

# City of Wilmington Annual Budget Fiscal Year 2018



**Michael S. Purzycki, Mayor**

# City of Wilmington Delaware



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## Approved Budget FY 2018

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**Michael S. Purzycki**  
Mayor

Prepared by the  
Office of Management and Budget

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**Fiscal Year 2018 • Approved by City Council • May 18, 2017**

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, 2016.

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, 2016**

A handwritten signature in black ink, reading "Jeffrey R. Egan".

Executive Director

# CITY ADMINISTRATION

**Mayor - Michael S. Purzycki**

**Treasurer - Velda Jones-Potter**

## THE COUNCIL

**President - Hanifa G.N. Shabazz**

**1st District** . . . . . Nnamdi O. Chukwuocha

**2nd District** . . . . . Ernest Congo, II

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

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

**5th District** . . . . . Va'Shun A. Turner

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

**7th District** . . . . . Robert A. Williams

**8th District** . . . . . Charles M. Freel

**At Large** . . . . . Ciro Adams

**At Large** . . . . . Rysheema Dixon

**At Large** . . . . . Samuel L. Guy

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

Maribel Seijo, City Clerk

Gary Fullman, City Council Chief of Staff

## CITY OFFICIALS

### **Tanya Washington**

Charlotte B. Barnes

Patrick T. Carter

Michael Donohue

Jeffrey C. Flynn

Herbert M. Inden

Kevin F. Kelley

Leo Lynch

Luke Mette

Leonard Sophrin

Jeffrey J. Starkey

Tamara Thompson

Robert Tracy

### **Chief of Staff**

Director of Human Resources

Director of Finance

Chief of Fire

Director of Economic Development Office

Director of Planning and Development

Director of Parks and Recreation

*Acting* Commissioner of Licenses & Inspections

City Solicitor

Director of Real Estate and Housing

Commissioner of Public Works

*Acting* City Auditor

Chief of Police

## OFFICE OF MANAGEMENT & BUDGET

### **Robert S. Greco**

Matthew J. Razze

George G. Hayford

Toni J. Cleaver

Nathan A. Roby

### **Budget Director**

Senior Analyst/Systems Coordinator

Senior Analyst

Budget Analyst II

Budget Analyst II



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# City of Wilmington



MICHAEL S. PURZYCKI  
Mayor

## FISCAL YEAR 2018 BUDGET MESSAGE

### A NEW START

As the new Mayor of the City of Wilmington, it is a great honor to present my Administration's first budget for Fiscal Year (FY) 2018. It is not just a tally of revenues and expenses, but rather, I hope it is a reflection of our aspirations and our values.

In many ways this has been the most challenging time in my life, and at the same time, the most gratifying. With the honor of public service comes the opportunity to achieve great things on behalf of the public. Note that I wrote opportunity, not inevitability. To achieve great things, we must exercise vision, skill, judgment, and perhaps above all, courage.

To say the least, my first few months in office have certainly been interesting. No one who has not served in an administration can possibly be prepared to deal with the many challenges that confront a new mayor on a daily basis. Everything is new and confounding – budgetary constraints, personnel issues, litigation threats, the complexities of collective bargaining agreements, daily crime reports, an occasional protest, public appearances, speeches, dedications, and in between, just finding the time to govern.

Nor has it been an easy time for Wilmington these past few years. We lost the economic icon of our City when the Dupont Company left, and we have struggled with unremitting violence in our poorer neighborhoods, damaging our reputation nationally, and shaking the confidence of our citizens. We lost three of our heroic firefighters in a tragic home arson which tore at our community's heart. But despite these troubling events, we found reason for optimism. We still believed in the fundamental soundness of our City. We all believed that there were answers to our problems. Finding those answers together, Mayor and City Council, is our most solemn obligation.

What heartens me is that there is a strong consensus in government and business alike that for the State of Delaware to thrive, the City of Wilmington must thrive as well. To that end, there has been a new era of cooperation among New Castle County (NCC), the State and City as evidenced by the cooperation among our police departments during *Operation Safe Neighborhoods*. I am grateful to County Executive Matt Meyer and Governor John Carney for their support.



## **CHALLENGES**

Wilmington is a beautiful city. Our neighborhoods are among the most appealing anywhere. Our parks and public places are special. Our residents bike and walk to work. Fifty thousand people work in our City each day. Our cultural centers, the Downtown and the Riverfront are compelling amenities that other cities would envy. So, while there are many things of which we can be proud, there are also reasons to be concerned. While the state of our City is stable, there is an urgent need to work together over the next few years to reinvest in economic development and our infrastructure, to enhance government efficiency, to control costs, and to find new revenue sources. We must begin new initiatives to control crime, strengthen neighborhoods, increase employment, and improve the delivery of city services to our citizens.

We should remain mindful of the restraint that our tax burden in Wilmington, while low compared with many other cities, is high when compared with our suburban neighbors in New Castle County. Our property tax is about double the County rate, creating a competitive disadvantage to us – a disadvantage we can ill afford to worsen. While the reasons for the disparities are defensible, the reality is inescapable. When we opt to raise taxes, we must be mindful that there are practical limitations.

Our financial position was damaged when the previous Administration and Council approved union contracts for which there were no budgeted revenues. Obtaining the necessary additional revenue for these pay raises would have required a 15% property tax increase. Not wanting to increase the tax burden on our residents and businesses is understandable, but I want to make clear that planned deficit spending is not a responsible practice, especially because of the potential impact the spending of fund balance could have on our bond ratings. Additionally, the catastrophic Workers' Comp medical expenses arising from the extensive injuries to our firefighters were uninsured, a condition we correct in the FY 2018 budget with the purchase of stop-loss liability protection. Together, the pay raises and the Workers' Comp medical expenses drained almost \$14 million from the City's General Fund Balance.

At the same time, there appears to have been a conscious decision to ignore the then recently enacted State law prohibiting the City's right-turn-on-red traffic camera enforcement, and to continue to collect fines for illegal right turns. My Administration, when made aware of the law, chose to obey it and cease enforcement immediately. Moreover, we have chosen to return the fines to the motorists who had been improperly fined. This questionable State law will cost the City \$1.4 million in lost fines revenue annually. In addition, Wage Tax revenues have fallen this fiscal year (FY 2017) by \$3 million below budget projections. Taken together, these factors have created a perilous fiscal environment.

But perhaps there is no greater challenge facing the City than the restrictions to its self-rule. Wilmington cannot be expected to successfully govern itself when it is constrained at every turn from doing so by the State. It never had the right of annexation so that it might have, at one time, grown organically. Its employee residency requirements were dictated by State legislation. As previously stated, the Legislature last year dictated to us our inability to fine illegal right turns. We are prohibited from raising revenue from any major source other than the property tax. And, Wilmington has been all but shut out of the important question of how our children get educated. We must all urge our Legislature to empower Wilmington to govern itself.

## **BUDGET STRATEGY**

In crafting a budget, I felt it was essential to keep focus on a longer view of our City's financial position than just one year. So, all the budget options we explored included four-year financial projections. Assuming no cuts and no revenue enhancements, our initial draft of a four-year budget plan for FY 2018 revealed what could reasonably be called a budget crisis – a cumulative deficit of \$54 million by the end of FY 2021. To balance these future budgets would have required several double-digit percentage increases in the property tax. Put plainly, this was unacceptable.

Our approach to a responsible budget distributes the burden of eliminating these deficits among the creation of greater efficiencies, a modest increase in the property tax, the implementation of strategies to collect new revenues, and our employees. And will we consider the prudent use of fund balance only when there is no other recourse available.

We began by focusing on personnel costs, which account for over two-thirds of total government spending. Our departmental analyses revealed that we could eliminate 28 full-time positions in the General Fund with no impact on service levels, while reducing costs by almost \$2.5 million. As all these deleted positions were vacant, no layoffs were required.

The eliminations include:

- Two positions in the Mayor's Office (plus reductions in salaries), saving \$272,000.
- Two positions in the Law Department (plus reductions in salaries), saving \$335,000.
- One position in the Finance Department, saving \$52,375.
- Two positions in the Public Works Department, saving \$127,384.
- One position in Parks and Recreation Department, saving \$103,513.
- Sixteen firefighter positions in the Fire Department, saving \$1.17 million.
- Five police officer positions in the Police Department, saving \$454,551.

Given the utmost importance of public safety, I would like to provide further detail about the rationale for the staffing reductions in Fire and Police.

In FY 2012 a federal grant paid for a temporary increase in staffing of 13 firefighters in the Fire Department. That grant ended in FY 2014, but the 13 positions were not reduced through a controlled attrition program as had been agreed to by the Department's management. Given this fact, and as part of our emphasis to deploy personnel more efficiently, it was determined that the number of authorized firefighter positions could be lowered from 172 to 156 without a negative impact on public safety or alarm response times. The day-to-day operational impact is that there will be 30 firefighters starting a shift, rather than 34.

Following the infusion of federal grants (that have long since ended), the Police Department's total number of sworn officers ballooned to well above the historical and financially sustainable limit of 289. One of our top priorities is the redeployment of officers from administrative areas into the patrol function. This will keep the same or put an even higher number of police officers on the street while still allowing for a prudent reduction to a more fiscally supportable level of personnel. As such, five vacant patrol officer positions were deleted, lowering the total number of sworn officers from 319 to 314.

It should be noted that even after the position reductions in Police and Fire, the staffing levels in both Departments still remain higher than average when benchmarked against other cities of similar size and characteristics.

Moving forward, we must control the deployment of personnel better than we have in the past. Inefficient deployment results not only in excessive overtime spending, but in the Police Department, it often results in not having enough officers out on the street at the right time. In the case of firefighters, their current 24-72 hour shift (one day on and three days off) is highly inefficient. It is also a major contributor to overtime overspending and appears to encourage excessive sick-time use.

In the case of police patrol officers, the contractual allotment of eight “shooting days”, which are really just additional vacation days under a different name, present an added scheduling problem for management. In the Public Works Department, trash collectors work on a task system, which often results in just five-hour long shifts, working as little as twenty hours in four days per week.

Now, I know the current shifts and schedules were negotiated between the City and the labor unions in good faith, and I am not insensitive to the fact that some employees have built their lives around these shifts, but we all must, in good faith, revisit these issues. In the interest of more efficiently and economically run City departments, we must fairly and vigorously negotiate more equitable work schedules. Frankly, no one can seriously defend the status quo.

Our long-term fiscal stability also depends on getting other labor contract obligations under control. Over the last several years, the City's cost for employee and retiree medical care and prescription drugs was growing at a combined rate that was three times that of general inflation. These benefits are projected to cost us \$1.2 million more in FY 2018 because the City has unwisely continued to absorb all of the increases in spiraling healthcare costs. In short, our plans are too generous and too expensive.

By way of comparison, the State of Delaware has one of the most generous plans in the region — a so called “Cadillac Tax” plan. For the plan in which 82% of City employees are enrolled, State employees pay 13% of costs, while City employees pay about 5%. State co-pays range from two to six times higher than ours, with City co-pays being as low as \$5. Emergency room visit co-pays are \$150 for the State versus \$50 for the City plan. Removing these disparities alone would save the City nearly \$1.5 million. But worse, our plan creates the wrong incentives. We simply cannot continue to encourage emergency room use as opposed to employees cultivating a relationship with a doctor which would result in better health outcomes.

Our employees health behaviors are dispiriting. Seventy-five percent of eligible employees have not had a colonoscopy in the last 24 months. Seventy percent of eligible employees have not had cancer screenings in 24 months and 62% have not had a mammogram in the past 12 months. Diabetes is a terrible disease and yet 45% of those with diabetes have not had the required testing done in the last 12 months. Sixty percent of all of our high-cost claims comes from blood pressure and diabetes-driven renal failure. I have a message for our employees. You have a great pension. We want you to be around to enjoy it. Please take care of yourself.

We will ask our employee unions to help us curb these escalating costs to avoid future layoffs, which will be unavoidable, unless we do something about this now. And I want to be clear that this is not a zero-sum game or necessarily just a debate about who pays. For example, if we could simply mandate generic drug use and mail-order usage for maintenance medications, the City and our employees would both save money — an estimated total of \$650,000 per year, in fact.

## **BUDGET HIGHLIGHTS**

### **The General Fund**

- The Fiscal Year (FY) 2018 operating budget expenditures total **\$154,923,078** – up \$884,438 or 0.6% from FY 2017. Despite having to initially absorb \$3.76 million in personnel cost increases and the loss of \$1.4 million in traffic citation revenue caused by obscure epilogue language appended to the FY 2017 State bond bill, the budget was balanced with a broad and shared sacrifice by all Departments to reduce expenditures and create further efficiencies, with major cuts focused on non-productive areas.
- As part of the comprehensive plan to eliminate the General Fund’s structural deficit and achieve long-term fiscal stability, a Property Tax rate increase of 7.5% was approved. A residential property owner living in a home assessed at the median value of \$50,000 (in 1983 dollars) will pay an additional \$70.00 per year or \$5.83 per month.
- Debt Service decreased by \$1.94 million. Taking advantage of current low interest rates, two past bond issues were refinanced in February 2017, resulting in a reduction of \$1.28 million in debt service payments for FY 2018. An additional savings of \$660,000 was the result of the normal maturing of older bond issues.
- A number of factors resulted in Landfill Fees being reduced by \$475,000. Last fiscal year, before the new contract with the Delaware Solid Waste Authority (which operates the landfill used by the City) was in place, landfill tipping fees were budgeted at \$85.00 per ton. The final negotiated amount was settled at \$70 per ton and is reflected in the FY 2018 budget as a savings of \$275,000. In addition, an audit of services revealed 92 non-eligible entities receiving City trash pick-up. Those entities will no longer receive trash service in FY 2018. The resulting decrease in trash tonnage going to the landfill will save an additional \$200,000.
- The City has begun utilizing the recently established State Office of Animal Welfare for animal control services. As the various SPCAs and other animal organizations in the State of Delaware decided to get out of the animal control business, the City had been forced into paying an exorbitant \$600,000 annual fee to the sole remaining provider of these services. The equitable fee structure of the State Office of Animal Welfare will save the City almost \$300,000 in FY 2018.
- The City’s cost for employee and retiree medical care and prescription drugs continues to grow at a combined rate that is three times that of general inflation. For FY 2018, that translated into a nearly \$1.2 million increase.

- City-wide, Overtime increased nearly \$683,000. The vast majority of that rise (\$640,000) was in the Fire Department. The Department's current shift configuration, which has firefighters scheduled to work only every fourth day, has led to a number of problems. One of those problems has been a higher level of sick leave absences. That, coupled with increased attrition leads to less personnel being available at the start of each shift. Because of minimum manning rules, overtime is used to fill those vacancies that would otherwise leave a fire company below the minimum staffing level. A Fire Academy class scheduled for FY 2018 should help ameliorate the problem.
- Contractual Maintenance Services increased by almost \$255,000. More than half the increase (\$162,500) is to pay for the *ShotSpotter* system used by the Police Department which notifies officers of gunshot crimes in progress with real-time data delivered to dispatch centers, patrol cars and smart phones. *ShotSpotter* was originally funded by a grant that has now been exhausted. In the Parks & Recreation Maintenance Division, \$45,000 was added to support the repair and upkeep of City fountains. This was done in lieu of adding a full-time position to perform the function. Another noteworthy increase of \$19,500 occurred in the Constituent Services Division of the Mayor's Office for expanded City-wide graffiti removal.
- In FY 2016, the City began a four-year phase-in to appropriately charge itself for water, sewer, and stormwater services used by Departments in the General Fund. The General Fund paid 25% of these charges in FY 2016 and 50% in FY 2017. In FY 2018, the charge will be 75%, and then 100% in FY 2019 and beyond. The 75% charge for FY 2018 to the General Fund will cost about \$743,000, an increase of almost \$216,000 from last fiscal year.

## The Water/Sewer Fund

- The FY 2018 operating budget expenditures total **\$71,060,928** – down \$2,174,351, or 3.0% from FY 2017. The FY 2018 Budget continues to support the high-priority initiatives begun in recent years deemed essential to achieving financially self-sustaining and environmentally-sound water, sewer, and stormwater utilities. These include an accelerated Combined Sewer Overflow (CSO) mitigation effort, and finished water filtration and supply improvements that exceed EPA standards, contributing to the stability of northern Delaware's water supply, especially in times of drought.
- There is an approved increase to water and sewer rates of 4.0%. This will allow the City to fully fund a 60-day operating reserve, while meeting the minimum debt coverage ratio set by policy. The impact on a typical City residential customer (consuming 4,000 gallons of water per month) will be a monthly bill increase of \$1.81. The rate increases were the strong recommendation of the City's independent Water/Sewer Citizens Advisory Board.
- Stormwater rates will remain the same as last fiscal year, as recommended by the Water/Sewer Citizens Advisory Board.
- As a result of the City's new Renewable Energy Bio-solids Facility (REBF), the electricity and bio-solids disposal cost components of the City's contract with VEOLIA to operate the Wastewater Treatment Plant were renegotiated, allowing an overall reduction to the contract of \$1.2 million.

- A comprehensive multi-year program to replace all small water meters (mostly affecting residential customers with 5/8 inch connections) with new, more accurate and more durable models began in earnest in FY 2017. The goal was to replace at least 6,000 of the old meters per year at a cost of \$1 million each year through the operating budget. A change in fiscal policy with the new Administration will allow the funding of the project through the Capital Budget, accelerating the program so that it is completed within two years. This also allowed the operating budget to be decreased by \$1 million in FY 2018.
- The Agricultural and Landscaping account in the Water System Division of Public Works was decreased by \$230,000. Time and heavy usage of the Cool Spring Reservoir Park had severely degraded the adjacent decorative pond and the buffering landscaping. Public Works had added \$320,000 to the FY 2017 Budget to secure a complete environmental management services contractor to restore the pond to its original condition. That one-time cost was eliminated in FY 2018. However, \$90,000 was added to fund ongoing services to control and manage nutrient levels and sedimentation, maintain the proper ecological balance between flora and fauna, work with regulated aquatic species, and maintain proper winter pond ecology.
- Based on recent pricing trends and better timing of inventory purchases, the budget for Bulk Chemicals (used to treat drinking water) was reduced by \$100,000.
- Total Personal Services in the Water/Sewer Fund increased by over \$355,000. The increase in Hospitalization (employee medical costs) of nearly \$237,000 or 11.0% accounted for two-thirds of that rise. Strong inflationary pressure on the price of many medical procedures and prescription drugs continues to significantly outpace the growth of the City's revenue sources.
- The Indirect Cost expense to the Water/Sewer Fund rose by \$230,083, reflecting the budgeted increases in the supporting services provided to the Water/Sewer Fund's utility functions by the General Fund.
- Total Debt Service increased a net \$228,450. While direct interest payments rose a total of \$700,740, this was offset by a reduction of \$472,290, which was the combined net effect of changes in the accounts for amortized bond discount, amortized refunding gain, and amortized bond issuance costs.
- Net of the removal of the small meter replacement program from the operating budget, the Repairs to Equipment account in the Water System Division increased \$133,000. Increases were seen in the contracts for preventive maintenance and repairs on electrical equipment and for maintenance service on pumps and large water valves.
- Staffing remained the same as last fiscal year at 125.40 FTE.

## CONCLUSION

If I have conveyed one message since I have taken office, it is that we are all in this together. This is not a glib slogan. It is what I believe in my heart must be at the core of the relationship between management, employees and the taxpayers. I reject the belief that what is good for management is bad for labor and vice versa. This thinking derives from a mistaken view that management and the City are synonymous. In fact, management, elected officials, and labor all have an obligation first to serve the City's interests, not their own.

I did not run for mayor to maintain the status quo. And I do not think that is what citizens wanted when they voted for me. They wanted not just change; they wanted progress and improvements not easily abandoned by future governments. We all must remain mindful of one central thought in our deliberations, our negotiations and our decisions. Our first obligation is to the health of the City — its financial health, its operational health, and its spiritual health. And it was that idea foremost in our minds that guided our actions throughout the entire development and approval process of the FY 2018 budget.

Respectfully,

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

Michael S. Purzycki  
Mayor of the City of Wilmington

**WILMINGTON**

**FACTS & FIGURES**





**LEGEND**

- ★ Capital Cities
- State Boundaries

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

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

N

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Miles

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

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

## LAND AREA AND POPULATION DENSITY

	<u>2000 Population</u>	<u>2010 Population</u>	<u>% Change</u>	<u>Land Area (sq. mile)</u>	<u>2010 Population Density (sq. mile)</u>
City	72,664	70,851	-2.5%	10.9	6,530.0
New Castle County	500,265	538,479	7.6%	426.3	1,263.2
Greater Wilmington Area	586,216	639,587	9.1%	774.3	826.0
State of Delaware	783,600	897,934	14.6%	1,955.0	460.8

## Population

The 2010 US Census indicates that the City's population decreased by 2.5% from 2000 to 2010, a slight reversal of the growth trend indicated in the 1990 and 2000 Census. New Castle County, the Greater Wilmington Area, and the State have recorded significant increases in population starting from 1970.

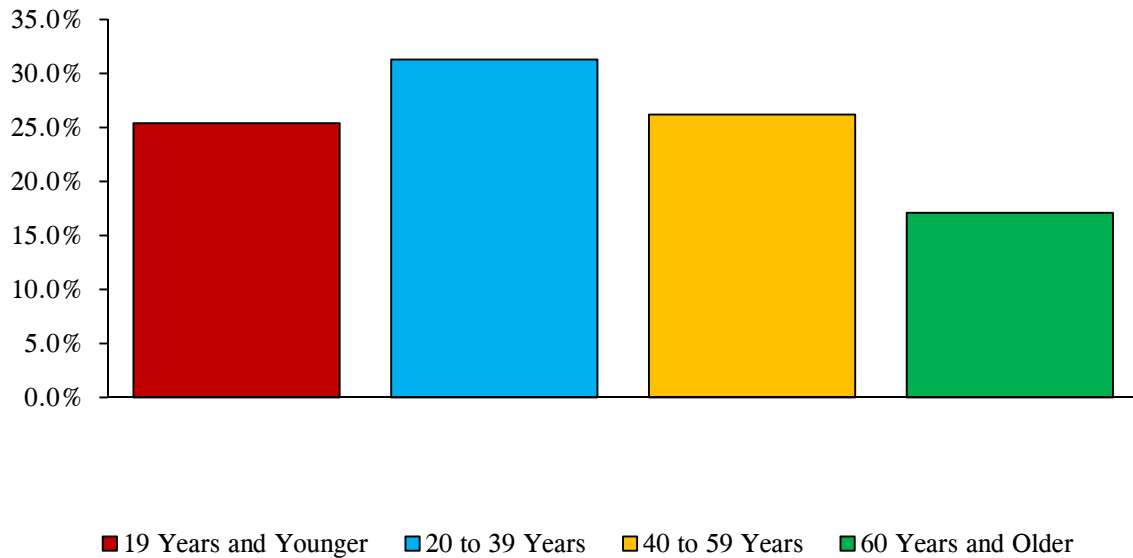
## POPULATION TRENDS

	<u>1980</u>	<u>1990</u>	<u>2000</u>	<u>2010</u>
City of Wilmington	70,195	71,529	72,664	70,851
# of Dwelling Units	30,506	31,244	32,138	32,820
State of Delaware	594,338	666,168	783,600	897,934
Greater Wilmington Area	458,545	513,587	586,216	639,587
New Castle County	398,115	441,946	500,265	538,479

# CITY OF WILMINGTON DEMOGRAPHICS STATISTICS

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

## Percentage of Population by Age Group



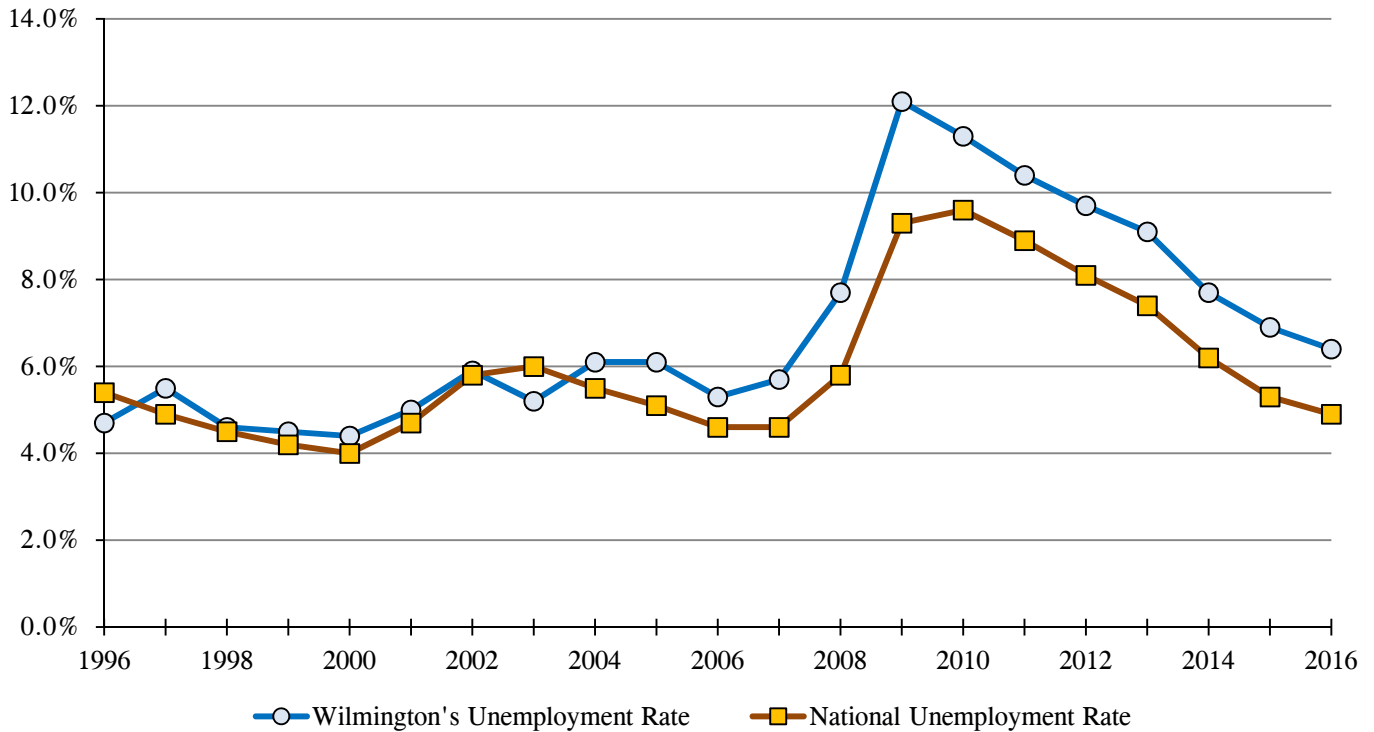
<b>PERCENT OF HOUSEHOLDS BY ANNUAL INCOME (in 2015 inflation adjusted dollars)</b>	
\$0 to \$9,999	13.6%
\$10,000 to \$14,999	7.7%
\$15,000 to \$24,999	12.4%
\$25,000 to \$34,999	11.3%
\$35,000 to \$49,999	12.1%
\$50,000 to \$74,999	16.6%
\$75,000 to \$99,999	9.9%
\$100,000 to \$149,999	10.0%
\$150,000 or more	6.5%
<b>MEDIAN HOUSEHOLD INCOME</b>	<b>\$40,465</b>

Source: U.S. Census Bureau, 2015 American Community Survey.

## WILMINGTON EMPLOYMENT TRENDS

Employment is a strong indicator of the City of Wilmington's overall health. The City's unemployment rate continues to stay above national trends, reflecting the disproportional impact of today's economy on Wilmington's predominantly youthful population. Higher unemployment leads to an increase in demand for City Services and resources, such as Summer Youth Employment and Policing.

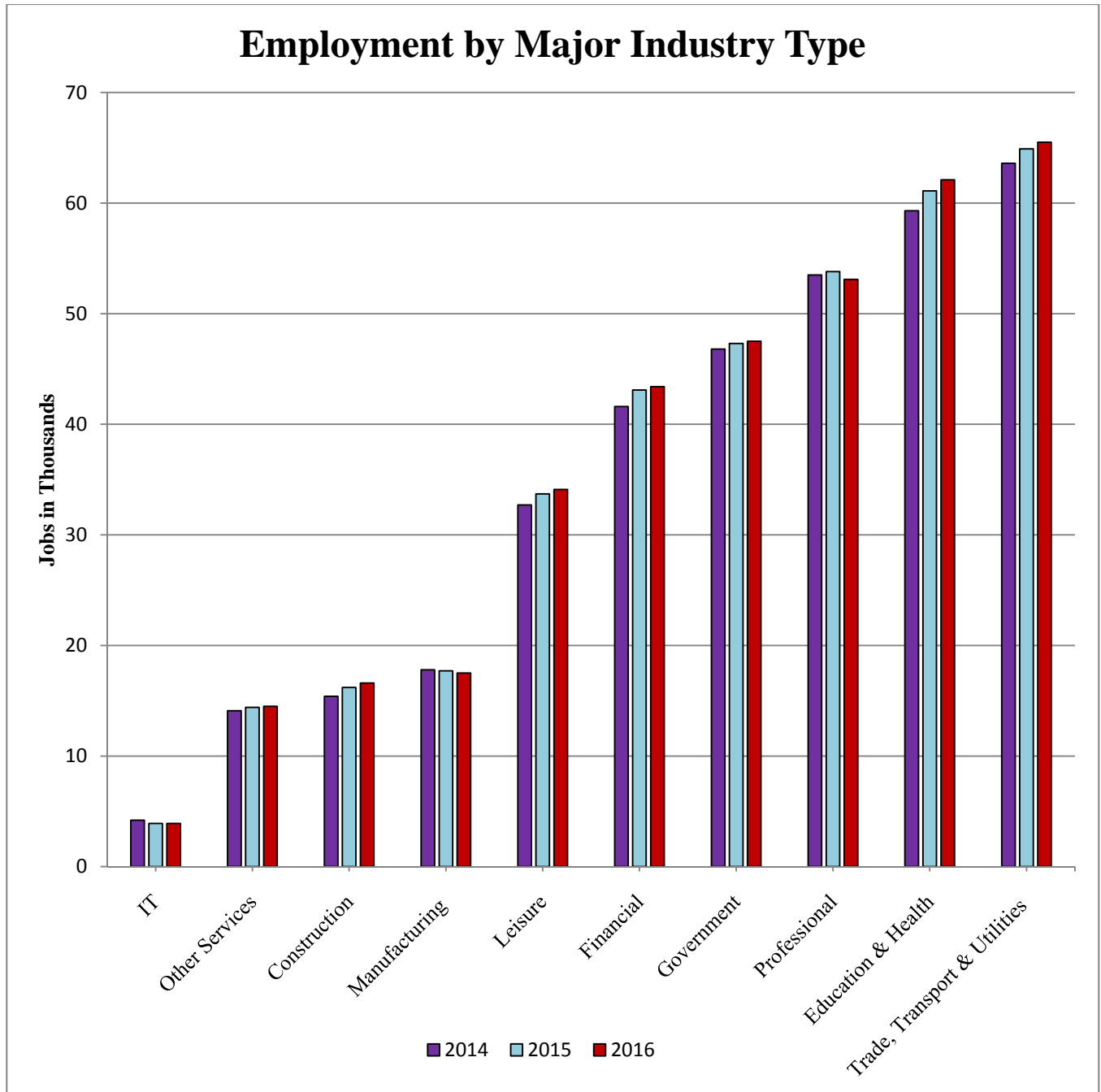
### City of Wilmington's Unemployment Rate (%)



Source: U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics & Annual Average Unemployment Rate, 2016.

## WILMINGTON PMSA EMPLOYMENT BY INDUSTRY

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



Source: U.S. Department of Labor, Bureau of Labor Statistics, Current Employment Statistics Program, 2016.

## WILMINGTON METRO AREA EMPLOYMENT TRENDS

Major area employers within commuting distance of the City of Wilmington.

<b>Employer</b>	<b>Business</b>	<b>Employees</b>
State of Delaware	Government	18,500
Christiana Care Health System	Hospital/Healthcare	11,302
DuPont Company	Science and Engineering	6,000
Amazon (DE Fulfillment Centers)	Catalog & Mail Order	4,300
University of Delaware	Public Education	4,000
Nemours (A.I. DuPont Hospital)	Hospital/Healthcare	3,795
YMCA of Delaware	Nonprofit	2,469
Christina School District	Public Education	2,390
AstraZeneca Pharmaceuticals LP	Pharmaceuticals/Chemicals	2,200
Red Clay School District	Public Education	2,200
Delaware Tech. Comm. College	Public Education	2,100
New Castle County	Government	2,000
M&T Bank	Banking	1,900
Brandywine School District	Public Education	1,472
Computer Aid, INC (CAI)	Technology	1,200
Saint Francis Healthcare	Hospital/Healthcare	1,200
DuPont Pharmaceuticals	Pharmaceuticals/Chemicals	1,001
The Chemours Company	Chemicals	1,000
Wilmington VA Medical Center	Hospital/Healthcare	980
Delmarva Power	Utility	898
AAA	Automotive/Travel	890
Blackrock Capital Management, Inc.	Financial	834
WSFS Bank	Banking	801
Aetna	Insurance	750
Goodwill of Delaware	Nonprofit	680
Christiana Care Visiting Nurses Association	Hospital/Healthcare	670

Source: Delaware Business Times, Book of Lists, 2017.

## Largest Wage Tax Withholders in the City of Wilmington

Maintaining the diversity of the City's top revenue source, Wage and Net Profits Tax, is an important component in assuring stable income during an economic downturn. As of calendar year 2015, no one entity was providing more than 11% of total Wage Taxes withheld. Below are the City's top five Wage Tax withholders for the calendar years 2013 through 2015.

### Calendar Year 2015

Name	Withholdings	% of Total Withholdings
JP Morgan Chase	\$5,724,047	10.1%
State of Delaware	\$3,489,913	6.2%
Barclays	\$2,206,559	3.9%
Christiana Care Health Systems	\$1,839,479	3.3%
Bank of America	\$1,686,190	3.0%

### Calendar Year 2014

Name	Withholdings	% of Total Withholdings
JP Morgan Chase	\$5,839,279	10.7%
DuPont	\$5,139,061	9.4%
State of Delaware	\$3,443,612	6.3%
Bank of America	\$2,685,793	4.9%
Barclays	\$1,972,340	3.6%

### Calendar Year 2013

Name	Withholdings	% of Total Withholdings
JP Morgan Chase	\$5,441,773	9.9%
State of Delaware	\$3,387,085	6.2%
DuPont	\$3,157,830	5.8%
Bank of America	\$2,013,280	3.7%
Barclays	\$1,799,199	3.3%

Source: City of Wilmington Department of Finance.

## Largest Real Estate Taxpayers in the City of Wilmington

Property tax is the City's second largest revenue source. Changes in the housing, construction, and building industries directly affect City revenue through the issuance of permits and the levying of property taxes. Below are the largest real estate owners that combined represent almost a quarter of the total taxable assessment value in the City.

Name	Property Type	Taxable Assessment	Percent of Taxable Assessment
Buccini Pollin Group	Office & Residential	\$95,453,800	4.39%
JP Morgan Chase	Office Building	56,696,600	2.61%
Bank of America	Office Building	52,866,300	2.43%
M&T Bank	Office Building	52,803,060	2.43%
Delmarva	Electric & Gas Utility	45,446,000	2.09%
DCL Leasing Partners	Office Building	41,000,000	1.89%
1201 N. Market St., LLC	Office Building	35,000,000	1.61%
Calpine Mid-Atlantic	Electric Generation	32,703,400	1.50%
TRC Rubenstein	Office Building	28,548,300	1.31%
Verizon	Office Bldg. & Utility	26,679,500	1.23%
222 Delaware Partners LP	Office Building	22,000,000	1.01%
Brandywine Office Investment	Office Building	21,329,800	0.98%
<b>Total</b>		<b>\$510,526,760</b>	<b>23.48%</b>

Source: City of Wilmington Department of Finance.



### New Construction Permits Issued

	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
<b>Single-Family</b>	7	22	7	29	47
<b>Multi-Family</b>	3	3	2	6	3
<b>Non-Residential</b>	6	4	9	14	5
<b>Total</b>	<b>16</b>	<b>29</b>	<b>18</b>	<b>49</b>	<b>55</b>

### Total Value of New Construction Activity

	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
<b>Residential</b>	\$25,154,312	\$22,457,667	\$13,478,141	\$20,039,224	\$51,556,503
<b>Non-Residential</b>	\$38,583,903	\$5,383,608	\$18,583,810	\$67,428,205	\$877,789
<b>Total</b>	<b>\$63,738,215</b>	<b>\$27,841,275</b>	<b>\$32,061,951</b>	<b>\$87,467,429</b>	<b>\$52,434,292</b>

### Renovation Construction Permits Issued

	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
<b>Residential</b>	2,293	2,232	2,449	2,520	1,492
<b>Non-Residential</b>	319	447	346	413	169
<b>Total</b>	<b>2,612</b>	<b>2,679</b>	<b>2,795</b>	<b>2,933</b>	<b>1,661</b>

### Total Value of Renovation Construction Activity

	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
<b>Residential</b>	\$17,552,355	\$49,604,102	\$46,918,681	\$53,225,787	\$30,537,265
<b>Non-Residential</b>	\$83,326,487	\$56,438,330	\$61,920,799	\$229,096,394	\$84,915,796
<b>Total</b>	<b>\$100,878,842</b>	<b>\$106,042,432</b>	<b>\$108,839,480</b>	<b>\$282,322,181</b>	<b>\$115,453,061</b>

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

## **ECONOMIC DEVELOPMENT ACTIVITY**

Wilmington continues to make steady progress toward a full recovery from the significant impact of the collapse of financial markets during the Great Recession. Since 2012, Wilmington's unemployment rate has dropped from an annual average of 9.7% to 6.4% (not seasonally adjusted). Hiring in the Finance and Insurance industry, a core industry of Wilmington's economic base, has exceeded pre-recession levels, with over 11,000 jobs as of the end of 2016. The growth in this sector is due in part to the analytical skill-set of our workforce, which has its roots in the chemical and engineering industries, and was further developed by the growth of the credit card industry.

Wilmington, in particular, is uniquely positioned to meet the growing demand for the next generation of financial, technical and predictive analytics jobs in industries such as healthcare and energy, which will come to rely more heavily on information technology and analytical skills.

### **Business Incentive Program**

The Office of Economic Development (OED) manages the City's Economic Development Strategic Fund, which is used to make contractually-based job-creation and job-retention incentive offers to private businesses. The Fund's incentive expenditures are recouped by the City's General Fund in two or three years by the wage taxes generated from the new or retained jobs. Each incentive is contractually memorialized, and contains performance requirements and claw-back terms.

Since the enabling legislation and initial appropriation of the Economic Development Strategic Fund in 2002, the City has executed over 35 contracts that have provided a total of \$12.2 million in incentive payments. These incentives have yielded over \$75 million of wage taxes to the City's General Fund between fiscal years 2002 and 2017. In Fiscal Year 2017, the jobs attributed to the Business Incentive Program accounted for nearly \$11 million of the City's wage tax base.

Strategic Fund highlights in FY 2017 include the \$2 million Job Retention Incentive agreement with the Chemours Company (formerly a part the DuPont Corporation). After transitioning to an independent company in the summer of 2015 and initiating a search to locate its international headquarters, Chemours announced that it had concluded its search and that Wilmington, Delaware "is the most attractive option for the company to retain and attract a high-quality workforce." Regarding its decision to remain in Wilmington, Chemours went on to state, "[Wilmington] provides Chemours with a stable business and tax climate, and otherwise best positions the company to achieve its future goals."

The Chemours Company headquarters will stay in the historic home of the DuPont Company in the DuPont Building at 1007 N. Market Street in Wilmington. The DuPont Building is currently undergoing extensive improvements and renovations with the support of the Downtown Development District program to fully modernize the office space, providing Chemours with a state-of-the-art headquarters. Additional Strategic Fund highlights include an incentive agreement to retain the local workforce of Archer Group, a rapidly growing advertising and digital media firm headquartered in Wilmington.

After launching the *Grow Wilmington Fund* in late 2014 as a partnership between the National Development Council, Discover Bank, and the Wilmington Urban Development Action Grant Corporation, nearly \$3 million has been invested through this loan program to support the growth of small businesses in areas such as light manufacturing, retail, automotive services, digital video, and media production. The *Grow Wilmington Fund* services the market for loans in the range of \$125,000 to \$4 million and leverages the advantages of low interest rates and extended fixed-rate terms for City businesses

looking to expand and new businesses wishing to relocate to Wilmington. This program is exclusive to Wilmington and increases the City's competitiveness and capacity to support the growth of small business.

### **Downtown Development**

Governor Markell established the Downtown Development District (DDD) initiative in 2014. The initiative, modeled after similar programs in other states and cities, is aimed at assisting Delaware cities in attracting private development to their downtown cores. Wilmington was named one of the first designees under the program. Since then, over 40 development projects within the City have received or been designated to receive over \$15 million in DDD funds. These DDD funds will leverage over \$290 million of private investment to construct new and rehabilitate existing housing, retail, and commercial space in downtown Wilmington.

Notable development projects supported by the program include the Residences at Midtown Park & Garage, which broke ground in June 2016. This new landmark residential development at the former site of the previously vacant and deteriorating Midtown Parking Garage will provide 229 new-construction apartment units and five levels of underground parking. This project expands the heart of Wilmington's downtown residential core westward to Orange Street.

Several other residential buildings along Shipley Street and 9th Street are also targeted for redevelopment, and the creation of a new pedestrian plaza in the middle of the 800 block of Market Street will provide a new east-west connection for the new Midtown project and the Market Street corridor. These new developments are in addition to the projects completed in the 600 block of north Market Street, as well as the three addresses comprising Market Street Village. These recently completed projects provided a total of 152 new units of market-rate and affordable housing for a total investment of \$41 million.

OED, in partnership with the Planning Department's historic preservation office, requested a National Register of Historic Places designation for an expanded area of the downtown Market Street corridor as a further means of supporting downtown development. The "Wilmington Downtown Commercial National Register Historic District" was accepted and listed by the National Park Service in March 2017. The boundaries include properties from 6th to 9th Streets and from Shipley to King Streets. The new district unites an area that formerly contained only a scattering of individually listed properties. As a result of this new historic district designation, buildings within a wider swath of the downtown extending north to 9th Street will have access to valuable historic preservation tax credits that support both historic preservation as well as economic development.

The Wilmington Renaissance Corp (WRC) is a public/private partnership funded by many of the leading businesses within the Downtown business district of the City. WRC has benchmarked best practices of other cities and assembled local focus groups to come up with one "Big Idea" for Wilmington to adopt. The priority idea, which has garnered wide community support, is to transform a selected area of the Downtown into a 'Creative District' to serve as a hub for Wilmington's artistic, technological, and design communities, and to revitalize the area immediately west of the Market Street commercial corridor. The project is a multi-year initiative involving real estate development as well as programming and public art interventions. The project secured funding for the development of the first installment of artist housing in early 2015 for seven one-bedroom live/work condominium units and three single-family homes. The first units are now available for homeownership.

The new \$12 million Marriott Residence Inn hotel, located in the northern section of downtown near the Brandywine River, broke ground in the fall of 2015. The project converts a long-vacant, 67,000 square foot office building into a 96-room extended stay hotel carrying the Marriott luxury brand. It is

anticipated that the new hotel, scheduled for completion in October 2017, will create 20 full-time and 15 part-time employment positions.

### **The Riverfront**

In June 2017, Big Fish Restaurant Group, a food & beverage company with a large presence in Delaware's beach town of Rehoboth, announced plans to expand its business presence in Wilmington with a new \$23 million hotel that will be attached to its existing 275-seat Big Fish Grill restaurant on the Riverfront. The Restaurant Group plans to partner with the Kennett Square, PA based real estate development firm Onix Group to build a seven-story, 122-room hotel which will feature a dedicated catering function and banquet hall. This project will represent Onix Group's entry into Wilmington's real estate market and the Big Fish Restaurant Group's continued investment in Wilmington since first arriving in 2009. In 2016, the Restaurant Group opened the Oyster House in the Trolley Square neighborhood and has recently announced its acquisition of two more popular Wilmington eateries: the Washington Street Ale House and Mikimotos.

Now complete and leasing, Phase II of Residences at Harlan Flats brings an additional 73 apartment units to the existing five-story building that was completed in late 2014. With a total of 189 luxury units with covered on-site parking and an in-ground swimming pool, Residences at Harlan Flats is the newest addition in the Justison Landing housing complex. Phase II broke ground in late 2015 and the \$20 million project (both phases) features one- and two-bedroom apartments with balconies, river views and an outdoor pool and terrace. The project represents the second of three phases of the 20-acre Justison Landing redevelopment site. Two sites approved for mixed-use development remain for future economic development opportunities.

The Delaware Department of Transportation (DelDOT) broke ground on the multi-modal Christina River Bridge in June 2017 after completing land acquisition, environmental permitting and design. In planning since 2008, this \$28 million project will connect US Route 13 on the east bank of the Christina River to Wilmington's Riverfront on the west bank, allowing for vehicular access to the area from I-495. The bridge is also designed for bike and pedestrian use, creating a greenway connection across the Christina River.

East of the Christina River Bridge Project, the City is in the final design phase of the \$28 million South Wilmington Wetland Project, which will turn 25 acres of brownfield into a stormwater management park. DelDOT is also exploring a multi-modal connection between the bridge project and the Southbridge Community on the southern edge of the Wetland Park that will open previously landlocked parcels to the south and east to mixed-use development.

### **Neighborhood Improvements**

Phase I of the \$100 million redevelopment of The Flats, a ten-acre neighborhood between Bancroft Parkway and Union Street on Wilmington's west side, is complete, with residents occupying 72 new energy-efficient units. Woodlawn Trustees, a 100-year old charitable foundation created by the Wilmington industrialist and philanthropist William Bancroft, broke ground in May 2015 on the first of a six-phase, ten-year project that will result in the demolition of 430 obsolete, residential units and the construction of 450 modern units in their place. Phase I represented a \$15.5 million investment in the community in fulfillment of Bancroft's vision to provide clean, affordable housing for the City's working class families. Phase II of the project, currently underway, will bring an additional 72 affordable units to the community.

State legislation allowing the formation of a Neighborhood Conservancy and Land Bank (NCLB), championed by the City and a group of stakeholders in housing and neighborhood revitalization, was passed by the Delaware General Assembly and signed by the Governor in mid-2015. Land banks are a comprehensive tool used to acquire, hold, manage, and dispose of vacant and blighted properties in a coordinated effort for the purpose of more efficiently and effectively putting those properties into productive use. In fall 2015, the Wilmington NCLB was created by legislative action of Wilmington City Council, and by late 2016 it had established its Board and bylaws, and had hired an Executive Director. The NCLB is allowing the City to be more aggressive, strategic, and transparent in its effort to deal with vacancy and blight.

### **Conclusion**

Strong hiring in the Financial Services and Insurance sector and declining unemployment are key indicators of Wilmington's economic strength. Gains won through the Business Incentive Program demonstrate that Wilmington's business-friendly policies still meet the needs of the private sector and continue to draw investment. The continued transformation of the City's Downtown and Riverfront neighborhoods have generated activity, excitement, and a sense of pride in Wilmington. Thoughtful, data-driven planning processes that involve collaborations of the business community, nonprofits, neighborhood groups, and government, have set the course for continued future growth in the City.

# **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 extended review process that includes the Human Resources Department and Mayor's Office. The deadline for budget submissions by Departments is the second week in January.

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

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

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

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

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

### **Amending the Budget**

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

According to City Charter (Sec. 2-301 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.**

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

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

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

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

## **Accounting and Budgeting Basis**

The City's budget is prepared using the same basis of accounting methods and procedures utilized to prepare the Comprehensive Annual Financial Report. The City's Comprehensive Annual Financial Statement for FY 2016 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 four major funds: The General, Special, Water/Sewer, and Internal Service funds for both budgeting and accounting purposes (**please see Description of Appropriated Funds on page 25**). Funds can be thought of as being like the subsidiaries of a major conglomerate corporation. Each subsidiary is responsible for its own operational results and strategy, yet is still part of the larger conglomerate corporation when it comes to overall management and financial results.



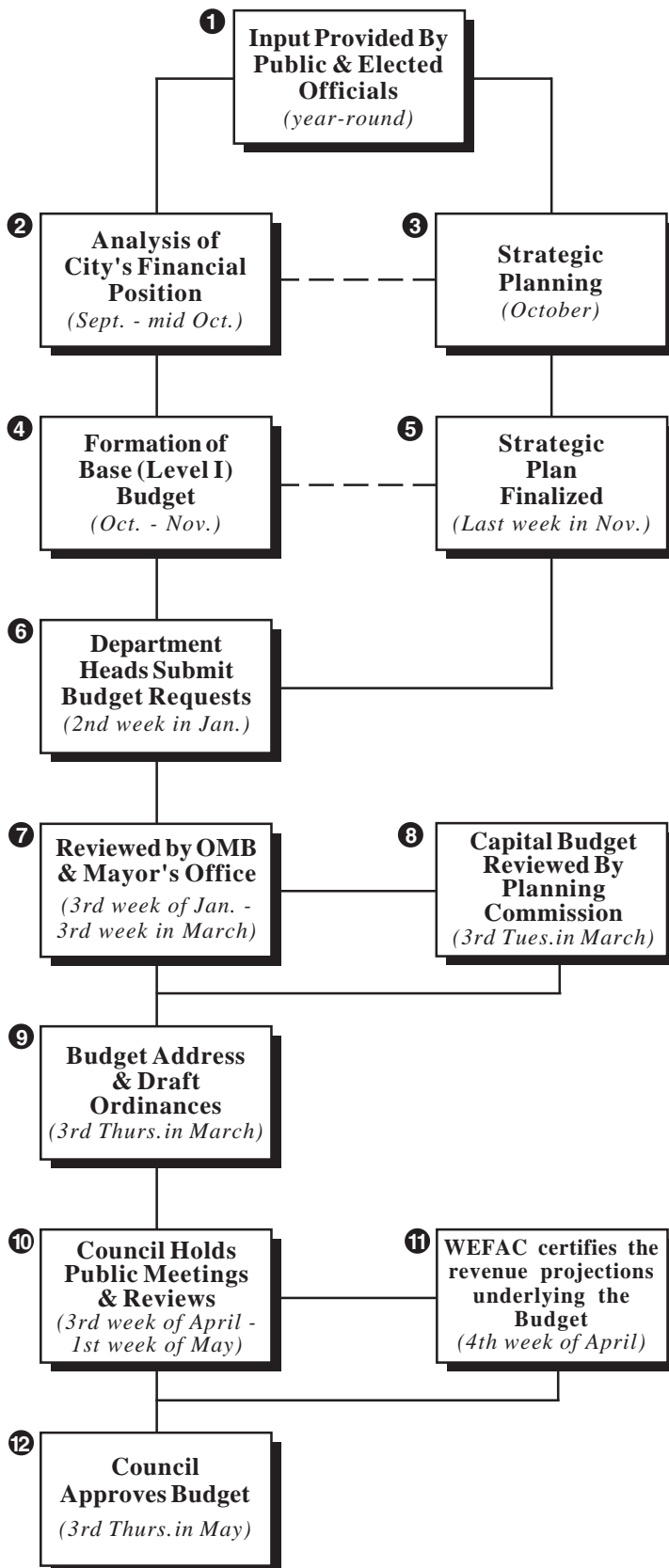
The basis of budgeting for each City fund matches the basis of accounting (the underlying fiscal principles used in the development of the financial statements and for recording financial activity) for that fund. The General, and Special funds are budgeted and operate under a **modified accrual basis**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

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

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

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

# 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.

# WILMINGTON STRATEGIC PLAN

## **VISION STATEMENT**

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

## **FOCUS AREA**

### **EFFECTIVE CITY GOVERNMENT**

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

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

## **FOCUS AREA**

### **PUBLIC SAFETY**

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

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

**FOCUS AREA**

**ECONOMIC VITALITY**

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

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

**FOCUS AREA**

**QUALITY OF LIFE**

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

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

**Special Note about Departmental Performance Measures Data:**

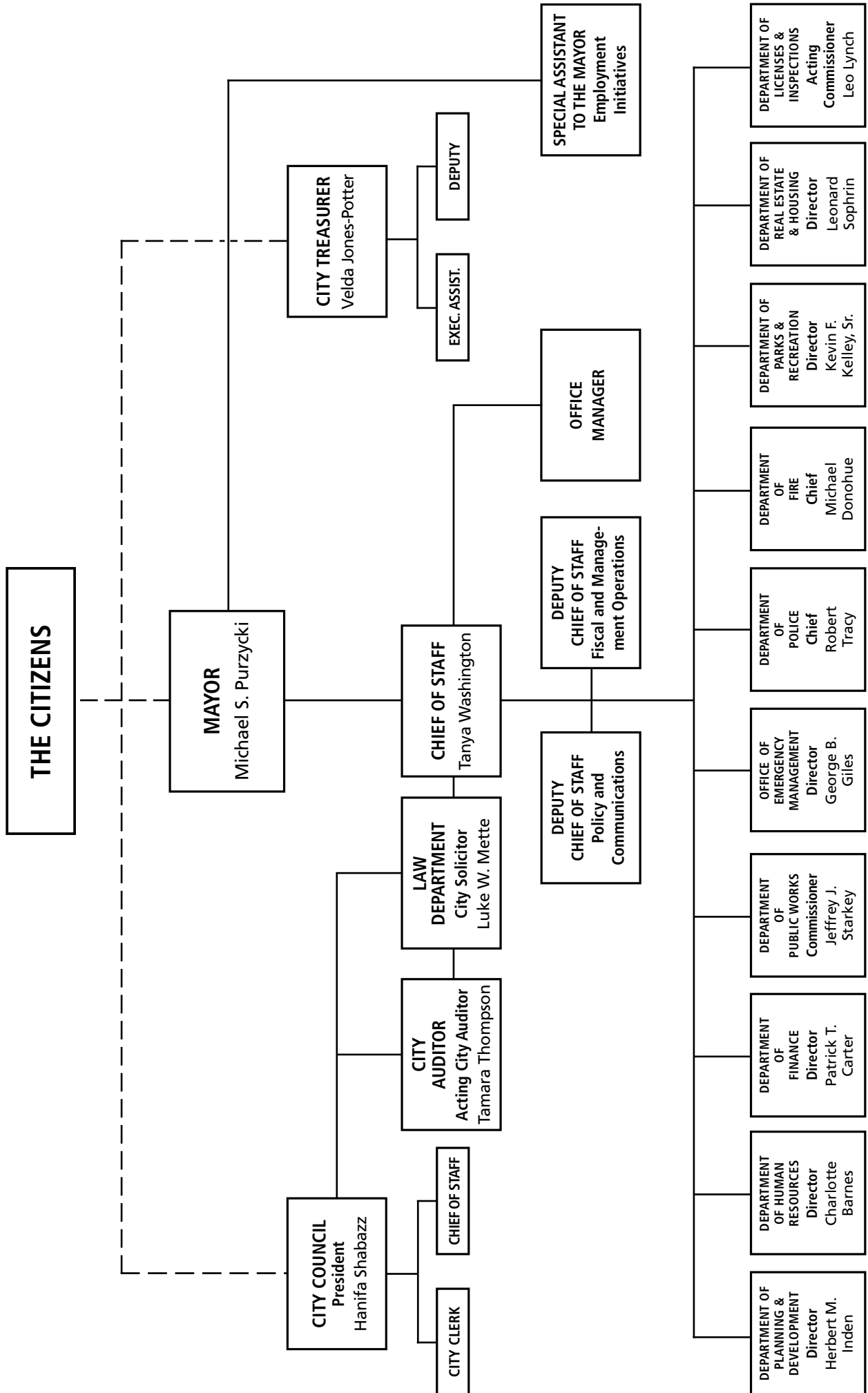
The creation and tracking of performance measures is the most important, time-consuming, and data-intensive part of the strategic planning process. For FY 2018, the process was further complicated by a change in Administration half-way through the fiscal year. The new Administration is now working to revise some of the objectives and performance measures to match their own priorities. But at the time of the FY 2018 budget process, that had not yet happened. As such, as much data on the performance measures developed by the previous Administration were gathered and included where possible, but there are still some gaps in Departments where there was managerial turnover as a result of the election. By next fiscal year, the revised measures of the new Administration should be completed and all parts of the Strategic Plan fully integrated into the budget.

## **STATEMENT OF FINANCIAL POLICIES**

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

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

# 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)

### **Special Funds (continued)**

- **Byrne Grant** is a federal award to support interdisciplinary activities to prevent and control crime.
- **The Community Oriented Policing Services Office (COPS) Grant** is a federal award to help law enforcement agencies to hire more community policing officers, to acquire new technologies and equipment, and to promote innovative approaches to solving crime.
- **Workforce Investment Board (WIB)** is a U.S. Department of Labor program that provides funding for community occupational training and employment service opportunities.
- **Staffing for Adequate Fire and Emergency Response (SAFER)** is a federal grant providing funding directly to fire departments to help them increase the number of trained “front line” firefighters available in their communities.
- **Housing Opportunities for Persons with AIDS (HOPWA) Program** is a federal grant providing housing assistance and supportive services for low-income people with HIV/AIDS and related diseases, and their families.
- **Local Emergency Planning Committees (LEPC)** funding is provided by the U.S. Environmental Protection Agency to help communities work to understand chemical hazards, develop emergency plans in case of an accidental release, and look for ways to prevent chemical accidents.
- **CATV** funding is provided by the annual fee paid by Comcast for its cable franchise in the City of Wilmington. City Council created the CATV fund to support the activities of the City’s Cable channel 22 WITN station which is managed by City Council.
- **DE-LEAD** is a federal grant from the Department of Housing and Urban Development to support lead-based paint hazard control in low-income and moderate-income owner-occupied and rental properties.

**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, sewage treatment and disposal activities, along with stormwater control. Expenditures regarding these activities are funded by water, sewer and stormwater service charges.

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

## **DESCRIPTION OF APPROPRIATED FUNDS**

(continued)

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

Then in February of 2002, the Port and City entered into an agreement whereby the State would pay the City a lump sum of \$8 million to pay off the remaining mortgage payments owed to the City by the Port. The debt service reimbursement portion of the previous agreement was unaffected by this lump sum prepayment. State law dictated, however, that the remaining fund balance of the Commerce Fund had to be used by the City exclusively for economic development activities. Thus, it was the mandated policy that the fund balance of the Commerce fund continue to be drawn down for economic development activities until the fund balance was depleted. Once the fund balance was spent down, as planned, those economic development activities and costs would be merged into the General Fund.

In FY 2009 the Commerce fund balance was depleted, and as a result, in FY 2010 all economic development activities and costs, along with the Port debt reimbursement revenue from the State were moved and budgeted in the General Fund.

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

- **Administrative Services:** Communications; Data Processing; Duplication and Reproduction; Mail Services; Mapping and Graphics; Motor Vehicle; Word Processing.
- **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.

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

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



# **BUDGET HIGHLIGHTS**

## **CITY OF WILMINGTON**

### **FISCAL YEAR 2018**

#### **The General Fund**

- The Fiscal Year (FY) 2018 operating budget expenditures total **\$154,923,078** – up \$884,438 or 0.6% from FY 2017. Despite having to initially absorb \$3.76 million in personnel cost increases and the loss of \$1.4 million in traffic citation revenue caused by obscure epilogue language appended to the FY 2017 State bond bill, the budget was balanced with a broad and shared sacrifice by all Departments to reduce expenditures and create further efficiencies, with major cuts focused on non-productive areas.
- Staffing was decreased by a net total of 28.12 full-time equivalents (FTE), reducing the budget by almost \$2.5 million. These changes are detailed below:
  - In the Mayor’s Office, 2.00 FTE were deleted. A vacant Senior Economic Research & Development Manager position in the Office of Economic Development was eliminated, as well as the vacant Administrative Assistant position in the Administration Division. There were also several job title changes and salary reductions made during the mid-fiscal year transition process following the 2016 election. The resulting savings total nearly \$272,000.
  - A comprehensive reorganization of personnel in the Law Department, especially among the appointed attorney positions, will result in a net decrease of 2.00 FTE and a projected savings in salaries and benefits of almost \$335,000.
  - In the Finance Department, a vacant Parking Regulation Enforcement Officer (1.00 FTE) was deleted, reducing personnel costs by \$52,375.
  - The Treasurer’s Office barely increased by 0.08 FTE. As part of the mid-fiscal year transition process, the new Treasurer reorganized the appointed personnel in the Treasurer’s Office. Part of that process was the creation of a split-funded (50% General Fund - 50% Pension Funds) Debt Manager/Systems Coordinator position to provide in-house expertise that added 0.50 FTE to the General Fund. However, this was nearly offset by changes to the split-funded proration of two other positions that shifted more of their funding into the Pension Funds, resulting in a 0.42 FTE General Fund decrease.
  - While the total number of positions (in all funds) remained the same as last fiscal year, City Council increased by 0.80 FTE in the General Fund. In similar fashion to the Treasurer’s Office, City Council did a major reorganization of staff as part of the transition process, including shifting funding between the General Fund and the CATV Fund for several positions. This resulted in a net 0.80 FTE shift in funding from the CATV Fund to the General Fund.
  - In the Public Works Department, 2.00 FTE were deleted, both from the Street Cleaning Division. The elimination of the vacant positions of General Laborer II and an Equipment Operator IV resulted in a savings of \$127,384.

# **BUDGET HIGHLIGHTS**

## **CITY OF WILMINGTON**

### **FISCAL YEAR 2018**

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

- A vacant Project Manager position in the Parks & Recreation Department was eliminated, decreasing the number of full-time employees in the Department by 1.00 FTE. Because the functions of the position will be handled by a new part-time employee, the net savings will be \$103,513.
- In FY 2012 a federal grant paid for a temporary increase in staffing of 13 firefighters in the Fire Department. That grant ended in FY 2014, but the 13 positions were not reduced through a controlled attrition program as had been agreed to by the Department's management. Given this fact, and as part of the new Administration's emphasis to deploy personnel more efficiently, it was determined that the number of authorized firefighter positions could be lowered from 172 to 156 without a negative impact on public safety or alarm response times. Sixteen vacant firefighter positions were deleted for a reduction to the budget of \$1.17 million.
- Following the infusion of federal grants (that have long since ended), the Police Department's total number of sworn officers ballooned to well above the historical and financially sustainable limit of 289. One of the top priorities of the new Administration is the redeployment of officers from administrative areas into the patrol function. This will allow the same or even a higher number of police officers to be on the street while still allowing for a prudent reduction to a more fiscally supportable level of personnel. As such, five vacant patrol officer positions were deleted, lowering the total number of sworn officers from 319 to 314, and saving \$454,551.
- Debt Service decreased by \$1.94 million. Taking advantage of current low interest rates, two past bond issues were refinanced in February 2017, resulting in a reduction of \$1.28 million in debt service payments for FY 2018. An additional savings of \$660,000 was the result of the normal maturing of older bond issues.
- A number of factors resulted in Landfill Fees being reduced by \$475,000. Last fiscal year, before the new contract with the Delaware Solid Waste Authority (which operates the landfill used by the City) was in place, landfill tipping fees were budgeted at \$85.00 per ton. The final negotiated amount was settled at \$70 per ton and is reflected in the FY 2018 budget as a savings of \$275,000. In addition, an audit of services revealed 92 non-eligible entities receiving City trash pick-up. Those entities will no longer receive trash service in FY 2018. The resulting decrease in trash tonnage going to the landfill will save an additional \$200,000.
- The City has begun utilizing the recently established State Office of Animal Welfare for animal control services. As the various SPCAs and other animal organizations in the State of Delaware decided to get out of the animal control business, the City had been forced into paying an exorbitant \$600,000 annual fee to the sole remaining provider of these services. The equitable fee structure of the State Office of Animal Welfare will save the City almost \$300,000 in FY 2018.

# **BUDGET HIGHLIGHTS**

## **CITY OF WILMINGTON**

### **FISCAL YEAR 2018**

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

- The City's cost for employee and retiree medical care and prescription drugs continues to grow at a combined rate that is three times that of general inflation. For FY 2018, that translated into a nearly \$1.2 million increase.
- City-wide, Overtime increased nearly \$683,000. The vast majority of that rise (\$640,000) was in the Fire Department. The Department's current shift configuration, which has firefighters scheduled to work only every fourth day, has led to a number of problems. One of those problems has been a higher level of sick leave absences. That, coupled with increased attrition leads to less personnel being available at the start of each shift. Because of minimum manning rules, overtime is used to fill those vacancies that would otherwise leave a fire company below the minimum staffing level. A Fire Academy class scheduled for FY 2018 should help ameliorate the problem.
- Contractual Maintenance Services increased by almost \$255,000. More than half the increase (\$162,500) is to pay for the *ShotSpotter* system used by the Police Department which notifies officers of gunshot crimes in progress with real-time data delivered to dispatch centers, patrol cars and smart phones. *ShotSpotter* was originally funded by a grant that has now been exhausted. In the Parks & Recreation Maintenance Division, \$45,000 was added to support the repair and upkeep of City fountains. This was done in lieu of adding a full-time position to perform the function. Another noteworthy increase of \$19,500 occurred in the Constituent Services Division of the Mayor's Office for expanded City-wide graffiti removal.
- In FY 2016, the City began a four-year phase-in to appropriately charge itself for water, sewer, and stormwater services used by Departments in the General Fund. The General Fund paid 25% of these charges in FY 2016 and 50% in FY 2017. In FY 2018, the charge will be 75%, and then 100% in FY 2019 and beyond. The 75% charge for FY 2018 to the General Fund will cost about \$743,000, an increase of almost \$216,000 from last fiscal year.
- As part of a comprehensive plan to eliminate the General Fund's structural deficit and achieve long-term fiscal stability, a Property Tax rate increase of 7.5% was approved. A residential property owner living in a home assessed at the median value of \$50,000 (in 1983 dollars) will pay an additional \$70.00 per year or \$5.83 per month.

# **BUDGET HIGHLIGHTS**

## **CITY OF WILMINGTON**

### **FISCAL YEAR 2018**

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

- The FY 2018 operating budget expenditures total **\$71,060,928** – down \$2,174,351, or 3.0% from FY 2017. The FY 2018 Budget continues to support the high-priority initiatives begun in recent years deemed essential to achieving financially self-sustaining and environmentally-sound water, sewer, and stormwater utilities. These include an accelerated Combined Sewer Overflow (CSO) mitigation effort, and finished water filtration and supply improvements that exceed EPA standards, contributing to the stability of northern Delaware’s water supply, especially in times of drought.
- As a result of the City’s new Renewable Energy Bio-solids Facility (REBF), the electricity and bio-solids disposal cost components of the City’s contract with VEOLIA to operate the Wastewater Treatment Plant were renegotiated, allowing an overall reduction to the contract of \$1.2 million.
- A comprehensive multi-year program to replace all small water meters (mostly affecting residential customers with 5/8 inch connections) with new, more accurate and more durable models began in earnest in FY 2017. The goal was to replace at least 6,000 of the old meters per year at a cost of \$1 million each year through the operating budget. A change in fiscal policy with the new Administration will allow the funding of the project through the Capital Budget, accelerating the program so that it is completed within two years. This also allowed the operating budget to be decreased by \$1 million in FY 2018.
- The Agricultural and Landscaping account in the Water System Division of Public Works was decreased by \$230,000. Time and heavy usage of the Cool Spring Reservoir Park had severely degraded the adjacent decorative pond and the buffering landscaping. Public Works had added \$320,000 to the FY 2017 Budget to secure a complete environmental management services contractor to restore the pond to its original condition. That one-time cost was eliminated in FY 2018. However, \$90,000 was added to fund ongoing services to control and manage nutrient levels and sedimentation, maintain the proper ecological balance between flora and fauna, work with regulated aquatic species, and maintain proper winter pond ecology.
- Based on recent pricing trends and better timing of inventory purchases, the budget for Bulk Chemicals (used to treat drinking water) was reduced by \$100,000.
- Total Personal Services in the Water/Sewer Fund increased by over \$355,000. The increase in Hospitalization (employee medical costs) of nearly \$237,000 or 11.0% accounted for two-thirds of that rise. Strong inflationary pressure on the price of many medical procedures and prescription drugs continues to significantly outpace the growth of the City’s revenue sources.

# **BUDGET HIGHLIGHTS**

## **CITY OF WILMINGTON**

### **FISCAL YEAR 2018**

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

- The Indirect Cost expense to the Water/Sewer Fund rose by \$230,083, reflecting the budgeted increases in the supporting services provided to the Water/Sewer Fund's utility functions by the General Fund.
- Total Debt Service increased a net \$228,450. While direct interest payments rose a total of \$700,740, this was offset by a reduction of \$472,290, which was the combined net effect of changes in the accounts for amortized bond discount, amortized refunding gain, and amortized bond issuance costs.
- Net of the removal of the small meter replacement program from the operating budget, the Repairs to Equipment account in the Water System Division increased \$133,000. Increases were seen in the contracts for preventive maintenance and repairs on electrical equipment and for maintenance service on pumps and large water valves.
- Staffing remained the same as last fiscal year at 125.40 FTE.
- There is an approved increase to water and sewer rates of 4.0%. This will allow the City to fully fund a 60-day operating reserve, while meeting the minimum debt coverage ratio set by policy. The impact on a typical City residential customer (consuming 4,000 gallons of water per month) will be a monthly bill increase of \$1.81. The rate increases were the strong recommendation of the City's independent Water/Sewer Citizens Advisory Board.
- Stormwater rates will remain the same as last fiscal year, as recommended by the Water/Sewer Citizens Advisory Board.



