officers. However, due to the expiration of the New Castle County Policing Grant, 54 officers previously paid through the grant have been transferred to the General Fund, at a cost of approximately \$4.2 million.
- Regular Overtime has been increased by \$325,000 as a result of higher base salaries, and the previously noted transfer of officers into the General Fund.
- Special Events Overtime will increase by \$84,000 based on scheduled City events.
- Based on the actual amount received in FY 2007, the State Pension Contribution has been hiked to \$2,774,700, an increase of nearly \$575,000. This same amount is forecasted in revenue to the General Fund.
- Almost \$51,000 has been appropriated in the Deferred Compensation Contribution for FY 2009. This new employee benefit was created to provide a savings incentive for City workers.
- Costs to operate the Downtown Visions Camera Program have been consolidated and budgeted in a newly created division to more accurately track the expenses. For FY 2009, this amount totals \$572,100, and includes a \$16,000 increase in Electricity, a \$58,000 hike in Mobile Airtime charges, and a \$10,000 increase in Contracted Maintenance. In addition, the cost of camera watch operators, appropriated in Professional Fees, has ballooned by \$219,000 to \$272,000, and reflects an increase in the number of operators from two to eight.
- Other Fees have risen by \$7,000 due to higher Laboratory Fee costs.
- Memberships and Registrations are slated to increase by \$23,000 to provide additional training for the 911-Center staff.
- Miscellaneous Services will decrease by approximately \$130,000. Lower costs associated with the Department's towing contract, coupled with the expiration of a maintenance agreement that is no longer needed provided these savings.
- The increase of \$18,500 in Office & General Supplies will fund the purchase of all printer supplies that were previously budgeted in the Data Processing Division.
- Ammunition Costs, along with Accessories for Equipment, have risen by \$16,500, and are included within the Miscellaneous Parts account group.
- A \$28,800 increase in Equipment will be used to update furniture in several areas in the Department.
- Fixed Assets, in the amount of \$86,400, have been earmarked to replace some of the Department's desktop PC's, laptops and printers. In the past, these costs were borne by the Data Processing Division, and charged back through Internal Service allocations.
- Total Internal Service costs have risen by \$349,000. Motor Vehicle charges rose by \$368,000, while Data Processing and Telephone costs fell a total of \$118,000.

## DEPARTMENT OF POLICE PERFORMANCE INDICATORS

**Goal #1:** Reduce Crime.

**Objective:** Reduce Part I Crimes Against Persons by 5%

*Goal #1 corresponds with the City's Strategic Plan, Policy Statement 3-E on page 20.*

CRITICAL INDICATOR	FY 2007 PROJECTED	FY 2007 ACTUAL	FY 2008 PROJECTED	FY 2008 ACTUAL	FY 2009 PROJECTED
Percentage change in the number of Part I Crimes Against Persons	-5%	+1.0%	-5%	-4.7%	-5%
Number of Part I Crimes	1,282	1,295	1,230	1,234	1,172

**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 20.*

CRITICAL INDICATOR	FY 2007 PROJECTED	FY 2007 ACTUAL	FY 2008 PROJECTED	FY 2008 ACTUAL	FY 2009 PROJECTED
Percentage change in number of Drug Arrests	+5%	+19%	+5%	-18.6%	+5%
Number of Drug Arrests	1,259	1,428	1,499	1,162	1,220

**Goal #3:** Improve Traffic Safety

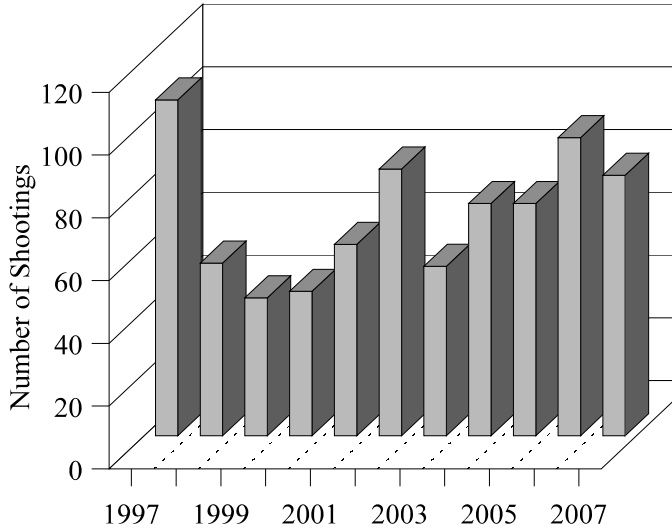
**Objective:** Reduce Traffic Accidents by 10%

*Goal #3 corresponds to the City's Strategic Plan, Policy Statement 3-E on page 20.*

CRITICAL INDICATOR	FY 2007 PROJECTED	FY 2007 ACTUAL	FY 2008 PROJECTED	FY 2008 ACTUAL	FY 2009 PROJECTED
Percentage change in the number of traffic accidents	-10%	-1%	-10%	+17.4%	-10%
Number of traffic accidents	1940	2,134	1,921	2,583	2,325

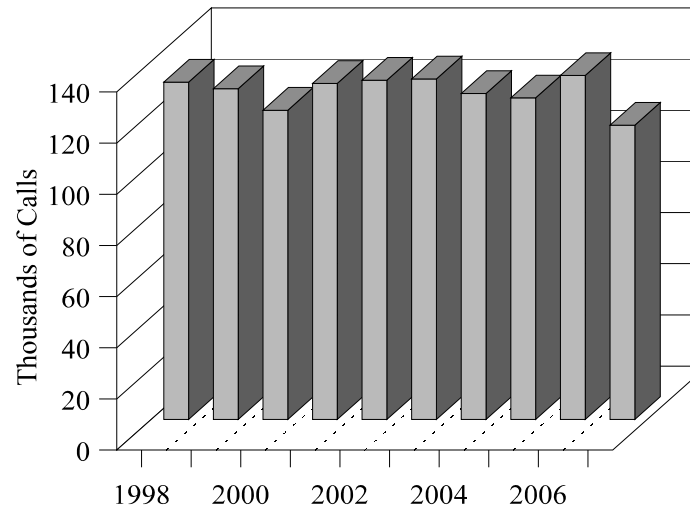
# Department of Police Performance Trends

## Shootings in Wilmington



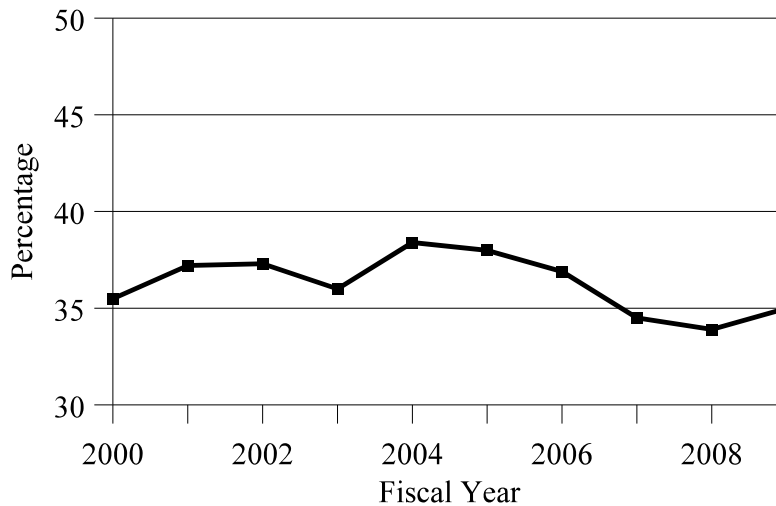
Firearm violence has declined from the spike in 2006. The department continues to focus significant resources toward this area which has resulted in non-dispatched arrests and pro-active policing by officers.

## 911 Calls Resulting in Dispatch



The total number of calls for police services has remained very high. However, due to a change in the Department's policies, along with better screening techniques, the number of Calls for Service Resulting in Dispatch has declined in FY 2008 allowing for more efficient use of available resources.

## Police Budget as a % of Total General Fund Operating Budget



The Department's General Fund budget has increased for FY 2009, in part, due to the expiration of substantial grant funds, and remains the highest among all City departments.

**DEPARTMENTAL BUDGET DETAIL BY FUND**

**DEPARTMENT: POLICE**

**FUND: GENERAL**

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY2006</b>	<b>ACTUAL FY2007</b>	<b>BUDGET FY2008</b>	<b>APPROVED FY2009</b>
Regular Salaries	17,137,799	19,027,006	19,784,622	23,752,952
Temporary Salaries	436,598	447,453	456,000	450,000
Acting Out of Class	5,097	887	10,000	10,000
Shift Differential	633,464	681,618	671,640	676,280
Shooting Days	890	1,887	0	0
Sick Leave Bonus	2,550	0	3,800	3,800
Overtime	1,714,644	1,881,778	1,685,520	2,010,557
Holiday Pay	632,272	136,317	787,870	799,711
Civilian Holiday-Overtime	76,514	87,451	85,280	90,000
Court Overtime	46,920	25,214	50,336	49,736
Special Events Overtime	394,241	385,653	378,000	462,000
Meal Allowance	14,569	13,990	15,130	15,810
Clothing Allowance	65,188	8,974	3,000	6,250
Internet Reimbursements	8,039	2,385	10,000	9,800
Pension Contribution	3,549,159	4,814,096	4,175,825	4,277,595
Social Security	221,886	222,942	240,903	254,336
Medicare Tax	254,874	277,860	296,153	341,188
Hospitalization	3,128,072	3,610,715	4,054,783	4,423,679
Life Insurance	45,850	91,451	102,928	122,375
County/Municipal Pension Contribution	803,855	908,929	1,170,069	1,605,549
Deferred Compensation Contribution	0	0	0	50,760
Pension Healthcare	166,902	441,359	258,298	368,010
Personal Services Adjustment	<u>0</u>	<u>0</u>	<u>(570,696)</u>	<u>(570,696)</u>
<b>TOTAL PERSONAL SERVICES</b>	<b>29,339,383</b>	<b>33,067,965</b>	<b>33,669,461</b>	<b>39,209,692</b>

## DEPARTMENT: POLICE

## FUND: GENERAL

<b>MATERIALS, SUPPLIES &amp; EQUIPMENT</b>	<b>ACTUAL FY2006</b>	<b>ACTUAL FY2007</b>	<b>BUDGET FY2008</b>	<b>APPROVED FY2009</b>
Printing & Advertising	35,992	42,595	79,250	80,000
Communications & Utilities	382,785	395,908	441,200	459,700
Transportation	37,235	13,418	15,000	15,000
Rentals	39,090	50,046	58,804	86,743
Contracted Maintenance Repairs	135,319	83,960	111,780	123,600
Professional Fees	130,947	192,813	357,500	485,500
Other Fees	335,541	285,832	260,350	267,350
Memberships & Registrations	12,220	17,144	15,500	38,500
Miscellaneous Services	224,487	224,689	407,300	277,100
Office & General Supplies	64,493	74,956	108,460	126,968
Wearing Apparel & Safety Supplies	153,604	186,314	265,500	259,500
Miscellaneous Parts	75,480	91,358	139,300	155,800
Equipment	14,112	14,967	35,000	63,800
Fixed Assets	<u>19,129</u>	<u>77,641</u>	<u>0</u>	<u>86,400</u>
<b>TOTAL M., S. &amp; E.</b>	<b>1,660,434</b>	<b>1,751,641</b>	<b>2,294,944</b>	<b>2,525,961</b>

**INTERNAL SERVICES**

Administrative Services	2,033,835	2,045,795	2,353,288	2,609,296
Self-Insurance	<u>1,629,074</u>	<u>2,593,293</u>	<u>1,850,198</u>	<u>1,942,708</u>
<b>TOTAL INTERNAL SERVICES</b>	<b>3,662,909</b>	<b>4,639,088</b>	<b>4,203,486</b>	<b>4,552,004</b>

**DEBT SERVICE**

Principal Payments	672,768	726,366	759,918	661,718
Interest Payments	<u>267,675</u>	<u>231,851</u>	<u>199,970</u>	<u>167,652</u>
<b>TOTAL DEBT SERVICE</b>	<b>940,443</b>	<b>958,217</b>	<b>959,888</b>	<b>829,370</b>

## FUND: STATE PENSION CONTRIBUTIONS

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY2006</b>	<b>ACTUAL FY2007</b>	<b>BUDGET FY2008</b>	<b>APPROVED FY2009</b>
State Pension Contributions	<u>2,412,740</u>	<u>2,774,703</u>	<u>2,200,000</u>	<u>2,774,700</u>
<b>TOTAL PERSONAL SERVICES</b>	<b>2,412,740</b>	<b>2,774,703</b>	<b>2,200,000</b>	<b>2,774,700</b>
<b>GENERAL FUND TOTAL</b>	<b><u>38,015,909</u></b>	<b><u>43,191,614</u></b>	<b><u>43,327,779</u></b>	<b><u>49,891,727</u></b>

## DEPARTMENT: POLICE

FUND: SALLE

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY2006</b>	<b>ACTUAL FY2007</b>	<b>BUDGET FY2008</b>	<b>APPROVED FY2009</b>
Regular Salaries	322,116	244,325	279,725	303,088
Temporary Salaries	24,992	21,860	0	0
Shift Differential	4,266	0	0	0
Overtime	234,541	129,562	74,925	80,000
Holiday Pay	193	4,331	0	15,155
Court Overtime	454	195	0	0
Meal Allowance	(184)	233	0	0
Deferred Compensation Contribution	0	0	0	720
Social Security	1,461	2,668	0	0
Medicare Tax	5,586	4,262	4,053	4,390
Hospitalization	77,730	28,316	60,491	62,260
Life Insurance	323	990	1,455	1,576
County/Municipal Pension Contribution	33,901	29,932	41,959	42,433
Pension Healthcare	<u>463</u>	<u>0</u>	<u>4,200</u>	<u>5,220</u>
<b>TOTAL PERSONAL SERVICES</b>	<b>705,842</b>	<b>466,674</b>	<b>466,808</b>	<b>514,842</b>
<b><u>MATERIALS, SUPPLIES &amp; EQUIPMENT</u></b>				
Communications & Utilities	576	1,706	0	0
Transportation	54,000	62,073	0	0
Rentals	8,476	128,348	0	140,000
Professional Fees	71,378	20,000	0	0
Memberships & Registrations	57,240	77,886	0	150,000
Miscellaneous Services	32,067	5,000	0	0
Office & General Supplies	515	16,434	0	0
Wearing Apparel & Safety Supplies	19,132	25,823	0	0
Miscellaneous Parts	1,288	19,549	0	0
Equipment	8,941	5,421	150,075	0
Fixed Assets	407,135	329,351	0	150,000
Grant Reimbursement	<u>31,574</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>TOTAL M., S. &amp; E.</b>	<b>692,322</b>	<b>691,591</b>	<b>150,075</b>	<b>440,000</b>
<b><u>INTERNAL SERVICES</u></b>				
Self-Insurance	<u>0</u>	<u>1,086</u>	<u>0</u>	<u>0</u>
<b>TOTAL INTERNAL SERVICES</b>	<b>0</b>	<b>1,086</b>	<b>0</b>	<b>0</b>
<b>SALLE FUND TOTAL</b>	<b><u>1,398,164</u></b>	<b><u>1,159,351</u></b>	<b><u>616,883</u></b>	<b><u>954,842</u></b>