**SUMMARY OF COMBINED STATEMENT OF REVENUES  
FY 2014 - FY 2018**

<b>REVENUES</b>	<b>ACTUAL FY 2014</b>	<b>ACTUAL FY 2015</b>	<b>ACTUAL FY 2016</b>	<b>BUDGET FY 2017</b>	<b>APPROVED FY 2018</b>
<b>General Fund</b>					
Taxes	\$106,613,151	\$111,345,910	\$110,399,299	\$114,125,910	\$117,389,932
Permits, Fees & Fines	12,383,766	11,744,885	12,746,282	12,350,000	11,500,000
Other	7,091,061	7,686,314	8,050,778	7,954,615	7,983,872
Task Force Revenues	4,754,986	5,053,288	5,113,176	5,232,226	5,318,626
County Seat Relief	9,129,958	9,658,837	9,933,561	9,643,339	9,843,339
State Pension Contributions	5,302,444	5,731,410	5,215,485	5,269,823	5,269,823
Transfers In	220,247	276,696	275,000	275,000	275,000
Prior Year Surplus	0	0	0	0	0
<b>Subtotal</b>	<b>145,495,613</b>	<b>151,497,340</b>	<b>151,733,581</b>	<b>154,850,913</b>	<b>157,580,592</b>
<b>Water/Sewer Fund</b>					
Direct User Charges	56,990,787	54,610,259	57,052,722	54,545,000	56,252,000
New Castle County Charges	17,769,628	18,095,165	18,837,257	18,374,244	20,133,523
Other	1,735,386	1,155,061	1,249,676	1,201,000	1,099,000
<b>Subtotal</b>	<b>76,495,801</b>	<b>73,860,485</b>	<b>77,139,655</b>	<b>74,120,244</b>	<b>77,484,523</b>
<b>Special Funds</b>					
Fed./State/County Grants	9,090,991	9,131,328	9,514,714	6,666,059	7,349,367
Other	5,147,765	5,636,767	5,773,650	5,967,694	6,175,031
<b>Subtotal</b>	<b>14,238,756</b>	<b>14,768,095</b>	<b>15,288,364</b>	<b>12,633,753</b>	<b>13,524,398</b>
<b>Total Revenues</b>	<b>\$236,230,170</b>	<b>\$240,125,920</b>	<b>\$244,161,600</b>	<b>\$241,604,910</b>	<b>\$248,589,513</b>

**SUMMARY OF COMBINED STATEMENT OF EXPENDITURES  
FY 2014 - FY 2018**

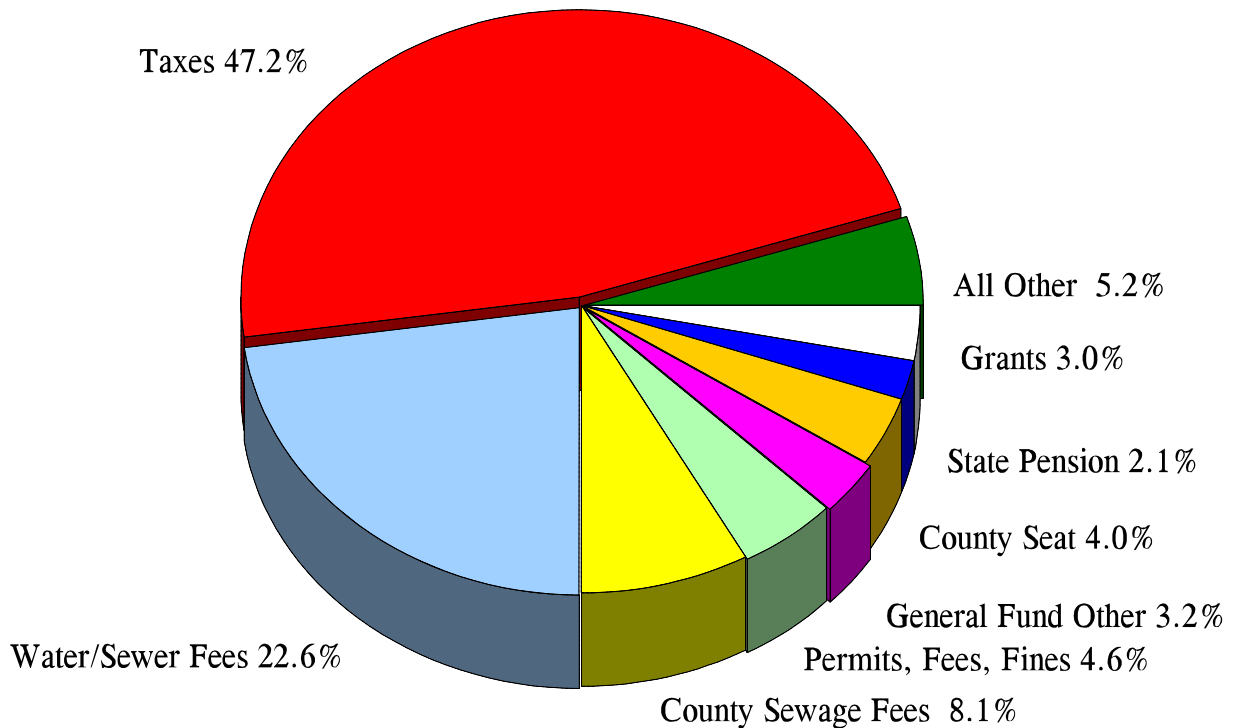
<b>EXPENDITURES</b>	<b>ACTUAL FY 2014</b>	<b>ACTUAL FY 2015</b>	<b>ACTUAL FY 2016</b>	<b>BUDGET FY 2017</b>	<b>APPROVED FY 2018</b>
<b>General Fund</b>					
Personal Services	\$99,668,942	\$101,450,360	\$104,230,277	\$102,817,111	\$104,450,735
M. S. & E.	33,524,002	36,693,593	32,242,171	36,554,241	37,501,050
Debt Service	12,038,814	12,478,444	13,147,914	13,920,928	11,980,293
Other	794,921	737,057	723,012	746,360	991,000
<b>Subtotal</b>	<b>146,026,679</b>	<b>151,359,454</b>	<b>150,343,374</b>	<b>154,038,640</b>	<b>154,923,078</b>
<b>Water/Sewer Fund</b>					
Personal Services	9,439,140	9,911,670	10,697,674	10,847,840	11,203,099
M. S. & E.	41,801,824	41,513,378	40,747,100	48,371,303	45,862,804
Debt Service	5,832,865	4,833,333	5,842,292	6,130,690	6,359,140
Other	7,885,446	7,756,293	7,841,555	7,885,446	7,635,885
<b>Subtotal</b>	<b>64,959,275</b>	<b>64,014,674</b>	<b>65,128,621</b>	<b>73,235,279</b>	<b>71,060,928</b>
<b>Special Funds</b>					
Personal Services	4,346,615	4,753,254	4,295,614	3,423,937	4,489,841
M. S. & E.	4,534,979	3,893,468	4,578,520	3,830,748	3,695,589
Other	5,087,982	5,847,059	6,130,259	5,150,146	5,178,121
<b>Subtotal</b>	<b>13,969,576</b>	<b>14,493,781</b>	<b>15,004,393</b>	<b>12,404,831</b>	<b>13,363,551</b>
<b>Total Expenditures</b>	<b>\$224,955,530</b>	<b>\$229,867,909</b>	<b>\$230,476,388</b>	<b>\$239,678,750</b>	<b>\$239,347,557</b>
<b>INCOME/(LOSS)</b>					
General Fund	(531,066)	137,886	1,390,207	812,273	2,657,514
Water/Sewer Fund	11,536,526	9,845,811	12,011,034	884,965	6,423,595
Special Funds	269,180	274,314	283,971	228,922	160,847
<b>Total Income/(Loss)</b>	<b>\$11,274,640</b>	<b>\$10,258,011</b>	<b>\$13,685,212</b>	<b>\$1,926,160</b>	<b>\$9,241,956</b>

**SUMMARY ALL FUNDS COMBINED  
FISCAL YEAR 2018**

<b>Revenues</b>	<b>Actual FY 2015</b>	<b>Actual FY 2016</b>	<b>Budget FY 2017</b>	<b>Budget FY 2018</b>	<b>Percent Change FY'18-'17</b>	<b>Page Reference*</b>
Taxes	\$111,345,910	\$110,399,299	\$114,125,910	\$117,389,932	2.9%	38
Permits, Fees, Fines	11,744,885	12,746,282	12,350,000	11,500,000	-6.9%	38
Task Force Revenues	5,053,288	5,113,176	5,232,226	5,318,626	1.7%	38
County Seat Relief	9,658,837	9,933,561	9,643,339	9,843,339	2.1%	38
State Pension Contr.	5,731,410	5,731,410	5,269,823	5,269,823	0.0%	38
General Fund Other	7,028,845	7,389,057	7,389,555	7,869,638	6.5%	38
Water/Sewer Fees	54,610,259	57,052,722	54,545,000	56,252,000	3.1%	42
County Sewage Fees	18,095,165	18,837,257	18,374,244	20,133,523	9.6%	42
Water/Sewer Other	1,155,061	1,249,676	1,201,000	1,099,000	-8.5%	42
Port Debt Reimburse.	934,165	936,721	840,060	389,234	-53.7%	38
Special Funds Grants	9,131,328	9,514,714	6,666,059	7,349,367	10.3%	40
Special Funds Other	<u>5,636,767</u>	<u>5,773,650</u>	<u>5,967,694</u>	<u>6,175,031</u>	<u>3.5%</u>	40
<b>Total Revenues</b>	<b><u>\$240,125,920</u></b>	<b><u>\$244,677,525</u></b>	<b><u>\$241,604,910</u></b>	<b><u>\$248,589,513</u></b>	<b><u>2.9%</u></b>	

\* See page listed for further information and details.

**Revenues All Funds  
Fiscal Year 2018**

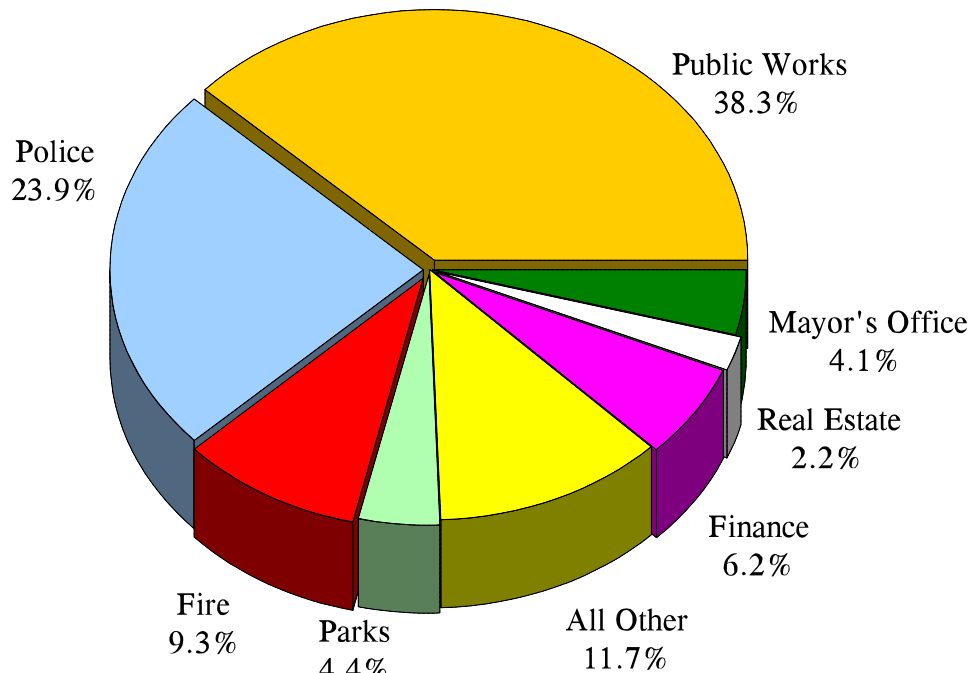


## SUMMARY OF ALL FUNDS COMBINED FISCAL YEAR 2018

<u>Expenditures</u>	<u>Actual FY 2015</u>	<u>Actual FY 2016</u>	<u>Budget FY 2017</u>	<u>Budget FY 2018</u>	<u>Percent Change FY'18-'17</u>	<u>Page Reference*</u>
Mayor's Office	\$9,996,747	\$10,995,009	\$10,529,008	\$9,814,992	-6.8%	89
Council	3,102,350	3,127,578	3,200,216	3,377,407	5.5%	100
Treasurer	4,820,055	4,947,587	5,100,629	5,408,702	6.0%	107
Planning	1,618,715	1,559,961	1,813,166	1,927,022	6.3%	115
Audit	730,535	784,813	790,690	828,955	4.8%	124
Law	3,079,193	2,919,489	2,930,886	2,727,179	-7.0%	127
Finance	13,562,724	13,734,898	14,723,765	14,853,156	0.9%	135
Human Resources	1,992,565	2,041,957	2,129,232	2,215,564	4.1%	149
Licenses & Inspections	4,952,567	5,248,683	5,272,375	5,167,462	-2.0%	167
Parks & Recreation	10,924,763	10,377,970	10,748,906	10,452,745	-2.8%	179
Fire	21,712,740	21,405,071	21,452,000	22,150,551	3.3%	191
Police	57,646,946	56,573,550	55,211,199	57,121,977	3.5%	203
Public Works	82,650,074	84,814,445	94,122,711	91,667,863	-2.6%	218
Real Estate & Housing	6,002,960	5,449,115	4,966,238	5,179,301	4.3%	238
Commerce (Port Debt)	1,343,565	1,280,777	1,290,546	512,858	-60.3%	253
State Pension Contr.	5,731,410	5,215,485	5,269,823	5,269,823	0.0%	192 & 204
Contingent Reserves	<u>0</u>	<u>0</u>	<u>127,360</u>	<u>672,000</u>	<u>427.6%</u>	89
<b>Total Expenditures</b>	<b><u>\$229,867,909</u></b>	<b><u>\$230,476,388</u></b>	<b><u>\$239,678,750</u></b>	<b><u>\$239,347,557</u></b>	<b><u>-0.1%</u></b>	

\* See page listed for further information and details.

## Expenditures All Funds Fiscal Year 2018



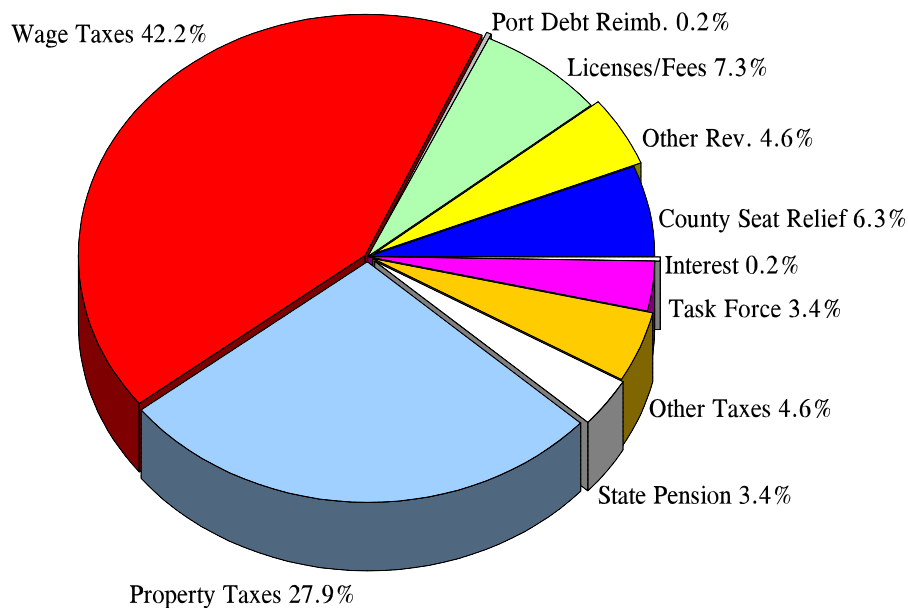
## SUMMARY OF GENERAL FUND FISCAL YEAR 2018

<b>Revenues</b>	<b>Actual FY 2015</b>	<b>Actual FY 2016</b>	<b>Budget FY 2017</b>	<b>Budget FY 2018</b>	<b>Percent Change FY'18-'17</b>	<b>Page Reference*</b>
Wage Tax	\$63,638,392	\$63,099,361	\$67,231,600	\$66,311,600	-1.4%	66
Property Tax	40,046,863	40,246,355	39,566,179	43,847,261	10.8%	67
Other Taxes	7,660,655	7,053,583	7,328,131	7,231,071	-1.3%	68
Licenses, Permits, Fees & Fines	11,744,885	12,746,282	12,350,000	11,500,000	-6.9%	69
Interest	176,237	236,539	240,000	340,000	41.7%	70
Other Revenues	6,575,912	6,877,518	6,874,555	7,254,638	5.5%	71
Task Force Revenues	5,053,288	5,113,176	5,232,226	5,318,626	1.7%	72
County Seat Relief	9,658,837	9,933,561	9,643,339	9,843,339	2.1%	73
State Pension Contr.	5,731,410	5,215,485	5,269,823	5,269,823	0.0%	74
Port Debt Reimburse.	934,165	936,721	840,060	389,234	-53.7%	74
Transfers In/(Out)	276,696	275,000	275,000	275,000	0.0%	75
Use of Fund Balance	0	0	0	0	0.0%	75
<b>Total Revenues</b>	<b><u>\$151,497,340</u></b>	<b><u>\$151,733,581</u></b>	<b><u>\$154,850,913</u></b>	<b><u>\$157,580,592</u></b>	<b><u>1.8%</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. Port Debt Reimbursement was previously in the now defunct Commerce Fund.

### General Fund Revenues Fiscal Year 2018



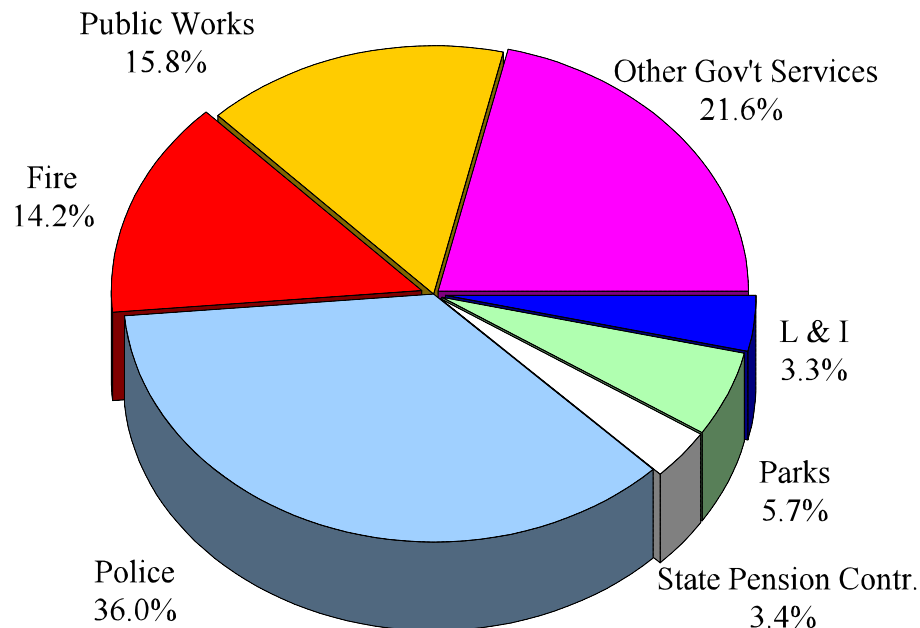
## SUMMARY OF GENERAL FUND FISCAL YEAR 2018

<u>Expenditures</u>	<u>Actual FY 2015</u>	<u>Actual FY 2016</u>	<u>Budget FY 2017</u>	<u>Budget FY 2018</u>	<u>Percent Change FY'18-'17</u>	<u>Page Reference*</u>
Mayor's Office	\$9,855,945	\$10,844,263	\$10,461,651	\$9,749,113	-6.8%	89
Council	2,192,709	2,206,541	2,229,138	2,338,254	4.9%	100
Treasurer	472,532	490,451	463,891	568,518	22.6%	107
Planning	1,592,393	1,505,606	1,762,874	1,876,210	6.4%	115
Audit	659,178	713,340	718,422	756,358	5.3%	124
Law	3,079,193	2,919,489	2,930,886	2,727,179	-7.0%	127
Finance	9,314,211	9,419,435	9,872,907	9,967,239	1.0%	135
Human Resources	1,992,565	2,041,957	2,129,232	2,215,564	4.1%	150
Licenses & Inspections	4,952,567	5,248,683	5,272,375	5,167,462	-2.0%	168
Parks & Recreation	9,374,534	8,710,667	9,070,747	8,770,695	-3.3%	179
Fire	20,968,819	20,842,032	21,250,631	21,949,182	3.3%	191
Police	55,858,211	54,390,099	54,669,955	55,736,002	2.0%	204
Public Works	22,131,957	23,080,312	24,740,393	24,495,284	-1.0%	218
Real Estate & Housing	1,839,665	1,434,237	1,777,809	2,151,337	21.0%	238
Commerce (Port Debt)	1,343,565	1,280,777	1,290,546	512,858	-60.3%	253
State Pension Contr.	5,731,410	5,215,485	5,269,823	5,269,823	0.0%	192 & 204
Contingent Reserves**	<u>0</u>	<u>0</u>	<u>127,360</u>	<u>672,000</u>	<u>427.6%</u>	89
<b>Total Expenditures</b>	<b><u>\$151,359,454</u></b>	<b><u>\$150,343,374</u></b>	<b><u>\$154,038,640</u></b>	<b><u>\$154,923,078</u></b>	<b><u>0.6%</u></b>	

\* See page listed for further information and details.

\*\* Includes a \$500,000 City-wide Operating Budget Contingency Fund and \$172,000 for snow and weather emergencies.

## General Fund Expenditures Fiscal Year 2018



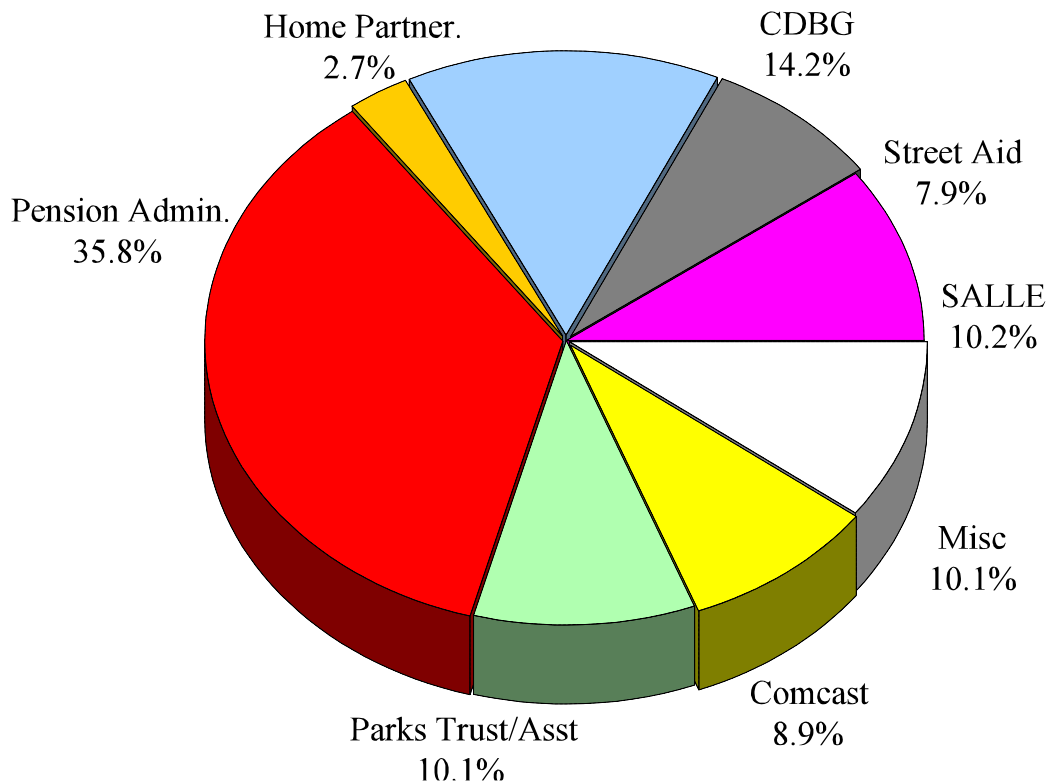
## SUMMARY OF SPECIAL FUNDS FISCAL YEAR 2018

<u>Revenues</u>	<u>Actual FY 2015</u>	<u>Actual FY 2016</u>	<u>Budget FY 2017</u>	<u>Budget FY 2018</u>	<u>Percent Change FY'18-'17</u>	<u>Page Reference*</u>
Municipal Street Aid	\$823,313	\$992,448	\$1,070,165	\$1,070,165	0.0%	76
CDBG	2,453,999	2,393,769	2,028,437	1,927,015	-5.0%	76
Comcast Franchise	1,183,955	1,205,008	1,200,000	1,200,000	0.0%	76
COPS Grant	29,765	0	0	0	0.0%	77
SAFER	0	0	0	0	0.0%	77
Parks Assistance	1,045,327	1,443,509	1,231,879	1,231,879	0.0%	77
Parks Trust Fund	105,289	111,506	130,956	134,847	3.0%	78
SALLE/LLEBG	1,758,970	2,183,451	541,244	1,385,975	156.1%	78
Pension Admin.	4,347,523	4,457,136	4,636,738	4,840,184	4.4%	78
Home Partnership	726,581	744,080	386,511	369,177	-4.5%	79
Byrne Grant	0	0	0	0	0.0%	N/A
Miscellaneous Grants	<u>2,293,373</u>	<u>1,757,457</u>	<u>1,407,823</u>	<u>1,365,156</u>	<u>-3.0%</u>	79
<b>Total Revenues</b>	<b><u>\$14,768,095</u></b>	<b><u>\$15,288,364</u></b>	<b><u>\$12,633,753</u></b>	<b><u>\$13,524,398</u></b>	<b><u>7.1%</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. The Comcast franchise fee is a special exception related to City Council's CATV Fund.

## Special Funds Revenues Fiscal Year 2018



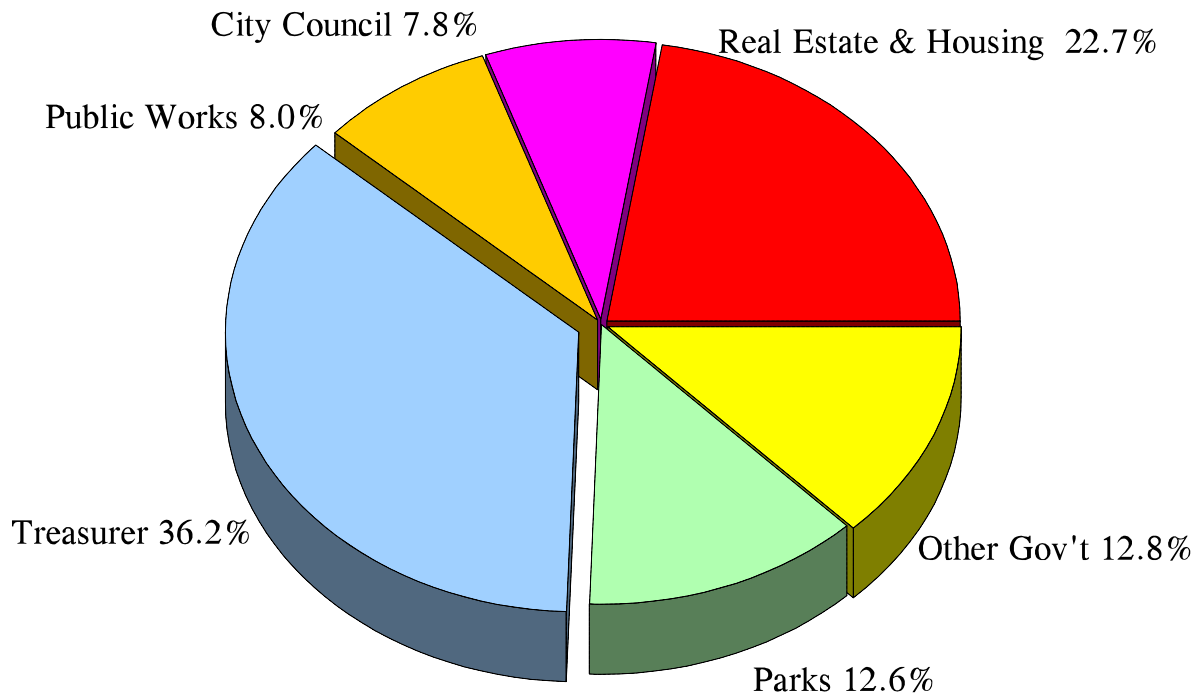
## SUMMARY OF SPECIAL FUNDS FISCAL YEAR 2018

<u>Expenditures</u>	<u>Actual FY 2015</u>	<u>Actual FY 2016</u>	<u>Budget FY 2017</u>	<u>Budget FY 2018</u>	<u>Percent Change FY'18-'17</u>	<u>Page Reference*</u>
Mayor's Office	\$140,802	\$150,746	\$67,357	\$65,879	-2.2%	90
City Council	909,641	921,037	971,078	1,039,153	7.0%	101
Treasurer	4,347,523	4,457,136	4,636,738	4,840,184	4.4%	108
Planning	26,322	54,355	50,292	50,812	1.0%	115
Licenses & Inspections	0	0	0	0	0.0%	N/A
Parks & Recreation	1,550,229	1,667,303	1,678,159	1,682,050	0.2%	180
Fire	743,921	563,039	201,369	201,369	0.0%	192
Police	1,788,735	2,183,451	541,244	1,385,975	156.1%	204
Public Works	823,313	992,448	1,070,165	1,070,165	0.0%	219
Real Estate & Housing	<u>4,163,295</u>	<u>4,014,878</u>	<u>3,188,429</u>	<u>3,027,964</u>	<u>-5.0%</u>	238
<b>Total Expenditures</b>	<b><u>\$14,493,781</u></b>	<b><u>\$15,004,393</u></b>	<b><u>\$12,404,831</u></b>	<b><u>\$13,363,551</u></b>	<b><u>3.3%</u></b>	

\* See page listed for further information and details.

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

## Special Funds Expenditures Fiscal Year 2018



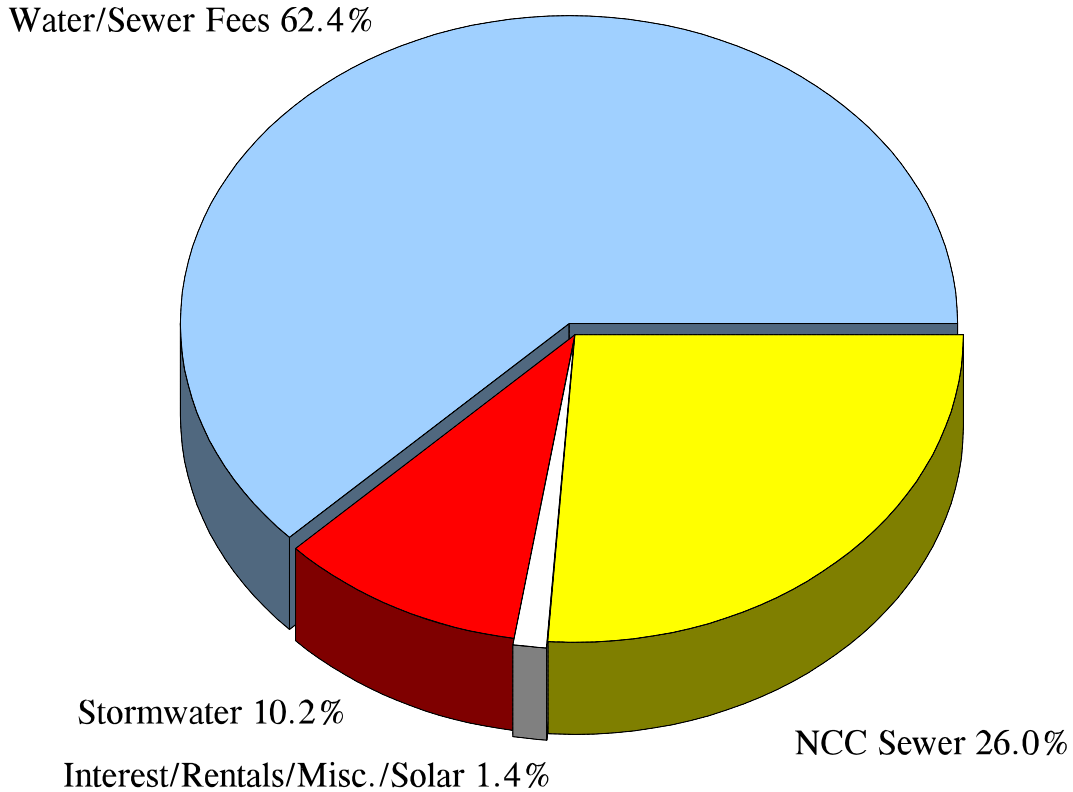


**SUMMARY OF WATER/SEWER FUND  
FISCAL YEAR 2018**

<b>Revenues</b>	<b>Actual FY 2015</b>	<b>Actual FY 2016</b>	<b>Budget FY 2017</b>	<b>Budget FY 2018</b>	<b>Percent Change FY'18-'17</b>	<b>Page Reference*</b>
Water/Sewer						
User Fees	\$47,426,458	\$48,920,622	\$46,859,000	\$48,378,000	3.2%	80
Stormwater Billings	7,183,801	8,132,100	7,686,000	7,874,000	2.4%	81
New Castle County						
Sewer Services	18,095,165	18,837,257	18,374,244	20,133,523	9.6%	82
Interest	3,502	3,647	4,000	0	-100.0%	83
Rentals/Misc.	1,031,263	1,113,799	1,047,000	978,000	-6.6%	84
Solar Panels	<u>120,296</u>	<u>132,230</u>	<u>150,000</u>	<u>121,000</u>	<u>-19.3%</u>	85
<b>Total Revenues</b>	<b><u>\$73,860,485</u></b>	<b><u>\$77,139,655</u></b>	<b><u>\$74,120,244</u></b>	<b><u>\$77,484,523</u></b>	<b><u>4.5%</u></b>	

\* See page listed for further information and details.

## Water/Sewer Fund Revenues Fiscal Year 2018

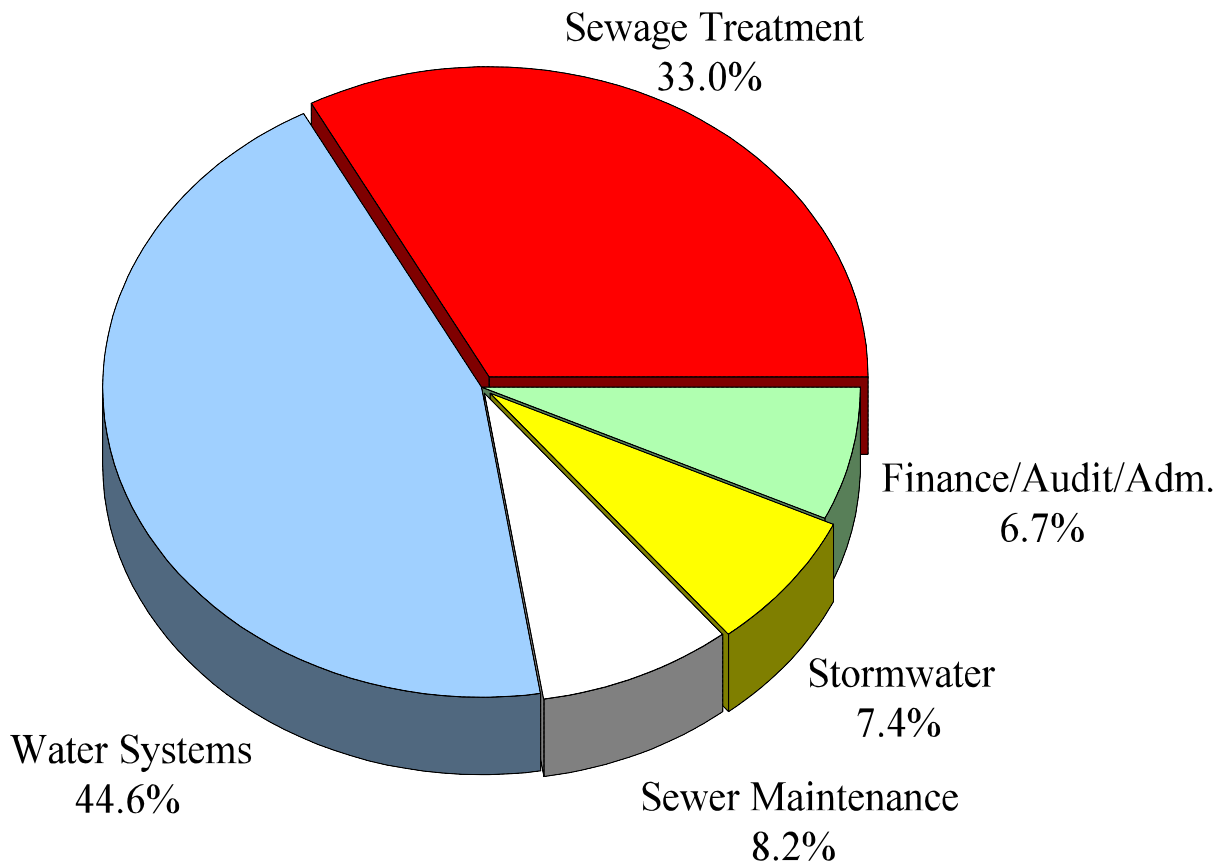


**SUMMARY OF WATER/SEWER FUND  
FISCAL YEAR 2018**

<u>Expenditures</u>	<u>Actual FY 2015</u>	<u>Actual FY 2016</u>	<u>Budget FY 2017</u>	<u>Budget FY 2018</u>	<u>Percent Change FY'18-'17</u>	<u>Page Reference*</u>
Audit	\$71,357	\$71,473	\$72,268	\$72,597	0.5%	124
Finance	4,248,513	4,315,463	4,850,858	4,885,917	0.7%	136
Public Works	<u>59,694,804</u>	<u>60,741,685</u>	<u>68,312,153</u>	<u>66,102,414</u>	<u>-3.2%</u>	218
<b>Total Expenditures</b>	<b><u>\$64,014,674</u></b>	<b><u>\$65,128,621</u></b>	<b><u>\$73,235,279</u></b>	<b><u>\$71,060,928</u></b>	<b><u>-3.0%</u></b>	

\* See page listed for further information and details.

## Water/Sewer Fund Expenditures Fiscal Year 2018



## SUMMARY OF INTERNAL SERVICE FUNDS FISCAL YEAR 2018

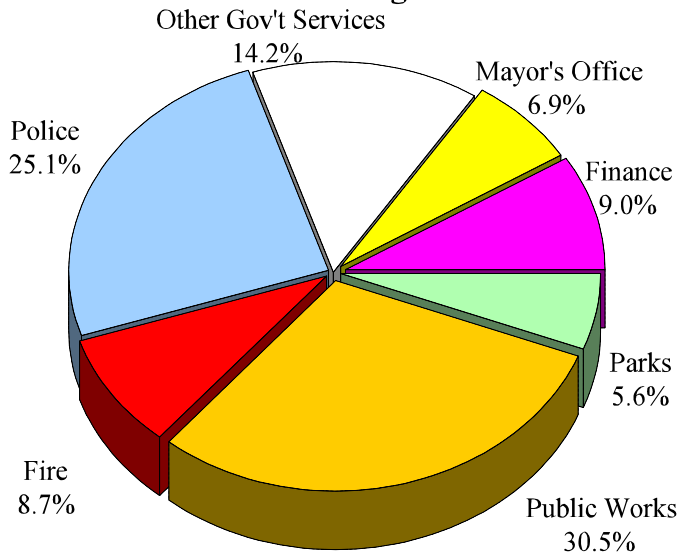
<u>Expenditures**</u>	<u>Actual</u> <u>FY 2015</u>	<u>Actual</u> <u>FY 2016</u>	<u>Budget</u> <u>FY 2017</u>	<u>Budget</u> <u>FY 2018</u>	<u>Percent</u> <u>Change</u> <u>FY'18-'17</u>	<u>Page</u> <u>Reference*</u>
Mayor's Office	\$6,505,902	\$7,396,488	\$8,753,016	\$8,690,048	-0.7%	90
Human Resources	29,692,130	24,681,677	29,946,093	32,388,342	8.2%	150
Public Works	<u>7,534,479</u>	<u>7,134,371</u>	<u>7,276,564</u>	<u>7,690,166</u>	<u>5.7%</u>	219
<b>Total Expenditures</b>	<b><u>\$43,732,511</u></b>	<b><u>\$39,212,536</u></b>	<b><u>\$45,975,673</u></b>	<b><u>\$48,768,556</u></b>	<b><u>6.1%</u></b>	

\* See page listed for further information and details.

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

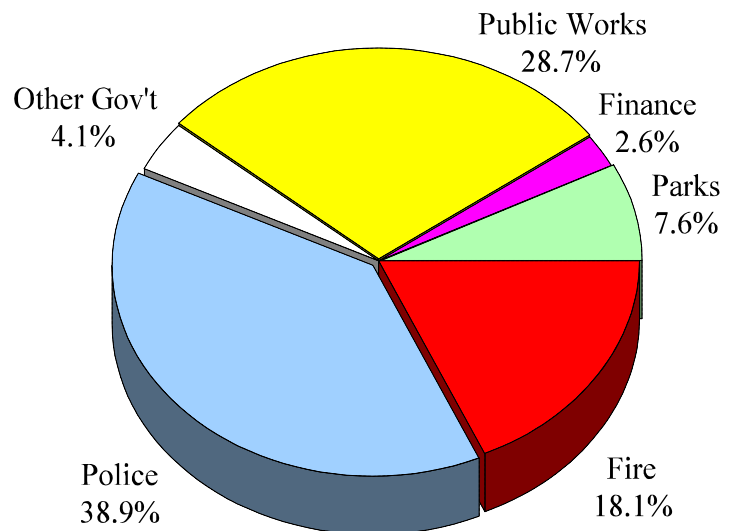
### Administrative Services

#### FY '18 Internal Service Charge Allocations



### Self-Insurance Program

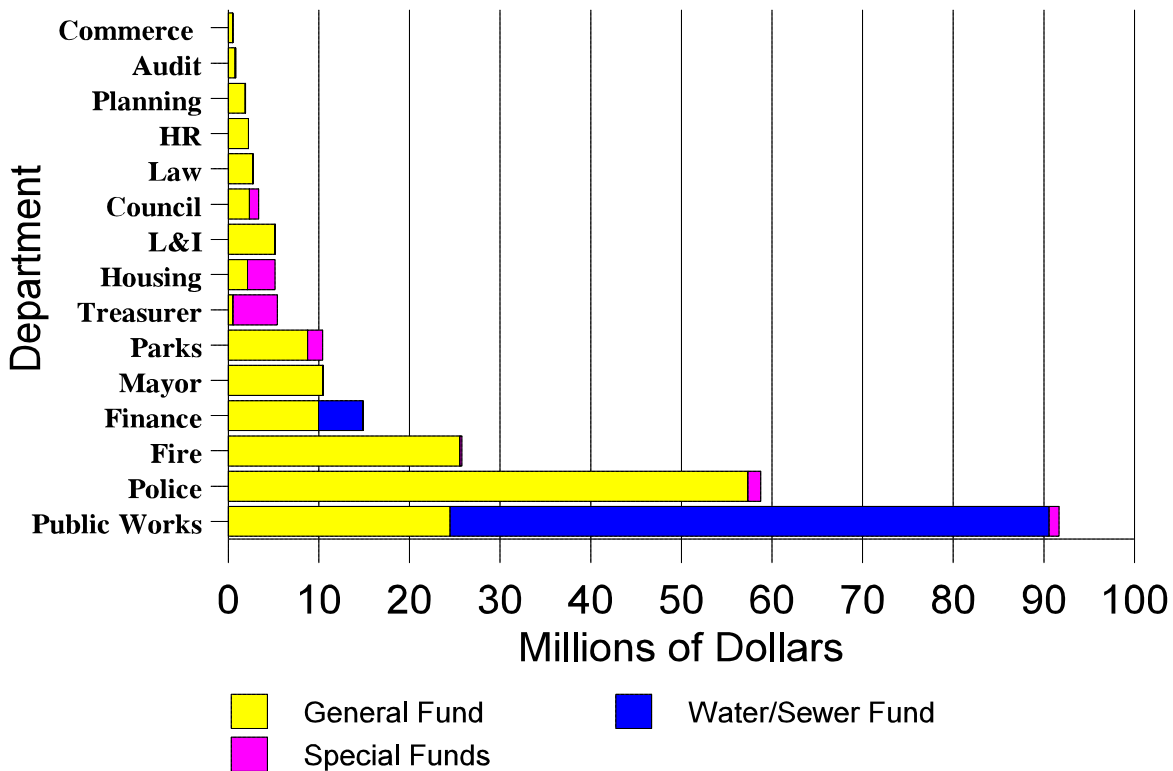
#### FY '18 Internal Service Charge Allocations



## DEPARTMENTAL BUDGETS BY FUND FISCAL YEAR 2018

<u>Expenditure</u>	<u>FY 2018 Budget General Fund</u>	<u>FY 2018 Budget Water/Sewer Fund</u>	<u>FY 2018 Budget Special Funds</u>	<u>FY 2018 Budget Total All Funds</u>
Mayor's Office	\$9,749,113	\$0	\$65,879	\$9,814,992
Council	2,338,254	0	1,039,153	3,377,407
Treasurer	568,518	0	4,840,184	5,408,702
Planning	1,876,210	0	50,812	1,927,022
Audit	756,358	72,597	0	828,955
Law	2,727,179	0	0	2,727,179
Finance	9,967,239	4,885,917	0	14,853,156
Human Resources	2,215,564	0	0	2,215,564
Licenses & Inspections	5,167,462	0	0	5,167,462
Parks & Recreation	8,770,695	0	1,682,050	10,452,745
Fire	21,949,182	0	201,369	22,150,551
Police	55,736,002	0	1,385,975	57,121,977
Public Works	24,495,284	66,102,414	1,070,165	91,667,863
Real Estate & Housing	2,151,337	0	3,027,964	5,179,301
Commerce (Port Debt)	512,858	0	0	512,858
State Pension Contr.	5,269,823	0	0	5,269,823
Contingent Reserves	<u>672,000</u>	<u>0</u>	<u>0</u>	<u>672,000</u>
<b>Total Expenditures</b>	<b><u>\$154,923,078</u></b>	<b><u>\$71,060,928</u></b>	<b><u>\$13,363,551</u></b>	<b><u>\$239,347,557</u></b>

### FY 2018 Total Departmental Budgets Breakout by Fund



CAPITAL IMPROVEMENTS PROGRAM  
FISCAL YEARS 2018-2023  
(000 omitted)

SUMMARY: TOTAL FUNDS RECOMMENDED BY FISCAL YEAR AND DEPARTMENT										
NAME OF DEPARTMENT	TYPE OF FUNDING	FISCAL YEARS						TOTAL CITY FUNDS 6 YEAR PERIOD	TOTAL LOCAL AND MATCHING 6 YEAR PERIOD	
		2018	2019	2020	2021	2022	2023			
FINANCE	G	250	0	397	0	690	0	1,337	1,337	
	W	689	0	476	0	310	0	1,475	1,475	
FIRE	G	3,150	0	6,400	0	4,050	0	13,600	13,600	
OFFICE OF THE MAYOR	G	3,160	0	4,500	0	4,500	0	12,160	12,160	
PARKS AND RECREATION	G	2,910	0	3,340	0	31,585	0	37,835	37,835	
	O	0	0	0	0	250	0	0	250	
POLICE	G	0	0	2,500	0	0	0	2,500	2,500	
PUBLIC WORKS	G	6,795	0	12,500	0	12,500	0	31,795	31,795	
	W	55,100	0	38,100	0	24,800	0	118,000	118,000	
REAL ESTATE & HOUSING	G	1,000	0	0	0	0	0	1,000	1,000	
TRANSPORTATION	G	3,000	0	2,550	0	2,550	0	8,100	8,100	
	O	8,000	0	8,000	0	8,000	0	0	24,000	
TOTAL BY FUND	G	20,265	0	32,187	0	55,875	0	108,327	108,327	
	O	8,000	0	8,000	0	8,250	0	0	24,250	
	W	55,789	0	38,576	0	25,110	0	119,475	119,475	
GRAND TOTAL		84,054	0	78,763	0	89,235	0	227,802	252,052	

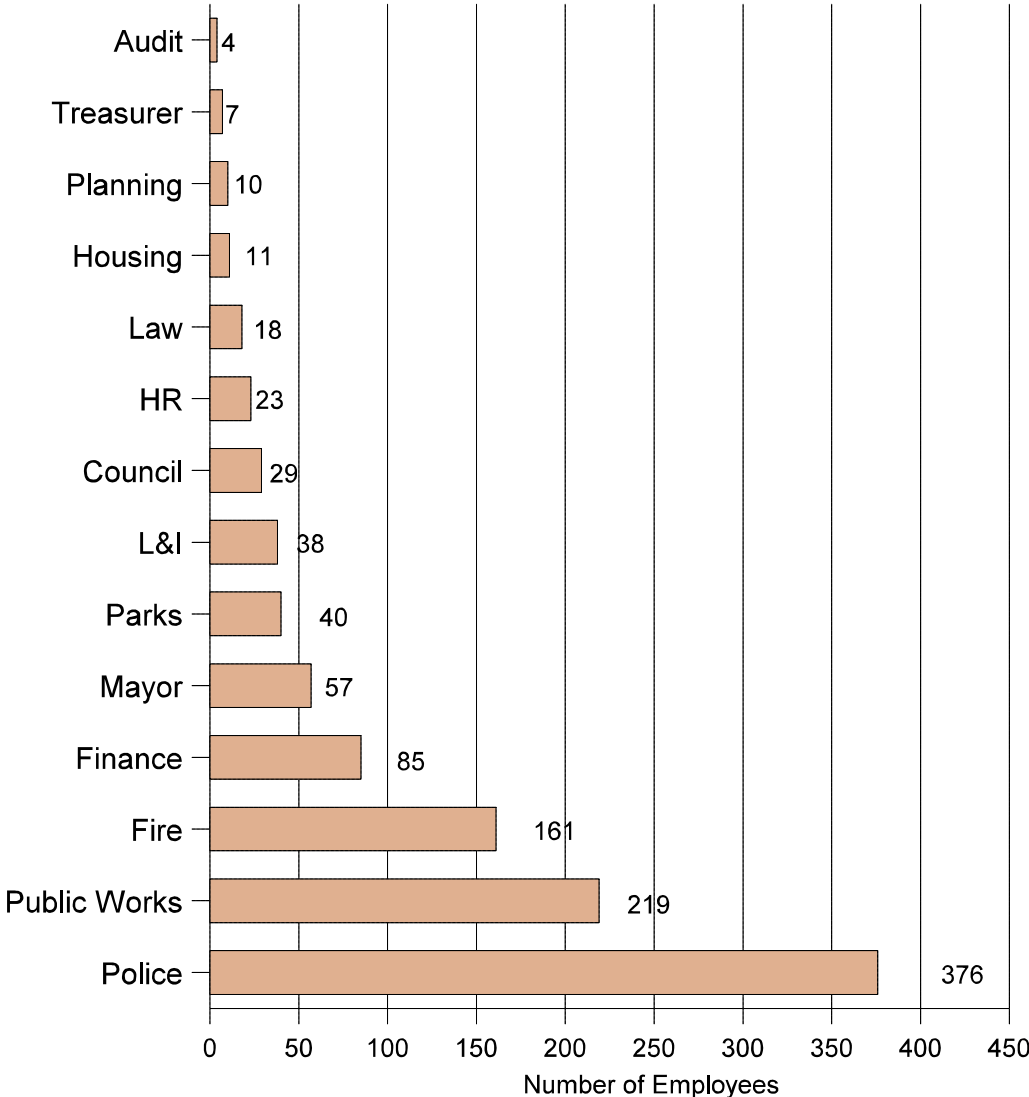
Type of Funding: G - General; W - Water/Sewer; O - Other Governmental; I - Internal Service

## SUMMARY OF STAFFING LEVELS FISCAL YEAR 2018

### TOTAL NUMBER OF EMPLOYEES ALL FUNDS COMBINED

<u>Department</u>	<u>Budget FY2014</u>	<u>Budget FY2015</u>	<u>Budget FY2016</u>	<u>Budget FY2017</u>	<u>Budget FY2018</u>	<u>Net Change FY'18-'17</u>
Mayor's Office	60.00	59.00	59.00	59.00	57.00	(2.00)
Council	29.00	29.00	29.00	29.00	29.00	0.00
Treasurer	6.00	6.00	6.00	6.00	7.00	1.00
Planning	11.00	11.00	11.00	10.00	10.00	0.00
Audit	4.00	4.00	4.00	4.00	4.00	0.00
Law	21.00	20.00	20.00	20.00	18.00	(2.00)
Finance	87.00	88.00	88.00	86.00	85.00	(1.00)
Human Resources	21.00	22.00	22.00	24.00	23.00	(1.00)
Licenses & Inspections	38.00	38.00	38.00	38.00	38.00	0.00
Parks & Recreation	44.00	42.00	41.00	41.00	40.00	(1.00)
Fire	177.00	177.00	177.00	177.00	161.00	(16.00)
Police	382.00	382.00	382.00	381.00	376.00	(5.00)
Public Works	224.00	223.00	223.00	221.00	219.00	(2.00)
Real Estate & Housing	<u>15.00</u>	<u>12.00</u>	<u>12.00</u>	<u>11.00</u>	<u>11.00</u>	<u>0.00</u>
<b>TOTAL</b>	<b><u>1,119</u></b>	<b><u>1,113</u></b>	<b><u>1,112</u></b>	<b><u>1,107</u></b>	<b><u>1,078</u></b>	<b><u>(29.00)</u></b>
<b>Total Employees per every 1,000 Persons in City Population</b>	<b><u>15.79</u></b>	<b><u>15.71</u></b>	<b><u>15.69</u></b>	<b><u>15.62</u></b>	<b><u>15.22</u></b>	

**TOTAL NUMBER OF CITY EMPLOYEES BY DEPT.  
FISCAL YEAR 2018  
(ALL FUNDS)**



Almost 74% (or 794) of the City’s employees work to provide Public Safety (Police, Fire, L&I) and Public Works services.

**STAFFING LEVELS BY FUND  
FISCAL YEAR 2018**

**GENERAL FUND  
NUMBER OF EMPLOYEES**

<u>Department</u>	<u>Budget FY2014</u>	<u>Budget FY2015</u>	<u>Budget FY2016</u>	<u>Budget FY2017</u>	<u>Budget FY2018</u>	<u>Net Change FY'18-'17</u>
Mayor's Office	36.50	37.50	37.50	36.50	34.50	(2.00)
Council	20.05	20.05	19.55	19.55	20.35	0.80
Treasurer	2.92	2.92	2.92	2.92	3.00	0.08
Planning	10.63	10.43	10.49	9.53	9.55	0.02
Audit	4.00	4.00	4.00	4.00	4.00	0.00
Law	21.00	20.00	20.00	20.00	18.00	(2.00)
Finance	61.70	60.55	61.85	61.45	60.45	(1.00)
Human Resources	14.00	14.00	13.55	13.55	13.55	0.00
Licenses & Inspections	38.00	38.00	38.00	38.00	38.00	0.00
Parks & Recreation	44.00	42.00	41.00	41.00	40.00	(1.00)
Fire	170.50	177.00	177.00	177.00	161.00	(16.00)
Police	372.32	373.20	374.00	374.00	369.00	(5.00)
Public Works	122.40	120.65	120.65	120.15	118.15	(2.00)
Real Estate & Housing	<u>2.48</u>	<u>1.80</u>	<u>1.52</u>	<u>1.48</u>	<u>1.48</u>	<u>0.00</u>
<b>TOTAL</b>	<b><u>920.50</u></b>	<b><u>922.10</u></b>	<b><u>922.03</u></b>	<b><u>919.13</u></b>	<b><u>891.03</u></b>	<b><u>(28.10)</u></b>

**SPECIAL FUNDS  
NUMBER OF EMPLOYEES**

<u>Department</u>	<u>Budget FY2014</u>	<u>Budget FY2015</u>	<u>Budget FY2016</u>	<u>Budget FY2017</u>	<u>Budget FY2018</u>	<u>Net Change FY'18-'17</u>
Mayor's Office	0.50	0.50	0.50	0.50	0.50	0.00
Treasurer	3.08	3.08	3.08	3.08	4.00	0.92
Planning	0.37	0.57	0.51	0.47	0.45	(0.02)
City Council	8.95	8.95	9.45	9.45	8.65	(0.80)
Real Estate and Housing	12.52	10.20	10.48	9.52	9.52	0.00
Fire	6.50	0.00	0.00	0.00	0.00	0.00
Police	<u>9.68</u>	<u>8.80</u>	<u>8.00</u>	<u>7.00</u>	<u>7.00</u>	<u>0.00</u>
<b>TOTAL</b>	<b><u>41.60</u></b>	<b><u>32.10</u></b>	<b><u>32.02</u></b>	<b><u>30.02</u></b>	<b><u>30.12</u></b>	<b><u>0.10</u></b>



**STAFFING LEVELS BY FUND  
FISCAL YEAR 2018**

**WATER/SEWER FUND  
NUMBER OF EMPLOYEES**

<u>Department</u>	<u>Budget FY2014</u>	<u>Budget FY2015</u>	<u>Budget FY2016</u>	<u>Budget FY2017</u>	<u>Budget FY2018</u>	<u>Net Change FY'18-'17</u>
Finance	25.30	27.45	26.15	24.55	24.55	0.00
Public Works	<u>101.60</u>	<u>102.35</u>	<u>102.35</u>	<u>100.85</u>	<u>100.85</u>	<u>0.00</u>
<b>TOTAL</b>	<b><u>126.90</u></b>	<b><u>129.80</u></b>	<b><u>128.50</u></b>	<b><u>125.40</u></b>	<b><u>125.40</u></b>	<b><u>0.00</u></b>

**COMMERCE FUND  
NUMBER OF EMPLOYEES**

<u>Department</u>	<u>Budget FY2014</u>	<u>Budget FY2015</u>	<u>Budget FY2016</u>	<u>Budget FY2017</u>	<u>Budget FY2018</u>	<u>Net Change FY'18-'17</u>
Mayor's Office	<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>0.00</u></b>	<b><u>0.00</u></b>	<b><u>0.00</u></b>	<b><u>0.00</u></b>	<b><u>0.00</u></b>	<b><u>0.00</u></b>

**INTERNAL SERVICE FUNDS  
NUMBER OF EMPLOYEES**

<u>Department</u>	<u>Budget FY2014</u>	<u>Budget FY2015</u>	<u>Budget FY2016</u>	<u>Budget FY2017</u>	<u>Budget FY2018</u>	<u>Net Change FY'18-'17</u>
Mayor's Office	23.00	21.00	21.00	22.00	22.00	0.00
Human Resources	7.00	8.00	8.45	10.45	9.45	(1.00)
Finance	<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>30.00</u></b>	<b><u>29.00</u></b>	<b><u>29.45</u></b>	<b><u>32.45</u></b>	<b><u>31.45</u></b>	<b><u>(1.00)</u></b>
<b>TOTAL ALL FUNDS</b>	<b><u>1,119</u></b>	<b><u>1,113</u></b>	<b><u>1,112</u></b>	<b><u>1,107</u></b>	<b><u>1,078</u></b>	<b><u>(29.00)</u></b>

**FUND BALANCE  
GENERAL FUND  
FISCAL YEAR 2018**

<b>Fund Balance Activity</b>	<b>Actual FY 2016</b>	<b>Estimated FY 2017</b>	<b>Projected FY 2018</b>
Fund Balance as of July 1	\$43,049,158	\$42,314,362	\$27,413,188
Excess of Revenues Over/(Under) Expenditures	1,115,204	(13,676,174)	2,382,514
Other Financing Sources/(Uses):			
Transfer from/(to) Wilmington Parking Authority	275,000	275,000	275,000
Transfer from/(to) Special/Other Funds	<u>(2,125,000)</u>	<u>(1,500,000)</u>	<u>0</u>
Total Other Financing Sources/(Uses)	(1,850,000)	(1,225,000)	275,000
Prior Period Adjustments	0	0	0
<b>Net Change in Fund Balance</b>	<b>(734,796)</b>	<b>(14,901,174)</b>	<b>2,657,514</b>
<b>Total Fund Balance as of June 30</b>	<b><u>\$42,314,362</u></b>	<b><u>\$27,413,188</u></b>	<b><u>\$30,070,702</u></b>

**Summary of Fund Balance**

Non-spendable	\$3,121,642	\$2,960,671	\$2,812,637
Committed (Budget Reserve*)	15,403,864	15,730,559	16,123,823
Unassigned	<u>23,788,856</u>	<u>8,721,958</u>	<u>11,134,242</u>
<b>Total Fund Balance as of June 30</b>	<b><u>\$42,314,362</u></b>	<b><u>\$27,413,188</u></b>	<b><u>\$30,070,702</u></b>

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

**FUND BALANCE**

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

**Non-spendable** – Amounts that cannot be spent either because they are in a non-spendable form or because they are legally or contractually required to be maintained intact.

**Restricted** – Amounts that can be spent only for specific purposes because of the City Charter, City Code, State or federal laws, or externally imposed conditions by grantors or creditors.

**Committed** – Amounts that can be used only for specific purposes determined by a formal action by City Council ordinance or resolution. This includes the Budget Reserve Account.

**Assigned** – Amounts that are allocated for a future use by the Mayor, but are not spendable until a budget ordinance appropriating the amounts is passed by City Council.

**Unassigned** – All amounts not included in other spendable classifications.

**FUND NET ASSETS  
WATER/SEWER FUND  
FISCAL YEAR 2018**

<b>Fund Net Assets Activity</b>	<b>Actual FY 2016</b>	<b>Estimated FY 2017</b>	<b>Projected FY 2018</b>
Net Assets as of July 1	\$122,693,524	\$134,892,041	\$139,269,753
Excess of Revenues Over/(Under) Expenditures	16,791,133	7,107,402	11,683,735
Non-Operating Revenues/(Expenses)			
Interest Expense	(5,842,293)	(6,130,690)	(6,359,140)
Other	<u>1,249,677</u>	<u>3,401,000</u>	<u>1,099,000</u>
Total Non-Operating Revenues/(Expenses)	(4,592,616)	(2,729,690)	(5,260,140)
Income/(Loss) Before Transfers	12,198,517	4,377,712	6,423,595
Prior Period Adjustment	0	0	0
<b>Change in Net Assets</b>	<b>12,198,517</b>	<b>4,377,712</b>	<b>6,423,595</b>
<b>Total Net Assets as of June 30</b>	<b><u>\$134,892,041</u></b>	<b><u>\$139,269,753</u></b>	<b><u>\$145,693,348</u></b>

**Summary of Fund Net Assets**

Invested in Capital Assets, Net of Related Debt	\$117,697,946	\$119,697,946	\$121,697,946
Unrestricted	<u>17,194,095</u>	<u>19,571,807</u>	<u>23,995,402</u>
<b>Total Fund Net Assets as of June 30</b>	<b><u>\$134,892,041</u></b>	<b><u>\$139,269,753</u></b>	<b><u>\$145,693,348</u></b>

**NET ASSETS**

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

**TOTAL FUND BALANCE & NET ASSETS (MEMORANDUM ONLY)**  
**GENERAL & WATER/SEWER FUNDS**  
**FISCAL YEAR 2018**

<b>Fund Balance &amp; Net Assets Activity</b>	<b>Actual FY 2016</b>	<b>Estimated FY 2017</b>	<b>Projected FY 2018</b>
Fund Balance & Net Assets as of July 1	\$165,742,682	\$177,206,403	\$166,682,941
Excess of Revenues Over/(Under) Expenditures	17,906,337	(6,568,772)	14,066,249
Total Other Financing Sources/(Uses)	(1,850,000)	(1,225,000)	275,000
Total Non-Operating Revenues/(Expenses)			
Water Fund	(4,592,616)	(2,729,690)	(5,260,140)
Prior Period Adjustments	0	0	0
<b>Change in Fund Balance &amp; Net Assets</b>	<b>11,463,721</b>	<b>(10,523,462)</b>	<b>9,081,109</b>
<b>Total Fund Balance &amp; Net Assets as of June 30</b>	<b><u>\$177,206,403</u></b>	<b><u>\$166,682,941</u></b>	<b><u>\$175,764,050</u></b>

**Summary of Fund Balance & Net Assets**

Non-spendable	\$3,121,642	\$2,960,671	\$2,812,637
Budget Reserve	15,403,864	15,730,559	16,123,823
Unassigned	23,788,856	8,721,958	11,134,242
Invested in Capital Assets, Net of Related Debt	117,697,946	119,697,946	121,697,946
Unrestricted	<u>17,194,095</u>	<u>19,571,807</u>	<u>23,995,402</u>
<b>Total Fund Balance &amp; Net Assets as of June 30</b>	<b><u>\$177,206,403</u></b>	<b><u>\$166,682,941</u></b>	<b><u>\$175,764,050</u></b>

# City of Wilmington General Fund

## ACTUAL, BUDGETED & PROJECTED REVENUES AND EXPENDITURES

(Preliminary)

Revenue Type	Actual FY 2016	Projected FY 2017	Approved FY 2018	Projected FY 2019	Projected FY 2020	Projected FY 2021	Projected FY 2022
Wage & Net Profits Tax	\$63,099,361	\$64,331,600	\$66,311,600	\$68,392,600	\$70,199,600	\$72,050,600	\$73,948,600
Property Tax	40,246,355	40,066,179	43,847,261	43,800,261	43,738,105	43,746,447	43,786,426
Real Estate Transfer Tax	2,174,189	3,256,000	2,404,650	2,452,743	2,514,062	2,576,913	2,641,336
Head Tax	3,926,973	3,874,000	3,874,000	3,874,000	3,874,000	3,874,000	3,874,000
Franchise Fee	952,421	916,631	952,421	971,469	990,898	1,010,716	1,030,930
Licenses, Permits, Fees & Fines	12,746,282	11,500,000	11,500,000	11,556,000	11,613,120	11,671,383	11,730,811
Interest Income	236,539	340,000	340,000	458,219	571,783	479,260	694,792
Indirect Costs	5,023,446	5,246,555	5,476,638	5,613,554	5,753,893	5,897,740	6,045,184
Other Miscellaneous Revenues	1,854,072	1,778,000	1,778,000	1,628,000	1,628,000	1,628,000	1,628,000
Task Force Revenues	5,113,176	5,232,226	5,318,626	5,300,965	5,418,669	5,539,238	5,662,742
County Seat Relief Package	9,933,561	9,843,339	9,843,339	9,843,339	9,843,339	9,843,339	9,843,339
State Port Debt Reimbursement	936,721	840,060	389,234	396,574	569,356	870,857	554,204
State Pension Contribution	5,215,485	5,269,823	5,269,823	5,269,823	5,269,823	5,269,823	5,269,823
<b>Total Revenues</b>	<b>\$151,458,581</b>	<b>\$152,494,413</b>	<b>\$157,305,592</b>	<b>\$159,557,547</b>	<b>\$161,984,647</b>	<b>\$164,458,316</b>	<b>\$166,710,187</b>

Expenditure Type	Actual FY 2016	Projected FY 2017	Approved FY 2018	Projected FY 2019	Projected FY 2020	Projected FY 2021	Projected FY 2022
Salaries and Wages	\$61,682,821	\$59,609,898	\$61,339,237	\$61,616,781	\$62,116,781	\$62,616,781	\$63,116,781
Health Benefits	17,513,763	17,271,085	17,515,236	17,781,826	18,838,464	19,958,286	21,145,076
Pension and Retirement	17,184,362	17,200,155	17,782,652	18,198,653	18,549,208	19,753,495	20,104,472
Other Employee Benefits	2,633,849	2,500,509	2,543,788	2,565,123	2,586,457	2,607,791	2,629,126
Equipment & Services	17,916,011	18,924,266	20,735,175	21,364,621	21,756,107	22,192,147	22,668,171
General Liability	435,241	1,383,089	1,383,089	1,417,666	1,453,108	1,489,436	1,526,671
Workers' Compensation	2,310,040	9,451,425	3,004,907	3,030,109	3,055,310	3,080,512	3,105,714
Internal Services	11,580,879	13,098,927	13,049,878	13,449,409	13,861,172	14,285,542	14,722,904
Debt Service	13,147,914	13,920,929	11,980,293	14,192,688	14,551,789	15,896,386	13,850,374
Special Purpose	723,012	838,250	319,000	326,975	335,149	343,528	352,116
State Pension Contribution	5,215,485	5,269,823	5,269,823	5,269,823	5,269,823	5,269,823	5,269,823
Labor Contract Settlements COLAs & Retro pay	N/A	6,702,231	N/A	N/A	N/A	N/A	N/A
Land Bank Contribution	N/A	N/A	N/A	1,500,000	1,500,000	1,500,000	1,500,000
<b>Total Expenditures</b>	<b>\$150,343,377</b>	<b>\$166,170,587</b>	<b>\$154,923,078</b>	<b>\$160,713,674</b>	<b>\$163,873,369</b>	<b>\$168,993,727</b>	<b>\$169,991,227</b>
<b>Operating Surplus/(Deficit)</b>	<b>\$1,115,204</b>	<b>(\$13,676,174)</b>	<b>\$2,382,514</b>	<b>(\$1,156,127)</b>	<b>(\$1,888,722)</b>	<b>(\$4,535,411)</b>	<b>(\$3,281,040)</b>
<b>Net Adj. &amp; Transfers In/(Out)</b>	<b>(1,850,000)</b>	<b>(1,225,000)</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>(\$734,796)</b>	<b>(\$14,901,174)</b>	<b>\$2,657,514</b>	<b>(\$881,127)</b>	<b>(\$1,613,722)</b>	<b>(\$4,260,411)</b>	<b>(\$3,006,040)</b>
<b>Total Fund Balance</b>	<b>\$42,314,362</b>	<b>\$27,413,188</b>	<b>\$30,070,702</b>	<b>\$29,189,575</b>	<b>\$27,575,853</b>	<b>\$23,315,443</b>	<b>\$20,309,402</b>

**ASSUMPTIONS USED IN OUTYEAR  
REVENUE AND EXPENDITURE PROJECTIONS**

**BASE YEAR**

Each year the Office of Management and Budget develops a five-year revenue and expenditure projection which covers the budget year (FY 2018), as well as the next four outyears (FY 2019 through 2022). For FY 2018, the Approved Budget is shown, and is the base year upon which the FY 2019 through 2022 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 details that follow. FY 2017 embodies projected year-end revenues that have been reviewed by the Wilmington Economic & Financial Advisory Council, as well as expenditure estimates presented to the City's Expenditure Review Board.

**GENERAL INFLATION ASSUMPTIONS**

The Office of Management and Budget relies on the Survey of Professional Forecasters for its general inflation projections. Conducted by the Federal Reserve Bank of Philadelphia, this survey is the oldest quarterly survey of macroeconomic forecasts in the United States. The May 12, 2017 release projects headline Consumer Price Index (CPI) growth of 2.3% in calendar year 2017, followed by slightly larger increases in inflation through calendar year 2021. See table below.

<b>Calendar Year</b>	<b>Survey of Professional Forecasters Projected Annual Headline CPI Increase</b>
2017	2.30%
2018	2.30%
2019	2.40%
2020	2.38%
2021	2.38%

Federal Reserve Bank of Philadelphia, Survey of Professional Forecasters, May 12, 2017

While local factors may vary, the regional CPI for the Philadelphia-Wilmington-Atlantic City Consolidated Metropolitan Statistical Area has tended to match or slightly exceed 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 calculations and overriding assumptions included.

## **OUTYEAR PROJECTION ASSUMPTIONS - REVENUES**

### **Wage & Net Profit Taxes (FY 2018 Base Year: \$66,311,600 - 42.2% of total revenues)**

The FY 2018 Wage and Net Profits Tax projection totals just over \$66.3 million, a \$900,000 decrease from FY 2017. During the first two quarters of FY 2017, the Wage Tax projection had been lowered by a total of \$3.2 million stemming from a recalculation of the base amount and temporary job reductions at a large employer. The adjusted Wage Tax base is now \$57.2 million, with another \$110,000 added from audit activities. For FY 2018, job growth and higher employee compensation are projected to increase taxable wages by 3.0%, further expanding base revenue by \$1.72 million. For comparison, the State's personal income tax (a tax roughly equivalent to the City Wage Tax) is projected by the Delaware Economic and Financial Advisory Council (DEFAC) to grow by 4.3% in FY 2018. Finally, audit and collection efforts for FY 2018 are expected to bring in \$1.25 million in one-time revenue, \$250,000 less than last fiscal year. In total, FY 2018 Wage Tax revenue is projected to be \$60.3 million. Net Profits revenue continues to show robust growth, especially payments from law firms, and is projected to increase by \$300,000 in FY 2018, to a new total of \$6 million.

In their June 2017 report, DEFAC projected 4.4% in wage growth for FY 2019 as part of total State personal income tax. However, due to the City's high concentration of certain business sectors, as well as corporate headquarter locations that are associated with fluctuating executive bonus compensation, volatility of the City's single largest revenue source remains high. As such, a more conservative outyear growth factor is necessary. Given the above, City Wage & Net Profit Tax receipts are projected to grow (exclusive of audit and collection revenue), by 3.0% in FY 2019. For Fiscal Years 2020 through 2022, growth of 2.5% is projected, matching expected normal wage inflation. Annual audit and collection revenue is forecasted to remain level at \$1.25 million throughout the projection period.

### **Property Tax (FY 2018 Base Year: \$43,847,261 - 27.9% of total revenues)**

Property Taxes are projected to total \$43,847,261, a net increase of \$4,281,082. Base billings for FY 2017 were \$40.6 million, and a 7.5% increase in the tax rate has been approved that yields approximately \$3.0 million. Although there have been no significant assessment appeals from owners of large commercial properties recently, we have prudently included a \$250,000 offset for potential downside risk from appeals in FY 2018. More than making up for the appeals reduction is approximately \$315,000 of additional revenue expected as a result of expiring tax incentives and property improvements. A 2.0% offset for uncollectible accounts reduces the net base revenue for FY 2018 by \$874,000. Lastly, Penalty and Interest is expected to add \$1.0 million in one-time revenue, the same as last fiscal year.

No increases to the tax rate are projected for the outyears. The amount calculated for downward adjustments due to assessment appeals was lowered by \$50,000 each year in FY 2019 through FY 2022. The amount added from expiring incentives varies in each of the outyears, averaging about \$84,000 annually. Lastly, there is a projected \$25,000 increase each year from reassessments due to property improvements.

### **Real Estate Transfer Tax (FY 2018 Base Year: \$2,404,650 - 1.5% of total revenues)**

Real Estate Transfer Tax revenues are slated to rise by \$47,150, to a new total of \$2,404,650 for FY 2018. This is an increase of 2.0% over the projection for FY 2017, exclusive of two large one-time commercial property transfers. For Fiscal Year 2019, a growth rate of 2.0% is projected, increasing to 2.5% for FY 2020 through FY 2022.

**Head Tax (FY 2018 Base Year: \$3,874,000 - 2.5% of total revenues)**

Head Tax revenue is projected to decrease by \$180,000, to \$3.87 million for FY 2018. The FY 2017 mid-year projection had been decreased by this amount due to the relocation of some jobs to suburban locations. Beyond FY 2018, Head Tax reflects no net growth in the total number of jobs.

**Franchise Fees (FY 2018 Base Year: \$952,421 - 0.6% of total revenues)**

Franchise Fees revenue previously consisted of 2% of the gross revenues from electricity sales in the City and 5% of gross revenues from cable television service sales in the City. In Wilmington, Delmarva Power is the sole distributor of electricity and Comcast is currently the only provider of cable TV service. However, in FY 2014, City Council transferred the Comcast franchise revenue into the special CATV Fund. The annual Delmarva Power payment remains the sole source of revenue in this category and is projected to be \$952,421, the same amount as the actual payment received in FY 2016. Modest growth in the Delmarva Power remittance is forecasted in FY 2019 and beyond, at a rate of 2.0% annually.

**Licenses, Permits, Fees, and Fines (FY 2018 Base Year: \$11,500,000 - 7.3% of total revenues)**

Licenses, Permits, Fees and Fines revenue is projected to decrease by \$850,000. Business Licenses and Fees are expected to hold at \$1.6 million and \$600,000 respectively, while Permit (Building) revenue is projected to hold at \$2.2 million.

Fines are projected to decrease by \$850,000, to a total of \$7.1 million. The breakout is as follows: Criminal/Traffic Fines revenue consists of red-light camera fines, other miscellaneous traffic and criminal fines, and the L&I Instant Ticketing Program. Revenue is projected to total \$3.8 million in FY 2018, down \$850,000 from the FY 2017 budget. The largest portion of Criminal/Traffic Fines is derived from red-light camera fines. In FY 2017, State legislation halted the City's Right-Turn-on-Red (RTOR) camera violation program, eliminating \$1.4 million in revenue. However, revenue from customary Red-Light violations (driving straight through an intersection at a red light) was not affected by the legislation and has trended higher, partially offsetting the RTOR loss by \$550,000. For FY 2018, the total for the category is broken down as follows: Red-Light camera fines at \$2.7 million (down \$850,000), Criminal Fines at \$250,000 (no change), and L&I Instant Ticketing at \$400,000 (no change).

Parking Tickets/Booting Fines are forecast to remain at the \$3.3 million figure budgeted in FY 2017 for FY 2018. The three-year downward trend resulting from reduced ticket writing activity and changes in parking regulations has leveled off.

No overall increase in red-light camera sites is anticipated, although some cameras may be moved to new intersections based on updated accident statistics. As a result, this revenue source is projected to remain level through FY 2022. Criminal Fines and L&I Instant Ticketing revenue are also expected to remain at the FY 2018 levels throughout the projection period.

The remaining sources of revenue, Permits and Fees, are projected to grow by 2% annually in fiscal years 2019 through 2022.

**Interest Income (FY 2018 Base Year: \$340,000 - 0.2% of total revenues)**

The City's cash balances available for investment have improved modestly. The large influx of cash from the last capital bond issuance has been somewhat offset by retroactive and lump-sum payments made as part of recent labor settlements, and large payouts in workers' compensation resulting from the arson fire that killed



and injured a number of firefighters. Interest rates have also inched up a bit, but remain close to historically low levels. Based on these trends and the FY 2017 projection, Interest Earnings are slated to rise to \$340,000 in FY 2018, a \$100,000 increase.

The base interest rate of 1.0% in FY 2018 is projected to increase by 25 basis points each year going forward, and assumes the following additions to the investment base from bond issuances:

1. A weighted average of \$10.0 million from the unspent 2018 capital borrowing will be invested in FY 2019.
2. A weighted average of \$5.0 million from the unspent portion of the 2018 capital borrowing, plus \$10.0 million from an assumed 2020 capital borrowing will be invested in FY 2020.
3. A weighted average of \$5.0 million from the unspent 2020 capital borrowing will be invested in FY 2021.
4. A weighted average of \$5.0 million from the unspent portion of the 2020 capital borrowing, plus \$10.0 million from an assumed 2022 capital borrowing will be invested in FY 2022.

In addition, for FY 2019 through FY 2022, the projected annual changes in fund balance (surpluses or deficits) are added to or subtracted from the investment base.

**Indirect Costs (FY 2018 Base Year: \$5,476,638 - 3.5% of total revenues)**

Indirect Cost will rise by \$230,083, to a new total of \$5,476,638, reflecting the budget increases in the supporting services provided to the Water/Sewer Fund's utility functions by the General Fund. For FY 2019 and subsequent years, this category has been increased by 2.5% per year.

**Other Miscellaneous Revenues (FY 2018 Base Year: \$1,778,000 - 1.1% of total revenues)**

Other Revenues is comprised of General Government Charges, Rentals, and Miscellaneous. Rentals and Miscellaneous revenues are expected to remain unchanged. The remaining portion of this category, General Government Charges, will increase by \$150,000 due to a rise in Vacant Property Registration revenue. No outyear growth is forecasted in these revenues.

**Task Force Revenues (FY 2018 Base Year: \$5,318,626 - 3.4% of total revenues)**

Task Force Revenues are the revenue sources that were created as a result of the 2003 Governor's Task Force, which took effect early in FY 2004. As a result, each county seat (Wilmington is the county seat of New Castle County) in the State receives the revenue derived from a State filing fee for Corporations and Limited Liability Companies (LLC). The State also passed enabling legislation that allowed the City to create a 2% Lodging Tax and a 2% Natural Gas Franchise Fee on gross sales of natural gas in the City.

In total, Task Force Revenues are projected to be \$86,400 higher for FY 2018. Two of the four components of the Task Force Revenues were increased: LLC Filings and the Lodging Tax. Per DEFAC's growth estimate, LLC Filings will rise by 1.8% or \$50,200. Based on trend analysis and the anticipated opening of a new hotel in the City, Lodging Tax was increased by 5% or \$36,200. Conversely, the Natural Gas Tax is slated to remain stable at the FY 2017 budgeted level, while the Corporate Filing Tax is projected to fall by \$100,000. For the outyears, Corporate Filings and LLC revenues have been increased by a weighted average

of 2.95% for FY 2019 in conjunction with DEFAC's growth estimate. For the last three fiscal years of the projection, the annual growth rate is 2.5%. Lodging Tax has been forecasted to increase at 2.0% annually for Fiscal Years 2019 through 2022, while the Natural Gas Tax is slated to remain level during this period.

**County Seat Relief Package (FY 2018 Base Year: \$9,843,339 - 6.3% of total revenues)**

The County Seat Relief Package is a bundle of escalating revenue enhancements authorized by former Governor Minner and approved by the Delaware General Assembly that built 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 was intended to provide diversified revenue support to the three county seats in the State of Delaware.

The FY 2018 projections total \$9.84 million. The breakout is as follows: \$2.5 million for a payment in lieu of taxes (PILOT) by the State on what would usually be tax-exempt properties in the City (no change from the FY 2017 budget); \$5.06 million as part of the State's Uniform Commercial Code (UCC) filing fees (up \$200,000 from the FY 2017 budget); \$1.0 million (capped amount) in Statutory Trust Filing Fees (same as FY 2017); and \$1.3 million in New Castle County Corporate Filing Fees (no change). In total, there is a \$200,000 increase in County Seat Relief Package revenues from the FY 2017 budget.

For FY 2019 through FY 2022, all these revenue sources are forecasted to remain level. Statutory Trust Filing Fees are capped, and no growth is anticipated for the PILOT and New Castle County Corporate Filing revenue. Per DEFAC, UCC filing fees revenue is expected to remain level for FY 2019. As such, the projection was kept flat for the later outyears as well.

**State Port Debt Reimbursement (FY 2018 Base Year: \$389,234 - 0.2% of total revenues)**

The State Port Debt Reimbursement is related to the 1996 sale of the Port from the City to the State. The State requested as part of the terms of the sale that the Port debt remain as a liability on the City's books. However, the State did agree to reimburse the City annually for the amount the City was scheduled to pay out to service the Port debt. The amount for FY 2018 will be \$389,234, and represents a \$450,826 decrease below Fiscal Year 2017. The Debt Reimbursement has been adjusted for outyears per the debt service schedule.

**State Pension Contribution (FY 2018 Base Year: \$5,269,823 - 3.4% of total revenues)**

The State Pension Contribution is a pass-through grant of \$5,269,823 (no change from FY 2017) in revenue that is offset against an equal amount appropriated for pension contribution expenses in the Fire and Police Departments. State Pension Contributions have been projected to remain level through FY 2022.

**Net Adjustments & Transfers (FY 2018 Base Year: \$275,000)**

There are no prior year designations in FY 2018. Only the usual transfer from the Wilmington Parking Authority (WPA) in the amount of \$275,000 is budgeted. No change is anticipated for the outyears.

## **OUTYEAR PROJECTION ASSUMPTIONS - EXPENDITURES**

### **Salaries and Wages (FY 2018 Base Year: \$61,339,237 - 39.6% of total expenditures)**

Estimates on the cost of labor agreements with the City's five bargaining units, as well as estimates of non-union employee expenses, and assumptions on City-wide staffing levels, form the basis of the Salary and Wage projection. The FY 2018 budget serves as the base year for estimating future costs, and all numbers are reported net of projected attrition. In FY 2018, all employees (except those in the police and firefighters unions) were budgeted to receive a 1.0% Cost of Living Adjustment (COLA) and a one-time \$500 payment, the result of labor agreements settled last year in FY 2017. Those settlements resulted in a special budget amendment that approved the use of fund balance to cover the \$6.7 million cost of the COLA, one-time bonuses, and retroactive payments. This is shown as a separate line item in the FY 2017 expenditures.

The City is currently in labor negotiations with most of the collective bargaining units (CBAs) and no COLAs were incorporated into the projection for FY 2019 and beyond. This is to allow an unskewed baseline view of personnel costs from which to negotiate when considering the future fiscal impacts of compensation changes. Anniversary salary step increases are assumed to continue unaltered throughout the projection period for all eligible employees at a cost of about \$500,000 each year.

### **Health Benefits, Active Employees (FY 2018 Base Year: \$17,515,236 - 11.3% of total expenditures)**

In the Health and Welfare Fund, the Self-Insurance Cost account group includes the cost centers for employee medical claims, prescriptions usage, and dental claims. In recent years, the City was experiencing healthcare cost increases and employee plan utilization that was well above the national average. As a result, the City developed a three-year strategic plan and assembled the Wilmington Employee Healthcare Task Force to study all aspects of the City's employee healthcare program, with an eye toward substantially containing future cost growth. This led to the identification of key areas ripe for cost efficiencies, as well as programs to help increase the overall level of employee wellness. The Healthcare Task Force issued their report in April of 2017. The Administration is currently working with the labor unions to implement the report's recommendations.

As a result of the above, the Human Resources Department and USI (the City's insurance broker and consultant) project that on an annual basis during the period of FY 2019 to FY 2022, medical stop-loss insurance will increase 18.0%; medical costs by 6.0%; prescription costs by 4.0%; and dental costs by 4.0%. Taken in total, this equates to an overall weighted-average increase in base Healthcare costs of 6.0% annually through the projection period.

In addition, the City wants to change all employee contributions for healthcare from a fixed dollar amount to a percentage of cost. The projection assumes an a weighted-average employee contribution rate of 11.0% beginning in FY 2019. For the FY 2018 budget, the equivalent weighted-average employee contribution rate was projected to be just under 6.6%. The reduced cost to the City by increasing the employee contributions is a cumulative \$3.6 million over the projection period.

### **Pension and Retirement Healthcare (FY 2018 Base Year: \$17,782,652 - 11.5% of total expenditures)**

In FY 2012, the City closed the last of its pension plans to new employees. All employees hired since that time participate in a State-sponsored pension program in which the City pays the State of Delaware a set percentage of an employee's salary. For FY 2018, it is 11.42% for police officers and firefighters, and 7.09% for civilian participants. Because the funding percentages are estimated to increase by only 10 basis points

each year, the major cost growth will result from the number of new employees hired each year that fill vacancies left by former employees that were in one of the older City-sponsored pension plans. It is assumed that an average of 33 civilians, 12 police officers and 5 firefighters will be hired and added to the State-sponsored pension plans each year. As a result, the \$3.6 million General Fund total cost of the State-sponsored pension plans in FY 2018 is projected to grow to \$4.4 million by FY 2022.

In contrast, the cost of the now-closed City-sponsored pension plans are the actuarially determined dollar amounts derived each year by the City's Actuary. This actuarially required contribution for each of the City's closed plans is calculated to cover ongoing costs, plus provide a contribution to eliminate any unfunded liability within the next 12 years. The Pension Coordinator, working with the City's Actuary, projects small annual decreases (about 0.55%) in the funding targets for FY 2020 and FY 2022, no increase in FY 2019, and a moderate spike upward of 6.74% in FY 2021. This works out to be a weighted-average funding target increase of 1.37% annually for the projection period. The General Fund cost of the City-sponsored pension plans totals almost \$11.8 million for FY 2018. This is projected to grow to \$12.4 million by the end of the projection period.

In FY 2000, the City developed and opened to all employees a retiree healthcare program. Since then, the unfunded liability for the program has grown dramatically, forcing ever increasing annual contributions in an attempt to meet the actuarially required funding targets. In FY 2012, the Treasurer's Office implemented expansive revisions to the program to rein in the costs. The revisions to program benefits were prospective, and do not affect employees hired prior to July 1, 2011. Even with these changes, the Treasurer's Office foresees necessary annual increases of about \$210,000 (the General Fund's prorated contribution) for at least the next 8 years. These increases have been incorporated into the outyears of the projection. The General Fund retiree healthcare budget cost for FY 2018 is \$2.7 million, and will grow to \$3.5 million by FY 2022.

**Other Employee Benefits (FY 2018 Base Year: \$2,543,788 - 1.6% of total expenditures)**

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

**Equipment and Services (FY 2018 Base Year: \$20,735,175 - 13.4% 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, departmental managers have demonstrated the ability to effectively contain aggregate Equipment and Services costs while maintaining comparable levels of City services in the midst of unavoidable increases and significant budget reductions over the past several fiscal years.

To more accurately estimate future costs, certain account groups within this category were analyzed separately, such as water utilities, electricity, and community activities.

In FY 2016, the City began a four-year phase-in to charge the General Fund for water, sewer, and stormwater services. FY 2018 is the third year of the phase-in period, with the General Fund to be charged 75% of the total cost of services. For FY 2019 and beyond, the amount paid will be fully phased in at 100% of cost. Starting with a base fee of just under \$1.0 million in FY 2018, the most recent financial study projects required rate increases in the outyears that will raise the base fee to roughly \$1.1 million by FY 2022.

By entering into a new three-year utility contract and continuing the green initiatives implemented over the past several years, the City has been able to lock in lower rates for electricity that will remain flat for FY 2018

through FY 2020. As a result, the budget for electricity in FY 2018 decreased 11.0% from last fiscal year. In addition, the City receives an annual Municipal Street Aid grant from the State of about \$1.07 million that is used to offset the electricity costs of street lighting that would otherwise be a cost to the General Fund.

Given the above, the projection keeps electricity at the FY 2018 budget level of \$1.17 million through FY 2020. For fiscal years 2021 and 2022, the City's energy broker projects 3.0% annual increases. Based on the State funding formula, the assumption is made that the Municipal Street Aid grant funding will remain constant throughout the entire projection period.

The Mayor's Office and City Council each have a budget account group known as Community Activities, which includes the cost for such things as grants to non-profit agencies and a scholarship tuition assistance program. For FY 2018, the total amount budgeted for Community Activities is \$1,061,810 (\$648,810 in the Mayor's Office and \$413,000 in City Council). It is assumed that this funding will remain constant through the projection period.

For this projection, the Contingency Fund and the Snow & Weather Emergencies Fund are included in the Equipment and Services category (although they are budgeted separately in the budget book summaries). The Contingency Fund was budgeted at \$500,000 for FY 2018. It is assumed it will remain at \$500,000 in the outyears of the projection. The Snow and Weather Emergencies Fund was budgeted at \$172,000 in FY 2018, and is projected to remain at that level through the projection period.

Excluding commissions, the Contingency and Weather Emergencies Funds, community activities, electricity, and the water/sewer utilities, the remaining base of the Equipment and Services category is expected to respond to overall inflationary pressures of 2.5% annually.

**General Liability (FY 2018 Base Year: \$1,383,089 - 0.9% of total expenditures)**

Being self-insured, the City relies heavily on an actuary to annually review claims experience and rate potential liability. Once an accrued liability figure is determined, it is compared to that of the previous fiscal year. Changes in the liability figure on the balance sheet result in changes to the expenses booked under General Liability in the income statement. As a result, this cost category can experience extreme volatility in the short-term. The long-term running average of actual experience was used to derive the FY 2018 budget of \$1.38 million. This figure is projected to increase by 2.5% annually.

**Workers' Compensation (FY 2018 Base Year: \$3,004,907 - 1.9% of total expenditures)**

Workers' Compensation expenditures in FY 2017 reflect the extraordinary and tragic event of the City losing three firefighters as a result of injuries sustained while fighting a home arson fire. The tragedy was compounded by the fact that the City had no catastrophic stop-loss insurance to cover the nearly \$6.5 million in workers' comp medical bills incurred as a result of the event. To ensure that the City is no longer unprepared for these types of events, funding was added for stop-loss insurance coverage and to go towards building a reserve to better protect the City from future catastrophic events. The FY 2018 budget, which was actuarially derived, is used as the base for forecasting purposes. Annual growth is projected to parallel the growth in Salaries and Wages.

**Internal Services (FY 2018 Base Year: \$13,049,878 - 8.4% 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, document

management, 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 above.

In FY 2012, the City completed the final stages of its comprehensive information technology upgrade and expansion program that had resulted in double-digit increases to Data Processing costs in prior years. The Division of Integrated Technology continues to upgrade City software and communications equipment, although to a lesser degree, including projects scheduled throughout the projected period that average roughly \$250,000 annually. Data Processing costs outside of these projects are estimated to increase at rates similar to those of other MS&E categories for each year subsequent to FY 2018.

In recent years, total Motor Vehicle costs have shown greater consistency due to better managing the size of the fleet. Fuel cost increases are projected at 7.0% for each year subsequent to FY 2018, though estimates from various private and government sources vary considerably. All other Motor Vehicle costs are expected to grow by 2.5% annually.

For the other services making up the rest of this category, it is assumed that average annual inflationary pressures of 2.5% will apply. This results in a weighted-average growth of approximately 3.1% annually for the Internal Services category as a whole (excluding General Liability and Workers' Compensation) for FY 2019 through 2022.

**Debt Service (FY 2018 Base Year: \$11,980,293 - 7.7% of total expenditures)**

Debt Service is based on the existing debt schedules as provided by the Finance Department, with estimates added for any expected new borrowing or refinancing. To fund the City's biennial capital budgets, it is assumed a \$20 million bond issuance will take place in January of 2018 (FY 2018), January of 2020 (FY 2020), and January of 2022 (FY 2022).

It is assumed that the debt service for the bond issues will be structured as level, semi-annual payments over a term of 20 years, with no capitalization of interest. The interest rate for the FY 2018 issuance is assumed to be 3.75%, resulting in \$1.43 million in annualized debt service cost. The FY 2020 issuance has an assumed interest rate of 4.00%, resulting in \$1.46 million in annualized debt service costs. The FY 2022 issuance has an assumed interest rate of 4.25%, resulting in \$1.5 million in annualized debt service costs. Because debt service is paid on a semi-annual basis, special consideration is given for the timing of the bond issuances. As such, the first debt service payment on the FY 2022 bond issuance would not occur until FY 2023, which is beyond the projection period.

**Special Purpose (FY 2018 Base Year: \$319,000 - 0.2% of total expenditures)**

This expenditure category funds animal control for a total of \$300,000, and includes a total of \$19,000 for some smaller specialty items in City Council. The City Council funding is projected to grow annually by 2.5% per year starting in FY 2019. The City has begun utilizing the recently established State Office of Animal Welfare for animal control services. As the various SPCAs and other animal organizations in the State of Delaware decided to get out of the animal control business, the City had been forced into paying an exorbitant \$600,000 annual fee to the sole remaining provider of these services. The equitable fee structure of the State Office of Animal Welfare is \$300,000 in FY 2018 and is projected to grow by 2.5% per year through FY 2022.

**State Pension Contribution (FY 2018 Base Year: \$5,269,823 - 3.4% of total expenditures)**

The State Pension Contribution, a grant from the State that is booked as a pass-through in the General Fund to meet the requirements of GASB pronouncement #24, is \$5,269,823 for FY 2018. As such, an equal and offsetting amount is included as General Fund revenue. This expenditure is split between the Police and Fire Departments, with \$3,629,111 budgeted in Fire and \$1,640,712 budgeted in Police. The FY 2018 figure remains unchanged through the projection period.

**Land Bank Contribution**

The Wilmington Neighborhood Conservancy Land Bank was created to address blight and vacant property issues in the City of Wilmington, and is dedicated to the productive and adaptive re-use of problem parcels. The function of the Land Bank is to unify funding for revitalization projects in Wilmington, and to provide overarching support to invest in strategic issues in Wilmington's communities.

The source of funding, decisions about what properties to buy and other operational decisions are made by a 15-member board comprised of City Council members, officials from the Wilmington Housing Partnership and representatives from the Governor's office, State Senate and State House of Representatives. Local non-profit organizations and interest groups will also be engaged to provide suggestions and strategies for purchasing and readying properties for redevelopment.

In addition to its initial investment, the City has made a ten-year commitment to continue to help support the Land Bank by providing an annual allocation of \$1.5 million from the operating budget starting in FY 2019.

# FISCAL YEAR 2018 REVENUES

## Overview

### GENERAL FUND

As can be seen in the chart below, there are both increases and declines in some of the City's key revenue sources. Total revenue before transfers is projected to increase by a net \$2,729,679 or 1.8% above the FY 2017 Budget, to a new total of \$157,305,592. The net change from Budget to Budget (FY 2018 vs. FY 2017) can be broken down as follows:

REVENUE	INCREASE/ (DECREASE)	TOTAL
Property Taxes	\$4,281,082	\$43,847,261
Other Revenues	380,083	7,254,638
County Seat Relief Package	200,000	9,843,339
Interest Earnings	100,000	340,000
Task Force Revenues	86,400	5,318,626
Licenses, Permits & Fees	0	4,400,000
Other Taxes	(97,060)	7,231,071
Other Governments	(450,826)	5,659,057
Fines	(850,000)	7,100,000
Wage & Net Profits Tax	(920,000)	66,311,600
<b>TOTAL</b>	<b>\$2,729,679</b>	<b>\$157,305,592</b>

### WATER/SEWER FUND

Total Water/Sewer Fund revenues are projected to increase by almost \$3.4 million above FY 2017, to a new total of \$77.5 million in FY 2018. Water/Sewer revenues are a combination of Water/Sewer User Fees, Stormwater Billings, and New Castle County (NCC) Sewer, along with the smaller revenue categories of Interest, Rentals, and Solar Panel Revenue. While each of these categories was affected by different factors, it was the overall rate structure that had to be addressed to avoid a fiscal crisis. For almost a decade, rates had not been properly aligned to provide adequate cash flow to the Fund's utility operations. As a result, the General Fund had been subsidizing the Water/Sewer Fund's cash shortages. This led to a situation where nearly all the cash reserves in the General Fund had been depleted, with the City on the path to insolvency had nothing been done. To rectify this, a multi-year plan of prudent rate increases was implemented, starting in FY 2010. As a result, the Water/Sewer Fund is very close to total self-sufficiency, with enough income to no longer require financial support from the City's General Fund.



# REVENUE BUDGET AND CRITICAL ASSUMPTIONS

## General Fund Revenues Fiscal Year 2018

### WAGE & NET PROFITS TAX

**Basis:** Growth of local economy

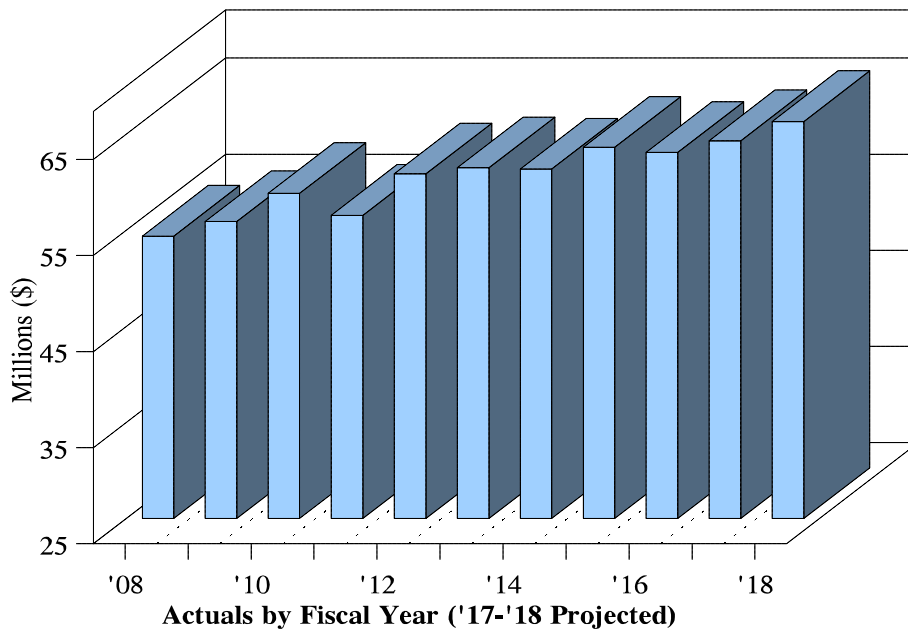
**Critical Assumption:** The FY 2018 Wage and Net Profits Tax projection totals just over \$66.3 million, a \$900,000 decrease from FY 2017.

During the first two quarters of FY 2017, the Wage Tax projection had been lowered by a total of \$3.2 million stemming from a recalculation of the base amount and temporary job reductions at a large employer. The adjusted Wage Tax base is now \$57.2 million, with another \$110,000 added from audit activities. For FY 2018, job growth and higher employee compensation are projected to increase taxable wages by 3.0%, further expanding base revenue by \$1.72 million. For comparison, the State’s personal income tax (an approximate proxy for the Wage Tax) is projected by the Delaware Economic and Financial Advisory Council (DEFAC) to grow by 4.3% in FY 2018. Finally, audit and collection efforts for FY 2018 are expected to bring in \$1.25 million in one-time revenue, \$250,000 less than last fiscal year. In total, FY 2018 Wage Tax revenue is projected to be \$60.3 million.

Net Profits revenue continues to show robust growth and is projected to increase by \$300,000 in FY 2018, to a new total of \$6 million.

FY 2015 Actual	FY 2016 Actual	FY 2017 Budget	FY 2017 Projected	FY 2018 Budget
\$63,638,392	\$63,099,361	\$67,231,600	\$64,331,600	\$66,311,600

### Wage & Net Profits Tax Revenue



# REVENUE BUDGET AND CRITICAL ASSUMPTIONS

## General Fund Revenues Fiscal Year 2018

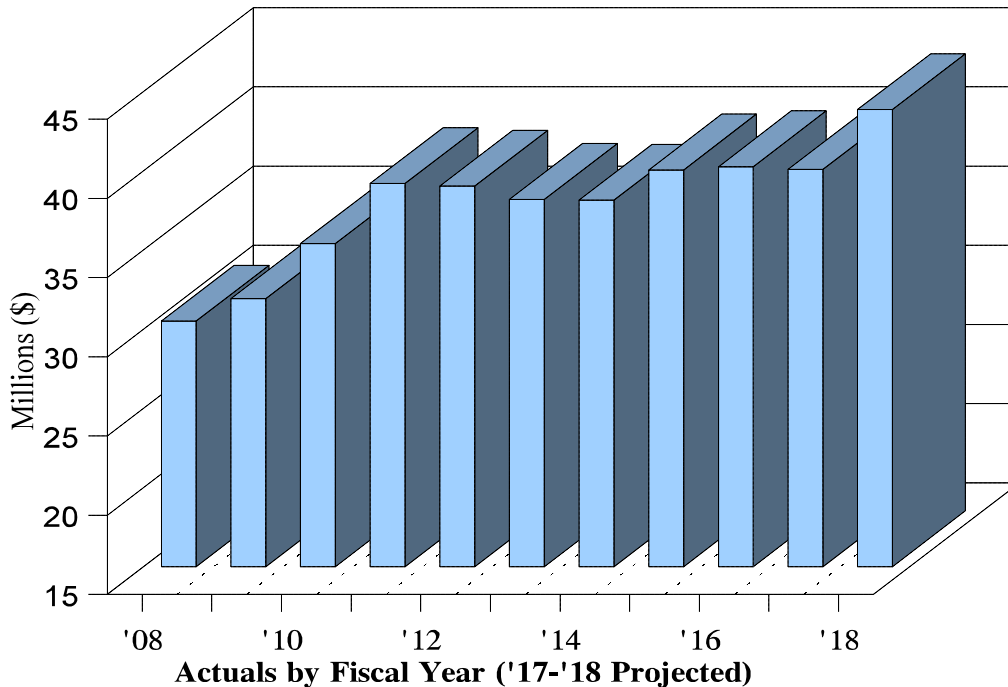
### PROPERTY TAX

**Basis:** Assessment rolls

**Critical Assumption:** Property Taxes are projected to total \$43,847,261, a net increase of \$4,281,082. Base billings for FY 2017 were \$40.6 million, and a 7.5% increase in the tax rate has been approved that yields approximately \$3.0 million. A residential property owner living in a home assessed at the median value of \$50,000 (in 1983 dollars) will pay an additional \$70.00 per year or \$5.83 per month. Although there have been no significant assessment appeals from owners of large commercial properties recently, we have prudently included a \$250,000 offset for potential downside risk from appeals in FY 2018. More than making up for the appeals reduction is approximately \$315,000 of additional revenue expected as a result of expiring tax incentives and property improvements. A 2.0% adjustment downward for uncollectible accounts reduces the net base revenue for FY 2018 by \$874,000. Lastly, Penalty and Interest is expected to add \$1.0 million in one-time revenue, the same as last fiscal year.

FY 2015 Actual	FY 2016 Actual	FY 2017 Budget	FY 2017 Projected	FY 2018 Budget
\$40,046,863	\$40,246,355	\$39,566,179	\$40,066,179	\$43,847,261

### Property Tax Revenue



# REVENUE BUDGET AND CRITICAL ASSUMPTIONS

## General Fund Revenues Fiscal Year 2018

### OTHER TAXES

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

**Critical Assumption:** Other Taxes are projected to decline by \$97,060 for FY 2018. The breakout is as follows:

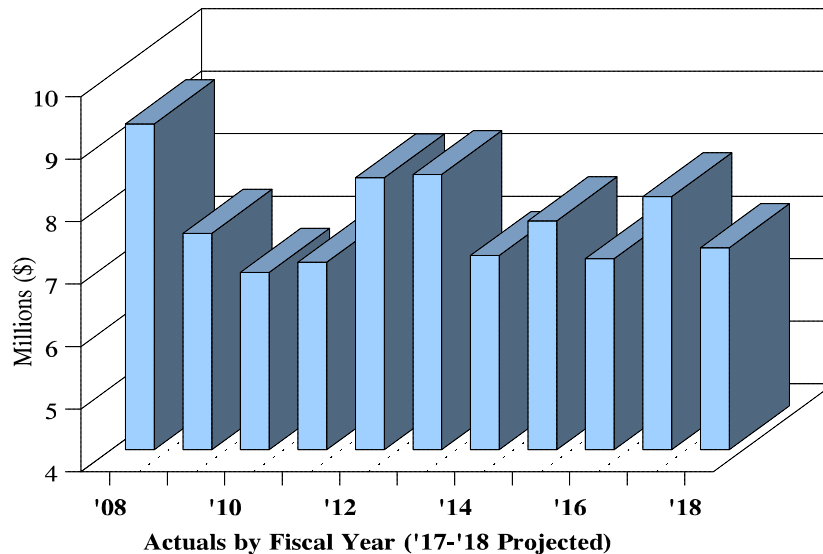
Franchise Fees revenue previously consisted of 2% of the gross revenues from electricity sales in the City and 5% of gross revenues from cable television service sales in the City. In Wilmington, Delmarva Power is the sole distributor of electricity and Comcast is currently the only provider of cable TV service. However, in FY 2014, City Council transferred the Comcast franchise revenue into the special CATV Fund. The annual Delmarva Power payment remains the sole source of revenue in this category and is projected to be \$952,421, the same amount as the payment received in FY 2016.

Real Estate Transfer Tax revenues are slated to rise by \$47,150 to \$2,404,650 for FY 2018, an increase of 2.0% over the projection for FY 2017, exclusive of two large one-time commercial property transfers.

Head Tax revenue is projected to decrease by \$180,000, to \$3.87 million for FY 2018. The FY 2017 mid-year projection had been decreased by this amount due to the temporary relocation of some jobs to suburban locations.

FY 2015 Actual	FY 2016 Actual	FY 2017 Budget	FY 2017 Projected	FY 2018 Budget
\$7,660,655	\$7,053,583	\$7,328,131	\$8,046,631	\$7,231,071

### Other Taxes



# REVENUE BUDGET AND CRITICAL ASSUMPTIONS

## General Fund Revenues Fiscal Year 2018

### LICENSES, PERMITS, FEES, AND FINES

**Basis:** Trend analysis

**Critical Assumption:** Licenses, Permits, Fees and Fines revenue is projected to decrease by \$850,000.

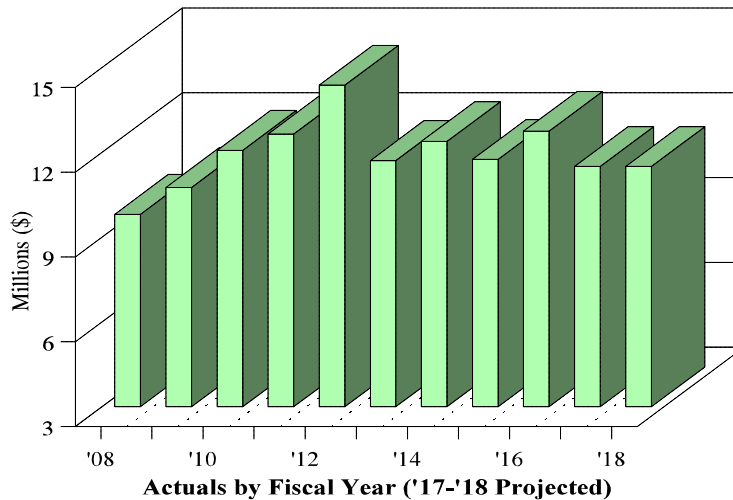
Business Licenses and Fees are expected to hold at \$1.6 million and \$600,000 respectively, while Permit (Building) revenue is projected to hold at \$2.2 million.

Fines are projected to decrease by \$850,000, to a total of \$7.1 million. The breakout is as follows: Criminal/Traffic Fines revenue consists of red-light camera fines, other miscellaneous traffic and criminal fines, and the L&I Instant Ticketing Program. Revenue is projected to total \$3.8 million in FY 2018, down \$850,000 from the FY 2017 budget. The largest portion of Criminal/Traffic Fines is derived from red-light camera fines. In FY 2017, State legislation halted the City’s Right-Turn-on-Red (RTOR) camera violation program, eliminating \$1.4 million in revenue. However, revenue from customary Red-Light violations (driving straight through an intersection at a red light) was not affected by the legislation and has trended higher, partially offsetting the RTOR loss by \$550,000. For FY 2018, the total for the category is broken down as follows: Red-Light camera fines at \$2.7 million (down \$850,000), Criminal Fines at \$250,000 (no change), and L&I Instant Ticketing at \$400,000 (no change).

Parking Tickets/Booting Fines are forecast to remain at the \$3.3 million figure budgeted in FY 2017. The three-year downward trend resulting from reduced ticket writing activity and changes in parking regulations has leveled off.

FY 2015 Actual	FY 2016 Actual	FY 2017 Budget	FY 2017 Projected	FY 2018 Budget
\$11,744,885	\$12,746,282	\$12,350,000	\$11,500,000	\$11,500,000

**Licenses, Permits, Fees & Fines**



# REVENUE BUDGET AND CRITICAL ASSUMPTIONS

## General Fund Revenues Fiscal Year 2018

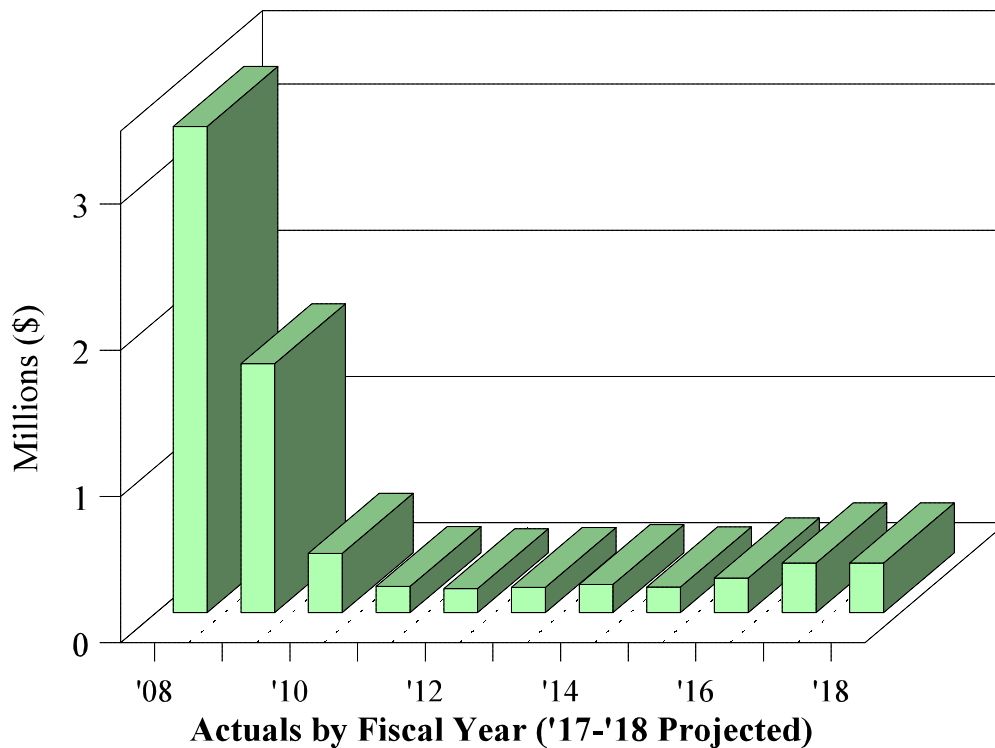
### INTEREST

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

**Critical Assumption:** The City's cash balances available for investment have improved modestly. The large influx of cash from the last capital bond issuance has been somewhat offset by retroactive and lump-sum payments made as part of recent labor settlements, and large payouts in workers' compensation resulting from the arson fire that killed and injured a number of firefighters. Interest rates have also inched up a bit, but remain close to historically low levels. Based on these trends and the FY 2017 projection, Interest Earnings are slated to rise by \$100,000 to \$340,000.

FY 2015 Actual	FY 2016 Actual	FY 2017 Budget	FY 2017 Projected	FY 2018 Budget
\$176,237	\$236,539	\$240,000	\$340,000	\$340,000

### Interest Revenue



# REVENUE BUDGET AND CRITICAL ASSUMPTIONS

## General Fund Revenues Fiscal Year 2018

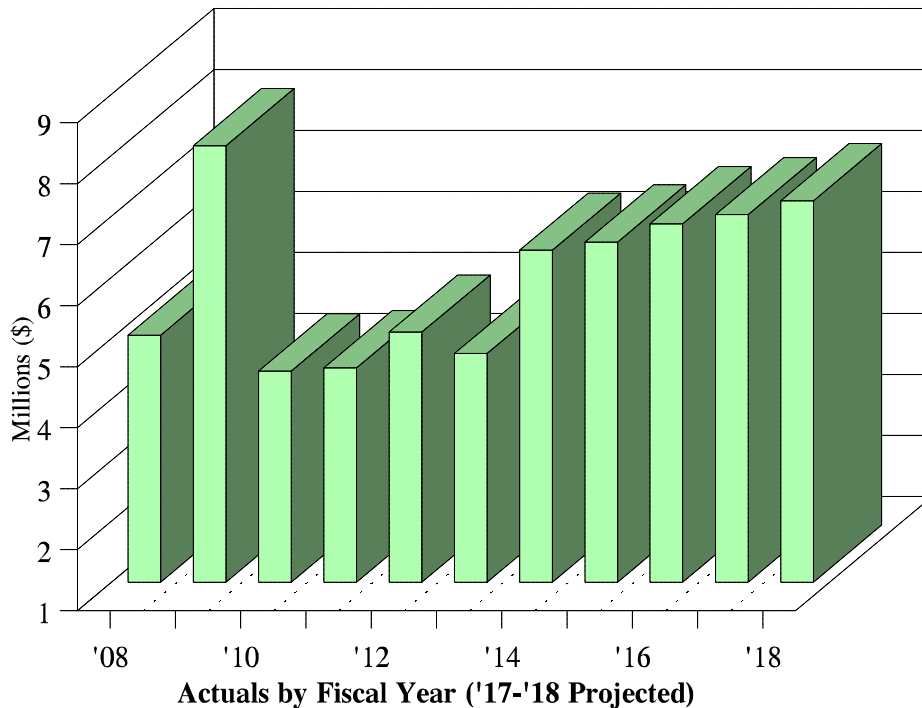
### OTHER REVENUES

**Basis:** Trend analysis/Contractual

**Critical Assumption:** Other Revenues is comprised of Indirect Cost, General Government Charges, Rentals, and Miscellaneous. Rentals and Miscellaneous revenues are expected to remain unchanged. Indirect Costs is a charge to the Water/Sewer Fund that offset costs incurred by the General Fund in support of the water, sewer, and stormwater utilities. Indirect Cost will rise by \$230,083, to a new total of \$5,476,638, reflecting the budget increases in the supporting services provided to the Water/Sewer Fund’s utility functions by the General Fund. The remaining portion of this category, General Government Charges, will increase by \$150,000 due to a rise in Vacant Property Registration revenue.

FY 2015 Actual	FY 2016 Actual	FY 2017 Budget	FY 2017 Projected	FY 2018 Budget
\$6,575,912	\$6,877,518	\$6,874,555	\$7,024,555	\$7,254,638

### Other Revenues



# REVENUE BUDGET AND CRITICAL ASSUMPTIONS

## General Fund Revenues Fiscal Year 2018

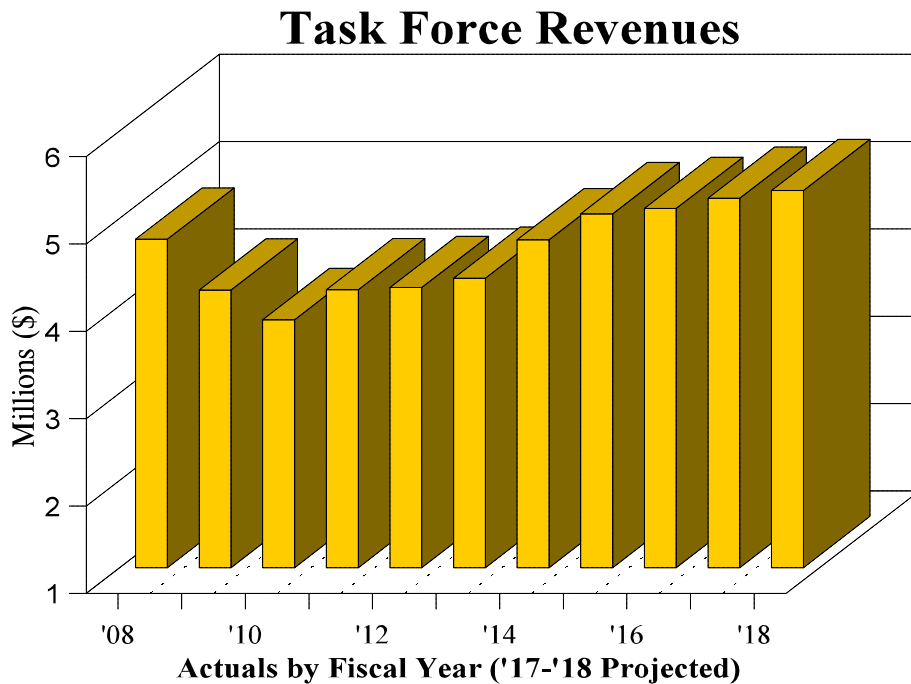
### TASK FORCE REVENUES

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

**Critical Assumption:** Task Force Revenues are the revenue sources that were created as a result of the 2003 Governor’s Task Force, which took effect early in FY 2004. As a result, each county seat (Wilmington is the county seat of New Castle County) in the State receives the revenue derived from State filing fee for Corporations and Limited Liability Companies (LLC). The State also passed enabling legislation that allowed the City to create a 2% Lodging Tax and a 2% Natural Gas Franchise Fee on gross sales of natural gas in the City.

In total, Task Force Revenues are projected to be \$86,400 higher for FY 2018. Two of the four components of the Task Force Revenues were increased: LLC Filings and the Lodging Tax. Per DEFAC’s growth estimate, LLC Filings will rise by 1.8% or \$50,200. Based on trend analysis and the anticipated opening of a new hotel in the City, Lodging Tax was increased by 5% or \$36,200. Conversely, the Natural Gas Tax is slated to remain stable at the FY 2017 budgeted level, while the Corporate Filing Tax is projected to fall by \$100,000.

FY 2015 Actual	FY 2016 Actual	FY 2017 Budget	FY 2017 Projected	FY 2018 Budget
\$5,053,288	\$5,113,176	\$5,232,226	\$5,232,226	\$5,318,626



# REVENUE BUDGET AND CRITICAL ASSUMPTIONS

## General Fund Revenues Fiscal Year 2018

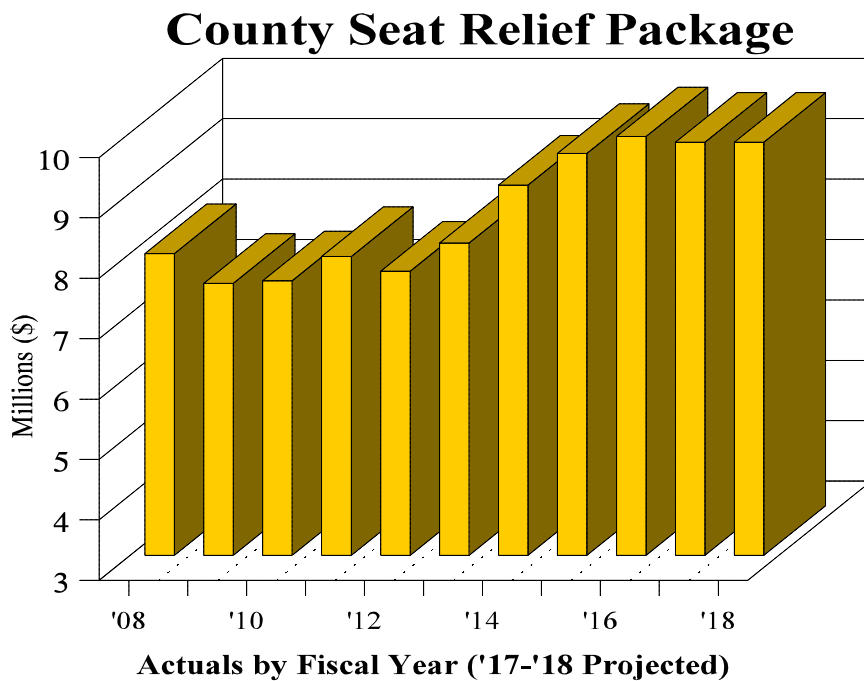
### COUNTY SEAT RELIEF PACKAGE

**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 former Governor Minner and approved by the Delaware General Assembly that built 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 was intended to provide diversified revenue support to the three county seats in the State of Delaware.

The FY 2018 projections total \$9.84 million. The breakout is as follows: \$2.5 million for a payment in lieu of taxes (PILOT) by the State on what would usually be tax-exempt properties in the City (no change from the FY 2017 budget); \$5.06 million as part of the State’s Uniform Commercial Code (UCC) filing fees (up \$200,000 from the FY 2017 budget); \$1.0 million (capped amount) in Statutory Trust Filing Fees (same as FY 2017); and \$1.3 million in New Castle County Corporate Filing Fees (no change). In total, there is a \$200,000 increase in County Seat Relief Package revenues from the FY 2017 budget.

FY 2015 Actual	FY 2016 Actual	FY 2017 Budget	FY 2017 Projected	FY 2018 Budget
\$9,658,837	\$9,933,561	\$9,643,339	\$9,843,339	\$9,843,339





# REVENUE BUDGET AND CRITICAL ASSUMPTIONS

## General Fund Revenues Fiscal Year 2018

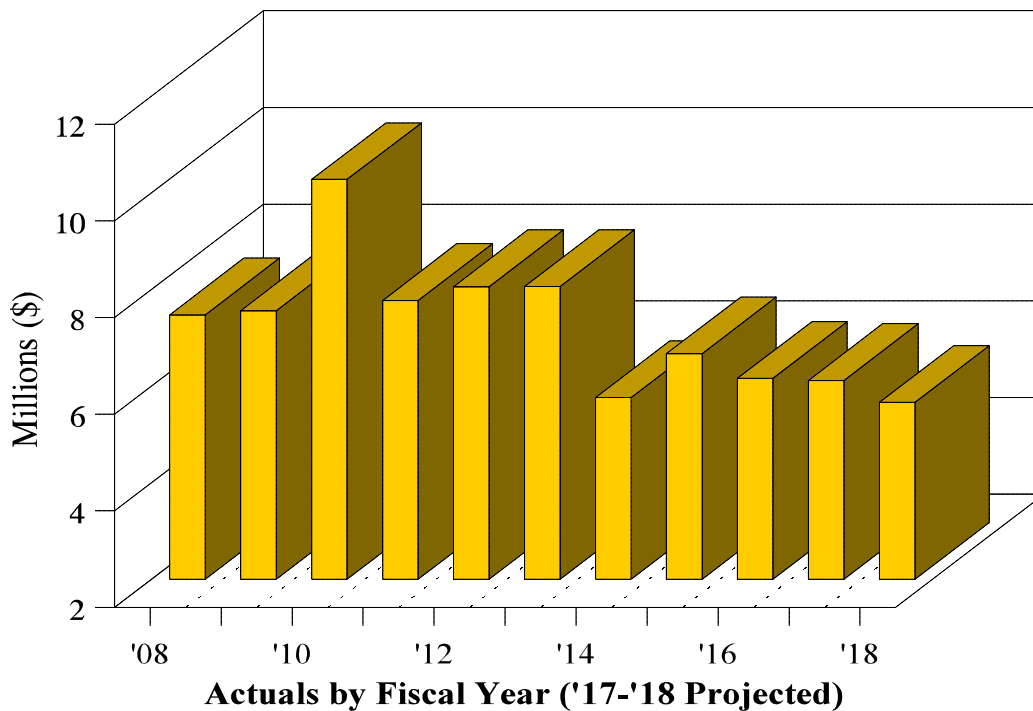
### OTHER GOVERNMENTS

**Basis:** Estimates from the Delaware State Board of Pension Trustees/Current debt schedules

**Critical Assumption:** Other Governments consists of the State Pension Contribution and the State Port Debt Reimbursement. The State Pension Contribution is a pass-through grant of \$5,269,823 (no change from FY 2017) in revenue that is offset against an equal amount appropriated for pension contribution expenses in the Fire and Police Departments. The State Port Debt Reimbursement is related to the 1996 sale of the Port from the City to the State. The State requested as part of the terms of the sale that the Port debt remain as a liability on the City's books. However, the State did agree to reimburse the City annually for the amount the City was scheduled to pay out to service the Port debt. The amount for FY 2018 will be \$389,234, and represents a \$450,826 decrease below Fiscal Year 2017.

FY 2015 Actual	FY 2016 Actual	FY 2017 Budget	FY 2017 Projected	FY 2018 Budget
\$6,665,575	\$6,152,206	\$6,109,883	\$6,109,883	\$5,659,057

### Other Governments



# REVENUE BUDGET AND CRITICAL ASSUMPTIONS

## General Fund Revenues Fiscal Year 2018

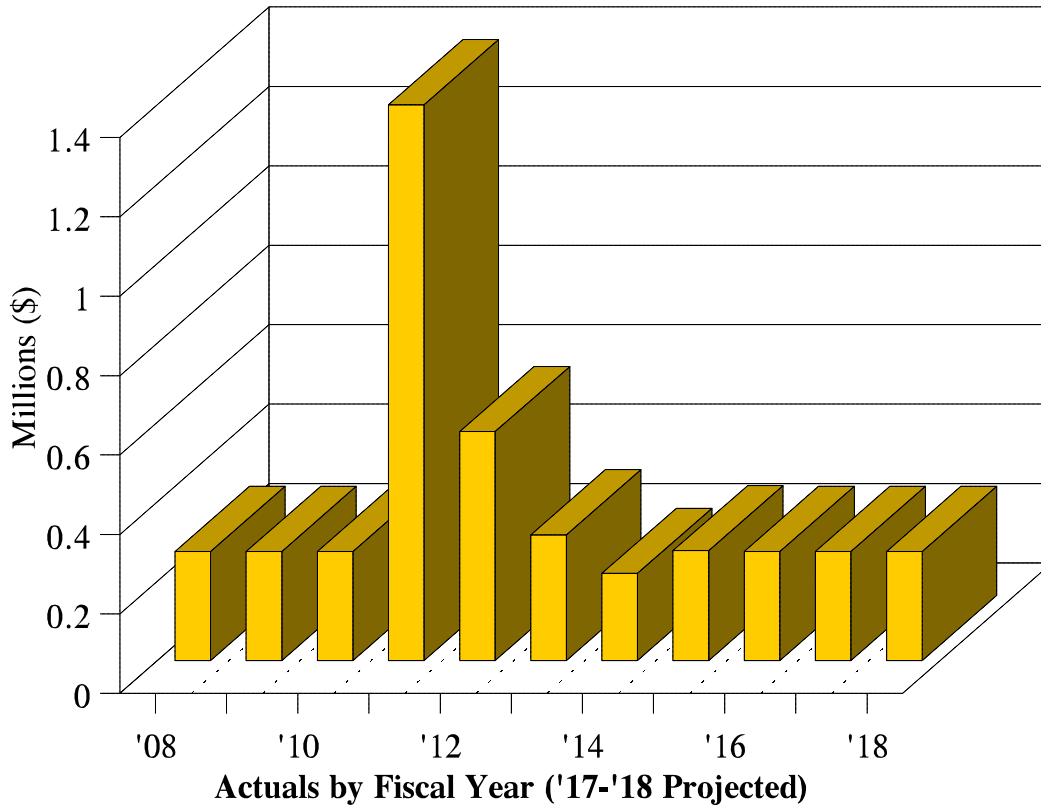
### TRANSFERS AND USE OF FUND BALANCE

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

**Critical Assumption:** There are no prior year designations in FY 2018. There is only the usual transfer from the Wilmington Parking Authority (WPA) in the amount of \$275,000.

FY 2015 Actual	FY 2016 Actual	FY 2017 Budget	FY 2017 Projected	FY 2018 Budget
\$276,696	\$275,000	\$275,000	\$275,000	\$275,000

## Transfers & Use of Fund Balance



# REVENUE BUDGET AND CRITICAL ASSUMPTIONS

## Special Funds Revenues Fiscal Year 2018

### MUNICIPAL STREET AID

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

**Critical Assumption:** This grant is used to offset electricity costs for street lighting, and is anticipated to remain equal to the FY 2017 level.

FY 2015 Actual	FY 2016 Actual	FY 2017 Budget	FY 2017 Projected	FY 2018 Budget
\$823,313	\$992,448	\$1,070,165	\$1,070,165	\$1,070,165

### COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)

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

**Critical Assumption:** Funding is expected to decrease by a little more than \$101,000 less than the FY 2017 award.

FY 2015 Actual	FY 2016 Actual	FY 2017 Budget	FY 2017 Projected	FY 2018 Budget
\$2,453,999	\$2,393,769	\$2,028,437	\$2,028,437	\$1,927,015

### COMCAST FRANCHISE FEES

**Basis:** Trend Analysis and Growth of local economy

**Critical Assumption:** Comcast Franchise Fees revenue consists of 5.0% of gross revenues from cable television service sales in the City. In Wilmington, Comcast is currently the only provider of cable TV service. In FY 2014, for the first time, Franchise Fees were budgeted as a special revenue fund, a result of City Council transferring the Comcast franchise revenue into the CATV Fund. For FY 2018, this revenue source is expected to remain at the FY 2017 budgeted level.

FY 2015 Actual	FY 2016 Actual	FY 2017 Budget	FY 2017 Projected	FY 2018 Budget
\$1,183,955	\$1,205,008	\$1,200,000	\$1,200,000	\$1,200,000

# REVENUE BUDGET AND CRITICAL ASSUMPTIONS

## Special Funds Revenues Fiscal Year 2018

### COMMUNITY ORIENTED POLICING SERVICES (COPS) GRANT

**Basis:** U.S. Department of Justice Grant

**Critical Assumption:** The Community Oriented Policing Services (COPS) grant is a Federal award to help law enforcement agencies to hire more community policing officers, acquire new technologies and equipment, and promote innovative approaches to solving crime. The FY 2015 amount represented the remaining funds for a 0.80 Full-time Equivalent (FTE) Patrol Officer. No additional funding was secured beyond FY 2015.

FY 2015 Actual	FY 2016 Actual	FY 2017 Budget	FY 2017 Projected	FY 2018 Budget
\$29,765	\$0	\$0	\$0	\$0

### S.A.F.E.R. GRANT

**Basis:** U.S. Department of Homeland Security Award

**Critical Assumption:** The Staffing for Adequate Fire & Emergency Response Grant was created to help fire departments increase the number of trained firefighters in communities. Although planned as a two-year award to fund salary and benefit costs for 13 firefighters, the grant spanned a partial third year due to an initial delay in implementation. Funds were exhausted in FY 2014, and the City was unable to secure an additional award.

FY 2015 Actual	FY 2016 Actual	FY 2017 Budget	FY 2017 Projected	FY 2018 Budget
\$0	\$0	\$0	\$0	\$0

### PARKS ASSISTANCE

**Basis:** Estimate from Federal Government

**Critical Assumption:** These funds are used for the Summer and Evening Food Programs. Funding is projected at the FY 2017 amount.

FY 2015 Actual	FY 2016 Actual	FY 2017 Budget	FY 2017 Projected	FY 2018 Budget
\$1,045,327	\$1,443,509	\$1,231,879	\$1,231,879	\$1,231,879

# REVENUE BUDGET AND CRITICAL ASSUMPTIONS

## Special Funds Revenues Fiscal Year 2018

### 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 2015 Actual	FY 2016 Actual	FY 2017 Budget	FY 2017 Projected	FY 2018 Budget
\$105,289	\$111,506	\$130,956	\$130,956	\$134,847

### 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 significantly in FY 2018.

FY 2015 Actual	FY 2016 Actual	FY 2017 Budget	FY 2017 Projected	FY 2018 Budget
\$1,758,970	\$2,183,451	\$541,244	\$541,244	\$1,385,975

### PENSION ADMINISTRATION

**Basis:** Estimates from Pension Coordinator

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

FY 2015 Actual	FY 2016 Actual	FY 2017 Budget	FY 2017 Projected	FY 2018 Budget
\$4,347,523	\$4,457,136	\$4,636,738	\$4,636,738	\$4,840,184

# REVENUE BUDGET AND CRITICAL ASSUMPTIONS

## Special Funds Revenues Fiscal Year 2018

### HOME PARTNERSHIP FUND

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

**Critical Assumption:** The Home Partnership Program is awarded through HUD and is expected to decrease slightly in FY 2018.

FY 2015 Actual	FY 2016 Actual	FY 2017 Budget	FY 2017 Projected	FY 2018 Budget
\$726,581	\$744,080	\$386,511	\$386,511	\$369,177

### MISCELLANEOUS GRANTS

**Basis:** Federal/State of Delaware award letters

**Critical Assumption:** Miscellaneous Grants is a combined total of two Federal grants and three State grants. The Federal grants are Housing Opportunities for People With AIDS (HOPWA at \$604,960) and the Emergency Shelter Grant (ESG at \$177,624). The State grants are the Local Emergency Planning Committee Grant (LEPC at \$65,879), the Workforce Investment Board (WIB at \$315,324), and the State Fire Grant (\$201,369).

FY 2015 Actual	FY 2016 Actual	FY 2017 Budget	FY 2017 Projected	FY 2018 Budget
\$2,293,373	\$1,757,457	\$1,407,823	\$1,407,823	\$1,365,156

# REVENUE BUDGET AND CRITICAL ASSUMPTIONS

## Water/Sewer Fund Revenues Fiscal Year 2018

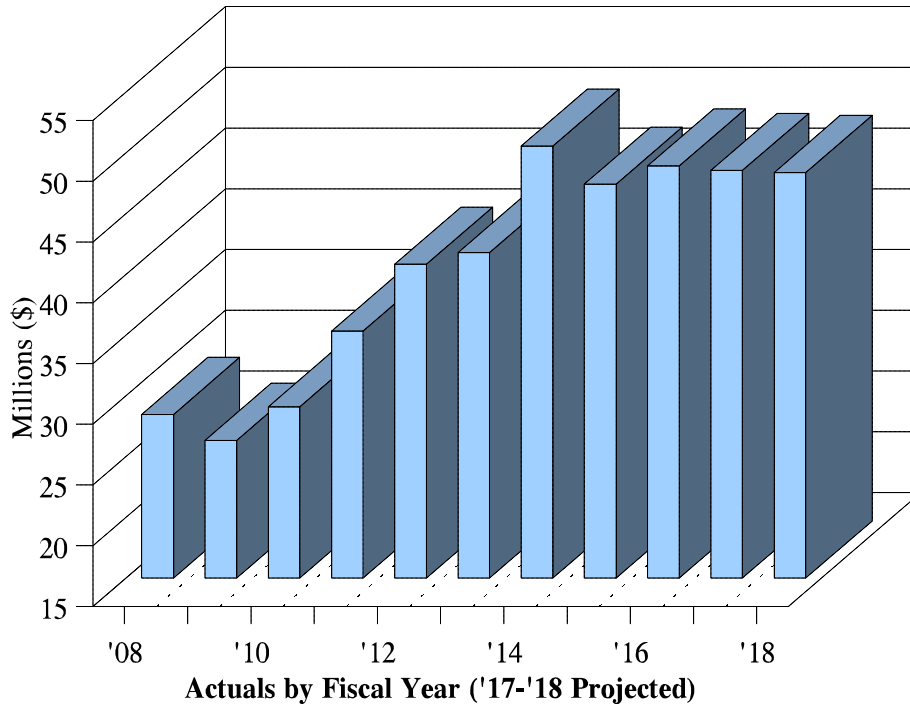
### WATER/SEWER USER FEES

**Basis:** Trend analysis/Management initiatives/Proposed rate increase

**Critical Assumption:** The base amount of Water/Sewer User Fees had been growing in recent years as a result of the rate increases to stabilize the Fund. For FY 2018, base billings, forecasted through financial modeling using current consumption data, will increase by \$780,000 to \$43.7 million. There is an approved increase to water and sewer rates of 4.0%. This will allow the City to fully fund a 60-day operating reserve, while meeting the minimum debt coverage ratio set by policy. The impact on a typical City residential customer (consuming 4,000 gallons of water per month) will be a monthly bill increase of \$1.81. The rate increases were the strong recommendation of the City's independent Water/Sewer Citizens Advisory Board. Revenue from special sewer fees and other miscellaneous sources will contribute \$3.9 million, down \$900,000 from FY 2017. Finally, subtracting the allowance for uncollectible accounts (\$900,000) results in a net total User Fees projection of \$48.4 million, an increase of \$1.5 million from the FY 2017 budget.

FY 2015 Actual	FY 2016 Actual	FY 2017 Budget	FY 2017 Projected	FY 2018 Budget
\$47,426,458	\$48,920,621	\$46,859,000	\$48,559,000	\$48,378,000

### Water/Sewer User Fees



# REVENUE BUDGET AND CRITICAL ASSUMPTIONS

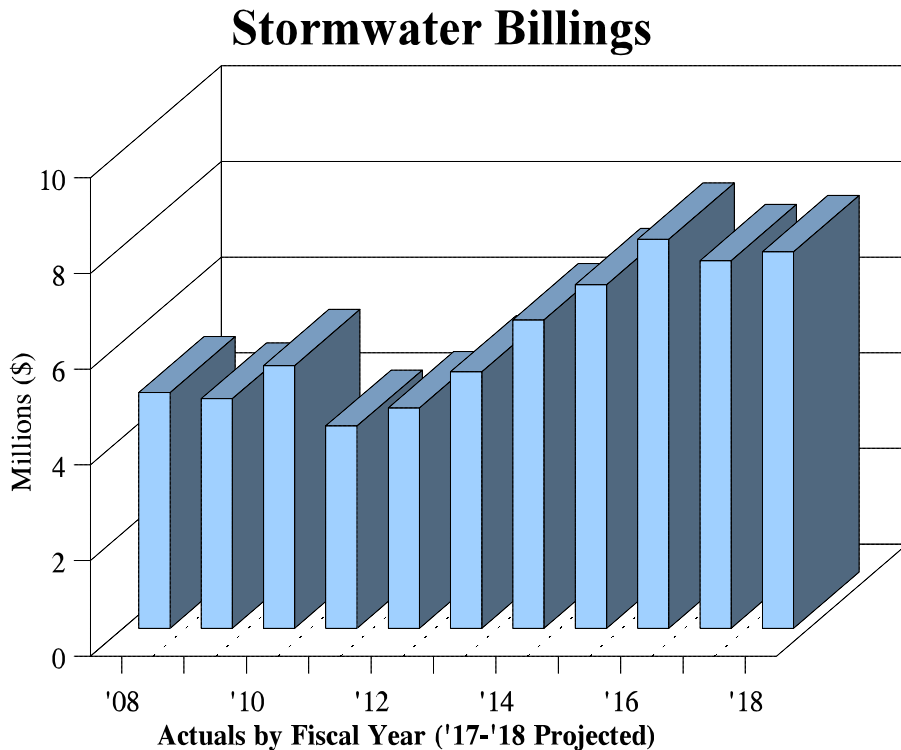
## Water/Sewer Fund Revenues Fiscal Year 2018

### STORMWATER BILLINGS

**Basis:** Trend analysis/Management initiatives

**Critical Assumption:** The Stormwater Property Fee is charged to all property owners in the City. The fee is not based on a consumption factor, but rather 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 for FY 2018 is \$8.3 million. After allowing a total of \$414,000 for uncollectible accounts, almost \$7.9 million in revenue is projected for FY 2018, a net increase of \$188,000 above the FY 2017 budget. Stormwater rates will remain the same as last fiscal year, as recommended by the Water/Sewer Citizens Advisory Council

FY 2015 Actual	FY 2016 Actual	FY 2017 Budget	FY 2017 Projected	FY 2018 Budget
\$7,183,801	\$8,132,100	\$7,686,000	\$7,686,000	\$7,874,000





# REVENUE BUDGET AND CRITICAL ASSUMPTIONS

## Water/Sewer Fund Revenues Fiscal Year 2018

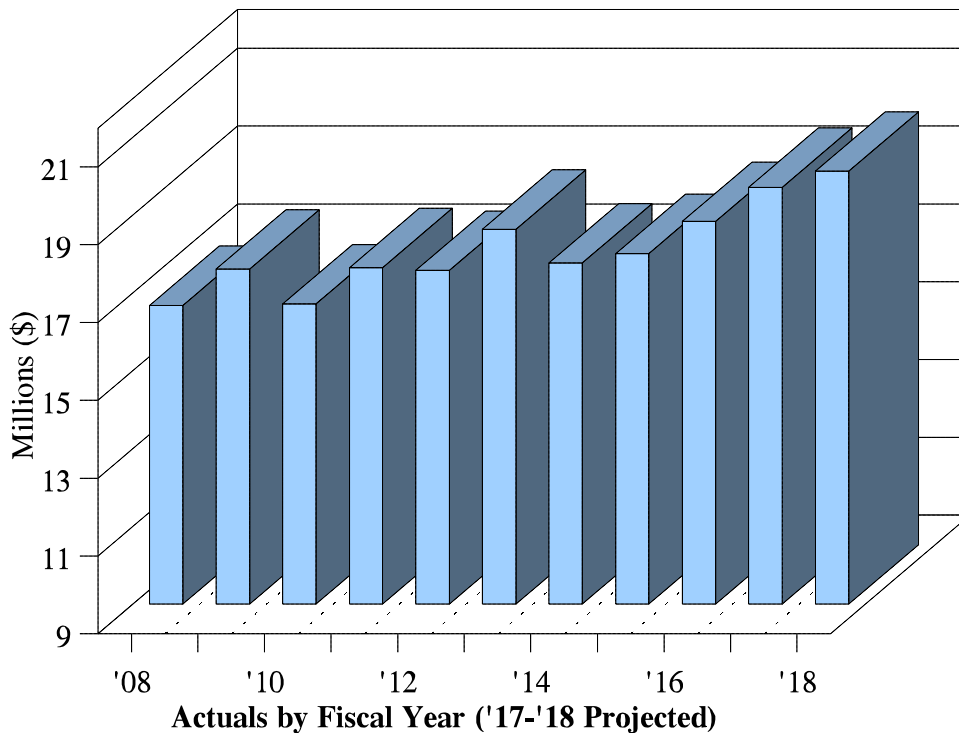
### NEW CASTLE COUNTY SEWER SERVICES

**Basis:** Contract with New Castle County

**Critical Assumption:** The City and New Castle County remain in the midst of negotiating a new contract defining the fee structure for treating the County’s sewage. Until a new contract is agreed upon, most of the terms of the expired contract will continue. Total revenue for FY 2018 is projected at \$20,133,523, a net increase of \$1,759,279 from last fiscal year. The increase results from the reimbursement of higher costs to the City for the operation of the sewage treatment facility, along with a risk management fee.