## DEPARTMENT: POLICE

## FUND: NCC SPECIAL POLICING FUND

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY2006</b>	<b>ACTUAL FY2007</b>	<b>BUDGET FY2008</b>	<b>APPROVED FY2009</b>
Regular Salaries	1,874,691	2,104,340	2,585,649	0
Shift Differential	115,393	120,185	161,000	0
Overtime	317,204	100,766	147,000	0
Holiday Pay	73,931	15,085	134,100	0
Court Overtime	18,383	450	0	0
Meal Allowance	775	1,220	0	0
Clothing Allowance	6,931	420	0	0
Internet Reimbursement	555	180	0	0
Medicare Tax	35,873	61,723	37,366	0
Hospitalization	299,788	316,727	436,211	0
Life Insurance	4,666	9,086	13,408	0
County/Municipal Pension Contribution	231,156	293,173	386,767	0
Pension Healthcare	<u>17,808</u>	<u>3,290</u>	<u>37,800</u>	<u>0</u>
<b>TOTAL PERSONAL SERVICES</b>	<b><u>2,997,154</u></b>	<b><u>3,026,645</u></b>	<b><u>3,939,301</u></b>	<b><u>0</u></b>
 <b><u>MATERIALS, SUPPLIES &amp; EQUIPMENT</u></b>				
Transportation	20,320	10,094	0	0
Professional Fees	36,153	12,987	0	0
Equipment	<u>17,312</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>TOTAL M., S. &amp; E.</b>	<b><u>73,785</u></b>	<b><u>23,081</u></b>	<b><u>0</u></b>	<b><u>0</u></b>
 <b><u>INTERNAL SERVICES</u></b>				
Administrative Services	227,591	296,018	314,000	0
Self-Insurance	<u>178,926</u>	<u>275,177</u>	<u>314,000</u>	<u>0</u>
<b>TOTAL INTERNAL SERVICES</b>	<b><u>406,517</u></b>	<b><u>571,195</u></b>	<b><u>628,000</u></b>	<b><u>0</u></b>
 <b>NCC POLICING FUND TOTAL</b>	 <b><u><u>3,477,456</u></u></b>	 <b><u><u>3,620,921</u></u></b>	 <b><u><u>4,567,301</u></u></b>	 <b><u><u>0</u></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 the City residents.

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

To fulfill the 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 2009

- Complete new park over top of the old Cool Springs Reservoir
- Clean and line water mains in Union Park Gardens, Browntown, and South Market Streets
- Complete the design phase of upgrade of Brandywine Filter Plant to membrane filter technology
- Strengthen Hoopes Reservoir dam, increasing capacity of reservoir
- Rehabilitate Water Works Cafe for new use as Water Quality Lab
- Eliminate CSO at bottom of Rockford Road, including rain leader disconnection at residences
- Continue implementation of CSO Real Time Control
- Implement Roadway Cut Management Program
- Update 50 intersections and utilize new circulation study to optimize signal timings
- Pave 9 miles of streets and patch 10 miles of street
- Transportation enhancements for Union Park Gardens, Trolley Square Phase 2, Brandywine Village Phase 4, and Southwest Civic Association
- Northeast Blvd. plantings in partnership with the Delaware Center for Horticulture
- Determine a baseline carbon footprint for the entire City and develop a programmatic approach to reducing the City's greenhouse gas footprint
- Complete the feasibility study phase of energy efficiency improvements for City facilities and enter into one or more guaranteed energy performance contracts to implement these improvements

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

<b>TOTAL ALL FUNDS DEPARTMENT OF PUBLIC WORKS</b>	<b>ACTUAL FY2006</b>	<b>ACTUAL FY2007</b>	<b>BUDGET FY2008</b>	<b>APPROVED FY2009</b>
Personal Services	12,206,881	12,866,994	14,335,594	15,252,389
Materials, Supplies & Equipment	36,116,471	36,695,169	39,115,828	43,786,347
Internal Services	3,427,235	5,134,794	4,305,141	5,492,351
Debt Service	8,113,295	9,545,141	11,214,831	10,417,348
Capitalization	(6,287,429)	(2,457,061)	0	(3,300,000)
Depreciation	<u>6,882,324</u>	<u>8,706,671</u>	<u>6,608,014</u>	<u>9,374,668</u>
<b>TOTAL</b>	<b><u>60,458,777</u></b>	<b><u>70,491,708</u></b>	<b><u>75,579,408</u></b>	<b><u>81,023,103</u></b>
<b>STAFFING LEVELS</b>	<b>212.00</b>	<b>228.00</b>	<b>231.00</b>	<b>235.00</b>

<b>GENERAL FUND DEPARTMENT OF PUBLIC WORKS</b>	<b>ACTUAL FY2006</b>	<b>ACTUAL FY2007</b>	<b>BUDGET FY2008</b>	<b>APPROVED FY2009</b>
Personal Services	5,531,734	6,171,749	7,150,567	7,852,907
Materials, Supplies & Equipment	4,907,762	5,285,392	6,573,405	6,457,515
Internal Services	2,255,786	2,979,452	2,669,442	3,270,963
Debt Service	<u>3,196,346</u>	<u>5,207,203</u>	<u>5,647,135</u>	<u>5,033,599</u>
<b>TOTAL</b>	<b><u>15,891,628</u></b>	<b><u>19,643,796</u></b>	<b><u>22,040,549</u></b>	<b><u>22,614,984</u></b>
<b>STAFFING LEVELS</b>	<b>99.50</b>	<b>121.50</b>	<b>124.00</b>	<b>129.25</b>

<b>WATER/SEWER FUND DEPARTMENT OF PUBLIC WORKS</b>	<b>ACTUAL FY2006</b>	<b>ACTUAL FY2007</b>	<b>BUDGET FY2008</b>	<b>APPROVED FY2009</b>
Personal Services	6,675,147	6,695,245	7,185,027	7,399,482
Materials, Supplies & Equipment	27,153,478	25,241,002	29,240,645	29,367,723
Internal Services	975,137	1,901,047	1,339,554	1,915,043
Debt Service	4,765,174	3,893,068	5,083,759	4,988,453
Capitalization	(6,287,429)	0	0	0
Depreciation	<u>5,067,865</u>	<u>6,307,970</u>	<u>4,647,307</u>	<u>6,158,688</u>
<b>TOTAL</b>	<b><u>38,349,372</u></b>	<b><u>44,038,332</u></b>	<b><u>47,496,292</u></b>	<b><u>49,829,389</u></b>
<b>STAFFING LEVELS</b>	<b>112.50</b>	<b>106.50</b>	<b>107.00</b>	<b>105.75</b>

<b>MOTOR VEHICLE FUND DEPARTMENT OF PUBLIC WORKS</b>	<b>ACTUAL FY2006</b>	<b>ACTUAL FY2007</b>	<b>BUDGET FY2008</b>	<b>APPROVED FY2009</b>
Materials, Supplies & Equipment	2,977,502	5,425,718	3,301,778	6,705,859
Internal Services	196,312	254,295	296,145	306,345
Debt Service	151,775	444,870	483,937	395,296
Capitalization	0	(2,457,061)	0	(3,300,000)
Depreciation	<u>1,814,459</u>	<u>2,398,701</u>	<u>1,960,707</u>	<u>3,215,980</u>
<b>TOTAL</b>	<b><u>5,140,048</u></b>	<b><u>6,066,523</u></b>	<b><u>6,042,567</u></b>	<b><u>7,323,480</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 DEPARTMENT OF PUBLIC WORKS</b>	<b>ACTUAL FY2006</b>	<b>ACTUAL FY2007</b>	<b>BUDGET FY2008</b>	<b>APPROVED FY2009</b>
Materials, Supplies & Equipment	<u>1,077,729</u>	<u>743,057</u>	<u>0</u>	<u>1,255,250</u>
<b>TOTAL</b>	<b><u>1,077,729</u></b>	<b><u>743,057</u></b>	<b><u>0</u></b>	<b><u>1,255,250</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**

- Personal Services in the General Fund have been increased by a total of \$702,340, which includes one new Administrative Clerk II position and three new Construction Inspectors at a total cost of \$203,935. The Construction Inspector positions have been added to administer the City's new street-cut oversight process, which will ensure that work done by utilities and other companies in the City right-of-way conforms to City standards for roadway-cut restoration and minimizes the disruption to traffic and pedestrians.
- Three formerly split-funded positions have now been fully allocated to the General Fund in order to better match funding with the duties performed. The cost of this reallocation is \$95,231, with an offsetting decrease to the Water/Sewer Fund.
- Due to significant increases in electricity prices, the installation of new street and traffic lights, and increased usage at the Municipal Complex, electricity costs in the General Fund have increased by \$170,000 to a new total of \$1,060,000.
- Fees for the ongoing and expanded recycling program are budgeted to decrease by \$197,000. This reduction is not due to changes in the services provided, but instead due to a revised projection of the number of residences the program will serve. In addition, the landfill fees rebate, which acts as an offset to expenditures, has been changed from \$500,000 to \$392,175 to more accurately reflect projected landfill usage.
- Professional fees, which includes consultants, engineering, and temporary agencies, has increased by \$215,000 to a new total of \$598,000. This increase is the result of a number of new initiatives, including plantings on Northeast Boulevard (\$60,000), a study of the City's greenhouse emissions (\$40,000), oversight and repairs of brick sidewalks (\$75,000), and temporary agencies to cover for sick or vacant employees in Street Cleaning (\$65,000).
- Contacted maintenance services increased by \$160,000, to a new total of \$290,000. The bulk of this increase is due to a \$120,000 contract for the installation and repairs of traffic poles, which had formerly been a capital item.
- As a result of decreases in the existing debt service schedule, combined with partially offsetting increases in projected new bond issuance, overall General Fund debt service decreased by \$591,936.

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

- Total Personal Services in the Water/Sewer Fund are budgeted to increase by \$214,455, due to the cumulative effect of COLAs, higher benefit costs, and staffing changes. This increase includes one new position, an Assistant Water Division Director, at a total cost of \$89,824. Nearly offsetting this addition is the elimination of the vacant Water Production Engineer position, for a savings of \$85,895.
- Three formerly split-funded positions have now been fully allocated to the General Fund in order to better match funding with the duties performed. This reallocation results in a \$95,231 reduction to the Water/Sewer Fund, with an offsetting increase in the General Fund.
- As a result of increases in the cost of heating and diesel fuel, an additional \$175,000 has been added to cover the fuel oil needs of a number of Water Division sites, for a total fuel oil budget of \$415,000.
- Consulting costs for a variety of Water Quality Division initiatives and projects resulted in an increase of \$600,000. These projects include an update to the City's sewer hydraulic model (\$100,000), detailed flow monitoring (\$150,000), an operating review of metering and billing (\$135,000), treatment costs analysis (\$75,000), bacterial and pollution source tracking in the Brandywine River beyond the City limits and north into Pennsylvania (\$60,000), and the development of an improved public education and outreach program (\$60,000).
- The contract to operate and maintain capital improvements at the City's sewage treatment plant increased by \$683,000, reflecting the change in mutually agreed upon inflation proxies, including the Producer Price Index and an electricity cost index. In addition, \$200,000 in legal fees was budgeted as a contingency in the event that New Castle County will not settle with the City on a fairly-priced contract for City-provided sewage treatment services.
- Following the purchase of Real Time Control software during FY 2008, the Water Quality Division has budgeted \$180,000 for ongoing software licencing and maintenance costs (a net decrease of \$470,000 relative to FY 2008's software budget). 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.
- Due to the expansion of maintenance programs and infrastructure initiatives in recent years, as well as an effort to re-inventory and value the City's fixed assets, total depreciation costs have increased by \$1,511,381 to \$6,158,688.

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

- The cost of the chemicals used to purify and treat drinking water, as well as to reduce the levels of pollutants in sewage, continues to rise in price well above the rate of general inflation. This year, chemical costs increased another \$100,000, to a new total of \$950,000.
- As a result of reductions in the existing debt service schedule, combined with increases due to projected new bond issuance, overall Water/Sewer Fund debt service decreased by \$95,306.

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

- An additional \$100,000 has been budgeted for Petroleum, Oil, and Lubricants due to significant increases in fuel prices, as well as greater gasoline and diesel consumption.
- Due to scheduled cost increases in the existing vehicle maintenance contract, Contracted Maintenance Services has been increased by a total of \$50,000.
- Because of the transfer of the responsibility for handling vehicle accidents from the Motor Vehicle Fund to Risk Management, \$75,000 has been cut from the repairs to equipment line. This decrease is offset by a \$75,000 increase in the Risk Management Fund.
- In total, debt service is budgeted to decrease by \$88,641, due to lower interest payments on both existing leased vehicles and planned new and replacement vehicles.
- Depreciation costs have increased by \$1,255,273, to a new total of \$3,215,980. This change is due to an increase in the number of City-owned vehicles and an effort to re-inventory and value these vehicles, as well as increases in first-year depreciation on 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 13,200 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 20.*

CRITICAL INDICATOR	FY 2007 PROJECTED	FY 2007 ACTUAL	FY 2008 PROJECTED	FY 2008 ACTUAL	FY 2009 PROJECTED
Special Pick-Ups	13,500	12,100	13,450	13,100	13,200

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

**Objective:** Collect at least 320 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 20.*

CRITICAL INDICATOR	FY 2007 PROJECTED	FY 2007 ACTUAL	FY 2008 PROJECTED	FY 2008 ACTUAL	FY 2009 PROJECTED
Tons of Leaves	280	290	310	305	320

**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 20.*

CRITICAL INDICATOR	FY 2007 PROJECTED	FY 2007 ACTUAL	FY 2008 PROJECTED	FY 2008 ACTUAL	FY 2009 PROJECTED
Street Repairs (tons of "hot mix")	350	290	300	320	310

## 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 20.*

CRITICAL INDICATOR	FY 2007 PROJECTED	FY 2007 ACTUAL	FY 2008 PROJECTED	FY 2008 ACTUAL	FY 2009 PROJECTED
Flood Problems	1	0	0	0	0

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

**Objective:** Zero tolerance for violating discharge limits.

*Goal #5 corresponds to the City's Strategic Plan, Policy Statements 1-B, 1-C and 3-C on page 20.*

CRITICAL INDICATOR	FY 2007 PROJECTED	FY 2007 ACTUAL	FY 2008 PROJECTED	FY 2008 ACTUAL	FY 2009 PROJECTED
Violations of Discharge Limits	0	3	0	0	0

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

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

*Goal #6 corresponds to the City's Strategic Plan, Policy Statements 1-B, 1-C and 3-C on page 20.*

CRITICAL INDICATOR	FY 2007 PROJECTED	FY 2007 ACTUAL	FY 2008 PROJECTED	FY 2008 ACTUAL	FY 2009 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 20.*

CRITICAL INDICATOR	FY 2007 PROJECTED	FY 2007 ACTUAL	FY 2008 PROJECTED	FY 2008 ACTUAL	FY 2009 PROJECTED
Preventative Maintenance Inspections	2,500	2,450	2,500	2,562	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 20.*

CRITICAL INDICATOR	FY 2007 PROJECTED	FY 2007 ACTUAL	FY 2008 PROJECTED	FY 2008 ACTUAL	FY 2009 PROJECTED
Percent Tipping Fee Savings, Net of Recycling Costs	10.0%	1.8%	4.5%	6.5%	8.0%
Tipping Fees Savings, Net of Recycling Costs	\$250,000	\$47,000	\$115,000	\$171,000	\$208,000

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

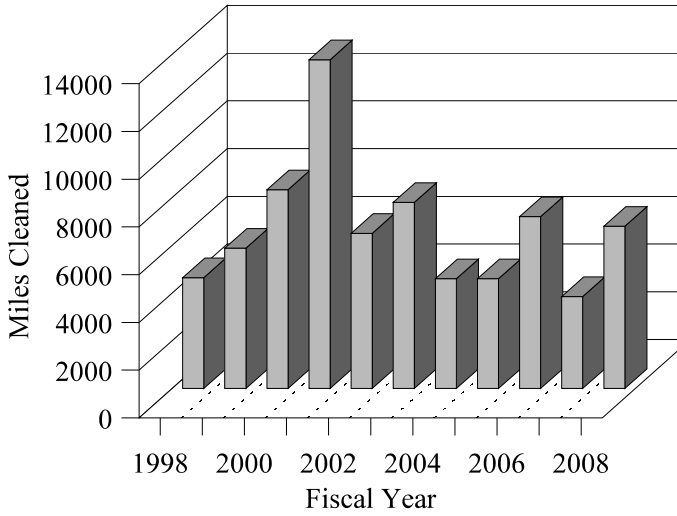
**Objective:** Provide periodic mechanical and manual sweeping of City streets and special pickups, collecting at least 5,800 tons of debris.