FY 2015 Actual	FY 2016 Actual	FY 2017 Budget	FY 2017 Projected	FY 2018 Budget
\$18,095,165	\$18,837,257	\$18,374,244	\$19,718,418	\$20,133,523

### NCC Sewer Services



# REVENUE BUDGET AND CRITICAL ASSUMPTIONS

## Water/Sewer Fund Revenues Fiscal Year 2018

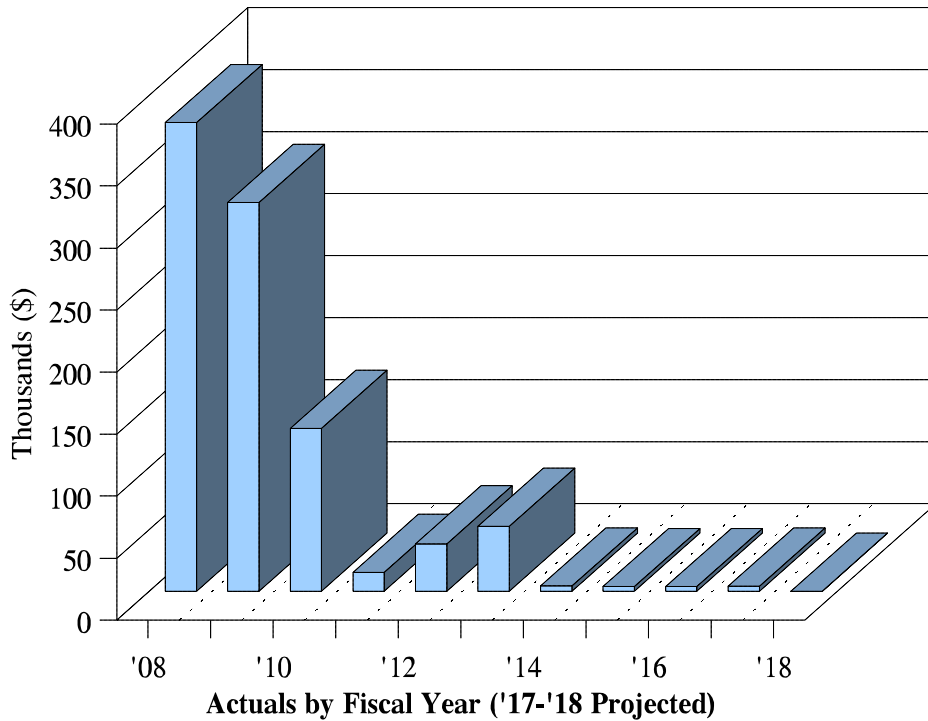
### INTEREST

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

**Critical Assumption:** Previously, all interest earned on City cash balances, regardless of the source, was booked as revenue to the General Fund. Starting in FY 2007, to help bolster the Water/Sewer Fund, interest earned on unspent Water/Sewer capital cash balances was booked as revenue to the Water/Sewer Fund. But based on the last three years of actual revenues, the posting of interest into the Water/Sewer Fund has been suspended.

FY 2015 Actual	FY 2016 Actual	FY 2017 Budget	FY 2017 Projected	FY 2018 Budget
\$3,502	\$3,647	\$4,000	\$4,000	\$0

### Interest Income



# REVENUE BUDGET AND CRITICAL ASSUMPTIONS

## Water/Sewer Fund Revenues Fiscal Year 2018

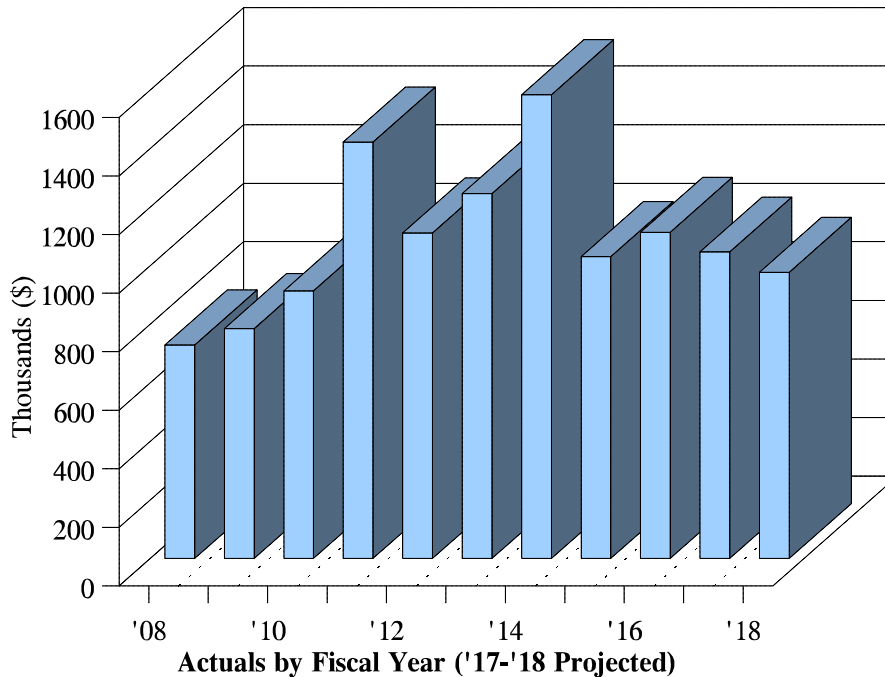
### RENTALS/MISCELLANEOUS

**Basis:** Lease/Contracts

**Critical Assumption:** Rental income, which is derived by charging fees to telecommunications companies that rent space on the City’s water tanks for antennae and transmitters, is projected to decrease by \$69,000 to \$978,000 in FY 2018.

FY 2015 Actual	FY 2016 Actual	FY 2017 Budget	FY 2017 Projected	FY 2018 Budget
\$1,031,263	\$1,113,799	\$1,047,000	\$1,047,000	\$978,000

### Rentals/Miscellaneous



# REVENUE BUDGET AND CRITICAL ASSUMPTIONS

## Water/Sewer Fund Revenues Fiscal Year 2018

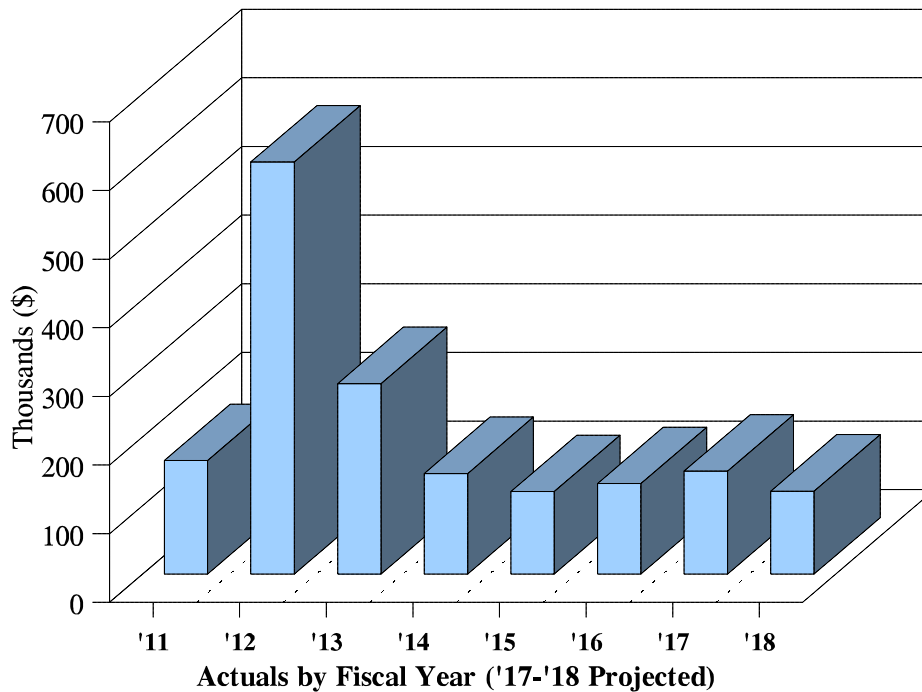
### SOLAR PANEL REVENUE

**Basis:** Lease/Contracts

**Critical Assumption:** This was a new revenue source that began in FY 2011. Although small in value, because of the special nature of this revenue, it is accounted for in its own separate category. As a result of the installation of solar panel arrays at various municipal sites (most notably the Porter Filter Plant), the City earns Solar Renewable Energy Credits (SRECs). Revenue is obtained from the sale of these credits by the City. For FY 2018, \$121,000 in revenue is expected, down by \$29,000.

FY 2015 Actual	FY 2016 Actual	FY 2017 Budget	FY 2017 Projected	FY 2018 Budget
\$120,296	\$132,230	\$150,000	\$150,000	\$121,000

### Solar Panel Revenue



**CITY OF WILMINGTON  
TAX RATES FOR FISCAL YEAR 2018**

**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:** \$1.995 per one-hundred dollars of assessed value.

**HEAD TAX**

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

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

**REAL ESTATE TRANSFER TAX**

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

**Rate:** 1.50%

**CITY OF WILMINGTON**  
**TAX RATES FOR FISCAL YEAR 2018**  
**(Continued)**

**FRANCHISE TAX**

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

**Rate:** 2.0% on electrical service; 2.0% on natural gas; 5.0% 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:** 2.0% of rent.



# MAYOR'S OFFICE

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

## SUMMARY OF FUNDING FOR THE MAYOR'S OFFICE

<b>TOTAL ALL FUNDS*</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>APPROVED</b>
<b>MAYOR'S OFFICE</b>	<b>FY2015</b>	<b>FY2016</b>	<b>FY2017</b>	<b>FY2018</b>
Personal Services	5,476,516	5,867,438	5,913,758	6,037,470
Materials, Supplies & Equipment	4,931,914	6,050,000	6,848,438	6,831,222
Internal Services	1,137,229	1,051,544	1,248,559	1,187,340
Debt Service	3,931,342	4,374,120	4,303,329	3,517,614
Special Purpose	119,000	117,000	0	0
Contingent Reserves	0	0	127,360	672,000
Depreciation	906,648	931,395	967,940	931,394
<b>TOTAL</b>	<b>16,502,649</b>	<b>18,391,497</b>	<b>19,409,384</b>	<b>19,177,040</b>
<b>STAFFING LEVELS</b>	<b>59.00</b>	<b>59.00</b>	<b>59.00</b>	<b>57.00</b>

<b>GENERAL FUND</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>APPROVED</b>
<b>MAYOR'S OFFICE</b>	<b>FY2015</b>	<b>FY2016</b>	<b>FY2017</b>	<b>FY2018</b>
Personal Services	3,662,376	3,956,712	3,773,241	3,793,994
Materials, Supplies & Equipment	1,460,078	1,788,533	1,674,649	1,630,523
Internal Services	819,858	723,244	932,598	880,927
Debt Service	3,794,633	4,258,774	4,081,163	3,443,669
Special Purpose	119,000	117,000	0	0
<b>TOTAL</b>	<b>9,855,945</b>	<b>10,844,263</b>	<b>10,461,651</b>	<b>9,749,113</b>
<b>STAFFING LEVELS</b>	<b>37.50</b>	<b>37.50</b>	<b>36.50</b>	<b>34.50</b>

<b>CONTINGENT RESERVES</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>APPROVED</b>
<b>MAYOR'S OFFICE</b>	<b>FY2015</b>	<b>FY2016</b>	<b>FY2017</b>	<b>FY2018</b>
Contingency	0	0	(44,640)	500,000
Snow & Weather Emergencies	0	0	172,000	172,000
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>127,360</b>	<b>672,000</b>
<b>STAFFING LEVELS</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

\* Differs from Summary of All funds Combined – Expenditures table on page 37 due to Internal Service Funds and Contingent Reserve expenses listed separately.



<b>LOCAL EMERGENCY PLANNING COMMITTEE (LEPC) FUND MAYOR'S OFFICE</b>	<b>ACTUAL FY2015</b>	<b>ACTUAL FY2016</b>	<b>BUDGET FY2017</b>	<b>APPROVED FY2018</b>
Personal Services	122,629	126,816	67,357	65,879
Materials, Supplies & Equipment	18,173	23,930	0	0
<b>TOTAL</b>	<b>140,802</b>	<b>150,746</b>	<b>67,357</b>	<b>65,879</b>
<b>STAFFING LEVELS</b>	<b>0.50</b>	<b>0.50</b>	<b>0.50</b>	<b>0.50</b>

<b>INTERNAL SERVICES FUND MAYOR'S OFFICE</b>	<b>ACTUAL FY2015</b>	<b>ACTUAL FY2016</b>	<b>BUDGET FY2017</b>	<b>APPROVED FY2018</b>
Personal Services	1,691,511	1,783,910	2,073,160	2,177,597
Materials, Supplies & Equipment	3,453,663	4,237,537	5,173,789	5,200,699
Internal Services	317,371	328,300	315,961	306,413
Debt Service	136,709	115,346	222,166	73,945
Depreciation	906,648	931,395	967,940	931,394
<b>TOTAL</b>	<b>6,505,902</b>	<b>7,396,488</b>	<b>8,753,016</b>	<b>8,690,048</b>
<b>STAFFING LEVELS</b>	<b>21.00</b>	<b>21.00</b>	<b>22.00</b>	<b>22.00</b>

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

- Personal Services costs increased a net total of \$20,753.
- Several job title changes and adjustments to salaries took place during the mid-year transition process following the 2016 election that resulted in savings of \$60,000.
- Two vacant positions were eliminated, a Senior Economic Research & Development Manager and an Administrative Assistant in the Administrative Division. These deletions result in savings of \$212,000 in salaries and benefits.
- The allocation in Personal Services Adjustment is due to a one-time payment of \$500 for all non-union employees.
- Community Activities decreased a net total of \$63,000. Grants to Agencies was reduced by \$160,000, while Miscellaneous Projects was increased by \$97,000 and returns the annual allocation to Cityfest to the FY 2016 level.
- Miscellaneous Services rose \$29,398, mainly to expand the City-wide graffiti removal program.
- Consultant costs increased slightly by \$6,300. A reduction in the Office of Management and Budget of \$75,000 mostly offset increases in the Administration, Office of Economic Development, and Cultural Affairs Divisions.
- Debt Service costs decreased by a net total of \$637,494, as older debt issues have matured, and more recent debts have been refinanced at a lower interest rate.

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

- Personal Services costs increased a net total of \$104,437.
- Total Salaries rose by \$37,803, as a result of annual salary step increases and position upgrades for three Information Help Desk Engineer's and one Information Systems Administrator through the biennial appeals process. The remaining portion of the increase to salaries is due to the successive 1% COLA and a \$500 one-time payment for all employees.
- Total Employee Benefits increased by \$54,791, led by higher Hospitalization, Pension, and Pension-Healthcare.
- Significant cuts were made throughout the Department's MS&E accounts. Printing, Communications and Utilities, and Contracted Maintenance were reduced to better align with the three-year trends, decreasing by \$31,000, \$38,860, and \$38,565, respectively.
- Professional Fees increased by \$47,000 for project management consultants to efficiently and effectively implement ongoing IT related projects City-wide.
- Equipment increased by \$94,345 to support a new Permitting Technology Improvements program, a pilot program for Digital Signatures, and the Microsoft 365 contract.
- Internal Services decreased \$9,548, due primarily to Data Processing costs.

**DEPARTMENTAL BUDGET DETAIL BY FUND**

**DEPARTMENT: MAYOR'S OFFICE**

**FUND: GENERAL**

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY2015</b>	<b>ACTUAL FY2016</b>	<b>BUDGET FY2017</b>	<b>APPROVED FY2018</b>
Regular Salaries	2,457,301	2,650,250	2,573,069	2,466,284
Temporary Salaries	22,234	37,695	0	0
Acting Out of Class	0	21,215	0	0
Sick Leave Bonus	1,600	1,800	0	0
Overtime/Special Events	613	1,587	0	0
Meal Allowance	0	0	0	0
Health Cash Back	7,466	7,076	6,960	4,560
Pension Contribution	259,350	228,760	224,175	252,766
Social Security	151,833	165,988	157,591	148,833
Medicare Tax	35,532	38,831	36,856	34,809
Hospitalization	534,598	603,181	589,105	691,843
Life Insurance	9,070	8,719	8,743	8,250
Pension Healthcare	81,478	89,302	98,550	103,500
State Pension Plan - Civilian	101,301	102,308	116,175	102,024
Personal Services Adjustment	0	0	0	19,108
Attrition	0	0	(37,983)	(37,983)
<b>TOTAL PERSONAL SERVICES</b>	<b>3,662,376</b>	<b>3,956,712</b>	<b>3,773,241</b>	<b>3,793,994</b>
 <b><u>MATERIALS, SUPPLIES &amp; EQUIPMENT</u></b>				
Printing & Advertising	94,924	127,898	96,493	93,699
Communications & Utilities	38,022	34,305	45,927	38,905
Transportation	32,416	7,612	28,600	28,700
Rentals	55,331	59,568	45,350	44,080
Contracted Maintenance Repairs	2,238	2,500	3,140	4,651
Professional Fees	295,016	387,550	389,715	396,000
Other Fees	0	0	0	0
Memberships & Registrations	49,114	43,734	60,832	59,146
Miscellaneous Services	205,759	191,394	212,962	242,360
Office & General Supplies	10,936	10,265	12,440	11,172
Miscellaneous Parts	44,822	49,085	55,380	52,000
Construction and Repairs	75	0	1,000	1,000
Equipment	10,380	4,605	11,000	10,000
Fixed Assets	0	0	0	0
Miscellaneous Projects	498,939	507,588	108,560	205,560
Community Activities	122,106	362,429	603,250	443,250
MSE-Budget Control Account	0	0	0	0
<b>TOTAL M., S. &amp; E.</b>	<b>1,460,078</b>	<b>1,788,533</b>	<b>1,674,649</b>	<b>1,630,523</b>

**DEPARTMENT: MAYOR'S OFFICE**

**FUND: GENERAL**

	<b>ACTUAL FY2015</b>	<b>ACTUAL FY2016</b>	<b>BUDGET FY2017</b>	<b>APPROVED FY2018</b>
<b>INTERNAL SERVICES</b>				
Administrative Services	668,463	695,675	865,568	813,897
Self-Insurance	151,395	27,569	67,030	67,030
<b>TOTAL INTERNAL SERVICES</b>	<b>819,858</b>	<b>723,244</b>	<b>932,598</b>	<b>880,927</b>
<b>DEBT SERVICE</b>				
Principal Payments	2,814,657	3,327,297	3,255,495	2,738,287
Interest Payments	979,976	931,477	825,668	705,382
<b>TOTAL DEBT SERVICE</b>	<b>3,794,633</b>	<b>4,258,774</b>	<b>4,081,163</b>	<b>3,443,669</b>
<b>SPECIAL PURPOSE</b>				
Other Special Purpose	119,000	117,000	0	0
<b>TOTAL SPECIAL PURPOSE</b>	<b>119,000</b>	<b>117,000</b>	<b>0</b>	<b>0</b>

**DEPARTMENT: MAYOR'S OFFICE**

**FUND: CONTINGENT RESERVES**

	<b>ACTUAL FY2015</b>	<b>ACTUAL FY2016</b>	<b>BUDGET FY2017</b>	<b>APPROVED FY2018</b>
<b>CONTINGENT RESERVES</b>				
Contingency	0	0	(44,640)	500,000
Snow & Weather Emergencies	0	0	172,000	172,000
<b>TOTAL CONTINGENT RESERVES</b>	<b>0</b>	<b>0</b>	<b>127,360</b>	<b>672,000</b>
<b>GENERAL FUND TOTAL</b>	<b>9,855,945</b>	<b>10,844,263</b>	<b>10,589,011</b>	<b>10,421,113</b>

## DEPARTMENT: MAYOR'S OFFICE

FUND: LEPC

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY2015</b>	<b>ACTUAL FY2016</b>	<b>BUDGET FY2017</b>	<b>APPROVED FY2018</b>
Regular Salaries	87,553	88,776	43,013	43,878
Pension Contribution	11,307	11,592	10,710	11,057
Social Security	5,344	5,445	2,601	2,661
Medicare Tax	1,250	1,274	608	622
Hospitalization	15,876	18,347	8,955	5,772
Life Insurance	124	121	120	120
Pension Healthcare	1,175	1,261	1,350	1,500
Personal Services Adjustment	0	0	0	269
<b>TOTAL PERSONAL SERVICES</b>	<b>122,629</b>	<b>126,816</b>	<b>67,357</b>	<b>65,879</b>
<b><u>MATERIALS, SUPPLIES &amp; EQUIPMENT</u></b>				
Communications & Utilities	5,564	14,443	0	0
Transportation	0	0	0	0
Contracted Maintenance	0	2,750	0	0
Professional Fees	0	0	0	0
Memberships & Registrations	347	350	0	0
Miscellaneous Services	960	4,495	0	0
Office & General Supplies	944	1,892	0	0
Wearing Apparel and Safety	0	0	0	0
Miscellaneous Parts	9,066	0	0	0
Equipment	0	0	0	0
Fixed Assets	1,292	0	0	0
<b>TOTAL M., S. &amp; E.</b>	<b>18,173</b>	<b>23,930</b>	<b>0</b>	<b>0</b>
<b>LEPC FUND TOTAL</b>	<b>140,802</b>	<b>150,746</b>	<b>67,357</b>	<b>65,879</b>

**DEPARTMENT: MAYOR'S OFFICE**

**FUND: INTERNAL SERVICES**

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY2015</b>	<b>ACTUAL FY2016</b>	<b>BUDGET FY2017</b>	<b>APPROVED FY2018</b>
Regular Salaries	1,036,196	1,151,649	1,287,448	1,320,252
Temporary Salaries	900	0	0	0
Acting Out of Class	11,648	538	0	0
Sick Leave Bonus	2,400	1,500	0	0
Overtime	1,319	1,517	0	5,000
Meal Allowance	0	0	0	0
Health Cash Back	4,826	4,036	2,161	2,160
Pension Contribution	267,713	244,365	253,415	264,334
Social Security	64,240	70,372	78,203	80,001
Medicare Tax	15,024	16,458	18,291	18,719
Hospitalization	230,155	225,613	345,015	378,244
Life Insurance	4,616	4,739	5,214	5,233
Pension Healthcare	39,742	46,230	59,400	66,000
State Pension Plan - Civilian	8,517	9,556	24,013	25,811
Accrued Sick/Vacation	4,215	7,337	0	0
Personal Services Adjustment	0	0	0	11,843
<b>TOTAL PERSONAL SERVICES</b>	<b>1,691,511</b>	<b>1,783,910</b>	<b>2,073,160</b>	<b>2,177,597</b>

**MATERIALS, SUPPLIES & EQUIPMENT**

Printing & Advertising	80,055	67,556	107,000	76,000
Communications & Utilities	1,232,950	1,119,804	1,375,131	1,336,271
Transportation	1,329	4,123	8,500	8,000
Rentals of Office Equipment	68,082	99,528	125,421	120,421
Contracted Maintenance Repairs	500,560	510,506	758,934	720,369
Professional Fees	1,397,559	1,337,419	1,236,000	1,282,000
Memberships & Registrations	33,151	11,765	59,650	72,000
Miscellaneous Services	63,189	46,556	59,620	56,620
Office & General Supplies	131,576	127,935	161,240	138,380
Uniforms & Related Equipment	0	975	1,000	6,300
Miscellaneous Parts	55,030	58,916	68,300	77,000
Equipment	709,275	786,638	1,212,993	1,307,338
Fixed Assets	133,621	65,816	0	0
Capitalized Exps - Op.	(952,714)	0	0	0
<b>TOTAL M., S. &amp; E.</b>	<b>3,453,663</b>	<b>4,237,537</b>	<b>5,173,789</b>	<b>5,200,699</b>

**INTERNAL SERVICES**

Administrative Services	302,381	314,130	301,368	291,820
Self-Insurance	14,990	14,170	14,593	14,593
<b>TOTAL INTERNAL SERVICES</b>	<b>317,371</b>	<b>328,300</b>	<b>315,961</b>	<b>306,413</b>

	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>APPROVED</b>
	<b>FY2015</b>	<b>FY2016</b>	<b>FY2017</b>	<b>FY2018</b>
<b>DEBT SERVICE</b>				
Amortization	0	0	6,512	0
Interest Payment	136,709	115,346	215,654	73,945
<b>TOTAL DEBT SERVICE</b>	<b>136,709</b>	<b>115,346</b>	<b>222,166</b>	<b>73,945</b>
<b><u>DEPRECIATION</u></b>				
Depreciation	906,648	931,395	967,940	931,394
<b>TOTAL DEPRECIATION</b>	<b>906,648</b>	<b>931,395</b>	<b>967,940</b>	<b>931,394</b>
<b>INTERNAL SERVICES FUND TOTAL</b>	<b>6,505,902</b>	<b>7,396,488</b>	<b>8,753,016</b>	<b>8,690,048</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 which City Council deems necessary and required for the proper discharge of its duties.

## PRIORITIES FOR FISCAL YEAR 2018

- Review the City's Operating, Water/Sewer and Capital Budgets as proposed annually by the Executive Branch of City government, and justify the appropriation of funds to support the annual operations of the City's departments, offices, boards and commissions.
- Mitigate the cost and size of City government, and thus mitigate the need for additional taxes or fees, by continuously reviewing departmental expenditures and priorities.
- Reduce government expenditures through periodic management reviews of the operations and structure of City Departments.
- Create a Land Bank Program that encompasses a comprehensive neighborhood planning approach, and a public and private funding mechanism, to bring about safe, attractive and thriving neighborhoods and communities.
- Give a voice to the City and its people regarding the education of its children and help create an education system whereby children are taught in a properly-funded environment that accounts for the unique needs of children who are being raised in an urban setting.
- Support an effective public safety and crime prevention strategy through the appropriation of justifiable resources to minimize incidents of criminal and violent behavior, reduce the illegal use of guns and other weapons, and foster communication and cooperation among police and citizens.
- Support an aggressive economic development and job creation program.

**PRIORITIES FOR FISCAL YEAR 2018 (Continued)**

- Support the growth of existing businesses, and help to create new business opportunities, both large and small.
- Monitor the City’s delivery of constituent services for timeliness and effectiveness, and advocate when appropriate for a resolution of issues or concerns that arise between citizens and their government.
- Advocate for issues and values that are important to City Council, such as safe and vibrant neighborhoods, increased housing opportunities, an effective education system and economic lifelines to help lift citizens out of poverty.

**SUMMARY OF FUNDING FOR CITY COUNCIL**

<b>TOTAL ALL FUNDS CITY COUNCIL</b>	<b>ACTUAL FY 2015</b>	<b>ACTUAL FY 2016</b>	<b>BUDGET FY 2017</b>	<b>APPROVED FY 2018</b>
Personal Services	2,279,149	2,354,146	2,296,742	2,488,693
Materials, Supplies & Equipment	573,988	529,080	613,167	618,499
Internal Services	209,412	182,841	241,314	225,586
Debt Service	21,744	42,999	29,993	25,629
Special Purpose	18,057	18,512	19,000	19,000
<b>TOTAL</b>	<b>3,102,350</b>	<b>3,127,578</b>	<b>3,200,216</b>	<b>3,377,407</b>
<b>STAFFING LEVELS</b>	<b>29.00</b>	<b>29.00</b>	<b>29.00</b>	<b>29.00</b>

<b>GENERAL FUND CITY COUNCIL</b>	<b>ACTUAL FY 2015</b>	<b>ACTUAL FY 2016</b>	<b>BUDGET FY 2017</b>	<b>APPROVED FY 2018</b>
Personal Services	1,496,303	1,532,840	1,484,669	1,608,098
Materials, Supplies & Equipment	491,749	487,879	507,100	509,092
Internal Services	185,784	166,646	217,686	201,357
Debt Service	816	664	683	707
Special Purpose	18,057	18,512	19,000	19,000
<b>TOTAL</b>	<b>2,192,709</b>	<b>2,206,541</b>	<b>2,229,138</b>	<b>2,338,254</b>
<b>STAFFING LEVELS</b>	<b>20.05</b>	<b>19.55</b>	<b>19.55</b>	<b>20.35</b>

<b>CATV FUND CITY COUNCIL</b>	<b>ACTUAL FY 2015</b>	<b>ACTUAL FY 2016</b>	<b>BUDGET FY 2017</b>	<b>APPROVED FY 2018</b>
Personal Services	782,846	821,306	812,073	880,595
Materials, Supplies & Equipment	82,239	41,201	106,067	109,407
Internal Services	23,628	16,195	23,628	24,229
Debt Service	20,928	42,335	29,310	24,922
<b>TOTAL</b>	<b>909,641</b>	<b>921,037</b>	<b>971,078</b>	<b>1,039,153</b>
<b>STAFFING LEVELS</b>	<b>8.95</b>	<b>9.45</b>	<b>9.45</b>	<b>8.65</b>

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

- In November 2016, seven new Councilmembers were elected to office and there was a change in Council President. As is customary, there were several personnel changes associated with the Council leadership transition. Additionally, a new Administrative Assistant position was requested during the budget process. The net effect of all personnel changes is an additional \$29,134 in salary and benefit costs for the General Fund, and a shifting of 0.80 FTEs from the CATV Fund to the General Fund.
- Personal Services increased a total of \$123,429. The largest portion of the increase, roughly \$130,000 in the General Fund, is due to Hospitalization. The increases in Hospitalization and salary and benefits were slightly offset by savings in Temporary Salaries and Pension Contributions of \$26,913 and \$6,711, respectively.
- Materials, Supplies & Equipment remained relatively unchanged from the previous year.
- Internal Services decreased a total of \$16,329. The majority of the decrease is attributed to Data and Word Processing costs declines.

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

- The net effect of all personnel changes for the CATV Fund is an increase of \$18,307 in salary and benefit costs and a reduction of 0.80 FTEs.
- Personal Services increased a net total of \$68,522 in the CATV Fund. Hospitalization, Pension, and Temporary Salary increases of \$13,206, \$5,002, and \$5,000, respectively, were the driving factors for the increase.
- Materials, Supplies & Equipment increased \$3,340. Reductions in Temporary Agencies and Contracted Maintenance Services were offset by increases in Professional Fees and Memberships and Registrations.
- Internal Services remained relatively unchanged from the previous year.

**DEPARTMENTAL BUDGET DETAIL BY FUND**

**DEPARTMENT: CITY COUNCIL**

**FUND: GENERAL**

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY 2015</b>	<b>ACTUAL FY 2016</b>	<b>BUDGET FY 2017</b>	<b>APPROVED FY 2018</b>
Regular Salaries	904,224	921,486	888,296	898,079
Temporary Salaries	20,398	22,432	26,913	0
Sick Leave Bonus	300	0	400	400
Health Cash Back	9,220	7,320	7,200	4,560
Pension Contribution	144,113	129,621	135,021	128,310
Social Security	56,425	57,203	55,529	53,487
Medicare Tax	13,197	13,378	12,987	12,505
Hospitalization	284,075	315,950	286,998	418,827
Life Insurance	3,917	3,791	3,746	3,971
Pension Healthcare	45,935	49,298	52,785	61,050
State Pension Plan - Civilian	14,499	12,361	13,294	18,711
Personal Services Adjustment	0	0	1,500	8,198
<b>TOTAL PERSONAL SERVICES</b>	<b>1,496,303</b>	<b>1,532,840</b>	<b>1,484,669</b>	<b>1,608,098</b>
 <b><u>MATERIALS, SUPPLIES &amp; EQUIPMENT</u></b>				
Printing and Advertising	14,562	12,523	18,000	18,000
Transportation	11,964	12,510	3,000	8,000
Rentals	0	667	1,000	1,000
Contracted Maintenance Repairs	0	600	2,000	2,000
Professional Fees	5,000	3,000	5,000	5,000
Memberships & Registrations	20,113	17,988	21,000	22,200
Miscellaneous Services	2,622	1,607	4,000	4,000
Office & General Supplies	4,724	3,035	6,600	6,600
Miscellaneous Parts	15,499	13,586	17,500	18,292
Equipment	789	0	1,000	1,000
Community Activities	416,476	422,363	428,000	423,000
<b>TOTAL M., S. &amp; E.</b>	<b>491,749</b>	<b>487,879</b>	<b>507,100</b>	<b>509,092</b>
 <b><u>INTERNAL SERVICES</u></b>				
Administrative Services	150,128	158,688	200,797	184,468
Self-Insurance	35,656	7,958	16,889	16,889
<b>TOTAL INTERNAL SERVICES</b>	<b>185,784</b>	<b>166,646</b>	<b>217,686</b>	<b>201,357</b>

	ACTUAL FY 2015	ACTUAL FY 2016	BUDGET FY 2017	APPROVED FY 2018
<b>DEBT SERVICE</b>				
Principal Payments	490	376	414	460
Interest Payments	326	288	269	247
<b>TOTAL DEBT SERVICE</b>	<b>816</b>	<b>664</b>	<b>683</b>	<b>707</b>
<b><u>SPECIAL PURPOSE</u></b>				
Wilmington Institute Free Library	0	0	0	0
Other	18,057	18,512	19,000	19,000
<b>TOTAL SPECIAL PURPOSE</b>	<b>18,057</b>	<b>18,512</b>	<b>19,000</b>	<b>19,000</b>
<b>GENERAL FUND TOTAL</b>	<b>2,192,709</b>	<b>2,206,541</b>	<b>2,229,138</b>	<b>2,338,254</b>

**DEPARTMENTAL BUDGET DETAIL BY FUND**

**DEPARTMENT: CITY COUNCIL**

**FUND: CATV**

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY 2015</b>	<b>ACTUAL FY 2016</b>	<b>BUDGET FY 2017</b>	<b>APPROVED FY 2018</b>
Regular Salaries	458,155	505,079	515,982	487,319
Temporary Salaries	27,804	22,857	20,000	25,000
Sick Leave Bonus	600	1,100	200	200
Pension Contribution	107,791	96,253	92,868	97,870
Social Security	29,611	31,931	32,511	29,245
Medicare Tax	6,925	7,468	7,604	6,805
Hospitalization	127,876	127,693	176,061	189,267
Life Insurance	1,966	2,003	2,242	2,050
Pension Healthcare	18,820	21,017	25,515	25,950
State Pension Plan - Civilian	3,298	5,905	9,668	7,016
Personal Services Adjustment	0	0	(70,578)	9,873
<b>TOTAL PERSONAL SERVICES</b>	<b>782,846</b>	<b>821,306</b>	<b>812,073</b>	<b>880,595</b>
 <b><u>MATERIALS, SUPPLIES &amp; EQUIPMENT</u></b>				
Transportation	635	207	5,000	5,000
Rentals	0	2,000	1,800	800
Contracted Maintenance Repairs	16,115	0	20,000	20,000
Professional Fees	0	0	5,000	10,000
Memberships & Registrations	7,672	13,676	19,767	22,107
Miscellaneous Services	23,340	20,340	23,000	18,000
Office & General Supplies	1,930	795	3,000	4,500
Wearing Apparel & Safety	3,509	0	3,000	3,500
Miscellaneous Parts	20,462	4,183	20,000	20,000
Equipment	8,576	0	5,500	5,500
<b>TOTAL M., S. &amp; E.</b>	<b>82,239</b>	<b>41,201</b>	<b>106,067</b>	<b>109,407</b>
 <b><u>INTERNAL SERVICES</u></b>				
Administrative Services	21,921	15,801	21,921	22,010
Self-Insurance	1,707	394	1,707	2,219
<b>TOTAL INTERNAL SERVICES</b>	<b>23,628</b>	<b>16,195</b>	<b>23,628</b>	<b>24,229</b>

<b>DEBT SERVICE</b>	<b>ACTUAL FY 2015</b>	<b>ACTUAL FY 2016</b>	<b>BUDGET FY 2017</b>	<b>APPROVED FY 2018</b>
Principal Payments	8,536	24,168	13,887	11,897
Interest Payments	12,392	18,167	15,423	13,025
<b>TOTAL DEBT SERVICE</b>	<b>20,928</b>	<b>42,335</b>	<b>29,310</b>	<b>24,922</b>
<b>CATV FUND TOTAL</b>	<b>909,641</b>	<b>921,037</b>	<b>971,078</b>	<b>1,039,153</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 2018</b>
<ul style="list-style-type: none"> <li>Develop, document and implement Standard Operating Procedures (SOPs) and data management systems to more efficiently share information and coordinate across departments and with financial institutions; and effectively manage essential treasury functions, including debt, capital projects, and cash forecasting.</li> <li>Working with Human Resources, Finance and other departments, reduce the cost of disbursing payments.</li> <li>Improve retirees’ experience in the pension application process by providing a more streamlined procedure and better access to information, including direct on-line tools.</li> <li>Implement Community Engagement and Outreach Initiatives that strengthen the financial knowledge and provide consumer finance protection assistance for Wilmington residents.</li> </ul>

## SUMMARY OF FUNDING FOR CITY TREASURER

<b>TOTAL ALL FUNDS CITY TREASURER</b>	<b>ACTUAL FY2015</b>	<b>ACTUAL FY2016</b>	<b>BUDGET FY2017</b>	<b>APPROVED FY2018</b>
Personal Services	681,257	743,959	693,890	824,230
Materials, Supplies & Equipment	1,069,305	864,767	1,273,784	1,206,390
Internal Services	148,099	156,998	132,955	128,082
Other	2,921,394	3,181,863	3,000,000	3,250,000
<b>TOTAL</b>	<b>4,820,055</b>	<b>4,947,587</b>	<b>5,100,629</b>	<b>5,408,702</b>
<b>STAFFING LEVELS</b>	<b>6.00</b>	<b>6.00</b>	<b>6.00</b>	<b>7.00</b>

<b>GENERAL FUND CITY TREASURER</b>	<b>ACTUAL FY2015</b>	<b>ACTUAL FY2016</b>	<b>BUDGET FY2017</b>	<b>APPROVED FY2018</b>
Personal Services	333,596	344,991	329,189	350,352
Materials, Supplies & Equipment	17,495	17,566	30,670	117,950
Internal Services	121,441	127,894	104,032	100,216
<b>TOTAL</b>	<b>472,532</b>	<b>490,451</b>	<b>463,891</b>	<b>568,518</b>
<b>STAFFING LEVELS</b>	<b>2.92</b>	<b>2.92</b>	<b>2.92</b>	<b>3.00</b>

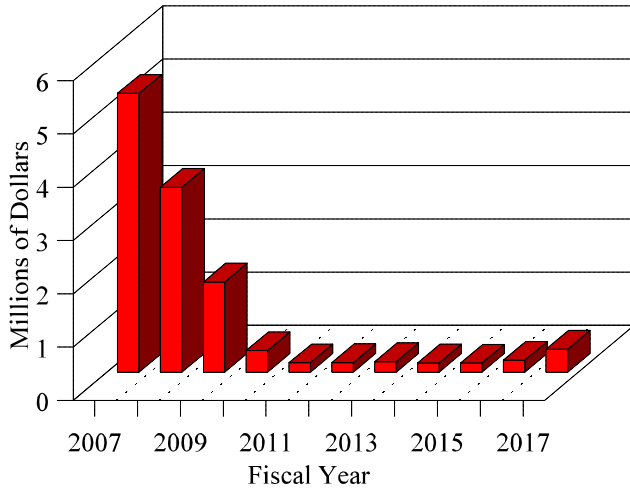
<b>PENSION ADMIN. FUNDS CITY TREASURER</b>	<b>ACTUAL FY2015</b>	<b>ACTUAL FY2016</b>	<b>BUDGET FY2017</b>	<b>APPROVED FY2018</b>
Personal Services	347,661	398,968	364,701	473,878
Materials, Supplies & Equipment	1,051,810	847,201	1,243,114	1,088,440
Internal Services	26,658	29,104	28,923	27,866
Other	2,921,394	3,181,863	3,000,000	3,250,000
<b>TOTAL</b>	<b>4,347,523</b>	<b>4,457,136</b>	<b>4,636,738</b>	<b>4,840,184</b>
<b>STAFFING LEVELS</b>	<b>3.08</b>	<b>3.08</b>	<b>3.08</b>	<b>4.00</b>

#### MAJOR FUNDING CHANGES FROM PRIOR YEAR

- In Personal Services, the newly created split-funded (50% General Fund/50% Pension Funds) Debt Manager/Systems Coordinator and two upgrades resulted in an increase of \$130,340 or 18.78% across all funds. Hospitalization and Pension Healthcare increased by \$50,751 and \$21,000 respectively.
- Travel and Subsistence increased \$9,000, this will allow four employees to travel to the GFOA Educational Conference and for other training activities.
- Total Professional Fees in the Pension Funds decreased by \$161,050 or 13.1%. The City has its Actuary perform a full review every other fiscal year. Since FY 2018 will be an off-year for the actuarial review, consultant costs were reduced by \$48,242. Trustee Fees, based on the value of all pension funds managed, are slated to decrease by \$112,808.
- Professional Fees in the General Fund increased by \$19,000, to support a technical review and analysis to develop and document Standard Operating Procedures. This will help address recent audit findings.
- Community Activities is a new budget expense of \$26,000 for FY 2018 to support the new Treasurer's initiatives and community event sponsorships.
- Computer Software is a new budget expense in FY 2018. The \$25,000 budgeted will allow the Department to more accurately and efficiently manage the City's debt and cash portfolios with increased data integrity, standardization, and transparency.
- The annual self-insurance funding target for retiree Medical Costs was increased by \$250,000, bringing the total funding for the program to \$3.25 million for FY 2018.

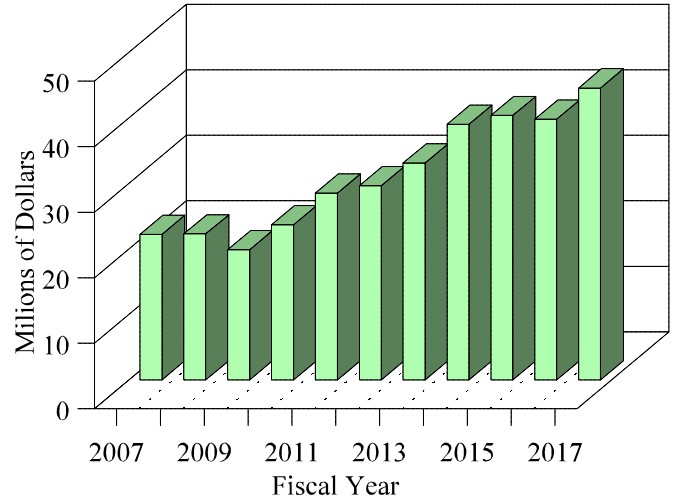
# City Treasurer Performance Trends

## General Fund Investment Income



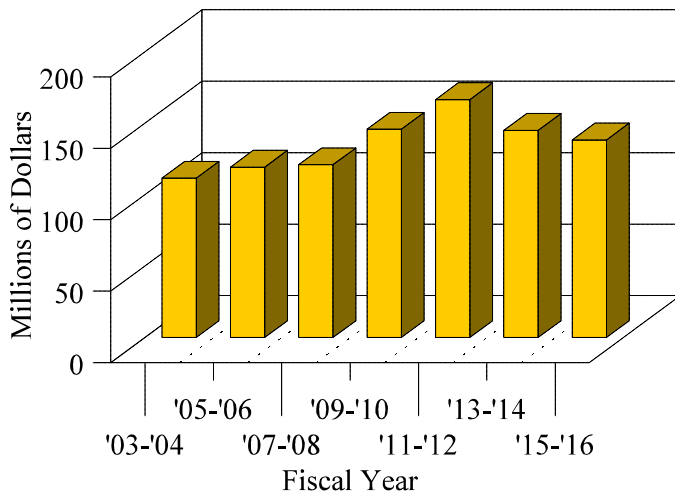
Prudent cash management and investment policies dictate the investment vehicles permitted to manage daily cash balances. Interest rates have been very low since 2009, limiting the City's ability to earn interest income. Most recently, rates have begun to slowly increase.

## Deferred Compensation Fund



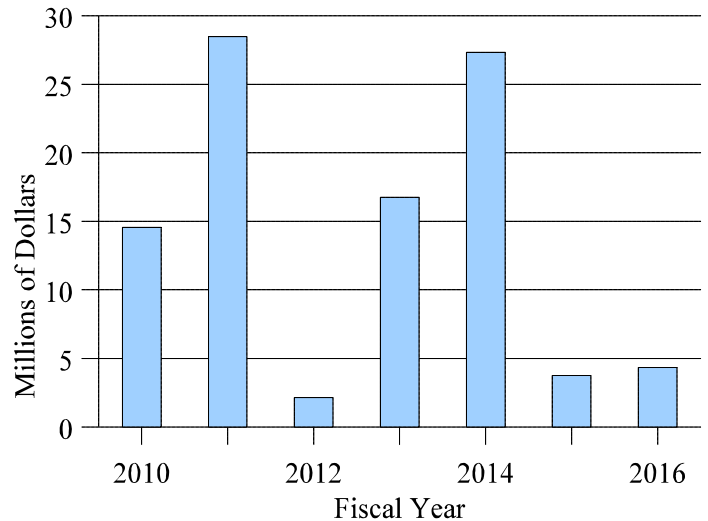
The City's Deferred Compensation plan is available on a voluntary basis to employees who wish to supplement their retirement income by investing a portion of their current earnings on a tax deferred basis.

## Unfunded Pension Liability Calculated Biennially



The level of Unfunded Pension Liability and the City's record of paying the actuarially determined Annual Required Contribution (ARC) are two measures of the relative strength or weakness of a particular pension fund. The Unfunded Liability declined in the most recent evaluation, reflecting the ongoing stock market recovery. In addition, the City is unwavering in its ability and willingness to fund 100% of the ARC.

## Net Pension Fund Income/Loss



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

**DEPARTMENTAL BUDGET DETAIL BY FUND**

**DEPARTMENT: CITY TREASURER**

**FUND: GENERAL**

	<b>ACTUAL FY2015</b>	<b>ACTUAL FY2016</b>	<b>BUDGET FY2017</b>	<b>APPROVED FY2018</b>
<b><u>PERSONAL SERVICES</u></b>				
Regular Salaries	196,679	214,012	200,699	220,141
Sick Leave Bonus	200	300	0	0
Pension Contribution	69,145	50,830	61,318	45,630
Social Security	11,918	12,958	12,112	13,210
Medicare Tax	2,788	3,031	2,832	3,090
Hospitalization	45,476	55,806	52,139	66,508
Life Insurance	700	693	690	720
Pension Healthcare	6,690	7,361	7,884	9,000
Personal Services Adjustment	0	0	(8,485)	(7,947)
<b>TOTAL PERSONAL SERVICES</b>	<b>333,596</b>	<b>344,991</b>	<b>329,189</b>	<b>350,352</b>
 <b><u>MATERIALS, SUPPLIES &amp; EQUIPMENT</u></b>				
Printing & Advertising	250	250	320	350
Transportation	12	0	1,000	10,000
Rentals	0	0	0	300
Professional Fees	13,425	14,250	20,000	39,000
Other Fees	0	0	5,000	5,000
Memberships & Registrations	790	692	1,100	8,100
Miscellaneous Services	1,899	1,247	2,000	1,000
Office & General Supplies	961	912	1,000	1,500
Misc. Mat. Supp., & Parts	0	0	0	700
Equipment	158	215	250	1,000
Fixed Assets	0	0	0	25,000
Community Activities	0	0	0	26,000
<b>TOTAL M., S. &amp; E.</b>	<b>17,495</b>	<b>17,566</b>	<b>30,670</b>	<b>117,950</b>
 <b><u>INTERNAL SERVICES</u></b>				
Administrative Services	112,241	123,932	98,238	94,422
Self-Insurance	9,200	3,962	5,794	5,794
<b>TOTAL INTERNAL SERVICES</b>	<b>121,441</b>	<b>127,894</b>	<b>104,032</b>	<b>100,216</b>
 <b>GENERAL FUND TOTAL</b>	 <b>472,532</b>	 <b>490,451</b>	 <b>463,891</b>	 <b>568,518</b>

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY2015</b>	<b>ACTUAL FY2016</b>	<b>BUDGET FY2017</b>	<b>APPROVED FY2018</b>
Regular Salaries	228,287	248,432	235,777	297,138
Acting Out Of Classification	0	6,672	0	0
Accrued Vacation Pay	436	11,368	0	0
Pension Contribution	63,522	70,895	63,710	66,354
Social Security	13,894	15,623	14,427	17,949
Medicare Tax	3,249	3,654	3,375	4,197
Hospitalization	30,463	33,785	40,610	76,992
Life Insurance	753	775	737	960
Pension Healthcare	7,057	7,764	8,316	12,000
Personal Services Adjustment	0	0	(2,251)	(1,712)
<b>TOTAL PERSONAL SERVICES</b>	<b>347,661</b>	<b>398,968</b>	<b>364,701</b>	<b>473,878</b>
 <b><u>MATERIALS, SUPPLIES &amp; EQUIPMENT</u></b>				
Printing & Advertising	0	0	240	240
Transportation	2,060	0	3,600	3,600
Rentals	0	0	38	300
Contracted Maintenance	0	0	66	100
Professional Fees	1,046,405	843,590	1,233,250	1,072,200
Other Fees	0	575	500	2,000
Memberships & Registrations	1,917	1,705	3,720	3,500
Office & General Supplies	762	753	800	800
Miscellaneous Parts	326	578	700	700
Equipment	340	0	200	5,000
<b>TOTAL M., S. &amp; E.</b>	<b>1,051,810</b>	<b>847,201</b>	<b>1,243,114</b>	<b>1,088,440</b>
 <b><u>INTERNAL SERVICES</u></b>				
Administrative Services	25,043	28,167	27,739	26,682
Self-Insurance	1,615	937	1,184	1,184
<b>TOTAL INTERNAL SERVICES</b>	<b>26,658</b>	<b>29,104</b>	<b>28,923</b>	<b>27,866</b>
 <b><u>OTHER</u></b>				
Self Insurance Costs	2,921,394	3,181,863	3,000,000	3,250,000
<b>TOTAL OTHER</b>	<b>2,921,394</b>	<b>3,181,863</b>	<b>3,000,000</b>	<b>3,250,000</b>
 <b>PENSION ADMIN. FUND TOTAL</b>	 <b>4,347,523</b>	 <b>4,457,136</b>	 <b>4,636,738</b>	 <b>4,840,184</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 the City's comprehensive development plan, land use regulations, economic development strategies, and demographic and social impact studies. In addition, the Department serves as the principal liaison between City government and community organizations, business interests, and planning councils, working in partnership with these groups on the development of neighborhood plans and economic development strategies. The Department assists in the identification of community needs, and the determination of governmental priorities and the design of programs which address those needs.

## PRIORITIES FOR FISCAL YEAR 2018

- Continue to provide high quality planning services, including site plan review activities (subdivision, environmental/historical preservation, curb cut, waterfront development, parking lot landscaping and demolition); street actions; and staff support to City Planning Commission and the Design Review and Preservation Commission.
- Initiate the Comprehensive Development Plan update process by utilizing consultant services to coordinate the planning and public outreach process to develop a city-wide Plan for state certification; update the neighborhood comprehensive plans; and, recommend possible changes to various land use codes (e.g., zoning and subdivision codes) as identified through the update process.
- Continued membership in WILMAPCO, the regional metropolitan planning organization, as a member of the Technical Advisory Committee and the Council to review and make recommendations on Federally and State funded transportation projects and programs.
- Promote a well-balanced multi-modal transportation system by planning and implementing citywide transportation improvements through a newly reenergized effort of the Wilmington Initiatives Partnership (City, Delaware Department of Transportation, Delaware Transit Corporation, and WILMAPCO).
- Continue to support the Neighborhood Planning Council (NPC) Leadership Committee and coordinate the NPC Capital Grant application process.
- Process HUD Part 58 Environmental Reviews and 106 Historic Reviews.
- Work with OMB to prepare the annual Capital Budget and Capital Improvement Program, and any necessary amendments.



**PRIORITIES FOR FISCAL YEAR 2018 (Continued)**

- Represent the City on various boards and commissions, including Wilmington Neighborhood Conservancy Land Bank, Wilmington Parking Authority and Wilmington Housing Partnership.
- Complete research projects addressing areas of interest for the Planning Department, the Mayor's Office and City Council including requests for rezoning analyses, land use studies, and other planning related projects.

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

<b>TOTAL ALL FUNDS PLANNING DEPARTMENT</b>	<b>ACTUAL FY2015</b>	<b>ACTUAL FY2016</b>	<b>BUDGET FY2017</b>	<b>APPROVED FY2018</b>
Personal Services	975,810	1,096,260	1,048,299	1,112,362
Materials, Supplies & Equipment	42,508	36,782	145,191	196,456
Internal Services	408,751	296,398	377,758	358,276
Debt Service	191,646	130,521	241,918	259,928
<b>TOTAL</b>	<b>1,618,715</b>	<b>1,559,961</b>	<b>1,813,166</b>	<b>1,927,022</b>
<b>STAFFING LEVELS</b>	<b>11.00</b>	<b>11.00</b>	<b>10.00</b>	<b>10.00</b>

<b>GENERAL FUND PLANNING DEPARTMENT</b>	<b>ACTUAL FY2015</b>	<b>ACTUAL FY2016</b>	<b>BUDGET FY2017</b>	<b>APPROVED FY2018</b>
Personal Services	949,488	1,041,905	998,007	1,061,550
Materials, Supplies & Equipment	42,508	36,782	145,191	196,456
Internal Services	408,751	296,398	377,758	358,276
Debt Service	191,646	130,521	241,918	259,928
<b>TOTAL</b>	<b>1,592,393</b>	<b>1,505,606</b>	<b>1,762,874</b>	<b>1,876,210</b>
<b>STAFFING LEVELS</b>	<b>10.43</b>	<b>10.49</b>	<b>9.53</b>	<b>9.55</b>

<b>COMMUNITY DEVELOPMENT BLOCK GRANT FUND (CDBG) PLANNING DEPARTMENT</b>	<b>ACTUAL FY2015</b>	<b>ACTUAL FY2016</b>	<b>BUDGET FY2017</b>	<b>APPROVED FY2018</b>
Personal Services	26,322	54,355	50,292	50,812
<b>TOTAL</b>	<b>26,322</b>	<b>54,355</b>	<b>50,292</b>	<b>50,812</b>
<b>STAFFING LEVELS</b>	<b>0.57</b>	<b>0.51</b>	<b>0.47</b>	<b>0.45</b>

## MAJOR FUNDING CHANGES FROM PRIOR YEAR

- A salary adjustment for the incoming Director of Planning and Development increased salaries and benefits by \$2,008.
- The reallocation of costs for the Planner II between the General Fund and the CDBG Fund caused an increase of \$5,372, in salary and benefits in the General Fund.
- Temporary Salaries increased by \$22,143, to provide for a part-time clerical position and support for the Historic Preservation Planner due to a reduction in State grant funding.
- The remaining increase to Personal Services is due to regular step increases (for two positions), a 1% COLA and a \$500 one-time payment for each employee.
- Materials, Supplies & Equipment increased by a total of \$51,265, mainly due to \$50,000 added to Consultants.
- The \$125,000 budgeted in Consultants will be used to develop a City-Wide American with Disability Act (ADA) compliance self-evaluation and transition plan. The remaining funds will be used for updates to zoning codes, sign regulation, Design Review District regulations and training for Design Review Commissioners and Planning staff.
- Debt Service increased a net \$18,010. While principal payments on existing debt increased \$32,088, interest costs decreased by \$14,079 as a result of the recent bond refinancing.
- The Internal Service costs decreased by \$19,482 in the General Fund, mainly due to Data Processing and Word Processing costs, which were reduced by \$7,372 and \$6,794, respectively.

# DEPARTMENT OF PLANNING AND DEVELOPMENT

## STRATEGIC PLAN

### Focus Area: Effective City Government

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

**Objective 1:** Update the city-wide comprehensive plan by December 30, 2018.

Critical Indicator	Dates Completed		
Comprehensive Plan Complete	N/A	N/A	N/A

**Objective 2:** Respond to all constituent inquires within 48 hours.

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
# of Constituent Inquiries	2,041	2,107	1,800
# of Constituent Inquiries responded to in 48 hours	2,060	2,065	1,782
% of Constituent Inquiries responded to in 48 hours	98%	98%	99%

**Objective 3:** Complete all codified planning activities within the associated time frame below. 30 days for Design Review and Preservation cases, Historic Preservation Reviews, Design Reviews, Environmental Reviews, Site Plan Reviews, Waterfront Reviews, Curb Cut reviews. Complete all Planning Commission Cases within 60 days.

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
Avg. # of review days for Planning Commission Cases	25	25	25
Avg. # of review days for all other Cases and Reviews	23	24	23
% of Planning Commission Cases completed within 60 days	100%	100%	100%
% of all other Cases and Reviews completed within 30 days	95%	95%	95%

# DEPARTMENT OF PLANNING AND DEVELOPMENT

## STRATEGIC PLAN

### Focus Area: Public Safety

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

**Objective 1:** Reduce the social and economic burdens of vacant and abandoned parcels by continuing to lead the Crime and Blight Abatement Action Team.

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
# of vacant properties in the City	1,535	1,691	1,500
# of calls for service in specific areas	N/A	N/A	N/A

**CITY-WIDE GOAL #6: Cultivate Positive Community Relationships.**

**Objective 1:** Assist Neighborhood Planning Councils in receiving grants for community driven capital projects.

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
# grant applications submitted	4	2	5
# of grants awarded	4	2	5
Total \$ allocated through grants	\$10,364	\$21,032	\$30,000

# DEPARTMENT OF PLANNING AND DEVELOPMENT

## STRATEGIC PLAN

### Focus Area: Quality of Life

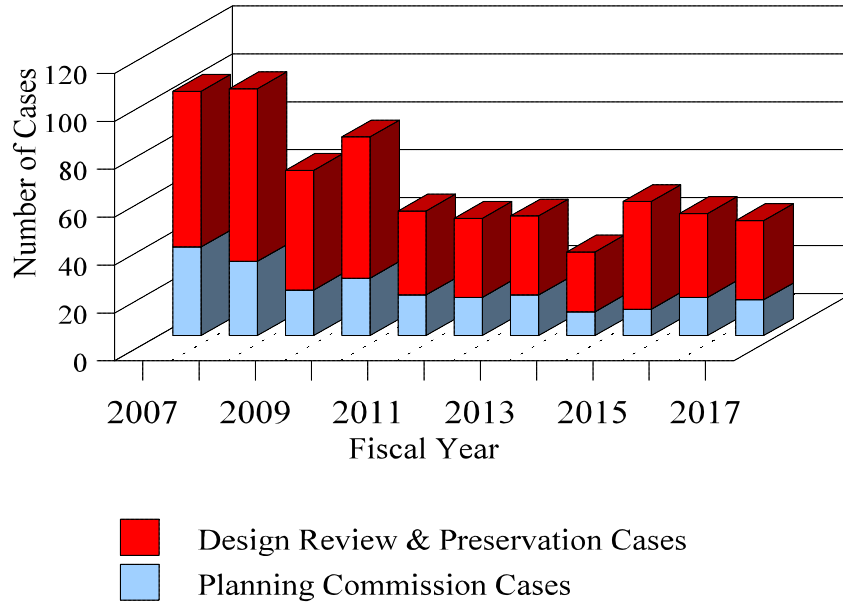
**CITY-WIDE GOAL #18: Enhance Environmental Sustainability.**

**Objective 1:** Partner with DeIDOT to create and enhance a city-wide bicycle network.

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
# of bike racks in the City	64	64	80
# of miles of bike lanes	N/A	N/A	10

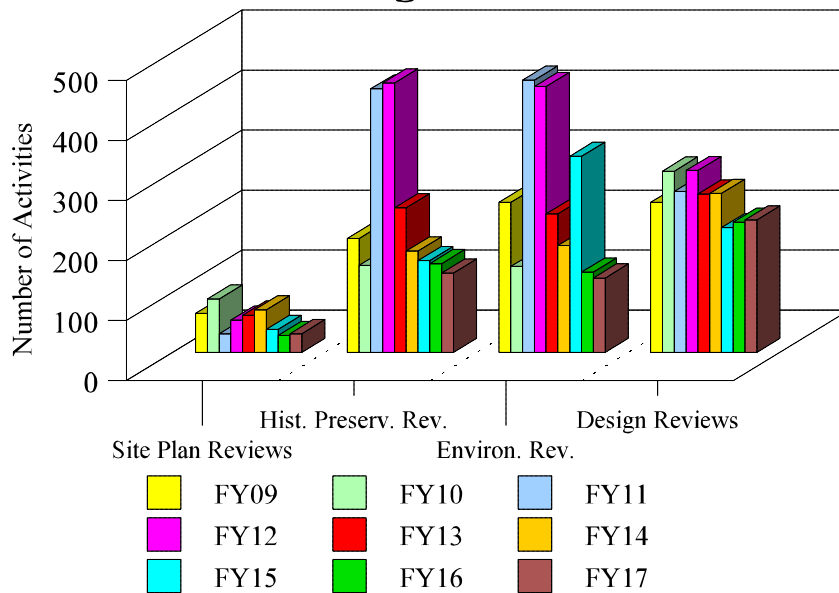
# Department of Planning and Development Performance Trends

## Commission Activities



The Department of Planning and Development provides staff support, analyses, and project monitoring for the City's Planning and Design Review Commissions.

## Planning Activities



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

**DEPARTMENTAL BUDGET DETAIL BY FUND**

**DEPARTMENT: PLANNING AND DEVELOPMENT**

**FUND: GENERAL**

	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>APPROVED</b>
<b>PERSONAL SERVICES</b>	<b>FY2015</b>	<b>FY2016</b>	<b>FY2017</b>	<b>FY2018</b>
Regular Salaries	572,102	656,460	628,777	656,050
Temporary Salaries	44,126	42,693	40,673	62,816
Acting Out of Class	630	0	0	0
Health Cash Back	2,540	460	0	2,400
Pension Contribution	132,014	112,363	119,699	125,736
Social Security	37,950	42,838	40,946	44,094
Medicare Tax	8,878	10,021	9,574	10,313
Hospitalization	119,599	138,460	127,469	119,312
Life Insurance	2,177	2,409	2,287	2,292
Pension Healthcare	20,619	23,890	25,731	28,650
State Pension Plan - Civilian	8,853	12,311	13,552	15,448
Personal Services Adjustment	0	0	0	5,140
Attrition	0	0	(10,701)	(10,701)
<b>TOTAL PERSONAL SERVICES</b>	<b>949,488</b>	<b>1,041,905</b>	<b>998,007</b>	<b>1,061,550</b>
 <b><u>MATERIALS, SUPPLIES &amp; EQUIPMENT</u></b>				
Printing & Advertising	428	643	800	1,000
Communications & Utilities	0	0	100	80
Transportation	(4,665)	710	1,100	1,400
Rentals	0	600	300	400
Contracted Maintenance Repairs	0	0	400	400
Professional Fees	34,018	12,714	125,000	175,000
Memberships & Registrations	1,521	1,852	4,095	5,400
Office & General Supplies	948	3,117	2,600	2,580
Miscellaneous Parts	3,461	2,191	2,000	2,400
Equipment	0	8,159	2,000	1,000
Community Activities	6,797	6,796	6,796	6,796
<b>TOTAL M., S. &amp; E.</b>	<b>42,508</b>	<b>36,782</b>	<b>145,191</b>	<b>196,456</b>
 <b><u>INTERNAL SERVICES</u></b>				
Administrative Services	289,137	278,937	328,052	308,570
Self-Insurance	119,614	17,461	49,706	49,706
<b>TOTAL INTERNAL SERVICES</b>	<b>408,751</b>	<b>296,398</b>	<b>377,758</b>	<b>358,276</b>
 <b><u>DEBT SERVICE</u></b>				
Principal Payments	134,919	69,355	149,114	181,203
Interest Payments	56,727	61,166	92,804	78,725
<b>TOTAL DEBT SERVICE</b>	<b>191,646</b>	<b>130,521</b>	<b>241,918</b>	<b>259,928</b>
 <b>GENERAL FUND TOTAL</b>	 <b>1,592,393</b>	 <b>1,505,606</b>	 <b>1,762,874</b>	 <b>1,876,210</b>



**DEPARTMENT: PLANNING AND DEVELOPMENT****FUND: CDBG**

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY2015</b>	<b>ACTUAL FY2016</b>	<b>BUDGET FY2017</b>	<b>APPROVED FY2018</b>
Regular Salaries	15,264	31,737	27,878	27,667
Pension Contribution	3,860	7,939	6,942	6,972
Social Security	927	1,923	1,688	1,662
Medicare Tax	217	450	395	389
Hospitalization	5,404	10,892	12,007	12,422
Life Insurance	87	126	113	108
Pension Healthcare	563	1,288	1,269	1,350
Personal Services Adjustment	0	0	0	242
<b>TOTAL PERSONAL SERVICES</b>	<b>26,322</b>	<b>54,355</b>	<b>50,292</b>	<b>50,812</b>
<b>CDBG FUND TOTAL</b>	<b>26,322</b>	<b>54,355</b>	<b>50,292</b>	<b>50,812</b>

# AUDIT DEPARTMENT

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

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

The Audit Department is committed to providing independent and objective assurance and management advisory services in accordance with 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.

<b>PRIORITIES FOR FISCAL YEAR 2018</b>
<ul style="list-style-type: none"><li>• Conduct scheduled audits to evaluate controls, note commendable practices and recommend workable improvements</li><li>• Assist the external auditors with the annual audits of the CAFR and Federal Funds.</li><li>• Continue to develop awareness among City employees that the maintenance of good internal controls is the responsibility of all employees.</li><li>• Monitor prior audits to assure complete and effective implementation of agreed-upon recommendations.</li><li>• Advise and consult with City management regarding improvements in operating efficiencies, effectiveness and results.</li><li>• Continue to development the knowledge, skills and effectiveness 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.</li></ul>

**SUMMARY OF FUNDING FOR THE AUDIT DEPARTMENT**

<b>TOTAL ALL FUNDS AUDIT DEPARTMENT</b>	<b>ACTUAL FY 2015</b>	<b>ACTUAL FY 2016</b>	<b>BUDGET FY 2017</b>	<b>APPROVED FY 2018</b>
Personal Services	366,671	440,377	423,498	453,723
Materials, Supplies & Equipment	267,908	247,530	257,052	268,897
Internal Services	95,956	96,906	110,140	106,335
<b>TOTAL</b>	<b>730,535</b>	<b>784,813</b>	<b>790,690</b>	<b>828,955</b>
<b>STAFFING LEVELS</b>	<b>4.00</b>	<b>4.00</b>	<b>4.00</b>	<b>4.00</b>

<b>GENERAL FUND AUDIT DEPARTMENT</b>	<b>ACTUAL FY 2015</b>	<b>ACTUAL FY 2016</b>	<b>BUDGET FY 2017</b>	<b>APPROVED FY 2018</b>
Personal Services	366,671	440,377	423,498	453,723
Materials, Supplies & Equipment	196,551	176,057	184,784	196,300
Internal Services	95,956	96,906	110,140	106,335
<b>TOTAL</b>	<b>659,178</b>	<b>713,340</b>	<b>718,422</b>	<b>756,358</b>
<b>STAFFING LEVELS</b>	<b>4.00</b>	<b>4.00</b>	<b>4.00</b>	<b>4.00</b>

<b>WATER/SEWER FUND AUDIT DEPARTMENT</b>	<b>ACTUAL FY 2015</b>	<b>ACTUAL FY 2016</b>	<b>BUDGET FY 2017</b>	<b>APPROVED FY 2018</b>
Materials, Supplies & Equipment	71,357	71,473	72,268	72,597
<b>TOTAL</b>	<b>71,357</b>	<b>71,473</b>	<b>72,268</b>	<b>72,597</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**

- Personal Services increased by \$30,225. A Staff Auditor was upgraded to Senior Auditor, resulting in \$1,559 being added to salary and benefits. Hospitalization is up \$13,482 as the City’s medical costs continue to rise. The remaining portion is due to regular step increases, a 1% COLA and a \$500 one-time payment for all employees in the Department.
- Materials, Supplies & Equipment increased a net total of \$11,516 in the General Fund. Accounting costs increased \$12,000 as a franchise audit of Comcast and Delmarva collections will be outsourced in FY 2018.
- Internal Services decreased \$3,805, primarily due to savings in Data Processing costs.
- In the Water/Sewer Fund, Materials, Supplies & Equipment increased \$329 due to higher Indirect Cost charges.

**DEPARTMENTAL BUDGET DETAIL BY FUND**

**DEPARTMENT: AUDIT DEPARTMENT**

**FUND: GENERAL**

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY 2015</b>	<b>ACTUAL FY 2016</b>	<b>BUDGET FY 2017</b>	<b>APPROVED FY 2018</b>
Regular Salaries	248,912	300,960	292,889	303,589
Temporary Salaries	0	0	0	0
Sick Leave Bonus	0	0	0	0
Overtime	0	0	0	0
Pension Contribution	19,929	17,800	19,049	19,666
Social Security	14,616	17,727	17,246	17,821
Medicare Tax	3,418	4,146	4,033	4,168
Hospitalization	59,884	75,357	63,892	77,374
Life Insurance	839	1,030	960	960
Pension Healthcare	7,837	10,083	10,800	12,000
State Pension Plan - Civilian	11,236	13,274	14,629	15,992
Personal Services Adjustment	0	0	0	2,153
<b>TOTAL PERSONAL SERVICES</b>	<b>366,671</b>	<b>440,377</b>	<b>423,498</b>	<b>453,723</b>
 <b><u>MATERIALS, SUPPLIES &amp; EQUIPMENT</u></b>				
Printing and Advertising	0	0	1,000	800
Transportation	6,006	5,620	4,500	6,700
Professional Fees	172,662	161,222	163,000	169,500
Memberships & Registrations	17,048	8,596	15,450	18,450
Office & General Supplies	379	254	384	400
Misc. Mat. Supp. & Parts	456	365	450	450
Equipment	0	0	0	0
<b>TOTAL M., S. &amp; E.</b>	<b>196,551</b>	<b>176,057</b>	<b>184,784</b>	<b>196,300</b>
 <b><u>INTERNAL SERVICES</u></b>				
Administrative Services	90,045	94,927	106,843	103,038
Self-Insurance	5,911	1,979	3,297	3,297
<b>TOTAL INTERNAL SERVICES</b>	<b>95,956</b>	<b>96,906</b>	<b>110,140</b>	<b>106,335</b>
 <b>GENERAL FUND TOTAL</b>	 <b>659,178</b>	 <b>713,340</b>	 <b>718,422</b>	 <b>756,358</b>

**DEPARTMENT: AUDIT DEPARTMENT****FUND: WATER/SEWER**

<b>MATERIALS, SUPPLIES &amp; EQUIPMENT</b>	<b>ACTUAL FY 2015</b>	<b>ACTUAL FY 2016</b>	<b>BUDGET FY 2017</b>	<b>APPROVED FY 2018</b>
Professional Fees	60,000	60,000	60,000	60,000
Supporting Services	11,357	11,473	12,268	12,597
<b>TOTAL M., S. &amp; E.</b>	<b>71,357</b>	<b>71,473</b>	<b>72,268</b>	<b>72,597</b>
<b>WATER SWER FUND TOTAL</b>	<b>71,357</b>	<b>71,473</b>	<b>72,268</b>	<b>72,597</b>

# LAW DEPARTMENT

The Law Department provides counsel and representation to the Mayor, City Council, and all City departments, boards, and commissions. The Law Department’s 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 City Government.