*Goal #9 corresponds to the City's Strategic Plan, Policy Statements 1-B, 1-C and 3-C on page 20.*

CRITICAL INDICATOR	FY 2007 PROJECTED	FY 2007 ACTUAL	FY 2008 PROJECTED	FY 2008 ACTUAL	FY 2009 PROJECTED
Street Cleaning (tons of debris, trash, etc.)	5,500	5,405	5,850	5,750	5,800

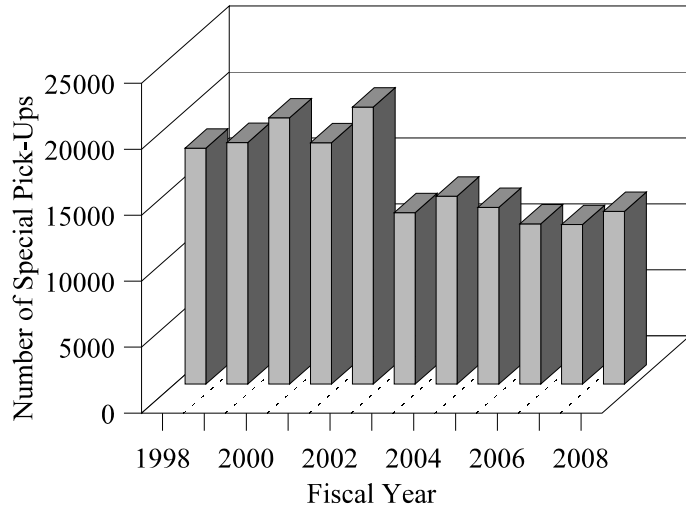
# Department of Public Works Performance Trends

## Miles of Streets Cleaned



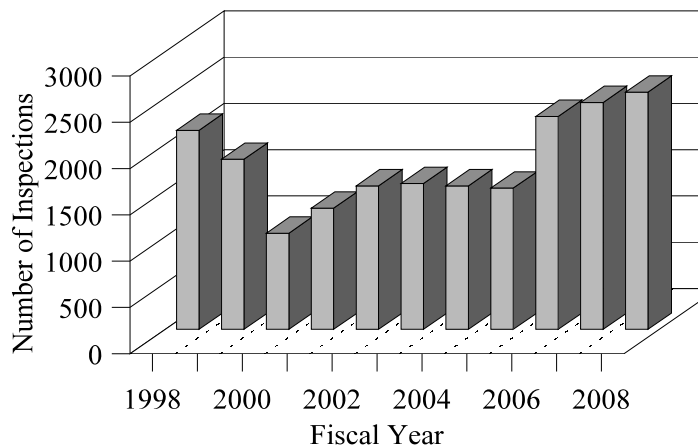
Aggressive management is required to maintain City streets in a litter free condition. FY 2001 reflects an expanded Spring Operation Clean Sweep program.

## 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 FY2006</b>	<b>ACTUAL FY2007</b>	<b>BUDGET FY2008</b>	<b>APPROVED FY2009</b>
Regular Salaries	3,272,295	3,612,829	4,310,866	4,775,450
Temporary Salaries	15,773	8,320	9,000	5,000
Acting Out of Class	12,511	5,864	20,500	20,500
Sick Leave Bonus	5,850	0	8,400	8,400
Overtime	548,608	539,486	512,862	595,000
Holiday Pay	82,868	14,469	85,000	85,000
Meal Allowance	26,244	24,399	25,000	32,000
Internet Reimbursements	597	485	2,180	2,180
Pension Contribution	307,610	539,534	454,184	535,011
Social Security	242,176	259,290	307,813	341,679
Medicare Tax	56,876	60,853	72,009	79,940
Hospitalization	909,826	936,423	1,345,073	1,331,766
Life Insurance	9,240	16,708	22,404	25,170
Deferred Comp Contribution	0	0	0	14,880
Pension Healthcare	41,260	153,088	86,792	112,448
Personal Services Adjustment	<u>0</u>	<u>0</u>	<u>(111,516)</u>	<u>(111,517)</u>
<b>TOTAL PERSONAL SERVICES</b>	<b>5,531,734</b>	<b>6,171,749</b>	<b>7,150,567</b>	<b>7,852,907</b>
<b><u>MATERIALS, SUPPLIES &amp; EQUIPMENT</u></b>				
Printing & Advertising	9,404	25,126	63,300	78,430
Communications & Utilities	478,005	878,449	932,300	1,128,300
Transportation	16,868	3,146	5,000	5,000
Rentals	106,728	404,904	83,600	133,600
Contracted Maintenance Repairs	729,088	1,051,304	1,374,000	1,928,000
Professional Fees	512,344	522,364	383,000	598,000
Other Fees	2,446,956	1,783,252	2,561,075	1,786,575
Memberships & Registrations	2,451	5,231	7,100	23,200
Miscellaneous Services	323,257	265,111	662,400	632,500
Office & General Supplies	5,535	3,009	8,700	28,951
Wearing Apparel & Safety Supplies	21,526	29,186	27,920	37,400
Miscellaneous Parts	95,500	110,069	140,310	131,584
Construction & Repairs	131,201	157,610	272,700	272,700
Equipment	12,537	16,137	16,800	15,600
Fixed Assets	16,362	16,020	35,200	49,850
Community Activities	0	14,474	0	0
Landfill Fees Rebate	<u>0</u>	<u>0</u>	<u>0</u>	<u>(392,175)</u>
<b>TOTAL M., S. &amp; E.</b>	<b>4,907,762</b>	<b>5,285,392</b>	<b>6,573,405</b>	<b>6,457,515</b>

## DEPARTMENT: PUBLIC WORKS

## FUND: GENERAL

<b>INTERNAL SERVICES</b>	<b>ACTUAL FY2006</b>	<b>ACTUAL FY2007</b>	<b>BUDGET FY2008</b>	<b>APPROVED FY2009</b>
Administrative Services	1,949,111	2,076,452	2,196,152	2,774,008
Self-Insurance	<u>306,675</u>	<u>903,000</u>	<u>473,290</u>	<u>496,955</u>
<b>TOTAL INTERNAL SERVICES</b>	<b><u>2,255,786</u></b>	<b><u>2,979,452</u></b>	<b><u>2,669,442</u></b>	<b><u>3,270,963</u></b>
<b><u>DEBT SERVICE</u></b>				
Principal Payments	1,965,558	3,026,981	3,447,127	2,804,359
Interest Payments	<u>1,230,788</u>	<u>2,180,222</u>	<u>2,200,008</u>	<u>2,229,240</u>
<b>TOTAL DEBT SERVICE</b>	<b><u>3,196,346</u></b>	<b><u>5,207,203</u></b>	<b><u>5,647,135</u></b>	<b><u>5,033,599</u></b>
<b>GENERAL FUND TOTAL</b>	<b><u>15,891,628</u></b>	<b><u>19,643,796</u></b>	<b><u>22,040,549</u></b>	<b><u>22,614,984</u></b>

## DEPARTMENT: PUBLIC WORKS

## FUND: WATER/SEWER

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY2006</b>	<b>ACTUAL FY2007</b>	<b>BUDGET FY2008</b>	<b>APPROVED FY2009</b>
Regular Salaries	4,155,049	4,164,037	4,349,061	4,475,638
Temporary Salaries	11,293	0	5,000	5,000
Acting Out of Class	2,855	525	8,000	6,000
Shift Differential	9,636	7,551	10,000	10,000
Sick Leave Bonus	9,300	0	8,400	8,400
Overtime	699,149	759,120	725,000	762,000
Holiday Pay	5,013	145	7,000	5,000
Meal Allowance	22,423	26,344	26,060	29,000
Internet Reimbursements	1,954	405	3,560	2,660
Accrued Vacation Pay	(62,690)	(238,538)	0	0
Pension Contribution	397,254	517,972	494,565	515,536
Social Security	304,064	302,771	318,785	327,840
Medicare Tax	71,705	71,594	74,576	76,710
Hospitalization	987,234	989,848	1,059,386	1,049,280
Life Insurance	11,424	19,612	22,590	23,427
Pension Healthcare	49,484	73,859	74,895	92,002
Deferred Comp Contribution	0	0	0	12,840
Personal Services Adjustment	<u>0</u>	<u>0</u>	<u>(1,851)</u>	<u>(1,851)</u>
<b>TOTAL PERSONAL SERVICES</b>	<b><u>6,675,147</u></b>	<b><u>6,695,245</u></b>	<b><u>7,185,027</u></b>	<b><u>7,399,482</u></b>

## DEPARTMENT: PUBLIC WORKS

## FUND: WATER/SEWER

<b>MATERIALS, SUPPLIES &amp; EQUIPMENT</b>	<b>ACTUAL FY2006</b>	<b>ACTUAL FY2007</b>	<b>BUDGET FY2008</b>	<b>APPROVED FY2009</b>
Printing & Advertising	42,609	28,325	59,675	31,562
Communications & Utilities	1,151,323	1,586,729	2,077,750	1,943,850
Transportation	19,492	6,577	17,000	15,000
Rentals	3,947	3,527	23,808	24,640
Contracted Maintenance Repairs	2,032,801	3,708,166	3,782,000	3,124,500
Professional Fees	2,270,450	1,444,066	3,565,000	4,127,000
Other Fees	397,424	521,825	254,700	602,000
Memberships & Registrations	38,154	29,164	50,300	53,500
Miscellaneous Services	13,301,792	14,130,968	14,890,066	15,193,307
Office & General Supplies	9,798	6,300	16,757	18,934
Wearing Apparel & Safety Supplies	11,161	29,083	34,900	48,620
Miscellaneous Parts	137,741	181,339	206,165	227,936
Petroleum & Chemicals	528,945	706,714	871,000	967,000
Construction & Repairs	111,433	143,842	135,048	162,000
Supporting Services	2,507,976	2,507,976	2,507,976	2,507,976
Equipment	154,614	69,018	748,500	259,898
Fixed Assets	4,433,818	8,000	0	5,000
Community Activities	0	51,000	0	55,000
Projects	0	78,384	0	0
<b>TOTAL M., S. &amp; E.</b>	<b>27,153,478</b>	<b>25,241,002</b>	<b>29,240,645</b>	<b>29,367,723</b>
<b><u>INTERNAL SERVICES</u></b>				
Administrative Services	516,445	830,427	584,546	1,121,885
Self-Insurance	458,692	1,070,620	755,008	793,158
<b>TOTAL INTERNAL SERVICES</b>	<b>975,137</b>	<b>1,901,047</b>	<b>1,339,554</b>	<b>1,915,043</b>
<b><u>DEBT SERVICE</u></b>				
Amortized Bond Issue & Discount	126,782	31,155	678,212	87,918
Interest Payments	4,525,684	3,861,913	4,405,547	4,900,535
Other Fiscal Charges	112,708	0	0	0
<b>TOTAL DEBT SERVICE</b>	<b>4,765,174</b>	<b>3,893,068</b>	<b>5,083,759</b>	<b>4,988,453</b>
<b><u>OTHER</u></b>				
Capitalization	(6,287,429)	0	0	0
Depreciation	5,067,865	6,307,970	4,647,307	6,158,688
<b>TOTAL OTHER</b>	<b>(1,219,564)</b>	<b>6,307,970</b>	<b>4,647,307</b>	<b>6,158,688</b>
<b>WATER/SEWER FUND TOTAL</b>	<b><u>38,349,372</u></b>	<b><u>44,038,332</u></b>	<b><u>47,496,292</u></b>	<b><u>49,829,389</u></b>

## DEPARTMENT: PUBLIC WORKS

## FUND: MOTOR VEHICLE

<b>MATERIALS, SUPPLIES &amp; EQUIPMENT</b>	<b>ACTUAL FY2006</b>	<b>ACTUAL FY2007</b>	<b>BUDGET FY2008</b>	<b>APPROVED FY2009</b>
Communications & Utilities	40,101	39,213	59,650	75,300
Transportation	0	1,200	1,200	16,500
Rentals	40,320	19,415	56,000	56,100
Contracted Maintenance Repairs	468,912	530,276	529,554	455,000
Professional Fees	74,863	65,700	100,000	95,000
Memberships & Registrations	1,385	1,238	1,900	2,500
Miscellaneous Services	1,553,798	1,551,438	1,616,000	1,665,000
Office & General Supplies	0	0	410	328
Miscellaneous Parts	271	2,226	12,064	15,131
Petroleum & Chemicals	790,053	737,468	925,000	1,025,000
Construction & Repairs	0	0	0	0
Equipment	7,799	20,483	0	0
Fixed Assets	<u>0</u>	<u>2,457,061</u>	<u>0</u>	<u>3,300,000</u>
<b>TOTAL M., S. &amp; E.</b>	<b>2,977,502</b>	<b>5,425,718</b>	<b>3,301,778</b>	<b>6,705,859</b>
<b><u>INTERNAL SERVICES</u></b>				
Administrative Services	141,212	122,051	160,594	164,017
Self-Insurance	<u>55,100</u>	<u>132,244</u>	<u>135,551</u>	<u>142,328</u>
<b>TOTAL INTERNAL SERVICES</b>	<b>196,312</b>	<b>254,295</b>	<b>296,145</b>	<b>306,345</b>
<b><u>DEBT SERVICE</u></b>				
Interest Payments	<u>151,775</u>	<u>444,870</u>	<u>483,937</u>	<u>395,296</u>
<b>TOTAL DEBT SERVICE</b>	<b>151,775</b>	<b>444,870</b>	<b>483,937</b>	<b>395,296</b>
<b><u>OTHER</u></b>				
Capitalized Expenditures	0	(2,457,061)	0	(3,300,000)
Depreciation	<u>1,814,459</u>	<u>2,398,701</u>	<u>1,960,707</u>	<u>3,215,980</u>
<b>TOTAL OTHER</b>	<b>1,814,459</b>	<b>(58,360)</b>	<b>1,960,707</b>	<b>(84,020)</b>
<b>MOTOR VEHICLE FUND TOTAL</b>	<b><u>5,140,048</u></b>	<b><u>6,066,523</u></b>	<b><u>6,042,567</u></b>	<b><u>7,323,480</u></b>

## DEPARTMENT: PUBLIC WORKS

## FUND: MUNICIPAL STREET AID

<b>MATERIALS, SUPPLIES &amp; EQUIPMENT</b>	<b>ACTUAL FY2006</b>	<b>ACTUAL FY2007</b>	<b>BUDGET FY2008</b>	<b>APPROVED FY2009</b>
Communications & Utilities	1,077,729	743,057	0	825,000
Construction and Repairs	0	0	0	430,250
Fixed Assets	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>TOTAL M., S. &amp; E.</b>	<b>1,077,729</b>	<b>743,057</b>	<b>0</b>	<b>1,255,250</b>
<b>MUNICIPAL STREET AID TOTAL</b>	<b><u>1,077,729</u></b>	<b><u>743,057</u></b>	<b><u>0</u></b>	<b><u>1,255,250</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 2009

- 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.
- Continue to support the redevelopment and upgrade of affordable rental housing in the City.
- Continue to address neglected and vacant properties through acquisition, disposition, demolition and rehabilitation.
- Provide oversight to the Wilmington Housing Partnership (WHP) for housing projects in targeted neighborhood revitalization areas.
- Continue to strengthen monitoring procedures to assure program compliance and meet all federal expenditure requirements.
- Develop and implement a department-wide, integrated database management system.

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

<b>TOTAL ALL FUNDS DEPT OF REAL ESTATE &amp; HOUSING</b>	<b>ACTUAL FY2006</b>	<b>ACTUAL FY2007</b>	<b>BUDGET FY2008</b>	<b>APPROVED FY2009</b>
Personal Services	1,279,448	1,085,107	1,225,579	1,277,232
Materials, Supplies & Equipment	193,200	241,458	375,650	381,462
Internal Services	179,186	64,708	197,885	79,969
Debt Service	1,086,126	1,176,631	1,196,488	2,129,957
Special Purpose	<u>5,125,650</u>	<u>4,228,731</u>	<u>3,424,673</u>	<u>3,355,406</u>
<b>TOTAL</b>	<b><u>7,863,610</u></b>	<b><u>6,796,635</u></b>	<b><u>6,420,275</u></b>	<b><u>7,224,026</u></b>
<b>STAFFING LEVELS</b>	<b>20.00</b>	<b>16.00</b>	<b>17.00</b>	<b>17.00</b>

<b>GENERAL FUND DEPT OF REAL ESTATE &amp; HOUSING</b>	<b>ACTUAL FY2006</b>	<b>ACTUAL FY2007</b>	<b>BUDGET FY2008</b>	<b>APPROVED FY2009</b>
Personal Services	158,387	128,928	154,072	184,351
Materials, Supplies & Equipment	87,783	153,607	286,480	291,384
Internal Services	79,150	59,056	197,885	79,969
Debt Service	<u>1,086,126</u>	<u>1,176,631</u>	<u>1,196,488</u>	<u>2,129,957</u>
<b>TOTAL</b>	<b><u>1,411,446</u></b>	<b><u>1,518,222</u></b>	<b><u>1,834,925</u></b>	<b><u>2,685,661</u></b>
<b>STAFFING LEVELS</b>	<b>2.80</b>	<b>1.60</b>	<b>2.20</b>	<b>2.41</b>

<b>COMMUNITY DEVELOPMENT BLOCK GRANT FUND (CDBG) DEPT OF REAL ESTATE &amp; HOUSING</b>	<b>ACTUAL FY2006</b>	<b>ACTUAL FY2007</b>	<b>BUDGET FY2008</b>	<b>APPROVED FY2009</b>
Personal Services	1,023,998	891,467	983,214	1,006,846
Materials, Supplies & Equipment	94,070	43,601	89,170	90,078
Internal Services	94,384	0	0	0
Special Purpose	<u>1,880,974</u>	<u>1,250,795</u>	<u>2,175,600</u>	<u>2,073,799</u>
<b>TOTAL</b>	<b><u>3,093,426</u></b>	<b><u>2,185,863</u></b>	<b><u>3,247,984</u></b>	<b><u>3,170,723</u></b>
<b>STAFFING LEVELS</b>	<b>15.87</b>	<b>13.28</b>	<b>14.28</b>	<b>13.38</b>

<b>HOME PARTNERSHIP FUND DEPT OF REAL ESTATE &amp; HOUSING</b>	<b>ACTUAL FY2006</b>	<b>ACTUAL FY2007</b>	<b>BUDGET FY2008</b>	<b>APPROVED FY2009</b>
Personal Services	73,412	45,751	66,952	65,158
Materials, Supplies & Equipment	4,204	8,863	0	0
Special Purpose	<u>404,610</u>	<u>277,000</u>	<u>609,097</u>	<u>589,611</u>
<b>TOTAL</b>	<b><u>482,226</u></b>	<b><u>331,614</u></b>	<b><u>676,049</u></b>	<b><u>654,769</u></b>
<b>STAFFING LEVELS</b>	<b>0.96</b>	<b>0.76</b>	<b>0.16</b>	<b>0.93</b>

<b>SECTION 8 FUND</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>APPROVED</b>
<b>DEPT OF REAL ESTATE &amp; HOUSING</b>	<b>FY2006</b>	<b>FY2007</b>	<b>FY2008</b>	<b>FY2009</b>
Materials, Supplies & Equipment	3,000	34,490	0	0
Internal Services	5,652	5,652	0	0
Special Purpose	<u>1,985,506</u>	<u>1,884,304</u>	<u>0</u>	<u>0</u>
<b>TOTAL</b>	<b><u>1,994,158</u></b>	<b><u>1,924,446</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>HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS (HOPWA)</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>APPROVED</b>
<b>DEPT OF REAL ESTATE &amp; HOUSING</b>	<b>FY2006</b>	<b>FY2007</b>	<b>FY2008</b>	<b>FY2009</b>
Personal Services	19,211	14,569	18,897	18,014
Materials, Supplies & Equipment	2,673	897	0	0
Special Purpose	<u>750,350</u>	<u>713,061</u>	<u>533,103</u>	<u>585,986</u>
<b>TOTAL</b>	<b><u>772,234</u></b>	<b><u>728,527</u></b>	<b><u>552,000</u></b>	<b><u>604,000</u></b>
<b>STAFFING LEVELS</b>	<b>0.30</b>	<b>0.28</b>	<b>0.28</b>	<b>0.24</b>

<b>EMERGENCY SHELTER GRANT (ESG)</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>APPROVED</b>
<b>DEPT OF REAL ESTATE &amp; HOUSING</b>	<b>FY2006</b>	<b>FY2007</b>	<b>FY2008</b>	<b>FY2009</b>
Personal Services	4,440	4,392	2,444	2,863
Materials, Supplies & Equipment	1,470	0	0	0
Special Purpose	<u>104,210</u>	<u>103,571</u>	<u>106,873</u>	<u>106,010</u>
<b>TOTAL</b>	<b><u>110,120</u></b>	<b><u>107,963</u></b>	<b><u>109,317</u></b>	<b><u>108,873</u></b>
<b>STAFFING LEVELS</b>	<b>0.07</b>	<b>0.08</b>	<b>0.08</b>	<b>0.04</b>

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

- The Miscellaneous Project Account in the Administrative Division increased by \$25,000, to a new total of \$100,000, to support the Delaware Mortgage Assistance Program, which aids qualified City homeowners who have fallen behind on their mortgage payments due to circumstances beyond their control.
- The Miscellaneous Project Account in the Rehabilitation Division decreased \$20,000. There are no plans to purchase any Non-CDBG property.
- Internal Services costs were reduced by \$117,917, to a new total of \$79,969, mainly due to the decrease in the usage of Data Processing (\$44,769) Telephone (\$15,961) and Mapping and Graphics (\$53,382).
- Debt Service went up by \$933,469, to a total of \$2,129,957. This is based on existing debt service and the funding of the FY 2006 Capital Budget, that includes a grant to Wilmington Housing Authority for the installation of a fire suppression sprinkler system in the Crestview Apartment Building.

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

- The Program Manager and the Compliance Officer titles have been modified to Property Manger and Program Administrator, respectively, to more accurately reflect their duties and responsibilities. There are no grade or step adjustments attached to this change.
- Personal Services includes upgrades of two Senior Rehab Specialist positions (Grade L-7) to Senior Rehab Specialist II (Grade N-5), one Senior Rehab Specialist position (Grade L-4) to Senior Rehab Specialist II (Grade N-3), and one Rehab Loan Specialist position (Grade H-7) to Senior Rehab Loan Specialist (Grade I-7). These upgrades caused an increase in salaries and benefits of \$22,576.

# 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 372 housing units throughout the City.\*

*Goal #1 corresponds to the City's Strategic Plan, Policy Statement 3-A on page 20.*

CRITICAL INDICATOR	FY 2007 PROJECTED	FY 2007 ACTUAL	FY 2008 PROJECTED	FY 2008 ACTUAL	FY 2009 PROJECTED
Emergency/Critical Repair Program (CDBG)	45	29	40	44	40
Housing Rehabilitation (State: HRLP)	15	1	40	11	11
Acquisition and Rehabilitation (HOME) for Homeownership	51	5	0	5	10
Acquisition and Rehabilitation (CDBG) for Homeownership	30	0	17	15	6
New Construction Home Ownership (HOME)	0	1	36	5	0
Acquisition for New Construction (CDBG)**	0	0	2	8	0
HUD Up-Front Grant*** (New Construction Homeownership)	0	0	0	0	16
Rental Housing (CDBG)	0	9	23	0	7
Tax Credit Projects (HOME/CDBG Rental)	0	0	18	0	45
Tenant-Based Rental Assisted Units (HOME)	0	0	10	0	10
De-Lead Delaware	48	44	52	52	46
Risk Assessments and Clearances	0	180	150	150	121
Facade-Residential	125	55	47	74	60
Facade-Commercial	0	0	5	0	8
Corner Vacant Program	3	1	0	0	0
<b>Total Occupied Rehabs</b>	<b>317</b>	<b>325</b>	<b>440</b>	<b>364</b>	<b>380</b>

\* Minus 8 proposed commercial facade units

\*\* Actual construction with non-CDBG Funds

\*\*\* Includes 3 market-rate, non-HUD 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 71.

*Goal #2 corresponds to the City's Strategic Plan, Policy Statement 3-A on page 20.*

CRITICAL INDICATOR	FY 2007 PROJECTED	FY 2007 ACTUAL	FY 2008 PROJECTED	FY 2008 ACTUAL	FY 2009 PROJECTED
Vacant Properties Acquired	12	9	24	35	25
Vacant Properties Disposed	37	5	47	19	40
<b>Total Structures/Lots in Property Inventory</b>	<b>99</b>	<b>118</b>	<b>76</b>	<b>134</b>	<b>71</b>

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

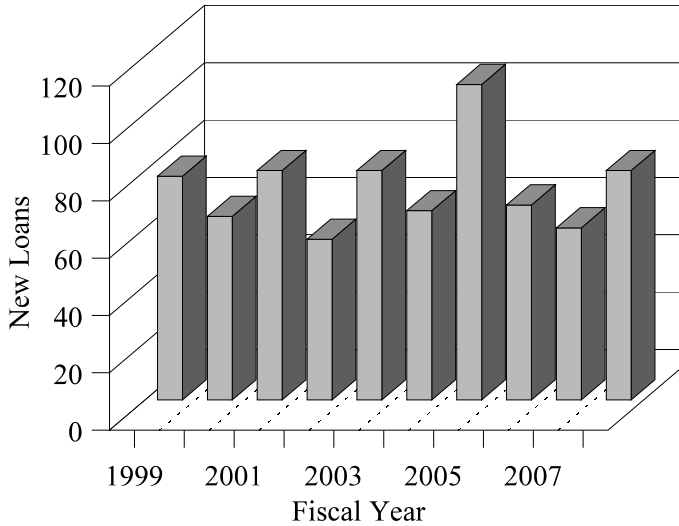
**Objective:** Administer funding for 24 Homeless and Transitional Housing, Fair Housing and related Public Service Projects.

*Goal #3 corresponds to the City's Strategic Plan, Policy Statement 3-A on page 20.*

CRITICAL INDICATOR	FY 2007 PROJECTED	FY 2007 ACTUAL	FY 2008 PROJECTED	FY 2008 ACTUAL	FY 2009 PROJECTED
Homeless/Transitional Housing Grant (CDBG, ESG & HOPWA)	18	18	19	18	17
Miscellaneous Public Service and Admin. Projects	0	0	0	3	3
Fair Housing Grants (CDBG)	3	3	3	4	4
<b>Total Number of Contracts</b>	<b>21</b>	<b>21</b>	<b>22</b>	<b>25</b>	<b>24</b>

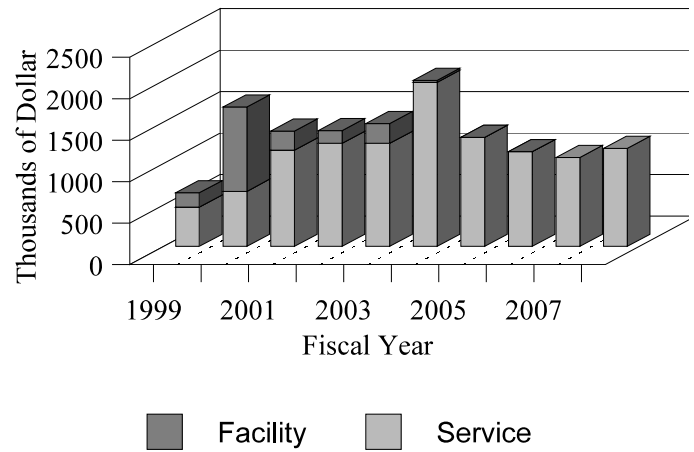
# Department of Real Estate and Housing Performance Trends

## Housing Rehabilitation Loans



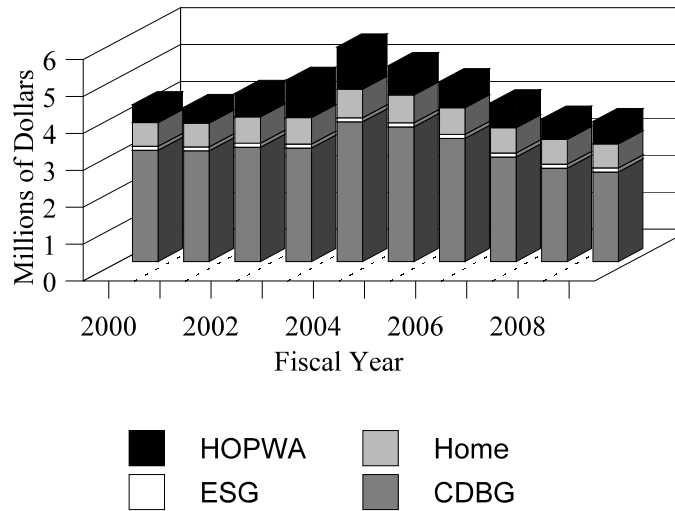
Does not include new construction, homeownership or rental housing loans and grants.