<b>PRIORITIES FOR FISCAL YEAR 2018</b>
<ul style="list-style-type: none"> <li>• Ensure that the day-to-day legal needs of the City government are met, while also creating the space for a group of legal professionals to focus on the City’s more important legal issues.</li> <li>• Seamless implementation of the proposed restructuring of the Law Department.</li> <li>• Improve strategic focus, bench-strength and client interaction in key practice areas.</li> <li>• Enhance effectiveness of internal controls.</li> <li>• Deliver strategic recommendations for comprehensive update to City Code and Charter.</li> <li>• Control outside counsel expenses.</li> </ul>

## SUMMARY OF FUNDING FOR THE LAW DEPARTMENT

<b>TOTAL ALL FUNDS</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>APPROVED</b>
<b>LAW DEPARTMENT</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>
Personal Services	2,191,766	2,257,397	2,231,854	2,033,801
Materials, Supplies & Equipment	675,727	463,939	484,165	487,220
Internal Services	211,700	198,153	214,867	206,158
<b>TOTAL</b>	<b>3,079,193</b>	<b>2,919,489</b>	<b>2,930,886</b>	<b>2,727,179</b>
<b>STAFFING LEVELS</b>	<b>20.00</b>	<b>20.00</b>	<b>20.00</b>	<b>18.00</b>

<b>GENERAL FUND</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>APPROVED</b>
<b>LAW DEPARTMENT</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>
Personal Services	2,191,766	2,257,397	2,231,854	2,033,801
Materials, Supplies & Equipment	675,727	463,939	484,165	487,220
Internal Services	211,700	198,153	214,867	206,158
<b>TOTAL</b>	<b>3,079,193</b>	<b>2,919,489</b>	<b>2,930,886</b>	<b>2,727,179</b>
<b>STAFFING LEVELS</b>	<b>20.00</b>	<b>20.00</b>	<b>20.00</b>	<b>18.00</b>

## MAJOR FUNDING CHANGES FROM PRIOR YEAR

- A comprehensive reorganization of personnel, especially among appointed attorney positions, will result in a net decrease of 2.00 FTEs. Additionally, the Legal Assistant III position received an upgrade through the biennial appeal process, and was upgraded further to Legal Office Administrator during the budget process. The position will now have more responsibilities and oversight over the rest of the administrative staff. The net effect of these personnel changes is a reduction of nearly \$335,000 in salary and benefits for FY 2018.
- Personal Services decreased a net total of \$198,053. Savings generated by the reorganization were eroded by equitable salary adjustments for the remaining solicitors, general increases in hospitalization costs, regular step increases, a 1% COLA and a \$500 one-time payment for all personnel.
- Total Materials, Supplies & Equipment increased a net \$3,055. A reduction of \$15,000 in expected Court Costs and Notary Fees was offset by a \$20,000 increase in outside Legal charges to assist the Office of Economic Development. There was also a reduction in Electronic Legal Research of roughly \$3,700.
- Internal Service expenses decreased \$8,709, due primarily to Data and Word Processing costs.

# LAW DEPARTMENT

## STRATEGIC PLAN

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### Focus Area: Effective City Government

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

**Objective 1:** Respond to all legal inquiries from constituents within 5 business days.

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
# of legal inquiries from constituents	246	260	250
# of responses within 5 business days	246	260	250
% of constituents receiving response within 5 business days	100%	100%	100%

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

**Objective 1:** Recover 65% of the annual appropriation for court costs.

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
Total \$ appropriation for court costs	\$104,000	\$100,000	\$85,000
Total \$ of revenue from recovered court costs	\$29,179	\$38,328	\$33,754
% of annual appropriation recovered	28%	38%	39%

**Objective 2:** Assess current discovery and motions practice to ensure matters are litigated in the most cost efficient manner by July 2018.

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
# of hours used for outside litigation	692	534	499
Total \$ cost of all Law Department outside counsel	\$219,821	\$164,765	\$235,000



# LAW DEPARTMENT

## STRATEGIC PLAN

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### Focus Area: Public Safety

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**CITY-WIDE GOAL #4: Ensure Transparency.**

**Objective 1:** Respond to Freedom of Information Act (FOIA) requests within 15 business days.

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
# of FOIA inquiries	56	190	244
# of responses to FOIA requests within 15 days	99%	99%	99%
% of responses issued within 15 days	99%	99%	99%

**CITY-WIDE GOAL #6: Cultivate Positive Community Relationships.**

**Objective 1:** Train 100% of WPD officers in policies and procedures regarding the use of excessive force.

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
# of training sessions held	12	2	3
# of attendees at training sessions	305	305	314
# of active WPD officers at time of training	305	305	314
% of WPD officers trained	100%	100%	100%

**Objective 2:** Assess if any public safety sections of the City Code need to be amended or revised.

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
# of recommendations for revision	0	0	2

# LAW DEPARTMENT

## STRATEGIC PLAN

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### Focus Area: Economic Vitality

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**CITY-WIDE GOAL #12: Attract, Retain, and Expand Business.**

**Objective 1:** Review all proposed contracts and offer a recommendation within 15 business days.

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
# of contracts received	251	185	218
Avg. # of days a contract is under review	7	7	7
% of contract reviewed within 15 days	90%	90%	90%

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### Focus Area: Quality of Life

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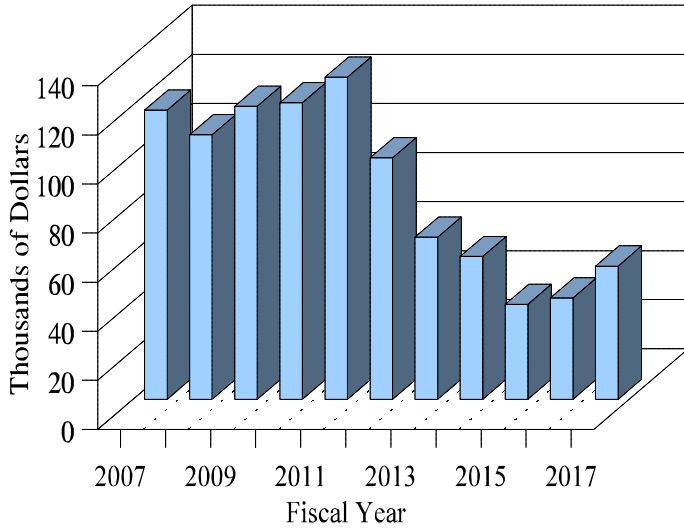
**CITY-WIDE GOAL #16: Inspire Young People to Achieve Success.**

**Objective 1:** Maintain a relationship with local high schools through hiring high school students interested in a legal career to work in the City Solicitor's office.

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
# of students hired	1	2	1
# of hours worked	480	480	480

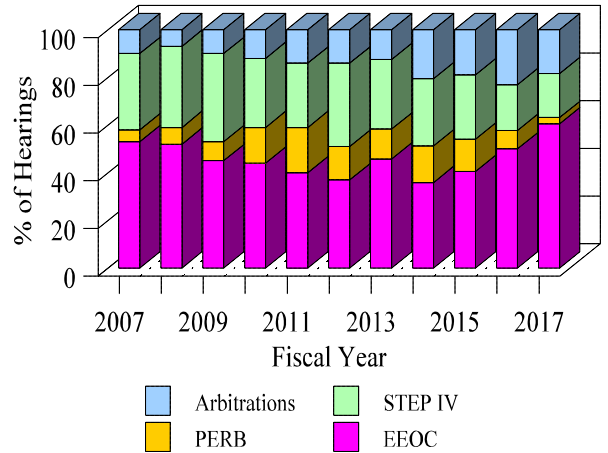
# Law Department Performance Trends

## Housing Code Prosecution Fines



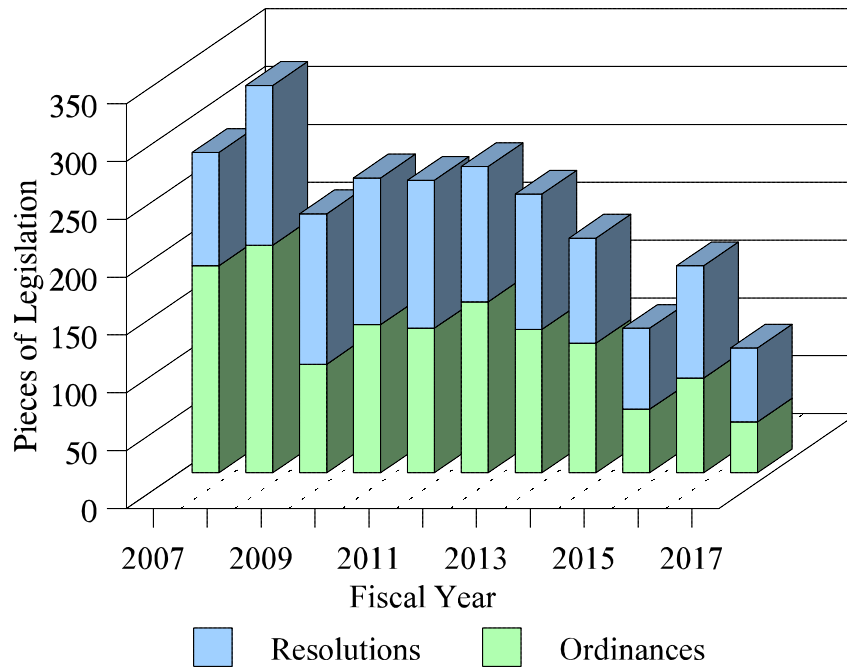
Several changes have resulted in lower fines imposed for housing code violations. First, sanitation violations were changed from a criminal designation to civil. The City is also seeing less repeat offenders.

## Administrative Hearings Employment & Labor



The area of employment and labor law continues to place great demand upon Department resources. The City is represented by Department staff attorneys at all administrative hearings conducted at various stages of the adjudication process.

## Legislation Drafted



The demand for legislative drafting services is reflected above. Although the demand for these services increased from FY 2006 to FY 2008, demand has remained relatively stable thereafter as City Council's reorganization continues to allow for greater resolution of issues while still in Committee.

**DEPARTMENTAL BUDGET DETAIL BY FUND**

**DEPARTMENT: LAW**

**FUND: GENERAL**

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY 2015</b>	<b>ACTUAL FY 2016</b>	<b>BUDGET FY 2017</b>	<b>APPROVED FY 2018</b>
Regular Salaries	1,426,445	1,517,214	1,504,716	1,380,566
Temporary Salaries	12,210	12,105	17,370	17,370
Acting Out Of Classification	283	0	0	0
Sick Leave Bonus	300	300	300	300
Pension Contribution	273,757	206,471	213,172	104,616
Social Security	88,047	93,505	93,096	85,043
Medicare Tax	20,592	21,868	21,774	19,646
Hospitalization	289,756	311,830	295,469	305,545
Life Insurance	4,792	5,041	4,800	4,320
Pension Healthcare	44,136	48,729	54,000	54,000
State Pension Plan - Civilian	31,448	40,334	47,669	73,218
Personal Services Adjustment	0	0	(20,512)	(10,823)
<b>TOTAL PERSONAL SERVICES</b>	<b>2,191,766</b>	<b>2,257,397</b>	<b>2,231,854</b>	<b>2,033,801</b>
 <b><u>MATERIALS, SUPPLIES &amp; EQUIPMENT</u></b>				
Printing and Advertising	70	154	160	128
Communications & Utilities	24	59	205	164
Transportation	871	1,550	5,150	6,750
Contracted Maintenance Repairs	0	0	512	410
Professional Fees	519,558	313,294	298,033	318,033
Other Fees	75,244	77,824	100,000	85,000
Memberships & Registrations	31,413	17,629	29,500	29,835
Miscellaneous Services	43,379	45,579	44,605	40,900
Office & General Supplies	5,081	5,360	5,000	5,000
Equipment	87	2,490	1,000	1,000
Projects	0	0	0	0
<b>TOTAL M., S. &amp; E.</b>	<b>675,727</b>	<b>463,939</b>	<b>484,165</b>	<b>487,220</b>
 <b><u>INTERNAL SERVICES</u></b>				
Administrative Services	170,940	184,097	191,826	183,117
Self-Insurance	40,760	14,056	23,041	23,041
<b>TOTAL INTERNAL SERVICES</b>	<b>211,700</b>	<b>198,153</b>	<b>214,867</b>	<b>206,158</b>
 <b>GENERAL FUND TOTAL</b>	 <b>3,079,193</b>	 <b>2,919,489</b>	 <b>2,930,886</b>	 <b>2,727,179</b>



# DEPARTMENT OF FINANCE

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

<b>PRIORITIES FOR FISCAL YEAR 2018</b>
<ul style="list-style-type: none"> <li>• Increase the level of customer satisfaction and responsiveness to citizens and vendors.</li> <li>• Ensure timeliness and accuracy of periodic financial reports.</li> <li>• Increase the ease of doing business with the City of Wilmington through electronic media.</li> <li>• Implementation of monthly utility billing.</li> <li>• Implementation of Electronic Accounts Payable Payment and Purchasing Control Card.</li> <li>• Implementation of On-Street Parking Pay-By-Phone.</li> <li>• Increase the collection of delinquent accounts.</li> </ul>

## SUMMARY OF FUNDING FOR THE DEPARTMENT OF FINANCE

<b>TOTAL ALL FUNDS FINANCE DEPARTMENT</b>	<b>ACTUAL FY2015</b>	<b>ACTUAL FY2016</b>	<b>BUDGET FY2017</b>	<b>APPROVED FY2018</b>
Personal Services	7,159,085	7,474,065	7,617,155	7,889,816
Materials, Supplies & Equipment	4,825,822	5,005,898	5,388,642	5,314,137
Internal Services	1,571,329	1,223,354	1,649,269	1,595,973
Debt Service	6,488	31,581	68,699	53,230
<b>TOTAL</b>	<b>13,562,724</b>	<b>13,734,898</b>	<b>14,723,765</b>	<b>14,853,156</b>
<b>STAFFING LEVELS</b>	<b>88.00</b>	<b>88.00</b>	<b>86.00</b>	<b>85.00</b>

<b>GENERAL FUND FINANCE DEPARTMENT</b>	<b>ACTUAL FY2015</b>	<b>ACTUAL FY2016</b>	<b>BUDGET FY2017</b>	<b>APPROVED FY2018</b>
Personal Services	4,910,482	5,158,949	5,331,701	5,494,132
Materials, Supplies & Equipment	3,474,189	3,496,380	3,603,500	3,583,100
Internal Services	923,052	746,045	899,469	866,963
Debt Service	6,488	18,061	38,237	23,044
<b>TOTAL</b>	<b>9,314,211</b>	<b>9,419,435</b>	<b>9,872,907</b>	<b>9,967,239</b>
<b>STAFFING LEVELS</b>	<b>60.55</b>	<b>61.85</b>	<b>61.45</b>	<b>60.45</b>

<b>WATER/SEWER FUND FINANCE DEPARTMENT</b>	<b>ACTUAL FY2015</b>	<b>ACTUAL FY2016</b>	<b>BUDGET FY2017</b>	<b>APPROVED FY2018</b>
Personal Services	2,248,603	2,315,116	2,285,454	2,395,684
Materials, Supplies & Equipment	1,351,633	1,509,518	1,785,142	1,731,037
Internal Services	648,277	477,309	749,800	729,010
Debt Service	0	13,520	30,462	30,186
<b>TOTAL</b>	<b>4,248,513</b>	<b>4,315,463</b>	<b>4,850,858</b>	<b>4,885,917</b>
<b>STAFFING LEVELS</b>	<b>27.45</b>	<b>26.15</b>	<b>24.55</b>	<b>24.55</b>

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

- A vacant Parking Regulation Enforcement Officer (1.00 FTE) was deleted for a savings of \$52,375. This was offset by the upgrade of thirteen other positions (including seven that are split-funded), upgraded through the Biennial Classification Appeal Process in FY 2017 that cost \$23,445.
- Cost of living adjustments and employee step increases added \$58,426 to Regular Salaries. Hospitalization and Pension Healthcare also increased a combined total of \$92,121.
- Overtime decreased by \$33,100, due to lesser need for staffing during the Wage Tax filing season.
- Professional Fees decreased by \$77,500, as the Department will rely more on its internal resources during Wage Tax filing season and for the preparation of the Comprehensive Annual Financial Report.
- Collection Expense-Fire Alarms decreased \$5,000 as a result of efficient use of personnel to cover related expenses for the False Alarm Reduction Program.
- Collection Expense-Parking Citation Commissions increased by \$72,500 to cover the cost of fees associated with the Padlock digital parking permit application, validation, and enforcement system (based on license plate scanning) and the parking citations contract, which increased 2.5%.
- Collection Expense-Red-Light Camera Commissions increased \$80,000 to capture costs associated with the red light ticket and video enforcement program.
- Collection Expense-Wage & Head Audit decreased by \$106,000, due primarily to more efficient use of internal resources to assist accounting and law firms with the collection of Wage Taxes.
- Collection Expense-Credit Card Fees increased by \$20,000, as a result of an increased number of customers using a credit card for payments.
- The Internal Services account group decreased by a net \$32,506, mainly due to decreases in Data Processing and Word Processing in the amount of \$17,701 and \$9,034, respectively.

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

- Personal Services increased \$110,230. Seven split-funded positions were upgraded during the Biennial Classification Appeal Process in FY 2017 that added \$14,633 to salary and benefits.
- Cost of living adjustments and employee step increases added \$31,811 to Regular Salaries. Hospitalization and Pension Healthcare also increased a combined total of \$60,379.
- Professional Fees decreased by \$45,600, as the Department will rely more on its internal resources during Wage Tax filing season and for the preparation of the Comprehensive Annual Financial Report.
- Because sheriff sale activity is trending downward, the associated Collection Expense-Legal Fees and Collection Expense-Court Cost were reduced by \$80,840 and \$41,000, respectively.
- The Indirect Costs expense went up by \$120,957, reflecting the budgeted increases in the supporting services provided to the Water/Sewer Fund's utility functions by the General Fund.
- Internal Services decreased by \$20,790 because of decreases in Data Processing and Postage of \$15,782 and \$7,838, respectively.



# DEPARTMENT OF FINANCE

## STRATEGIC PLAN

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### Focus Area: Effective City Government

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

**Objective 1:** Guarantee customers a return phone call within 24 hours.

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
# of calls received	N/A	21,918	30,000
# of calls answered	N/A	21,025	28,866
% of calls answered	N/A	96%	96%

**Objective 2:** Implement E-Payables by December 2017.

Critical Indicator	Date Completed		
E-Payables implemented	Pending		
	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
# of checks processed via e-payables	N/A	N/A	1,156
Total \$ cost of electronic issuance	N/A	N/A	\$6,931,651

# DEPARTMENT OF FINANCE

## STRATEGIC PLAN

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### Focus Area: Effective City Government

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**CITY-WIDE GOAL #2: Increase Accountability.**

**Objective 1:** Pay all approved City invoices within 30 days of invoice date.

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
# of approved City invoices received	24,582	30,053	32,500
# of City bills paid within 30 days of invoice date	20,895	25,545	28,500
% of City bills paid within 30 days of invoice date	85%	85%	87.7%

**Objective 2:** Establish and comply with procedures for periodic accounting closing by Fiscal Year 2018.

Critical Indicator	Date Completed		
Establish procedures for periodic accounting closing	July 1, 2017		
	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
# of monthly closings within 10 business days of month end	12	12	12

**Objective 3:** Complete a financial software system upgrade by June 2017.

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
Complete a financial software system upgrade	N/A	N/A	October 2017

# DEPARTMENT OF FINANCE

## STRATEGIC PLAN

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### Focus Area: Effective City Government

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

**Objective 1:** Bill annual revenue in compliance with WEFAC projections. (General Fund)

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
Total \$ revenue approved by WEFAC (original projection)	\$153,807,112	\$154,850,913	\$157,580,592
Total \$ revenue approved by WECAC in 3 <sup>rd</sup> Quarter	\$116,796,649	\$119,429,882	\$122,912,862
Total \$ Property Tax billings	\$40,668,276	\$44,048,151	\$45,589,836
Total \$ revenue collected	\$151,733,580	\$176,770,909	\$157,580,592

**Objective 2:** Maintain or improve the City's bond rating.

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
City's bond rating from Moody	Aa2	Aa2	Aa2
City's bond rating from S&P	AA	AA	AA
City's bond rating from Fitch	AA-	AA-	AA-

**CITY-WIDE GOAL #4: Ensure Transparency.**

**Objective 1:** Complete and distribute the Comprehensive Annual Financial Report (CAFR) by December 31<sup>st</sup> of each year.

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
Complete CAFR by December 31 <sup>st</sup> of each year	YES	TBD	YES

# DEPARTMENT OF FINANCE

## STRATEGIC PLAN

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### Focus Area: Effective City Government

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**Objective 2:** Achieve annual Certificate of Excellence in Financial Reporting.

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
Receive the Certificate of Excellence in Financial Reporting	YES	TBD	YES

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### Focus Area: Public Safety

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**CITY-WIDE GOAL #6:** Cultivate Positive Community Relationships.

**Objective 1:** Enforce standard operating procedures and training to ensure that Parking Regulation Enforcement Officers (PREOs) fairly enforce parking regulations.

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
# of training sessions	3	3	As needed
# of PREOs trained	16	16	16
# of parking violations appealed	4,022	3,502	3,762
# of appeals approved	1,861	1,746	1,500
% of appeals approved	46%	50%	40%

# DEPARTMENT OF FINANCE

## STRATEGIC PLAN

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### Focus Area: Economic Vitality

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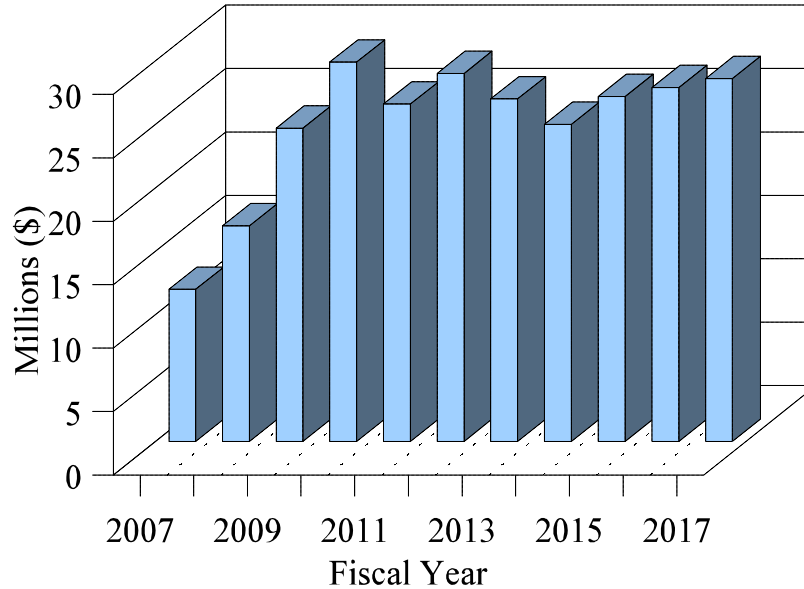
#### CITY-WIDE GOAL #12: Attract, Retain, and Expand Business.

**Objective 1:** Fully implement electronic bidding by June 2018.

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
Total # of bids received	112	170	150
# of electronic bids received	N/A	N/A	15
% of electronic bids processed	N/A	N/A	10

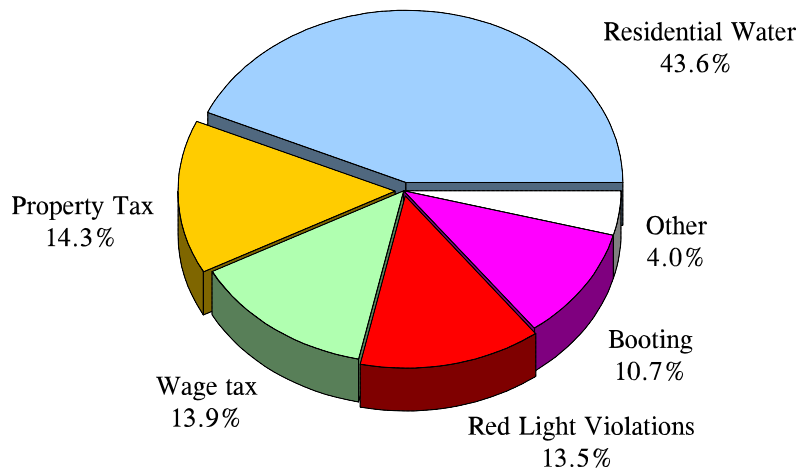
# Department of Finance Performance Trends

## Delinquent Enforcement Annual Collections



The Finance Department is responsible for collecting delinquent net profit, property and wage taxes, business licenses, fees, and water bills. In FY 2017, \$28.6 million in delinquent accounts was collected.

## Delinquent Collections by Revenue Type FY 2017



**DEPARTMENTAL BUDGET DETAIL BY FUND**

**DEPARTMENT: FINANCE**

**FUND: GENERAL**

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY2015</b>	<b>ACTUAL FY2016</b>	<b>BUDGET FY2017</b>	<b>APPROVED FY2018</b>
Regular Salaries	2,800,623	3,021,551	3,144,622	3,203,048
Temporary Salaries	0	59,225	7,500	7,500
Acting Out of Class	1,349	4,855	4,800	4,500
Sick Leave Bonus	3,200	4,200	6,400	8,000
Overtime	103,441	67,666	101,600	68,500
Meal Allowance	9,752	5,059	10,160	6,850
Clothing Allowance	3,750	4,427	4,250	4,000
Health Cash Back	1,143	0	0	0
Pension Contribution	643,381	532,236	597,958	611,777
Social Security	177,138	191,541	197,587	197,656
Medicare Tax	41,427	44,775	46,206	46,227
Hospitalization	970,160	1,032,369	1,056,501	1,133,187
Life Insurance	12,759	12,476	14,064	14,097
Pension healthcare	103,267	132,846	165,915	181,350
State Pension Plan - Civilian	39,092	45,723	70,422	71,186
Personal Services Adjustment	0	0	(96,284)	(63,746)
PS-Budget Control Account	0	0	0	0
<b>TOTAL PERSONAL SERVICES</b>	<b>4,910,482</b>	<b>5,158,949</b>	<b>5,331,701</b>	<b>5,494,132</b>
 <b><u>MATERIALS, SUPPLIES &amp; EQUIPMENT</u></b>				
Printing & Advertising	58,709	47,714	71,700	68,650
Communications & Utilities	10,548	11,719	16,300	16,050
Transportation	14,667	17,082	21,550	21,550
Rentals	0	0	0	0
Contracted Maintenance Repairs	0	0	600	500
Professional Fees	367,522	336,071	395,000	317,500
Memberships & Registrations	25,844	19,920	43,200	42,150
Miscellaneous Services	2,954,354	3,024,777	3,014,600	3,079,000
Office & General supplies	10,501	9,806	17,500	16,000
Wearing Apparel and Safety	17,627	12,218	12,550	11,400
Miscellaneous Parts	299	637	1,250	800
Equipment	14,118	16,436	9,250	9,500
Miscellaneous Projects	0	0	0	0
MSE-Budget Control Account	0	0	0	0
<b>TOTAL M. S. &amp; E.</b>	<b>3,474,189</b>	<b>3,496,380</b>	<b>3,603,500</b>	<b>3,583,100</b>

**DEPARTMENT: FINANCE****FUND: GENERAL**

	<b>ACTUAL FY2015</b>	<b>ACTUAL FY2016</b>	<b>BUDGET FY2017</b>	<b>APPROVED FY2018</b>
<b>INTERNAL SERVICES</b>				
Administrative Services	716,492	702,175	803,305	770,799
Self-Insurance	206,560	43,870	96,164	96,164
<b>TOTAL INTERNAL SERVICES</b>	<b>923,052</b>	<b>746,045</b>	<b>899,469</b>	<b>866,963</b>
<b><u>DEBT SERVICE</u></b>				
Principal Payments	900	1,586	8,377	(1,814)
Interest Payments	5,588	16,475	29,860	24,858
<b>TOTAL DEBT SERVICE</b>	<b>6,488</b>	<b>18,061</b>	<b>38,237</b>	<b>23,044</b>
<b>GENERAL FUND TOTAL</b>	<b>9,314,211</b>	<b>9,419,435</b>	<b>9,872,907</b>	<b>9,967,239</b>



**DEPARTMENTAL BUDGET DETAIL BY FUND**

**DEPARTMENT: FINANCE**

**FUND: WATER/SEWER**

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY2015</b>	<b>ACTUAL FY2016</b>	<b>BUDGET FY2017</b>	<b>APPROVED FY2018</b>
Regular Salaries	1,329,501	1,330,653	1,349,408	1,381,219
Temporary Salaries	0	0	0	0
Acting Out of Class	0	0	0	0
Sick Leave Bonus	400	200	3,100	3,100
Overtime	36,578	33,464	38,400	36,000
Meal Allowance	1,616	1,272	3,840	3,600
Clothing Allowance	750	750	750	750
Health Cash Back	1,017	0	0	0
Accrued Sick/Vacation	(17,498)	3,568	0	0
Pension Contribution	244,435	229,378	260,031	257,105
Social Security	83,273	82,622	83,922	84,899
Medicare Tax	19,475	19,324	19,624	19,857
Hospitalization	373,557	391,457	428,555	481,569
Life Insurance	5,970	5,522	5,786	5,824
Pension healthcare	151,245	199,753	66,285	73,650
State Pension Plan - Civilian	18,284	17,153	25,753	34,897
Personal Services Adjustment	0	0	0	13,214
<b>TOTAL PERSONAL SERVICES</b>	<b>2,248,603</b>	<b>2,315,116</b>	<b>2,285,454</b>	<b>2,395,684</b>
 <b><u>MATERIALS, SUPPLIES &amp; EQUIPMENT</u></b>				
Printing & Advertising	14,442	13,140	43,100	40,800
Communications & Utilities	0	30	800	800
Transportation	4,703	8,445	16,500	16,500
Contracted Maintenance Repairs	0	0	2,240	1,828
Professional Fees	29,847	79,264	115,600	70,000
Memberships & Registrations	7,676	6,948	22,400	19,650
Miscellaneous Services	196,318	256,323	404,840	283,000
Office & General supplies	9,200	8,327	12,600	11,580
Wearing Apparel and Safety	1,225	2,679	3,450	2,950
Miscellaneous Parts	0	1,415	3,000	2,760
Supporting Services	1,083,089	1,120,246	1,137,962	1,258,919
Equipment	5,133	12,701	22,650	22,250
<b>TOTAL M. S. &amp; E.</b>	<b>1,351,633</b>	<b>1,509,518</b>	<b>1,785,142</b>	<b>1,731,037</b>

**DEPARTMENT: FINANCE****FUND: WATER/SEWER**

<b>INTERNAL SERVICES</b>	<b>ACTUAL FY2015</b>	<b>ACTUAL FY2016</b>	<b>BUDGET FY2017</b>	<b>APPROVED FY2018</b>
Administrative Services	549,719	452,304	700,851	680,061
Self-Insurance	98,558	25,005	48,949	48,949
<b>TOTAL INTERNAL SERVICES</b>	<b>648,277</b>	<b>477,309</b>	<b>749,800</b>	<b>729,010</b>
<b>DEBT SERVICE</b>				
Interest Payments	0	13,520	30,462	30,186
<b>TOTAL OTHER</b>	<b>0</b>	<b>13,520</b>	<b>30,462</b>	<b>30,186</b>
<b>WATER/SEWER FUND TOTAL</b>	<b>4,248,513</b>	<b>4,315,463</b>	<b>4,850,858</b>	<b>4,885,917</b>



# DEPARTMENT OF HUMAN RESOURCES

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

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

<b>PRIORITIES FOR FISCAL YEAR 2018</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 collective bargaining units affiliated with the City of Wilmington.</li> <li>• Manage the City's risk exposure by implementing more effective personnel, health and safety, insurance, and claims management practices and programs.</li> <li>• Provide management and employee training to continue to develop the City's workforce and enhance productivity.</li> <li>• Effectively monitor productive and non-productive time through use of ongoing audits of the electronic timekeeping system.</li> <li>• Recognize and reward employees for exemplary contributions to the City of Wilmington.</li> </ul>

## SUMMARY OF FUNDING FOR THE DEPARTMENT OF HUMAN RESOURCES

<b>TOTAL ALL FUNDS*</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>APPROVED</b>
<b>HUMAN RESOURCES</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>
Personal Services	2,110,910	2,262,066	2,496,601	2,540,233
Materials, Supplies & Equipment	2,782,898	4,364,613	4,106,793	4,957,398
Internal Services	491,778	521,033	618,902	573,289
Debt Service	22,567	24,457	24,761	17,714
Depreciation	0	0	12,554	12,554
Special Purpose	26,276,541	19,551,465	24,815,714	26,502,718
<b>TOTAL</b>	<b>31,684,694</b>	<b>26,723,634</b>	<b>32,075,325</b>	<b>34,603,906</b>
<b>STAFFING LEVELS</b>	<b>22.00</b>	<b>22.00</b>	<b>24.00</b>	<b>23.00</b>

\*Differs from Summary of All Funds Combined – Expenditures table on page 37 due to inclusion of Internal Service Funds.

<b>GENERAL FUND</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>APPROVED</b>
<b>HUMAN RESOURCES</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>
Personal Services	1,379,149	1,412,695	1,365,436	1,437,082
Materials, Supplies & Equipment	141,786	120,964	158,161	223,604
Internal Services	449,063	483,841	580,874	537,164
Debt Service	22,567	24,457	24,761	17,714
<b>TOTAL</b>	<b>1,992,565</b>	<b>2,041,957</b>	<b>2,129,232</b>	<b>2,215,564</b>
<b>STAFFING LEVELS</b>	<b>14.00</b>	<b>13.55</b>	<b>13.55</b>	<b>13.55</b>

<b>RISK MANAGEMENT FUND</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>APPROVED</b>
<b>HUMAN RESOURCES</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>
Personal Services	210,965	228,577	249,177	306,670
Materials, Supplies & Equipment	1,952,926	3,496,483	3,045,809	3,471,256
Internal Services	25,534	23,202	27,416	26,040
Depreciation	0	0	12,554	12,554
Special Purpose	2,984,376	(3,042,566)	0	0
<b>TOTAL</b>	<b>5,173,801</b>	<b>705,696</b>	<b>3,334,956</b>	<b>3,816,520</b>
<b>STAFFING LEVELS</b>	<b>1.80</b>	<b>1.95</b>	<b>2.05</b>	<b>1.75</b>

<b>WORKERS' COMPENSATION FUND</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>APPROVED</b>
<b>HUMAN RESOURCES</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>
Personal Services	407,295	459,844	575,323	509,867
Materials, Supplies & Equipment	626,631	586,749	724,173	1,082,638
Internal Services	14,625	11,718	7,602	7,149
Special Purpose	3,756,789	1,653,376	2,715,000	2,718,000
<b>TOTAL</b>	<b>4,805,340</b>	<b>2,711,687</b>	<b>4,022,098</b>	<b>4,317,654</b>
<b>STAFFING LEVELS</b>	<b>4.50</b>	<b>4.65</b>	<b>5.15</b>	<b>4.65</b>

<b>HEALTH AND WELFARE FUND</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>APPROVED</b>
<b>HUMAN RESOURCES</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>
Personal Services	113,501	160,950	306,665	286,614
Materials, Supplies & Equipment	61,555	160,417	178,650	179,900
Internal Services	2,556	2,272	3,010	2,936
Special Purpose	19,535,376	20,940,655	22,100,714	23,784,718
<b>TOTAL</b>	<b>19,712,988</b>	<b>21,264,294</b>	<b>22,589,039</b>	<b>24,254,168</b>
<b>STAFFING LEVELS</b>	<b>1.70</b>	<b>1.85</b>	<b>3.25</b>	<b>3.05</b>

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

- The Payroll Manager received a salary increase through the biennial appeal process and the Administrative Assistant II received a salary increase through the budget process. Combined, the changes added \$5,919 to the General Fund budget in salary and benefit costs.
- Personal Services costs increased \$71,646. A net decrease in the actuarially determined Pension target resulted in savings of \$5,353, but was offset by increases in Hospitalization of \$40,691 and Pension Healthcare of \$4,065. The remaining portion of the increase is due to regular step increases, a 1% COLA and a \$500 one-time payment for all Department personnel.
- Materials, Supplies & Equipment increased \$65,443. The bulk of the increase is attributable to two factors: \$50,000 for a compensation study and \$15,000 in Workshops/Seminars – Training to address issues identified by the Mayor’s Transition team. The compensation study is a one-time expense, while at least a portion of the training funds may be ongoing.
- Internal Services decreased \$43,710, fueled almost entirely by reductions in Data and Word Processing costs.
- Debt Service decreased \$7,047. Taking advantage of current low interest rates, two past bond issues were refinanced in February 2017.

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

- The Employee Benefits Administrator and the HR Office Assistant were both upgraded during the biennial appeals process, resulting in an increase in salary for both positions and the new title of Employee Benefits Assistant for the HR Office Assistant. The Director of Risk Management & Employee Benefits position was deleted through the budget process. The deletion is necessary as the position functions were separated into two management positions in the FY 2017 budget. The result of the position changes is a net decrease of \$131,980 in salary and benefits for FY 2018.
- Personal Services decreased \$28,015 across all three Internal Services Funds. Savings from position changes were partially offset by regular step increases, general increases in hospitalization, a 1% COLA and a \$500 one-time payment for all Department personnel.
- Materials, Supplies & Equipment increased \$785,162 across all three Internal Services Funds. In the Risk Management Fund, total Insurance costs increased \$439,747. Insurance Claims – Legal Defense was the bulk of the increase (up \$290,000) based on a new approach for handling suits filed against the City and should be viewed in tandem with savings due to personnel reductions in the Law Department. Liability was increased \$105,000 to account for an increase in the premium for the City’s general liability excess coverage. Both Fire and Insurance Claims increased roughly \$23,000. The increase in Fire is to accommodate a new flood insurance policy and the increase in Insurance Claims is to match the actuarial projection for FY 2018.
- In the Workers’ Compensation Fund, total Insurance Costs increased \$370,000. The unimaginable tragedy of the City losing three of its firefighters in a single house fire last year was then compounded by the fact that the City had no catastrophic Workers’ Compensation insurance to cover the nearly \$6.5 million in medical bills incurred as a result of the event. To ensure that the City is no longer unprepared for these types of expenditures, Liability increased \$400,000 for stop-loss coverage and to begin funding an appropriate reserve to protect the City from future catastrophic events. That increase was slightly offset by an expected \$30,000 in savings for unemployment claims.
- In the Health and Welfare Fund, Self-Insurance Costs increased by \$1.6 million dollars. This account group encompasses the cost centers for employee Medical claims, Prescription and Dental coverage, and Life Insurance. Inflationary pressure and higher utilization continue to drive increases in FY 2018. After two years of double digit growth, Self-Insurance Costs are expected to grow at 7.6% in FY 2018. A Healthcare Task Force was convened through Executive Order with the purpose of reviewing current healthcare benefit plans and identifying areas of potential cost savings, employee health and wellness improvements, and other efficiencies. The Administration is currently working with the labor unions to negotiate the implementation of the recommendations of the Healthcare Task Force Report which was issued in April, 2017.

# DEPARTMENT OF HUMAN RESOURCES

## STRATEGIC PLAN

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### Focus Area: Effective City Government

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

**Objective 1:** Hold quarterly labor relations/management meetings for all five collective bargaining units to promote harmonious working relationships with employees.

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
<b># of meetings held by Bargaining Unit:</b>	11	12	20
FOP Rank & File	0	0	4
FOP Captains & Inspectors	0	0	4
AFSCME Local 1102	4	3	4
AFSCME Local 320	1	3	4
Firefighters Local 1590	6	6	4

**Objective 2:** Optimize benefit enrollment process through automation, and improved on-boarding.

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
Total # of individuals enrolled	901	81	80
# of individuals enrolled electronically	901	0	80
% of individuals enrolled electronically	100%	N/A	100%
Total # of employee benefit/status changes processed	66	74	75
Avg. # days to process employee benefit/status changes	2	2	2
% of benefit/status changes processed within 10 days.	92%	92%	92%



# DEPARTMENT OF HUMAN RESOURCES

## STRATEGIC PLAN

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### Focus Area: Effective City Government

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**Objective 3:** Extend offers for non-uniformed personnel within 90 days at least 90% of the time.

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
# of offers for non-uniformed personnel made	44	55	45
# of offers for non-uniformed personnel accepted	40	48	45
Avg. # of days to fill a non-uniformed positions from posting	90	59	75
% of positions filled within 90 days of posting	73%	87%	90%

**CITY-WIDE GOAL #2: Increase Accountability.**

**Objective 1:** Conduct annual City-wide training needs assessment.

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
Date needs assessment was completed	3/11/15	N/A	10/31/17
# of needs identified	5	0	2
# of needs addressed through training	2	0	2
# of training/workshops held	30	9	10
# of participants in trainings/workshops	338	50	200
Total \$ spent on trainings/workshops	\$18,928	\$11,443	\$45,000

# DEPARTMENT OF HUMAN RESOURCES

## STRATEGIC PLAN

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### Focus Area: Effective City Government

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**Objective 2:** Promote health and wellness awareness through organized initiatives and informational workshops.

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
# of informational workshops held	15	2	10
# of attendees at workshops	728	30	600
# of organized initiatives	7	2	5
# of attendees at organized initiatives	212	40	300
# of health fairs held	1	1	1
# of attendees at health fairs	146	155	200
# of flu shots administered	300	300	300

**Objective 3:** Complete investigations for all internal complaints within 90 days.

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
# of complaints filed	26	9	4
Avg. # of days to complete investigation	102	70	40
% of investigations completed in 90 days	35	62.5	90

**Objective 4:** Address grievances within the timeframes outlined in City Code, and the respective CBAs.

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
# of grievances filed	15	16	15
# of grievances completed in designated time frame	7	7	13
% of grievances completed in designated time frame	47%	44%	87%

# DEPARTMENT OF HUMAN RESOURCES

## STRATEGIC PLAN

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### Focus Area: Effective City Government

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**Objective 5:** Reduce Payroll audit findings and exceptions.

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
Total # of audit findings	5	4	7
# of audit findings against Payroll Division	3	2	3
% of audit findings against Payroll Division	60%	50%	43%
# of audit findings corrected	3	2	3

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

**Objective 1:** Decrease workers' injuries and control workers' compensation (WC) costs.

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
# of WC claims filed	185	183	185
# of new WC claims accepted	172	171	170
# of WC claims w/payments (all years)	278	286	280
# of WC claims with lost days	36	50	40
Avg. # of working days lost	67	80	65
Avg. \$ cost per claim	\$9,598	\$32,721	\$9,000
Total \$ cost for WC claims	\$2,668,175	\$9,358,014	\$2,250,000
# of safety trainings	17	27	25
# of safety training participants	248	305	500

**Objective 2:** Minimize auto, property/casualty, and general liability costs.

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
# of auto claims filed	123	109	120
Avg. \$ cost per auto claim	\$901	\$1,624	\$2,000
# of property/casualty claims filed	97	63	75
Avg. \$ cost per property/casualty claim	\$6,644	\$1,274	\$3,000
# of police liability claims filed	4	3	4
Avg. \$ cost per police liability claim	\$216,750	\$4,200	\$10,000

# DEPARTMENT OF HUMAN RESOURCES

## STRATEGIC PLAN

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### Focus Area: Effective City Government

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**Objective 3:** Minimize healthcare (HC) and prescription (Rx) costs.

Critical Indicator	FY 2016 Actual	FY 2017 Actual*	FY 2018 Projected
Total \$ cost for HC	\$22,052,774	\$20,515,643	\$22,894,277
Total # of employees	1,093	1,075	1,075
Avg. \$ cost per employee for HC	\$20,176	\$19,084	\$21,297
Avg. % of employee contribution for HC costs	4.3%	5%	5%
Total \$ cost for medical	\$15,973,257	\$14,928,488	\$16,412,278
Avg. \$ cost per employee for medical charges	\$14,614	\$13,885	\$15,267
# of migrants from POS 1/PPO 1	21	1	1
Total \$ cost for Rx	\$6,079,517	\$5,589,155	\$6,481,999
Avg. \$ cost per employee for Rx	\$5,562	\$5,199	\$6,030

\*FY 2017 Actuals for paid care includes estimated costs for June 2017

### CITY-WIDE GOAL #4: Ensure Transparency.

**Objective 1:** Evaluate and revise the Employees' Code of Conduct, and provide ongoing employee training on any revisions.

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
# of recommended revisions	N/A	0	1
# of revisions made	N/A	0	1
# of training sessions	N/A	0	30
# of attendees at training sessions	N/A	0	1,078

# DEPARTMENT OF HUMAN RESOURCES

## STRATEGIC PLAN

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### Focus Area: Quality of Life

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

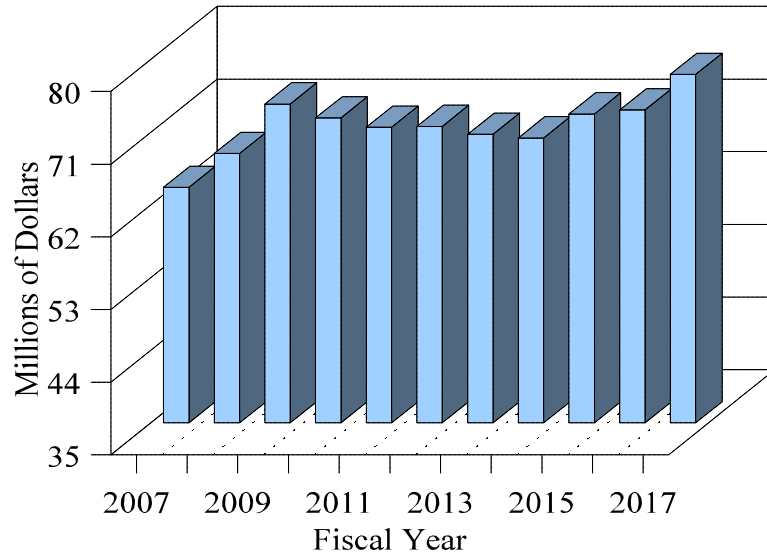
**Objective 1:** Enhance city services by maintaining a fully staffed workforce (exclusive of Fire and Police).

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
Total positions city-wide (minus exclusion above)	N/A	525	519
# of vacant positions in a year	N/A	124	120
Avg. # of days a positions remains vacant	N/A	255	250
% of vacant positions	N/A	26%	23%

# Department of Human Resources

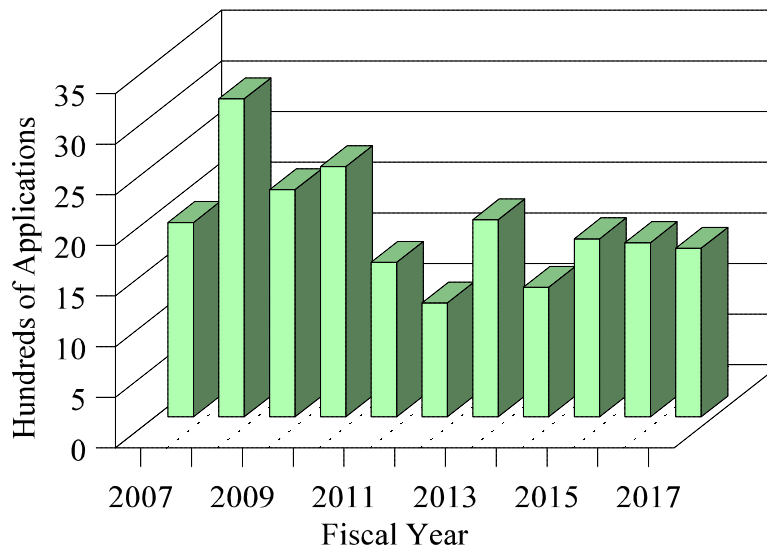
## Performance Trends

### Payroll - All Employees



Although the total City workforce continues to decline, other factors such as increased Public Safety overtime and settlements of labor contracts with retroactive salary payments have led to an overall increase in payroll.

### 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: HUMAN RESOURCES**

**FUND: GENERAL**

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY 2015</b>	<b>ACTUAL FY 2016</b>	<b>BUDGET FY 2017</b>	<b>APPROVED FY 2018</b>
Regular Salaries	841,516	872,503	834,513	859,224
Temporary Salaries	5,680	3,425	12,000	12,000
Acting Out of Classification	0	54	1,600	0
Sick Leave Bonus	0	0	900	900
Overtime	2,579	3,347	3,200	2,620
Meal Allowance	323	196	200	153
Pension Contribution	242,571	202,945	213,608	203,183
Social Security	51,685	54,810	50,402	52,569
Medicare Tax	12,106	14,109	11,789	12,084
Hospitalization	184,110	220,954	200,188	240,879
Life Insurance	3,368	3,218	3,235	3,239
Pension Healthcare	31,288	33,978	36,585	40,650
State Pension Plan - Civilian	3,923	3,156	4,003	9,075
Personal Services Adjustment	0	0	(6,787)	506
<b>TOTAL PERSONAL SERVICES</b>	<b>1,379,149</b>	<b>1,412,695</b>	<b>1,365,436</b>	<b>1,437,082</b>
 <b><u>MATERIALS, SUPPLIES &amp; EQUIPMENT</u></b>				
Printing and Advertising	10,894	4,485	10,385	10,885
Communications & Utilities	127	0	200	200
Transportation	8,462	10,015	10,255	9,734
Contracted Maintenance	497	419	812	812
Professional Fees	19,632	34,802	22,850	22,850
Other Fees	0	0	0	1,049
Memberships & Registrations	53,756	30,165	61,107	76,010
Miscellaneous Services	3,988	4,914	5,189	55,099
Office & General Supplies	8,474	7,793	8,763	7,990
Wearing Apparel & Safety Supplies	0	0	0	500
Miscellaneous Parts	35,508	28,371	38,600	38,475
Equipment	448	0	0	0
<b>TOTAL M., S. &amp; E.</b>	<b>141,786</b>	<b>120,964</b>	<b>158,161</b>	<b>223,604</b>

**DEPARTMENT: HUMAN RESOURCES****FUND: GENERAL**

<b>INTERNAL SERVICES</b>	<b>ACTUAL FY 2015</b>	<b>ACTUAL FY 2016</b>	<b>BUDGET FY 2017</b>	<b>APPROVED FY 2018</b>
Administrative Services	437,299	479,782	574,221	530,511
Self-Insurance	11,764	4,059	6,653	6,653
<b>TOTAL INTERNAL SERVICES</b>	<b>449,063</b>	<b>483,841</b>	<b>580,874</b>	<b>537,164</b>
<b>DEBT SERVICE</b>				
Principal Payments	3,132	5,515	5,923	1,894
Interest Payments	19,435	18,942	18,838	15,820
<b>TOTAL DEBT SERVICE</b>	<b>22,567</b>	<b>24,457</b>	<b>24,761</b>	<b>17,714</b>
<b>GENERAL FUND TOTAL</b>	<b>1,992,565</b>	<b>2,041,957</b>	<b>2,129,232</b>	<b>2,215,564</b>



## DEPARTMENT: HUMAN RESOURCES

## FUND: RISK MANAGEMENT

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY 2015</b>	<b>ACTUAL FY 2016</b>	<b>BUDGET FY 2017</b>	<b>APPROVED FY 2018</b>
Regular Salaries	108,899	149,364	145,194	123,116
Temporary Salaries	15,078	18,827	17,625	14,687
Overtime	0	1	0	0
Meal Allowance	26	34	0	0
Health Cash Back	470	948	240	0
Compensated Absences	10,674	(14,228)	0	0
Pension Contribution	34,832	34,461	30,244	25,520
Social Security	8,306	10,269	8,810	98,481
Medicare Tax	1,947	2,402	2,060	1,740
Hospitalization	24,479	18,267	37,133	34,444
Life Insurance	375	379	491	420
Pension Healthcare	5,070	6,697	5,535	5,250
State Pension Plan - Civilian	809	1,156	2,954	3,179
Personal Services Adjustment	0	0	(1,109)	(167)
<b>TOTAL PERSONAL SERVICES</b>	<b>210,965</b>	<b>228,577</b>	<b>249,177</b>	<b>306,670</b>
<b><u>MATERIALS, SUPPLIES &amp; EQUIPMENT</u></b>				
Printing	0	35	70	70
Transportation	1,699	1,066	2,250	2,250
Insurance	1,807,891	3,364,107	2,877,750	3,317,497
Professional Fees	127,844	116,250	161,650	146,950
Memberships & Registrations	1,638	1,534	1,589	1,489
Office & General Supplies	2,495	2,978	2,500	3,000
Equipment	11,359	10,513	0	0
<b>TOTAL M., S. &amp; E.</b>	<b>1,952,926</b>	<b>3,496,483</b>	<b>3,045,809</b>	<b>3,471,256</b>

**DEPARTMENT: HUMAN RESOURCES**

**FUND: RISK MANAGEMENT**

	<b>ACTUAL FY 2015</b>	<b>ACTUAL FY 2016</b>	<b>BUDGET FY 2017</b>	<b>APPROVED FY 2018</b>
<b>INTERNAL SERVICES</b>				
Administrative Services	24,525	22,135	26,317	24,941
Self-Insurance	1,009	1,067	1,099	1,099
<b>TOTAL INTERNAL SERVICES</b>	<b>25,534</b>	<b>23,202</b>	<b>27,416</b>	<b>26,040</b>
<b>OTHER</b>				
Depreciation	0	0	12,554	12,554
<b>TOTAL DEBT SERVICE</b>	<b>0</b>	<b>0</b>	<b>12,554</b>	<b>12,554</b>
<b>SPECIAL PURPOSE</b>				
Claims Expense	2,984,376	(3,042,566)	0	0
<b>TOTAL SPECIAL PURPOSE</b>	<b>2,984,376</b>	<b>(3,042,566)</b>	<b>0</b>	<b>0</b>
<b>RISK MANAGEMENT FUND TOTAL</b>	<b>5,173,801</b>	<b>705,696</b>	<b>3,334,956</b>	<b>3,816,520</b>

## DEPARTMENT: HUMAN RESOURCES

## FUND: WORKERS' COMPENSATION

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY 2015</b>	<b>ACTUAL FY 2016</b>	<b>BUDGET FY 2017</b>	<b>APPROVED FY 2018</b>
Regular Salaries	194,221	250,118	319,548	285,447
Temporary Salaries	28,371	31,378	35,875	21,188
Acting Out of Class	695	0	0	0
Overtime	898	1,184	2,500	2,520
Meal Allowance	117	124	200	200
Compensated Absences	(1,122)	16,147	0	0
Pension Contribution	47,783	47,830	61,438	53,142
Social Security	13,599	17,169	19,338	18,632
Medicare Tax	3,180	3,979	4,522	4,032
Hospitalization	106,570	78,252	111,590	101,532
Life Insurance	832	969	1,210	1,099
Pension Healthcare	10,937	10,235	13,905	13,950
State Pension Plan - Civilian	1,214	2,294	5,197	5,622
Personal Services Adjustment	0	165	0	2,503
<b>TOTAL PERSONAL SERVICES</b>	<b>407,295</b>	<b>459,844</b>	<b>575,323</b>	<b>509,867</b>

**MATERIALS, SUPPLIES & EQUIPMENT**

Printing and Advertising	132	150	660	660
Transportation	2,320	3,567	8,000	8,000
Insurance	277,241	240,324	285,000	655,000
Rentals	300	5	300	300
Contracted Maintenance	261	506	900	820
Professional Fees	317,596	306,893	378,308	378,308
Memberships & Registrations	3,684	5,302	10,155	10,550
Office & General Supplies	1,423	1,747	1,800	2,200
Wearing Apparel & Safety	2,065	1,554	2,100	2,100
Miscellaneous Parts	7,819	16,309	21,450	22,700
Equipment	13,790	10,392	15,500	2,000
<b>TOTAL M., S. &amp; E.</b>	<b>626,631</b>	<b>586,749</b>	<b>724,173</b>	<b>1,082,638</b>

**DEPARTMENT: HUMAN RESOURCES****FUND: WORKERS' COMPENSATION**

<b>INTERNAL SERVICES</b>	<b>ACTUAL FY 2015</b>	<b>ACTUAL FY 2016</b>	<b>BUDGET FY 2017</b>	<b>APPROVED FY 2018</b>
Administrative Services	11,959	9,899	5,449	4,996
Self-Insurance	2,666	1,819	2,153	2,153
<b>TOTAL INTERNAL SERVICES</b>	<b>14,625</b>	<b>11,718</b>	<b>7,602</b>	<b>7,149</b>
<b>SPECIAL PURPOSE</b>				
Workers' Compensation	3,756,789	1,653,376	2,715,000	2,718,000
<b>TOTAL SPECIAL PURPOSE</b>	<b>3,756,789</b>	<b>1,653,376</b>	<b>2,715,000</b>	<b>2,718,000</b>
<b>WORKERS' COMPENSATION FUND TOTAL</b>	<b>4,805,340</b>	<b>2,711,687</b>	<b>4,022,098</b>	<b>4,317,654</b>

**DEPARTMENT: HUMAN RESOURCES**

**FUND: HEALTH AND WELFARE**

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY 2015</b>	<b>ACTUAL FY 2016</b>	<b>BUDGET FY 2017</b>	<b>APPROVED FY 2018</b>
Regular Salaries	65,148	95,826	193,848	187,297
Temporary Salaries	10,078	12,551	11,750	0
Health Cash Back	470	492	2,160	0
Compensated Absences	(324)	6,174	0	0
Pension Contribution	18,527	21,838	26,715	24,665
Social Security	4,935	6,893	11,809	11,168
Medicare Tax	1,270	1,659	2,762	2,611
Hospitalization	8,826	9,907	40,967	41,577
Life Insurance	808	383	759	726
Pension Healthcare	2,984	4,120	8,775	9,150
State Pension Plan - Civilian	779	1,107	7,120	7,778
Personal Services Adjustment	0	0	0	1,642
<b>TOTAL PERSONAL SERVICES</b>	<b>113,501</b>	<b>160,950</b>	<b>306,665</b>	<b>286,614</b>
 <b><u>MATERIALS, SUPPLIES &amp; EQUIPMENT</u></b>				
Printing & Advertising	35	0	500	400
Communications & Utilities	1,673	0	150	150
Transportation	2,225	316	3,000	3,000
Professional Fees	54,538	158,910	171,500	171,500
Memberships & Registrations	1,107	149	1,500	3,250
Office & General Supplies	1,977	1,042	2,000	1,600
Equipment	0	0	0	0
<b>TOTAL M., S. &amp; E.</b>	<b>61,555</b>	<b>160,417</b>	<b>178,650</b>	<b>179,900</b>
 <b><u>INTERNAL SERVICES</u></b>				
Administrative Services	1,528	1,701	2,287	2,213
Self-Insurance	1,028	571	723	723
<b>TOTAL INTERNAL SERVICES</b>	<b>2,556</b>	<b>2,272</b>	<b>3,010</b>	<b>2,936</b>
 <b><u>SPECIAL PURPOSE</u></b>				
Self-Insurance Costs	19,535,376	20,940,655	22,100,714	23,784,718
<b>TOTAL SPECIAL PURPOSE</b>	<b>19,535,376</b>	<b>20,940,655</b>	<b>22,100,714</b>	<b>23,784,718</b>
 <b>HEALTH &amp; WELFARE FUND TOTAL</b>				
	<b>19,712,988</b>	<b>21,264,294</b>	<b>22,589,039</b>	<b>24,254,168</b>

# DEPARTMENT OF LICENSES & INSPECTIONS

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

The Department performs mandated activities and conducts inspections on rental properties, issues Notifications and Certificates of Use and Occupancy, registers vacant properties, performs inspections, and reviews plans/specifications for renovations and new construction.

<b>PRIORITIES FOR FISCAL YEAR 2018</b>
<ul style="list-style-type: none"> <li>• Implement new mobile devices for instant ticketing.</li> <li>• Monitor and update newly installed MUNIS permit software with citizen access.</li> <li>• Aggressively demolish properties that are a blight to the community.</li> <li>• Continue to reduce the number of vacant properties through our new program that publicly advertises the property’s status and owner’s contact information both on the City’s website and on the property.</li> <li>• Implement new inspection status for boarded vacant properties.</li> <li>• Continue enhancement of enforcement teams.</li> <li>• Continue to provide online access to departmental forms and processes through the City’s website.</li> <li>• Implement the latest International Code Council (I.C.C.) Building Code.</li> </ul>

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

<b>TOTAL ALL FUNDS</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>APPROVED</b>
<b>LICENSES &amp; INSPECTIONS</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>
Personal Services	3,288,971	3,656,441	3,503,300	3,666,533
Materials, Supplies & Equipment	539,209	485,854	558,000	602,800
Internal Services	519,811	514,229	606,285	593,169
Debt Service	4,576	4,659	4,790	4,960
Special Purpose	600,000	587,500	600,000	300,000
<b>TOTAL</b>	<b>4,952,567</b>	<b>5,248,683</b>	<b>5,272,375</b>	<b>5,167,462</b>
<b>STAFFING LEVELS</b>	<b>38.00</b>	<b>38.00</b>	<b>38.00</b>	<b>38.00</b>

<b>GENERAL FUND</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>APPROVED</b>
<b>LICENSES &amp; INSPECTIONS</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>
Personal Services	3,288,971	3,656,441	3,503,300	3,666,533
Materials, Supplies & Equipment	539,209	485,854	558,000	602,800
Internal Services	519,811	514,229	606,285	593,169
Debt Service	4,576	4,659	4,790	4,960
Special Purpose	600,000	587,500	600,000	300,000
<b>TOTAL</b>	<b>4,952,567</b>	<b>5,248,683</b>	<b>5,272,375</b>	<b>5,167,462</b>
<b>STAFFING LEVELS</b>	<b>38.00</b>	<b>38.00</b>	<b>38.00</b>	<b>38.00</b>

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

- Three positions were upgraded, the Plans Examiner through the biennial appeal process, and the Code Enforcement Supervisor and the Mechanical Code Enforcement Inspector through the budget process. The total increase in salary and benefits for FY 2018 is \$8,010.
- Personal Services increased a net total of \$163,233. A net savings in the actuarially determined pension targets of \$6,087 was offset by a \$102,876 increase in Hospitalization. The remaining portion of the increase is due to regular step increases, a 1% COLA and a \$500 one-time payment for all personnel.
- Materials, Supplies & Equipment increased a total of \$44,800. Property Maintenance continues to rise, up \$15,000, and is required to address the growing number of properties in need of immediate repair due to owners failing to comply with violations. Wearing Apparel and Safety Supplies, and Memberships and Registrations make up the largest portions of the remaining increase at \$8,000 and \$7,900, respectively. The Department is adding shirts to the regular laundry service for uniforms, and increasing training for inspectors through webinars and OSHA modules. The price for International Code Council (I.C.C.) books and fees also increased.
- Special Purpose decreased \$300,000. The City has begun utilizing the recently establish State Office of Animal Welfare for animal control services. The equitable fee structure will save the City \$300,000 in FY 2018.
- Internal Services decreased a total of \$13,116, which was driven in large part by savings in Data and Word Processing costs.

# DEPARTMENT OF LICENSES & INSPECTIONS

## STRATEGIC PLAN

### Focus Area: Effective City Government

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

**Objective 1:** Conduct ongoing customer satisfaction surveys, and improve customer service.

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
# of customers handled in-house	N/A	6,000	6,600
% of customers handled in-house	N/A	100%	100%

**Objective 2:** Provide sensitivity training to all Departmental employees by June 2017.

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
# of Departmental employees	36	34	37
# of Departmental employees trained	24	34	37

**Objective 3:** Respond to all constituent complaints within 48 hours

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
# of constituent complaints received	3,746	3,524	3,100
# of complaints responded to within 48 hours	N/A	N/A	2,000
% of complaints responded to within 48 hours	N/A	N/A	65%



# DEPARTMENT OF LICENSES & INSPECTIONS

## STRATEGIC PLAN

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### Focus Area: Effective City Government

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**Objective 4:** Increase the percentage of warning tickets to total tickets issued in an effort to educate constituents on code requirements

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
# of all tickets issued	7,128	6,494	5,800
# of warning tickets issued	2,740	1,754	1,500

### CITY-WIDE GOAL #2: Increase Accountability.

**Objective 1:** Create and/or update Department standard operating procedures (SOPs) for all processes by June 2017.

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
# of processes identified within the Department	N/A	N/A	15
# of SOPs created and/or updated	N/A	1	15
% of SOPs created and/or updated	N/A	N/A	100%

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

**Objective 1:** Notify all property owners with outstanding balances of \$500 or more in unpaid L&I fines and fees within 30 days.

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
# of occurrences of property owners with balances of \$500 or more	1,015	1,221	1,300
# of notifications given within 30 days	N/A	N/A	1,170
% of notifications given within 30 days	N/A	N/A	90%
# of occurrences resolved during FY	N/A	N/A	520

# DEPARTMENT OF LICENSES & INSPECTIONS

## STRATEGIC PLAN

### Focus Area: Effective City Government

**Objective 2:** Work with the Crime and Blight Action Team to increase the reporting of properties with outstanding balances of \$2,000 or more in unpaid L&I fines and fees within 14 days.

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
# of occurrences of property owners with balances of \$2,000 or more	279	466	600
# of notifications given within 14 days	N/A	N/A	540
% of notifications given within 14 days	N/A	N/A	90%
# of occurrences resolved during FY	N/A	N/A	240

### Focus Area: Public Safety

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

**Objective 1:** Increase by 5% the number of vacant properties stabilized or secured in an effort to reduce illegal activity by June 2017.

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
Total # of city-wide vacant properties (exclusive of City inventory)	1,460	1,706	1,600
# of properties secured	224	307	400
% of identified properties secured	15%	18%	25%

# DEPARTMENT OF LICENSES & INSPECTIONS

## STRATEGIC PLAN

### Focus Area: Public Safety

**CITY-WIDE GOAL #6: Cultivate Positive Community Relationships.**

**Objective 1:** Ensure that all Landlords owning properties in the City receive Landlord training as a condition of licensure.

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
# of licensed landlords	N/A	2,869	3,000
# of trainings	N/A	N/A	24
# of landlords participating	N/A	N/A	3,000
# of new licensed landlord	N/A	N/A	200
# of new rental inspections	N/A	N/A	200

### Focus Area: Economic Vitality

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

**Objective 1:** Achieve and maintain a 21 working day turnaround for the plan review and permit process for commercial projects

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
# of commercial plans submitted to L&I	310	294	250
Avg. # of working days for completion	14	14	14
# of reviews completed within 21 working days	N/A	N/A	220
% of reviews completed by L & I within 21 working days	N/A	80%	90%

# DEPARTMENT OF LICENSES & INSPECTIONS

## STRATEGIC PLAN

### Focus Area: Economic Vitality

**Objective 2:** Achieve and maintain a 14 working day turnaround for the plan review and permit process for residential projects.

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
# of residential plans submitted to L&I	N/A	1,575	1,600
Avg. # of working days for completion	N/A	14	14
# of reviews completed within 14 working days	N/A	N/A	1,400
% of reviews completed within 14 working days	N/A	80%	90%

**CITY-WIDE GOAL #12: Attract, Retain, and Expand Business.**

**Objective 1:** Increase by five the number of local contractors working with L&I in 2016.

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
# of contractors currently working with L&I	2	2	3
# of new contractors that previously had not worked with L&I	N/A	1	3
# of potential new contractors contacted	N/A	N/A	3

# DEPARTMENT OF LICENSES & INSPECTIONS

## STRATEGIC PLAN

### Focus Area: Quality of Life

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

**Objective 1:** Effectively and efficiently address structurally deficient properties through demolition and property maintenance.

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
# of properties identified as structurally deficient	15	15	20
# of identified properties demolished	5	6	10
# of identified properties stabilized through property maintenance	3	4	5
Total \$ spent on demolitions	\$223,224	\$259,642	\$280,000
Avg. \$ spent per demolition	\$25,000	\$30,000	\$35,000
Avg. # of days to complete a demolition	60	45	45
Total \$ spent on property maintenance	\$118,154	\$125,152	\$155,000
Avg. \$ spent per property maintenance	\$500	\$500	\$500
Avg. # of days to complete property maintenance	1	1	1

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

**Objective 1:** Increase the number of internship opportunities within the Department through partnerships with outside organizations

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
# of participating organizations	2	1	1
# of young adult interns	5	2	3

# DEPARTMENT OF LICENSES & INSPECTIONS

## STRATEGIC PLAN

### Focus Area: Quality of Life

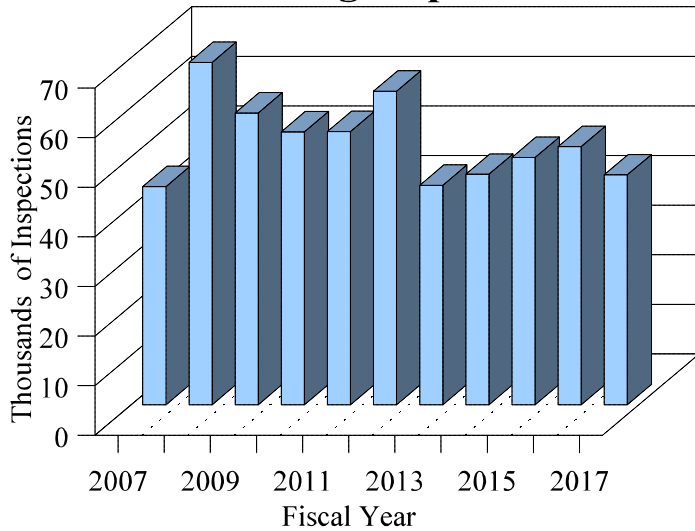
**CITY-WIDE GOAL #17: Improve Housing Quality.**

**Objective 1:** Address sanitation related issues affecting the physical environment of communities.

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
Sanitation complaints by category:			
High grass and weeds	480	529	500
Sanitation	1,055	1,008	900
Fecal matter	55	42	30
Total # of complaints	3,746	3,524	3,000
# of warning tickets issued	2,740	1,754	1,500
# of instant tickets issued	7,128	6,494	6,000

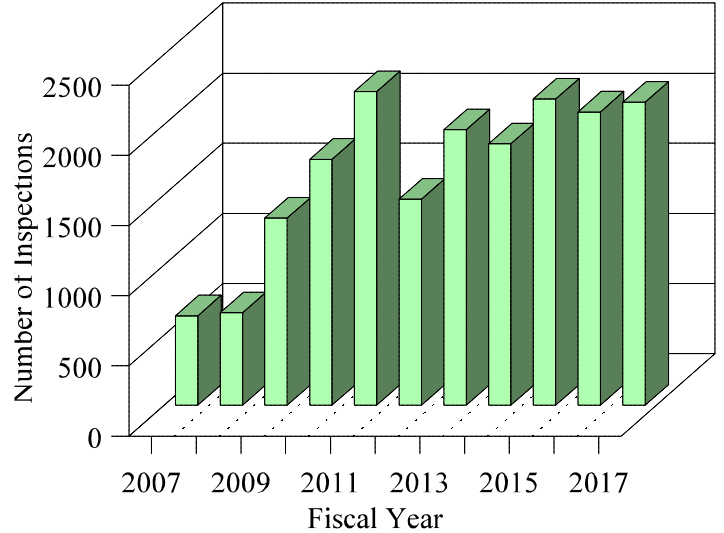
# Department of Licenses and Inspections Performance Trends

### Housing Inspections



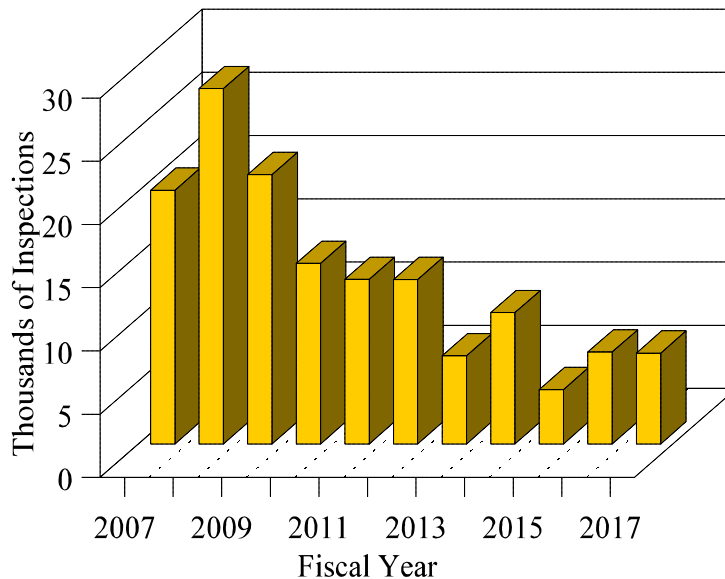
Housing inspections performed include pre-rentals, lead paint, tenant complaints, sanitation, graffiti, and abandoned vehicles on private property. The inspections spiked in 2007 due to enforcement of the Instant Ticketing program.

### Zoning Inspections



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

### 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 change in recent years is a consequence of the current level of building activity.

**DEPARTMENTAL BUDGET DETAIL BY FUND**

**DEPARTMENT: LICENSES AND INSPECTIONS**

**FUND: GENERAL**

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY 2015</b>	<b>ACTUAL FY 2016</b>	<b>BUDGET FY 2017</b>	<b>APPROVED FY 2018</b>
Regular Salaries	1,882,980	2,135,389	2,066,323	2,100,545
Temporary Salaries	13,393	22,829	0	0
Acting Out of Classification	474	290	1,500	1,500
Sick Leave Bonus	900	1,600	2,000	2,000
Overtime	42,562	48,034	45,000	45,000
Meal Allowance	70	532	250	250
Clothing Allowance	7,125	7,250	7,500	7,500
Standby Pay	23,204	26,499	25,000	25,000
Health Cash Back	7,620	7,320	4,800	4,800
Pension Contribution	476,875	424,264	463,994	448,324
Social Security	121,073	137,121	131,266	132,529
Medicare Tax	28,316	32,069	30,702	29,783
Hospitalization	593,946	687,752	629,180	732,056
Life Insurance	8,272	8,621	8,973	8,997
Pension Healthcare	57,826	85,244	102,600	114,000
State Pension Plan - Civilian	15,335	21,977	24,398	33,981
Personal Services Adjustment	9,000	9,650	(40,186)	(19,732)
<b>TOTAL PERSONAL SERVICES</b>	<b>3,288,971</b>	<b>3,656,441</b>	<b>3,503,300</b>	<b>3,666,533</b>
 <b><u>MATERIALS, SUPPLIES &amp; EQUIPMENT</u></b>				
Printing and Advertising	8,609	10,385	9,000	10,000
Transportation	2,674	0	3,500	3,500
Rentals	300	300	200	300
Contracted Maintenance	139,264	118,154	140,000	155,000
Professional Fees	45,578	47,200	47,000	52,000
Other Fees	3,710	4,810	8,000	10,000
Memberships & Registrations	10,414	12,223	16,100	24,000
Miscellaneous Services	0	3,963	0	0
Office & General Supplies	5,553	6,471	5,000	6,000
Wearing Apparel & Safety Supplies	12,940	32,261	15,000	23,000
Miscellaneous Parts	963	1,699	2,500	4,000
Construction & Repairs	306,336	233,634	305,000	305,000
Equipment	2,868	14,754	6,700	10,000
Fixed Assets	0	0	0	0
MSE Budget Control Account	0	0	0	0
<b>TOTAL M., S. &amp; E.</b>	<b>539,209</b>	<b>485,854</b>	<b>558,000</b>	<b>602,800</b>



## DEPARTMENT: LICENSES AND INSPECTIONS

FUND: GENERAL

<b>INTERNAL SERVICES</b>	<b>ACTUAL FY 2015</b>	<b>ACTUAL FY 2016</b>	<b>BUDGET FY 2017</b>	<b>APPROVED FY 2018</b>
Administrative Services	470,569	491,198	573,895	560,779
Self-Insurance	49,242	23,031	32,390	32,390
<b>TOTAL INTERNAL SERVICES</b>	<b>519,811</b>	<b>514,229</b>	<b>606,285</b>	<b>593,169</b>
<b><u>DEBT SERVICE</u></b>				
Principal Payments	2,426	2,635	2,905	3,228
Interest Payments	2,150	2,024	1,885	1,732
<b>TOTAL DEBT SERVICE</b>	<b>4,576</b>	<b>4,659</b>	<b>4,790</b>	<b>4,960</b>
<b><u>SPECIAL PURPOSE</u></b>				
Animal Control	600,000	587,500	600,000	300,000
<b>TOTAL SPECIAL PURPOSE</b>	<b>600,000</b>	<b>587,500</b>	<b>600,000</b>	<b>300,000</b>
<b>GENERAL FUND TOTAL</b>	<b>4,952,567</b>	<b>5,248,683</b>	<b>5,272,375</b>	<b>5,167,462</b>

# DEPARTMENT OF PARKS & RECREATION

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

<b>PRIORITIES FOR FISCAL YEAR 2018</b>	
•	Implement a tracking system to accurately collect participation data.
•	Create standards of care for the Park Maintenance Division.
•	Increase and improve collaborative partnerships with parents, government agencies, and community groups.
•	Seek grant opportunities to conduct program initiatives not supported by the General Fund.
•	Promote healthy lifestyles by continuing to offer recreation programs, information sessions, evening feeding, and summer food programs.
•	Expand tutoring programs to assist students in achieving academic success.

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

<b>TOTAL ALL FUNDS</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>APROVED</b>
<b>DEPT. OF PARKS &amp; RECREATION</b>	<b>FY2015</b>	<b>FY2016</b>	<b>FY2017</b>	<b>FY2018</b>
Personal Services	5,178,555	5,187,434	5,169,310	5,221,841
Materials, Supplies & Equipment	2,346,895	2,383,291	2,331,536	2,463,760
Internal Services	1,620,564	1,080,947	1,312,331	1,319,381
Debt Services	1,778,749	1,726,298	1,935,729	1,447,763
<b>TOTAL</b>	<b>10,924,763</b>	<b>10,377,970</b>	<b>10,748,906</b>	<b>10,452,745</b>
<b>STAFFING LEVELS</b>	<b>42.00</b>	<b>41.00</b>	<b>41.00</b>	<b>40.00</b>

<b>GENERAL FUND</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>APROVED</b>
<b>DEPT. OF PARKS &amp; RECREATION</b>	<b>FY2015</b>	<b>FY2016</b>	<b>FY2017</b>	<b>FY2018</b>
Personal Services	4,469,305	4,467,337	4,504,813	4,553,453
Materials, Supplies & Equipment	1,509,349	1,439,518	1,321,307	1,453,531
Internal Services	1,617,131	1,077,514	1,308,898	1,315,948
Debt Services	1,778,749	1,726,298	1,935,729	1,447,763
<b>TOTAL</b>	<b>9,374,534</b>	<b>8,710,667</b>	<b>9,070,747</b>	<b>8,770,695</b>
<b>STAFFING LEVELS</b>	<b>42.00</b>	<b>41.00</b>	<b>41.00</b>	<b>40.00</b>

<b>PARKS ASSISTANCE FUND</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>APROVED</b>
<b>DEPT. OF PARKS &amp; RECREATION</b>	<b>FY2015</b>	<b>FY2016</b>	<b>FY2017</b>	<b>FY2018</b>
Personal Services	209,800	501,399	252,715	252,715
Materials, Supplies & Equipment	835,527	942,110	979,164	979,164
<b>TOTAL</b>	<b>1,045,327</b>	<b>1,443,509</b>	<b>1,231,879</b>	<b>1,231,879</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>APROVED</b>
<b>DEPT. OF PARKS &amp; RECREATION</b>	<b>FY2015</b>	<b>FY2016</b>	<b>FY2017</b>	<b>FY2018</b>
Personal Services	99,837	106,410	96,458	100,349
Materials, Supplies & Equipment	2,019	1,663	31,065	31,065
Internal Services	3,433	3,433	3,433	3,433
<b>TOTAL</b>	<b>105,289</b>	<b>111,506</b>	<b>130,956</b>	<b>134,847</b>
<b>STAFFING LEVELS</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

<b>WORKFORCE INVESTMENT BOARD (WIB)</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>APROVED</b>
<b>DEPT. OF PARKS &amp; RECREATION</b>	<b>FY2015</b>	<b>FY2016</b>	<b>FY2017</b>	<b>FY2018</b>
Personal Services	399,613	112,288	315,324	315,324
<b>TOTAL</b>	<b>399,613</b>	<b>112,288</b>	<b>315,324</b>	<b>315,324</b>
<b>STAFFING LEVELS</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

## MAJOR FUNDING CHANGES FROM PRIOR YEAR

- One position, a vacant Projects Manager in the Administration Division, has been deleted with savings of \$155,185 in total salary and benefits to the General Fund.
- Partially offsetting the savings listed above is an appropriation of \$48,000 in Temporary Salaries to fund a part-time position to perform the functions of the Projects Manager.
- In addition to the increase above for the Projects Manager, a further increase of \$13,992 in Temporary Salaries will allow for expansion of City-sponsored sports leagues in FY 2018.
- Overtime has been increased by \$12,274 in the Maintenance Division due to additional event requests for the bandwagon.
- Utility Costs have decreased by \$35,000 at the Hicks Anderson Center Division reflecting the recent rate of expenditures for Electricity.
- Contracted Maintenance Services, included within Miscellaneous Services, has increased by \$56,000. In the Maintenance Division, \$45,000 was added in lieu of adding a full-time position to support the repair and upkeep of City fountains, and \$9,450 was added to install and monitor GPS equipment in Department vehicles.
- A total of \$81,092 was added in Professional Fees. An increase of \$30,592 will pay for additional winter season personnel in the Maintenance Division through the Temp Agency account, and a \$50,500 increase in Consultants will fund both an educational component to the Fall/Winter recreational programs, and the creation of a Safe Haven site in the 6<sup>th</sup> Councilmanic District.
- Other Fees has increased by \$10,700, including a \$5,000 rise in expected Landfill Fees. A \$5,700 increase in Sporting Fees will support the expansion of sports leagues.
- Repairs to Buildings & Structures in the Contracted Maintenance account group was increased by \$9,245 in the Hicks Anderson Community Center Division to fund needed non-capital repairs at the facility.
- An increase of \$4,763 in Wearing Apparel & Safety Supplies is needed to fulfill the terms of a new Collective Bargaining Agreement with AFSME Local 320 that increased the annual shoe allowance.
- Miscellaneous Materials, Supplies and Parts will grow by nearly \$27,000, allowing additional spending for trophies, food and other items resulting from program expansion.
- Funding for Community Activities will be \$47,000, a decrease of \$37,625. The “Arts in the Parks” program will be funded at \$44,000, a decrease of \$31,000, while \$3,000 (no change) is earmarked for the Delaware Nature Society. Some smaller projects previously totaling \$6,625 in the Youth and Families Division will not be funded in FY 2018.
- Debt Service expenditures will fall dramatically by \$487,966, as some older debt issues have been retired, and others recently refinanced at a lower interest rate.

# DEPARTMENT OF PARKS & RECREATION

## STRATEGIC PLAN

### Focus Area: Effective City Government

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

**Objective 1:** Maximize constituent satisfaction with park programming.

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
# of surveys solicited	18	19	20
# of surveys received	18	19	20
% of respondents satisfied	94.4%	94.7%	95.0%
Avg. # for programming	N/A	N/A	TBD

### Focus Area: Public Safety

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

**Objective 1:** Increase the number of participants in City organized recreational activities.

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
# of City organized programs	4	4	4
# of participants	14,137	14,843	15,931
Avg. # of participants per program	3,534	3,710	3,983

# DEPARTMENT OF PARKS & RECREATION

## STRATEGIC PLAN

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### Focus Area: Public Safety

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**CITY-WIDE GOAL #6: Cultivate Positive Community Relationship.**

**Objective 1:** Involve community groups in care of City parks, and community centers.

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
# of park community events	7	10	10
# of community center events	2	2	2
# of participating organizations	9	2	2

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### Focus Area: Economic Vitality

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**CITY-WIDE GOAL #12: Attract, Retain, and Expand Business.**

**Objective 1:** Partner with external organizations to sponsor at least five events that attract visitors to Wilmington.

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
# of events held	N/A	N/A	5
Avg. \$ cost per event held	N/A	N/A	\$900
# of participants	N/A	N/A	20

# DEPARTMENT OF PARKS & RECREATION

## STRATEGIC PLAN

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### Focus Area: Quality of Life

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

**Objective 1:** Increase senior citizen participation to 600 for City programs targeting persons age 55 and over.

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
# of events	4	4	7
# of participants	900	900	1,400

#### **CITY-WIDE GOAL #14: Support Enriching Cultural Experiences.**

**Objective 1:** Continue to expose citizens to a wide variety of cultural art experiences through supporting the Summer in the Parks program.

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
# of attendees at Summer in the Parks events	3,962	5,015	5,015
# of events	94	96	96
# of unique artists/entertainment	215	40	40
# of parks with Summer in the Parks events	20	21	21

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

**Objective 1:** Increase the number of park locations offering City programming.

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
# of parks eligible for programming	26	26	26
# of parks with programming	26	26	26
% of parks offering City programming	100%	100%	100%

# DEPARTMENT OF PARKS & RECREATION

## STRATEGIC PLAN

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### Focus Area: Quality of Life

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

**Objective 1:** Increase participation in the Summer Job Program by 5% in FY 2017.

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
# of youth employed	548	450	500
# of youth that are City residents	480	370	400
% of youth that are City residents	87%	82%	80%

**Objective 2:** Increase participation in the City Food Programs by 5% in FY 2017.

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
# of meals served	86,342	90,000	94,500
\$ of reimbursement for meals served	\$810,589	\$851,063	\$904,116
# of sites participating in City Food Program	84	86	95

#### **CITY-WIDE GOAL #18: Enhance Environmental Sustainability.**

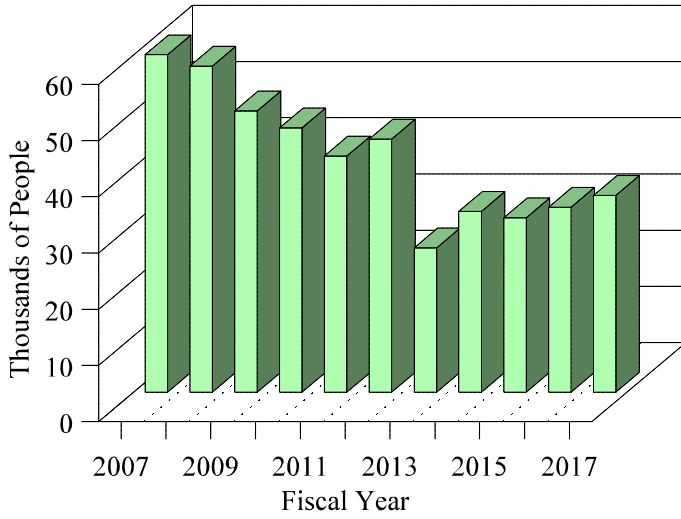
**Objective 1:** Develop and implement a tree replacement program in City parks.

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
# of trees marked for removal	14	14	16
# of trees removed from parks	12	14	16
# of trees planted in parks	40	60	40-50



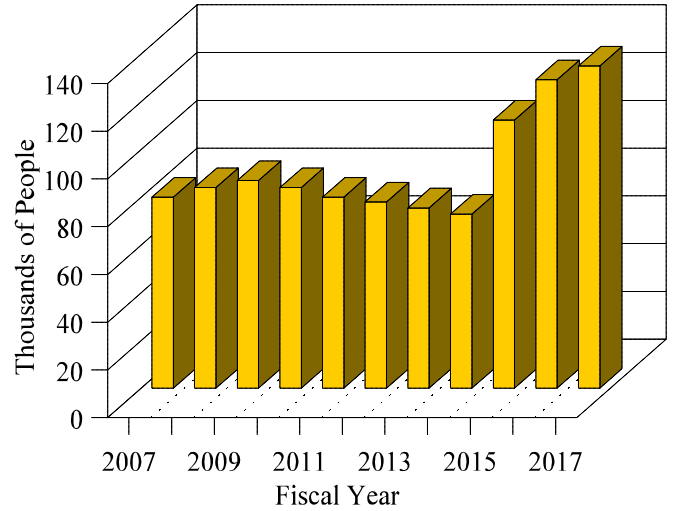
# Department of Parks and Recreation Performance Trends

## Pool Attendance



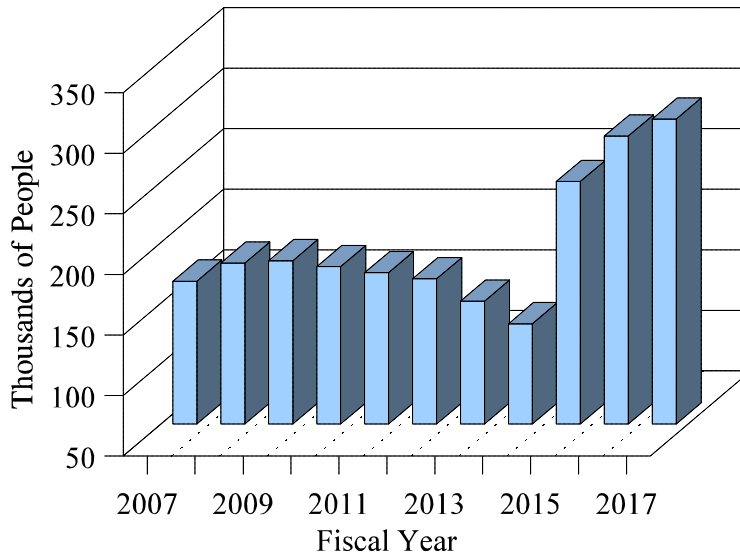
Pool attendance had generally declined due to a shortening of the season to trim costs. A longer season implemented in FY 2014 reversed that trend.

## 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 FY2015</b>	<b>ACTUAL FY2016</b>	<b>BUDGET FY2017</b>	<b>APPROVED FY2018</b>
Regular Salaries	1,744,741	1,842,530	1,903,423	1,858,023
Temporary Salaries	1,155,434	1,063,964	1,064,818	1,126,810
Acting Out of Class	10,219	81	1,000	1,000
Sick Leave Bonus	1,900	2,250	1,500	1,200
Overtime	179,592	188,644	152,470	164,744
Meal Allowance	4,797	7,556	3,300	3,260
Health Cash Back	0	0	0	2,400
Pension Contribution	347,088	290,522	310,543	295,345
Social Security	188,999	190,779	190,735	190,621
Medicare Tax	44,203	44,436	44,607	44,579
Hospitalization	671,169	707,395	760,321	752,621
Life Insurance	8,090	7,643	9,058	8,897
Pension Healthcare	80,429	89,110	110,076	120,000
State Pension Plan (Civilian)	32,644	32,427	47,885	56,806
Personal Services Adjustment	0	0	(94,923)	(72,853)
<b>TOTAL PERSONAL SERVICES</b>	<b>4,469,305</b>	<b>4,467,337</b>	<b>4,504,813</b>	<b>4,553,453</b>

**MATERIALS, SUPPLIES & EQUIPMENT**

Printing & Advertising	6,966	5,792	8,200	8,200
Communications & Utilities	245,053	246,964	275,051	240,041
Transportation	3,669	9,089	10,200	8,450
Rentals	70,324	69,754	66,610	73,848
Contracted Maintenance	64,416	32,935	68,699	80,050
Professional Fees	287,113	259,551	261,118	342,210
Other Fees	36,754	38,648	42,820	53,520
Memberships & Registrations	4,991	4,963	7,200	10,150
Miscellaneous Services	182,019	187,969	215,707	271,707
Office & General supplies	18,347	15,706	16,204	17,171
Wearing Apparel & Safety Supplies	46,915	35,799	47,005	51,768
Miscellaneous Parts	129,089	128,248	136,820	163,606
Petroleum & Chemicals	18,579	25,769	30,500	31,500
Construction & Repairs	14,937	21,362	21,800	23,500
Equipment	38,646	48,750	28,748	30,810
Community Activities	341,531	308,219	84,625	47,000
MSE-Budget Control Account	0	0	0	0
<b>TOTAL M., S. &amp; E.</b>	<b>1,509,349</b>	<b>1,439,518</b>	<b>1,321,307</b>	<b>1,453,531</b>

## DEPARTMENT: PARKS &amp; RECREATION

## FUND: GENERAL

	ACTUAL FY2015	ACTUAL FY2016	APPROVED FY2017	APPROVED FY2018
<b>INTERNAL SERVICES</b>				
Administrative Services	867,262	830,173	893,482	900,532
Self-Insurance	749,869	247,341	415,416	415,416
<b>TOTAL INTERNAL SERVICES</b>	<b>1,617,131</b>	<b>1,077,514</b>	<b>1,308,898</b>	<b>1,315,948</b>
<b>DEBT SERVICE</b>				
Principal Payments	1,043,864	942,435	1,078,280	691,401
Interest Payments	734,885	783,863	857,449	756,362
<b>TOTAL DEBT SERVICE</b>	<b>1,778,749</b>	<b>1,726,298</b>	<b>1,935,729</b>	<b>1,447,763</b>
<b>GENERAL FUND TOTAL</b>	<b>9,374,534</b>	<b>8,710,667</b>	<b>9,070,747</b>	<b>8,770,695</b>

## DEPARTMENT: PARKS &amp; RECREATION

## FUND: PARKS ASSISTANCE

	ACTUAL FY2015	ACTUAL FY2016	BUDGET FY2017	APPROVED FY2018
<b>PERSONAL SERVICES</b>				
Temporary Salaries	195,036	465,722	234,756	234,756
Social Security	11,965	28,878	14,555	14,555
Medicare Tax	2,799	6,799	3,404	3,404
<b>TOTAL PERSONAL SERVICES</b>	<b>209,800</b>	<b>501,399</b>	<b>252,715</b>	<b>252,715</b>
<b>MATERIALS, SUPPLIES &amp; EQUIPMENT</b>				
Transportation	0	4,369	0	0
Rentals	0	3,549	0	0
Miscellaneous Services	0	7,496	0	0
Wearing Apparel & Safety Supplies	0	2,962	0	0
Miscellaneous Parts	835,527	862,769	979,164	979,164
Community Activities	0	60,965	0	0
<b>TOTAL M., S. &amp; E.</b>	<b>835,527</b>	<b>942,110</b>	<b>979,164</b>	<b>979,164</b>
<b>PARKS ASSISTANCE FUND TOTAL</b>	<b>1,045,327</b>	<b>1,443,509</b>	<b>1,231,879</b>	<b>1,231,879</b>

**DEPARTMENT: PARKS & RECREATION**

**FUND: PARKS TRUST**

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY2015</b>	<b>ACTUAL FY2016</b>	<b>BUDGET FY2017</b>	<b>APPROVED FY2018</b>
Regular Salaries	48,059	53,663	49,310	50,301
Temporary Salaries	0	0	2,500	2,500
Pension Contributions	12,722	11,665	12,229	12,831
Social Security	2,904	3,238	3,212	3,119
Medicare Tax	679	757	751	787
Life Insurance	241	247	240	240
Hospitalization	32,941	34,319	25,516	27,571
Pension Healthcare	2,291	2,521	2,700	3,000
<b>TOTAL PERSONAL SERVICES</b>	<b>99,837</b>	<b>106,410</b>	<b>96,458</b>	<b>100,349</b>
 <b><u>MATERIALS, SUPPLIES &amp; EQUIPMENT</u></b>				
Communications & Utilities	2,019	1,663	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	0	0	200	200
<b>TOTAL M., S. &amp; E.</b>	<b>2,019</b>	<b>1,663</b>	<b>31,065</b>	<b>31,065</b>
 <b><u>INTERNAL SERVICES</u></b>				
Self-Insurance	3,433	3,433	3,433	3,433
<b>TOTAL INTERNAL SERVICES</b>	<b>3,433</b>	<b>3,433</b>	<b>3,433</b>	<b>3,433</b>
 <b>PARKS TRUST FUND TOTAL</b>	 <b>105,289</b>	 <b>111,506</b>	 <b>130,956</b>	 <b>134,847</b>

**DEPARTMENT: PARKS & RECREATION****FUND: WORKFORCE INVESTMENT BOARD (WIB)**

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY2015</b>	<b>ACTUAL FY2016</b>	<b>BUDGET FY2017</b>	<b>APPROVED FY2018</b>
Temporary Salaries	369,356	104,287	292,916	292,916
Social Security	24,523	6,489	18,161	18,161
Medicare Tax	5,734	1,512	4,247	4,247
<b>TOTAL PERSONAL SERVICES</b>	<b>399,613</b>	<b>112,288</b>	<b>315,324</b>	<b>315,324</b>
<b>WIB FUND TOTAL</b>	<b>399,613</b>	<b>112,288</b>	<b>315,324</b>	<b>315,324</b>

# DEPARTMENT OF FIRE

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

PRIORITIES FOR FISCAL YEAR 2018
<ul style="list-style-type: none"> <li>• Secure funding for the renovation of remaining stations.</li> <li>• Replace fire apparatus according to recommended replacement cycle.</li> <li>• Continue the free smoke and carbon monoxide alarm programs for seniors and needy citizens.</li> <li>• Increase public education programs, targeting senior citizens and children.</li> </ul>

## SUMMARY OF FUNDING FOR THE FIRE DEPARTMENT

TOTAL ALL FUNDS*	ACTUAL	ACTUAL	BUDGET	APPROVED
FIRE DEPARTMENT	FY2015	FY2016	FY2017	FY2018
Personal Services	21,548,004	22,343,906	21,435,727	21,679,678
Materials, Supplies & Equipment	682,589	550,374	548,616	999,939
Internal Services	2,882,921	1,704,115	2,389,061	2,394,347
Debt Service	414,204	610,265	707,707	705,698
<b>TOTAL</b>	<b>25,527,718</b>	<b>25,208,660</b>	<b>25,081,111</b>	<b>25,779,662</b>
<b>STAFFING LEVELS</b>	<b>177.00</b>	<b>177.00</b>	<b>177.00</b>	<b>161.00</b>

GENERAL FUND	ACTUAL	ACTUAL	BUDGET	APPROVED
FIRE DEPARTMENT	FY2015	FY2016	FY2017	FY2018
Personal Services	17,208,200	18,206,001	17,806,616	18,050,567
Materials, Supplies & Equipment	463,494	321,651	347,247	798,570
Internal Services	2,882,921	1,704,115	2,389,061	2,394,347
Debt Service	414,204	610,265	707,707	705,698
<b>TOTAL</b>	<b>20,968,819</b>	<b>20,842,032</b>	<b>21,250,631</b>	<b>21,949,182</b>
<b>STAFFING LEVELS</b>	<b>177.00</b>	<b>177.00</b>	<b>177.00</b>	<b>161.00</b>

\* Differs from Summary of All funds Combined – Expenditures table on page 37 due to the inclusion of State Pension Contributions.

<b>STATE PENSION CONTRIBUTIONS FIRE DEPARTMENT</b>	<b>ACTUAL FY2015</b>	<b>ACTUAL FY2016</b>	<b>BUDGET FY2017</b>	<b>APPROVED FY2018</b>
Personal Services	3,814,978	3,803,589	3,629,111	3,629,111
<b>TOTAL</b>	<b>3,814,978</b>	<b>3,803,589</b>	<b>3,629,111</b>	<b>3,629,111</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 FIRE DEPARTMENT</b>	<b>ACTUAL FY2015</b>	<b>ACTUAL FY2016</b>	<b>BUDGET FY2017</b>	<b>APPROVED FY2018</b>
Personal Services	299,826	36,547	0	0
Materials, Supplies & Equipment	194,433	127,037	201,369	201,369
<b>TOTAL</b>	<b>494,259</b>	<b>163,584</b>	<b>201,369</b>	<b>201,369</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 FY2015</b>	<b>ACTUAL FY2016</b>	<b>BUDGET FY2017</b>	<b>APPROVED FY2018</b>
Personal Services	225,000	297,769	0	0
Materials, Supplies & Equipment	24,662	101,686	0	0
<b>TOTAL</b>	<b>249,662</b>	<b>399,455</b>	<b>0</b>	<b>0</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

- In FY 2012 a federal grant paid for a temporary increase in staffing of 13 firefighters in the Fire Department. That grant ended in FY 2014, but the 13 positions were not reduced through a controlled attrition program as had been agreed to by the Department's management. Given this fact, and as part of the new Administration's emphasis to deploy personnel more efficiently, it was determined that the number of authorized firefighter positions could be lowered from 172 to 156 without a negative impact on public safety or alarm response times. Sixteen vacant firefighter positions were deleted for a reduction to the budget of \$1.17 million.
- Grant funds have supplemented the General Fund Overtime appropriations during the last several years. However, these grants are now exhausted, necessitating an increase in the City's Overtime funding. For FY 2018, \$1,200,000 has been earmarked, an increase of \$640,000.
- The actuarially determined contribution to the City's "Old" Fire Pension plan increased by more than \$400,000. But because the state-sponsored County-Municipal Pension Plan decreased, the net effect is an approximate \$200,000 increase in total pension costs in the Department.
- The recent collective bargaining agreement with the Firefighters Local 1590 Union entails the "roll-in" of Shift Differential into Regular Salaries. As such, there is no Shift Differential budgeted in FY 2018, a decrease of \$117,500.
- Contracted Maintenance has increased by \$106,000 in the various Repairs accounts. Higher spending is requested for fireboat repairs, maintaining firefighting equipment, and non-capital repairs to stations.
- Professional Fees (Consultants) will rise by a total of \$170,420. The majority of this is for the biennial promotional process that will occur in FY 2018. \$50,000 has also been earmarked to reduce the backlog of fire plan reviews.
- Miscellaneous Materials, Supplies and Parts will rise by \$18,260 to replenish supplies of airpacks, flashlights and other small items used by the Department.
- Wearing Apparel & Safety Supplies has been increased by \$100,606 in expectation of a recruit class in FY 2018. In addition, the purchase of \$500,000 in new turn-out gear will be funded through a capital lease, thus spreading the cost over a five-year period. The effect is a \$109,000 increase in the capital lease (Debt Service) payments.
- An appropriation of \$30,000 has been added in Community Activities to fund the Explorer Program, which seeks to expose young men and women from the area to fire/emergency services as a vocation or avocation.
- Overall Debt Service decreased by \$2,010 despite the additional capital lease payments listed above. Some older debt issues have been retired, and others recently refinanced at lower interest rates.



# DEPARTMENT OF FIRE

## STRATEGIC PLAN

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### Focus Area: Effective City Government

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

**Objective 1:** Increase supplemental funding for the Fire Department.

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
Total \$ of supplemental funding awarded	\$426,369	\$201,369	\$271,095

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### Focus Area: Public Safety

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**CITY-WIDE GOAL #6: Cultivate Positive Community Relationships.**

**Objective 1:** Maintain fire prevention programs and number of people participating.

Critical Indicator	FY 2016 Actual	FY 2017 Actual*	FY 2018 Projected
# of programs	255	225	275
# of participants	174,132	120,000	200,000

*\*Estimated*

# DEPARTMENT OF FIRE

## STRATEGIC PLAN

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### Focus Area: Public Safety

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

**Objective 1:** Implement a physical fitness training program for Fire Fighters (FF).

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
# of FF work injuries	21	21	0
# of FFs	172	172	156
# of FF participants in Cardio Kinetics (CK)	154	144	156
% of FF workforce participating in CK	91%	81%	100%

**Objective 2:** Ensure all Captains and Lieutenants complete NFPA Fire Officer II designation.

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
Total # of Capt. & Lt.	50	50	50
# of Capt. & Lt. completing NFPA Officer II designation	0	0	25
% of Capt. & Lt. completing NFPA Officer II designation	0%	0%	50%
# of Capt. & Lt. trained this year	0	0	25

# DEPARTMENT OF FIRE

## STRATEGIC PLAN

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### Focus Area: Economic Vitality

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

**Objective 1:** Achieve and maintain a seven working day turnaround for the plan review and permit process.

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
# of plans submitted to Fire Marshall Office	340	325	375
Avg. # of days for plan review	10	10	10
# of reviews taking over seven working days	340	325	375
% of reviews taking over seven working days	100%	100%	100%

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### Focus Area: Quality of Life

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

**Objective 1:** Maintain or decrease response time from dispatch to arrival.

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
Avg. call response time (minutes)	5:27	5:08	5:15
# of total responses	22,448	23,829	24,000
# of calls responded to within 4 minutes	9,543	10,264	10,500
% of calls responded to within 4 minutes	43.5%	46%	50%
# of Fires kept to room of origin	234	188	200
% of Fires kept to room of origin	92%	88%	90%
# of civilian fire related casualties	2	0	0
# of civilian fire related injuries	8	4	4

# DEPARTMENT OF FIRE

## STRATEGIC PLAN

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### Focus Area: Quality of Life

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**Objective 2:** Increase public safety by conducting building inspections.

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
# of building inspections	1,682	1,586	1,700
# of violations	726	1,045	1,000
# of violations cleared	726	1,041	1,000

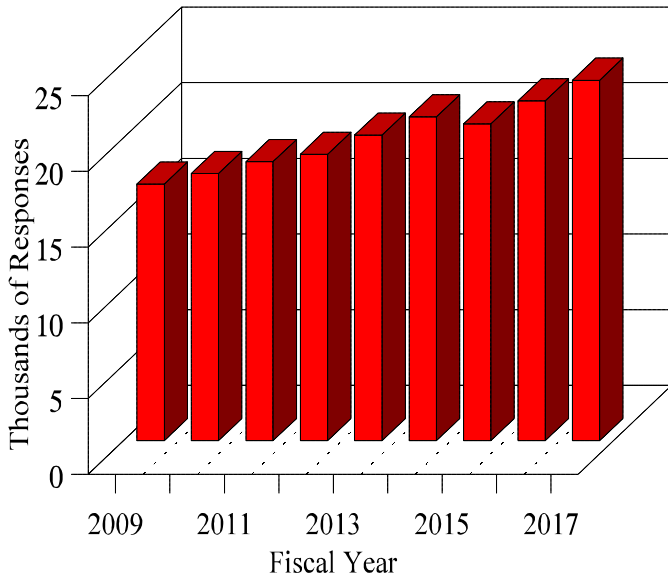
**CITY-WIDE GOAL #16:** Inspire Young People to Achieve Success.

**Objective 1:** Increase involvement in the Fire Explorer program.

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
# of individuals applying to Fire Explorer program	0	0	15
# of individuals completing Fire Explorer program	0	0	15
# of Fire Explorer participants going into fire or EMS field	0	0	15

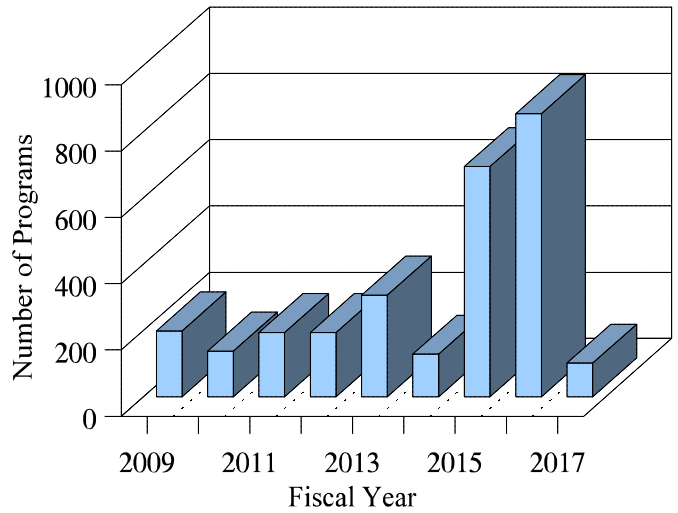
# Fire Department Performance Trends

## Total Responses



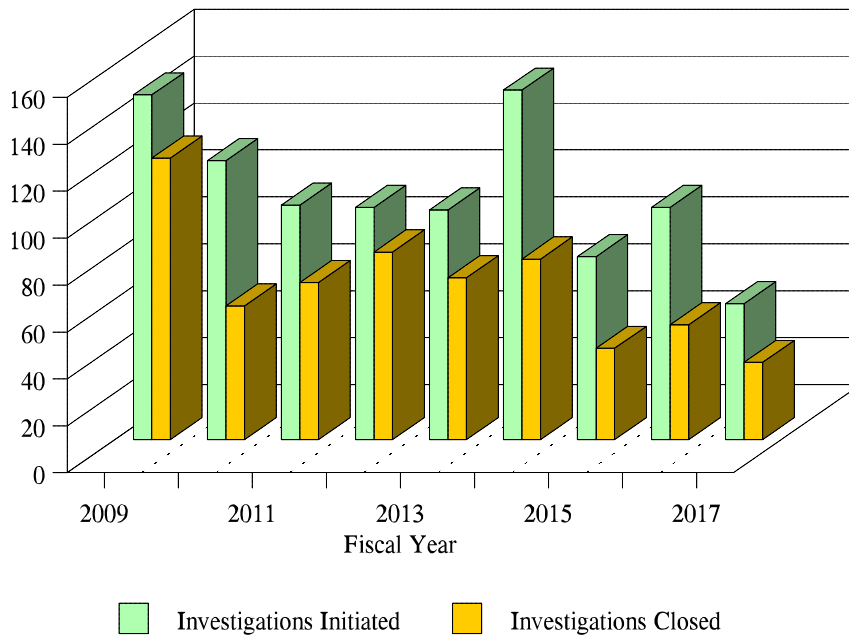
Total responses include those for the engine and ladder companies, rescue and ambulance units, as well as the fireboat.

## Public Education Programs



Public education through group prevention presentations is one of the Department's goals and contributes to fire safety. In Fiscal Year 2017, a change in Administration contributed to fewer presentations.

## Fire Investigations



The Prevention Division is responsible for investigating fires to determine cause.

**DEPARTMENTAL BUDGET DETAIL BY FUND**

**DEPARTMENT: FIRE**

**FUND: GENERAL**

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY2015</b>	<b>ACTUAL FY2016</b>	<b>BUDGET FY2017</b>	<b>APPROVED FY2018</b>
Regular Salaries	10,561,758	10,311,233	10,757,184	10,353,746
Acting Out of Class	7,618	9,141	13,820	10,900
Shift Differential	116,940	115,495	117,500	0
Overtime	943,654	718,717	560,000	1,200,000
Holiday Pay	86,231	40,404	25,000	25,000
Standby Pay	15,780	221	0	0
Health Cashback	14,160	9,760	9,600	14,400
Pension Contribution	493,312	1,687,616	1,246,486	1,660,389
Social Security	15,159	18,052	15,431	15,922
Medicare Tax	150,498	145,404	150,942	143,254
Hospitalization	3,330,686	3,640,516	3,450,390	3,368,616
Life Insurance	42,296	40,898	42,340	37,896
County/Municipal Pension Contribution	1,020,649	1,032,133	1,095,943	885,141
Pension Healthcare	405,776	433,334	477,900	483,000
State Pension Plan - Civilian	3,683	3,077	4,080	7,997
Personal Services Adjustment	0	0	(160,000)	(155,694)
<b>TOTAL PERSONAL SERVICES</b>	<b>17,208,200</b>	<b>18,206,001</b>	<b>17,806,616</b>	<b>18,050,567</b>
 <b><u>MATERIALS, SUPPLIES &amp; EQUIPMENT</u></b>				
Printing & Advertising	650	574	1,336	1,123
Communications & Utilities	98,338	89,578	100,108	97,086
Transportation	5,512	4,616	2,000	5,000
Contracted Maintenance Repairs	58,933	50,369	17,000	123,000
Professional Fees	28,150	26,715	42,500	212,920
Memberships & Registrations	41,944	23,232	42,412	68,870
Miscellaneous services	89,610	76,163	79,897	79,113
Office & General Supplies	17,548	16,453	25,194	26,912
Wearing Apparel & Safety Supplies	79,869	17,923	10,000	110,606
Miscellaneous Parts	23,090	5,298	9,700	27,960
Construction & Repairs	0	899	1,600	1,280
Equipment	14,465	9,831	15,500	14,700
Fixed Assets	4,880	0	0	0
Community Activities	505	0	0	30,000
<b>TOTAL M., S. &amp; E.</b>	<b>463,494</b>	<b>321,651</b>	<b>347,247</b>	<b>798,570</b>

**DEPARTMENT: FIRE****FUND: GENERAL**

<b>INTERNAL SERVICES</b>	<b>ACTUAL FY2015</b>	<b>ACTUAL FY2016</b>	<b>BUDGET FY2017</b>	<b>APPROVED FY2018</b>
Administrative Services	1,312,027	1,015,337	1,395,279	1,400,565
Self-Insurance	1,570,894	688,778	993,782	993,782
<b>TOTAL INTERNAL SERVICES</b>	<b>2,882,921</b>	<b>1,704,115</b>	<b>2,389,061</b>	<b>2,394,347</b>

**DEBT SERVICE**

Principal Payments	50,617	139,556	192,006	219,624
Interest Payments	363,587	470,709	515,701	486,074
<b>TOTAL DEBT SERVICE</b>	<b>414,204</b>	<b>610,265</b>	<b>707,707</b>	<b>705,698</b>

**DEPARTMENT: FIRE****FUND: STATE PENSION CONTRIBUTIONS**

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY2015</b>	<b>ACTUAL FY2016</b>	<b>BUDGET FY2017</b>	<b>APPROVED FY2018</b>
State Pension Contributions	3,814,978	3,803,589	3,629,111	3,629,111
<b>TOTAL PERSONAL SERVICES</b>	<b>3,814,978</b>	<b>3,803,589</b>	<b>3,629,111</b>	<b>3,629,111</b>

<b>GENERAL FUND TOTAL</b>	<b>24,783,797</b>	<b>24,645,621</b>	<b>24,879,742</b>	<b>25,578,293</b>
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**DEPARTMENT: FIRE****FUND: STATE FIRE GRANT**

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY2015</b>	<b>ACTUAL FY2016</b>	<b>BUDGET FY2017</b>	<b>APPROVED FY2018</b>
Overtime	294,711	36,017	0	0
Medicare Tax	5,115	530	0	0
<b>TOTAL PERSONAL SERVICES</b>	<b>299,826</b>	<b>36,547</b>	<b>0</b>	<b>0</b>

**MATERIALS, SUPPLIES & EQUIPMENT**

Contracted Maintenance	0	27,645	8,568	8,568
Professional Fees	20,862	44,776	5,292	5,292
Memberships & Registrations	33,690	0	0	0
Wearing Apparel & Safety Supplies	82,895	36,864	87,509	87,509
Fixed Assets	56,986	17,752	100,000	100,000
<b>TOTAL M., S. &amp; E.</b>	<b>194,433</b>	<b>127,037</b>	<b>201,369</b>	<b>201,369</b>

<b>STATE FIRE GRANT TOTAL</b>	<b>494,259</b>	<b>163,584</b>	<b>201,369</b>	<b>201,369</b>
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**DEPARTMENT: FIRE****FUND: FEDERAL EMERGENCY MANAGEMENT  
& OTHER MISCELLANEOUS GRANTS**

	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>APPROVED</b>
	<b>FY2015</b>	<b>FY2016</b>	<b>FY2017</b>	<b>FY2018</b>
<b>PERSONAL SERVICES</b>				
Overtime	225,000	297,769	0	0
<b>TOTAL PERSONAL SERVICES</b>	<b>225,000</b>	<b>297,769</b>	<b>0</b>	<b>0</b>
<b><u>MATERIALS, SUPPLIES &amp; EQUIPMENT</u></b>				
Printing & Advertising	2,880	5,396	0	0
Transportation	2,861	11,352	0	0
Contracted Maintenance	18,641	6,841	0	0
Professional Fees	280	44,776	0	0
Miscellaneous Parts	0	31,218	0	0
Fixed Assets	0	2,103	0	0
<b>TOTAL M., S. &amp; E.</b>	<b>24,662</b>	<b>101,686</b>	<b>0</b>	<b>0</b>
<b>FEDERAL EMERG. MGMT. &amp; OTHER MISC. GRANTS TOTAL</b>	<b>249,662</b>	<b>399,455</b>	<b>0</b>	<b>0</b>





# DEPARTMENT OF POLICE

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

<b>PRIORITIES FOR FISCAL YEAR 2018</b>
<ul style="list-style-type: none"> <li>• Reduce crime, and shooting incidents.</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*</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>APPROVED</b>
<b>DEPARTMENT OF POLICE</b>	<b>FY2015</b>	<b>FY2016</b>	<b>FY2017</b>	<b>FY2018</b>
Personal Services	49,642,233	49,520,764	48,329,281	49,810,169
Materials, Supplies & Equipment	2,387,416	3,261,460	1,998,980	2,356,881
Internal Services	7,101,064	4,784,506	6,130,770	6,183,506
Debt Service	432,665	418,716	392,880	412,133
<b>TOTAL</b>	<b>59,563,378</b>	<b>57,985,446</b>	<b>56,851,911</b>	<b>58,762,689</b>
<b>STAFFING LEVELS</b>	<b>382.00</b>	<b>382.00</b>	<b>381.00</b>	<b>376.00</b>

\*Differs from Summary of All Funds Combined – Expenditures table on page 37 due to the inclusion of State Pension Contributions.

<b>GENERAL FUND</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>APPROVED</b>
<b>DEPARTMENT OF POLICE</b>	<b>FY2015</b>	<b>FY2016</b>	<b>FY2017</b>	<b>FY2018</b>
Personal Services	46,514,301	47,174,964	46,147,325	46,783,482
Materials, Supplies & Equipment	1,810,181	2,011,913	1,998,980	2,356,881
Internal Services	7,101,064	4,784,506	6,130,770	6,183,506
Debt Service	432,665	418,716	392,880	412,133
<b>TOTAL</b>	<b>55,858,211</b>	<b>54,390,099</b>	<b>54,669,955</b>	<b>55,736,002</b>
<b>STAFFING LEVELS</b>	<b>373.20</b>	<b>374.00</b>	<b>374.00</b>	<b>369.00</b>

<b>STATE PENSION CONTRIBUTION</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>APPROVED</b>
<b>DEPARTMENT OF POLICE</b>	<b>FY2015</b>	<b>FY2016</b>	<b>FY2017</b>	<b>FY2018</b>
Personal Services	1,916,432	1,411,896	1,640,712	1,640,712
<b>TOTAL</b>	<b>1,916,432</b>	<b>1,411,896</b>	<b>1,640,712</b>	<b>1,640,712</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 GRANTS</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>APPROVED</b>
<b>DEPARTMENT OF POLICE</b>	<b>FY2015</b>	<b>FY2016</b>	<b>FY2017</b>	<b>FY2018</b>
Personal Services	1,181,735	933,904	541,244	1,385,975
Materials, Supplies & Equipment	577,235	1,249,547	0	0
<b>TOTAL</b>	<b>1,758,970</b>	<b>2,183,451</b>	<b>541,244</b>	<b>1,385,975</b>
<b>STAFFING LEVELS</b>	<b>8.00</b>	<b>8.00</b>	<b>7.00</b>	<b>7.00</b>

<b>COPS GRANT</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>APPROVED</b>
<b>DEPARTMENT OF POLICE</b>	<b>FY2015</b>	<b>FY2016</b>	<b>FY2017</b>	<b>FY2018</b>
Personal Services	29,765	0	0	0
<b>TOTAL</b>	<b>29,765</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>STAFFING LEVELS</b>	<b>0.80</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

## MAJOR FUNDING CHANGES FROM PRIOR YEAR

- Following the infusion of federal grants (that have long since ended), the Police Department's total number of sworn officers ballooned to well above the historical and financially sustainable limit of 289. One of the top priorities of the new Administration is the redeployment of officers from administrative areas into the patrol function. This will allow the same or even a higher number of police officers to be on the street while still allowing for a prudent reduction to a more fiscally supportable level of personnel. As such, five vacant patrol officer positions were deleted, lowering the total number of sworn officers from 319 to 314, and saving \$454,551.
- Regular Salaries have increased by \$79,368, the net effect of the above Patrol Officer deletions, step increases, and the Cost of Living Adjustments provided to the various union and non-union personnel.
- The Overtime accounts were increased by almost \$80,000 to reflect the Cost of Living Adjustments negotiated in the last collective bargaining agreement with FOP Lodge #1.
- An increase of almost \$419,000 in Hospitalization led to an overall net increase of \$425,160 in Employee Benefits.
- Professional Fees have increased by a net of \$85,605. Consultant costs have increased by \$297,870 due to two factors: The biennial promotional exam will occur, and camera watch operators will once again be paid through a contract with Downtown Visions, thus eliminating the need for last year's appropriation of \$212,000 in the Temporary Agency account.
- Other Fees are slated to increase by \$5,360, as costs for Laboratory Fees for DNA testing are rising.
- Memberships & Registrations will increase by \$12,423 to allow staff to attend grant management training.
- Miscellaneous Services will increase by \$163,533. Most of this increase is to pay the annual subscription cost for the Department's "ShotSpotter" system that notifies officers of gunshot violence in real-time. Prior to FY 2018, all system costs were borne by grant funds.
- Uniform costs within Wearing Apparel & Safety Supplies will fall by almost \$25,000 as a result of an expected smaller academy class in FY 2018.
- The Public Safety Building's "KRATOS" system that controls employee access is slated to be replaced in FY 2018 as at cost of more than \$50,000. This increase is budgeted in the Equipment account.
- Total Internal Service allocations will increase by \$52,736. Higher Motor Vehicle costs more than offset decreases in the Telephone, Radio, and Data Processing lines.

# DEPARTMENT OF POLICE

## STRATEGIC PLAN

### Focus Area: Effective City Government

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

**Objective 1:** Utilize a deployment strategy centered on community policing that fosters positive and responsive relationships.

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
# of walking and bicycle patrols	8,709	8,751	9,188
# of community meetings organized by Captains	0	12	0
% of residents believing the police are doing a satisfactory job	N/A	Pending Citizens Satisfaction Survey	Pending Citizens Satisfaction Survey
% of residents having any contact with police over 2 years	N/A	Pending Citizens Satisfaction Survey	Pending Citizens Satisfaction Survey
% of residents that believe neighborhood is safe	N/A	Pending Citizens Satisfaction Survey	Pending Citizens Satisfaction Survey

**Objective 2:** Respond to all 911 calls for service in accordance with national standards.

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
<b>Call Answering</b>			
# of calls for service	96,080	110,536	116,062
# of calls answered within 10 seconds	57,648	89,534	98,652
% of calls answered within 10 seconds	60%	81%	85%
<b>Call Response</b>			
# of calls answered within national standard	57,542	90,021	95,060
% of calls answered within national standard	59.9%	84.4%	86%

# DEPARTMENT OF POLICE

## STRATEGIC PLAN

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### Focus Area: Effective City Government

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**Objective 3:** Maintain partnerships with City Departments to inform and coordinate responses to public safety issues.

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
# of Targeted Analytical Policing System (TAPS) meetings	45	45	45
# of TAPS recommendations	N/A	N/A	104
# of TAPS recommendations achieved	N/A	N/A	104

### CITY-WIDE GOAL #4: Ensure Transparency.

**Objective 1:** Improve transparency in the reporting of citizen complaints against police officers.

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
Total # of claims submitted	74	32	55
# of claims submitted online	19	14	20
# of claims submitted by dropbox	55	18	35
# of claims submitted in person	0	0	0

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### Focus Area: Public Safety

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

**Objective 1:** Increase the clearance rate on homicides by 10% in 2018.

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
# of homicides	26	18	24
% of homicides cleared (clearance rate)	65%	44%	66%

# DEPARTMENT OF POLICE

## STRATEGIC PLAN

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### Focus Area: Public Safety

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**Objective 2:** Reduce the number of shooting incidents.

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
# of shooting incidents recorded by Shot Spotter	381	493	468
# of guns seized	288	168	175
# of guns tested in Matchpoint	223	114	265
# of guns with a positive match in Matchpoint	36	10	42
% of guns tested with a positive match in Matchpoint	16.1%	8.8%	16%

**Objective 3:** Reduce Part 1 Crime.

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
# of Part 1 property crimes	3,227	3,597	3,417
# of Part 1 violent crimes	850	941	894

**CITY-WIDE GOAL #6:** Cultivate Positive Community Relationships.

**Objective 1:** Continue a strong neighborhood initiative through the Youth Police Academy, and the Citizens Police Academy.

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
# of Youth Academies held	1	1	1
# of Citizen Academies held	0	1	1
# of youth Participants	25	25	25
# of citizen participants	0	20	20

# DEPARTMENT OF POLICE

## STRATEGIC PLAN

### Focus Area: Public Safety

**Objective 2:** Increase police engagement with community residents by raising the number of park and walks by 5% in 2018.

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
# of park and walks completed	8,709	8,751	9,188

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

**Objective 1:** Reduce the number of citizen complaints against the Department by 5% in 2018.

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
# of complaints lodged against police by residents	74	Pending	55
# of substantiated complaints	12	Pending	10
# of unsubstantiated complaints	62	Pending	45

### Focus Area: Economic Vitality

### CITY-WIDE GOAL #12: Attract, Retain, and Expand Business.

**Objective 1:** Reduce the number of nuisance complaints, and minor property crimes in the downtown area by 5% in 2018.

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
# of panhandling complaints	497	429	407
# of loitering complaints	965	552	524
# of theft from vehicle complaints	941	1,230	1,168



# DEPARTMENT OF POLICE

## STRATEGIC PLAN

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### Focus Area: Quality of Life

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

**Objective 1:** Implement programs to decrease physical (excessive trash, dilapidated conditions, and graffiti) and social (panhandling, loud parties, prostitution, barking dogs, etc.) disorder.

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
# of calls for service – social/physical disorder	389	385	385
# of Police coordinated Block Clean-ups	0	1	0

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

**Objective 1:** Increase the number of officers and youth involved in the “*Book ‘em*” program by 3% in 2018.

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
# of books handed out to youth	12,000	14,000	14,420
# of youth receiving books	6,000	7,000	7,210
# of officers participating	21	30	31

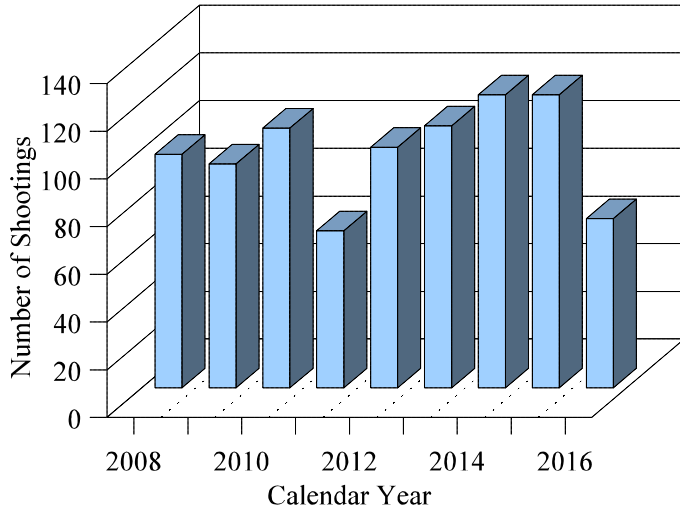
**CITY-WIDE GOAL #18: Enhance Environmental Sustainability**

**Objective 1:** Recycle spent ammunition casings used at the shooting range.

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
# of lbs. recycled	900	1,800	1,800
Total \$ of cost savings	\$720	\$1,440	\$1,440

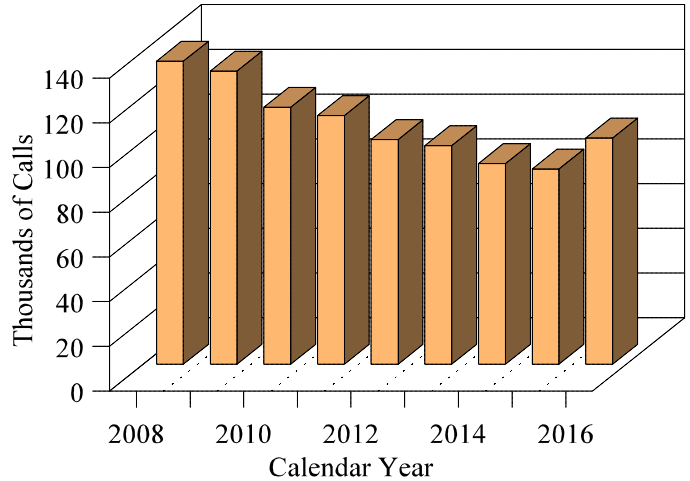
# Department of Police Performance Trends

## Shootings in Wilmington



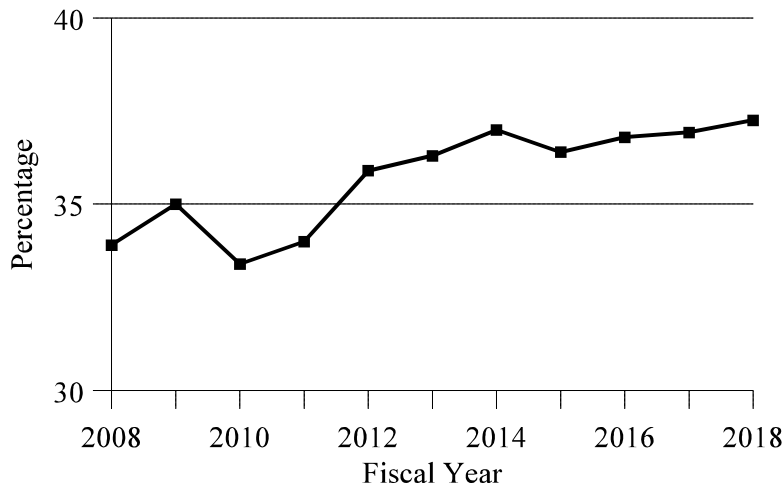
The Department continues to focus significant resources toward this area which has resulted in non-dispatched arrests and proactive policing by officers.

## 911 Calls Resulting in Dispatch



The total number of calls for police services has declined. With changes in policies, and better screening techniques, the Department has reduced the number of Calls for Service Resulting in Dispatch, 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 2018, and remains the highest among all City departments.

**DEPARTMENTAL BUDGET DETAIL BY FUND**

**DEPARTMENT: POLICE**

**FUND: GENERAL**

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY2015</b>	<b>ACTUAL FY2016</b>	<b>BUDGET FY2017</b>	<b>APPROVED FY2018</b>
Regular Salaries	23,217,082	23,506,432	24,342,087	24,421,455
Temporary Salaries	447,015	486,631	479,400	487,500
Acting Out of Class	5,310	6,495	2,500	2,500
Shift Differential	665,614	691,395	731,500	741,500
Shooting Days	15,843	17,685	30,000	30,000
Sick Leave Bonus	2,600	2,800	3,000	3,000
Overtime	3,481,365	2,655,462	2,046,063	2,107,000
Comp Time Payouts	803,990	886,345	550,000	550,000
Civilian Holiday-Overtime	132,477	105,158	112,500	112,500
Court overtime	42,117	32,839	55,509	55,759
Special Events Overtime	559,324	567,006	446,368	465,000
Meal Allowance	21,511	20,023	14,200	14,900
Clothing Allowance	85,745	112,564	84,250	85,750
Health Cashback	25,800	30,760	26,400	24,000
Pension Contribution	6,155,378	6,465,180	6,709,129	6,878,783
Social Security	202,643	250,914	217,434	226,188
Medicare Tax	431,370	421,654	391,530	402,104
Hospitalization	6,909,268	7,560,743	7,083,206	7,501,813
Life Insurance	99,860	74,293	89,202	87,670
County/Municipal Pension Contribution	2,299,117	2,322,058	2,419,754	2,130,457
Pension Healthcare	880,828	918,568	1,009,800	1,107,000
State Pension Plan-Civilian	30,044	39,959	39,715	50,915
Personal Services Adjustment	0	0	(736,222)	(702,312)
<b>TOTAL PERSONAL SERVICES</b>	<b>46,514,301</b>	<b>47,174,964</b>	<b>46,147,325</b>	<b>46,783,482</b>

## DEPARTMENT: POLICE

## FUND: GENERAL

<b>MATERIALS, SUPPLIES &amp; EQUIPMENT</b>	<b>ACTUAL FY2015</b>	<b>ACTUAL FY2016</b>	<b>BUDGET FY2017</b>	<b>APPROVED FY2018</b>
Printing & Advertising	20,254	23,850	22,700	19,560
Communications & Utilities	156,092	163,606	167,500	168,800
Transportation	5,419	27,824	5,000	7,000
Rentals	53,273	45,383	37,150	43,020
Contracted Maintenance Repairs	54,711	20,312	68,210	57,028
Professional Fees	340,685	576,511	478,395	564,000
Other Fees	308,482	292,884	320,633	325,993
Memberships & Registrations	6,718	39,298	34,232	46,655
Miscellaneous Services	233,897	224,145	262,890	495,806
Office & General Supplies	78,359	93,732	96,000	96,000
Wearing Apparel & Safety Supplies	365,515	293,722	312,350	287,450
Miscellaneous Parts	180,776	162,332	185,150	186,550
Equipment	6,000	48,314	8,770	59,019
<b>TOTAL M., S. &amp; E.</b>	<b>1,810,181</b>	<b>2,011,913</b>	<b>1,998,980</b>	<b>2,356,881</b>

**INTERNAL SERVICES**

Administrative Services	3,554,681	3,401,789	4,000,336	4,053,072
Self-Insurance	3,546,383	1,382,717	2,130,434	2,130,434
<b>TOTAL INTERNAL SERVICES</b>	<b>7,101,064</b>	<b>4,784,506</b>	<b>6,130,770</b>	<b>6,183,506</b>

**DEBT SERVICE**

Principal Payments	247,351	275,906	267,135	304,108
Interest Payments	185,314	142,810	125,745	108,025
<b>TOTAL DEBT SERVICE</b>	<b>432,665</b>	<b>418,716</b>	<b>392,880</b>	<b>412,133</b>

## DEPARTMENT: POLICE

## FUND: STATE PENSION CONTRIBUTIONS

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY2015</b>	<b>ACTUAL FY2016</b>	<b>BUDGET FY2017</b>	<b>APPROVED FY2018</b>
State Pension Contributions	1,916,432	1,411,896	1,640,712	1,640,712
<b>TOTAL PERSONAL SERVICES</b>	<b>1,916,432</b>	<b>1,411,896</b>	<b>1,640,712</b>	<b>1,640,712</b>

<b>TOTAL GENERAL FUND</b>	<b>57,774,643</b>	<b>55,801,995</b>	<b>56,310,667</b>	<b>57,376,714</b>
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## DEPARTMENT: POLICE

FUND: SALLE

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY2015</b>	<b>ACTUAL FY2016</b>	<b>BUDGET FY2017</b>	<b>APPROVED FY2018</b>
Regular Salaries	541,826	298,395	340,919	527,825
Temporary Salaries	70,313	112,385	0	0
Shift Differential	441	718	0	0
Overtime	441,382	292,242	0	0
Pension Contributions	0	110,024	0	640,906
Social Security	4,878	7,796	0	0
Medicare Tax	10,118	7,498	4,758	7,451
Hospitalization	55,833	66,021	128,042	161,856
Life Insurance	3,993	14,251	1,680	1,680
County/Municipal Pension Contribution	40,643	14,951	46,945	25,257
Pension Healthcare	12,308	9,623	18,900	21,000
<b>TOTAL PERSONAL SERVICES</b>	<b>1,181,735</b>	<b>933,904</b>	<b>541,244</b>	<b>1,385,975</b>
<b><u>MATERIALS, SUPPLIES &amp; EQUIPMENT</u></b>				
Communications & Utilities	0	2,550	0	0
Transportation	64,116	71,597	0	0
Rentals	3,974	13,298	0	0
Professional Fees	0	40,137	0	0
Memberships & Registrations	27,946	39,170	0	0
Miscellaneous Services	921	66,506	0	0
Wearing Apparel & Safety Supplies	114,901	63,218	0	0
Miscellaneous Parts	4,897	53,027	0	0
Equipment	97,153	187,559	0	0
Fixed Assets	263,327	712,485	0	0
<b>TOTAL M., S. &amp; E.</b>	<b>577,235</b>	<b>1,249,547</b>	<b>0</b>	<b>0</b>
<b>SALLE FUND TOTAL</b>	<b>1,758,970</b>	<b>2,183,451</b>	<b>541,244</b>	<b>1,385,975</b>

**DEPARTMENT: POLICE****FUND: COPS GRANT**

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY2015</b>	<b>BUDGET FY2016</b>	<b>BUDGET FY2017</b>	<b>APPROVED FY2018</b>
Regular Salaries	21,498	0	0	0
Medicare Tax	310	0	0	0
Hospitalization	3,802	0	0	0
Life Insurance	106	0	0	0
County/Municipal Pension	2,934	0	0	0
Pension Healthcare	1,115	0	0	0
<b>TOTAL PERSONAL SERVICES</b>	<b>29,765</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>COPS GRANT TOTAL</b>	<b>29,765</b>	<b>0</b>	<b>0</b>	<b>0</b>



# DEPARTMENT OF PUBLIC WORKS

The mission of the Department of Public Works is to operate and maintain infrastructure and facilities, provide superior services for our customers, and promote environmental sustainability.

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

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

## PRIORITIES FOR FISCAL YEAR 2018

- Commissioning of Wilmington Co-Generation and Sludge Processing Facilities and begin operations.
- Issuance of RFP for long term operation of the WWTP.
- Continue development of the South Wilmington Wetlands Project.
- Assess impact of Real Time Control System to mitigate CSO's.
- Update CSO Long Term Control Plan.
- Continued implementation of GIS and Cityworks programs with focus on CMMS.
- Increase contractor compliance with the Roadway Cut Management legislation.
- Implementation of Cityworks permitting package with integration of L&I, FMO and Planning Departments.
- Continue hydrant testing and rehabilitation program.
- Continue valve exercising and valve repair program.
- Continue SRF funded Small Main Replacement projects throughout the water district.
- Continue SRF funded Transmission Main Improvements throughout the water district.
- Wilmington Transit Moving Forward (WTMF) Program Development Phase 2.
- Improve on street-metered parking through deployment of additional multi-space meters, evaluation/implementation of additional payment methods, and installation of improved signage.
- Continue Street Paving and Reconstruction and ADA Curb Ramp Installation.
- Continue program of repairing and painting elevated water storage tanks.
- Complete construction of separate flow meters on the three force mains entering the wastewater treatment plant and main effluent channel for process control.
- Continue program of testing and replacing large water meters.
- Continue phased program to replace small water meters within the next 24 months.
- Implementation of city-wide residential containerized municipal solid waste (MSW) containers.
- Study the impact of a comprehensive street clearing program.
- Explore LED lightning through-out Wilmington.



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

<b>TOTAL ALL FUNDS*</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>APPROVED</b>
<b>DEPARTMENT OF PUBLIC WORKS</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>
Personal Services	16,082,156	17,312,330	18,062,556	18,548,491
Materials, Supplies & Equipment	48,878,819	52,523,441	59,139,552	56,867,182
Internal Services	8,054,210	5,639,131	6,411,665	6,481,177
Debt Service	8,317,700	9,764,648	10,251,151	10,096,698
Capitalization	(2,229,518)	(4,527,262)	(3,500,000)	(3,500,000)
Depreciation	11,081,186	11,236,528	11,034,351	10,864,481
<b>TOTAL</b>	<b>90,184,553</b>	<b>91,948,816</b>	<b>101,399,275</b>	<b>99,358,029</b>
<b>STAFFING LEVELS</b>	<b>223.00</b>	<b>223.00</b>	<b>221.00</b>	<b>219.00</b>

<b>GENERAL FUND</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>APPROVED</b>
<b>DEPARTMENT OF PUBLIC WORKS</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>
Personal Services	8,608,772	9,096,145	9,500,170	9,741,076
Materials, Supplies & Equipment	6,220,979	6,943,899	7,918,564	7,737,948
Internal Services	3,982,356	3,202,929	3,353,692	3,440,995
Debt Service	3,319,850	3,837,339	3,967,967	3,575,265
<b>TOTAL</b>	<b>22,131,957</b>	<b>23,080,312</b>	<b>24,740,393</b>	<b>24,495,284</b>
<b>STAFFING LEVELS</b>	<b>120.65</b>	<b>120.65</b>	<b>120.15</b>	<b>118.15</b>

<b>WATER/SEWER FUND</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>APPROVED</b>
<b>DEPARTMENT OF PUBLIC WORKS</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>
Personal Services	7,473,384	8,216,185	8,562,386	8,807,415
Materials, Supplies & Equipment	36,103,322	36,582,943	42,945,029	40,531,469
Internal Services	3,338,790	2,105,853	2,819,064	2,798,691
Debt Service	4,833,333	5,828,772	6,100,228	6,328,954
Depreciation	7,945,975	8,007,932	7,885,446	7,635,885
<b>TOTAL</b>	<b>59,694,804</b>	<b>60,741,685</b>	<b>68,312,153</b>	<b>66,102,414</b>
<b>STAFFING LEVELS</b>	<b>102.35</b>	<b>102.35</b>	<b>100.85</b>	<b>100.85</b>

\*Differs from Summary of All Funds combined – Expenditures table on page 37 due to inclusion of Internal Services funds.

<b>MOTOR VEHICLE FUND</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>APPROVED</b>
<b>DEPARTMENT OF PUBLIC WORKS</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>
Materials, Supplies & Equipment	5,731,205	8,004,151	7,205,794	7,527,600
Internal Services	733,064	330,349	238,909	241,491
Debt Service	164,517	98,537	182,956	192,479
Capitalization	(2,229,518)	(4,527,262)	(3,500,000)	(3,500,000)
Depreciation	3,135,211	3,228,596	3,148,905	3,228,596
<b>TOTAL</b>	<b>7,534,479</b>	<b>7,134,371</b>	<b>7,276,564</b>	<b>7,690,166</b>
<b>STAFFING LEVELS</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

<b>MUNICIPAL STREET AID FUND</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>APPROVED</b>
<b>DEPARTMENT OF PUBLIC WORKS</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>
Materials, Supplies & Equipment	823,313	992,448	1,070,165	1,070,165
<b>TOTAL</b>	<b>823,313</b>	<b>992,448</b>	<b>1,070,165</b>	<b>1,070,165</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**

- In Personal Services, two vacant positions, a General laborer II and an Equipment Operator IV, were deleted from the Street Cleaning Division for a savings of \$138,012. The savings were slightly offset by an upgrade for the Fleet Manager, costing \$5,735, and four other upgrade changes as a result of the FY 2017 Biennial Classification Appeal, totaling \$12,963. The result is a net savings of \$119,314.
- Cost of living adjustments and employee anniversary step increases were offset by the savings of two eliminated positions resulting in a \$7,460 decrease in Regular Salaries. Hospitalization and Pension Healthcare increased by \$161,439 and \$31,127, respectively.
- Electricity costs decreased by \$100,000, signaling savings from green initiatives implemented over the past several years, such as conversion to LED traffic lights.
- In FY 2016, the City began a four-year phase-in to appropriately charge itself for water, sewer, and stormwater services used by Departments in the General Fund. The General Fund paid 25% of these charges in FY 2016 and 50% in FY 2017. In FY 2018, the charge will be 75%, and then 100% in FY 2019 and beyond. The 75% charge for FY 2018 to the General Fund will cost about \$743,000, an increase of almost \$216,000 from last fiscal year.
- Repairs to Roads and Appurtenances decreased by \$20,000, primarily due to a reduction in the number of emergency sidewalk repairs.
- Temporary Agencies increased \$70,000 for additional laborers to support the gateway cleanup initiative, street maintenance, pothole repairs, and sidewalk installation.
- A number of factors resulted in Landfill Fees being reduced by \$475,000. Last fiscal year, before the new contract with the Delaware Solid Waste Authority (which operates the landfill used by the City) was in place, landfill tipping fees were budgeted at \$85 per ton. The final negotiated amount was settled at \$70 per ton and is reflected in the FY 2018 budget as a savings of \$275,000. In addition, an audit of services revealed 92 non-eligible entities receiving City trash pick-up. Those entities will no longer receive that service in FY 2018. The decrease in trash tonnage as a result will save an additional \$200,000.
- Contracted Maintenance Services is up \$19,000 as a result of increased costs for traffic signal maintenance, red light cameras, and parking meter kiosk maintenance.
- Debt Service decreased by \$392,702. Taking advantage of current low interest rates, two past bond issues were refinanced in FY 2017.