## Public Service/Public Facility Grants



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

## Federal Funding Levels



Overall, FY2009 CDBG, ESG, HOME and HOPWA Funds were reduced less than 1% from FY 2008 levels.

**DEPARTMENTAL BUDGET DETAIL BY FUND**

**DEPARTMENT: REAL ESTATE & HOUSING**

**FUND: GENERAL**

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY2006</b>	<b>ACTUAL FY2007</b>	<b>BUDGET FY2008</b>	<b>APPROVED FY2009</b>
Regular Salaries	118,058	90,098	117,592	138,233
Acting out of Class	58	217	0	0
Sick Leave Bonus	90	0	0	0
Internet Reimbursements	63	315	0	0
Pension Contribution	11,153	13,155	12,416	15,200
Social Security	6,568	5,867	7,145	8,438
Medicare Tax	1,536	1,382	1,671	1,975
Hospitalization	19,593	15,424	21,159	25,483
Life Insurance	240	454	611	721
Pension Healthcare	1,028	2,016	1,540	2,093
Deferred Comp Contribution	0	0	0	270
Personal Services Adjustment	<u>0</u>	<u>0</u>	<u>(8,062)</u>	<u>(8,062)</u>
<b>TOTAL PERSONAL SERVICES</b>	<b>158,387</b>	<b>128,928</b>	<b>154,072</b>	<b>184,351</b>
<b><u>MATERIALS, SUPPLIES &amp; EQUIPMENT</u></b>				
Communications & Utilities	144	228	480	384
Transportation	135	0	0	0
Miscellaneous Services	3,122	5,289	6,000	6,000
Equipment	1,182	0	0	0
Community Activities	<u>83,200</u>	<u>148,090</u>	<u>280,000</u>	<u>285,000</u>
<b>TOTAL M., S. &amp; E.</b>	<b>87,783</b>	<b>153,607</b>	<b>286,480</b>	<b>291,384</b>
<b><u>INTERNAL SERVICES</u></b>				
Administrative Services	78,652	55,379	196,092	78,085
Self-Insurance	<u>498</u>	<u>3,677</u>	<u>1,793</u>	<u>1,884</u>
<b>TOTAL INTERNAL SERVICES</b>	<b>79,150</b>	<b>59,056</b>	<b>197,885</b>	<b>79,969</b>
<b><u>DEBT SERVICE</u></b>				
Principal Payments	614,907	649,862	699,912	1,574,628
Interest Payments	<u>471,219</u>	<u>526,769</u>	<u>496,576</u>	<u>555,329</u>
<b>TOTAL DEBT SERVICE</b>	<b>1,086,126</b>	<b>1,176,631</b>	<b>1,196,488</b>	<b>2,129,957</b>
<b>GENERAL FUND TOTAL</b>	<b><u>1,411,446</u></b>	<b><u>1,518,222</u></b>	<b><u>1,834,925</u></b>	<b><u>2,685,661</u></b>



## DEPARTMENT: REAL ESTATE &amp; HOUSING

FUND: CDBG

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY2006</b>	<b>ACTUAL FY2007</b>	<b>BUDGET FY2008</b>	<b>APPROVED FY2009</b>
Regular Salaries	728,553	626,513	706,631	729,371
Temporary Salaries	22,293	24,344	4,520	5,000
Acting out of Classification	6,410	0	0	0
Sick Leave Bonus	210	0	0	0
Internet Reimbursements	907	0	0	500
Pension Contribution	80,297	82,223	68,469	77,889
Social Security	47,323	35,418	43,569	45,020
Medicare Tax	11,068	10,538	10,190	10,534
Hospitalization	117,976	90,089	136,699	120,046
Deferred Comp Contribution	0	0	0	1,619
Personal Services Adjustment	0	0	0	1,500
Pension-Healthcare	1,755	9,296	3,672	11,644
Life Insurance	7,206	13,046	9,464	3,723
<b>TOTAL PERSONAL SERVICES</b>	<b>1,023,998</b>	<b>891,467</b>	<b>983,214</b>	<b>1,006,846</b>
<b><u>MATERIALS, SUPPLIES &amp; EQUIPMENT</u></b>				
Printing & Advertising	3,611	2,138	3,000	7,200
Transportation	2,437	3,489	6,250	6,500
Rentals	375	0	200	250
Professional Fees	77,418	24,300	59,580	38,678
Other Fees	0	0	3,000	6,000
Memberships & Registrations	3,065	4,502	8,500	8,750
Miscellaneous Services	1,695	2,888	2,240	12,000
Office & General Supplies	1,696	3,010	2,400	4,000
Wearing Apparel & Safety	2,990	2,332	3,000	4,000
Equipment	148	942	1,000	2,700
Fixed Assets	635	0	0	0
<b>TOTAL M., S. &amp; E.</b>	<b>94,070</b>	<b>43,601</b>	<b>89,170</b>	<b>90,078</b>
<b><u>INTERNAL SERVICES</u></b>				
Administrative Services	88,380	0	0	0
Self-Insurance	6,004	0	0	0
<b>TOTAL INTERNAL SERVICES</b>	<b>94,384</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b><u>SPECIAL PURPOSE</u></b>				
Grants & Fixed Charges	1,880,974	1,250,795	2,175,600	2,073,799
<b>TOTAL SPECIAL PURPOSE</b>	<b>1,880,974</b>	<b>1,250,795</b>	<b>2,175,600</b>	<b>2,073,799</b>
<b>CDBG FUND TOTAL</b>	<b><u>3,093,426</u></b>	<b><u>2,185,863</u></b>	<b><u>3,247,984</u></b>	<b><u>3,170,723</u></b>

<b>GRANTS &amp; FIXED CHARGES DETAIL</b>	<b>ACTUAL FY2006</b>	<b>ACTUAL FY2007</b>	<b>BUDGET FY2008</b>	<b>APPROVED FY2009</b>
Brandywine Council Outreach			34,748	0
Catholic Charities Homeless			29,627	0
Central YWCA-PS			0	10,000
Challenge Program			50,000	50,000
Clearance			313,054	305,000
DE Center for Justice Short-Term Housing			26,061	26,061
DE Center for Horticulture			60,000	60,000
Disposition & Property Management			80,000	100,000
Eastlawn Human Services Emergency Shelter			13,030	13,030
Facade Commercial and Residential Program			525,000	325,000
Fair Housing (to be determined by RFP)			30,000	30,000
Foreclosure Counseling Services-PS			0	60,000
HOME-Clayton Courts			0	57,486
Homeless Planning Council			17,860	17,860
Lutheran Community Services for the Homeless			21,718	21,718
Ministry of Caring/Hope House I			21,631	21,631
Ministry of Caring/Hope II and III			28,773	28,773
Ministry of Caring/House of Joseph I			16,166	16,166
Miscellaneous Housing Projects			0	248,142
Property Repair Fund			365,000	540,000
Salvation Army "Code Purple" Cold Weather			0	10,000
Shipley Lofts			400,000	0
WEDCO (fee for loan collections)			30,000	20,000
West End Neighborhood House Lifelines Transit			30,405	30,405
YWCA Home Life Mngt. Transitional Housing			82,527	82,527
FY 2006 Expenditures	1,880,974		0	0
FY 2007 Expenditures	<u>0</u>	<u>1,250,795</u>	<u>0</u>	<u>0</u>
<b>GRANTS &amp; FIXED CHARGES TOTAL</b>	<b><u>1,880,974</u></b>	<b><u>1,250,795</u></b>	<b><u>2,175,600</u></b>	<b><u>2,073,799</u></b>

**DEPARTMENT: REAL ESTATE & HOUSING**

**FUND: HOME PARTNERSHIP**

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY2006</b>	<b>ACTUAL FY2007</b>	<b>BUDGET FY2008</b>	<b>APPROVED FY2009</b>
Regular Salaries	50,336	31,746	54,441	47,571
Acting out of Classification	200	0	0	0
Internet Reimbursements	149	0	0	0
Pension Contribution	6,820	4,152	4,226	4,496
Social Security	3,124	615	3,299	2,939
Medicare Tax	730	533	771	687
Hospitalization	11,482	6,148	3,269	8,404
Deferred Comp Contribution	0	0	0	115
Pension-Healthcare	112	707	274	810
Life Insurance	<u>459</u>	<u>1,850</u>	<u>672</u>	<u>136</u>
<b>TOTAL PERSONAL SERVICES</b>	<b><u>73,412</u></b>	<b><u>45,751</u></b>	<b><u>66,952</u></b>	<b><u>65,158</u></b>
<b><u>MATERIALS, SUPPLIES &amp; EQUIPMENT</u></b>				
Professional Fees	<u>4,204</u>	<u>8,863</u>	<u>0</u>	<u>0</u>
<b>TOTAL M., S. &amp; E.</b>	<b><u>4,204</u></b>	<b><u>8,863</u></b>	<b><u>0</u></b>	<b><u>0</u></b>
<b><u>SPECIAL PURPOSE</u></b>				
Grants & Fixed Charges	<u>404,610</u>	<u>277,000</u>	<u>609,097</u>	<u>589,611</u>
<b>TOTAL SPECIAL PURPOSE</b>	<b><u>404,610</u></b>	<b><u>277,000</u></b>	<b><u>609,097</u></b>	<b><u>589,611</u></b>
<b>HOME PARTNERSHIP FUND TOTAL</b>	<b><u>482,226</u></b>	<b><u>331,614</u></b>	<b><u>676,049</u></b>	<b><u>654,769</u></b>

<b>GRANTS &amp; FIXED CHARGES DETAIL</b>	<b>ACTUAL FY2006</b>	<b>ACTUAL FY2007</b>	<b>BUDGET FY2008</b>	<b>APPROVED FY2009</b>
CHDO Set-aside			101,407	98,215
Clayton Court Apts			0	350,000
Compton Apts			0	141,396
HOME Voucher Program			80,074	0
Prestwyck-Construction-Construction			227,616	0
Prestwyck-Homeless			200,000	0
FY 2006 Expenditures	404,610		0	0
FY 2007 Expenditures	<u>0</u>	<u>277,000</u>	<u>0</u>	<u>0</u>
<b>GRANTS &amp; FIXED CHARGES TOTAL</b>	<b><u>434,156</u></b>	<b><u>277,000</u></b>	<b><u>609,097</u></b>	<b><u>589,611</u></b>

DEPARTMENT: REAL ESTATE & HOUSING

FUND: SECTION 8

<b>MATERIALS, SUPPLIES &amp; EQUIPMENT</b>	<b>ACTUAL FY2006</b>	<b>ACTUAL FY2007</b>	<b>BUDGET FY2008</b>	<b>APPROVED FY2009</b>
<b>Fixed Assets</b>	3,000	0	0	0
Miscellaneous Services	0	5,350	0	0
Professional Fees	<u>0</u>	<u>29,140</u>	<u>0</u>	<u>0</u>
<b>TOTAL M., S. &amp; E.</b>	<b>3,000</b>	<b>34,490</b>	<b>0</b>	<b>0</b>
<b><u>INTERNAL SERVICES</u></b>				
Administrative Services	<u>5,652</u>	<u>5,652</u>	<u>0</u>	<u>0</u>
<b>TOTAL INTERNAL SERVICES</b>	<b>5,652</b>	<b>5,652</b>	<b>0</b>	<b>0</b>
<b><u>SPECIAL PURPOSE</u></b>				
Miscellaneous Projects	<u>1,985,506</u>	<u>1,884,304</u>	<u>0</u>	<u>0</u>
<b>TOTAL SPECIAL PURPOSE</b>	<b>1,985,506</b>	<b>1,884,304</b>	<b>0</b>	<b>0</b>
<b>SECTION 8 FUND TOTAL</b>	<b><u>1,994,158</u></b>	<b><u>1,924,446</u></b>	<b><u>0</u></b>	<b><u>0</u></b>

DEPARTMENT: REAL ESTATE & HOUSING

FUND: HOPWA

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY2006</b>	<b>ACTUAL FY2007</b>	<b>BUDGET FY2008</b>	<b>APPROVED FY2009</b>
Regular Salaries	14,886	11,378	14,091	13,232
Internet Reimbursements	36	0	0	0
Pension Contribution	1,713	1,013	1,140	1,270
Social Security	923	349	866	814
Medicare Tax	216	159	203	190
Hospitalization	1,252	1,142	2,329	2,230
Pension-Healthcare	148	100	196	209
Deferred Comp Contribution	0	0	0	31
Life Insurance	<u>37</u>	<u>428</u>	<u>72</u>	<u>38</u>
<b>TOTAL PERSONAL SERVICES</b>	<b>19,211</b>	<b>14,569</b>	<b>18,897</b>	<b>18,014</b>
<b><u>MATERIALS, SUPPLIES &amp; EQUIPMENT</u></b>				
Professional Fees	<u>2,673</u>	<u>897</u>	<u>0</u>	<u>0</u>
<b>TOTAL M. S. &amp; E.</b>	<b>2,673</b>	<b>897</b>	<b>0</b>	<b>0</b>
<b><u>SPECIAL PURPOSE</u></b>				
Grants & Fixed Charges	<u>750,350</u>	<u>713,061</u>	<u>533,103</u>	<u>585,986</u>
<b>TOTAL SPECIAL PURPOSE</b>	<b>750,350</b>	<b>713,061</b>	<b>533,103</b>	<b>585,986</b>
<b>HOPWA FUND TOTAL</b>	<b><u>772,234</u></b>	<b><u>728,527</u></b>	<b><u>552,000</u></b>	<b><u>604,000</u></b>

<b>GRANTS &amp; FIXED CHARGES DETAIL</b>	<b>ACTUAL FY2006</b>	<b>ACTUAL FY2007</b>	<b>BUDGET FY2008</b>	<b>APPROVED FY2009</b>
Catholic Charities Homeless Prevention			0	34,000
Cecil County Emergency Assistance			21,469	23,000
DE HIV Consortium Housing Assistance			453,786	480,986
Ministry of Caring-House of Joseph II			45,738	48,000
SBA Housing Supportive Services			12,110	0
FY 2006 Expenditures	750,350		0	0
FY 2007 Expenditures	<u>0</u>	<u>713,061</u>	<u>0</u>	<u>0</u>
<b>GRANTS &amp; FIXED CHARGES TOTAL</b>	<b><u>750,350</u></b>	<b><u>713,061</u></b>	<b><u>533,103</u></b>	<b><u>585,986</u></b>