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

- In total, Personal Services increased by \$245,029. Regular Salaries rose by \$63,414 as a result of the Biennial Classification Appeals Process that affected 2.00 FTE positions, along with normally occurring salary step increases and a Cost of Living Adjustment awarded in FY 2017. Hospitalization and Pension Healthcare increased by \$183,790 and \$30,254, respectively.
- As a result of the City's new Renewable Energy Bio-solids Facility (REBF), the electricity and bio-solids disposal cost components of the City's contract with VEOLIA to operate the Wastewater Treatment Plant were renegotiated, allowing a overall reduction to the contract of \$1.2 million
- Fuel Oil decreased by \$65,000, reflecting expected savings for fuel costs.
- A comprehensive multi-year program to replace all small water meters (mostly affecting residential customers with 5/8 inch connections) with new, more accurate and more durable models began in earnest in FY 2017. The goal was to replace at least 6,000 of the old meters per year at a cost of \$1 million each year through the operating budget. A change in fiscal policy with the new Administration will allow the funding of the project through the Capital Budget, accelerating the program so that it is completed within two years. This also allowed the operating budget to be decreased by \$1 million in FY 2018.
- The Agricultural and Landscaping account in the Water System Division of Public Works was decreased by \$230,000. Time and heavy usage of the Cool Spring Reservoir Park had severely degraded the adjacent decorative pond and the buffering landscaping. Public Works had added \$320,000 to the FY 2017 Budget to secure a complete environmental management services contractor to restore the pond to its original condition. That one-time cost was eliminated in FY 2018. However, \$90,000 was added to fund ongoing services to control and manage nutrient levels and sedimentation, maintain the proper ecological balance between flora and fauna, work with regulated aquatic species, and maintain proper winter pond ecology.
- Based on recent pricing trends and better timing of inventory purchases, the budget for Bulk Chemicals (used to treat drinking water) was reduced by \$100,000.
- The Indirect Cost expense to the Water/Sewer Fund rose by \$230,083, reflecting the budgeted increases in the supporting services provided to the Water/Sewer Fund's utility functions by the General Fund.
- Total Debt Service increased a net \$228,450. While direct interest payments rose a total of \$700,740, this was offset by a reduction of \$472,290, which was the combined net effect of changes in the accounts for amortized bond discount, amortized refunding gain, and amortized bond issuance costs.

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

- Repairs to Equipment increased by \$75,000, mostly due to the higher cost of repairs to fleet equipment.
- Consultant Fees increased by \$90,000, of which \$60,000 is for Fleet Administration and Management Assistance and \$30,000 for a Fleet Right-Sizing Study.
- Contracted Maintenance Services increased by \$163,506, due to increases in fleet maintenance costs.

# DEPARTMENT OF PUBLIC WORKS

## STRATEGIC PLAN

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### Focus Area: Effective City Government

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

**Objective 1:** Incorporate interactive applications (snow clearance, trash collection, and street cleaning) on the Public Works (PW) website by December 2017.

Critical Indicator	Date Completed		
	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
Incorporate three interactive applications on PW website			
# of users by application			
Snow Clearance	N/A	Developed but not launched to public	100
Trash Collection	N/A	In process of developing	100
Street Cleaning	N/A	In process of developing	100

**Objective 2:** Respond to all constituent communications within 72 hours.

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
# of call from constituents received	18,710	19,989	21,000
# of constituent calls responded to within 72 hours	N/A	N/A	18,900
% of constituent calls responded to within 72 hours	N/A	N/A	98%

# DEPARTMENT OF PUBLIC WORKS

## STRATEGIC PLAN

### Focus Area: Effective City Government

**CITY-WIDE GOAL #2: Increase Accountability.**

**Objective 1:** Achieve a 100% compliance of all work tasks entered and managed in the Cityworks software by June 2018.

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
# of work orders logged in Cityworks	19,253	14,754	20,000
# of work orders completed in Cityworks	18,588	13,859	19,800
% of work orders completed in Cityworks	96%	93%	99%
# of managers using Cityworks	11	16	21
Total # of managers	14	21	21
% of managers using Cityworks	79%	76%	100%

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

**Objective 1:** Review, benchmark, and propose new fees schedules for all major services every three years.

Critical Indicator	Date Completed		
Years of review by each major service			
Sanitation Services	7/1/15	7/1/16	6/30/18
Water Distribution	3/1/16	3/1/17	6/30/18
Wastewater Services	7/1/15	7/1/16	6/30/18
	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
Total # of proposed changes	4	5	8
# of changes approved	0	1	8
% of changes approved	0%	20%	100%

# DEPARTMENT OF PUBLIC WORKS

## STRATEGIC PLAN

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### Focus Area: Public Safety

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

**Objective 1:** Reduce incidents of illegal dumping in the City using camera deployment.

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
# of incidents of illegal dumping reported	9	58	70
# of cameras deployed	4	10	15

**CITY-WIDE GOAL #6: Cultivate Positive Community Relationships.**

**Objective 1:** Hold 24 educational events relating to Public Works Services each year.

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
# of educational events	15	24	24
# of attendees	1,200	1,500	1,500

**Objective 2:** Continue to improve community relationships by implementing streetscape programs in neighborhoods.

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
# of streetscapes completed	7	10	10
Total \$ spent on streetscapes	\$100,000	\$150,000	\$150,000
Avg. \$ spent per streetscape	\$14,285	\$15,000	\$15,000



# DEPARTMENT OF PUBLIC WORKS

## STRATEGIC PLAN

### Focus Area: Public Safety

**Objective 3:** Coordinate neighborhood clean-up projects each year.

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
# of coordinated clean-up projects	12	12	15
# of neighborhood groups participating	N/A	12	15
# of tons of trash collected	N/A	N/A	10

### Focus Area: Economic Vitality

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

**Objective 1:** Achieve and maintain 100% compliance with Delaware’s Department of Natural Resources and Environmental Control (DNREC’s).

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
# of plans submitted to DPW	18	23	25
Avg. # of working days for completion	64	64	30
# of reviews completed within DNREC compliance	14	6	15
% of reviews completed within DNREC compliance	100%	100%	100%

**Objective 2:** Achieve and maintain a 30 working day turnaround for the plan review and permit process for construction of water and sewer projects.

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
# of plans submitted to DPW	22	42	40
Avg. # of working days for completion	52	28	30
# of reviews completed within 30 days	9	12	18
% of reviews completed within 30 days	41%	29%	60%

# DEPARTMENT OF PUBLIC WORKS

## STRATEGIC PLAN

### Focus Area: Economic Vitality

**CITY-WIDE GOAL #11: Cultivate Entrepreneurship.**

**Objective 1:** Support innovative technology through a private pilot program with one local entrepreneur by June 2017.

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
# of programs proposed	2	5	10
# of programs implemented	2	5	10

### Focus Area: Quality of Life

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

**Objective 1:** Incorporate recreational opportunities into the design of new DPW capital projects whenever possible.

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
# of capital projects approved	21	19	25
# of capital projects with recreational opportunities	2	9	4
Total \$ of capital projects approved	\$14.6M	\$11.25M	\$30M
\$ of recreational portion of capital projects approved	\$300,000	\$500,000	\$750,000

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

**Objective 1:** Complete an assessment for parking technological needs by June 2017.

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
Complete assessment for parking technological needs	N/A	N/A	1

# DEPARTMENT OF PUBLIC WORKS

## STRATEGIC PLAN

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### Focus Area: Quality of Life

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

**Objective 1:** Encourage Department participation in youth mentor programs.

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
# of employees participating in a mentor program	5	5	7
# of individuals mentored	6	6	7

**Objective 2:** Create partnerships with Universities to provide hands-on educational training opportunities.

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
# of Universities participating	2	2	2
# of training events held	2	5	5
# of participants	10	20	20

**CITY-WIDE GOAL #18: Enhance Environmental Sustainability.**

**Objective 1:** Be recognized by national trade organizations for sustainability projects.

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
# of recognitions	2	2	2

**Objective 2:** Reduce the carbon footprint by 5% at City facilities.

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
Carbon footprint	N/A	-5%	-10%

# DEPARTMENT OF PUBLIC WORKS

## STRATEGIC PLAN

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### Focus Area: Quality of Life

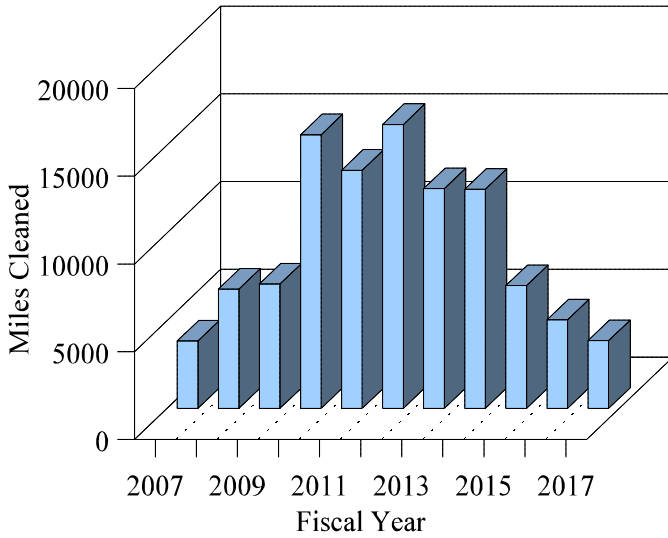
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**Objective 3:** Conduct a needs assessment to make beneficial use of natural refuse for Public Works projects by June 2017.

Critical Indicator	Date Completed		
Conduct needs assessment of natural refuse	Environmental testing currently being performed		
	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
# of recommendations	N/A	N/A	1
# of recommendations implemented	N/A	N/A	1

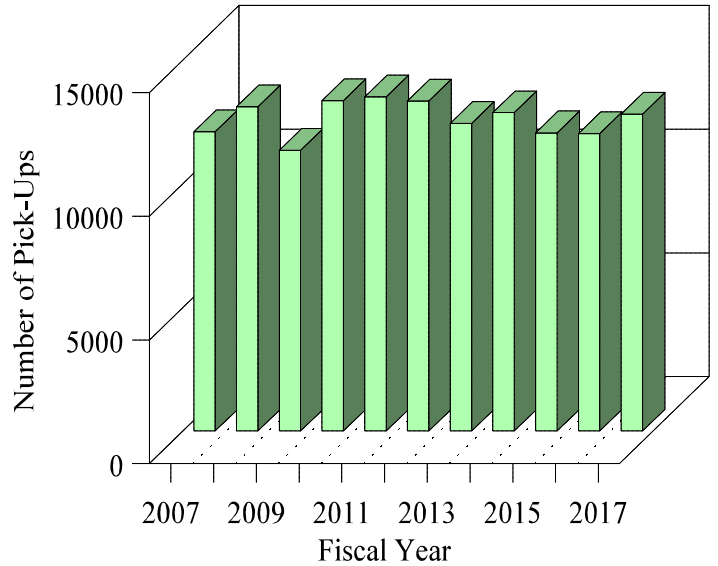
# Department of Public Works Performance Trends

## Miles of Streets Cleaned



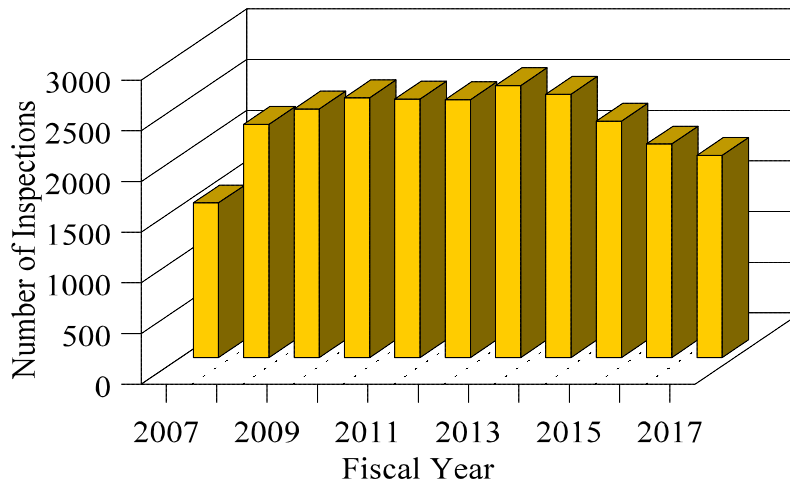
Aggressive management is required to maintain City streets in a litter free condition. In FY 2017, the number decreased due to retirements of Equipment Operators causing extended vacancies.

## 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 FY 2015</b>	<b>ACTUAL FY 2016</b>	<b>BUDGET FY 2017</b>	<b>APPROVED FY 2018</b>
Regular Salaries	4,294,171	4,747,973	4,989,856	4,987,381
Temporary Salaries	4,800	4,800	8,000	8,000
Acting Out of Class	14,346	11,225	9,350	9,350
Sick Leave Bonus	8,400	6,700	9,800	9,800
Overtime	398,325	381,531	412,100	415,300
Holiday Pay	133,244	94,899	125,000	125,000
Meal Allowance	8,159	6,012	8,800	7,900
Standby Pay	75,823	67,197	67,100	66,600
Health Cash Back	508	2,774	1,600	1,600
Pension Contribution	1,033,502	909,749	1,008,081	997,933
Social Security	303,352	323,836	343,439	337,924
Medicare Tax	70,946	75,949	80,317	79,025
Hospitalization	1,962,977	2,139,553	2,203,428	2,364,882
Life Insurance	22,363	21,954	26,677	26,486
Pension Healthcare	230,022	247,204	323,323	354,450
State Pension Plan - Civilian	47,834	54,789	77,464	78,939
Personal Services Adjustment	0	0	(194,165)	(129,494)
<b>TOTAL PERSONAL SERVICES</b>	<b>8,608,772</b>	<b>9,096,145</b>	<b>9,500,170</b>	<b>9,741,076</b>
 <b><u>MATERIALS, SUPPLIES &amp; EQUIPMENT</u></b>				
Printing & Advertising	7,235	8,457	10,950	9,400
Communications & Utilities	640,917	607,810	1,267,530	1,383,498
Transportation	2,695	2,093	1,500	3,500
Rentals	106,991	918,346	202,600	207,500
Contracted Maintenance Repairs	1,111,027	1,211,084	1,395,700	1,402,300
Professional Fees	808,515	841,352	781,300	833,300
Other Fees	2,689,763	2,738,276	3,176,000	2,825,000
Memberships & Registrations	6,406	9,508	29,650	26,900
Miscellaneous Services	243,797	203,487	312,600	321,600
Office & General Supplies	10,175	11,366	12,600	12,600
Wearing Apparel & Safety Supplies	38,670	64,134	83,650	88,650
Miscellaneous Parts	122,001	116,423	157,484	155,900
Construction & Repairs	402,816	171,861	410,500	410,500
Equipment	5,231	12,185	33,300	25,300
Fixed Assets	24,740	27,517	43,200	32,000
MSE - Budget Control Account	0	0	0	0
<b>TOTAL M., S. &amp; E.</b>	<b>6,220,979</b>	<b>6,943,899</b>	<b>7,918,564</b>	<b>7,737,948</b>

	ACTUAL FY 2015	ACTUAL FY 2016	BUDGET FY 2017	APPROVED FY 2018
<b>INTERNAL SERVICES</b>				
Administrative Services	2,891,321	2,921,529	2,808,359	2,895,662
Self-Insurance	1,091,035	281,400	545,333	545,333
<b>TOTAL INTERNAL SERVICES</b>	<b>3,982,356</b>	<b>3,202,929</b>	<b>3,353,692</b>	<b>3,440,995</b>
<b><u>DEBT SERVICE</u></b>				
Principal Payments	1,490,410	1,832,959	1,845,428	1,711,296
Interest Payments	1,829,440	2,004,380	2,122,539	1,863,969
<b>TOTAL DEBT SERVICE</b>	<b>3,319,850</b>	<b>3,837,339</b>	<b>3,967,967</b>	<b>3,575,265</b>
<b>GENERAL FUND TOTAL</b>	<b>22,131,957</b>	<b>23,080,312</b>	<b>24,740,393</b>	<b>24,495,284</b>

## DEPARTMENT: PUBLIC WORKS

## FUND: WATER/SEWER

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY 2015</b>	<b>ACTUAL FY 2016</b>	<b>BUDGET FY 2017</b>	<b>APPROVED FY 2018</b>
Regular Salaries	3,749,270	4,229,383	4,575,513	4,638,927
Temporary Salaries	0	0	0	0
Acting Out of Class	6,031	9,447	10,400	7,200
Shift Differential	3,845	3,693	4,500	3,500
Sick Leave Bonus	4,700	6,900	7,500	7,500
Overtime	473,119	441,222	487,500	442,500
Holiday Pay	5,974	3,633	6,000	6,000
Meal Allowance	17,731	14,400	14,050	16,800
Standby Pay	196,574	163,429	169,800	146,000
Health Cash Back	7,112	5,198	3,700	4,200
Accrued Vacation Pay	(74,597)	15,212	0	0
Pension Contribution	699,239	577,132	759,117	726,310
Social Security	274,225	297,893	321,299	318,179
Medicare Tax	64,133	69,747	75,139	74,417
Hospitalization	1,356,977	1,469,396	1,717,302	1,901,092
Life Insurance	18,630	18,632	22,670	22,695
Pension Healthcare	167,761	202,795	272,296	302,550
State Pension Plan - Civilian	57,713	33,760	117,651	137,313
Pension Healthcare - Implicit	444,947	654,313	0	0
Personal Services Adjustment	0	0	(2,051)	52,232
<b>TOTAL PERSONAL SERVICES</b>	<b>7,473,384</b>	<b>8,216,185</b>	<b>8,562,386</b>	<b>8,807,415</b>



## DEPARTMENT: PUBLIC WORKS

## FUND: WATER/SEWER

<b>MATERIALS, SUPPLIES &amp; EQUIPMENT</b>	<b>ACTUAL FY 2015</b>	<b>ACTUAL FY 2016</b>	<b>BUDGET FY 2017</b>	<b>APPROVED FY 2018</b>
Printing & Advertising	58,911	47,031	64,700	66,500
Communications & Utilities	1,050,043	726,812	1,284,946	1,171,926
Transportation	5,376	7,276	17,800	10,050
Rentals	640	540	1,760	10,760
Contracted Maintenance Repairs	7,083,393	7,518,889	8,707,800	7,716,800
Professional Fees	2,860,429	3,150,974	3,656,000	3,729,500
Other Fees	353,278	284,799	404,000	385,200
Memberships & Registrations	40,065	42,576	60,370	59,170
Miscellaneous Services	18,869,721	18,874,120	21,586,128	20,451,341
Office & General Supplies	8,084	8,694	13,700	12,600
Wearing Apparel & Safety Supplies	34,546	27,822	37,700	37,800
Miscellaneous Parts	405,631	539,217	989,100	776,500
Petroleum & Chemicals	619,054	578,851	897,500	806,500
Construction & Repairs	309,694	323,909	457,500	457,500
Supporting Services	3,900,021	3,891,727	4,096,325	4,205,122
Equipment	351,782	414,564	477,700	442,200
Testing and Inspection	1,985	5,820	15,000	15,000
Community Activities	150,669	139,322	177,000	177,000
<b>TOTAL M., S. &amp; E.</b>	<b>36,103,322</b>	<b>36,582,943</b>	<b>42,945,029</b>	<b>40,531,469</b>
<b><u>INTERNAL SERVICES</u></b>				
Administrative Services	1,654,571	1,630,244	1,948,823	1,928,450
Self-Insurance	1,684,219	475,609	870,241	870,241
<b>TOTAL INTERNAL SERVICES</b>	<b>3,338,790</b>	<b>2,105,853</b>	<b>2,819,064</b>	<b>2,798,691</b>
<b><u>DEBT SERVICE</u></b>				
Amortized Bond Issuance Costs	0	0	132,024	0
Interest Payments	4,833,333	5,828,772	5,968,204	6,328,954
<b>TOTAL DEBT SERVICE</b>	<b>4,833,333</b>	<b>5,828,772</b>	<b>6,100,228</b>	<b>6,328,954</b>
<b><u>OTHER</u></b>				
Depreciation	7,945,975	8,007,932	7,885,446	7,635,885
<b>TOTAL OTHER</b>	<b>7,945,975</b>	<b>8,007,932</b>	<b>7,885,446</b>	<b>7,635,885</b>
<b>WATER/SEWER FUND TOTAL</b>	<b>59,694,804</b>	<b>60,741,685</b>	<b>68,312,153</b>	<b>66,102,414</b>

## DEPARTMENT: PUBLIC WORKS

## FUND: MOTOR VEHICLE

<b>MATERIALS, SUPPLIES &amp; EQUIPMENT</b>	<b>ACTUAL FY 2014</b>	<b>ACTUAL FY 2015</b>	<b>BUDGET FY 2016</b>	<b>APPROVED FY 2017</b>
Communications & Utilities	31,789	17,739	45,000	35,000
Transportation	4,608	6,782	14,700	12,700
Rentals	6,328	55,100	55,600	55,600
Contracted Maintenance Repairs	535,586	799,222	546,000	585,000
Professional Fees	59,897	59,897	60,000	0
Memberships & Registrations	2,174	1,596	3,000	3,000
Miscellaneous Services	1,827,696	1,583,770	1,894,367	2,012,494
Miscellaneous Parts	3,068	3,410	6,000	6,000
Petroleum & Chemicals	1,402,633	1,006,572	1,400,000	996,000
Fixed Assets	1,775,459	2,197,117	3,200,000	3,500,000
<b>TOTAL M., S. &amp; E.</b>	<b>5,649,238</b>	<b>5,731,205</b>	<b>7,224,667</b>	<b>7,205,794</b>
<b><u>INTERNAL SERVICES</u></b>				
Administrative Services	188,106	206,153	82,587	82,571
Self-Insurance	260,804	526,911	152,524	156,338
<b>TOTAL INTERNAL SERVICES</b>	<b>448,910</b>	<b>733,064</b>	<b>235,111</b>	<b>238,909</b>
<b><u>DEBT SERVICE</u></b>				
Amortized Bond Issuance Costs	0	0	1,220	1,220
Interest Payments	231,249	164,517	220,846	181,736
<b>TOTAL DEBT SERVICE</b>	<b>231,249</b>	<b>164,517</b>	<b>222,066</b>	<b>182,956</b>
<b><u>OTHER</u></b>				
Capitalized Expenditures	(1,678,716)	(2,229,518)	(3,200,000)	(3,500,000)
Depreciation	3,148,905	3,135,211	3,148,905	3,148,905
<b>TOTAL OTHER</b>	<b>1,470,189</b>	<b>905,693</b>	<b>(51,095)</b>	<b>(351,095)</b>
<b>MOTOR VEHICLE FUND TOTAL</b>	<b>7,799,586</b>	<b>7,534,479</b>	<b>7,630,749</b>	<b>7,276,564</b>

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

<b>MATERIALS, SUPPLIES &amp; EQUIPMENT</b>	<b>ACTUAL FY 2015</b>	<b>ACTUAL FY 2016</b>	<b>BUDGET FY 2017</b>	<b>APPROVED FY 2018</b>
Communications & Utilities	823,313	992,448	1,070,165	1,070,165
Contracted Maintenance	0	0	0	0
<b>TOTAL M., S. &amp; E.</b>	<b>823,313</b>	<b>992,448</b>	<b>1,070,165</b>	<b>1,070,165</b>
 <b>MUNICIPAL STREET AID TOTAL</b>	 <b>823,313</b>	 <b>992,448</b>	 <b>1,070,165</b>	 <b>1,070,165</b>

# DEPARTMENT OF REAL ESTATE & HOUSING

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

The Department plans, allocates, and 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.

<b>PRIORITIES FOR FISCAL YEAR 2018</b>
<ul style="list-style-type: none"><li>• Eliminate all A-133 Audit findings</li><li>• Fulfill obligatory allocation, expenditure, monitoring and reporting requirement for all Federal funding received</li><li>• Aggressively seek additional funding sources and collaborative partnerships to leverage diminishing Federal and local dollars.</li><li>• Implement Fair Housing training requirement for all federal sub recipients.</li><li>• Increase the supply of affordable housing that is decent, safe and sanitary.</li><li>• Complete De-Lead Wilmington lead hazard control and healthy homes activities in 220 units located in target zip codes (19801, 19802, 19805, and 19806) with continued HUD, local funds and CDBG support.</li><li>• Improve advertising and outreach efforts for increased homeowner repair program participation.</li><li>• Engage in activities geared toward stabilization and revitalization of neighborhoods.</li><li>• Support projects that reduce density in areas of high minority concentration.</li><li>• Increase homeownership opportunities through City-sponsored initiatives and collaborative efforts with the WHP, WHA and other non-profit and for-profit developers.</li><li>• To actively participate in the development of City of Wilmington Land Bank to address neglected and vacant properties through acquisition, disposition, demolition and rehabilitation.</li><li>• To fund programs and projects that provide needed public services to low and moderate income families and neighborhoods such as neighborhood tree planting, senior housing repair, housing counseling, homelessness prevention, youth programs and programs that assist persons living with HIV/AIDS.</li></ul>

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

<b>TOTAL ALL FUNDS DEPT OF REAL ESTATE &amp; HOUSING</b>	<b>ACTUAL FY2015</b>	<b>ACTUAL FY2016</b>	<b>BUDGET FY2017</b>	<b>APPROVED FY2018</b>
Personal Services	1,367,788	1,173,891	1,071,242	1,117,382
Materials, Supplies & Equipment	332,191	285,707	249,510	304,729
Internal Services	208,631	203,739	260,793	252,513
Debt Service	1,168,685	837,382	1,234,547	1,576,556
Special Purpose	2,925,665	2,948,396	2,150,146	1,928,121
<b>TOTAL</b>	<b>6,002,960</b>	<b>5,449,115</b>	<b>4,966,238</b>	<b>5,179,301</b>
<b>STAFFING LEVELS</b>	<b>12.00</b>	<b>12.00</b>	<b>11.00</b>	<b>11.00</b>

<b>GENERAL FUND DEPT OF REAL ESTATE &amp; HOUSING</b>	<b>ACTUAL FY2015</b>	<b>ACTUAL FY2016</b>	<b>BUDGET FY2017</b>	<b>APPROVED FY2018</b>
Personal Services	339,568	268,039	147,469	153,068
Materials, Supplies & Equipment	122,781	125,077	135,000	169,200
Internal Services	208,631	203,739	260,793	252,513
Debt Service	1,168,685	837,382	1,234,547	1,576,556
<b>TOTAL</b>	<b>1,839,665</b>	<b>1,434,237</b>	<b>1,777,809</b>	<b>2,151,337</b>
<b>STAFFING LEVELS</b>	<b>1.80</b>	<b>1.52</b>	<b>1.48</b>	<b>1.48</b>

<b>COMMUNITY DEVELOPMENT BLOCK GRANT FUND (CDBG) DEPT OF REAL ESTATE &amp; HOUSING</b>	<b>ACTUAL FY2015</b>	<b>ACTUAL FY2016</b>	<b>BUDGET FY2017</b>	<b>APPROVED FY2018</b>
Personal Services	687,512	730,710	852,405	889,389
Materials, Supplies & Equipment	209,410	160,630	114,510	135,529
Special Purpose	1,530,755	1,448,074	1,011,230	851,285
<b>TOTAL</b>	<b>2,427,677</b>	<b>2,339,414</b>	<b>1,978,145</b>	<b>1,876,203</b>
<b>STAFFING LEVELS</b>	<b>8.78</b>	<b>9.17</b>	<b>8.81</b>	<b>8.81</b>

<b>HOME PARTNERSHIP FUND DEPT OF REAL ESTATE &amp; HOUSING</b>	<b>ACTUAL FY2015</b>	<b>ACTUAL FY2016</b>	<b>BUDGET FY2017</b>	<b>APPROVED FY2018</b>
Personal Services	42,690	36,988	37,651	39,020
Special Purpose	683,890	707,092	348,860	330,157
<b>TOTAL</b>	<b>726,580</b>	<b>744,080</b>	<b>386,511</b>	<b>369,177</b>
<b>STAFFING LEVELS</b>	<b>0.46</b>	<b>0.41</b>	<b>0.41</b>	<b>0.41</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>FY2015</b>	<b>FY2016</b>	<b>FY2017</b>	<b>FY2018</b>
Personal Services	18,988	19,278	19,107	20,346
Special Purpose	540,303	610,778	617,693	584,614
<b>TOTAL</b>	<b>559,291</b>	<b>630,056</b>	<b>636,800</b>	<b>604,960</b>
<b>STAFFING LEVELS</b>	<b>0.16</b>	<b>0.17</b>	<b>0.17</b>	<b>0.17</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>FY2015</b>	<b>FY2016</b>	<b>FY2017</b>	<b>FY2018</b>
Personal Services	13,206	13,490	14,610	15,559
Special Purpose	170,717	182,452	172,363	162,065
<b>TOTAL</b>	<b>183,923</b>	<b>195,942</b>	<b>186,973</b>	<b>177,624</b>
<b>STAFFING LEVELS</b>	<b>0.10</b>	<b>0.13</b>	<b>0.13</b>	<b>0.13</b>

<b>NEIGHBORHOOD STABILIZATION PROGRAM GRANT (NSP)</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>APPROVED</b>
<b>DEPT OF REAL ESTATE &amp; HOUSING</b>	<b>FY2015</b>	<b>FY2016</b>	<b>FY2017</b>	<b>FY2018</b>
Personal Services	72,236	43,601	0	0
<b>TOTAL</b>	<b>72,236</b>	<b>43,601</b>	<b>0</b>	<b>0</b>
<b>STAFFING LEVELS</b>	<b>0.70</b>	<b>0.60</b>	<b>0.00</b>	<b>0.00</b>

<b>DE-LEAD GRANT</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>APPROVED</b>
<b>DEPT OF REAL ESTATE &amp; HOUSING</b>	<b>FY2015</b>	<b>FY2016</b>	<b>FY2017</b>	<b>FY2018</b>
Personal Services	193,588	61,785	0	0
<b>TOTAL</b>	<b>193,588</b>	<b>61,785</b>	<b>0</b>	<b>0</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 for the Real Estate and Housing Department increased \$5,599 in the General Fund. No changes to FTEs were made between the General Fund, NSP and CDBG for the split-funded positions, however costs increased within all of these funds. The increase is mainly attributed to the successive 1% COLA and \$500 one-time payment budgeted for all employees, as well as regular step increases.
- Miscellaneous Projects will rise by \$35,000 for a new Live Where You Work program, which will provide assistance to first-time home buyers purchasing a home in Wilmington.
- Communications & Utilities and Printing & Advertising were reduced by \$400 each, decreasing total MS&E by \$800.
- Internal Services decreased by \$8,280, mainly due to reductions in Data Processing and Word Processing costs.
- Debt Service increased \$342,009, as Bond Principal Payments increased by \$412,336, but were slightly offset by a \$70,327 reduction in Interest Payments.

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

- The Department's CDBG budget decreased a net \$101,942, or 5.2% below last year's allocation, due to the anticipated reduction of funds coming from the Federal Government.
- Personal Services increased a net \$36,984 due to the successive 1% COLA and \$500 one-time payment budgeted for each employee. In addition, an upgrade of the Senior Program Administrator to a Senior Program Director resulted in an increase of \$1,789.
- MS&E increased by \$21,019, mainly due to an increase in Professional Fees.
- Special Purposed decreased by \$159,945, due to reductions in award funds and program income.

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

- Collectively, the HOME, HOPWA, and ESG grant funds decreased by a net \$58,523 to a new total of \$1,151,761. All fund awards to outside agencies were reduced in FY 2018.

**MAJOR FUNDING CHANGES FROM PRIOR YEAR  
NSP & DE-LEAD GRANT FUNDS**

- The NSP and De-Lead programs were completed in FY 2017. As such, no funds have been budgeted in FY 2018.

# DEPARTMENT OF REAL ESTATE & HOUSING

## STRATEGIC PLAN

### Focus Area: Effective City Government

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

**Objective 1:** Cross-train all staff.

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
Total # of employees	12	11	11
# of employees cross trained by category	4	8	8

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

**Objective 1:** Increase the availability of outside funding for housing development.

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
Total \$ budgeted for housing development	\$1,119,842	\$1,024,720	\$1,019,648
\$ leveraged from outside sources for housing development	N/A	N/A	\$1,000,000
% of housing development budget from outside sources	N/A	N/A	80%

**CITY-WIDE GOAL #4: Ensure Transparency.**

**Objective 1:** List all Federal programs Real Estate and Housing is involved with on the City's website by June 2017.

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
List all Federal programs on website	6	5	5



# DEPARTMENT OF REAL ESTATE & HOUSING

## STRATEGIC PLAN

### Focus Area: Public Safety

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

**Objective 1:** Stabilize vacant properties in the City’s inventory effectively and efficiently.

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
Total # of houses in City inventory	193	208	181
# of houses in City inventory stabilized	N/A	31	34
% of inventory stabilized	N/A	34%	29%
Avg. # of weeks to complete stabilization	N/A	3	3

**CITY-WIDE GOAL #6: Cultivate Positive Community Relationships.**

**Objective 1:** Assist with the beautification of neighborhoods through the City’s commercial and residential façade program.

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
# of units beautified	N/A	9	55
Total \$ spent on façade program	N/A	\$30,000	\$250,000
Avg. \$ spent per unit	N/A	\$3,334	\$4,545

# DEPARTMENT OF REAL ESTATE & HOUSING

## STRATEGIC PLAN

### Focus Area: Quality of Life

**CITY-WIDE GOAL #7: Improve Housing Quality.**

**Objective 1:** Increase the number of units funded by RE&H for home ownership.

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
# of units produced for home ownership	N/A	9	7
Total \$ spent by City	N/A	\$403,142	\$300,000
Avg. \$ spent per unit by City	N/A	\$44,794	\$42,857

**Objective 2:** Maintain the number of units rehabilitated by the Department.

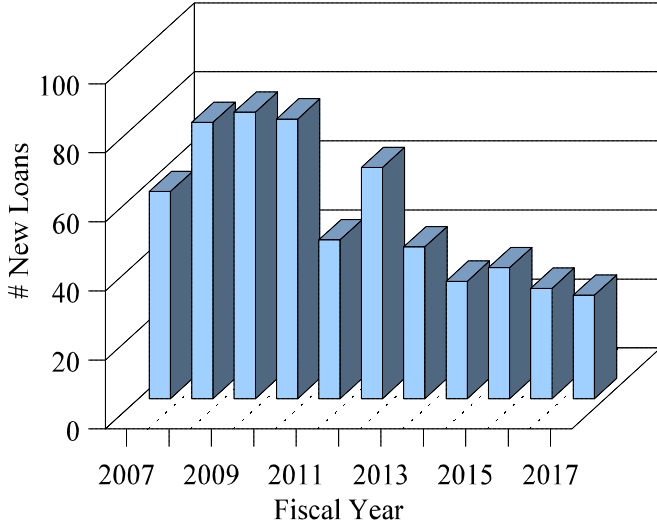
Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
# of units rehabilitated	39	20	40
Total \$ spent on rehabilitation	\$407,994	\$179,083	\$400,000
Avg. \$ spent per unit on rehabilitation	\$10,461	\$8,954	\$10,000

**Objective 3:** Ensure CDBG funds meet at least one of the three national objectives: benefit low and moderate income persons, prevent or eliminate slums or blight, or address a serious need or threat that has particular urgency.

Critical Indicator	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected
Total \$ spent on CDBG	\$2,739,585	\$1,731,766	\$2,032,335
% of spending on low and moderate income persons	20%	18%	20%
% of spending on slums and blight	58%	72%	55%
% of spending on serious needs or threats	3%	0%	5%
% of spending on administrative functions	19%	10%	20%

# Department of Real Estate and Housing Performance Trends

### Housing Rehabilitation Loans



The above chart does not include new construction, homeownership or rental housing loans and grants to developers.

### Public Service/Public Facility Grants

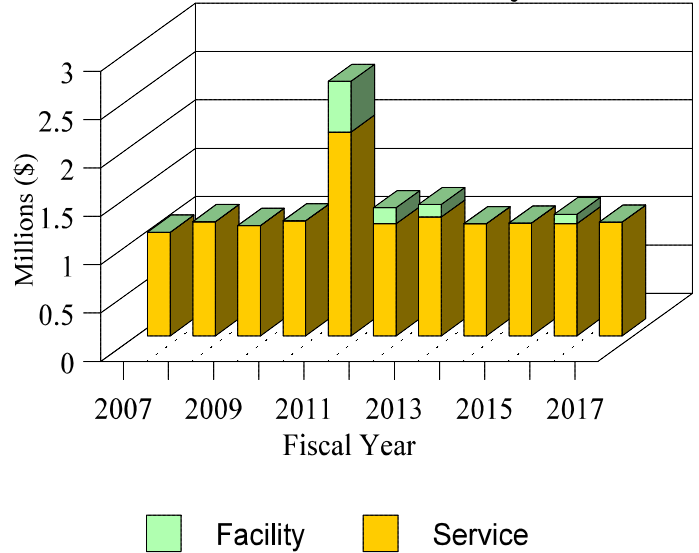
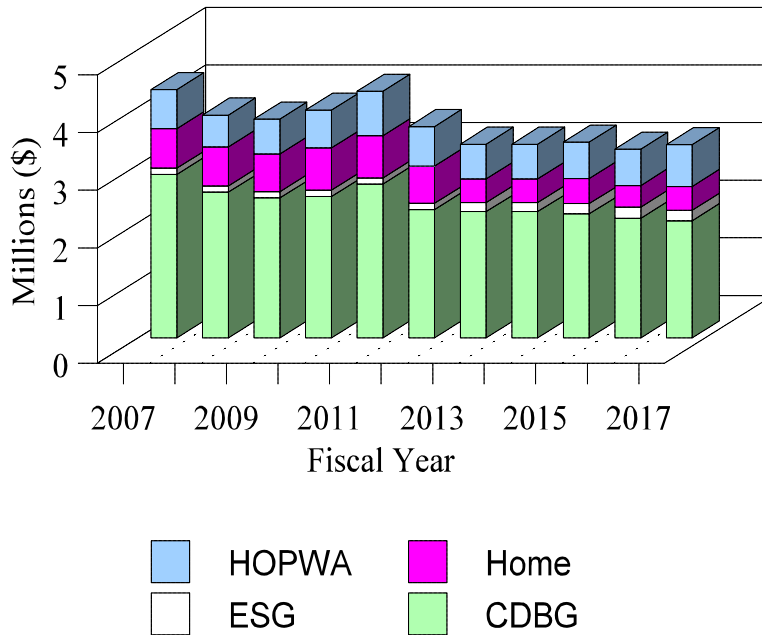


Chart represents federally-funded public services and administration grants.

### Federal Funding Levels



Funding for CDBG (the City's largest and most important federal grant) has decreased in seven of the last ten years, falling over \$800,000 or 28% from FY 2007.

**DEPARTMENTAL BUDGET DETAIL BY FUND**

**DEPARTMENT: REAL ESTATE & HOUSING**

**FUND: GENERAL**

	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>APPROVED</b>
<b>PERSONAL SERVICES</b>	<b>FY2015</b>	<b>FY2016</b>	<b>FY2017</b>	<b>FY2018</b>
Regular Salaries	123,746	154,753	104,070	106,193
Temporary Salaries	134,565	50,431	0	0
Sick Leave Bonus	100	200	0	0
Overtime	1,585	1,470	0	0
Pension Contribution	38,860	16,177	23,344	16,218
Social Security	16,681	12,584	6,344	6,444
Medicare Tax	3,901	2,944	1,485	1,509
Hospitalization	15,829	23,895	16,109	23,080
Life Insurance	571	591	356	356
Pension Healthcare	3,730	4,994	3,996	4,440
State Pension Plan - Civilian	0	0	699	2,966
Personal Services Adjustment	0	0	0	796
Attrition	0	0	(8,934)	(8,934)
<b>TOTAL PERSONAL SERVICES</b>	<b>339,568</b>	<b>268,039</b>	<b>147,469</b>	<b>153,068</b>
 <b><u>MATERIALS, SUPPLIES &amp; EQUIPMENT</u></b>				
Communications & Utilities	1,014	618	2,000	1,600
Printing & Advertising	1,477	936	2,000	1,600
Miscellaneous Services	6,000	5,885	6,000	6,000
Contracted Maintenance	0	2,827	0	0
Professional Fees	0	1,875	0	0
Community Activities	114,290	112,936	125,000	160,000
<b>TOTAL M., S. &amp; E</b>	<b>122,781</b>	<b>125,077</b>	<b>135,000</b>	<b>169,200</b>
 <b><u>INTERNAL SERVICES</u></b>				
Administrative Services	204,574	202,641	258,726	250,446
Self-Insurance	4,057	1,098	2,067	2,067
<b>TOTAL INTERNAL SERVICES</b>	<b>208,631</b>	<b>203,739</b>	<b>260,793</b>	<b>252,513</b>
 <b><u>DEBT SERVICE</u></b>				
Principal Payments	768,620	505,690	849,477	1,261,813
Interest Payments	400,065	331,692	385,070	314,743
<b>TOTAL DEBT SERVICE</b>	<b>1,168,685</b>	<b>837,382</b>	<b>1,234,547</b>	<b>1,576,556</b>
 <b>GENERAL FUND TOTAL</b>	 <b>1,839,665</b>	 <b>1,434,237</b>	 <b>1,777,809</b>	 <b>2,151,337</b>

## DEPARTMENT: REAL ESTATE &amp; HOUSING

FUND: CDBG

	ACTUAL	ACTUAL	BUDGET	APPROVED
<u>PERSONAL SERVICES</u>	<u>FY2015</u>	<u>FY2016</u>	<u>FY2017</u>	<u>FY2018</u>
Regular Salaries	422,948	452,526	517,047	522,606
Acting Out of Classification	50	0	0	0
Health Cash Back	2,240	1,690	0	0
Pension Contribution	114,411	121,597	123,131	116,703
Social Security	26,047	27,642	31,489	31,607
Medicare Tax	6,101	6,464	7,363	7,390
Hospitalization	96,773	100,390	144,293	171,389
Life Insurance	2,205	1,962	2,114	2,103
Pension Healthcare	16,737	18,505	23,787	26,430
State Pension Plan - Civilian	0	(66)	3,181	6,419
Personal Services Adjustment	0	0	0	4,742
<b>TOTAL PERSONAL SERVICES</b>	<b>687,512</b>	<b>730,710</b>	<b>852,405</b>	<b>889,389</b>
 <b><u>MATERIALS, SUPPLIES &amp; EQUIPMENT</u></b>				
Printing & Advertising	1,884	1,590	3,950	3,950
Communications & Utilities	50	215	500	500
Transportation	5,653	707	8,500	8,500
Professional Fees	184,766	78,365	80,560	99,000
Other Fees	593	0	0	0
Memberships & Registrations	2,736	5,986	8,500	8,500
Miscellaneous Services	3,956	65,120	5,000	5,579
Office & General Supplies	2,413	2,320	2,500	2,500
Wearing Apparel & Safety	5,542	5,272	5,000	5,000
Equipment	1,817	1,055	0	2,000
<b>TOTAL M., S. &amp; E.</b>	<b>209,410</b>	<b>160,630</b>	<b>114,510</b>	<b>135,529</b>
 <b><u>SPECIAL PURPOSE</u></b>				
Grants & Fixed Charges	1,530,755	1,448,074	1,011,230	851,285
<b>TOTAL SPECIAL PURPOSE</b>	<b>1,530,755</b>	<b>1,448,074</b>	<b>1,011,230</b>	<b>851,285</b>
 <b>CDBG FUND TOTAL</b>				
	<b>2,427,677</b>	<b>2,339,414</b>	<b>1,978,145</b>	<b>1,876,203</b>

## DEPARTMENT: REAL ESTATE &amp; HOUSING

FUND: CDBG

<b>GRANTS &amp; FIXED CHARGES DETAIL</b>	<b>ACTUAL FY2015</b>	<b>ACTUAL FY2016</b>	<b>BUDGET FY2017</b>	<b>APPROVED FY2018</b>
Property Repair Program			400,000	300,000
Above Xpectations			10,000	6,500
Catholic Charities			15,000	15,000
Catholic Charities-Bayard House			8,773	8,773
Challenge Program			29,000	29,000
CHILD, Inc.			9,000	0
Christiana Cultural Arts Center Inc.			10,000	8,668
Clarify			5,000	5,000
Culture Restoration Project			0	6,500
DE Center for Homeless Veterans, Inc.			12,000	0
DE Community Reinvestment Action Council			5,000	5,000
Delaware Center for Horticulture Street Trees			70,000	70,000
Duffy's Hope			0	6,500
Fair Housing			10,000	0
Interfaith - Homeownership Center			5,000	5,000
Interfaith - Youth Ambassador			10,000	8,500
LACC - Homeless Prevention			0	5,000
LACC - Evening Enrichment Program			0	5,000
Lutheran Community Services			31,000	31,000
Ministry of Caring - Hope House I			15,000	15,000
Ministry of Caring - House of Joseph I			15,000	15,000
Miscellaneous Housing Projects			44,919	98,558
Neighborhood House, Inc.			13,500	5,000
NRSA and Choice Neighborhood Initiative			200,000	0
One Village Alliance			10,000	0
Our Youth, Inc.			0	5,000
Residential Facade Program			0	100,000
Salvation Army			5,000	5,000
STEHM, Inc.			5,000	5,000
Tech Impact - IT Works Technology			14,000	14,000
WEDCO Loan Collections			3,000	0
West End Neighborhood House			20,000	20,000
YMCA Teen and Male Residence			18,000	17,500
YWCA Delaware			39,000	36,500
Wilmington HOPE Commission			0	10,611
Budget Control			(20,962)	(11,325)
FY2015 Expenditures	1,530,755			
FY2016 Expenditures		1,448,074		
<b>TOTAL GRANTS &amp; FIXED CHARGES</b>	<b>1,530,755</b>	<b>1,448,074</b>	<b>1,011,230</b>	<b>851,285</b>

**DEPARTMENT: REAL ESTATE & HOUSING**

**FUND: HOME PARTNERSHIP**

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY2015</b>	<b>ACTUAL FY2016</b>	<b>BUDGET FY2017</b>	<b>APPROVED FY2018</b>
Regular Salaries	28,236	25,121	24,973	25,475
Health Cash Back	160	0	0	0
Pension Contribution	6,447	5,925	6,218	6,420
Social Security	1,690	1,473	1,459	1,491
Medicare Tax	396	345	341	349
Hospitalization	3,882	2,937	3,455	3,736
Life Insurance	714	68	98	98
Pension Healthcare	1,165	1,119	1,107	1,230
Personal Services Adjustment	0	0	0	221
<b>TOTAL PERSONAL SERVICES</b>	<b>42,690</b>	<b>36,988</b>	<b>37,651</b>	<b>39,020</b>
<b><u>SPECIAL PURPOSE</u></b>				
Grants & Fixed Charges	683,890	707,092	348,860	330,157
<b>TOTAL SPECIAL PURPOSE</b>	<b>683,890</b>	<b>707,092</b>	<b>348,860</b>	<b>330,157</b>
<b>HOME PARTNERSHIP FUND TOTAL</b>	<b>726,580</b>	<b>744,080</b>	<b>386,511</b>	<b>369,177</b>

<b>GRANTS &amp; FIXED CHARGES DETAIL</b>	<b>ACTUAL FY2015</b>	<b>ACTUAL FY2016</b>	<b>BUDGET FY2017</b>	<b>APPROVED FY2018</b>
CHDO Set-aside			57,977	61,800
HOME Proposed Housing Projects			290,881	309,291
Budget Control			2	(40,934)
Contingent Reserves		142,435		
FY2015 Expenditures	683,890			
FY2016 Expenditures		564,657		
<b>TOTAL GRANTS &amp; FIXED CHARGES</b>	<b>683,890</b>	<b>707,092</b>	<b>348,860</b>	<b>330,157</b>

DEPARTMENT: REAL ESTATE & HOUSING

FUND: HOPWA

	ACTUAL FY2015	ACTUAL FY2016	BUDGET FY2017	APPROVED FY2018
<b>PERSONAL SERVICES</b>				
Regular Salaries	11,200	11,412	10,773	11,316
Pension Contribution	2,827	2,902	2,683	2,852
Social Security	698	692	653	681
Medicare Tax	163	162	153	159
Hospitalization	3,665	3,656	4,345	4,695
Life Insurance	39	39	41	41
Pension Healthcare	396	415	459	510
Personal Services Adjustment	0	0	0	92
<b>TOTAL PERSONAL SERVICES</b>	<b>18,988</b>	<b>19,278</b>	<b>19,107</b>	<b>20,346</b>
<b>SPECIAL PURPOSE</b>				
Grants & Fixed Charges	540,303	610,778	617,693	584,614
<b>TOTAL SPECIAL PURPOSE</b>	<b>540,303</b>	<b>610,778</b>	<b>617,693</b>	<b>584,614</b>
<b>HOPWA FUND TOTAL</b>	<b>559,291</b>	<b>630,056</b>	<b>636,800</b>	<b>604,960</b>

	ACTUAL FY2015	ACTUAL FY2016	BUDGET FY2017	APPROVED FY2018
<b>GRANTS &amp; FIXED CHARGES DETAIL</b>				
Catholic Charities			28,161	24,000
Cecil County Emergency Housing			24,469	24,000
Delaware HIV Services, Inc.			525,377	503,000
Ministry of Caring-House of Joseph II			39,690	34,845
Budget Control			(4)	(1,231)
FY2015 Expenditures	540,303			
FY2015 Expenditures		610,778		
<b>TOTAL GRANTS &amp; FIXED CHARGES</b>	<b>540,303</b>	<b>610,778</b>	<b>617,693</b>	<b>584,614</b>



**DEPARTMENT: REAL ESTATE & HOUSING**

**FUND: EMERGENCY SHELTER GRANT**

	<b>ACTUAL FY2015</b>	<b>ACTUAL FY2016</b>	<b>BUDGET FY2017</b>	<b>APPROVED FY2018</b>
<b>PERSONAL SERVICES</b>				
Regular Salaries	7,775	8,086	8,238	8,653
Pension Contribution	1,962	1,993	2,051	2,181
Social Security	475	492	499	521
Medicare Tax	111	115	117	122
Hospitalization	2,544	2,481	3,323	3,591
Life Insurance	24	22	31	31
Pension Healthcare	315	301	351	390
Personal Services Adjustment	0	0	0	70
<b>TOTAL PERSONAL SERVICES</b>	<b>13,206</b>	<b>13,490</b>	<b>14,610</b>	<b>15,559</b>
<b>SPECIAL PURPOSE</b>				
Grants & Fixed Charges	170,717	182,452	172,363	162,065
<b>TOTAL SPECIAL PURPOSE</b>	<b>170,717</b>	<b>182,452</b>	<b>172,363</b>	<b>162,065</b>
<b>EMERGENCY SHELTER GRANT FUND TOTAL</b>	<b>183,923</b>	<b>195,942</b>	<b>186,973</b>	<b>177,624</b>

	<b>ACTUAL FY2015</b>	<b>ACTUAL FY2016</b>	<b>BUDGET FY2017</b>	<b>APPROVED FY2018</b>
<b>GRANTS &amp; FIXED CHARGES DETAIL</b>				
Catholic Charities			20,000	0
Family Promise			37,191	13,121
Homeless Planning Council of DE, Inc.			40,042	40,042
Ministry of Caring			35,000	15,000
The Salvation Army			23,939	21,000
YWCA Delaware-Rapid Re-Housing			16,778	74,439
Budget Control			(587)	(1,537)
FY2015 Expenditures	170,717			
FY2016 Expenditures		182,452		
<b>TOTAL GRANTS &amp; FIXED CHARGES</b>	<b>170,717</b>	<b>182,452</b>	<b>172,363</b>	<b>162,065</b>

**DEPARTMENT: REAL ESTATE & HOUSING      FUND: NEIGHBORHOOD STABILIZATION PROGRAM**

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY2015</b>	<b>ACTUAL FY2016</b>	<b>BUDGET FY2017</b>	<b>APPROVED FY2018</b>
Regular Salaries	42,552	27,072	0	0
Pension Contribution	10,712	7,053	0	0
Social Security	2,596	1,641	0	0
Medicare Tax	607	384	0	0
Hospitalization	14,073	6,290	0	0
Life Insurance	166	104	0	0
Pension Healthcare	1,530	1,057	0	0
<b>TOTAL PERSONAL SERVICES</b>	<b>72,236</b>	<b>43,601</b>	<b>0</b>	<b>0</b>
<b>NEIGHBORHOOD STABILIZATION PROGRAM FUND TOTAL</b>	<b>72,236</b>	<b>43,601</b>	<b>0</b>	<b>0</b>

**DEPARTMENT: REAL ESTATE & HOUSING**

**FUND: DE-LEAD**

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY2015</b>	<b>ACTUAL FY2016</b>	<b>BUDGET FY2017</b>	<b>APPROVED FY2018</b>
Regular Salaries	9,582	2,356	0	0
Temporary Salaries	145,083	45,306	0	0
Overtime	408	1,887	0	0
Pension Contribution	0	0	0	0
Social Security	9,516	3,229	0	0
Medicare Tax	2,226	744	0	0
Hospitalization	26,202	8,253	0	0
Life Insurance	47	10	0	0
State Pension Plan - Civilian	381	0	0	0
Pension Healthcare	143	0	0	0
<b>TOTAL PERSONAL SERVICES</b>	<b>193,588</b>	<b>61,785</b>	<b>0</b>	<b>0</b>
<b>DE-LEAD GRANT FUND TOTAL</b>	<b>193,588</b>	<b>61,785</b>	<b>0</b>	<b>0</b>



# DEPARTMENT OF COMMERCE

Prior to its restructuring in 1995, the Department of Commerce promoted and developed commerce and industry within the City of Wilmington along with managing and marketing 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 principle 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 given to the City by the state Transportation Fund as final consideration and in lieu of all future outstanding payments due to the City as a result of the FY 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 FY 2002 to FY 2005. However, the reimbursement of debt was not affected by this new agreement.

In FY 2009 the remaining balance of the commerce fund was depleted. As a result, beginning in FY 2010 all Port debt service and reimbursement revenue from the State were budgeted into the General Fund.

## SUMMARY OF FUNDING FOR THE DEPARTMENT OF COMMERCE

<b>TOTAL ALL FUNDS DEPARTMENT OF COMMERCE</b>	<b>ACTUAL FY2015</b>	<b>ACTUAL FY2016</b>	<b>BUDGET FY2017</b>	<b>APPROVED FY2018</b>
Debt Service	1,343,565	1,280,777	1,290,546	512,858
<b>TOTAL</b>	<b>1,343,565</b>	<b>1,280,777</b>	<b>1,290,546</b>	<b>512,858</b>
<b>STAFFING LEVELS</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

<b>GENERAL FUND DEPARTMENT OF COMMERCE</b>	<b>ACTUAL FY2015</b>	<b>ACTUAL FY2016</b>	<b>BUDGET FY2017</b>	<b>APPROVED FY2018</b>
Debt Service	1,343,565	1,280,777	1,290,546	512,858
<b>TOTAL</b>	<b>1,343,565</b>	<b>1,280,777</b>	<b>1,290,546</b>	<b>512,858</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: GENERAL**

<b>DEBT SERVICE</b>	<b>ACTUAL FY2015</b>	<b>ACTUAL FY2016</b>	<b>BUDGET FY2017</b>	<b>APPROVED FY2018</b>
Principal Payments	1,013,134	1,002,403	1,063,581	320,439
Interest Payments	330,431	278,374	226,965	192,419
<b>TOTAL DEBT SERVICE</b>	<b>1,343,565</b>	<b>1,280,777</b>	<b>1,290,546</b>	<b>512,858</b>
<b>GENERAL FUND TOTAL</b>	<b>1,343,565</b>	<b>1,280,777</b>	<b>1,290,546</b>	<b>512,858</b>

# THE CAPITAL IMPROVEMENTS PROGRAM

## **I. Introduction**

The Capital Improvements Program is a six-year capital spending plan, adopted by City Council annually. The first year of the Capital Program is known as the Capital Budget. In alternating years, the Capital Budget includes two full fiscal years of funding due to the City's decision to bond biennially, instead of annually. This results in "off" years when the budget requests will be zero. The decision to bond biennially reduces the frequency of borrowing and lowers financing costs.

The Capital Improvements Program and Budget provide a schedule of expenditures to develop and improve the public facilities necessary to serve those who live and work in Wilmington. The projects reflect the physical development policies of the City, such as Comprehensive Development Plans, Urban Renewal Plans, etc. This document describes the development of a Capital Program; the statutory basis for the preparation of the Capital Program; and an explanation of the capital projects proposed for the FY 2018 - FY 2023 period.

## **II. A Guide to the Capital Improvements Program**

### **A. Development of a Capital Program**

The Wilmington Home Rule Charter describes the process for preparing and adopting the City's Capital Program. The process begins with the various City departments submitting requests for specific projects to the Office of Management and Budget and the Department of Planning. Department heads discuss their project proposals with the Office of Management and Budget and the Department of Planning, indicating their programming priorities. Three major considerations guide the review of these departmental requests:

1. Overall development objectives for Wilmington. This includes the feasibility, desirability, and need for specific projects.
2. The relationships among projects with respect to design, location, timing of construction and the nature of activities involved.
3. The City's fiscal policies and capabilities.

The City Planning Commission reviews the Capital Program for conformance to the Comprehensive Plan and other City policies, and makes recommendations to the Office of Management and Budget and the Department of Planning. The Capital Program is then submitted to the Mayor for his review and transmittal, along with the Annual Operating Budget, to City Council for their approval.

### **B. Nature of a Capital Project**

Generally, a capital project is fixed in nature, has a relatively long life expectancy, and requires a substantial financial investment. Capital projects traditionally take the form of large-scale physical developments, such as buildings, streets, and water mains. However, a wide range of other projects qualify for capital funding consideration, including fire fighting apparatus, street lighting, and computer software. A capital project must cost a minimum of \$5,000, and generally include one or more of the following characteristics:

1. Acquisition of real property, including the purchase of land and/or existing structures for a community facility or utility.
2. Major replacement facilities, such as roofs, heating, plumbing, and electrical systems.
3. Preliminary studies and surveys pursuant to acquisition, construction or rehabilitation of City-owned property.
4. Purchase of specialized equipment and furniture for public improvements when first erected or acquired.
5. Cash contributions when necessary to fulfill the City's obligation in federally-assisted programs of a capital nature.
6. Improvements to City-owned public utilities, such as sewers, water mains, fire hydrants, streets, and catch basins.
7. Vehicles (excluding special equipment not considered a part of the vehicle) exceeding \$25,000 in cost and having a life expectancy of more than ten years.

**Percent Allocation to Art:** Municipal construction contracts let by the city for the construction of, or remodeling of, public buildings or structures shall include a sum of money amounting to five percent of the estimated construction cost of the building or structure, for ornamentation. Ornamentation includes, but is not limited to, sculpture, monuments, bas relief, mosaics, frescoes, stained glass, murals, fountains or other decoration, both exterior and interior, having a period of usefulness of at least five years. In the event the five percent sum is not used for the incorporation of ornamentation into the construction project, it shall be placed in the art work reserve fund. Eligible construction contracts means a capital project greater than \$25,000 identified in the annual capital budget to construct or remodel any public building or structure including parks, or any portion thereof, within the city limits. This shall not include construction, repair or alteration of city streets or sidewalks.

### **C. The City's Financial Policy for the Capital Program**

The following are the major elements that determine how much money the City can legally borrow and how it will pay for specific projects:

#### **1. Fiscal Borrowing Limit**

Legislation enacted by the Delaware General Assembly on July 7, 1971 amended the general obligation bond limit of the City of Wilmington to permit a debt service which does not exceed 17.5 percent of the annual operating budget. Because the bonds issued for the sewage treatment and water facilities are revenue supported, they are not subject to this limitation.

#### **2. Self-Sustaining Projects**

A clear distinction is made in the Capital Program between tax-supporting and self-sustaining (revenue) projects. Self-sustaining projects are part of any operation which will generate sufficient revenues to cover its debt service (water and sewer service, for example). Although the debt service on these bonds is paid from the various operating revenues, the bonds are secured by the City's full taxing

authority, and thus are actually a special form of general obligation bonds.

### **3. Bond Life**

The City generally limits the term of its borrowing to 20 years for all tax supported and revenue obligations. However, under special circumstances, 5 or 10 year bonds have been, and can be, issued.

## **D. Expenditure Analysis**

Capital spending projects generally are within the following four categories:

### **1. New Service**

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

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

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

### **3. Upgrading Existing**

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

### **4. Restoring Existing**

Projects aimed at restoring an existing facility to its original capacity and/or quality of service. Examples include cleaning and relining of water mains, and minor capital improvements projects.

Significantly, only a small percentage of past capital expenditures have been for new service. This is very characteristic of an older, highly developed City in which most basic municipal services are already in place, and no new significant population growth is taking place.

Most projects fall within the category of upgrading existing facilities, reflecting a policy of extending and expanding their usefulness to the City's present stock of capital facilities. A policy of utilizing existing facilities with renovations and additions maximizes the efficiency of capital spending.

In the past, the replacement of capital facilities with new ones was prevalent. This approach is justifiable when facilities are too obsolete to permit economical rehabilitation or modification, when they have been utilized to the extent of their full useful life, or they are improperly located to meet the current needs. In general, replacements of this type offer increased capacity, modern features and up-to-date conveniences not found in the facilities they replace.

The restoration of existing facilities is generally undertaken when an existing facility has become so worn or deteriorated that major corrective action is needed to preserve its usefulness. While these expenditures do not



result in the provision of new or improved service, they are among the most cost-efficient capital expenditures since maximum use is made of existing facilities.

## **E. Method of Funding**

### **1. City Obligations**

The bulk of funding for the City's Capital Improvements Program has traditionally come through general obligation bonds issued by the City and repaid out of the appropriate department operating budget over a 20 year period. In general, investors loan the City funds based upon its "bond" or promise to repay them using all means possible.

### **2. Federal and State Funds**

In the past, the Federal and State governments have provided substantial support for capital programs in the City. For example, federal grants have often composed a major portion of funding for sewer and water projects, with local capital funding being used to "match" the Federal portion. Federal and State funds have been requested to supplement this year's budget.

### **3. Unused Capital Funds**

Unexpended funds from previous Capital Budgets are reviewed annually to determine whether a former project has been temporarily delayed, altered or is no longer feasible. Based on this analysis, funds might then be transferred to current fiscal year projects in order to reduce the amount being currently borrowed.

## **F. Capital Funding Proposed for FY 2018 - FY 2023**

The six year Capital Budget and Capital Improvements Program, as presented in City Planning Commission Resolution 1-17, totals \$252,052,000, with a FY 2018 Capital Budget in the amount of \$84,054,000 and the additional five year program adding \$167,998,000. 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 expense that would result from bonds issued to fund the Capital Budget would be \$3,541,036. It should be noted that only the interest portion of debt service is booked (and budgeted) as an expense in the Water/Sewer Fund and Internal Service Funds.