## DEPARTMENT: REAL ESTATE &amp; HOUSING

## FUND: EMERGENCY SHELTER GRANT

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY2006</b>	<b>ACTUAL FY2007</b>	<b>BUDGET FY2008</b>	<b>APPROVED FY2009</b>
Regular Salaries	3,403	3,242	1,748	2,066
Acting out of Classification	9	0	0	0
Pension Contribution	409	408	147	203
Social Security	229	231	108	128
Medicare Tax	54	54	26	30
Hospitalization	325	383	378	390
Pension Healthcare	2	56	28	34
Deferred Comp Contribution	0	0	0	5
Life Insurance	9	18	9	7
<b>TOTAL PERSONAL SERVICES</b>	<b>4,440</b>	<b>4,392</b>	<b>2,444</b>	<b>2,863</b>
<b><u>MATERIALS, SUPPLIES &amp; EQUIPMENT</u></b>				
Professional Fees	1,470	0	0	0
<b>TOTAL M. S. &amp; E</b>	<b>1,470</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b><u>SPECIAL PURPOSE</u></b>				
Miscellaneous Projects	104,210	103,571	106,873	106,010
<b>TOTAL SPECIAL PURPOSE</b>	<b>104,210</b>	<b>103,571</b>	<b>106,873</b>	<b>106,010</b>
<b>EMERGENCY SHELTER GRANT</b>				
<b>FUND TOTAL</b>	<b>110,120</b>	<b>107,963</b>	<b>109,317</b>	<b>108,873</b>

<b>GRANTS &amp; FIXED CHARGES DETAIL</b>	<b>ACTUAL FY2006</b>	<b>ACTUAL FY2007</b>	<b>BUDGET FY2008</b>	<b>APPROVED FY2009</b>
Salvation Army Emergency Housing			59,950	60,889
Salvation Army Code Purple			13,913	0
Sojourners Place Transitional Housing			33,010	33,011
SBM Housing Supportive Service			0	12,110
FY 2006 Expenditures	104,210		0	0
FY 2007 Expenditures	0	103,517	0	0
<b>GRANTS &amp; FIXED CHARGES TOTAL</b>	<b>104,210</b>	<b>103,517</b>	<b>106,873</b>	<b>106,010</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 FY2006	ACTUAL FY2007	BUDGET FY2008	APPROVED FY2009
Materials, Supplies & Equipment	485	0	0	0
Debt Service	<u>6,856,596</u>	<u>5,346,243</u>	<u>5,328,597</u>	<u>3,694,096</u>
<b>TOTAL</b>	<b><u>6,857,081</u></b>	<b><u>5,346,243</u></b>	<b><u>5,328,597</u></b>	<b><u>3,694,096</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 FY2006</b>	<b>ACTUAL FY2007</b>	<b>BUDGET FY2008</b>	<b>APPROVED FY2009</b>
Communications & Utilities	382	0	0	0
Contracted Maintenance	103	0	0	0
Fixed Assets/Add. & Imp. to Bldg.	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>TOTAL M., S. &amp; E.</b>	<b>485</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b><u>DEBT SERVICE</u></b>				
Amortized Bond Issue & Discount	0	0	0	0
Principal Payments	5,529,464	4,250,394	4,432,334	2,973,376
Interest Payments	1,327,132	1,095,849	896,263	720,720
Other Fiscal Charges	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>TOTAL DEBT SERVICE</b>	<b>6,856,596</b>	<b>5,346,243</b>	<b>5,328,597</b>	<b>3,694,096</b>
<b>COMMERCE FUND TOTAL</b>	<b><u>6,857,081</u></b>	<b><u>5,346,243</u></b>	<b><u>5,328,597</u></b>	<b><u>3,694,096</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 20 years for all tax supported and revenue obligations. However, under special circumstances, 5 or 10 year bonds have been, and can be, issued.

### **D. Expenditure Analysis**

Capital spending projects generally are within the following four categories:

#### **1. New Service**

Projects which provide a service not previously available. Examples include sewer lines; roads and water mains to areas not previously served; the acquisition and development of new parks; or the construction of a new facility for a new service.

#### **2. New Replacing Existing**

New projects which replace an existing facility providing a similar or identical service. Examples include the acquisition of new apparatus, or the replacement of aging sewer lines and water mains.

#### **3. Upgrading Existing**

Additions and modifications to existing facilities aimed at providing more and/or better service than is now provided. Examples include additions to buildings, increasing the capacity of existing water mains and development of park land already owned by the City.

#### 4. **Restoring Existing**

Projects aimed at restoring an existing facility to its original capacity and/or quality of service. Examples include cleaning and relining of water mains, and minor capital 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 Planning Commission Resolution 11-07 and subsequently revised by Resolution 35-07 (Rev. #1) and Resolution 11-08 (Rev. #2), totals \$174,053,000, with the FY 2008 Capital Budget representing \$88,681,000 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 \$4,749,593.

In addition to the debt service, completed projects may have operational costs such as maintenance, utilities and the need for additional personnel or work hours. In a few instances, operational efficiencies result from a capital project that decreases costs in the Operating Budget. In the Capital Project descriptions section, each project's annual debt service impact and estimated net annual operational costs or (savings) are shown. The operational impact is divided into two categories: Personal Services (Wages and Benefits costs) and Materials, Supplies and Equipment (M. S. & E.). A summary of the operational impact by Department and Fund is shown in the table on the following page.

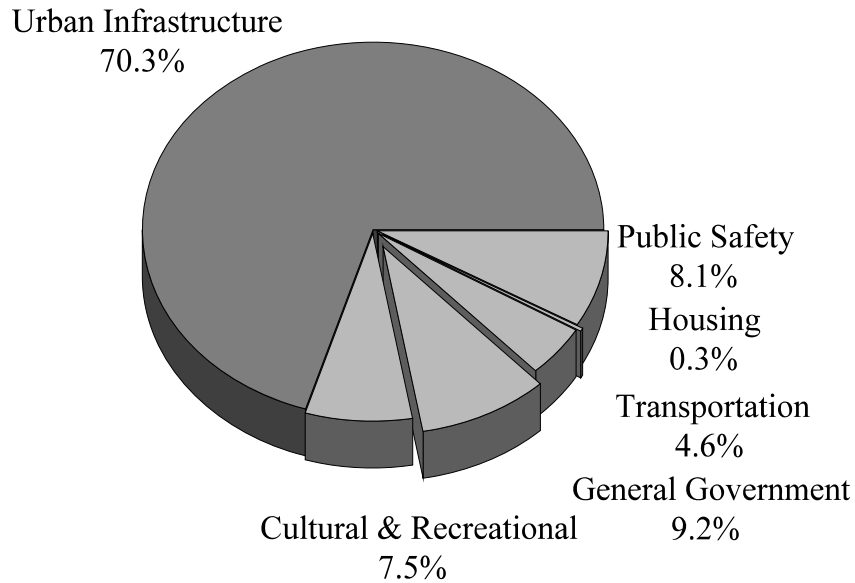
## Estimated Annual Impact of Capital Spending on the Operating Budget

<b>Department</b>	<b>Fund</b>	<b>Debt Service</b>	<b>Personal Services</b>	<b>M. S. &amp; E.</b>	<b>Total</b>
<b>Parks &amp; Recreation</b>	General	\$439,873	\$14,000	\$6,000	<b>\$459,873</b>
<b>Public Works</b>	General	618,840	0	0	<b>618,840</b>
	Water/Sewer	2,439,000	11,000	(2,000)	<b>2,448,000</b>
<b>Fire</b>	General	435,480	0	(7,000)	<b>428,480</b>
<b>Police</b>	General	114,600	0	(6,000)	<b>108,600</b>
<b>Finance</b>	General	4,393	0	0	<b>4,393</b>
	Water/Sewer	2,587	0	0	<b>2,587</b>
<b>Transportation</b>	General	313,240	0	(7,000)	<b>306,240</b>
<b>Mayor's Office</b>	General	297,960	0	0	<b>297,960</b>
	Commerce	22,500	0	0	<b>22,500</b>
	Internal Service	38,200	0	0	<b>38,200</b>
<b>Real Estate &amp; Housing</b>	General	22,920	0	0	<b>22,920</b>
<b>TOTAL</b>		<b>\$4,749,593</b>	<b>\$25,000</b>	<b>(\$16,000)</b>	<b>\$4,758,593</b>

<b>FUND</b>		<b>Debt Service</b>	<b>Personal Services</b>	<b>M. S. &amp; E.</b>	<b>Total</b>
<b>General</b>		\$2,247,306	\$14,000	(\$14,000)	<b>\$2,247,306</b>
<b>Water/Sewer</b>		2,441,587	11,000	(2,000)	<b>2,450,587</b>
<b>Commerce</b>		22,500	0	0	<b>22,500</b>
<b>Internal Service</b>		38,200	0	0	<b>38,200</b>
<b>TOTAL</b>		<b>\$4,749,593</b>	<b>\$25,000</b>	<b>(\$16,000)</b>	<b>\$4,758,593</b>

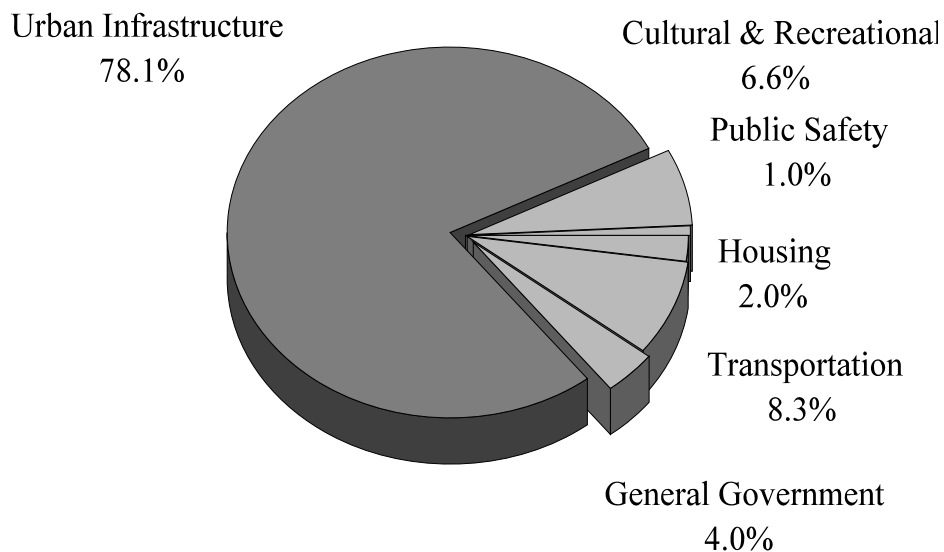
# Capital Budget Allocations

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		
PARKS AND RECREATION	G	5,757.5	0	2,855	0	2,575	0	11,187.5	11,187.5	
	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	54,200	0	31,800	0	21,800	0	107,800	107,800	
FIRE	G	5,700	0	900	0	0	0	6,600	6,600	
POLICE	G	1,500	0	0	0	0	0	1,500	1,500	
FINANCE	G	939.5	0	432	0	412	0	1,783.5	1,783.5	
	W	1,685.5	0	954	0	654	0	3,293.5	3,293.5	
	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	G	4,521	0	0	0	0	0	4,521	4,521	
	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	30,918	0	14,837	0	14,137	0	59,892	59,892	
	O	847.5	0	80	0	80	0	0	1,007.5	
	W	55,885.5	0	32,754	0	22,454	0	111,093.5	111,093.5	
	C	515	0	515	0	515	0	1,545	1,545	
	I	515	0	0	0	0	0	515	515	
GRAND TOTAL		88,681	0	48,186	0	37,186	0	173,045.5	174,053	

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	1,250	0	0	0	0	0	1,250	1,250
	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	24,300	0	21,600	0	16,400	0	62,300	62,300
	UE	32,000	0	12,400	0	3,200	0	47,600	47,600
	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
	NR	3,000	0	0	0	0	0	3,000	3,000
POLICE	RE	1,500	0	0	0	0	0	1,500	1,500
FINANCE	NS	197	0	131	0	69	0	397	397
	RE	1,019	0	717	0	525	0	2,260	2,260
	UE	1,199	0	523	0	247	0	1,970	1,970
	NR	240	0	30	0	240	0	510	510
TRANSPORTATION	UE	4,100	0	3,550	0	3,550	0	11,200	11,200
OFFICE OF THE MAYOR	NS	2,210	0	500	0	500	0	3,210	3,210
	UE	1,100	0	0	0	0	0	1,100	1,100
	NR	2,211	0	0	0	0	0	2,211	2,211
REAL ESTATE & HOUSING	NS	300	0	700	0	1,000	0	2,000	2,000
TOTAL BY CATEGORY	New Service	6,957	0	4,531	0	2,369	0	13,857	13,857
	New Replace Existing	8,451	0	1,030	0	8,240	0	17,721	17,721
	Upgrade Existing	41,429	0	18,013	0	8,537	0	67,980	67,980
	Restore Existing	31,844	0	24,612	0	18,040	0	73,638	74,495
GRAND TOTAL		88,681	0	48,186	0	37,186	0	173,045.5	174,053

Expenditure Category: NS - New Service; NR - New Replace Existing; UE - Upgrade Existing; RE - Restore Existing (See pages 226-227)

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

**PARKS & RECREATION 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		
General Park Improvements	G	UE	440	0	440	0	440	0	1,320	1,320
	O		50	0	50	0	50	0	0	150
Spencer Plaza Renovations	G	UE	1,600	0	0	0	0	0	1,600	1,600
Wilmington Beautification	G	UE	405	0	405	0	405	0	1,215	1,215
Courts Renovations/Reconstruction	G	RE	300	0	300	0	300	0	900	900
	O		30	0	30	0	30	0	0	90
Monument Restorations	G	RE	275	0	330	0	0	0	605	605
Parks Identification/Signage Project	G	UE	30	0	30	0	30	0	90	90
Anderson Center Renovations - Phase IV	G	RE	380	0	430	0	480	0	1,290	1,290
Ballfield & Swimming Pool Fencing	G	RE	305	0	305	0	305	0	915	915
County Parks	G	UE	275	0	385	0	385	0	1,045	1,045
East 7th St. Boat Ramp Repair	G	RE	267.5	0	0	0	0	0	267.5	267.5
	O		767.5	0	0	0	0	0	0	767.5
Swimming Pools & Bathroom Renovations	G	UE	230	0	230	0	230	0	690	690
Spray Park	G	NS	1,000	0	0	0	0	0	1,000	1,000
Skateboard Park Project	G	NS	250	0	0	0	0	0	250	250
<b>TOTAL BY FUND</b>	<b>G</b>		<b>5,757.5</b>	<b>0</b>	<b>2,855</b>	<b>0</b>	<b>2,575</b>	<b>0</b>	<b>11,187.5</b>	<b>11,187.5</b>
	<b>O</b>		<b>847.5</b>	<b>0</b>	<b>80</b>	<b>0</b>	<b>80</b>	<b>0</b>	<b>0</b>	<b>1,007.5</b>
<b>TOTAL PARKS AND RECREATION FUNDS</b>			<b>6,605</b>	<b>0</b>	<b>2,935</b>	<b>0</b>	<b>2,655</b>	<b>0</b>	<b>11,187.5</b>	<b>12,195</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 226-227)

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	5,000	0	1,000	0	1,000	0	7,000	7,000
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	0	0	1,000	0	1,000	0	2,000	2,000
Cool Spring Reservoir	W	UE	5,000	0	200	0	200	0	5,400	5,400
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>54,200</b>	<b>0</b>	<b>31,800</b>	<b>0</b>	<b>21,800</b>	<b>0</b>	<b>0</b>	<b>107,800</b>	<b>107,800</b>
<b>TOTAL PUBLIC WORKS FUNDS</b>			<b>62,300</b>	<b>0</b>	<b>38,200</b>	<b>0</b>	<b>28,400</b>	<b>0</b>	<b>0</b>	<b>128,900</b>	<b>128,900</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 226-227)

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

FIRE DEPARTMENT: PROGRAM RECOMMENDATION BY FISCAL YEAR												
	FUND	EXPENDITURE CATEGORY	2008	2009	2010	2011	2012	2013	<u>FISCAL YEARS</u>			TOTAL LOCAL FUNDS 6 YEAR AND MATCHING 6 YEAR PERIOD
									TOTAL CITY FUNDS 6 YEAR PERIOD	2013	2012	
Fire Station Renovations	G	RE	1,000	0	0	0	0	0	0	0	0	1,000
Apparatus Replacement	G	RE	1,700	0	900	0	0	0	0	0	0	2,600
Station 5 Replacement	G	NR	3,000	0	0	0	0	0	0	0	0	3,000
<b>TOTAL BY FUND</b>	<b>G</b>		<b>5,700</b>	<b>0</b>	<b>900</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>6,600</b>
<b>TOTAL FIRE FUNDS</b>			<b>5,700</b>	<b>0</b>	<b>900</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>6,600</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 226-227)

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

**POLICE DEPARTMENT: PROGRAM RECOMMENDATION BY FISCAL YEAR**

FUND	EXPENDITURE CATEGORY	FISCAL YEARS						TOTAL LOCAL FUNDS 6 YEAR AND MATCHING 6 YEAR PERIOD
		2008	2009	2010	2011	2012	2013	
G	RE	1,500	0	0	0	0	0	1,500
G		1,500	0	0	0	0	0	1,500
<b>TOTAL POLICE FUNDS</b>		1,500	0	0	0	0	0	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 226-227)

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

FINANCE DEPARTMENT: PROGRAM RECOMMENDATION BY FISCAL YEAR

EXPENDITURE FUND CATEGORY	FISCAL YEARS						TOTAL CITY FUNDS 6 YEAR PERIOD	TOTAL LOCAL AND MATCHING 6 YEAR PERIOD		
	2008	2009	2010	2011	2012	2013				
Office Renovations	G W	RE	57.5 57.5	0 0	0 0	0 0	0 0	57.5 57.5	57.5 57.5	
Cost of Bond Issue (General Fund)	G		882	0	432	0	412	0	1,726	1,726
Cost of Bond Issue (Water/Sewer Fund)	W		1,628	0	954	0	654	0	3,236	3,236
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>			939.5	0	432	0	412	0	1,783.5	1,783.5
	W		1,685.5	0	954	0	654	0	3,293.5	3,293.5
	C		15	0	15	0	15	0	45	45
	I		15	0	0	0	0	0	15	15
<b>TOTAL FINANCE FUNDS</b>			2,655	0	1,401	0	1,081	0	5,137	5,137

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 226-227)



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 226-227)

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		
Five Percent for Art	G		621	0	0	0	0	0	621	621
Rock Manor Clubhouse	G	NR	2,000	0	0	0	0	0	2,000	2,000
Diamond State Sports & Learning (Community) Center	G	NS	1,500	0	0	0	0	0	1,500	1,500
N.P.C.'s Infrastructure Support	G	UE	400	0	0	0	0	0	400	400
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>4,521</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4,521</b>	<b>4,521</b>
	I		500	0	0	0	0	0	500	500
	C		500	0	500	0	500	0	1,500	1,500
<b>TOTAL MAYOR'S OFFICE FUNDS</b>			<b>5,521</b>	<b>0</b>	<b>500</b>	<b>0</b>	<b>500</b>	<b>0</b>	<b>6,521</b>	<b>6,521</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 226-227)

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

**REAL ESTATE & HOUSING DEPARTMENT: PROGRAM RECOMMENDATION BY FISCAL YEAR**

	FUND	EXPENDITURE CATEGORY	FISCAL YEARS						TOTAL LOCAL FUNDS 6 YEAR 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 226-227)

### 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)

13. **Skateboard Park**

Budget Request: \$250,000.  
Program Request: \$0.

Budget: For the design and construction of a skateboard park to be located under Interstate I-95 at Maryland Avenue and Bird Street. Funding is contingent upon the project sponsor providing the following: 1) evidence that the balance of the funding to complete the project will be available within 18 months of the approval of the Capital Improvements Program by City Council; 2) an executed operational agreement between the City of Wilmington and the non-profit group Wilmington Skateboard Park Project, Inc., which clearly delineates the responsibilities between the two parties for both minor and major upkeep and improvements; and 3) proof of liability coverage for the skateboard park that is acceptable to the City of Wilmington.

Program: None.

<i>Annual Debt Service Impact</i>	<i>\$19,100</i>
<i>Annual Operational Impact Personal Services</i>	<i>\$0</i>
<i>Annual Operational Impact M. S. &amp; E.</i>	<i>\$1,000</i>

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



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

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>	<i>\$247,500</i>
<i>Annual Operational Impact Personal Services</i>	<i>\$0</i>
<i>Annual Operational Impact M. S. &amp; E.</i>	<i>\$0</i>

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>	<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>

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: \$5,000,000.  
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>	\$225,000
<i>Annual Operational Impact Personal Services</i>	\$0
<i>Annual Operational Impact M. S. &amp; E.</i>	\$0

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

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

10. **Brandywine Raceway Rehabilitation**

Budget Request: \$0.

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

11. **Cool Spring Reservoir**

Budget Request: \$5,000,000.  
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>	\$225,000
<i>Annual Operational Impact Personal Services</i>	\$0
<i>Annual Operational Impact M. S. &amp; E.</i>	\$0

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

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

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

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

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

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

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

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

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

3. **Fire Station #5 Replacement**

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

Budget: Funding for the completion of Fire Station #5, which is currently located at 18th Street and Gilpin Avenue. Costs to include land acquisition; design, engineering and construction; and relocation expenses.

Program: None.

<i>Annual Debt Service Impact</i>	\$229,200
<i>Annual Operational Impact Personal Services</i>	\$0
<i>Annual Operational Impact M. S. &amp; E.</i>	(\$3,000)

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



## 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. **Rock Manor Club House**

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

Budget: Funding is being provided for the partial demolition and reconstruction of the Rock Manor Club House, located on the City-owned Rock Manor Golf Course in North Wilmington. The renovated facility will include a pro shop, locker rooms, restaurant, meeting rooms and offices. Additional funds are being provided from the State and facility operator.

Program: None.

<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

2. **Diamond State Sports and Learning (Community) Center**

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

Budget: Funding for the acquisition of land for, and the design and construction of, a sports complex, training and community facility.

Program: Ongoing.

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

3. **Neighborhood Planning Councils Infrastructure Support**

Budget Request: \$400,000.

Program Request: \$0.

Budget: Funds to be allocated for the development of neighborhood improvement projects by the City's Neighborhood Planning Councils.

Program: None

*Annual Debt Service Impact* \$30,560

*Annual Operational Impact Personal Services* \$0

*Annual Operational Impact M. S. & E.* \$0

4. **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.

*Annual Debt Service Impact* \$22,500

*Annual Operational Impact Personal Services* \$0

*Annual Operational Impact M. S. & E.* \$0

5. **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.

*Annual Debt Service Impact* \$38,200

*Annual Operational Impact Personal Services* \$0

*Annual Operational Impact M. S. & E.* \$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

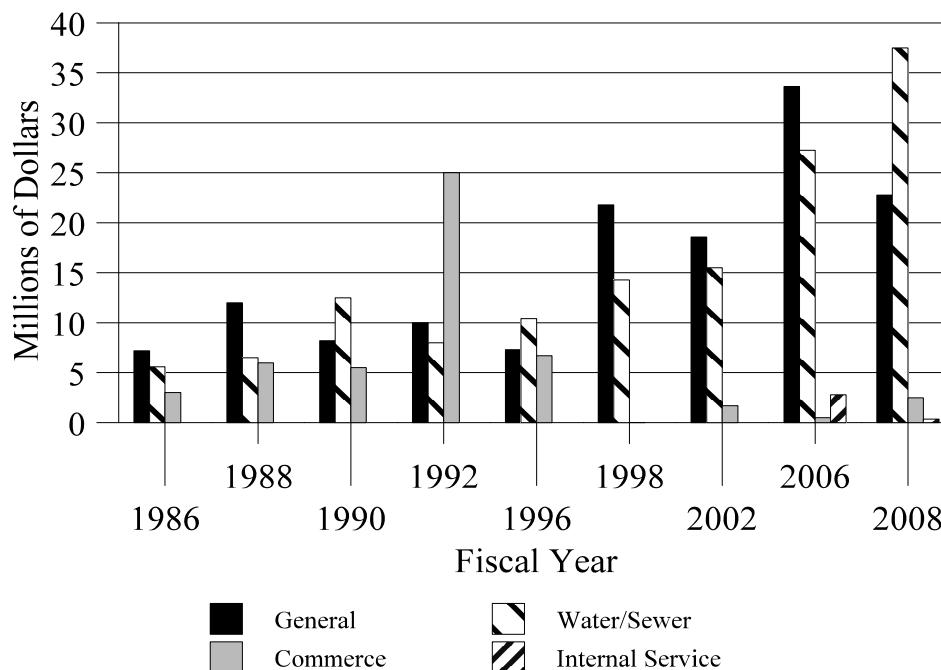
## CAPITAL BORROWING & DEBT MANAGEMENT

### Borrowing History

The graph below illustrates the City's actual bond market participation for the fiscal years beginning with 1986 and ending in 2008. Amounts shown were expended on capital projects within the stated fund. In fiscal years 1989, 1994, 2002, 2005, 2007, and 2008, the City issued bonds to refinance past obligations at lower interest rates. These refinancings are not included in the graph. (In 2008, the City issued bonds for both refunding and new projects; only the new projects portion is show below.) In fiscal years 1987, 1991, 1993, 1995, 1997, 1999, 2000, 2001, 2003 and 2004, the City did not have any bond issuances.

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 2009 General Fund Operating Budget totaling \$141,636,372, the budgeted debt service of \$13,093,932 is well below the 17.5% legal debt limit of \$24,786,365.

### 20 Year Historical Borrowing



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

### **Uses of Debt Obligations**

The City of Wilmington issues debt in order to fund its biennial Capital Improvements Program. Per City Code, long-term debt cannot be issued for operating expenses.

Specific initiatives have contributed to the fluctuations both in the aggregate debt and within specific funds, with recent years' larger increases reflecting the City's expanded efforts. 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 borrowing during 2006 reflected 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 Municipal Complex which serves both the Parks and Public Works departments.

New General Fund borrowing in 2008, though down from 2006, includes a variety of programs, such as renovations to City owned or occupied buildings and street and transportation improvements. The expanded 2008 Water/Sewer Fund borrowing continues ongoing repairs and upgrades to the City's water and sewer infrastructure, facilities, and reservoirs, and begins a number of new water/sewer projects.

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.) Ongoing Commerce Fund borrowing supports economic development activity in the City.

### **Debt Management Policies**

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 support from outside financial and legal specialists that form the City's Bond Council.