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

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

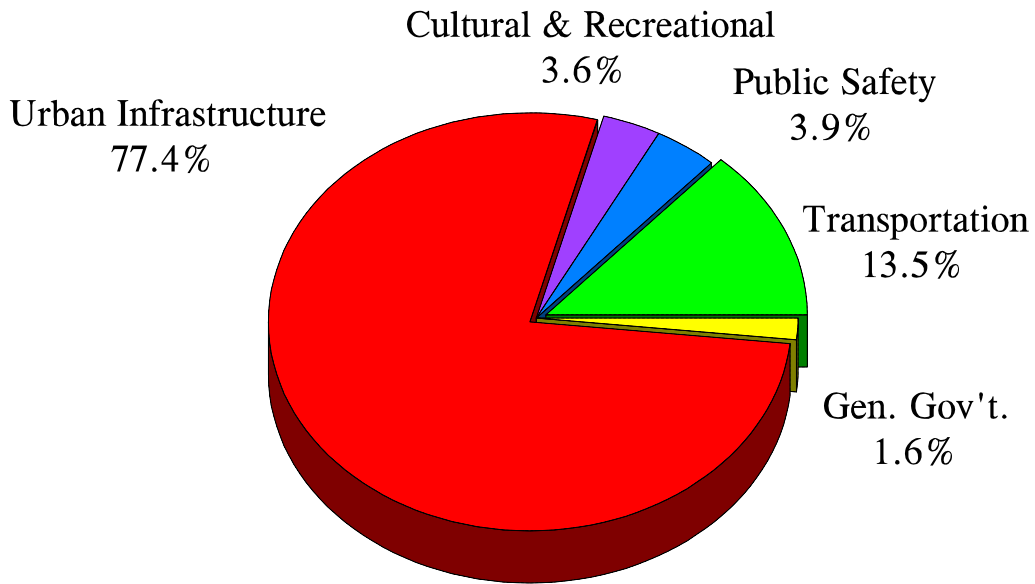
Department	Fund	Debt Service*	Personal Services	M. S. & E.	Total
Finance	General	\$17,875	\$0	\$0	\$17,875
	Water/Sewer	25,838	0	0	25,838
Fire	General	225,225	0	(2,000)	223,225
Mayor's Office	General	225,940	0	0	225,940
Parks & Recreation	General	208,065	0	0	208,065
Real Estate & Housing	General	71,500	0	0	71,500
Public Works	General	485,843	0	0	485,843
	Water/Sewer	2,066,250	0	0	2,066,250
Transportation	General	214,500	0	0	214,500
<b>TOTAL</b>		<b>\$3,541,036</b>	<b>\$0</b>	<b>(\$2,000)</b>	<b>\$3,539,036</b>

Fund	Debt Service*	Personal Services	M. S. & E.	Total
General	\$1,448,948	\$0	(\$2,000)	\$1,446,948
Water/Sewer	2,092,088	0	0	2,092,088
<b>TOTAL</b>	<b>\$3,541,036</b>	<b>\$0</b>	<b>(\$2,000)</b>	<b>\$3,539,036</b>

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

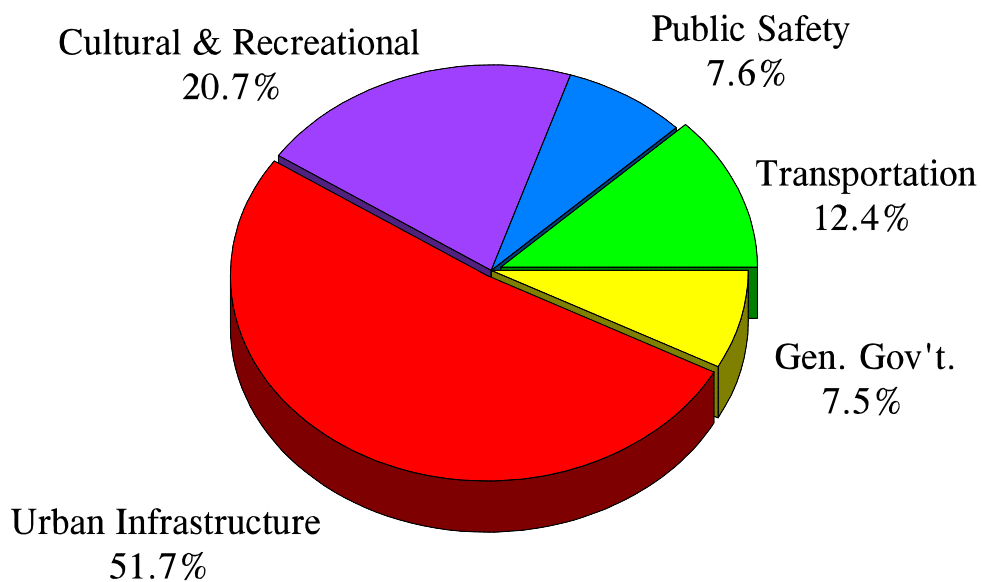
# Capital Budget Allocations

## Fiscal Years 2018-2019



# Capital Program Allocations

## Fiscal Years 2020-2023



**CAPITAL IMPROVEMENTS PROGRAM**  
**FISCAL YEARS 2018-2023**  
(000 omitted)

<b>SUMMARY: TOTAL FUNDS RECOMMENDED BY FISCAL YEAR AND DEPARTMENT</b>										
NAME OF DEPARTMENT	TYPE OF FUNDING	FISCAL YEARS						TOTAL CITY FUNDS 6 YEAR PERIOD		TOTAL LOCAL AND MATCHING 6 YEAR PERIOD
		2018	2019	2020	2021	2022	2023	2023	2023	6 YEAR PERIOD
FINANCE	G	250	0	397	0	690	0	1,337	0	1,337
	W	689	0	476	0	310	0	1,475	0	1,475
FIRE	G	3,150	0	6,400	0	4,050	0	13,600	0	13,600
OFFICE OF THE MAYOR	G	3,160	0	4,500	0	4,500	0	12,160	0	12,160
PARKS AND RECREATION	G	2,910	0	3,340	0	31,585	0	37,835	0	37,835
	O	0	0	0	0	250	0	0	0	250
POLICE	G	0	0	2,500	0	0	0	2,500	0	2,500
PUBLIC WORKS	G	6,795	0	12,500	0	12,500	0	31,795	0	31,795
	W	55,100	0	38,100	0	24,800	0	118,000	0	118,000
REAL ESTATE & HOUSING	G	1,000	0	0	0	0	0	1,000	0	1,000
TRANSPORTATION	G	3,000	0	2,550	0	2,550	0	8,100	0	8,100
	O	8,000	0	8,000	0	8,000	0	0	0	24,000
<b>TOTAL BY FUND</b>	G	20,265	0	32,187	0	55,875	0	108,327	0	108,327
	O	8,000	0	8,000	0	8,250	0	0	0	24,250
	W	55,789	0	38,576	0	25,110	0	119,475	0	119,475
<b>GRAND TOTAL</b>		84,054	0	78,763	0	89,235	0	227,802	0	252,052

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

CAPITAL IMPROVEMENTS PROGRAM  
FISCAL YEARS 2018-2023  
(000 omitted)

SUMMARY: TOTAL FUNDS RECOMMENDED BY EXPENDITURE TYPE

NAME OF DEPARTMENT	Exp. Cat.	FISCAL YEARS						TOTAL CITY FUNDS 6 YEAR PERIOD	TOTAL LOCAL AND MATCHING 6 YEAR PERIOD
		2018	2019	2020	2021	2022	2023		
FINANCE	NS	2	0	17	0	0	0	19	19
	NR	24	0	18	0	64	0	106	106
	UE	633	0	575	0	719	0	1,926	1,926
	RE	280	0	264	0	218	0	762	762
FIRE	NR	2,050	0	1,600	0	4,050	0	7,700	7,700
	RE	1,100	0	4,800	0	0	0	5,900	5,900
OFFICE OF THE MAYOR	NS	160	0	0	0	0	0	160	160
	UE	3,000	0	4,500	0	4,500	0	12,000	12,000
PARKS AND RECREATION	NR	0	0	0	0	1,550	0	1,550	1,550
	UE	1,700	0	2,130	0	28,560	0	32,390	32,390
	RE	1,210	0	1,210	0	1,725	0	4,095	4,145
POLICE	NS	0	0	1,500	0	0	0	1,500	1,500
	UE	0	0	1,000	0	0	0	1,000	1,000
PUBLIC WORKS	NR	95	0	0	0	0	0	95	95
	UE	39,300	0	33,100	0	19,800	0	92,200	92,200
	RE	22,500	0	17,500	0	17,500	0	57,500	57,500
REAL ESTATE & HOUSING	UE	1,000	0	0	0	0	0	1,000	1,000
TRANSPORTATION	UE	11,000	0	10,550	0	10,550	0	8,100	32,100
<b>TOTAL BY EXPENDITURE CATEGORY</b>									
NS	162	0	1,517	0	0	0	0	1,679	1,679
NR	2,169	0	1,618	0	5,664	0	9,451	9,451	9,451
UE	56,633	0	51,855	0	64,129	0	148,416	148,416	172,616
RE	25,090	0	23,774	0	19,443	0	68,257	68,257	68,307
<b>GRAND TOTAL</b>	<b>84,054</b>	<b>0</b>	<b>78,763</b>	<b>0</b>	<b>89,235</b>	<b>0</b>	<b>227,802</b>	<b>252,052</b>	

Expenditure Category (Exp. Cat.): NS - New Service; NR - New Replace Existing; UE - Upgrade Existing; RE - Restore Existing (See page 257 for detailed description of categories)

**CAPITAL IMPROVEMENTS PROGRAM**  
**FISCAL YEARS 2018-2023**  
(000 omitted)

<b>FINANCE DEPARTMENT: PROGRAM RECOMMENDATION BY FISCAL YEAR</b>									
TYPE OF FUNDING	<u>FISCAL YEARS</u>						TOTAL CITY FUNDS 6 YEAR PERIOD	TOTAL LOCAL AND MATCHING 6 YEAR PERIOD	
	2018	2019	2020	2021	2022	2023			
G	250	0	397	0	690	0	1,337	1,337	
W	689	0	476	0	310	0	1,475	1,475	
<b>Cost of Bond Issue (General Fund)</b>									
<b>Cost of Bond Issue (Water/Sewer Fund)</b>									
<b>TOTAL BY FUND</b>									
G	250	0	397	0	690	0	1,337	1,337	
W	689	0	476	0	310	0	1,475	1,475	
<b>TOTAL FINANCE FUNDS</b>									
	939	0	873	0	1,000	0	2,812	2,812	

Type of Funding: G - General; W - Water/Sewer; O - Other Governmental; I - Internal Service  
Bond Issuance Costs projected to be 1.25%

**CAPITAL IMPROVEMENTS PROGRAM**  
**FISCAL YEARS 2018-2023**  
(000 omitted)

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

	Exp. Cat.	TYPE OF FUNDING	FISCAL YEARS					TOTAL CITY FUNDS 6 YEAR PERIOD	TOTAL LOCAL AND MATCHING 6 YEAR PERIOD	
			2018	2019	2020	2021	2022			2023
Apparatus Replacement	NR	G	2,050	0	1,600	0	3,750	0	7,400	7,400
Fire Station Renovations	RE	G	1,100	0	4,800	0	0	0	5,900	5,900
Rescue Ambulance Replacement	NR	G	0	0	0	0	300	0	300	300
<b>TOTAL BY FUND</b>		<b>G</b>	<b>3,150</b>	<b>0</b>	<b>6,400</b>	<b>0</b>	<b>4,050</b>	<b>0</b>	<b>13,600</b>	<b>13,600</b>
<b>TOTAL FIRE FUNDS</b>			<b>3,150</b>	<b>0</b>	<b>6,400</b>	<b>0</b>	<b>4,050</b>	<b>0</b>	<b>13,600</b>	<b>13,600</b>

Type of Funding: G - General; W - Water/Sewer; O - Other Governmental; I - Internal Service  
Expenditure Category (Exp. Cat.): NS - New Service; NR - New Replace Existing; UE - Upgrade Existing; RE - Restore Existing (See page 257 for detailed description of categories)

**CAPITAL IMPROVEMENTS PROGRAM**  
**FISCAL YEARS 2018-2023**  
(000 omitted)

**OFFICE OF THE MAYOR: PROGRAM RECOMMENDATION BY FISCAL YEAR**

	Exp. Cat.	TYPE OF FUNDING	2018	2019	FISCAL YEARS				TOTAL CITY FUNDS 6 YEAR PERIOD	TOTAL LOCAL AND MATCHING 6 YEAR PERIOD
					2020	2021	2022	2023		
Five Percent For Art	NS	G	160	0	0	0	0	0	160	160
Site Acquisition	UE	G	1,000	0	1,000	0	1,000	0	3,000	3,000
Infrastructure & Site Improvements Closing Fund	UE	G	1,000	0	2,500	0	2,500	0	6,000	6,000
Upstairs Project	UE	G	1,000	0	1,000	0	1,000	0	3,000	3,000
<b>TOTAL BY FUND</b>		<b>G</b>	<b>3,160</b>	<b>0</b>	<b>4,500</b>	<b>0</b>	<b>4,500</b>	<b>0</b>	<b>12,160</b>	<b>12,160</b>
<b>TOTAL MAYOR'S OFFICE FUNDS</b>			<b>3,160</b>	<b>0</b>	<b>4,500</b>	<b>0</b>	<b>4,500</b>	<b>0</b>	<b>12,160</b>	<b>12,160</b>

Type of Funding: G - General; W - Water/Sewer; O - Other Governmental; I - Internal Service  
Expenditure Category (Exp. Cat.): NS - New Service; NR - New Replace Existing; UE - Upgrade Existing; RE - Restore Existing (See page 257 for detailed description of categories)



CAPITAL IMPROVEMENTS PROGRAM  
FISCAL YEARS 2018-2023  
(000 omitted)

PARKS & RECREATION DEPARTMENT: PROGRAM RECOMMENDATION BY FISCAL YEAR											
Exp. Cat.	TYPE OF FUNDING	2018	2019	2020	FISCAL YEARS			2023	TOTAL CITY FUNDS 6 YEAR PERIOD		TOTAL LOCAL AND MATCHING 6 YEAR PERIOD
					2021	2022	2023		PERIOD	PERIOD	
Playground Improvements	UE G	1,250	0	1,250	0	1,675	0	4,175	0	4,175	200
Athletic Court Improvements	RE G	275	0	275	0	350	0	900	0	900	50
Park Walkways	RE G	550	0	550	0	625	0	1,725	0	1,725	1,220
Park & Playground Fencing	RE G	385	0	385	0	450	0	1,220	0	1,220	1,660
County Park Recovery	UE G	450	0	550	0	660	0	1,660	0	1,660	825
Pool House Renovations	UE G	0	0	0	0	825	0	825	0	825	250
Parking Lot Improvements/Replacements	RE G	0	0	0	0	250	0	250	0	250	25,530
WHACC Improvements	UE G	0	0	330	0	25,200	0	25,530	0	25,530	1,550
Plazas, Squares & Triangles	NR G	0	0	0	0	1,550	0	1,550	0	1,550	37,835
<b>TOTAL BY FUND</b>		<b>2,910</b>	<b>0</b>	<b>3,340</b>	<b>0</b>	<b>31,585</b>	<b>0</b>	<b>37,835</b>	<b>0</b>	<b>37,835</b>	<b>250</b>
<b>TOTAL PARKS AND RECREATION FUNDS</b>		<b>2,910</b>	<b>0</b>	<b>3,340</b>	<b>0</b>	<b>31,835</b>	<b>0</b>	<b>37,835</b>	<b>0</b>	<b>37,835</b>	<b>38,085</b>

Type of Funding: G - General; W - Water/Sewer; O - Other Governmental; I - Internal Service  
Expenditure Category (Exp. Cat.): NS - New Service; NR - New Replace Existing; UE - Upgrade Existing; RE - Restore Existing (See page 257 for detailed description of categories)

**CAPITAL IMPROVEMENTS PROGRAM**  
**FISCAL YEARS 2018-2023**  
(000 omitted)

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

	Exp. Cat.	TYPE OF FUNDING	FISCAL YEARS						TOTAL CITY FUNDS 6 YEAR PERIOD	TOTAL LOCAL AND MATCHING 6 YEAR PERIOD	
			2018	2019	2020	2021	2022	2023			
Public Safety Building Improvements	UE	G	0	0	1,000	0	0	0	0	1,000	1,000
Public Safety Building Parking Garage	NS	G	0	0	1,500	0	0	0	0	1,500	1,500
<b>TOTAL BY FUND</b>		<b>G</b>	<b>0</b>	<b>0</b>	<b>2,500</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,500</b>	<b>2,500</b>
<b>TOTAL POLICE FUNDS</b>			<b>0</b>	<b>0</b>	<b>2,500</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,500</b>	<b>2,500</b>

Type of Funding: G - General; W - Water/Sewer; O - Other Governmental; I - Internal Service  
Expenditure Category (Exp. Cat.): NS - New Service; NR - New Replace Existing; UE - Upgrade Existing; RE - Restore Existing (See page 257 for detailed description of categories)

CAPITAL IMPROVEMENTS PROGRAM  
FISCAL YEARS 2018-2023  
(000 omitted)

PUBLIC WORKS DEPARTMENT: PROGRAM RECOMMENDATION BY FISCAL YEAR

	Exp. Cat.	TYPE OF FUNDING	FISCAL YEARS						TOTAL CITY FUNDS 6 YEAR PERIOD	TOTAL LOCAL AND MATCHING 6 YEAR PERIOD
			2018	2019	2020	2021	2022	2023		
Street Paving & Reconstruction	RE	G	5,000	0	10,000	0	10,000	0	25,000	25,000
Emergency Sidewalk Repairs	UE	G	700	0	1,000	0	1,000	0	2,700	2,700
Building Improvements	RE	G	1,000	0	1,500	0	1,500	0	4,000	4,000
Turner Building Carpet Replacement	NR	G	95	0	0	0	0	0	95	95
Annual Minor Sewer Improvements	RE	W	1,500	0	1,500	0	1,500	0	4,500	4,500
Major Sewer Improvements	RE	W	4,000	0	4,000	0	4,000	0	12,000	12,000
Annual Water Improvements	UE	W	7,500	0	7,500	0	7,500	0	22,500	22,500
Porter Filter Plant Improvements	UE	W	2,000	0	7,000	0	3,000	0	12,000	12,000
Pumping Station Improvements	UE	W	2,000	0	500	0	500	0	3,000	3,000
Transmission Improvements	UE	W	4,000	0	4,000	0	4,000	0	12,000	12,000
Raw Water Distribution Improvements	RE	W	2,500	0	0	0	0	0	2,500	2,500
Hoopes Dam	UE	W	4,500	0	0	0	0	0	4,500	4,500
Small Water Meter Replacement Program	RE	W	6,000	0	0	0	0	0	6,000	6,000
Architectural Improvements	RE	W	1,000	0	0	0	0	0	1,000	1,000

*continued*

**CAPITAL IMPROVEMENTS PROGRAM**  
**FISCAL YEARS 2018-2023**  
(000 omitted)

**PUBLIC WORKS DEPARTMENT: PROGRAM RECOMMENDATION BY FISCAL YEAR**

	Exp. Cat.	TYPE OF FUNDING	FISCAL YEARS						TOTAL CITY FUNDS 6 YEAR PERIOD	TOTAL LOCAL AND MATCHING 6 YEAR PERIOD
			2018	2019	2020	2021	2022	2023		
Pressure Zone Reliability Improvements	UE	W	1,000	0	1,000	0	1,000	0	3,000	3,000
Brandywine Filter Plant Improvements	RE	W	1,000	0	0	0	0	0	1,000	1,000
WWTP Electrical System Improvements	UE	W	6,300	0	6,300	0	0	0	12,600	12,600
11th St. Pumping Station Reliability Improvements	UE	W	1,500	0	0	0	0	0	1,500	1,500
South Wilmington Wetlands Park	UE	W	3,500	0	2,000	0	0	0	5,500	5,500
Sewer Separation Projects & Flow Monitoring	UE	W	3,500	0	1,000	0	0	0	4,500	4,500
Stormwater Drainage Management Program	UE	W	1,800	0	1,800	0	1,800	0	5,400	5,400
Urban Forest Management Program	RE	W	500	0	500	0	500	0	1,500	1,500
Stormwater Mitigation (Green Infrastructure)	UE	W	1,000	0	1,000	0	1,000	0	3,000	3,000
<b>TOTAL BY FUND</b>			<b>6,795</b>	<b>0</b>	<b>12,500</b>	<b>0</b>	<b>12,500</b>	<b>0</b>	<b>31,795</b>	<b>31,795</b>
			<b>55,100</b>	<b>0</b>	<b>38,100</b>	<b>0</b>	<b>24,800</b>	<b>0</b>	<b>118,000</b>	<b>118,000</b>
<b>TOTAL PUBLIC WORKS FUNDS</b>			<b>61,895</b>	<b>0</b>	<b>50,600</b>	<b>0</b>	<b>37,300</b>	<b>0</b>	<b>149,795</b>	<b>149,795</b>

Type of Funding: G - General; W - Water/Sewer; O - Other Governmental; I - Internal Service  
Expenditure Category (Exp. Cat.): NS - New Service; NR - New Replace Existing; UE - Upgrade Existing; RE - Restore Existing (See page 257 for detailed description of categories)

CAPITAL IMPROVEMENTS PROGRAM  
FISCAL YEARS 2018-2023  
(000 omitted)

REAL ESTATE & HOUSING DEPARTMENT: PROGRAM RECOMMENDATION BY FISCAL YEAR									
Exp. Cat.	TYPE OF FUNDING	FISCAL YEARS						TOTAL CITY FUNDS 6 YEAR PERIOD	TOTAL LOCAL AND MATCHING 6 YEAR PERIOD
		2018	2019	2020	2021	2022	2023		
UE	G	1,000	0	0	0	0	0	1,000	1,000
<b>Acquisition &amp; Demolition</b>									
<b>TOTAL BY FUND</b>									
	G	1,000	0	0	0	0	0	1,000	1,000
<b>TOTAL REAL ESTATE &amp; HOUSING FUNDS</b>									
		1,000	0	0	0	0	0	1,000	1,000

Type of Funding: G - General; W - Water/Sewer; O - Other Governmental; I - Internal Service  
Expenditure Category (Exp. Cat.): NS - New Service; NR - New Replace Existing; UE - Upgrade Existing; RE - Restore Existing (See page 257 for detailed description of categories)

**CAPITAL IMPROVEMENTS PROGRAM**  
**FISCAL YEARS 2018-2023**  
(000 omitted)

**TRANSPORTATION DIVISION: PROGRAM RECOMMENDATION BY FISCAL YEAR**

	Exp. Cat.	TYPE OF FUNDING	FISCAL YEARS						TOTAL CITY FUNDS 6 YEAR PERIOD	TOTAL LOCAL AND MATCHING 6 YEAR PERIOD
			2018	2019	2020	2021	2022	2023		
Traffic System Infrastructure	UE	G	1,000	0	550	0	550	0	2,100	2,100
Wilmington Transportation Initiatives	UE	G	2,000	0	2,000	0	2,000	0	6,000	6,000
		O	8,000	0	8,000	0	8,000	0	0	24,000
<b>TOTAL BY FUND</b>		G	3,000	0	2,550	0	2,550	0	8,100	8,100
		O	8,000	0	8,000	0	8,000	0	0	24,000
<b>TOTAL TRANSPORTATION FUNDS</b>			11,000	0	10,550	0	10,550	0	8,100	32,100

Type of Funding: G - General; W - Water/Sewer; O - Other Governmental; I - Internal Service  
Expenditure Category (Exp. Cat.): NS - New Service; NR - New Replace Existing; UE - Upgrade Existing; RE - Restore Existing (See page 257 for detailed description of categories)

### III. CAPITAL PROJECT DESCRIPTIONS - FISCAL YEARS 2018 - 2023

#### A. DEPARTMENT OF FINANCE

The figures provided in the budget and program summary sheets for the Cost of Bond Issue (General Fund) and the Cost of Bond Issue (Water/Sewer Fund) are not related to specific capital projects and as such are not identified in this chapter; rather, these figures represent the costs associated with fund borrowing (bond counsel and other related fees).

#### B. FIRE DEPARTMENT

##### 1. Apparatus Replacement

Budget Request: \$2,050,000.  
Program Request: \$5,350,000.

**Budget:** Provides funds for the replacement of aging equipment used for fire calls and emergency medical responses as they reach or exceed the end of their service expectancy. Equipment targeted by this replacement program include Aerial Tower Ladder #3 (\$1,250,000) and an Engine Pumper (\$800,000).

**Program:** Ongoing replacement program, to include Engine Pumpers #2, #5 and #6 (\$800,000 each); Aerial Ladder #1 (\$1,250,000); Sqrut #3 (\$800,000); and Squad #4 (\$900,000).

<i>Annual Debt Service Impact</i>	\$146,575
<i>Annual Operational Impact Personal Services</i>	\$0
<i>Annual Operational Impact M. S. &amp; E.</i>	\$0

##### 2. Fire Station Renovations

Budget Request: \$1,100,000.  
Program Request: \$4,800,000.

**Budget:** Provides funds for upgrades to City Fire Stations #3 and #4, including structural, mechanical and cosmetic repairs in accordance with the 2007 Fire Station Renovation Master Plan. Design and engineering specifications and construction costs are included.

**Program:** Ongoing renovation program that includes Fire Stations #2 and #6 (\$2,400,000 each).

<i>Annual Debt Service Impact</i>	\$78,650
<i>Annual Operational Impact Personal Services</i>	\$0
<i>Annual Operational Impact M. S. &amp; E.</i>	(\$2,000)

**3. Rescue Ambulance Replacement**

Budget Request: \$0.  
Program Request: \$300,000.

Budget: None.

Program: Ongoing replacement program for Rescue Ambulances #2, #3 and #6 (\$100,000 each), which are used for fire calls and emergency medical response.

*Annual Debt Service Impact* \$0  
*Annual Operational Impact Personal Services* \$0  
*Annual Operational Impact M. S. & E.* \$0

**C. OFFICE OF THE MAYOR**

**1. Five Percent for Art**

Budget Request: \$160,000.  
Program Request: \$0.

Budget: The Five Percent for Art program receives capital funding for the purpose of providing ornamentation, such as sculpture and artwork, on certain eligible capital projects involving public buildings or structures.

Program: None. This art work reserve is directly related to budget year funding.

*Annual Debt Service Impact* \$11,440  
*Annual Operational Impact Personal Services* \$0  
*Annual Operational Impact M. S. & E.* \$0

**2. Site Acquisition**

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

Budget: Provides funds for the acquisition of land in support of economic development projects, including public-private partnerships. Particular areas of focus include acquisition in blighted areas to prevent the expansion of undesirable uses, and acquisition for the development of light manufacturing/ industrial business parks.

Program: Ongoing.

*Annual Debt Service Impact* \$71,500  
*Annual Operational Impact Personal Services* \$0  
*Annual Operational Impact M. S. & E.* \$0



**3. Infrastructure and Site Improvements Closing Fund**

Budget Request: \$1,000,000.

Program Request: \$5,000,000.

Budget: Funds investments in public infrastructure to support economic development projects and other major investments in order to leverage private redevelopment opportunities throughout the City, through land acquisition, construction of new roads and utilities, and site preparation work, including environmental remediation. Also creates a strategic fund for attracting new businesses and retaining existing business that will employ large numbers in targeted sectors.

Program: Ongoing.

<i>Annual Debt Service Impact</i>	\$71,500
<i>Annual Operational Impact Personal Services</i>	\$0
<i>Annual Operational Impact M. S. &amp; E.</i>	\$0

**4. Upstairs Project**

Budget Request: \$1,000,000.

Program Request: \$2,000,000.

Budget: Provides funding to stimulate economic revitalization through the redevelopment of vacant and partially vacant properties along neighborhood commercial corridors, by providing incentives for comprehensive renovations to existing buildings with vacant or underutilized upper floors. This program encourages the conversion of vacant upper floors into residential uses, with commercial renovations considered where warranted. Additional incentives will be provided for ground floor renovations in support of certain targeted commercial uses. This project expands the scope of the original Upstairs Market Street project.

Program: Ongoing.

<i>Annual Debt Service Impact</i>	\$71,500
<i>Annual Operational Impact Personal Services</i>	\$0
<i>Annual Operational Impact M. S. &amp; E.</i>	\$0

## D. PARKS AND RECREATION

### 1. Playground Improvements

Budget Request: \$1,250,000.  
Program Request: \$2,925,000. (Other Funds: \$200,000)

Budget: Provides funds for the replacement of existing playground equipment and amenities in the Parks system, in order to meet Consumer Product Safety Commission standards.

Program: Ongoing.

<i>Annual Debt Service Impact</i>	\$89,375
<i>Annual Operational Impact Personal Services</i>	\$0
<i>Annual Operational Impact M. S. &amp; E.</i>	\$0

### 2. Athletic Court Improvements

Budget Request: \$275,000.  
Program Request: \$625,000. (Other Funds: \$50,000)

Budget: Provides funds for the renovation of outdoor athletic courts throughout the City for safety and aesthetic reasons.

Program: Ongoing.

<i>Annual Debt Service Impact</i>	\$19,663
<i>Annual Operational Impact Personal Services</i>	\$0
<i>Annual Operational Impact M. S. &amp; E.</i>	\$0

### 3. Park Walkways

Budget Request: \$550,000.  
Program Request: \$1,175,000.

Budget: Provides funds for the replacement of existing walkways throughout the Parks System which are deteriorated, cracked and/or weakened.

Program: Ongoing.

<i>Annual Debt Service Impact</i>	\$39,325
<i>Annual Operational Impact Personal Services</i>	\$0
<i>Annual Operational Impact M. S. &amp; E.</i>	\$0

**4. Park and Playground Fencing**

Budget Request: \$385,000.

Program Request: \$835,000.

Budget: Provides funds for the replacement of aging fencing, including ballfield backstops, at various park locations, including athletic fields, playgrounds and parks, for security and safety.

Program: Ongoing.

*Annual Debt Service Impact* \$27,528

*Annual Operational Impact Personal Services* \$0

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

**5. County Park Recovery**

Budget Request: \$450,000.

Program Request: \$1,210,000.

Budget: Provides funds for upgrades to city parks and ballfields formerly maintained by New Castle County (including Canby and Alapocas Parks).

Program: Ongoing.

*Annual Debt Service Impact* \$32,175

*Annual Operational Impact Personal Services* \$0

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

**6. Pool House Renovations**

Budget Request: \$0.

Program Request: \$825,000.

Budget: None.

Program: This program addresses necessary renovations for existing citywide pool house structures, in order to meet state Department of Health standards.

*Annual Debt Service Impact* \$0

*Annual Operational Impact Personal Services* \$0

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

**7. Parking Lot Improvements/Replacements**

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

Budget: None.

Program: This program addresses necessary improvements to parking lots serving city parks.

*Annual Debt Service Impact* \$0  
*Annual Operational Impact Personal Services* \$0  
*Annual Operational Impact M. S. & E.* \$0

**8. WHACC Improvements**

Budget Request: \$0.  
Program Request: \$25,530,000.

Budget: None.

Program: This program addresses the need for interior and exterior improvements to the William Hicks Anderson Community Center, to meet programming and operational needs.

*Annual Debt Service Impact* \$0  
*Annual Operational Impact Personal Services* \$0  
*Annual Operational Impact M. S. & E.* \$0

**9. Plazas, Squares & Triangles**

Budget Request: \$0.  
Program Request: \$1,550,000.

Budget: None.

Program: This program addresses paving, landscaping and the replacement of site amenities at citywide public plazas, squares and triangles.

*Annual Debt Service Impact* \$0  
*Annual Operational Impact Personal Services* \$0  
*Annual Operational Impact M. S. & E.* \$0

**E. POLICE DEPARTMENT**

**1. Public Safety Building - Building Improvements**

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

Budget: None.

Program: This program addresses: 1) the need for HVAC and plumbing improvements (\$500,000), including replacement of multiple heat pumps, plumbing upgrades, and the addition of bathroom ventilation systems; and 2) the reconfiguration of the building (\$500,000) to improve security and efficiency, with renovations to the Human Resources and Criminal Investigations Divisions, former Justice of the Peace Court 20, and the main public entrance lobby.

*Annual Debt Service Impact* \$0  
*Annual Operational Impact Personal Services* \$0  
*Annual Operational Impact M. S. & E.* \$0

**2. Public Safety Building - Parking Garage**

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

Budget: None.

Program: This program addresses the need for a multi-level parking garage to provide additional parking space for employee and support vehicles.

*Annual Debt Service Impact* \$0  
*Annual Operational Impact Personal Services* \$0  
*Annual Operational Impact M. S. & E.* \$0

## F. PUBLIC WORKS DEPARTMENT

### General Fund Projects

#### 1. Street Paving and Reconstruction

Budget Request: \$5,000,000.

Program Request: \$20,000,000.

Budget: Provides funds for routine street paving and the reconstruction and maintenance of deteriorated roadways throughout the city based on condition and use, in order to maintain roadway network infrastructure.

Program: Ongoing.

*Annual Debt Service Impact* \$357,500

*Annual Operational Impact Personal Services* \$0

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

#### 2. Emergency Sidewalk Repairs

Budget Request: \$700,000.

Program Request: \$2,000,000.

Budget: Provides funds for emergency repairs to damaged sidewalks, as identified by Licenses & Inspections and managed by the Department of Public Works.

Program: Ongoing.

*Annual Debt Service Impact* \$50,050

*Annual Operational Impact Personal Services* \$0

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

#### 3. Building Improvements

Budget Request: \$1,000,000.

Program Request: \$3,000,000.

Budget: Provides funds for necessary renovations and additions to the Louis L. Redding City/County Building and other municipal buildings.

Program: Ongoing.

*Annual Debt Service Impact* \$71,500

*Annual Operational Impact Personal Services* \$0

*Annual Operational Impact M. S. & E.* (\$1,500)

**4. Turner Building Carpet Replacement**

Budget Request: \$95,000.

Program Request: \$0.

Budget: Provides funds for the replacement of worn carpeting in the William G. Turner Building.

Program: None.

*Annual Debt Service Impact* \$6,793

*Annual Operational Impact Personal Services* \$0

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

**Water/Sewer Fund Projects**

**1. Annual Minor Sewer Improvements**

Budget Request: \$1,500,000.

Program Request: \$3,000,000.

Budget: Provides funds for the citywide rehabilitation of small diameter sewers and other necessary projects as identified through closed circuit TV (CCTV) inspection and modeling efforts.

Program: Ongoing.

*Annual Debt Service Impact* \$56,250

*Annual Operational Impact Personal Services* \$0

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

**2. Major Sewer Improvements**

Budget Request: \$4,000,000.

Program Request: \$8,000,000.

Budget: Provides funds for the reconstruction and stabilization of major brick sewers (24" and above) throughout the city, including Prices Run, Shipley Run, and Rattlesnake Run.

Program: Ongoing.

*Annual Debt Service Impact* \$150,000

*Annual Operational Impact Personal Services* \$0

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

**3. Annual Water Improvements**

Budget Request: \$7,500,000.

Program Request: \$15,000,000.

Budget: Provides funds for maintaining the citywide water distribution system, including annual cleaning and lining of water mains, installation of new and replacement mains, service line renewal, valve/hydrant maintenance, and the purchase of all appurtenances (hydrants, valves, etc.), to improve water quality, pressure and fire flows.

Program: Ongoing.

<i>Annual Debt Service Impact</i>	\$281,250
<i>Annual Operational Impact Personal Services</i>	\$0
<i>Annual Operational Impact M. S. &amp; E.</i>	\$0

**4. Porter Filter Plant Improvements**

Budget Request: \$2,000,000.

Program Request: \$10,000,000.

Budget: Provides funds for upgrades to the Porter Reservoir and Clear Well, including the replacement of chemical feed systems, upgrades to clarifiers, and other improvements to provide top quality, safe drinking water.

Program: Ongoing.

<i>Annual Debt Service Impact</i>	\$75,000
<i>Annual Operational Impact Personal Services</i>	\$0
<i>Annual Operational Impact M. S. &amp; E.</i>	\$0

**5. Pumping Station Improvements**

Budget Request: \$2,000,000.

Program Request: \$1,000,000.

Budget: Provides funds for upgrades to pumps and electrical components at various pumping stations, including Wills/Hoopes and remote pump stations, to maintain water service.

Program: Ongoing.

<i>Annual Debt Service Impact</i>	\$75,000
<i>Annual Operational Impact Personal Services</i>	\$0
<i>Annual Operational Impact M. S. &amp; E.</i>	\$0



**6. Transmission Improvements**

Budget Request: \$4,000,000.  
Program Request: \$8,000,000.

Budget: Provides funds for transmission capacity improvements throughout the water system, and installation of a new transmission main to provide redundant water flow into the western half of the City's High Service Zone.

Program: Ongoing.

<i>Annual Debt Service Impact</i>	<i>\$150,000</i>
<i>Annual Operational Impact Personal Services</i>	<i>\$0</i>
<i>Annual Operational Impact M. S. &amp; E.</i>	<i>\$0</i>

**7. Raw Water Distribution Improvements**

Budget Request: \$2,500,000.  
Program Request: \$0.

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

Program: None.

<i>Annual Debt Service Impact</i>	<i>\$93,750</i>
<i>Annual Operational Impact Personal Services</i>	<i>\$0</i>
<i>Annual Operational Impact M. S. &amp; E.</i>	<i>\$0</i>

**8. Hoopes Dam**

Budget Request: \$4,500,000.  
Program Request: \$0.

Budget: Provides funds for improvements to Hoopes Dam, including construction of a functional outlet/drain piping system, improvements to sluice gates and valves, and other concrete/mechanical improvements to address the overall safety and function of the facility.

Program: None.

<i>Annual Debt Service Impact</i>	<i>\$168,750</i>
<i>Annual Operational Impact Personal Services</i>	<i>\$0</i>
<i>Annual Operational Impact M. S. &amp; E.</i>	<i>\$0</i>

**9. Small Water Meter Replacement Program**

Budget Request: \$6,000,000.  
Program Request: \$0.

Budget: Provides funds for the replacement of 28,000 water meters located throughout the water district that are at the end of their useful life.

Program: None.

<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

**10. Architectural Improvements**

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

Budget: Provides funds for architectural repairs, restoration and stabilization of historic structural components of the Brandywine Complex, including the finished water pump room ceiling, cornice elements at the Head House, and wall restoration in the Boiler Room.

Program: None.

<i>Annual Debt Service Impact</i>	\$37,500
<i>Annual Operational Impact Personal Services</i>	\$0
<i>Annual Operational Impact M. S. &amp; E.</i>	\$0

**11. Pressure Zone Reliability Improvements**

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

Budget: Provides funds to establish secondary water feeds to water service zones, including Carr Road, to improve the reliability of service through redundant feeds which facilitate water storage and distribution maintenance.

Program: Ongoing.

<i>Annual Debt Service Impact</i>	\$37,500
<i>Annual Operational Impact Personal Services</i>	\$0
<i>Annual Operational Impact M. S. &amp; E.</i>	\$0

**12. Brandywine Filter Plant Improvements**

Budget Request: \$1,000,000.

Program Request: \$0.

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

Program: None.

*Annual Debt Service Impact* \$37,500

*Annual Operational Impact Personal Services* \$0

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

**13. WWTP Electrical System Improvements**

Budget Request: \$6,300,000.

Program Request: \$6,300,000.

Budget: Provides funds for the assessment and rehabilitation of the electrical distribution system at the Waste Water Treatment Plant (12<sup>th</sup> Street and Hay Road) to improve the reliability of operations.

Program: Ongoing.

*Annual Debt Service Impact* \$236,250

*Annual Operational Impact Personal Services* \$0

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

**14. 11<sup>th</sup> Street Pumping Station Reliability Improvements**

Budget Request: \$1,500,000.

Program Request: \$0.

Budget: Provides funds for the implementation of rehabilitation, reliability and capacity improvements to the 11<sup>th</sup> Street Pumping Station.

Program: None.

*Annual Debt Service Impact* \$56,250

*Annual Operational Impact Personal Services* \$0

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

**15. South Wilmington Wetlands Park**

Budget Request: \$3,500,000.  
Program Request: \$2,000,000.

Budget: Provides funds for the continued implementation of the wetlands restoration and storm water mitigation project in South Wilmington. Storm water management improvements include flood storage and drainage upgrades.

Program: Ongoing.

<i>Annual Debt Service Impact</i>	<i>\$131,250</i>
<i>Annual Operational Impact Personal Services</i>	<i>\$0</i>
<i>Annual Operational Impact M. S. &amp; E.</i>	<i>\$0</i>

**16. Sewer Separation Projects & Flow Monitoring**

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

Budget: Provides funds for the partial separation of combined sewers in the Interceptor A Basin, CSO 26 drainage area, and at 14<sup>th</sup> & Orange Streets. Funds are also provided for additional ongoing flow monitoring and mitigation efforts, to reduce overflow events.

Program: Ongoing.

<i>Annual Debt Service Impact</i>	<i>\$131,250</i>
<i>Annual Operational Impact Personal Services</i>	<i>\$0</i>
<i>Annual Operational Impact M. S. &amp; E.</i>	<i>\$0</i>

**17. Stormwater Drainage Management Program**

Budget Request: \$1,800,000.  
Program Request: \$3,600,000.

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

Program: Ongoing.

<i>Annual Debt Service Impact</i>	<i>\$67,500</i>
<i>Annual Operational Impact Personal Services</i>	<i>\$0</i>
<i>Annual Operational Impact M. S. &amp; E.</i>	<i>\$0</i>

**18. Urban Forest Management Program**

Budget Request: \$500,000.

Program Request: \$1,000,000.

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

Program: Ongoing.

*Annual Debt Service Impact* \$18,750

*Annual Operational Impact Personal Services* \$0

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

**19. Stormwater Mitigation (Green Infrastructure)**

Budget Request: \$1,000,000.

Program Request: \$2,000,000.

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

Program: Ongoing.

*Annual Debt Service Impact* \$37,500

*Annual Operational Impact Personal Services* \$0

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

**G. REAL ESTATE AND HOUSING**

**1. Acquisition and Demolition**

Budget Request: \$1,000,000.

Program Request: \$0.

Budget: Provides funds for the purchase of vacant land and/or structures and related demolition costs for future development or neighborhood stabilization efforts.

Program: None.

*Annual Debt Service Impact* \$71,500

*Annual Operational Impact Personal Services* \$0

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

## H. TRANSPORTATION

### 1. Traffic System Infrastructure

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

Budget: Provides funds for the implementation of the Improved Readability of Street Name Signs program; for traffic infrastructure improvements including traffic signals, smart parking meters and decorative street lights; and for implementing additional emerging parking technologies, in order to maintain the existing traffic control system.

Program: Ongoing.

<i>Annual Debt Service Impact</i>	<i>\$71,500</i>
<i>Annual Operational Impact Personal Services</i>	<i>\$0</i>
<i>Annual Operational Impact M. S. &amp; E.</i>	<i>\$0</i>

### 2. Wilmington Transportation Initiatives

Budget Request: \$2,000,000. (Other Funds: \$8,000,000)  
Program Request: \$4,000,000. (Other Funds: \$16,000,000)

Budget: Provides local matching funds for transportation projects managed through the Wilmington Initiatives partnership (City, DeIDOT, Wilmapco), including Transportation Improvements Program (TIP), Transportation Alternatives Program (TAP), and legislator-sponsored projects, which in turn leverage federal funding. Also funds the implementation of adaptive signal controls and the installation of pedestrian ADA curb ramps.

Program: Ongoing.

<i>Annual Debt Service Impact</i>	<i>\$143,000</i>
<i>Annual Operational Impact Personal Services</i>	<i>\$0</i>
<i>Annual Operational Impact M. S. &amp; E.</i>	<i>\$0</i>



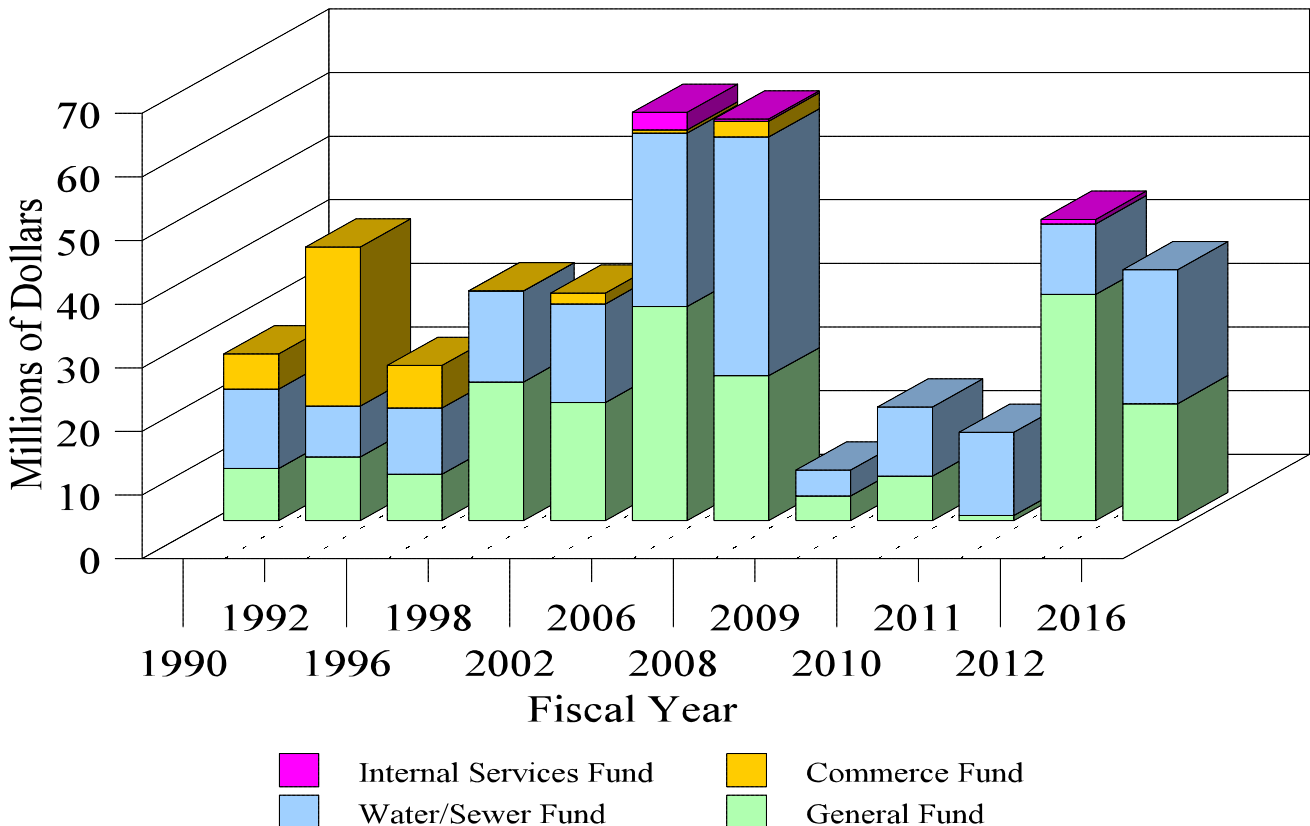
# CAPITAL BORROWING AND DEBT MANAGEMENT

## Borrowing History

The graph below illustrates the City's actual bond market participation for the fiscal years beginning with 1990 and ending in 2017. Amounts shown were borrowed for capital projects within the stated fund. In fiscal years 1994, 2002, 2005, 2007, 2008, 2010, 2012, 2013, and 2017 the City issued bonds to refinance past obligations at lower interest rates. Those refinancings are not included in the graph. In 2008 and 2010, the City issued bonds for both refunding and new projects; only the new projects portion is show below. In fiscal years 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, numerous capital improvements, and the past operations of the Port of Wilmington. However, debt service levels are well within the legal debt limit of 17.5% of operating costs as mandated by the State of Delaware. (This State limit applies only to General Fund debt, not debt found in the Water/Sewer, Commerce, or Internal Service Funds.) With the Fiscal Year 2018 General Fund Operating Budget totaling \$154,923,078, the budgeted debt service of \$11,980,293 is well below the 17.5% legal debt limit of \$27,111,539.

## General Obligation Bond Issuances Fiscal Years 1990-2017





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

### **Uses of Debt Obligations**

The City of Wilmington issues debt in order to fund its biennial Capital Improvements Program. Specific initiatives have contributed to the fluctuations both in the aggregate debt and within specific funds. For instance, starting in Fiscal Year 1990, funding for the Water/Sewer Fund increased as a result of major enhancements to the wastewater treatment facility. In 1998, the General Fund increased due to emphasis on economic and housing development of the downtown business district. In 2002, the rise in both the General and Water/Sewer Funds resulted from an accelerated infrastructure maintenance schedule that attempted to reverse previous years of funding neglect for streets, parks, water facilities, water mains and sewer lines. The borrowing during 2006 and 2008 reflected similar goals, with increases in the General and Water/Sewer Funds resulting from a variety of capital improvements, including Christina Landing development; construction of the new Municipal Complex which serves both the Parks and Public Works departments; and ongoing repairs and upgrades to the City's water and sewer infrastructure, facilities, and reservoirs.

Because the City deferred issuing new debt for the majority of its capital improvements program during the Great Recession in fiscal years 2009, 2010 and 2011, new borrowing was significantly less than in prior years, but did include a small number of Water/Sewer projects, as well as portion of the Market Street redevelopment project. In FY 2012, an in-depth analysis of the City's most pressing capital needs resulted in a consolidated and more efficiently sized Capital Budget. The bond issuance to fund the FY 2012 Capital Budget took place in November 2012. Continuing to concentrate on high-priority infrastructure projects, the City's most recent bond issuance (that was not a refinancing) was in November 2015, and was used to fund the FY 2014 Capital Budget.

Before its sale to the State of Delaware, the City recognized the importance of its port facilities (Commerce Fund) to Wilmington's economy, and therefore made concerted efforts to expand and improve these facilities. In 1992, \$18.8 million was borrowed for warehousing improvements in order to maintain the Port's competitiveness. Realizing that the continued maintenance, upgrading and expansion of Port operations were beyond what it could provide, in 1996 the City sold the Port to the State of Delaware. (The debt service for the Port, however, remains on the City's books and is reimbursed by the State.) Additional Commerce Fund borrowing was used to support economic development activity. In 2009, all funds remaining from the sale of the Port were depleted. Consequently, subsequent economic development borrowing, as well as existing Port debt, has been included in the General Fund.

### **Debt Management Policies**

The City takes a conservative approach to debt management. Debt shall never be incurred to finance operating activities, except in the special case, as approved by City Council, where the issuance of tax anticipation notes are to be used to bridge timing gaps in cash flow from tax revenue sources. Capital borrowing shall be structured to create level debt service over the life of the bonds and be opportunistic in regard to market conditions and special issues. The City will take an aggressive position regarding special issues in order to generate interest savings, fee income, or economic development incentives. Although total annual General Fund debt service cost as a percentage of the annual operating budget shall not exceed 17.5%, as mandated by Delaware State law, the City shall strive to keep that percentage to below 11%.

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

The City's debt management is executed by a team of financial specialists that includes the City Treasurer, Budget Director, and Finance Director, along with support from outside financial and legal specialists that form the City's Bond Council.

The bulk of the City's Capital Improvement Program has traditionally been funded through general obligation bonds issued by the City and repaid out of the appropriate departmental operating budgets over a 20 year period, although 5 to 10 year bonds have been issued in special circumstances. Normally, general obligation bonds are issued for fixed asset purchases, infrastructure maintenance, and capital improvement projects. The City also uses short-term obligations (e.g. bond anticipation notes, capital leases, etc.) to bridge the time gap between initiation of a project/purchase and the anticipated bond issuance, when the nature of a purchase precludes the issuance of long-term debt, or when it is fiscally responsible to do so.

Per City Code, long-term debt cannot be issued for operating expenses. With City Council approval, the City may in special cases issue short-term tax anticipation notes in order to bridge timing gaps in cash flow from tax revenue sources.

Prior to the issuance of any short or long-term obligations, the City considers the effect of borrowing on its financial position, its ability to repay, and the legal debt limit imposed by the State of Delaware. As mandated, total General Fund debt service is limited to 17.5% of annual operating costs (equal to \$27,111,539 for FY 2018). This State limit applies only to General Fund debt, not debt found in the Water/Sewer, Commerce, or Internal Service Funds.

The City's current bond rating from the three largest bond rating agencies are:

<b>Fitch:</b>	<b>AA-</b>	“Denotes expectations of very low default risk. Indicates very strong capacity for payment of financial commitments, and this capacity is not significantly vulnerable to foreseeable events.”
<b>Moody's:</b>	<b>Aa2</b>	“Issuers or issues demonstrate very strong creditworthiness relative to other US municipal or tax-exempt issuers or issues.”
<b>Standard &amp; Poor's:</b>	<b>AA</b>	“Very strong capacity to meet financial commitments.”

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

The five tables below depict past and future debt service payments broken out by principal and interest, total debt service, and debt service as a percentage of the annual budget. Fiscal Years 2011 through 2016 figures are actual payments. Fiscal Years 2017 and 2018 are budget and 2019 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 outstanding balances are 4.41% for the General Fund, 4.56% for the Water/Sewer Fund, and 4.50% for the Internal Service Funds. (As the Commerce Fund has been exhausted and all debt service transferred to the General Fund, there are no outstanding Commerce Fund balances.)

<b>GENERAL FUND</b>	<b>Principal</b>	<b>Interest</b>	<b>Total Debt Service</b>	<b>% of Total Budget</b>
<b>FY 2011</b>	2,837,124	5,409,868	8,246,992	5.3%
<b>FY 2012</b>	5,679,233	5,321,512	11,000,745	7.1%
<b>FY 2013</b>	7,243,632	5,074,873	12,318,505	7.8%
<b>FY 2014</b>	6,842,619	5,196,194	12,038,813	7.8%
<b>FY 2015</b>	7,570,521	4,907,923	12,478,444	8.5%
<b>FY 2016</b>	8,105,713	5,042,201	13,147,914	8.7%
<b>FY 2017</b>	8,718,135	5,202,793	13,920,928	9.0%
<b>FY 2018</b>	7,431,939	4,548,354	11,980,293	7.7%
<b>FY 2019</b>	8,377,130	4,385,194	12,762,324	8.0%
<b>FY 2020</b>	9,053,003	4,068,421	13,121,424	8.1%
<b>FY 2021</b>	9,290,895	3,712,896	13,003,791	7.8%
<b>FY 2022</b>	7,592,567	3,365,212	10,957,779	6.4%
<b>FY 2023</b>	7,526,213	3,036,675	10,562,888	6.0%
<b>FY 2024</b>	7,026,863	2,662,455	9,689,318	5.4%
<b>FY 2025</b>	7,069,484	2,319,329	9,388,813	5.1%
<b>FY 2026</b>	7,162,177	1,968,590	9,130,767	4.8%
<b>FY 2027</b>	6,396,320	1,628,205	8,024,525	4.1%
<b>FY 2028</b>	5,414,012	1,352,385	6,766,397	3.4%
<b>FY 2029</b>	4,748,771	1,115,897	5,864,668	2.9%
<b>FY 2030</b>	5,899,574	844,838	6,744,412	3.2%
<b>FY 2031</b>	5,142,471	588,273	5,730,744	2.7%
<b>FY 2032</b>	5,254,940	374,313	5,629,253	2.6%
<b>FY 2033</b>	1,235,035	235,589	1,470,624	0.7%
<b>FY 2034</b>	1,297,952	172,264	1,470,216	0.6%
<b>FY 2035</b>	1,363,199	105,735	1,468,934	0.6%
<b>FY 2036</b>	1,433,107	35,828	1,468,935	0.6%
<b>FY 2037</b>	0	0	0	0.0%
<b>TOTAL</b>	<b>\$155,712,629</b>	<b>\$72,675,817</b>	<b>\$228,388,446</b>	

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

<b>WATER/SEWER FUND</b>	<b>Principal</b>	<b>Interest</b>	<b>Total Debt Service</b>	<b>% of Total Budget</b>
<b>FY 2011</b>	4,162,803	4,283,208	8,446,011	11.5%
<b>FY 2012</b>	6,522,388	6,193,410	12,715,798	17.4%
<b>FY 2013</b>	7,612,383	5,965,399	13,577,782	18.5%
<b>FY 2014</b>	7,674,780	5,832,865	13,507,645	18.4%
<b>FY 2015</b>	8,799,955	4,833,333	13,633,288	21.0%
<b>FY 2016</b>	9,026,243	5,842,292	14,868,535	20.9%
<b>FY 2017</b>	8,877,456	6,130,690	15,008,146	20.5%
<b>FY 2018</b>	7,442,833	6,359,140	13,801,973	19.4%
<b>FY 2019</b>	10,653,418	6,216,111	16,869,529	23.2%
<b>FY 2020</b>	11,554,588	5,847,842	17,402,430	23.3%
<b>FY 2021</b>	11,343,278	5,455,548	16,798,826	22.0%
<b>FY 2022</b>	12,934,778	5,031,625	17,966,403	22.9%
<b>FY 2023</b>	12,747,804	4,569,760	17,317,564	21.5%
<b>FY 2024</b>	13,766,260	4,029,387	17,795,647	21.6%
<b>FY 2025</b>	13,974,021	3,481,926	17,455,947	20.7%
<b>FY 2026</b>	13,453,394	2,927,660	16,381,054	18.9%
<b>FY 2027</b>	12,487,891	2,400,878	14,888,769	16.8%
<b>FY 2028</b>	11,780,964	1,940,538	13,721,502	15.1%
<b>FY 2029</b>	10,419,173	1,517,087	11,936,260	12.8%
<b>FY 2030</b>	8,471,442	1,149,156	9,620,598	10.1%
<b>FY 2031</b>	7,929,334	840,710	8,770,044	9.0%
<b>FY 2032</b>	5,470,887	579,318	6,050,205	6.0%
<b>FY 2033</b>	3,768,397	409,801	4,178,198	4.1%
<b>FY 2034</b>	3,840,250	267,957	4,108,207	3.9%
<b>FY 2035</b>	1,561,801	121,140	1,682,941	1.6%
<b>FY 2036</b>	1,641,893	41,047	1,682,940	1.5%
<b>FY 2037</b>	0	0	0	0.0%
<b>TOTAL</b>	<b>\$227,918,414</b>	<b>\$92,267,828</b>	<b>\$320,186,242</b>	

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

<b>INTERNAL SERVICE FUNDS</b>	<b>Principal</b>	<b>Interest</b>	<b>Total Debt Service</b>	<b>% of Total Budget</b>
<b>FY 2011</b>	89,492	425,562	515,054	3.2%
<b>FY 2012</b>	495,641	406,364	902,005	5.6%
<b>FY 2013</b>	428,432	357,357	785,789	4.9%
<b>FY 2014</b>	280,927	397,391	678,318	4.2%
<b>FY 2015</b>	455,418	301,225	756,643	5.5%
<b>FY 2016</b>	480,091	213,883	693,974	6.0%
<b>FY 2017</b>	520,025	405,121	925,146	5.8%
<b>FY 2018</b>	446,564	266,423	712,987	2.6%
<b>FY 2019</b>	352,836	91,854	444,690	2.6%
<b>FY 2020</b>	365,727	76,385	442,112	2.6%
<b>FY 2021</b>	594,431	55,508	649,939	3.7%
<b>FY 2022</b>	393,313	37,833	431,146	2.4%
<b>FY 2023</b>	232,682	28,307	260,989	1.4%
<b>FY 2024</b>	238	20,056	20,294	0.1%
<b>FY 2025</b>	238	20,064	20,302	0.1%
<b>FY 2026</b>	282	20,022	20,304	0.1%
<b>FY 2027</b>	347	19,959	20,306	0.1%
<b>FY 2028</b>	284,062	9,951	294,013	1.4%
<b>FY 2029</b>	0	0	0	0.0%
<b>TOTAL</b>	<b>\$5,420,746</b>	<b>\$3,153,265</b>	<b>\$8,574,011</b>	

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

<b>FUNDS COMBINED</b>	<b>Principal</b>	<b>Interest</b>	<b>Total Debt Service</b>	<b>% of Total Budget</b>
<b>FY 2011</b>	7,089,419	10,118,638	17,208,057	7.9%
<b>FY 2012</b>	12,697,263	11,921,286	24,618,549	11.8%
<b>FY 2013</b>	15,284,447	11,397,629	26,682,076	12.5%
<b>FY 2014</b>	14,798,326	11,426,450	26,224,776	11.5%
<b>FY 2015</b>	16,825,894	10,042,481	26,868,375	11.8%
<b>FY 2016</b>	17,612,047	11,098,377	28,710,424	11.8%
<b>FY 2017</b>	18,115,616	11,738,604	29,854,220	12.1%
<b>FY 2018</b>	15,321,336	11,173,917	26,495,253	11.1%
<b>FY 2019</b>	19,383,384	10,693,159	30,076,543	12.1%
<b>FY 2020</b>	20,973,318	9,992,648	30,965,966	12.2%
<b>FY 2021</b>	21,228,604	9,223,952	30,452,556	11.7%
<b>FY 2022</b>	20,920,658	8,434,670	29,355,328	11.0%
<b>FY 2023</b>	20,506,700	7,634,742	28,141,442	10.3%
<b>FY 2024</b>	20,793,361	6,711,898	27,505,259	9.8%
<b>FY 2025</b>	21,043,743	5,821,319	26,865,062	9.3%
<b>FY 2026</b>	20,615,852	4,916,272	25,532,124	8.6%
<b>FY 2027</b>	18,884,558	4,049,042	22,933,600	7.6%
<b>FY 2028</b>	17,479,037	3,302,874	20,781,911	6.7%
<b>FY 2029</b>	15,167,944	2,632,984	17,800,928	5.6%
<b>FY 2030</b>	14,371,016	1,993,994	16,365,010	5.0%
<b>FY 2031</b>	13,071,806	1,428,983	14,500,789	4.3%
<b>FY 2032</b>	10,725,828	953,631	11,679,459	3.4%
<b>FY 2033</b>	5,003,432	645,390	5,648,822	1.6%
<b>FY 2034</b>	5,138,202	440,221	5,578,423	1.6%
<b>FY 2035</b>	2,925,000	226,875	3,151,875	0.9%
<b>FY 2036</b>	3,075,000	76,875	3,151,875	0.9%
<b>FY 2037</b>	0	0	0	0.0%
<b>TOTAL</b>	<b>\$389,051,791</b>	<b>\$168,096,911</b>	<b>\$557,148,702</b>	

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

**GENERAL FUND**

<b>DEPARTMENT</b>	<b>ACTUAL FY 2014</b>	<b>ACTUAL FY 2015</b>	<b>ACTUAL FY 2016</b>	<b>BUDGET FY 2017</b>	<b>BUDGET FY 2018</b>
<b>MAYOR'S OFFICE</b>	\$3,410,544	\$3,794,632	\$4,258,774	\$4,081,163	\$3,443,669
<b>% Departmental Expenses</b>	36.9%	38.5%	39.3%	38.5%	33.0%
<b>CITY COUNCIL</b>	639	816	664	683	707
<b>% Departmental Expenses</b>	0.0%	0.0%	0.0%	0.0%	0.0%
<b>PLANNING</b>	197,900	191,646	130,522	241,918	259,928
<b>% Departmental Expenses</b>	11.6%	12.0%	8.7%	13.7%	13.9%
<b>FINANCE</b>	6,415	6,488	18,061	38,237	23,044
<b>% Departmental Expenses</b>	0.1%	0.1%	0.2%	0.4%	0.2%
<b>HUMAN RESOURCES</b>	22,314	22,567	24,457	24,761	17,714
<b>% Departmental Expenses</b>	1.2%	1.1%	1.2%	1.2%	0.8%
<b>LICENSES &amp; INSPECTIONS</b>	4,482	4,576	4,659	4,790	4,960
<b>% Departmental Expenses</b>	0.1%	0.1%	0.1%	0.1%	0.1%
<b>PARKS &amp; RECREATION</b>	1,855,755	1,778,749	1,726,299	1,935,729	1,447,763
<b>% Departmental Expenses</b>	22.2%	19.0%	19.8%	21.3%	16.5%
<b>FIRE</b>	522,184	414,205	610,265	707,707	705,697
<b>% Departmental Expenses</b>	2.2%	1.7%	2.5%	2.8%	2.8%
<b>POLICE</b>	375,321	432,665	418,715	392,880	412,132
<b>% Departmental Expenses</b>	0.7%	0.7%	0.8%	0.7%	0.7%
<b>PUBLIC WORKS</b>	3,498,747	3,319,850	3,837,339	3,967,967	3,575,265
<b>% Departmental Expenses</b>	16.2%	15.0%	16.6%	16.0%	14.6%
<b>REAL ESTATE &amp; HOUSING</b>	1,182,352	1,168,684	837,382	1,234,547	1,576,556
<b>% Departmental Expenses</b>	68.9%	63.5%	58.4%	69.4%	73.3%
<b>COMMERCE DEPARTMENT</b>	962,160	1,343,565	1,280,777	1,290,546	512,858
<b>% Departmental Expenses</b>	100.0%	100.0%	100.0%	100.0%	100.0%

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

**GENERAL FUND (CONTINUED)**

DEPARTMENT	ACTUAL FY 2014	ACTUAL FY 2015	ACTUAL FY 2016	BUDGET FY 2017	BUDGET FY 2018
<b>TOTAL DEBT SERVICE</b>	<b>\$12,038,814</b>	<b>\$12,478,444</b>	<b>\$13,147,914</b>	<b>\$13,920,928</b>	<b>\$11,980,293</b>
<b>% General Fund</b>	<b>8.2%</b>	<b>8.2%</b>	<b>8.7%</b>	<b>9.0%</b>	<b>7.7%</b>
<b>LEGAL DEBT SERVICE LIMIT (17.5%)</b>	<b>\$25,554,669</b>	<b>\$26,487,904</b>	<b>\$26,310,090</b>	<b>\$26,956,762</b>	<b>\$27,111,539</b>

**WATER/SEWER FUND**

DEPARTMENT	ACTUAL FY 2014	ACTUAL FY 2015	ACTUAL FY 2016	BUDGET FY 2017	BUDGET FY 2018
<b>PUBLIC WORKS</b>	<b>\$5,832,865</b>	<b>\$4,833,333</b>	<b>\$5,828,772</b>	<b>\$6,130,690</b>	<b>\$6,359,140</b>
<b>% of Department Expenses</b>	<b>9.6%</b>	<b>8.1%</b>	<b>9.6%</b>	<b>9.0%</b>	<b>9.6%</b>
<b>TOTAL DEBT SERVICE</b>	<b>\$5,832,865</b>	<b>\$4,833,333</b>	<b>\$5,828,772</b>	<b>\$6,130,690</b>	<b>\$6,359,140</b>
<b>% of Water/Sewer Fund</b>	<b>9.0%</b>	<b>7.6%</b>	<b>9.0%</b>	<b>8.4%</b>	<b>8.9%</b>

**INTERNAL SERVICE (IS) FUNDS**

DEPARTMENT	ACTUAL FY 2014	ACTUAL FY 2015	ACTUAL FY 2016	BUDGET FY 2017	BUDGET FY 2018
<b>MAYOR'S OFFICE</b>	<b>\$166,142</b>	<b>\$136,708</b>	<b>\$115,346</b>	<b>\$222,166</b>	<b>\$73,945</b>
<b>% of Department Expenses</b>	<b>2.2%</b>	<b>2.1%</b>	<b>1.6%</b>	<b>2.5%</b>	<b>0.9%</b>
<b>PUBLIC WORKS</b>	<b>231,249</b>	<b>164,517</b>	<b>98,537</b>	<b>182,956</b>	<b>192,479</b>
<b>% of Department Expenses</b>	<b>3.0%</b>	<b>2.2%</b>	<b>1.4%</b>	<b>2.5%</b>	<b>2.5%</b>
<b>TOTAL DEBT SERVICE</b>	<b>\$397,391</b>	<b>\$301,225</b>	<b>\$213,883</b>	<b>\$405,122</b>	<b>\$266,424</b>
<b>% of IS Fund</b>	<b>2.6%</b>	<b>2.1%</b>	<b>1.5%</b>	<b>2.5%</b>	<b>1.6%</b>

Note: Legal Debt Service limit of 17.5% exists only for the General Fund. Only the interest portion of debt service is booked (and budgeted) as an expense in the Water/Sewer Fund and Internal Service Funds.



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

**ALL FUNDS**

<b>ALL DEPARTMENTS</b>	<b>ACTUAL FY 2014</b>	<b>ACTUAL FY 2015</b>	<b>ACTUAL FY 2016</b>	<b>BUDGET FY 2017</b>	<b>BUDGET FY 2018</b>
<b>TOTAL DEPT SERVICE</b>	<b>\$18,269,070</b>	<b>\$17,613,002</b>	<b>\$19,190,569</b>	<b>\$20,456,740</b>	<b>\$18,605,857</b>
<b>% of All Funds</b>	<b>8.7%</b>	<b>8.2%</b>	<b>8.9%</b>	<b>9.0%</b>	<b>8.2%</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.**

**RATIO OF NET GENERAL BONDED DEBT TO ASSESSED VALUE  
AND NET BONDED DEBT PER CAPITA  
FISCAL YEARS 1995-2017**

<b>Fiscal Year-end</b>	<b>Taxable Assessed Value</b>	<b>Gross Bonded Debt</b>	<b>Gross Debt Payable from Enterprise, Internal Service, and State Funds</b>	<b>Net General Bonded Debt</b>	<b>Ratio of Net Bonded Debt to Assessed Value</b>	<b>Net Bonded Debt per Capita</b>
1995	1,977,292,100	184,312,883	122,194,848	62,118,035	3.10%	863
1996	1,968,023,897	193,705,913	130,306,742	63,399,171	3.20%	873
1997	2,177,955,491	187,255,451	129,983,103	57,272,348	2.60%	789
1998	2,085,292,700	182,689,920	126,997,807	55,692,113	2.70%	767
1999	2,102,649,126	212,644,705	134,215,478	78,429,227	3.70%	1,080
2000	2,110,113,191	201,850,206	126,725,369	75,124,837	3.60%	1,034
2001	2,136,221,597	193,200,403	119,525,333	73,675,070	3.40%	1,014
2002	2,115,498,937	210,494,211	129,219,543	81,274,668	3.80%	1,119
2003	2,114,078,568	193,818,399	115,330,004	78,488,395	3.71%	1,068
2004	2,182,337,973	184,549,800	111,306,574	73,243,226	3.36%	1,010
2005	2,134,545,304	178,806,711	105,737,075	73,069,636	3.42%	1,006
2006	2,213,839,948	227,706,776	123,183,846	104,522,930	4.72%	1,439
2007	2,300,886,160	286,659,775	178,667,598	107,992,177	4.69%	1,483
2008	2,183,048,645	266,829,357	166,599,233	100,230,124	4.59%	1,376
2009	2,176,247,400	274,287,535	163,713,284	110,574,250	5.08%	1,463
2010	2,220,181,556	266,933,790	156,146,773	110,787,017	4.99%	1,466
2011	2,239,927,925	252,641,967	151,894,478	100,747,489	4.50%	1,422
2012	2,222,588,846	301,229,983	172,739,520	128,490,463	5.78%	1,814
2013	2,181,176,410	290,699,645	166,125,509	124,574,136	5.71%	1,758
2014	2,144,938,410	275,767,390	158,169,811	117,597,579	5.48%	1,660
2015	2,148,473,062	258,631,665	148,914,439	109,717,226	5.11%	1,549
2016	2,150,271,230	308,597,307	190,440,648	118,156,659	5.50%	1,668
2017	2,174,853,025	286,628,777	177,913,124	108,715,653	5.00%	1,534

**TOTAL DEBT BALANCES BY YEAR**  
**FISCAL YEARS 2018-2037**

<b>First Day of Fiscal Year</b>	<b>General Fund Debt</b>	<b>Water/Sewer Fund Debt</b>	<b>Internal Service Funds Debt</b>	<b>Total Debt</b>
2018	108,715,653	175,242,404	2,670,720	286,628,777
2019	101,283,714	167,799,571	2,224,156	271,307,441
2020	92,906,584	157,146,153	1,871,320	251,924,057
2021	83,853,581	145,591,566	1,505,593	230,950,740
2022	74,562,686	134,248,288	911,162	209,722,136
2023	66,970,119	121,313,510	517,849	188,801,478
2024	59,443,906	108,565,705	285,167	168,294,778
2025	52,417,043	94,799,446	284,928	147,501,417
2026	45,347,559	80,825,425	284,690	126,457,674
2027	38,185,382	67,372,031	284,408	105,841,821
2028	31,789,062	54,884,140	284,062	86,957,264
2029	26,375,051	43,103,176	0	69,478,227
2030	21,626,279	32,684,004	0	54,310,283
2031	15,726,706	24,212,561	0	39,939,267
2032	10,584,234	16,283,227	0	26,867,461
2033	5,329,294	10,812,340	0	16,141,634
2034	4,094,259	7,043,943	0	11,138,202
2035	2,796,306	3,203,694	0	6,000,000
2036	2,796,306	1,641,893	0	4,438,199
2037	0	0	0	0

## DESCRIPTION OF TERMS USED IN THIS BOOK

**Account:** A separate financial reporting unit for budgeting, management, or accounting purposes. All budgetary transactions, whether revenue or expenditure, are recorded in accounts.

**Account Group:** A group of similarly related expenditure accounts such as Personal Services, which includes salaries, overtime, pension, 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 using 1983 market values as the base.

**Balanced Budget:** For the City budget to be legally balanced, revenues plus an amount of existing prior years' surpluses, if any, must equal operating expenditures plus any existing deficits.

**BAN (Bond Anticipation Note):** A short-term 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 matches its basis of budgeting to its basis of accounting.

**Bond:** A written promise to pay a specified sum of money, called the face value or principal amount, at specified dates, called the maturity dates, together with periodic interest at a specified rate. The City incurs bonded debt to pay for the costs of capital improvements, such as streets, buildings, and water mains.

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

(continued)

**Budget:** Plan of financial operation, embodying an estimate of proposed expenditures for a given period and the proposed revenue estimates of financing them. Upon approval by Council, the budget ordinance is the legal basis for expenditures in the budget year.

**Budget Ordinance:** An ordinance by which the appropriations in the budget are given legal effect. It is the method by which the expenditures side of the budget is enacted into law by City Council.

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

**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 and a cost of at least \$5,000.

**Capitalization:** In the Water/Sewer and Internal Services Funds fixed asset acquisitions are budgeted; however, in accordance with the Government Accounting Standards Board, these amounts are subsequently reversed through the capitalization account and not included in totals. This is done because the purchase of fixed assets in Enterprise Funds is not considered an expense, but for appropriation purposes the purchase needs to be specified for City Council and the public.

**Capital Program:** A six-year plan for the purchase of property, equipment (fixed assets) and public improvements that are of a permanent nature.

**Cash Basis:** The basis of accounting in which revenues and expenses are recorded when cash is collected or paid out, not when earned or incurred.

**CDBG:** The City's Community Development Block Grant from the United States Department of Housing and Urban Development (HUD). These monies are specifically designated to revitalize targeted underdeveloped areas of the City, remove artificial barriers and improve slum areas.

**City Charter:** The document issued by the State of Delaware which defines the City's purpose and privileges, and outlines its principles, functions, and organization.

**Contingent Reserves:** Funds set aside as a reserve for unplanned operating expenses and snow and weather emergencies.

**Debt Limit:** A statutory limit on the amount of debt that an issuer may incur or have outstanding.

**Debt Service:** Principal and interest payments on borrowed funds.

**Deficit:** This occurs when total expenditures for an entity exceed total revenues.

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

(continued)

**DE-LEAD:** is a federal grant from the Department of Housing and Urban Development to support lead-based paint hazard control in low-income and moderate-income owner-occupied and rental properties.

**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.

**Encumbrance:** Any commitment of funds against an appropriation. It may be in the form of a purchase order or a contract. Encumbrance accounting is formally integrated into the accounting system for expenditure control purposes. Until such time as the goods or services are received, the commitment is referred to as an encumbrance. Encumbered balances at year-end, with the authority of the Finance Director, may be re-appropriated into the subsequent year.

**Expenditure/Expense:** A decrease in net financial resources, such as for the payment of goods received or services rendered.

**Financial Statements:** The medium used to communicate accounting information about an entity. The basic elements (building blocks) of financial statements are assets, liabilities, equity, revenues, expenses, gains, and losses.

**Fiscal:** Pertaining to the finances of an entity, such as the City.

**Fiscal Year:** The twelve month period of time between July 1 and June 30 established as the operating and accounting time frame for City activities. The term fiscal year is often abbreviated as "FY".

**Fixed Asset:** A tangible resource or thing with a relatively long life expectancy, requiring a substantial financial outlay and usually large scale in nature, such as buildings, streets and water pipes.

**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 four major funds: General, Water/Sewer, Special, and Internal Services.

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

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

(continued)

*Non-spendable Fund Balance* – Amounts that cannot be spent either because they are in a non-spendable form or because they are legally or contractually required to be maintained intact.

*Restricted Fund Balance* – Amounts that can be spent only for specific purposes because of the City Charter, City Code, State or federal laws, or externally imposed conditions by grantors or creditors.

*Committed Fund Balance* – Amounts that can be used only for specific purposes determined by a formal action by City Council ordinance or resolution. This includes the Budget Reserve Account.

*Assigned Fund Balance* – Amounts that are allocated for a future use by the Mayor, but are not spendable until a budget ordinance appropriating the amounts is passed by City Council.

*Unassigned Fund Balance* – All amounts not included in other spendable classifications.

**FY:** Abbreviation for “Fiscal Year”.

**GAAP (Generally Accepted Accounting Principles):** Uniform minimum standards and guidelines for financial accounting and reporting. The primary authoritative body on the application of GAAP to state and local governments is the Government Accounting Standards Board (GASB).

**GASB (Government Accounting Standards Board):** The regulatory body over governmental accounting principles and practices.

**General Obligation Bonds:** A bond that is secured by the full faith and credit of the City, with debt service from the bond being paid from City tax revenues. Such bonds are issued for the purpose of financing city capital improvement projects over a long period of time, usually 20 years.

**Goal:** A broad statement of intended accomplishments or a description of a general condition deemed desirable.

**GFOA (Government Finance Officers Association):** A professional association of state/provincial and local finance officers whose members are dedicated to the sound management of government financial resources and operations.

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

**HOPWA:** A grant entitled Housing Opportunities for Persons With AIDS received from the United States Department of Housing and Urban Development to address the housing concerns of this growing segment of the population.

**Internal Services:** A combination of various services internally supplied to all departments and reimbursed on a per usage basis. These activities include the Administrative Services 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.

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

(continued)

**Internal Service Chargebacks:** The group of accounts that record the costs that are charged to user departments for goods and services provided by the Internal Services.

**Indirect Costs:** Reimbursement payments from Enterprise Funds to the General Fund for general administrative services that the General Fund has provided such as accounting, legal advice and payroll.

**Infrastructure:** Facilities on which the continuance and growth of a community depend, such as streets, water/sewer lines, etc.

**Initiative:** A new program implemented to achieve a specific goal or objective.

**Interest:** The expense charged for a loan, usually a percentage of the amount borrowed.

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

**Long Term Debt:** Debt with a maturity of more than one year after the date of issuance.

**M., S. & E (Materials, Supplies and Equipment):** The account group of expenses for goods and services needed to perform day-to-day operations such as equipment, contracted maintenance, repairs or consulting fees.

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

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

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

**Operating Budget:** The current year estimated revenues and expenditures for the day-to-day operations of the City.

**Operating Transfer:** A legally authorized movement of cash or equity from one fund to another, usually between the Water/Sewer Fund and 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 Measures:** Statistical indicators of the relative success toward achieving an objective.



## DESCRIPTION OF TERMS USED IN THIS BOOK

(continued)

**Personal Services:** Includes salaries and all other human resource related allotments, such as overtime, medical insurance, social security, etc.

**Principal:** The face amount of a note or bond, which the issuer promises to pay.

**Projections (Revenues/Expenditures):** An estimate of revenues or expenditures based on trend analysis, the study of economic conditions, and patterns of spending and income generation.

**Property Tax:** A levy based on a set percentage of the assessed value of real estate.

**Property Tax Base:** The value of all taxable real property in the City, as certified by the New Castle County Board of Assessment. The tax base represents the net value after all abatements and exemptions.

**Proprietary Funds:** Funds that focus on the determination of operating income, changes in net assets (or cost recovery), financial position, and cash flows. The City has two different types of proprietary funds: the Water/Sewer Fund and the Internal Services Funds.

**Revenue:** Income received from sources such as tax payments, fees from specific services, receipts from other governments, fines, forfeitures, grants and interest.

**Revenue Bonds:** A bond that is repaid and secured by the expected revenues from the project being financed or the entity doing the borrowing, such as a water/sewer system, and not by taxes.

**Risk Management/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.

**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.

**Unassigned Fund Balance:** See Fund Balance.

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