## **CAPITAL BORROWING & DEBT MANAGEMENT**

### **(Continued)**

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 five 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 2007 figures are actual payments. Fiscal Years 2008 and beyond are figures based on the current structure of debt outstanding with no calculation added for assumed new borrowing. The average interest rates on balances outstanding as of July 1, 2008 are 4.07% for the General Fund, 4.07% for the Water/Sewer Fund, 4.60% for the Commerce Fund, and 3.77% 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	9,207,313	8.8%
<b>FY 2007</b>	7,078,167	4,511,949	11,590,116	8.8%
<b>FY 2008</b>	7,762,053	4,386,548	12,148,600	9.5%
<b>FY2009</b>	8,327,473	4,766,459	13,093,932	9.2%
<b>FY2010</b>	8,259,958	4,254,082	12,514,040	8.7%
<b>FY2011</b>	7,308,926	3,825,047	11,133,973	7.5%
<b>FY2012</b>	3,741,841	3,578,849	7,320,690	4.9%
<b>FY2013</b>	3,245,064	3,429,292	6,674,356	4.3%
<b>FY2014</b>	3,390,001	3,282,754	6,672,755	4.3%
<b>FY2015</b>	3,275,620	3,122,796	6,398,416	4.0%
<b>FY2016</b>	3,350,644	2,964,476	6,315,120	3.9%
<b>FY2017</b>	3,513,291	2,800,839	6,314,130	3.8%
<b>FY2018</b>	4,103,672	2,652,871	6,756,543	3.9%
<b>FY2019</b>	3,625,349	2,424,101	6,049,450	3.4%
<b>FY2020</b>	3,797,930	2,254,959	6,052,889	3.4%
<b>FY2021</b>	3,971,631	2,077,564	6,049,195	3.3%
<b>FY2022</b>	4,157,268	1,890,953	6,048,221	3.2%
<b>FY2023</b>	4,357,528	1,695,023	6,052,551	3.1%
<b>FY2024</b>	4,533,503	1,456,359	5,989,862	3.0%
<b>FY2025</b>	4,759,895	1,229,698	5,989,593	3.0%
<b>FY2026</b>	4,990,530	995,853	5,986,383	2.9%
<b>FY2027</b>	5,550,000	737,250	6,287,250	3.0%
<b>FY2028</b>	5,835,000	452,625	6,287,625	2.9%
<b>FY2029</b>	6,135,000	153,375	6,288,375	2.8%
<b>FY 2030</b>	0	0	0	0.0%
<b>TOTAL</b>	<b>\$150,739,396</b>	<b>\$84,160,587</b>	<b>\$234,899,982</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>	5,237,659	3,893,068	9,130,727	19.9%
<b>FY 2008</b>	7,004,085	5,083,759	12,087,844	23.9%
<b>FY 2009</b>	7,496,465	4,900,535	11,347,928	24.5%
<b>FY 2010</b>	7,496,465	5,087,081	12,583,546	19.4%
<b>FY 2011</b>	5,264,882	4,808,734	10,073,616	15.1%
<b>FY 2012</b>	5,452,394	4,619,569	10,071,963	14.2%
<b>FY 2013</b>	5,661,982	4,422,986	10,084,968	13.3%
<b>FY 2014</b>	5,867,647	4,216,373	10,084,020	12.4%
<b>FY 2015</b>	6,012,290	3,989,638	10,001,928	11.5%
<b>FY 2016</b>	6,099,031	3,756,354	9,855,385	10.6%
<b>FY 2017</b>	5,675,849	3,522,792	9,198,641	9.3%
<b>FY 2018</b>	5,391,499	3,317,903	8,709,402	8.3%
<b>FY 2019</b>	5,649,022	3,070,155	8,719,177	7.7%
<b>FY 2020</b>	5,890,807	2,836,693	8,727,500	7.2%
<b>FY 2021</b>	6,141,143	2,592,497	8,733,640	6.7%
<b>FY 2022</b>	6,409,252	2,336,096	8,745,348	6.2%
<b>FY 2023</b>	6,688,704	2,067,551	8,756,255	5.8%
<b>FY 2024</b>	7,009,931	1,754,169	8,764,100	5.4%
<b>FY 2025</b>	7,329,130	1,448,732	8,777,862	5.0%
<b>FY 2026</b>	6,856,442	1,140,476	7,996,918	4.3%
<b>FY 2027</b>	6,687,044	827,602	7,514,646	3.7%
<b>FY2028</b>	6,515,000	505,375	7,020,375	3.3%
<b>FY2029</b>	6,850,000	171,250	7,021,250	3.0%
<b>FY 2030</b>	0	0	0	0.0%
<b>TOTAL</b>	<b>\$164,209,159</b>	<b>\$95,420,888</b>	<b>\$259,251,832</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>	4,753,402	1,011,053	5,764,455	83.8%
<b>FY 2008</b>	4,774,924	1,007,986	5,782,910	71.3%
<b>FY 2009</b>	316,3075	920,842	4,083,917	63.2%
<b>FY 2010</b>	3,352,847	705,832	4,058,679	62.5%
<b>FY 2011</b>	2,187,449	584,781	2,772,230	52.6%
<b>FY 2012</b>	2,264,548	499,899	2,764,447	51.9%
<b>FY 2013</b>	1,219,155	435,466	1,654,621	38.7%
<b>FY 2014</b>	1,220,154	386,338	1,606,492	37.4%
<b>FY 2015</b>	1,240,540	334,271	1,574,811	36.4%
<b>FY 2016</b>	1,222,441	280,794	1,503,235	34.7%
<b>FY 2017</b>	1,213,188	230,189	1,443,377	33.3%
<b>FY 2018</b>	556,020	193,025	749,045	20.2%
<b>FY2019</b>	577,196	169,620	746,816	19.7%
<b>FY2020</b>	600,275	145,301	745,576	19.3%
<b>FY2021</b>	624,781	119,751	744,532	18.9%
<b>FY2022</b>	650,001	92,883	742,884	18.5%
<b>FY2023</b>	680,220	64,423	744,643	18.2%
<b>FY2024</b>	145,000	43,463	188,463	5.2%
<b>FY 2025</b>	155,000	36,544	191,544	5.2%
<b>FY 2026</b>	160,000	29,750	189,750	5.0%
<b>FY 2027</b>	165,000	22,125	187,125	4.8%
<b>FY2028</b>	175,000	13,625	188,625	4.7%
<b>FY2029</b>	185,000	4,625	189,625	4.6%
<b>FY 2030</b>	0	0	0	0.0%
<b>TOTAL</b>	<b>\$58,682,833</b>	<b>\$22,183,066</b>	<b>\$81,045,898</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>	259,298	222,536	481,834	14.4%
<b>FY 2008</b>	289,355	147,352	436,707	8.3%
<b>FY 2009</b>	416,525	124,446	540,971	10.1%
<b>FY 2010</b>	517,541	262,190	779,731	12.8%
<b>FY 2011</b>	478,183	242,439	720,622	11.6%
<b>FY 2012</b>	495,644	224,121	719,765	11.3%
<b>FY 2013</b>	525,646	204,283	729,929	11.2%
<b>FY 2014</b>	548,982	183,353	732,335	11.0%
<b>FY 2015</b>	560,664	160,529	721,193	10.7%
<b>FY 2016</b>	570,313	136,865	707,178	10.7%
<b>FY 2017</b>	250,550	118,972	369,522	5.5%
<b>FY2018</b>	247,058	107,848	354,906	5.2%
<b>FY2019</b>	267,929	94,900	362,829	5.2%
<b>FY2020</b>	237,962	83,894	321,856	4.5%
<b>FY2021</b>	248,162	73,434	321,596	4.4%
<b>FY2022</b>	259,244	62,458	321,702	4.3%
<b>FY2023</b>	270,704	50,984	321,688	4.2%
<b>FY 2024</b>	266,497	35,244	301,741	3.8%
<b>FY 2025</b>	280,105	21,633	301,738	3.7%
<b>FY 2026</b>	294,470	7,315	301,785	3.8%
<b>FY 2027</b>	0	0	0	0.0%
<b>TOTAL</b>	<b>\$6,710,257</b>	<b>\$2,535,848</b>	<b>\$9,246,105</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>	17,328,526	9,638,606	26,967,132	15.8%
<b>FY 2008</b>	19,830,418	10,625,645	30,456,062	15.9%
<b>FY 2009</b>	18,354,466	10,712,282	29,066,748	14.1%
<b>FY 2010</b>	19,626,811	10,309,185	29,935,996	13.5%
<b>FY 2011</b>	15,239,440	9,461,001	24,700,441	10.9%
<b>FY 2012</b>	11,954,427	8,922,438	20,876,865	9.0%
<b>FY 2013</b>	10,651,847	8,492,027	19,143,874	7.9%
<b>FY 2014</b>	11,026,784	8,068,818	19,095,602	7.7%
<b>FY 2015</b>	11,089,114	7,607,234	18,696,348	7.3%
<b>FY 2016</b>	11,242,429	7,138,489	18,380,918	6.9%
<b>FY 2017</b>	10,652,878	6,672,792	17,325,670	6.2%
<b>FY 2018</b>	10,298,249	6,271,647	16,569,896	5.8%
<b>FY 2019</b>	10,119,496	5,758,776	15,878,272	5.3%
<b>FY 2020</b>	10,526,974	5,320,847	15,847,821	5.1%
<b>FY 2021</b>	10,985,717	4,863,246	15,848,963	4.9%
<b>FY 2022</b>	11,475,765	4,382,390	15,858,155	4.7%
<b>FY 2023</b>	11,997,156	3,877,981	15,875,137	4.5%
<b>FY 2024</b>	11,954,931	3,289,235	15,244,166	4.1%
<b>FY 2025</b>	12,524,130	2,736,607	15,260,737	3.9%
<b>FY 2026</b>	12,301,442	2,173,394	14,474,836	3.6%
<b>FY 2027</b>	12,402,044	1,586,977	13,989,021	3.4%
<b>FY2028</b>	19,195,959	3,588,848	22,784,807	5.2%
<b>FY2029</b>	13,170,000	329,250	13,499,250	2.9%
<b>FY 2030</b>	0	0	0	0.0%
<b>TOTAL</b>	<b>\$369,606,221</b>	<b>\$203,811,756</b>	<b>\$573,039,760</b>	

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

**GENERAL FUND**

<b>DEPARTMENT</b>	<b>ACTUAL FY 2005</b>	<b>ACTUAL FY 2006</b>	<b>ACTUAL FY 2007</b>	<b>BUDGET FY 2008</b>	<b>BUDGET FY 2009</b>
<b>CITY COUNCIL</b>	\$17,978	\$19,249	\$19,271	\$19,240	\$29,767
<b>% Departmental Expenses</b>	0.9%	0.9%	0.7%	0.7%	1.0%
<b>FINANCE</b>	25,241	144,189	0	0	0
<b>% Departmental Expenses</b>	0.8%	3.7%	0.0%	0.0%	0.0%
<b>MAYOR'S OFFICE</b>	826,620	830,138	942,062	989,894	1,464,562
<b>% Departmental Expenses</b>	19.6%	18.7%	16.3%	14.8%	18.8%
<b>PARKS &amp; RECREATION</b>	1,761,445	2,206,320	2,664,993	2,691,050	2,654,707
<b>% Departmental Expenses</b>	22.8%	27.8%	25.9%	26.8%	25.3%
<b>PERSONNEL</b>	0	0	0	4,666	31,458
<b>% Departmental Expenses</b>	0.0%	0.0%	0.0%	0.3%	1.6%
<b>FIRE</b>	538,378	568,601	354,122	377,318	548,596
<b>% Departmental Expenses</b>	3.2%	3.3%	1.5%	2.0%	2.2%
<b>POLICE</b>	922,424	940,443	958,217	959,888	829,370
<b>% Departmental Expenses</b>	2.4%	2.6%	2.2%	2.3%	1.7%
<b>PUBLIC WORKS</b>	3,264,849	3,196,346	5,207,203	5,647,135	5,033,599
<b>% Departmental Expenses</b>	21.1%	20.1%	26.5%	25.6%	22.3%
<b>REAL ESTATE &amp; HOUSING</b>	1,132,888	1,086,126	1,176,631	1,196,488	2,129,957
<b>% Departmental Expenses</b>	70.5%	77.0%	77.5%	64.6%	79.3%
<b>LICENSES &amp; INSPECTIONS</b>	25,958	38,833	38,775	38,729	28,193
<b>% Departmental Expenses</b>	0.9%	1.3%	1.0%	0.9%	0.6%
<b>PLANNING</b>	204,535	177,071	228,842	224,189	343,723
<b>% Departmental Expenses</b>	16.2%	14.3%	15.0%	14.7%	18.0%
<b>TOTAL DEBT SERVICE</b>	<b>\$8,720,316</b>	<b>\$9,207,314</b>	<b>\$11,590,116</b>	<b>\$12,148,600</b>	<b>\$13,093,932</b>
<b>% General Fund</b>	<b>9.0%</b>	<b>8.8%</b>	<b>10.0%</b>	<b>9.5%</b>	<b>9.2%</b>
<b>LEGAL DEBT SERVICE LIMIT (17.5%)</b>	<b>\$17,026,743</b>	<b>\$18,208,649</b>	<b>\$20,319,430</b>	<b>\$22,354,088</b>	<b>\$24,786,365</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 2005</b>	<b>ACTUAL FY 2006</b>	<b>ACTUAL FY 2007</b>	<b>BUDGET FY 2008</b>	<b>BUDGET FY 2009</b>
<b>FINANCE</b>	\$32,608	\$0	\$0	\$0	\$0
<b>% of Department Expenses</b>	1.3%	0.0%	0.0%	0.0%	0.0%
<b>PUBLIC WORKS</b>	3,031,959	4,765,174	3,893,068	5,083,759	4,988,453
<b>% of Department Expenses</b>	8.5%	12.4%	8.8%	10.7%	10.0%
<b>TOTAL DEBT SERVICE</b>	<b>\$3,064,567</b>	<b>\$4,765,174</b>	<b>\$3,893,068</b>	<b>\$5,083,759</b>	<b>\$4,988,453</b>
<b>% of Water/Sewer Fund</b>	<b>8.0%</b>	<b>11.5%</b>	<b>8.5%</b>	<b>10.1%</b>	<b>9.3%</b>

**COMMERCE FUND**

<b>DEPARTMENT</b>	<b>ACTUAL FY 2005</b>	<b>ACTUAL FY 2006</b>	<b>ACTUAL FY 2007</b>	<b>BUDGET FY 2008</b>	<b>BUDGET FY 2009</b>
<b>MAYOR'S OFFICE</b>	\$0	\$376,153	\$435,859	\$454,313	\$389,821
<b>% of Department Expenses</b>	<b>0.0%</b>	<b>32.7%</b>	<b>33.7%</b>	<b>16.3%</b>	<b>14.1%</b>
<b>COMMERCE DEPARTMENT</b>	5,465,745	6,856,596	5,328,597	5,328,597	3,694,096
<b>% of Department Expenses</b>	<b>96.2%</b>	<b>99.9%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
<b>TOTAL DEBT SERVICE</b>	<b>\$5,465,745</b>	<b>\$7,232,749</b>	<b>\$5,764,455</b>	<b>\$5,782,910</b>	<b>\$4,083,917</b>
<b>% of Commerce Fund</b>	<b>82.5%</b>	<b>90.3%</b>	<b>85.2%</b>	<b>71.3%</b>	<b>63.2%</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 2005</b>	<b>ACTUAL FY 2006</b>	<b>ACTUAL FY 2007</b>	<b>BUDGET FY 2008</b>	<b>BUDGET FY 2009</b>
<b>TOTAL DEBT SERVICE</b>	<b>\$0</b>	<b>\$0</b>	<b>\$222,536</b>	<b>\$147,352</b>	<b>\$124,446</b>
<b>% of IS Funds</b>	<b>0.0%</b>	<b>0.0%</b>	<b>6.3%</b>	<b>2.7%</b>	<b>2.3%</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>\$17,250,627</b>	<b>\$21,205,237</b>	<b>\$22,145,164</b>	<b>\$23,162,621</b>	<b>\$22,290,748</b>
<b>% of All Funds</b>	<b>12.5%</b>	<b>14.5%</b>	<b>12.8%</b>	<b>12.1%</b>	<b>10.8%</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 1993-2008**

<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>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	286,659,775	178,667,598	107,992,177	4.69%	1,483
<b>2008</b>	2,183,048,645	266,829,357	166,599,233	100,230,124	4.59%	1,376



**TOTAL DEBT BALANCES BY YEAR  
FISCAL YEARS 2009-2029**

<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>2009</b>	91,902,651	124,948,514	18,593,815	6,319,654	241,764,634
<b>2010</b>	83,642,693	117,452,049	15,240,968	5,802,113	222,137,823
<b>2011</b>	76,333,767	112,187,167	13,053,519	5,323,930	206,898,383
<b>2012</b>	72,591,926	106,734,773	10,788,971	4,828,286	194,943,956
<b>2013</b>	69,346,862	101,072,791	9,569,816	4,302,640	184,292,109
<b>2014</b>	65,956,861	95,205,144	8,349,662	3,753,658	173,265,325
<b>2015</b>	62,681,241	89,192,854	7,109,122	3,192,994	162,176,211
<b>2016</b>	59,330,597	83,093,823	5,886,681	2,622,681	150,933,782
<b>2017</b>	55,817,306	77,417,974	4,673,493	2,372,131	140,280,904
<b>2018</b>	51,713,634	72,026,475	4,117,473	2,125,073	129,982,655
<b>2019</b>	48,088,285	66,377,453	3,540,277	1,857,144	119,863,159
<b>2020</b>	44,290,355	60,486,646	2,940,002	1,619,182	109,336,185
<b>2021</b>	40,318,724	54,345,503	2,315,221	1,371,020	98,350,468
<b>2022</b>	36,161,456	47,936,251	1,665,220	1,111,776	86,874,703
<b>2023</b>	31,803,928	41,247,547	985,000	841,072	74,877,547
<b>2024</b>	27,270,425	34,237,616	840,000	574,575	62,922,616
<b>2025</b>	22,510,530	26,908,486	685,000	294,470	50,398,486
<b>2026</b>	17,520,000	20,052,044	525,000	0	38,097,044
<b>2027</b>	11,970,000	13,365,000	360,000	0	25,695,000
<b>2028</b>	6,135,000	6,850,000	185,000	0	13,170,000
<b>2029</b>	0	0	0	0	0

Note: Currently, all of the City's outstanding debt is general obligation.



## **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 collected or paid.

**Accrued Expense:** An expense that has been incurred, but has not been paid out.

**Accrued Revenue:** A revenue that has been earned, but has not been collected.

**Administrative Services:** The combination of various services internally supplied to all departments and reimbursed on a per-usage basis. These activities 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.

**Appropriation:** An appropriation creates the legal authority to spend or otherwise commit a government's resources. Expenditure authority is created by City Council through the passage of an enacting budget ordinance.

**Assessed Valuation:** A value that is established for real property for use as a basis for levying property tax. (Property values in the City of Wilmington are assessed by the New Castle County Board of Assessment).

**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.

## **DESCRIPTION OF TERMS USED IN THIS BOOK**

(continued)

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

**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 Community Development Block Grant 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.

**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 24 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 basis in accounting in which revenues are recognized and recorded when they become measurable and available as net current assets, and all expenses, except those related to fixed asset acquisition, are recorded when incurred (not when cash is paid out).

**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.

## **DESCRIPTION OF TERMS USED IN THIS BOOK**

(continued)

**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.

**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.

